

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF ELECTRIC UTILITIES (MAJOR AND NON-MAJOR)

This form is authorized by 1919 PA 419, as amended, authorizes this form being MCL 460.51 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you violation of the Acts.

Report submitted for year ending: December 31, 2012																	
Present name of respondent: Upper Peninsula Power Company																	
Address of principal place of business: 500 North Washington Street, Ishpeming MI 49849																	
Utility representative to whom inquires regarding this report may be directed: <table><tr><td>Name:</td><td>Keith E. Moyle</td><td>Title:</td><td>Vice President & General Mgr</td></tr><tr><td>Address:</td><td colspan="3">500 North Washington Street</td></tr><tr><td>City:</td><td>Ishpeming</td><td>State:</td><td>MI Zip: 49849</td></tr><tr><td>Telephone, Including Area Code:</td><td colspan="3">906-485-2408</td></tr></table>		Name:	Keith E. Moyle	Title:	Vice President & General Mgr	Address:	500 North Washington Street			City:	Ishpeming	State:	MI Zip: 49849	Telephone, Including Area Code:	906-485-2408		
Name:	Keith E. Moyle	Title:	Vice President & General Mgr														
Address:	500 North Washington Street																
City:	Ishpeming	State:	MI Zip: 49849														
Telephone, Including Area Code:	906-485-2408																
If the utility name has been changed during the past year: Prior Name: Date of Change:																	
Two copies of the published annual report to stockholders: <table><tr><td>[x]</td><td>were forwarded to the Commission</td></tr><tr><td>[]</td><td>will be forwarded to the Commission</td></tr><tr><td></td><td><u>on or about</u></td></tr></table>		[x]	were forwarded to the Commission	[]	will be forwarded to the Commission		<u>on or about</u>										
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	<u>on or about</u>																
Annual reports to stockholders: <table><tr><td>[]</td><td>are published</td></tr><tr><td>[x]</td><td>are not published</td></tr></table>		[]	are published	[x]	are not published												
[]	are published																
[x]	are not published																

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Heather Cantin) at
(517) 241-0967 or cantinh@michigan.gov OR forward correspondence to:

DLARA/MPSC
Financial Analysis & Audit Division (Heather Cantin)
4300 W Saginaw Hwy
Lansing, MI 48917



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Suite 1400
555 East Wells Street
Milwaukee, WI 53202-3824
USA
Tel: +1 414 271 3000
Fax: +1 414 347 6200
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Upper Peninsula Power Company:

We have audited the accompanying financial statements of Upper Peninsula Power Company ("the Company"), which comprise the balance sheet – regulatory basis as of December 31, 2012, and the related statements of income – regulatory basis, retained earnings – regulatory basis, and cash flows – regulatory basis for the year then ended, included on pages 110(M) through 123 of the accompanying Michigan Public Service Commission Form P-521, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the regulatory-basis financial statements referred to above present fairly, in all material respects, the assets, liabilities, and proprietary capital of Upper Peninsula Power Company as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

Basis of Accounting

As discussed in Note A to the financial statements, these financial statements were prepared in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restricted Use

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Michigan Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

April 18, 2013

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1909 PA 106, as amended, being MCL 460.556 et seq. and 1969 PA 306, as amended, being MCL 24.201 et seq., this form is a regulatory support requirement. It is designed to collect financial and operational information from public utilities, licensees and others subject to the jurisdiction of the Michigan Public Service Commission. This report is a nonconfidential public use form.

II. Who Must Submit:

Each major and nonmajor public utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees must submit this form.

NOTE: Major utilities means utilities that had, in each of the last three consecutive years, sales or transmission service that exceeded any one or more of the following:

- (a) one million megawatt-hours of total sales;
- (b) 100 megawatt-hours of sales for resale;
- (c) 500 megawatt-hours of gross interchange out; or
- (d) 500 megawatt-hours of wheeling for others (deliveries plus losses)

III. What and Where to Submit:

(a) **Submit an original copy of this form to:**

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy.
Lansing, MI 48917

Retain one copy of this report for your files. Also submit the electronic version of this record to Heather Cantin at the address below or to cantinh@michigan.gov

- (b) Submit immediately upon publication, one (1) copy of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analyst, or industry association. Do not include monthly and quarterly reports. If reports to stockholders are not prepared, enter "NA" in column (c) on Page 4, the List of Schedules.) Mail these reports to:

Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report:

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

<u>Schedules</u>	<u>Reference Page</u>
Comparative Balance Sheet	110 - 113
Statement of Income	114 - 117
Statement of Retained Earnings	118 - 119
Statement of Cash Flows	120 - 121
Notes to Financial Statements	122 - 123

When accompanying this form, insert the letter or report immediately following the cover sheet. Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under the date of _____ we have also reviewed schedules _____ of Form P-521 for the year filed with the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (d) Federal, state, and local governments and other authorized user may obtain additional blank copies to meet their requirements for a charge from:

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

IV. When to Submit

Submit this report form on or before April 30 of the year following the year covered by this report.

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (USOA). Interpret all accounting words and phrases in accordance with the USOA.
- II. Enter in whole number (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required). The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances

at the end of the current reporting year, and use for statement of income accounts the current year's accounts.


- III.** Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV.** For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
 - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4 and 5.
- V.** Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. Additional copies must be clear and readable.
- VI.** Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (See VIII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VII.** Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
- VIII.** When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission (Financial Analysis & Audit Division)
Financial Analysis and Customer Choice Section
4300 W. Saginaw Hwy
Lansing, MI 48917
- IX.** Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X.** Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI.** Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII.** Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of the preprinted schedules if they are in substantially the same format.
- XIII.** A copy of the FERC Annual Report Form is acceptable to substitute for the same schedules of this report.

DEFINITIONS

- I.** Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the date of the authorization.
- II.** Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

MPSC FORM P-521

ANNUAL REPORT OF ELECTRIC UTILITIES, LICENSEES AND OTHERS (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent Upper Peninsula Power Company		02 Year of Report December 31, 2012
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, St., Zip) 500 North Washington Street, Ishpeming, MI 49849		
05 Name of Contact Person Keith E. Moyle	06 Title of Contact Person Vice President & General Manager	
07 Address of Contact Person (Street, City, St., Zip) 500 North Washington Street, Ishpeming, MI 49849		
08 Telephone of Contact Person, Including Area Code: (906) 485-2408	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da,Yr) December 31, 2012
ATTESTATION		
<p>The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.</p>		
01 Name Keith E. Moyle	03 Signature 	04 Date Signed (Mo, Da,Yr) April 30, 2013
02 Title Vice President & General Manager		

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
LIST OF SCHEDULES (Electric Utility)			
1. Enter in column (c) the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".		2. The "M" prefix below denotes those pages where the information requested by the MPSC differs from that requested by FERC. Each of these pages also contains the "M" designation on the page itself.	
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
<p style="text-align: center;">GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</p> <p>General Information 101</p> <p>Control Over Respondent & Other Associated Companies M 102</p> <p>Corporations Controlled by Respondent 103 See FERC Form 1, Page 103</p> <p>Officers and Employees M 104</p> <p>Directors M 105</p> <p>Security Holders and Voting Powers M 106-107</p> <p>Important Changes During the Year 108-109 See FERC Form 1, Pages 108-109</p> <p>Comparative Balance Sheet M 110-113 See FERC Form 1, Pages 110-113</p> <p>Statement of Income for the Year 114-117 See FERC Form 1, Pages 114-117</p> <p>Statement of Retained Earnings for the Year 118-119</p> <p>Statement of Cash Flows 120-121 See FERC Form 1, Pages 120-121</p> <p>Notes to Financial Statements 122-123 See FERC Form 1, Pages 122-123</p> <p style="text-align: center;">BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</p> <p>Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion 200-201 See FERC Form 1, Pages 200-201</p> <p>Nuclear Fuel Materials 202-203 None</p> <p>Electric Plant in Service M 204-211 See FERC Form 1, Pages 204-207</p> <p>Electric Plant Leased to Others 213 None</p> <p>Electric Plant Held for Future Use 214 None</p> <p>Construction Work in Progress - Electric M 216</p> <p>Construction Overheads - Electric 217</p> <p>General Description of Construction Overhead Procedure M 218</p> <p>Accumulated Provision for Depreciation of Electric Utility Plant M 219 See FERC Form 1, Page 219</p> <p>Nonutility Property M 221</p> <p>Investment in Subsidiary Companies 224-225 See FERC Form 1, Pages 224-225</p> <p>Materials and Supply 227 See FERC Form 1, Page 227</p> <p>Allowances 228-229 None</p> <p>Extraordinary Property Losses 230B None</p> <p>Unrecovered Plant and Regulatory Study Costs 230B None</p> <p>Other Regulatory Assets M 232 See FERC Form 1, Page 232</p> <p>Miscellaneous Deferred Debits M 233 See FERC Form 1, Page 233</p> <p>Accumulated Deferred Income Taxes (Account 190) M 234A-B</p> <p style="text-align: center;">BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)</p> <p>Capital Stock 250-251 See FERC Form 1, Pages 250-251</p> <p>Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments Received on Capital Stock 252</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)	Year of Report
Upper Peninsula Power Company	(2) <input type="checkbox"/> A Resubmission	April 30, 2013	December 31, 2012

LIST OF SCHEDULES (Electric Utility) (Continued)		
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)		
Other Paid-In Capital	253	
Discount on Capital Stock	254	None
Capital Stock Expense	254	None
Long-Term Debt	256-257	See FERC Form 1, Pages 256-257
Reconciliation of Reported Net Income with Taxable Income for Federal Income Tax	M 261A-B	
Calculation of Federal Income Tax		
Taxes Accrued, Prepaid and Charged During Year	M 262-263	See FERC Form 1, Pages 262-263
Distribution of Taxes Charged	M 262-263	See FERC Form 1, Pages 262-263
Accumulated Deferred Investment Tax Credits	266-267	See FERC Form 1, Pages 266-267
Other Deferred Credits	269	See FERC Form 1, Page 269
Accumulated Deferred Income Taxes - Accelerated Amortization Property	M 272-273	None
Accumulated Deferred Income Taxes - Other Property	M 274-275	See FERC Form 1, Pages 274-275
Accumulated Deferred Income Taxes - Other	M 276A-B	
Other Regulatory Liabilities	M 278	See FERC Form 1, Page 278
THE ACCOUNT SUPPORTING SCHEDULES		
Electric Operating Revenues	M 300-301	See FERC Form 1, Pages 300-301
Sales of Electricity by Rate Schedules	304	See FERC Form 1, Page 304
Sales for Resale	310-311	See FERC Form 1, Pages 310-311
Electric Operation and Maintenance Expenses	320-323	See FERC Form 1, Pages 320-323
Number of Electric Department Employees	323	
Purchased Power	326-327	See FERC Form 1, Pages 326-327
Transmission of Electricity for Others	328-330	None
Transmission of Electricity by Others	332	See FERC Form 1, Page 332
Miscellaneous General Expenses - Electric	M 335	See FERC Form 1, Page 335
Depreciation and Amortization of Electric Plant	M 336-337	See FERC Form 1, Pages 336-337
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340	
COMMON SECTION		
Regulatory Commission Expenses	350-351	See FERC Form 1, Pages 350-351
Research, Development and Demonstration Activities	352-353	None
Distribution of Salaries and Wages	354-355	See FERC Form 1, Pages 354-355
Common Utility Plant and Expenses	356	None
ELECTRIC PLANT STATISTICAL DATA		
Monthly Transmission System Peak Load	M 400	None
Electric Energy Account	401	See FERC Form 1, Page 401a
Monthly Peaks and Output	401	See FERC Form 1, Page 401b
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	See FERC Form 1, Pages 402-403
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	See FERC Form 1, Pages 406-407
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	None
Generating Plant Statistics (Small Plants)	410-411	See FERC Form 1, Page 410-411

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)	Year of Report
Upper Peninsula Power Company	(2) <input type="checkbox"/> A Resubmission	April 30, 2013	December 31, 2012

LIST OF SCHEDULES (Electric Utility) (Continued)		
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
ELECTRIC PLANT STATISTICAL DATA (Continued)		
Transmission Line Statistics	422-423	None
Transmission Lines Added During Year	424-425	None
Substations	426-427	See FERC Form 1, Pages 426-427
Electric Distribution Meters and Line Transformers	429	
Environmental Protection Facilities	430	Filing Not Required
Environmental Protection Expenses	431	Filing Not Required
Footnote Data	450	
Stockholders' Report	---	
MPSC SCHEDULES		
Reconciliation of Deferred Income Tax Expense	117A-B	
Operating Loss Carry Forward	117C	None
Plant Acquisition Adjustments and Accumulated Provision for Amortization of Plant Acquisition Adjustments	215	
Construction Work In Progress and Completed Construction Not Classified - Electric	216	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	
Investments	222-223	
Notes & Accounts Receivable Summary for Balance Sheet	226A	
Accumulated Provision for Uncollectible Accounts - Credit	226A	
Receivables From Associated Companies	226B	
Production Fuel and Oil Stocks	227A-B	
Miscellaneous Current and Accrued Assets	230A	
Preliminary Survey and Investigation Charges	231A-B	None
Deferred Losses fro Disposition of Utility Plant	235A-B	None
Unamortized Loss and Gain on Reacquired Debt	237A-B	
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	None
Notes Payable	260A	None
Payables to Associated Companies	260B	
Investment Tax Credits Generated and Utilized	264-265	Pages Eliminated by MPSC
Miscellaneous Current and Accrued Liabilities	268	
Customer Advances for Construction	268	
Deferred Gains from Disposition of Utility Plant	270A-B	None
Accumulated Deferred Income Taxes - Temporary	277	None
Gain or Loss on Disposition of Property	280A-B	
Income from Utility Plant Leased to Others	281	None
Particulars Concerning Certain Other Income Accounts	282	
Electric Operation and Maintenance Expenses (Nonmajor)	320N-324N	Not Applicable
Number of Electric Department Employees	324N	Not Applicable
Sales to Railroads & Railways and Interdepartmental Sales	331A	None
Rent From Electric Property & Interdepartmental Rents	331A	
Sales of Water and Water Power	331B	Not Applicable
Misc. Service Revenues & Other Electric Revenues	331B	
Lease Rentals Charged	333A-D	None
Expenditures for Certain Civic, Political and Related Activities	341	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
MPSC SCHEDULES (Continued)			
Extraordinary Items	342	None	
Charges for Outside Professional and Other Consultative Services	357		
Summary of Costs Billed to Associated Companies	358-359		
Summary of Costs Billed from Associated Companies	360-361		
Monthly Transmission System Peak Load	400	Not Applicable	
Changes Made or Scheduled to be Made in Generating Plant Capacities	412		
Steam-Electric Generating Plants	413A-B	None	
Hydroelectric Generating Plants	414-415		
Pumped Storage Generating Plants	416-418	None	
Internal Combustion Engine and Gas Turbine Generating Plants	420-421		

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
GENERAL INFORMATION			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>Keith E. Moyle, 500 North Washington Street, Ishpeming, MI 49849</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.</p> <p>Incorporated February 26, 1947, under the laws of the State of Michigan Act 237 of Public Acts of 1931.</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>Not Applicable</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.</p> <p>Respondent only operates in the State of Michigan and is engaged in the business of generating, purchasing, distributing, and selling electricity.</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter date when such independent accountant was initially engaged: _____.</p> <p>(2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
<p>1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p> <p>2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.</p>			
<p>1. Upper Peninsula Power Company is a wholly-owned subsidiary of Integrys Energy Group, Inc. ("Holding Company").</p>			

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4	
CORPORATIONS CONTROLLED BY RESPONDENT				
1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote. 2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved. 3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.				
Definitions 1. See the Uniform System of Accounts for a definition of control. 2. Direct control is that which is exercised without interposition of an intermediary. 3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control. 4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.				
Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	WPS Investments LLC	Company which holds	2.49%	
2		Respondent's investments in		
3		American Transmission Co.		
4				
5				
6	*Jointly owned by Respondent (approximately			
7	2%); holding company, Integrys Energy Group,			
8	Inc. (approximately 86%); and, another utility			
9	subsidiary, Wisconsin Public Service Corp.			
10	(approximately 12%). Respondent became a			
11	member on June 29, 2001.			
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012		
Upper Peninsula Power Company					
OFFICERS AND EMPLOYEES					
<p>1. Report below the name, title and salary for the five executive officers</p> <p>2. Report in column (b) salaries and wages accrued during the year including deferred compensation.</p> <p>3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent. Provide type code for other compensation in column (d).</p> <p>4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.</p> <p>5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.</p>					
Line	Name and Title	Base Wages	Other Compensation	Type of Other Compensation	Total Compensation
	(a)	(b)	(c)	(d)	(e)
1	Lawrence T. Borgard Chief Executive Officer	None	None	None	0
2	Charles A. Cloninger President	None	None	None	0
3	Keith E. Moyle Vice President & General Manager	\$159,148	\$158,161	B, C, D	\$317,309
4	William J. Guc Vice President & Treasurer	None	None	None	None
5	James F. Schott Vice President - External Affairs	None	None	None	None
6	Jodi J. Caro Secretary	None	None	None	None
7	Dane E. Allen Assistant Secretary	None	None	None	None
Footnote Data					
1	Lawrence T. Borgard's salary is paid by Integrys Business Support, LLC. It is not reported here.				
2	Charles A. Cloninger's salary is paid by Wisconsin Public Service Corporation. It is not reported here.				
3	Salary for the year includes elective deferred compensation, FASB ASC Topic 718 Stock Compensation expense, change in pension value, above market earning compensation, incentives, and company contributions under the Employee Stock Ownership Plan and Trust.				
4	William J. Guc's salary is paid by Integrys Business Support, LLC. It is not reported here.				
5	James F. Schott's salary is paid by Integrys Business Support, LLC. It is not reported here.				
6	Jodi J. Caro's salary is paid by Integrys Business Support, LLC. It is not reported here.				
7	Dane E. Allen's salary is paid by Integrys Business Support, LLC. It is not reported here.				
Compensation Type Codes: A = Executive Incentive Compensation B = Incentive Plan (Matching Employer Contribution) C = Stock Plans D = Other Reimbursements					

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
DIRECTORS			
<p>1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.</p> <p>2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.</p>			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c) (2)	Fees During Yr (d) (3)
1 Lawrence T. Borgard, President & Chief Operating Officer - Utilities	Integrus Energy Group, Inc. 700 North Adams Street Green Bay, WI 54301	5	None
2 Joseph P. O'Leary Senior Vice President & CFO	Integrus Energy Group, Inc. 130 East Randolph Street Chicago, IL 60601	6	None
3 James F. Schott Vice President, External Affairs	Integrus Energy Group, Inc. 700 North Adams Street Green Bay, WI 54301	5	None
4 Keith E. Moyle Vice President and General Manager	Upper Peninsula Power Company 500 North Washington Street Ishpeming, MI 49849	6	None
5 Barbara A. Nick Sr. Vice President - Energy Delivery and Customer Service	Wisconsin Public Service Corporation 700 North Adams Street Green Bay, WI 54301	1	None
6 Charles A. Schrock Chairman, President and Chief Executive Officer	Integrus Energy Group, Inc. 700 North Adams Street Green Bay, WI 54301	6	None
7 Charles A. Cloninger President	Wisconsin Public Service Corporation 700 North Adams Street Green Bay, WI 54301	6	None
<p><u>Footnote Data</u></p> <p>5 Barbara A. Nick was removed as director on February 19, 2012.</p> <p>6 Charles A. Cloninger was appointed director on February 19, 2012.</p>			

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
SECURITY HOLDERS AND VOTING POWERS			
<p>1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.</p> <p>1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.</p> <p>2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.</p> <p>4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.</p>			
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p>Stock books are not closed.</p>			
<p>2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:</p> <p>Total: 1,473,736</p> <p>By Proxy: 0</p>			
<p>3. Give the date and place of such meeting:</p> <p>Directors were elected May 10, 2012 via unanimous consent of the sole shareholder in lieu of an annual meeting.</p>			

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2013		December 31, 2012	
SECURITY HOLDERS AND VOTING POWERS (Continued)							
Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES					
		Number of votes as of (date):					
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)		
4	TOTAL votes all voting securities		1,473,736				
5	TOTAL number of security holders		1				
6	TOTAL votes of security holders listed below		1,473,736				
7	Integrus Energy Group, Inc.		1,473,736				
8	130 East Randolph Street						
9	Chicago, IL 60601						
10							
11							
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35							
<u># RESPONSE/NOTES TO INSTRUCTION #</u> 2 3 4							

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2012	Year/Period of Report End of 2012/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</p> <p>6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. (Reserved.)</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.</p> <p>13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.</p> <p>14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.</p>			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None.
2. None.
3. None.
4. None.
5. None.
6. Short Term Notes Payable to Affiliates \$11,925,000 FERC authorization, Federal Power Act - Section 204 - Docket ES11-24-000.
7. There were no changes in the articles of incorporation of by-laws during this period.
8. Union employees recieved a 3% general wage increase effective April 15, 2012. Non-union employees received a 3% wage adjustment on February 19, 2012.
9. None.
10. There was no materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Reserved.
12. None.
13. Barbara A. Nick was removed as Director and President of the company on February 19, 2012; Charles A Cloninger was appointed Director and President of the company on February 19, 2012. Barth J. Wolf was removed as Secretary of the company on September 30, 2012; Jodi J. Caro was appointed Secretary on September 30, 2012. There were no changes in major security holders and voting powers during this reporting period.
14. We do not participate in a cash management program in which money is advanced to parent, subsidiary, or affiliated companies and our proprietary capital ratio is > 30%.

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	254,047,822	244,237,664
3	Construction Work in Progress (107)	200-201	6,446,777	5,463,622
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		260,494,599	249,701,286
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	102,505,072	97,108,024
6	Net Utility Plant (Enter Total of line 4 less 5)		157,989,527	152,593,262
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		157,989,527	152,593,262
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		8,640,805	8,148,005
19	(Less) Accum. Prov. for Depr. and Amort. (122)		1,092,177	1,258,315
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	15,823,015	15,377,661
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		23,371,643	22,267,351
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		879,425	688,286
36	Special Deposits (132-134)		1,440,352	241,670
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		9,422,759	8,935,064
41	Other Accounts Receivable (143)		2,092,601	2,632,018
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		574,000	260,000
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		37,293	146,053
45	Fuel Stock (151)	227	570,651	548,606
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	1,021,027	993,183
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	6,056	181,773
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		1,757,478	6,759,243
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		4,948,183	4,760,204
62	Miscellaneous Current and Accrued Assets (174)		5,036,210	5,110,790
63	Derivative Instrument Assets (175)		895,802	1,007,275
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		27,533,837	31,744,165
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		29,442	34,489
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	78,758,932	78,459,186
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	406,619	381,342
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		2,765,827	3,239,969
82	Accumulated Deferred Income Taxes (190)	234	7,274,980	5,818,552
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		89,235,800	87,933,538
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		298,130,807	294,538,316

Name of Respondent Upper Peninsula Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2012	Year/Period of Report end of 2012/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		27,350	180,438
48	Miscellaneous Current and Accrued Liabilities (242)		1,884,554	2,689,740
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		32,451,025	31,870,193
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		3,296,332	4,193,459
57	Accumulated Deferred Investment Tax Credits (255)	266-267	1,972,537	2,176,160
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	2,243,931	2,338,941
60	Other Regulatory Liabilities (254)	278	984,461	914,511
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		50,190,034	40,287,068
64	Accum. Deferred Income Taxes-Other (283)		18,259,757	17,376,531
65	Total Deferred Credits (lines 56 through 64)		76,947,052	67,286,670
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		298,130,807	294,538,316

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 112 Line No.: 48 Column: c

Included in this account are short-term balances of pension and post-retirement obligations of \$201,072. These items previously had been recorded as Other Deferred Credits in account 253.

Schedule Page: 112 Line No.: 48 Column: d

Included in this account are short-term balances of pension and post-retirement obligations of \$236,259. These items previously had been recorded in Other Deferred Credits in Account 253.

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	109,722,396	107,977,037		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	68,349,741	72,879,235		
5	Maintenance Expenses (402)	320-323	8,068,328	9,081,782		
6	Depreciation Expense (403)	336-337	7,630,499	7,434,869		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	152,145	150,141		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	106,796	106,797		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		1,193,472	813,210		
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	5,654,184	5,230,370		
15	Income Taxes - Federal (409.1)	262-263	-1,754,247	-9,808,118		
16	- Other (409.1)	262-263	-636,789	-947,314		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	22,577,266	38,840,388		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	14,272,263	25,578,040		
19	Investment Tax Credit Adj. - Net (411.4)	266	-195,375	388,564		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		96,873,757	98,591,884		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		12,848,639	9,385,153		

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.

10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.

11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.

13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.

14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.

15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
109,722,396	107,977,037					2
						3
68,349,741	72,879,235					4
8,068,328	9,081,782					5
7,630,499	7,434,869					6
						7
152,145	150,141					8
106,796	106,797					9
1,193,472	813,210					10
						11
						12
						13
5,654,184	5,230,370					14
-1,754,247	-9,808,118					15
-636,789	-947,314					16
22,577,266	38,840,388					17
14,272,263	25,578,040					18
-195,375	388,564					19
						20
						21
						22
						23
						24
96,873,757	98,591,884					25
12,848,639	9,385,153					26

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012		Year/Period of Report End of 2012/Q4	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		12,848,639	9,385,153			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)						
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)						
33	Revenues From Nonutility Operations (417)		727,895	906,777			
34	(Less) Expenses of Nonutility Operations (417.1)		563,253	875,470			
35	Nonoperating Rental Income (418)		350	2,150			
36	Equity in Earnings of Subsidiary Companies (418.1)	119	2,200,035	2,112,657			
37	Interest and Dividend Income (419)		1,788	-8,824			
38	Allowance for Other Funds Used During Construction (419.1)			-2,675			
39	Miscellaneous Nonoperating Income (421)		162,313	371,735			
40	Gain on Disposition of Property (421.1)		63,719	32,750			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		2,592,847	2,539,100			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)		3,220	11			
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		59,245	71,232			
46	Life Insurance (426.2)						
47	Penalties (426.3)		75	1,522			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		21,594	23,567			
49	Other Deductions (426.5)		272,090	197,638			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		356,224	293,970			
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	222,743	221,990			
53	Income Taxes-Federal (409.2)	262-263	-23,583	287,651			
54	Income Taxes-Other (409.2)	262-263	162,127	-331			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	1,839,176	1,999,214			
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	1,127,306	1,359,352			
57	Investment Tax Credit Adj.-Net (411.5)		-8,247	12,502			
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		1,064,910	1,161,674			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		1,171,713	1,083,456			
61	Interest Charges						
62	Interest on Long-Term Debt (427)			730,066			
63	Amort. of Debt Disc. and Expense (428)		5,047	7,838			
64	Amortization of Loss on Required Debt (428.1)		474,142	81,284			
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)		2,896,926	2,601,464			
68	Other Interest Expense (431)		163,302	209,104			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)			-902			
70	Net Interest Charges (Total of lines 62 thru 69)		3,539,417	3,630,658			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		10,480,935	6,837,951			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		10,480,935	6,837,951			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 2 Column: g

Includes \$686,031 for FERC Order 668-A.

Schedule Page: 114 Line No.: 2 Column: h

Includes \$436,103 for FERC Order 668-A.

Schedule Page: 114 Line No.: 4 Column: g

Includes \$686,031 for FERC Order 668-A.

Schedule Page: 114 Line No.: 4 Column: h

Includes \$436,103 for FERC Order 668-A.

Schedule Page: 114 Line No.: 67 Column: c

Interest on Long Term Debt to Associated Companies	\$2,816,503
Interest on Short Term Debt to Associated Companies	80,423
	<u>\$2,896,926</u>

Schedule Page: 114 Line No.: 67 Column: d

Interest on Long Term Debt to Associated Companies	\$2,526,683
Interest on Short Term Debt to Associated Companies	74,781
	<u>\$2,601,464</u>

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
RECONCILIATION OF DEFERRED INCOME TAX EXPENSE			
1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. 2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.		In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.	
Line No.	Electric Utility	Gas Utility	
1 Debits to Account 410 from:			
2 Account 190	8,597,424		
3 Account 281			
4 Account 282	8,635,797		
5 Account 283	5,344,045		
6 Account 284			
7 Reconciling Adjustments			
8 TOTAL Account 410.1 (on pages 114-115 line 17)	22,577,266	0	
9 TOTAL Account 410.2 (on page 117 line 55)			
10 Credits to Account 411 from:			
11 Account 190	(6,213,391)		
12 Account 281			
13 Account 282	(1,406,243)		
14 Account 283	(6,652,630)		
15 Account 284			
16 Reconciling Adjustments			
17 TOTAL Account 411.1 (on page 114-115 line 18)	(14,272,264)	0	
18 TOTAL Account 411.2 (on page 117 line 56)			
19 Net ITC Adjustment:			
20 ITC Utilized for the Year DR			
21 ITC Amortized for the Year CR	(195,376)		
22 ITC Adjustments:			
23 Adjust last year's estimate to actual per filed return			
24 Other (specify)			
25 Net Reconciling Adjustments Account 411.4*	(195,376)	0	
26 Net Reconciling Adjustments Account 411.5**			
27 Net Reconciling Adjustments Account 420***			

* on pages 114-15 line 19

** on page 117 line 57

*** on page 117 line 58

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

RECONCILIATION OF DEFERRED INCOME TAX EXPENSE				
3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages. (b) Identify all contra accounts (other than accounts 190 and 281-284). (c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).				
Other Utility	Total Utility	Other Income	Total Company	Line No.
	8,597,424	231,329	8,819,584	1
				2
				3
	8,635,797	1,473,983	10,109,780	4
	5,344,045	143,033	5,487,078	5
				6
				7
0	22,577,266			8
		1,848,345		9
				10
	(6,213,391)	(229,032)	(6,442,423)	11
				12
	(1,406,243)	(921,220)	(2,327,463)	13
	(6,652,630)	(47,540)	(6,629,685)	14
				15
				16
0	(14,272,264)			17
		(1,197,792)		18
				19
			0	20
	(195,376)	(8,248)	(203,624)	21
				22
			0	23
			0	24
0	(195,376)	(8,248)		25
				26
		0		27

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

STATEMENT OF RETAINED EARNINGS FOR THE YEAR			
1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year. 2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b). 3. State the purpose and amount for each reservation or appropriation of retained earnings. 4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order. 5. Show dividends for each class and series of capital stock. 6. Show separately the State and Federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings) 7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated. 8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		60,491,841
2	Changes (<i>Identify by prescribed retained earnings accounts</i>)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Unrealized gain - equity earnings		2,200,035
5	Credit: Taxes related to unrealized gain on securities		
6	Credit: Minimum pension liability		
7	Credit: Taxes related to Minimum pension liability		
8	TOTAL Credits to Retained Earnings (439)		2,200,035
9	Debit: Redemption of Common Stock		
10	Debit: Loss on Reacquired Preferred Stock - 7.72% Series		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		0
14	Balance Transferred from Income (Account 433 Less Account 418.1)		8,280,900
15	Appropriations of Retained Earnings (Account 436)		
16	Change in Amortization Reserve-Federal in accordance with FERC Order No. 387		
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		0
22	Dividends Declared-Preferred Stock (Account 437)		
23	5.00% Series - \$5.00 per share		
24	5.04% Series - \$5.04 per share		
25	5.08% Series - \$5.08 per share		
26	6.76% Series - \$6.76 per share		
27	6.88% Series - \$6.88 per share		
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		0

Name of Respondent		This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock (Account 438)			
30	Dividends Declared on Common Stock			
31	Dividends of Deferred Comp Fixed Stock	207 & 190	(561)	
32	Deferred Tax on Dividends of Deferred Comp Fixed Stock	238	(8,057)	
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)		(8,618)	
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings		(420,653)	
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		70,543,505	
APPROPRIATED RETAINED EARNINGS (Account 215)				
State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)		0	
APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)				
State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		33,186	
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		33,186	
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		70,576,691	
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)				
47	Balance-Beginning of Year (Debit or Credit)		4,277,638	
48	Equity in Earnings for Year (Credit) (Account 418.1)		2,200,035	
49	(Less) Dividends Received (Debit)		1,779,382	
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)		4,698,291	

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	10,480,935	6,837,951
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	8,003,026	7,790,665
5	Amortization of		
6	Regulatory Assets and Liabilities	2,215,224	776,066
7			
8	Deferred Income Taxes (Net)	9,016,691	13,918,398
9	Investment Tax Credit Adjustment (Net)	-203,623	401,066
10	Net (Increase) Decrease in Receivables	232,864	-471,411
11	Net (Increase) Decrease in Inventory	125,828	-90,322
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-3,912,530	3,207,992
14	Net (Increase) Decrease in Other Regulatory Assets	-1,723,293	2,737,546
15	Net Increase (Decrease) in Other Regulatory Liabilities	273,456	
16	(Less) Allowance for Other Funds Used During Construction		-3,576
17	(Less) Undistributed Earnings from Subsidiary Companies	445,354	410,728
18	Other (provide details in footnote):		
19	Pension Expense and Post Retirement Liability	-15,054,200	-112,148
20	Other changes in working capital besides cash	3,623,113	-5,667,482
21	Other items	810,995	1,505,816
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	13,443,132	30,426,985
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-13,816,693	-15,067,795
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant	-772,523	-578,601
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32	Proceeds from the sale of property	183,960	305,492
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-14,405,256	-15,340,904
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38	Other financing activities	-71,737	-1,247,341
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
STATEMENT OF CASH FLOWS					
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>					
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)		
46	Loans Made or Purchased				
47	Collections on Loans				
48					
49	Net (Increase) Decrease in Receivables				
50	Net (Increase) Decrease in Inventory				
51	Net (Increase) Decrease in Allowances Held for Speculation				
52	Net Increase (Decrease) in Payables and Accrued Expenses				
53	Other (provide details in footnote):				
54					
55					
56	Net Cash Provided by (Used in) Investing Activities				
57	Total of lines 34 thru 55)	-14,476,993	-16,588,245		
58					
59	Cash Flows from Financing Activities:				
60	Proceeds from Issuance of:				
61	Long-Term Debt (b)		10,000,000		
62	Preferred Stock				
63	Common Stock				
64	Other (provide details in footnote):				
65	Equity Contribution Received from Parent	8,500,000	2,000,000		
66	Net Increase in Short-Term Debt (c)				
67	Other (provide details in footnote):				
68	Issuance of Intercompany Notes Payable	4,225,000			
69					
70	Cash Provided by Outside Sources (Total 61 thru 69)	12,725,000	12,000,000		
71					
72	Payments for Retirement of:				
73	Long-term Debt (b)		-9,400,000		
74	Preferred Stock				
75	Common Stock				
76	Other (provide details in footnote):		-3,291,866		
77	Redemption of Intercompany Notes payable		-1,250,000		
78	Net Decrease in Short-Term Debt (c)				
79	Return of Capital to Parent	-11,500,000	-11,500,000		
80	Dividends on Preferred Stock				
81	Dividends on Common Stock				
82	Net Cash Provided by (Used in) Financing Activities				
83	(Total of lines 70 thru 81)	1,225,000	-13,441,866		
84					
85	Net Increase (Decrease) in Cash and Cash Equivalents				
86	(Total of lines 22,57 and 83)	191,139	396,874		
87					
88	Cash and Cash Equivalents at Beginning of Period	688,286	291,412		
89					
90	Cash and Cash Equivalents at End of period	879,425	688,286		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 20 Column: b

Collateral on Deposit	\$1,200,000
Accrued Revenue	(187,979)
Prepaid Taxes	5,012,904
Other IBS	(1,812)
	<u>\$3,623,113</u>

Schedule Page: 120 Line No.: 20 Column: c

Collateral on Deposit	\$ (225,000)
Accrued Revenue	(537,617)
Prepaid Taxes	(4,294,965)
Other Investments	111,394
Current Regulatory Assets	(736,690)
Prepays	(130)
Other IBS	15,526
	<u>\$ (5,667,482)</u>

Schedule Page: 120 Line No.: 76 Column: c

Premium paid on redemption of Long Term Debt.

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2012	Year/Period of Report End of 2012/Q4
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

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NOTES TO FINANCIAL STATEMENTS

NOTE A--FERC FORM 1 REPORTING COMPARED TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The accompanying financial statements have been prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission ("FERC") as set forth in the Uniform System of Accounts and accounting releases, which differs from United States Generally Accepted Accounting Principles ("GAAP"). As required by the FERC, Upper Peninsula Power Company (the "Company" or "UPPCO") classifies certain items in its 2012 Form 1 in a manner different from GAAP, as described below. These items have no impact on the reported net income.

1. Removal costs that do not have an associated legal obligation are recognized as a component of accumulated depreciation, whereas these costs are classified for GAAP as a regulatory liability.
2. Accumulated deferred income taxes are reported as deferred debits and deferred credits and are not netted into short-term or long-term classifications as required by GAAP.
3. The FERC requires transactions for the real-time and day-ahead Regional Transmission Organization ("RTO") administered energy markets to be separately reported for each hour on the statement of income, whereas UPPCO combines the transactions of these two markets for a given hour for GAAP reporting purposes.
4. The FERC financial statement presentation reports unamortized loss on reacquired debt and energy costs receivable or refundable through rate adjustments as deferred debits and current assets and liabilities, whereas the GAAP financial statement presentation reports these balances as regulatory assets and liabilities.
5. The GAAP financial statements are reported in accordance with the Income Taxes Topic of the FASB ASC, whereas the Form 1 is reported in accordance with the FERC-issued accounting guidance. As such, in the Form 1, deferred income taxes are recognized based on the difference between positions taken in tax returns filed and amounts reported in the financial statements and does not report interest and penalties on tax deficiencies as income tax expense.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Nature of Operations

UPPCO is a regulated electric utility company, serving customers in its franchised territory in the Upper Peninsula of Michigan. UPPCO is a wholly owned subsidiary of Integrys Energy Group, Inc. The Company is subject to the jurisdiction of, and regulation, by the Michigan Public Service Commission ("MPSC"), which has general supervisory and regulatory powers over virtually all phases of the public utility industry in Michigan. The Company is also subject to the jurisdiction of the FERC, which regulates wholesale electric rates.

As used in these notes, the term "financial statements" refers to the statement of income, balance sheet, statement of retained earnings, and statement of cash flows, unless otherwise noted.

The term "utility" refers to the regulated activities of UPPCO, while the term "nonutility" refers to the activities of UPPCO that are not regulated.

b. Basis of Presentation

Investments in businesses not controlled by us, but over which we have significant influence regarding the operating and financial policies of the investee, are accounted for using the equity method.

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c. Use of Estimates

UPPCO prepares the financial statements in conformity with the rules and regulations of the FERC. UPPCO makes estimates and assumptions that affect assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

d. Cash and Cash Equivalents

Short-term investments with an original maturity of three months or less are reported as cash equivalents. Cash received for income taxes was \$7,814.4 thousand and \$6,193.0 thousand at December 31, 2012, and 2011, respectively. Cash paid for interest was \$2,896.9 thousand and \$3,331.5 thousand at December 31, 2012, and 2011, respectively.

e. Revenues and Customer Receivables

Revenues related to the sale of energy are recognized when service is provided or energy is delivered to customers. UPPCO also accrues estimated amounts of revenues for services provided or energy delivered but not yet billed to customers. Estimated unbilled revenues are calculated using a variety of judgments and assumptions related to customer class, contracted rates, weather, and customer use. At December 31, 2012, and 2011, UPPCO's unbilled revenues were \$4,948.2 thousand and \$4,760.2 thousand, respectively.

The Company presents revenue net of pass-through taxes on the income statement.

UPPCO has various rate-adjustment mechanisms in place that allow subsequent adjustments to rates for changes in prudently incurred costs. A summary of significant rate-adjustment mechanisms follows:

- Fuel and purchased power costs are recovered from retail electric customers on a one-for-one basis. Most wholesale electric contracts have no automatic fuel and purchase power adjustment clauses.
- Billings to customers under the MPSC jurisdiction include base rate charges and a power supply cost recovery factor. The Company receives MPSC approval each year to recover projected power supply costs by establishment of power supply cost recovery factors. Annually, the MPSC reconciles these factors to actual costs and permits 100% recovery of allowed power supply costs. The Company recognizes any over or under recovery currently in its revenues, and a deferred asset or liability is recognized on the balance sheet until settlement. The deferrals are relieved with additional billings or refunds.
- UPPCO's rates include a decoupling mechanism, which allows it to adjust rates going forward to recover or refund differences between actual and authorized margin.

Revenues are also impacted by other accounting policies related to our participation in the Midwest Independent Transmission Operator, Inc. ("MISO") market. Sales of power are reported as revenue and purchases are recorded as operating expenses in the income statements.

f. Inventories

Inventories consist of plant material and operating supplies, and fossil fuels, including coal. Average cost is used to value materials and supplies and fossil fuels.

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g. Property, Plant, and Equipment

Utility plant is stated at cost, including any associated AFUDC and asset retirement costs. The costs of renewals and betterments of units of property (as distinguished from minor items of property) are capitalized as additions to the utility plant accounts. Maintenance, repair, replacement, and renewal costs associated with items not qualifying as units of property are considered operating expenses. Except for land, no gains or losses are recognized in connection with ordinary retirements of utility property units. The Company charges the cost of units of property retired, sold or otherwise disposed of, less salvage value to accumulated depreciation. The cost of removal associated with the retirement is also charged to accumulated depreciation.

The Company records straight-line depreciation expense over the estimated useful life of utility property, using depreciation rates as approved by the MPSC. The Company's annual utility composite depreciation rates for the years ending December 31, 2012, and 2011, were 3.31% and 3.33%, respectively.

Nonutility property mainly consists of three Escanaba River Hydros (8.94 MW total) purchased from Escanaba Paper Company. Under terms of the purchase agreement, New Page Corporation will purchase all energy produced by the hydros through April 1, 2013.

h. Regulatory Assets and Liabilities

Regulatory assets represent probable future revenue associated with certain costs or liabilities that have been deferred and are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent amounts that are expected to be refunded to customers in future rates or amounts collected in rates for future costs. If at any reporting date a previously recorded regulatory asset is no longer probable of recovery, the regulatory asset is reduced to the amount considered probable of recovery with the reduction charged to expense in the year the determination is made. See Note 3, "Regulatory Assets and Liabilities" for more information.

i. Retirement of Debt

Any call premiums or unamortized expenses associated with refinancing utility debt obligations are amortized consistent with regulatory treatment of those items. Any gains or losses resulting from the retirement of utility debt that is not refinanced are either amortized over the remaining life of the original debt or recorded through current earnings.

j. Asset Retirement Obligations

The Company recognizes at fair value legal obligations associated with the retirement of tangible long-lived assets that result from the acquisition, construction or development, and/or normal operation of the assets. A liability is recorded for these obligations as long as the fair value can be reasonably estimated, even if the timing or method of settling the obligation is unknown. The asset retirement obligations are accreted using a credit-adjusted risk-free interest rate commensurate with the expected settlement dates of the asset retirement obligations. This rate is determined at the date the obligation is incurred. The associated retirement costs are capitalized as part of the related long-lived assets and are depreciated over the useful lives of the assets. Subsequent changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or decrease in the carrying amount of the liability and the associated retirement costs. See Note 6, "Asset Retirement Obligations," for more information.

k. Income Taxes

UPPCO is included in the consolidated United States income tax return filed by Integrys Energy Group. UPPCO is party to a federal and state tax allocation arrangement with Integrys Energy Group and its subsidiaries under which each entity determines its provision for income taxes on a stand-alone basis. UPPCO settles the intercompany liabilities at the time that payments are made to the applicable taxing authority. At December 31, 2012, there were no significant intercompany payables or receivables for income taxes.

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Deferred income taxes have been recorded to recognize the expected future tax consequences of events that have been included in the financial statements by using currently enacted tax rates for the differences between the income tax basis of assets and liabilities and the basis reported in the financial statements. UPPCO records valuation allowances for deferred tax assets unless it is more likely than not that the benefit will be realized in the future. UPPCO defers certain adjustments made to income taxes that will impact future rates and records regulatory assets or liabilities related to these adjustments.

UPPCO uses the deferral method of accounting for investment tax credits ("ITCs"). Under this method, UPPCO records the ITCs as deferred credits and amortizes such credits as a reduction to the provision for income taxes over the life of the asset that generated the ITCs. ITCs that do not reduce income taxes payable for the current year are eligible for carryover and recognized as a deferred income tax asset.

For more information regarding UPPCO's accounting for income taxes, see Note 7, "*Income Taxes*".

l. Employee Benefits

The costs of pension and other postretirement benefits are expensed over the periods during which employees render service. The transition obligation related to the other postretirement benefit plans is being recognized over a 20-year period beginning in 1993, ended in 2012. In computing the expected return on plan assets, a market-related value of plan assets is used. Changes in realized and unrealized investment gains and losses are recognized over the subsequent five years for plans sponsored by WPS, while differences between actual investment returns and the expected return on plan assets are recognized over a five-year period for the Integrys Energy Group Retirement Plan, sponsored by Integrys Business Support, LLC ("IBS"). The benefit costs associated with employee benefit plans are allocated among Integrys Energy Group's subsidiaries based on employees' time reporting and actuarial calculations, as applicable. UPPCO's regulators allow recovery in rates for the net periodic benefit cost calculated under GAAP.

The Company recognizes the funded status of defined benefit postretirement plans on the balance sheet, and recognizes changes in the plans' funded status in the year in which the changes occur. The Company records changes in the funded status to regulatory asset or liability accounts, pursuant to the Regulated Operations Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC").

For more information on the Company's employee benefits, see Note 9, "*Employee Benefit Plans*."

m. Risk Management Activities

As part of its regular operations, UPPCO enters into contracts, including forwards and other contractual commitments, to manage changes in commodity prices, which are described more fully in Note 5, "*Risk Management Activities*."

All derivatives are recognized on the balance sheets at their fair value unless they are designated as and qualify for the normal purchases and sales exception. UPPCO continually assesses its contracts designated as normal and will discontinue the treatment of these contracts as normal if the required criteria are no longer met. All energy-related physical and financial derivatives at UPPCO qualify for regulatory deferral. These derivatives are marked to fair value; the resulting risk management assets are offset with regulatory liabilities or decreases to regulatory assets, and risk management liabilities are offset with regulatory assets or decreases to regulatory liabilities. Management believes any gains or losses resulting from the eventual settlement of these derivative instruments will be refunded to or collected from customers in rates.

n. Fair Value

A fair value measurement is required to reflect the assumptions market participants would use in pricing an asset or liability based on the best available information. These assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and the risks inherent in the inputs to the model.

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Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

Fair value accounting rules provide a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are observable, either directly or indirectly, but are not quoted prices included within Level 1. Level 2 includes those financial instruments that are valued using external inputs within models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

UPPCO determines fair value using a market-based approach that uses observable market inputs where available, and internally developed inputs where observable market data is not readily available. For the unobservable inputs, consideration is given to the assumptions that market participants would use in valuing the asset or liability. These factors include not only the credit standing of the counterparties involved, but also the impact of UPPCO's nonperformance risk on its liabilities.

UPPCO conducts a thorough review of fair value hierarchy classifications on a quarterly basis.

UPPCO has an established risk oversight committee whose primary responsibility includes directly or indirectly ensuring that all valuation methods are applied in accordance with predefined policies. The development and maintenance of UPPCO's forward price curves has been assigned to the risk management department, which is part of the corporate treasury function. This group is separate and distinct from the trading function. To validate the reasonableness of the fair value inputs, the risk management department compares changes in valuation and researches any significant differences in order to determine the underlying cause. Changes to the fair value inputs are made if necessary.

See Note 11, "Fair Value," for additional information.

o. Subsequent Events

Subsequent events were evaluated for potential recognition or disclosure through April 18, 2012, which is the date the financial statements were available to be issued.

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2. RISK MANAGEMENT ACTIVITIES

UPPCO uses derivative instruments to manage electric transmission congestion costs and the costs of gasoline and diesel fuel used by utility vehicles. None of these derivatives are designated as hedges for accounting purposes.

The table below shows assets and liabilities from risk management activities:

(Thousands)	Balance Sheet Presentation	Risk Management Assets		Risk Management Liabilities	
		December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Financial transmission rights (FTRs)	Current	\$887.2	\$999.5	\$ -	\$ -
Petroleum product contracts	Current	8.6	7.7	-	-

Assets and liabilities from risk management activities are classified as current or long-term based upon the maturities of the underlying contracts.

The table below shows the unrealized gains (losses) recorded related to derivatives:

(Thousands)	Financial Statement Presentation	2012	2011	2010
FTRs	Balance Sheet – Regulatory assets (current)	\$195.5	\$(241.9)	\$44.8
FTRs	Balance Sheet – Regulatory liabilities (current)	99.4	(231.2)	31.5
Petroleum product contracts	Operating and maintenance expense	(1.5)	(8.0)	4.0

UPPCO had the following notional volumes of outstanding derivative contracts:

	December 31, 2012	December 31, 2011
FTRs (millions of kilowatt-hours)	219.0	262.7
Petroleum products (barrels)	2,374.0	1,598.0

The following table shows UPPCO's cash collateral positions:

(Thousands)	December 31, 2012	December 31, 2011
Cash collateral provided to others	\$1,425.0	\$ 225.0

3. REGULATORY ASSETS AND LIABILITIES

UPPCO expects to recover its regulatory assets and incur future costs or refund its regulatory liabilities through rates charged to customers. Recovery or refund is based on specific periods determined by the regulators or occurs over the normal operating period of the assets and liabilities to which they relate. Based on prior and current rate treatment, UPPCO believes it is probable that it will continue to recover from customers the regulatory assets described below.

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The following regulatory assets and liabilities were reflected on UPPCO's balance sheets as of December 31:

<i>(Thousands)</i>	2012	2011	See Note
Regulatory assets			
Unrecognized pension and other postretirement benefit costs (1)	\$70,671.4	\$70,160.2	9
Loss on sale of hydro facilities (2)	3,592.5	4,786.0	12
Income tax related items	1,836.0	1,820.3	7
Decoupling	1,175.7	0	
Environmental remediation costs (net of insurance recoveries) (3)	935.0	990.0	
Other	548.3	702.7	
Total	\$78,758.9	\$78,459.2	
Regulatory liabilities			
Income tax related items	\$590.5	\$893.4	7
Derivatives	120.5	21.1	1(l)
Decoupling	273.5	0	
Total	\$984.5	\$914.5	

(1) Represents the unrecognized future pension and postretirement costs resulting from actuarial gains and losses on defined benefit and postretirement plans. UPPCO is authorized recovery of this regulatory asset over the average future remaining service life of the plans.

(2) In 2010, UPPCO received authorization to recover the costs related to the AuTrain hydro over a 5 year period, beginning January 2011. In 2011, UPPCO received authorization to recover the costs related to the Cataract hydro over a 5 year period, beginning January 2012.

(3) In 1999, UPPCO received authorization for recovery of costs related to environmental remediation at the JH Warden Ash Site. The recovery period is 30 years.

4. SHORT-TERM DEBT AND LINES OF CREDIT

UPPCO's short-term borrowings were as follows as of December 31:

<i>(Thousands, except for percentages)</i>	2012	2011
Short-term notes payable outstanding to Integrys Energy Group	\$11,925	\$7,700
Average interest rate on short-term notes payable to Integrys Energy Group outstanding	0.45%	0.33%

The table below presents UPPCO's average amount of short-term borrowings outstanding based on daily outstanding balances during the years ended December 31:

<i>(Thousands)</i>	2012	2011
Average amount of short-term notes payable to Integrys Energy Group outstanding	\$10,561.6	\$9,079.5

5. LONG-TERM DEBT

UPPCO's long-term borrowings were as follows at December 31:

<i>(Thousands)</i>	2012	2011
Long-term notes payable to Integrys Energy Group, \$15 million at 5.25%, due 2013; \$15 million at 6.059%, due 2017; \$15 million at 5.041%, due 2020; \$10 million at 3.35%, due 2018	55,000.0	55,000.0
Total long-term debt	\$55,000.0	\$55,000.0

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The Company plans to refinance the existing intercompany note due in 2013 with a replacement intercompany note payable.

6. ASSET RETIREMENT OBLIGATIONS

UPPCO has asset retirement obligations primarily related to asbestos abatement at certain office buildings and service centers, and disposal of PCB-contaminated transformers. UPPCO establishes regulatory assets and liabilities to record the differences between ongoing expense recognition under the asset retirement obligation accounting rules and the ratemaking practices for retirement costs authorized by the applicable regulators. All asset retirement obligations are recorded as other noncurrent liabilities on our balance sheet.

The following table shows changes to UPPCO's asset retirement obligations through December 31, 2012:

<i>(Thousands)</i>	
Asset retirement obligations at December 31, 2010	\$881.5
Accretion	50.2
Asset retirement obligations at December 31, 2011	931.7
Accretion	41.0
Additions and revisions to estimated cash flows	(191.5) (1)
Settlements	(246.6) (2)
Asset Retirement Obligations at December 31, 2012	\$534.6

(1) Revisions were made to estimated cash flows related to asset retirement obligation related to PCB-contaminated transformers due to changes in estimated removal costs, estimated settlement date, and transformer quantities.

(2) Settlements were for the removal of asbestos materials in a non-utility generation station, and for the retirement of an asset retirement obligation related to a non-utility generating station.

7. INCOME TAXES

The principal deferred income tax assets included in the balance sheets as of December 31, 2012, and 2011, primarily related to plant. The principal deferred income tax liabilities included in the balance sheets as of December 31, 2012, and 2011, primarily related to plant and employee benefits.

There was no material change in deferred income tax assets in 2012. Deferred income tax liabilities increased \$10,786.2 thousand in 2012. The increase was driven by:

- Continued investment in capital expenditures and 50% bonus tax depreciation available in 2012.
- An increase in tax deductions resulting from incremental contributions to UPPCO's employee benefit plans.

Deferred tax credit carryforwards at December 31, 2012, included \$9.1 thousand of alternative minimum tax credits, which can be carried forward indefinitely.

UPPCO records certain adjustments related to deferred income taxes to regulatory assets and liabilities. As the related temporary differences reverse, UPPCO prospectively refunds taxes to or collects taxes from customers related to both deferred taxes recorded in prior years at rates potentially different than current rates and when there are other changes in tax laws. The regulatory asset for these recoveries and other regulatory tax effects totaled \$1,836.0 thousand and \$1,820.3 thousand at December 31, 2012, and 2011, respectively. The regulatory liability for these refunds and other regulatory tax effects totaled \$590.5 thousand and \$893.4 thousand at December 31, 2012, and 2011, respectively.

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The components of the provision for income taxes were as follows:

<i>(Thousands)</i>	2012	2011
Current provision		
Federal	\$(1,776.6)	\$ (9,494.4)
State	(474.7)	(909.4)
Total current provision	(2,251.3)	(10,403.8)
Deferred provision		
Federal	7,763.4	12,938.2
State	1,253.5	963.4
Total deferred provision	9,016.9	13,901.6
Unrecognized tax benefits	(1.2)	(1.3)
Investment tax credits, net	(203.6)	401.0
Total provision for income taxes	\$ 6,560.8	\$ 3,897.5

The statutory federal income tax rate was 35.0% at December 31, 2012, and 2011. The effective income tax rate was 38.5% and 36.5% at December 31, 2012, and 2011, respectively. State income taxes were the only significant item impacting the reconciliation of the statutory federal income tax rate to the effective income tax rate as of December 31, 2012, and 2011.

The balance of the unrecognized tax benefit liability was \$30.0 thousand at December 31, 2012, and 2011. UPPCO had accrued interest of \$9.0 thousand and no accrued penalties related to unrecognized tax benefits at December 31, 2012. UPPCO had accrued interest of \$5.5 thousand and no accrued penalties related to unrecognized tax benefits at December 31, 2011.

UPPCO files income tax returns in the United States federal jurisdiction and in its major state operating jurisdiction of Michigan on a stand-alone basis or as part of Integrys Energy Group filings. UPPCO is no longer subject to federal income tax examinations by the IRS for years prior to 2009. During 2012, the IRS continued its examinations of 2009 and 2010, which began in 2011. UPPCO is no longer subject to examination by the Michigan tax authority for years prior to 2008.

In the next 12 months, UPPCO does not expect to significantly change the amount of unrecognized tax benefits.

8. COMMITMENTS AND CONTINGENCIES

Unconditional Purchase Obligations and Purchase Order Commitments

UPPCO routinely enters into long-term purchase and sale commitments for various quantities and lengths of time. UPPCO has obligations to distribute and and sell electricity to its customers, which extend through 2022. UPPCO expects to recover costs related to these obligations in future customer rates. The following table shows UPPCO's minimum future commitments related to these purchase obligations as of December 31, 2012.

<i>(Thousands)</i>	Total Amounts Committed	2013	2014	2015	2016	2017	Later Years
Purchased power	\$16,976.4	\$7,330.1	\$5,208.2	\$636.9	\$656.0	\$675.7	\$2,469.5

UPPCO also had commitments of \$7,718.2 thousand in the form of purchase orders issued to various vendors at December 31, 2012, that relate to normal business operations.

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9. EMPLOYEE BENEFIT PLANS

The Company participates in the Integrys Energy Group Retirement Plan, a noncontributory, qualified retirement plan sponsored by IBS, as well as the Integrys Energy Group Pension Restoration and Supplemental Retirement Plan, an unfunded, nonqualified retirement plan sponsored by the Parent. In addition, the Company participates in other postretirement benefit plans sponsored by WPS. Under affiliate agreements, the Company is responsible for its share of plan obligations and is entitled to its share of plan assets; accordingly, the Company accounts for its participation in the pension and other postretirement plans as multiple employer plans. The benefits for a portion of these plans are funded through irrevocable trusts, as allowed for income tax purposes. The defined pension plans are closed to all new hires.

The Company also maintains an unfunded, legacy nonqualified Supplemental Employee Retirement Plan ("SERP"). The liabilities for this plan are also recorded on the Company's balance sheets.

In addition, the Parent offers medical, dental, and life insurance benefits to the Company's active employees and their dependents. The Company expenses the allocated costs of these benefits as incurred.

The following tables provide a reconciliation of the changes in the Company's share of the plans' benefit obligations and fair value of assets during 2012 and 2011:

(Thousands)	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Change in benefit obligation				
Obligation at January 1	\$ 99,715.6	\$ 93,178.6	\$ 34,625.0	\$ 32,796.2
Service cost	913.1	910.5	633.8	656.1
Interest cost	4,967.6	5,260.6	1,559.5	1,916.1
Transfers	93.8	409.2	-	-
Actuarial loss (gain), net	11,594.4	6,519.4	(2,744.1)	450.2
Participant contributions	-	-	1,171.0	960.8
Benefit payments	(7,119.2)	(6,562.7)	(1,994.4)	(2,291.6)
Federal subsidy on benefits paid	-	-	116.2	137.2
Obligation at December 31	\$110,165.3	\$99,715.6	\$33,367.0	\$34,625.0
Change in fair value of plan assets				
Fair value of plan assets at January 1	\$64,059.8	\$ 67,458.7	\$20,218.2	\$ 19,679.4
Actual return on plan assets	10,658.4	1,035.5	2,651.7	(75.5)
Transfers	93.8	13.3	-	-
Employer contributions	15,609.9	2,115.0	2,000.5	1,945.1
Participant contributions	-	-	1,171.0	960.8
Benefit payments	(7,119.2)	(6,562.7)	(1,994.4)	(2,291.6)
Fair value of plan assets at December 31	\$ 83,302.7	\$ 64,059.8	\$24,047.0	\$ 20,218.2
Funded status at December 31	\$ (26,862.6)	\$ (35,655.8)	\$ (9,320.0)	\$ (14,406.8)

The amounts recognized on the Company's balance sheets at December 31 related to the funded status of the benefit plans were as follows:

(Thousands)	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Current liabilities	\$ 156.8	\$ 198.6	\$ 19.5	\$ 19.2
Noncurrent liabilities	26,705.8	35,457.2	9,300.5	14,387.6
Total liabilities	\$26,862.6	\$35,655.8	\$9,320.0	\$14,406.8

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The accumulated benefit obligation for all defined benefit pension plans was \$107,311.3 thousand and \$97,085.2 thousand at December 31, 2012, and 2011, respectively. Information for pension plans with an accumulated benefit obligation in excess of plan assets is presented in the following table:

(Thousands)	December 31	
	2012	2011
Projected benefit obligation	\$110,165.3	\$99,715.6
Accumulated benefit obligation	107,311.3	97,085.2
Fair value of plan assets	83,302.7	64,059.8

The following table shows the amounts that had not yet been recognized in the Company's net periodic benefit cost as of December 31:

(Thousands)	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Net regulatory assets:				
Net actuarial loss	\$60,190.0	\$54,892.2	\$9,720.8	\$14,047.3
Prior service cost	253.1	500.4	507.5	640.5
Transition obligation	-	-	-	49.6
Total	\$60,443.1	\$55,392.6	\$10,228.3	\$14,737.4

The following table shows the estimated amounts that will be amortized into net periodic benefit cost during 2013:

(Thousands)	Pension Benefits	Other Benefits
Net actuarial loss	\$3,279.9	\$529.4
Prior service cost	247.3	160.8
Total 2013 – estimated amortization	\$3,527.2	\$690.2

The following table presents the components of the net periodic benefit costs (including amounts capitalized to the balance sheets) for the plans:

(Thousands)	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Net periodic benefit cost				
Service cost	\$913.1	\$ 910.5	\$633.8	\$ 656.1
Interest cost	4,967.6	5,260.6	1,559.5	1,916.1
Expected return on plan assets	(6,520.4)	(5,620.0)	(1,554.6)	(1,452.7)
Amortization of transition obligation	-	-	49.6	49.6
Amortization of prior service cost	247.3	247.5	133.0	119.5
Amortization of net actuarial loss	2,158.6	1,136.7	531.4	773.3
Net periodic benefit cost	\$1,766.2	\$1,935.3	\$1,352.7	\$2,061.9

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Assumptions – Pension and Other Postretirement Benefit Plans

The weighted-average assumptions used at December 31 to determine benefit obligations for the plans were as follows:

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Discount rate	4.08%	5.10%	4.01%	5.03%
Rate of compensation increase	4.18%	4.17%	N/A	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	7.00%	7.00%
Ultimate trend rate	N/A	N/A	5.00%	5.00%
Ultimate trend rate reached in	N/A	N/A	2019	2016
Assumed medical cost trend rate (over age 65)	N/A	N/A	7.00%	7.50%
Ultimate trend rate	N/A	N/A	5.00	5.50%
Ultimate trend rate reached in	N/A	N/A	2019	2016
Assumed dental cost trend rate	N/A	N/A	5.00%	5.00%

The weighted-average assumptions used to determine net periodic benefit cost for the plans were as follows for the years ended December 31:

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Discount rate	5.10%	5.80%	5.03%	5.80%
Expected return on assets	8.25%	8.25%	8.25%	8.25%
Rate of compensation increase	4.18%	4.17%	N/A	N/A
Assumed medical cost trend rate (under age 65)	N/A	N/A	7.00%	7.50%
Ultimate trend rate	N/A	N/A	5.00%	5.00%
Ultimate trend rate reached in	N/A	N/A	2016	2016
Assumed medical cost trend rate (over age 65)	N/A	N/A	7.50%	8.00%
Ultimate trend rate	N/A	N/A	5.50%	5.50%
Ultimate trend rate reached in	N/A	N/A	2016	2016
Assumed dental cost trend rate	N/A	N/A	5.00%	5.00%

The expected return on assets assumption is established based on consideration of historical and projected asset class returns, as well as the target allocations of the benefit trust portfolios. Beginning in 2013, the expected return on assets assumption for the plans is 8.00%.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. For the year ended December 31, 2012, a one-percentage-point change in assumed health care cost trend rates would have had the following effects:

(Thousands)	One-Percentage-Point	
	Increase	Decrease
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$391.6	\$(305.6)
Effect on the health care component of the accumulated postretirement benefit obligation	4,592.9	(3,734.7)

Pension and Other Postretirement Benefit Plan Assets

Integrus Energy Group's investment policy includes various guidelines and procedures designed to ensure assets are invested in an appropriate manner to meet expected future benefits to be earned by participants. The investment guidelines consider a broad range of economic conditions. The policy is established and administered in a manner that is compliant at all times with applicable regulations.

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Central to the policy are target allocation ranges by major asset categories. The objectives of the target allocations are to maintain investment portfolios that diversify risk through prudent asset allocation parameters and to achieve asset returns that meet or exceed the plans' actuarial assumptions and that are competitive with like instruments employing similar investment strategies. The portfolio diversification provides protection against significant concentrations of risk in the plan assets. The target asset allocations for pension and other postretirement benefit plans that have significant assets are: 70% equity securities and 30% fixed income securities. Equity securities primarily include investments in large-cap and small-cap companies. Fixed income securities primarily include corporate bonds of companies from diversified industries, United States government securities, and mortgage-backed securities.

The Board of Directors of Integrys Energy Group established the Employee Benefits Administrator Committee (composed of members of Integrys Energy Group and its subsidiaries management) to manage the operations and administration of all benefit plans and trusts. The committee periodically reviews the asset allocation, and the portfolio is rebalanced when necessary.

Pension and other postretirement benefit plan investments are recorded at fair value. Information regarding the fair value hierarchy and the classification of fair value measurements based on the types of inputs used are discussed in Note 1(n), "Summary of Significant Accounting Policies – Fair Value."

The following table provides the fair value of the investments by asset class:

(Thousands)	December 31, 2012							
	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset Class								
Cash and cash equivalents	\$384.7	\$1,527.7	\$ -	\$1,912.4	\$0.6	\$827.7	\$ -	\$828.3
Equity securities:								
United States equity	10,155.6	24,364.8	-	34,520.4	2,508.3	6,393.8	-	8,902.1
International equity	5,803.0	18,167.0	-	23,970.0	1,409.6	4,747.0	-	6,156.6
Fixed income securities:								
United States government	-	6,063.8	-	6,063.8	6,434.2	-	-	6,434.2
Foreign government	-	1,235.6	250.0	1,485.6	-	-	-	-
Corporate debt	-	11,933.0	58.8	11,991.8	-	-	-	-
Asset-backed securities	-	3,418.3	4.0	3,422.3	-	-	-	-
Other	-	680.4	-	680.4	1,352.8	-	-	1,352.8
	16,343.3	67,390.6	312.8	84,046.7	11,705.5	11,968.5	-	23,674.0
401(h) other benefit plan Assets								
invested as pension Assets ⁽¹⁾	(79.9)	(329.6)	(1.6)	(411.1)	79.9	329.6	1.6	411.1
Total⁽²⁾	\$16,263.4	\$67,061.0	311.2	\$83,635.6	\$11,785.4	\$12,298.1	\$1.6	\$24,085.1

(1) Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

(2) Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

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December 31, 2011								
(Thousands)	Pension Plan Assets				Other Benefit Plan Assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Asset Class								
Cash and cash equivalents	\$ 254.3	\$ 1,381.9	\$ -	\$ 1,636.2	\$ 0.2	\$ 341.7	\$ -	\$ 341.9
Equity securities:								
United States equity	7,394.9	18,743.4	-	26,138.3	2,161.3	5,300.7	-	7,462.0
International equity	4,027.6	14,390.0	-	18,417.6	1,127.8	4,101.2	-	5,229.0
Fixed income securities:								
United States government	-	5,428.6	-	5,428.6	5,404.0	-	-	5,404.0
Foreign government	-	999.7	331.1	1,330.8	-	-	-	-
Corporate debt	-	9,115.2	123.2	9,238.4	-	3.6	-	3.6
Asset-backed securities	-	3,211.8	-	3,211.8	-	-	-	-
Other	-	473.1	-	473.1	182.9	-	-	182.9
	11,676.8	53,743.7	454.3	65,874.8	8,876.2	9,747.2	-	18,623.4
401(h) other benefit plan Assets invested as pension Assets ⁽¹⁾	(286.8)	(1,320.2)	(11.1)	(1,618.1)	286.8	1,320.2	11.1	1,618.1
Total⁽²⁾	\$11,390.0	\$52,423.5	\$443.2	\$64,256.7	\$9,163.0	\$11,067.4	\$11.1	\$20,241.5

(1) Pension trust assets are used to pay other postretirement benefits as allowed under Internal Revenue Code Section 401(h).

(2) Investments do not include accruals or pending transactions that are included in the table reconciling the change in fair value of plan assets.

The following table sets forth a reconciliation of changes in the fair value of pension plan assets categorized as Level 3 measurements:

(Thousands)	Foreign Government Debt	Corporate Debt	Asset Backed Securities	Total
Beginning balance at December 31, 2011	\$331.1	\$123.2	\$-	\$454.3
Net realized and unrealized gains	43.0	14.1	0.2	57.3
Purchases	73.7	32.3	-	106.0
Sales	(118.4)	(23.8)	-	(142.2)
Settlements	-	-	(0.9)	(0.9)
Transfers into Level 3	-	-	4.7	4.7
Transfers out of Level 3	(79.4)	(87.0)	-	(166.4)
Ending balance at December 31, 2012	\$250.0	\$58.8	\$4.0	\$312.8
Net unrealized gains related to assets still held at the end of the period				
	\$19.6	\$3.0	\$0.2	\$22.8

(Thousands)	Foreign Government Debt	Corporate Debt	Asset Backed Securities	Real Estate Securities	Total
Beginning balance at December 31, 2010	\$483.1	\$127.5	\$12.4	\$1,863.5	\$2,486.5
Net realized and unrealized losses	(31.0)	(11.0)	(0.9)	(66.5)	(109.4)
Purchases	130.1	120.9	-	112.9	363.9
Sales	(252.0)	(112.7)	-	(1,909.9)	(2,274.6)
Settlements	-	-	(3.5)	-	(3.5)
Transfers into Level 3	0.9	8.9	0.7	-	10.5
Transfers out of Level 3	-	(10.4)	(8.7)	-	(19.1)
Ending balance at December 31, 2011	\$331.1	\$123.2	\$ -	\$ -	\$ 454.3
Net unrealized losses related to assets still held at the end of the period					
	\$ (10.9)	\$ (6.6)	\$ -	\$ -	\$ (17.5)

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Cash Flows Related to Pension and Other Postretirement Benefit Plans

The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. The Company expects to contribute \$4,929.8 thousand to pension plans and \$1,347.8 thousand to other postretirement plans in 2013, dependent upon various factors affecting the Company, including its liquidity position and tax law changes.

The following table shows the payments, reflecting expected future service, that the Company expects to make for pension and other postretirement benefits. In addition, the table shows the expected federal subsidies, provided under the Medicare Prescription Drug, Improvement and Modernization Act of 2003, that will partially offset other postretirement benefits.

<i>(Thousands)</i>	Pension Benefits	Other Benefits	Federal Subsidies
2013	\$5,962.6	\$1,674.3	\$126.3
2014	5,947.9	1,773.5	141.0
2015	6,215.2	1,952.4	154.3
2016	6,333.0	2,097.0	167.9
2017	6,638.1	2,094.6	188.5
2018-2022	33,697.9	10,122.3	1,211.0

Defined Contribution Benefit Plans

Integrus Energy Group maintains a 401(k) Savings Plan for substantially all full-time employees. A percentage of employee contributions are matched through an ESOP or cash contribution up to certain limits. Employees who are no longer eligible to participate in the defined benefit pension plan participate in a defined contribution pension plan, in which certain amounts are contributed to an employee's account based on the employee's wages, age, and years of service. The Company's share of the total costs incurred under these plans was \$367.1 thousand and \$365.1 thousand in 2012 and 2011, respectively.

10. COMMON STOCK

Common stock of the Company consists of common stock without par value; \$9 stated value; 3,000,000 shares authorized; 1,473,736 shares issued and outstanding. The common stock balance was \$13,263.6 thousand at December 31, 2012, and 2011. All shares of the Company's common stock are owned by Integrus Energy Group.

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11. FAIR VALUE

Fair Value Measurements

The following tables show assets and liabilities that were accounted for at fair value on a recurring basis, categorized by level within the fair value hierarchy:

December 31, 2012				
(Thousands)	Level 1	Level 2	Level 3	Total
Risk management assets				
FTRs	\$ -	\$ -	\$887.2	\$887.2
Petroleum product contracts	8.6	-	-	8.6

December 31, 2011				
(Thousands)	Level 1	Level 2	Level 3	Total
Risk management assets				
FTRs	\$ -	\$ -	\$999.5	\$999.5
Petroleum product contracts	7.7	-	-	7.7

The risk management assets and liabilities listed in the tables above include FTRs used to manage transmission congestion costs in the MISO market, and NYMEX options used to manage the risk associated with the market price volatility of the cost of gasoline and diesel fuel used by utility vehicles. NYMEX contracts are valued using the NYMEX end-of-day settlement price, which is a Level 1 input. The valuation for FTRs is derived from historical data from the MISO, which is considered a Level 3 input. For more information on derivative instruments, see Note 5, "Risk Management Activities." There were no transfers between the levels of the fair value hierarchy during 2012 and 2011.

The significant unobservable input used in the valuation that resulted in categorization within Level 3 was as follows at December 31, 2012.

Fair Value (Thousands)

	Assets	Liabilities	Valuation Technique	Unobservable Input	Average
FTRs	\$887.2	\$ -	Market-based	Forward market prices (\$/megawatt-month) *	1,464.20

* Represents forward market prices developed using historical cleared pricing data from MISO used in the valuation of FTRs.

Significant changes in historical settlement prices would result in a directionally similar significant change in fair value.

The following table sets forth a reconciliation of changes in the fair value of FTRs, which are categorized as Level 3 measurements:

(Thousands)	2012	2011
Balance at beginning of period	\$ 999.5	\$ 828.6
Net realized gain (loss) included in earnings	33.8	(521.0)
Net unrealized gain (loss) recorded as regulatory assets or liabilities	294.9	(473.1)
Purchases	2,095.4	3,124.7
Settlements	(2,536.4)	(1,959.7)
Balance at end of period	\$ 887.2	\$ 999.5

Unrealized gains and losses on FTRs are deferred as regulatory assets or liabilities. Therefore, these fair value measurements have no impact on earnings. Realized gains and losses on FTRs, as well as the related transmission congestion costs, are recorded in purchased power on the statements of income.

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Fair Value of Financial Instruments

The following table shows the financial instruments included on UPPCO's balance sheets that are not recorded at fair value:

(Thousands)	2012		2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt	\$55,000.0	\$61,512.9	\$55,000.0	\$60,546.1

The fair value of the long-term debt is estimated based on the quoted market price for the same or similar issues, or on the current rates offered to UPPCO for debt of the same remaining maturity. The fair values of long-term debt instruments are categorized within Level 2 of the fair value hierarchy.

Due to the short-term nature of cash and cash equivalents, accounts receivable, accounts payable, and notes payable, the carrying amount for each such item approximates fair value.

12. REGULATORY ENVIRONMENT

On December 20, 2011, the MPSC issued a final order authorizing UPPCO to increase its retail electric rates by \$4,200.0 thousand (4.17%), effective January 1, 2012. The new rates reflect a 10.20% return on common equity and a common equity ratio of 54.90% in UPPCO's regulatory capital structure. The order also required UPPCO to terminate its existing decoupling mechanism, effective December 31, 2011, and replace it with a new weather-normalized decoupling mechanism based on comparing actual, weather normalized margin revenue to rate case forecasted margin revenue, beginning January 1, 2013. As a result, UPPCO had no decoupling mechanism in place for 2012. UPPCO's previous retail electric rate increase was in January 2011.

The MPSC issued an order on March 17, 2011, in Docket U-16675, requiring UPPCO to provide an updated Energy Optimization ("EO") plan for 2012 and 2013 by July 1, 2011. UPPCO filed this 2012 EO plan on July 1, 2011, which contained proposed customer surcharges to be effective on January 1, 2012. The MPSC approved the plan on September 13, 2011. On March 31, 2012, UPPCO filed a reconciliation of the 2011 EO charges and proposed new charges, effective July 1, 2012, through June 30, 2013, in Docket U-16741. MPSC approved reconciliation of 2011 charges and new charges effective August 1, 2012.

On May 26, 2011, UPPCO filed an updated renewable energy plan in Docket U-16586, which contained no proposed changes, to comply with an MPSC order on February 22, 2011. This plan was approved by the MPSC on August 25, 2011. On June 28, 2012, the Company filed in Docket U-16660 a reconciliation of renewable energy revenues and expenses, of which the MPSC approved on October 31, 2012. The Company did not collect any surcharges for renewable energy and revenues because the sale of excess renewable generation credits are returned to customers in the Power Supply Cost Recovery Mechanism.

On September 28, 2011, UPPCO filed a Power Supply Cost Recovery ("PSCR") Plan for 2012 in Docket U-16881, requesting a PSCR factor of negative \$4.04/mWh. UPPCO self implemented the requested PSCR factor starting January 1, 2012. MPSC approved 2012 PSCR Plan on May 24, 2012.

On March 28, 2012, UPPCO filed a PSCR Reconciliation for 2011, showing that UPPCO had over-recovered 2011 PSCR costs by \$1,130,000. UPPCO requested to use the over-recovery to offset the potential non-recovery of power supply costs of \$856,000, resulting from the bankruptcy of one of its large industrial customers, and the roll-in of the remaining over-recovery into the 2012 PSCR over/under-recovery balance. MPSC Staff and interveners filed testimony challenging the use of the over-recovery to offset the potential non-recovery of power supply costs resulting from the bankruptcy and, based on Company outside legal advice, UPPCO agreed to settle its 2011 PSCR Reconciliation by rolling in the full amount of the 2011 over-recovery of \$1,130,000 into the 2012 PSCR over/under-recovery balance, with no offset of the potential non-recovery of power supply costs resulting from the bankruptcy. A final MPSC order approving the settlement agreement was issued on September 11, 2012.

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On September 24, 2012, UPPCO filed a PSCR Plan for 2013, requesting a PSCR factor of negative \$6.44/mWh. UPPCO self implemented the requested PSCR factor starting January 1, 2013. A decision on the 2013 PSCR Plan by the MPSC is expected by the second quarter of 2013.

On July 8, 2010, UPPCO sold the Au Train hydro-electric generation facility to UP Hydro. Under the terms of the agreement, UPPCO recorded a net loss of approximately \$3,697.9 thousand on the sale. On July 27, 2010, the MPSC authorized deferred accounting treatment of the net loss for recovery in a future general rate case proceeding. Recovery of the loss began on January 1, 2011.

On February 2, 2011, UPPCO sold the Cataract hydro-electric generation facility to UP Hydro. Under the terms of the agreement, UPPCO incurred a net loss of approximately \$1,901.3 thousand on the sale. On July 27, 2010, the MPSC authorized deferred accounting treatment of the net loss for recovery in a future general rate case proceeding. Recovery of the loss began on January 1, 2012.

On October 20, 2011, the MPSC authorized UPPCo to extend the waivers from monthly metering requirements (R460.113(1) and R460.1608(1) through November 1, 2013.

On June 30, 2011, UPPCO filed a request with the MPSC to increase its retail electric rates by \$7,701.3 thousand (7.65%), with a 10.75% return on common equity, and a common equity ratio of 54.90% in its regulatory capital structure. The reasons for the retail electric rate increase include the costs of hydroelectric facility upgrades, reduced wholesale sales, employee benefit costs, and general inflation.

The MPSC approved a decoupling mechanism, in Docket U-15988 on December 16, 2009, for calendar year 2010 and in Docket U-16166 on December 21, 2010, for calendar year 2011. UPPCO made filings with the MPSC to recover approximately \$1,723.3 thousand for 2010 sales and refund approximately \$200 thousand for 2011 sales, pursuant to the aforementioned decoupling mechanism. On April 10, 2012, the State of Michigan Court of Appeals ruled that the MPSC did not have authority to authorize an electric decoupling mechanism. It is unknown at this time whether the MPSC or any other parties will appeal this ruling. As a result of this ruling, UPPCO reversed the decoupling revenue previously recorded for both 2011 and 2010, as of December 31, 2011. On August 14, 2012, the Commission issued an order authorizing UPPCO to recover approximately \$1,723.3 thousand for 2010 sales. The Commission stated that because UPPCO's Revenue Decoupling Mechanism ("RDM") was adopted pursuant to a settlement agreement, which is a binding contract, the UPPCO RDM must simply comport with the language of the settlement agreement. Consequently, UPPCO will recover the RDM under-collection during the period September 2012 through August 2013. One UPPCO customer who was not a party to the RDM proceedings has filed a formal complaint with the Commission regarding this issue. As of December 31, 2012, UPPCO had a \$273.5 thousand refund and \$1,175.7 thousand recovery deferred related to the 2011 and 2010 calculations, respectively.

13. RELATED PARTY TRANSACTIONS

UPPCO routinely enters into transactions with related parties, including Integrys Energy Group, its subsidiaries, and other entities in which it has material interests.

UPPCO provides and receives services, property, and other items of value to and from its parent, Integrys Energy Group, and other subsidiaries of Integrys Energy Group. All such transactions are made pursuant to an affiliated interest agreement ("Regulated Agreement") approved by the MPSC. Michigan Gas Utilities Corporation, Minnesota Energy Resources Corporation, The Peoples Gas Light and Coke Company, North Shore Gas Company, and Wisconsin Public Service Corporation (together with UPPCO, the "regulated subsidiaries") have all been added as parties to the Regulated Agreement and, like UPPCO, can also provide and receive services, property, and other items of value to and from their parent, Integrys Energy Group, and other regulated subsidiaries of Integrys Energy Group. The Regulated Agreement requires that all services are provided at cost. Modification or amendment to this agreement requires the approval of the MPSC.

Integrys Business Support ("IBS") provides 15 categories of services (including financial, human resources, and administrative services) to UPPCO pursuant to an affiliated interest agreement ("IBS AIA"), which has been approved,

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or from which UPPCO has been granted appropriate waivers, by the appropriate regulators, including the MPSC. As required by FERC regulations for centralized service companies, IBS renders services at cost. The MPSC must be notified prior to making changes to the services offered under and the allocation methods specified in the IBS AIA. Other modifications or amendments to the IBS AIA would require MPSC approval. Recovery of allocated costs is addressed in UPPCO's rate cases.

In 2010, a new affiliated interest agreement ("Non-IBS AIA") that would govern the provision of intercompany services, other than IBS services, within Integrys Energy Group, was submitted to the MPSC for approval. The Non-IBS AIA was written primarily to limit the scope of services now provided by IBS that had been provided under the Regulated Agreement. The Non-IBS AIA would replace these current agreements, except the IBS AIA, after proper approvals. The pricing methodologies from the current agreements would carry forward to the Non-IBS AIA. The Non-IBS AIA was not filed with the MPSC as it is covered by existing waivers, but it cannot take effect until it is approved in all jurisdictions.

UPPCO was billed \$28,293.8 thousand in 2012 and \$15,323 thousand in 2011 for services provided by IBS. The amount owed to IBS was \$1,115.2 thousand and \$2,545 thousand, at December 31, 2012, and 2011, respectively.

UPPCO provides services to American Transmission Company ("ATC") under an Operation and Maintenance Services Agreement for Transmission Facilities approved by the MPSC. Services are billed to ATC under this agreement at UPPCO's fully allocated cost.

The table below includes information associated with transactions entered into with related parties as of December 31.

(Thousands)	2012	2011
Notes payable (1)		
Integrys Energy Group	\$ 66,925	\$ 62,700
Accounts Payable to Associated Companies	\$ 4,564	\$ 6,341

(1) Consists of a short-term note payable \$11,925 thousand and a long-term note payable of \$55,000 thousand.

The following table shows activity associated with related party transactions for the years ended December 31.

(Thousands)	2012	2011
Electric transactions		
Sales to WPS	\$ -	\$ -
Purchases from WPS	22,180.9	22,568.2
Interest expense		
Integrys Energy Group	\$2,896.9	\$2,601.5
Transactions with equity method investees		
Charges from ATC for network transmission services	\$6,157.9	\$6,058.5
Charges to ATC for services and construction	1,900.6	2,076.5
Income from WPS Investments, LLC (1)	2,200.0	2,112.7

(1) WPS Investments, LLC is a consolidated subsidiary of Integrys Energy Group that is jointly owned by Integrys Energy Group, WPS, and UPPCO. At December 31, 2012, UPPCO had a 2.49% interest in WPS Investments accounted for under the equity method. UPPCO's percentage ownership interests have continued to decrease as additional equity contributions are made by Integrys Energy Group to WPS Investments.

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	238,538,404	238,538,404		
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	12,827,744	12,827,744		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	251,366,148	251,366,148		
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	6,446,777	6,446,777		
12	Acquisition Adjustments	2,681,674	2,681,674		
13	Total Utility Plant (8 thru 12)	260,494,599	260,494,599		
14	Accum Prov for Depr, Amort, & Depl	102,505,072	102,505,072		
15	Net Utility Plant (13 less 14)	157,989,527	157,989,527		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	98,203,281	98,203,281		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	1,637,917	1,637,917		
22	Total In Service (18 thru 21)	99,841,198	99,841,198		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	2,663,874	2,663,874		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	102,505,072	102,505,072		

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)			
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.</p> <p>5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)</p>			
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	2,005	
3	(302) Franchises and Consents	5,959,890	
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	5,961,895	
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	143,334	
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	143,334	
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	630,727	
28	(331) Structures and Improvements	1,423,211	99,901
29	(332) Reservoirs, Dams, and Waterways	63,951,700	4,248,517
30	(333) Water Wheels, Turbines, and Generators	626,229	
31	(334) Accessory Electric Equipment	3,780,850	670,144
32	(335) Misc. Power PLant Equipment	523,625	252,706
33	(336) Roads, Railroads, and Bridges	404,680	
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	71,341,022	5,271,268
36	D. Other Production Plant		
37	(340) Land and Land Rights	63,016	
38	(341) Structures and Improvements	203,914	2,867
39	(342) Fuel Holders, Products, and Accessories	1,351,574	
40	(343) Prime Movers	2,487,784	
41	(344) Generators	1,056,338	
42	(345) Accessory Electric Equipment	672,035	
43	(346) Misc. Power Plant Equipment	28,291	
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	5,862,952	2,867
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	77,347,308	5,274,135

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
2,005					2
			5,959,890		3
					4
2,005			5,959,890		5
					6
					7
			143,334		8
					9
					10
					11
					12
					13
					14
					15
			143,334		16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
			630,727		27
677		6,107	1,528,542		28
38,076			68,162,141		29
			626,229		30
45,588			4,405,406		31
			776,331		32
1,577			403,103		33
					34
85,918		6,107	76,532,479		35
					36
			63,016		37
2,985			203,796		38
			1,351,574		39
			2,487,784		40
			1,056,338		41
			672,035		42
			28,291		43
					44
2,985			5,862,834		45
88,903		6,107	82,538,647		46

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights			
49	(352) Structures and Improvements			
50	(353) Station Equipment			
51	(354) Towers and Fixtures			
52	(355) Poles and Fixtures			
53	(356) Overhead Conductors and Devices			
54	(357) Underground Conduit			
55	(358) Underground Conductors and Devices			
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant			
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)			
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	745,813		
61	(361) Structures and Improvements	1,234,941		
62	(362) Station Equipment	24,519,687		902,059
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	30,158,150		1,552,247
65	(365) Overhead Conductors and Devices	16,080,669		789,277
66	(366) Underground Conduit			
67	(367) Underground Conductors and Devices	17,443,544		399,148
68	(368) Line Transformers	23,516,712		901,854
69	(369) Services	14,373,256		274,178
70	(370) Meters	5,201,241		133,134
71	(371) Installations on Customer Premises	471,149		27,704
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	1,862,435		106,136
74	(374) Asset Retirement Costs for Distribution Plant	142,440		-191,498
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	135,750,037		4,894,239
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	195,531		
87	(390) Structures and Improvements	6,484,418		379,920
88	(391) Office Furniture and Equipment	1,410,367		152,472
89	(392) Transportation Equipment	6,637,896		253,748
90	(393) Stores Equipment	104,040		
91	(394) Tools, Shop and Garage Equipment	1,694,907		28,359
92	(395) Laboratory Equipment	1,698,646		134,027
93	(396) Power Operated Equipment	1,297,017		171,088
94	(397) Communication Equipment	2,747,262		701,685
95	(398) Miscellaneous Equipment	31,792		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	22,301,876		1,821,299
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant	194,875		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	22,496,751		1,821,299
100	TOTAL (Accounts 101 and 106)	241,555,991		11,989,673
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	241,555,991		11,989,673

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
					48
					49
					50
					51
					52
					53
					54
					55
					56
					57
					58
					59
			745,813		60
			1,234,941		61
24,316			25,397,430		62
					63
230,750		-426	31,479,221		64
65,510			16,804,436		65
					66
105,577			17,737,115		67
315,667			24,102,899		68
58,987			14,588,447		69
246,738			5,087,637		70
70,192			428,661		71
					72
59,656			1,908,915		73
			-49,058		74
1,177,393		-426	139,466,457		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
			195,531		86
37,966		-6,107	6,820,265		87
399,617			1,163,222		88
113,185			6,778,459		89
			104,040		90
		1,242	1,724,508		91
			1,832,673		92
289,970		-1,242	1,176,893		93
70,050			3,378,897		94
			31,792		95
910,788		-6,107	23,206,280		96
					97
			194,875		98
910,788		-6,107	23,401,155		99
2,179,089		-426	251,366,149		100
					101
					102
					103
2,179,089		-426	251,366,149		104

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 204 Line No.: 74 Column: c

Reduction due to revision estimated costs and settlement dates for Distribution Asset Retirement Obligations.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012			
Upper Peninsula Power Company						
PLANT ACQUISITION ADJUSTMENTS AND ACCUMULATED PROVISION FOR AMORTIZATION OF PLANT ACQUISITION ADJUSTMENTS (Accounts 114 & 115)						
<p>1. Report the particulars called for concerning acquisition adjustments.</p> <p>2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.</p> <p>3. Explain each debit and credit during the year, give reference to any Commission orders or other authorizations concerning such amounts, and show contra account debited or credited.</p> <p>4. For acquisition adjustments arising during the year</p> <p>state the name of the company from which the property was acquired, date of transaction, and date journal entries clearing Account 102, Plant Purchased or Sold, were filed with the Commission.</p> <p>5. In the blank space at the bottom of the schedule, explain the plan of disposition of any acquisition adjustments not currently being amortized.</p> <p>6. Give date Commission authorized use of Account 115.</p>						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	CREDITS Contra Acct. Amount (d) (e)		Balance End of Year (f)
1	Account 114	2,681,674				2,681,674
2	Purchased Four (4) Hydro-Electric					
3	Generating Stations from Cliffs					
4	Electric Service on February 17, 1998					
5						
6						
7						
8						
9	Account 115					
10	Four (4) Hydro-Electric Generating	2,557,077		406	106,795	2,663,874
11	Stations					
12						
13						
14						
15						
16						
17						
18						
19						
20						

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012	
Upper Peninsula Power Company				
CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service. 2. The information specified by this schedule for Account 106, Completed Construction		Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts. 3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts). 4. Minor projects may be grouped.		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	Victoria Spillway Adequacy	1,943,852		7,472,548
2	Humboldt-Remove Old and Construct	1,461,598		197,229
3	M-26 Install 18,500 Ft 4/0 3PH URD	597,728		0
4	Rapid River - Increase XFMR Capacity	289,648		17,085
5	Winona - Add Xfmr and Feeder	256,140		151,160
6	Keweenaw Install New Ctrl House RTU	206,820		47,939
7	Victoria South Access Road	205,065		194,935
8	Pur V73140 to Repl V72320	201,129		8,871
9	Pur V73260 to Repl V71180	158,552		41,448
10	Pur V73150 to Repl V72310	158,552		41,448
11	Pur V73160 to Repl V72390	158,552		41,448
12	Projects w/Balances less \$100,000	809,141	2,467,119	N/A
13	Prickett Spillway Modification		2,629,927	
14	Prickett Penstock Replacement		1,598,163	
15	Remodel New Delta SC		1,014,164	
16	McClure Substation Improve		588,809	
17	Reconductor & Relocate Lake Lind.		373,897	
18	Chassell CKT Reconduct.		341,377	
19	McClure Hydro GSU Trans.		335,531	
20	Install 29,500 ft 4/0 URD PRI		333,582	
21	Freeman - Replace 34.6KV Break		298,839	
22	Windows 7 PC & Laptop		289,048	
23	Victoria Flood Walls & NS Embank		249,270	
24	Fiber Comm Syst Upgrade		217,207	
25	Rebuild McClure 34KV from Sub		216,153	
26	Pur V86042 to Repl V85820		171,088	
27	OPS & SUBS Capital Tools		159,090	
28	Upg. Communication		152,052	
29	Freeman Repl RTU and New BA Mtr		140,441	
30	Ishpeming SC		134,262	
31	Victoria Unit 1 Static Exciter		131,095	
32	Reconductor Bootjack Rd		120,503	
33	The Shores at Ten Mile Pt		117,446	
34	Masonville Line 987 Reloc. (Continued on next page)		115,222	
35	TOTAL	6,446,777	12,194,285	8,214,111

Name of Respondent		This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
<p>1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service.</p> <p>2. The information specified by this schedule for Account 106, Completed Construction</p>		<p>Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts.</p> <p>3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).</p> <p>4. Minor projects may be grouped.</p>		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	Reconductor Circuit #2 to 336		113,008	
2	Upgr Communication ISH		111,706	
3	Ishpeming SC Upgr Heaters to Gas		103,620	
4	Victoria Hydro - Install Tie Breaker		102,867	
5	Lincoln Ave Rplc 4C Ctrl on 3 FDR's		101,811	
6	Reconductor Ckt1 to 336 ACS		100,448	
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	TOTAL	6,446,777	12,827,745	8,214,111

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
CONSTRUCTION OVERHEADS - ELECTRIC			
<p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather</p> <p>should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>			
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	
1	Internal Design, Engineering and Supervision	472,645	
2	External Design, Engineering and Supervision	6,463	
3			
4			
5			
6			
7			
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39	TOTAL	479,108	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE	
<p>1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of</p>	<p>construction, and (f) whether the overhead is directly or indirectly assigned.</p> <p>2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.</p>
<p>Construction Overheads: Supervision and engineering are charged to specific requisition involved, direct from the time vouchers. Pension expense, workman's compensation insurance, payroll taxes and other employee benefits including health and dental insurance, and long term disability insurance are allocated to construction based on direct payroll charges.</p> <p>2. General Administration: By examination, certain administration and general salaries were transferred to construction costs based on direct payroll charges to construction projects involved.</p> <p>3. Items 2 and 3 below (Gross Rate for Borrowed Funds and Rate for Other Funds) are based on Michigan Public Service Commission's found overall rates of return ordered by Case U-16417 dated December 20, 2011.</p>	

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES				
<p>For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.</p>				
<p>1. Components of Formula (Derived from actual book balances and actual cost rates):</p>				
Line No.	Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
1	Average Short-Term Debt & Computation of Allowance Text	S 10,561,612		
2	Short-Term Interest			s 0.44%
3	Long-Term Debt	D 55,000,000	37.80%	d 5.21%
4	Preferred Stock	P		
5	Common Equity	C 90,484,931	62.20%	c 10.20%
6	Total Capitalization	145,484,931	100.00%	
7	Average Construction Work in Progress Balance	W 5,076,677		
<p>1. Gross Rate for Borrowed Funds</p> $\frac{S}{W} + \frac{D}{D+P+C} * (1 - \frac{S}{W}) = 0\%$				
<p>3. Rate for Other Funds</p> $[1 - \frac{S}{W}] * \frac{P}{D+P+C} + \frac{C}{D+P+C} = 0\%$				
<p>4. Weighted Average Rate Actually used for the year</p> <p>a. Rate for Borrowed Funds 6.246%</p> <p>b. Rate for Other Funds 0%</p>				

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	93,063,171	93,063,171		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	7,630,499	7,630,499		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts	250,662	250,662		
8	Other Accounts (Specify, details in footnote):				
9	182375 ARC Deprec. Expense	8,336	8,336		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	7,889,497	7,889,497		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	2,177,085	2,177,085		
13	Cost of Removal	766,078	766,078		
14	Salvage (Credit)	205,828	205,828		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	2,737,335	2,737,335		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17		-12,052	-12,052		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	98,203,281	98,203,281		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional	15,082,502	15,082,502		
23	Hydraulic Production-Pumped Storage				
24	Other Production	4,864,092	4,864,092		
25	Transmission				
26	Distribution	65,652,972	65,652,972		
27	Regional Transmission and Market Operation				
28	General	12,603,715	12,603,715		
29	TOTAL (Enter Total of lines 20 thru 28)	98,203,281	98,203,281		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 17 Column: c

(Gain)/Loss Associated with Land Sales	\$ (6,095)
ARO Reclass (254185 to 182376)	(5,952)
Other Transfers	(5)
	\$ (12,052)

Schedule Page: 219 Line No.: 19 Column: c

Footnote:

Steam Production

End Balance (above)	-
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr (Rate base)	-
Ending Rate Base Reserve	-

Nuclear Production

End Balance (above)	-
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr (Rate base)	-
Ending Rate Base Reserve	-

Hydraulic Production - Conventional

End Balance (above)	15,082,502
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr (Rate base)	-
Ending Rate Base Reserve	15,082,502

Hydraulic Production - Pumped Storage

End Balance (above)	-
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr (Rate base)	-
Ending Rate Base Reserve	-

Other Production

End Balance (above)	4,864,092
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr (Rate base)	-
Ending Rate Base Reserve	4,864,092

Transmission

End Balance (above)	-
Less: 108200 ARO	
Depreciation (Non-Rate base)	-
Add: 182376 ARO COR Depr	

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Upper Peninsula Power Company		12/31/2012	2012/Q4
FOOTNOTE DATA			

(Rate base) -
Ending Rate Base Reserve -

Distribution

End Balance (above) 65,652,972
Less: 108200 ARO
Depreciation (Non-Rate base) 140,160
Add: 182376 ARO COR Depr
(Rate base) 187,302
Ending Rate Base Reserve 65,700,115

General

End Balance (above) 12,603,715
Less: 108200 ARO
Depreciation (Non-Rate base) 149,504
Add: 182376 ARO COR Depr
(Rate base) -
Ending Rate Base Reserve 12,454,211

Total

End Balance (above) 98,203,281
Less: 108200 ARO
Depreciation (Non-Rate base) 289,664
Add: 182376 ARO COR Depr
(Rate base) 187,302
Ending Rate Base Reserve 98,100,920

Name of Respondent	This Report Is:	Date of Report	Year of Report
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NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121.		4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.		
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.		5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other nonutility property.		
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.				

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales Transfers, etc. (c)	Balance at End of Year (d)
1	Two (2) Dam Sites in Baraga &			
2	Houghton County	9,949		9,949
3	Land in Ontonagon River Area	1,901,633		1,901,633
4	Land in City of Gladstone	171,692	(116,661)	55,031
5	Escanaba River Hydros Delta Cty	4,486,044	74,755	4,560,799
6	Boney Falls Delta Cty	38,641	484,413	523,054
7	Bond Falls Ontonagon County	453,051		453,051
8	Eastern Hydro Dams	681,739		681,739
9	CWIP	405,256	50,293	455,549
10				
11				
12				
13				
14				
15				
16				
17				
	TOTAL	8,148,005	492,800	8,640,805

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)		
Report below the information called for concerning depreciation and amortization of nonutility property.		
Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	1,258,315
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	113,586
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	113,586
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	(277,977)
10	Cost of Removal	(4,975)
11	Salvage (Credit)	57,625
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	(225,327)
13	Other Debit or Credit Items (Describe):	
14	Gain Associated with Hoist Land	(57,624)
15	Loss associated with Bone Line poles	3,221
16	Other transfers/adjustments	6
17	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	1,092,177

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Upper Peninsula Power Company				
INVESTMENTS (Accounts 123, 124, 136)				
<p>1. Report below the investments in Accounts 123, <i>Investments in Associated Companies</i>, 124, <i>Other Investment</i>, and 136, <i>Temporary Cash Investments</i>.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(a) Investment in Securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, <i>Other</i></p>		<p><i>Investments</i>), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.</p> <p>(b) Investment Advances - Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or an open account. Each note should be listed giving date of issuance,</p>		
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b)		Purchases or Additions During Year (c)
		Original Cost	Book Value	
1	WPS Investments, LLC	11,406,349	15,374,511	2,200,035
2	Date Acquired 6/29/2001			
3	2.49% Interest (Paid in Capital)			
4				
5	ATC Management, Inc.	3,220	3,150	
6	Date Acquired 6/29/2001			
7	1.91% Voting Interest			
8	(Common Equity)			
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21		11,409,569	15,377,661	2,200,035
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37		0	0	0
38				
39				
40				
41				
42		11,409,569	15,377,661	2,200,035

Name of Respondent	This Report Is:	Date of Report	Year of Report
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INVESTMENTS (Accounts 123, 124, 136) (Cont'd)

maturity date, and specifying whether note is a renewal. docket number.

Designate any advances due from officers, directors, 5. Report in column (g) interest and dividend revenues from
stockholders, or employees. Exclude amounts reported on investments including such revenues from securities disposed
page 229. of during the year.

3. For any securities, notes or accounts that were pledged 6. In column (h) report for each investment disposed of during
designate with an asterisk such securities, notes, or accounts the year the gain or loss represented by the difference between
and in a footnote state the name of pledgee and purpose of the cost of the investment (or the other amount at which carried in
pledge. the books of account if different from cost) and the selling price
thereof, not including any dividend or interest adjustment
4. If Commission approval was required for any advance made includible in column (g).

or security acquired, designate such fact in a footnote and give
name of Commission, date of authorization, and case or

Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (f)		Revenues for Year (g)	Gain of Loss from Improvement Disposed of (h)	Line No.
		Original Cost	Book Value			
		11,406,349	15,819,865	(1,754,682)		1
						2
						3
						4
		3,220	3,150			5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
0		11,409,569	15,823,015	(1,754,682)		21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
0		0	0	0		37
						38
						39
0	0	11,409,569	15,823,015	(1,754,682)	0	40
						41
						42

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
- (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
- (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	WPS Investments LLC	6/29/2001		15,374,511
2	2.49% Interest			
3	Paid in Capital			
4				
5				
6	ATC Management, Inc.	6/29/2001		3,150
7	1.91% Voting Interest			
8	Common Equity			
9				
10				
11				
12				
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39				
40				
41				
42	Total Cost of Account 123.1 \$ 0		TOTAL	15,377,661

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
2,200,035	-1,754,682	15,819,865		1
				2
				3
				4
				5
		3,150		6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
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				28
				29
				30
				31
				32
				33
				34
				35
				36
				37
				38
				39
				40
				41
2,200,035	-1,754,682	15,823,015		42

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 224 Line No.: 1 Column: f

WPS Investments holds our investment in American Transmission Company, LLC. Dividends from WPS Investments for 2012 \$(1,754,682).

Schedule Page: 224 Line No.: 6 Column: a

ATC Management, Inc is the corporate manager of the American Transmission Company, LLC.

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Upper Peninsula Power Company			
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET			
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).			
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Notes Receivable (Account 141)		
2	Customer Accounts Receivable (Account 142)	8,935,064	9,422,759
3	Other Accounts Receivable (Account 143)	2,632,018	2,092,601
4	(Disclose any capital stock subscriptions received)		
4	TOTAL	11,567,082	11,515,360
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	260,000	574,000
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	11,307,082	10,941,360
7			
8			
9			
10			
11			
12			
13			
14			

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision.						
2. Explain any important adjustments of subaccounts.						
3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	260,000				260,000
2	Prov. for uncollectibles for current year	735,142				735,142
3	Account written off (less)	861,065				861,065
4	Coll. of accounts written off	125,923				125,923
5	Adjustments (explain): To reserve based on modified black motor formula	90,000			224,000	314,000
6	Balance end of year	350,000	0	0	224,000	574,000
7						
8						
9						
10						
11						

Name of Respondent	This Report Is:	Date of Report	Year of Report
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RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)						
1. Report particulars of notes and accounts receivable from associated companies* at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.				4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.		
<p>* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the account company. This includes related parties.</p> <p>"Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.</p>						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1						
2	Account 146					
3						
4	The Peoples Gas Light and Coke Company	900	0	900	0	
5	Michigan Gas Utilities Corporation	242	2,714	2,692	264	
6	Integrus Energy Group, Inc.	10,502	0	10,502	0	
7	Integrus Business Support, LLC	1,720	124,612	96,067	30,265	
8	Wisconsin Public Service Corporation	132,549	271,525	399,599	4,475	
9	Penvest, LLC	140	17,014	14,865	2,289	
10					0	
11					0	
12					0	
13					0	
14					0	
15					0	
16					0	
17					0	
18					0	
19					0	
20					0	
21					0	
22					0	
23					0	
24					0	
25					0	
26					0	
27					0	
28					0	
29					0	
30					0	
31					0	
32					0	
33					0	
34					0	
35					0	
36	TOTAL	146,053	415,865	524,625	37,293	0

NOTE: All information presented pertains to Account 146. Account 145 had no activity during 2012.

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of <u>2012/Q4</u>
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	548,606	570,651	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	469,256	602,657	Electric	
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)				
8	Transmission Plant (Estimated)				
9	Distribution Plant (Estimated)	523,927	418,470	Electric	
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	993,183	1,021,127		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)	181,773	6,056	Electric	
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	1,723,562	1,597,834		

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012	
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)				
1. Report below the information called for concerning production fuel and oil stock. 2. Show quantities in tons Of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from		affiliated companies, a statement should be submitted showing the quantity of such fuel so obtained, the quantity used and quantity on hand, and cost of the fuel classified as to the nature of the costs and expenses incurred with appropriate adjustment for the inventories at beginning and end of year.		
Line No.	Item (a)	Total Cost (b)	KINDS OF FUEL AND OIL Electric Department - Coal	
			Quantity (Tons) (c)	Cost (d)
1	On hand beginning of year	548,606		
2	Received during year	98,934		
3	TOTAL	647,540	0	0
4	Used during year (specify department)	76,889		
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	Sold or transferred			
16	TOTAL DISPOSED OF	76,889	0	0
17	BALANCE END OF YEAR	570,651	0	0

Name of Respondent	This Report Is:		Date of Report	Year of Report		
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) April 30, 2013	December 31, 2012		
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151 (Continued))						
KINDS OF FUEL AND OIL (Continued)						
Electric Department - Oil		Electric Department - Propane		Electric Dept. - Alternate Fuel		Line
Quantity (Gallons)	Cost	Quantity (Gallons)	Cost	Quantity (Tons)	Cost	Line
(e)	(f)	(g)	(h)	(i)	(j)	No.
242,313	548,606					1
29,718	98,934					2
272,031	647,540	0	0	0	0	3
27,745	76,889					4
						5
						6
						7
						8
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						15
27,745	76,889	0	0	0	0	16
244,286	570,651	0	0	0	0	17

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)

1. Give description and amount of other current and accrued assets as of the end of year.
2. Minor items may be grouped by classes, showing number of items in each class.

Line No.	Item (a)	Balance End of Year (b)
1	Ad Valorem Property Taxes	5,036,210
2		
3		
4		
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24		
25	TOTAL	5,036,210

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of <u>2012/Q4</u>
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	Retiree Health and Life	30,206		253	30,206	
2						
3	Warden Ash Site Monitoring	990,000		511	55,000	935,000
4						
5	Minimum Pension Liability Adjustment	70,129,956	73,982,795	Various	73,441,343	70,671,408
6						
7	ARO Depr/Accr NonRate Base	631,396	48,447	108	1,395	678,448
8						
9	ARO COR Rate Base	(181,350)		254	5,952	-187,302
10						
11	Derivatives	252,685	47,448	244	242,989	57,144
12						
13	Autrain	2,884,705		407	813,209	2,071,496
14						
15	Cataract	1,901,316		407	380,263	1,521,053
16						
17	Def Tax 2010 Healthcare	1,820,272	15,729			1,836,001
18						
19	Decoupling		1,723,294	456	547,610	1,175,684
20						
21						
22	See Footnote					
23						
24						
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43						
44	TOTAL :	78,459,186	75,817,713		75,517,967	78,758,932

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 22 Column: a

Formula Rate Regulatory Assets - Allocable to Distribution, Average of Lines 1 and 5, Columns B and F.

Formula Rate Regulatory Assets - Direct Assigned to Distribution, None.

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Warden Ash Site Cost	128,514	29,805	511	27,671	130,648
2						
3	Work Orders	54,687	187,324	Various	157,468	84,543
4						
5	Minor Items	1,963	11			1,974
6						
7	Other Deferred Credits	196,178	2,055,960	232	2,062,684	189,454
8						
9						
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11						
12						
13						
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44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	381,342				406,619

Name of Respondent		This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.		2. At Other (Specify), include deferrals relating to other income and deductions.		

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Plant	2,024,786	(71,300)	260,867
3	Other Than Plant	3,553,221	(7,404,725)	5,953,474
4	Plant (FAS 109)	229,402	(1,112,229)	(949)
5	Other Than Plant (FAS 109)			
6				
7	Other			
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	5,807,409	(8,588,254)	6,213,392
9	Gas			
10	Plant			
11	Other Than Plant			
12	Plant (FAS 109)			
13	Other Than Plant (FAS 109)			
14				
15	Other			
16	TOTAL Gas (Enter total of lines 10 thru 15)			
17	Other (Specify) - Nonutility	11,143		
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	5,818,552	(8,588,254)	6,213,392
19	Classification of Total:			
20	Federal Income Tax	4,240,021	(7,823,868)	5,703,249
21	State Income Tax	1,578,531	(995,715)	739,175
22	Local Income Tax			

NOTES

In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts required.

4. In the space provided below, identify by amount listed other Other.

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						2,214,353	2
					2,742,227	4,844,197	3
					1,094,204	210,428	4
							5
							6
							7
0	0		0		3,836,431	7,268,978	8
							9
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							16
(231,329)	229,032				(2,844)	6,002	17
(231,329)	229,032				3,833,587	7,274,980	18
							19
					3,369,848	5,489,250	20
					463,739	1,785,730	21
							22

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012	
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	Unamortized Loss on Reacquired Debt			
2	Early Retirement of First Mortgage Bonds 10.75%	33,451	3,150,000	(81,375)
3	Early Retirement of First Mortgage Bonds 9.32%	40,848	9,400,000	(3,252,679)
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Name of Respondent	This Report Is: (1) <input checked="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)			
4. Show loss amounts in red or by enclosure in parentheses. 5. Explain any debits and credits other than amortization debited to Account 428.1,		Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.	
Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)
			Line No.
			1
26,479		3,875	22,604
3,213,490		470,267	2,743,223
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Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
CAPITAL STOCKS (Account 201 and 204)					
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>					
Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)	
1	Common Stock Without Par	3,000,000	9.00		
2					
3	Cumulative Preferred Stock	300,000			
4					
5	Cumulative Preference Stock	1,000,000	1.00		
6					
7	NOTE: Respondent's common stock is held				
8	entirely by its parent holding company,				
9	Integrus Energy Group, Inc.				
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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
1,473,736	13,263,624					1
						2
						3
						4
						5
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 & 205, 203 & 206, 207, 212)			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 207 - Premium on Capital Stock		
2			
3	Common Stock	1,090,736	11,498,466
4	Capital Returned to Parent		(3,000,000)
5	APIC - Def Comp Distributions		11,410
6	APIC - Def Comp/Stk Options Tax Effects		17,380
7	Deferred Comp Fixed Stock		(3,314)
8	Deferred Comp Fixed Stock Dividends		(710)
9	Restricted Common Stock		(33,201)
10	Performance Shares Payout and Restricted Stock Vest.		122,874
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40	TOTAL	1,090,736	8,612,905

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (account 209)-State amount and give brief explanation</p>		<p>of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	Account 210 - Gain on Reacquired Capital Stock	40,250	
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35	TOTAL	40,250	

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Bonds (Account 221)		
2			
3			
4			
5	Advances from Affiliates (Account 223)		
6			
7	5.25% Note	15,000,000	
8	6.059% Note	15,000,000	
9	5.041% Note	15,000,000	
10	3.35% Note	10,000,000	
11			
12			
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33	TOTAL	55,000,000	

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
						3
						4
						5
						6
08/29/2003	08/29/2013			15,000,000	800,625	7
10/01/2007	10/1/2017			15,000,000	922,735	8
04/30/2010	04/30/2020			15,000,000	757,531	9
11/01/2011	11/01/2018			10,000,000	335,612	10
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				55,000,000	2,816,503	33

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts.
3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.
4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

***See definition on page 226B**

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 233:					
2						
3	ST Notes Payable to Affiliates	7,700,000	80,775,000	85,000,000	11,925,000	46,564
4					0	
5		7,700,000	80,775,000	85,000,000	11,925,000	
6	Account 234:					
7	Integrus Business Support, LLC	2,545,365	44,980,486	43,590,300	1,155,179	
8	Wisconsin Public Service Corporation	3,095,189	41,137,495	40,245,539	2,203,233	
9	Integrus Energy Group, Inc.	700,103	6,856,345	7,362,057	1,205,815	
10		6,340,657	92,974,326	91,197,896	4,564,227	
11					0	
12					0	
13					0	
14					0	
15					0	
16					0	
17					0	
18					0	
19					0	
20					0	
21					0	
22					0	
23					0	
24					0	
25					0	
26					0	
27					0	
28	Total	0	0	0	16,489,227	

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>		
Line No.		TOTAL AMOUNT
1	Utility net operating income (page 114 line 20)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 68)	10,480,935
6	Allocation of Net income for the year	
7	Add: Federal income tax expenses	6,560,755
8		
9	Total pre-tax income	17,041,690
10		
11	Add: Taxable income not reported on books:	
12		
13		
14		
15	Add: Deductions recorded on books not deducted from return	936,576
16		
17		
18		
19	Subtract: Income recorded on books not included in return:	(9,730,114)
20		
21		
22		
23	Subtract: Deductions on return not charged against book income:	(7,217,881)
24	Schedule M (Addition of Taxable Income)	(16,011,419)
25		
26	Federal taxable income for the year	1,030,271

Name of Respondent	This Report Is:	Date of Report	Year of Report
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)		
<p>3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2</p> <p>4. A substitute page, designed to meet a particular need of a company, may be used as long as data is consistent and meets the requirements of the above instructions.</p>		
Utility	Other	Line No.
		1
		2
		3
		4
		5
		6
5,718,590	842,165	7
		8
5,718,590	842,165	9
		10
		11
		12
		13
		14
919,226	17,350	15
		16
		17
		18
(8,683,542)	(1,046,572)	19
		20
		21
		22
(6,698,532)	(519,348)	23
		24
		25
(8,744,258)	(707,821)	26

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

FOOTNOTE DATE			
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
261	24	(a)	BENEFITS & INCENTIVES Benefits & Incentives Accrued (6,647,015) CGL & NOL Gain/Loss - OTHER Bad Debts 314,000 Contingent Liabilities - Customer Advances - Deferred Income & Deductions 60,211 Interest 458,818 Lobbying 17,275 Meals & Entertainment 13,322 Penalties 75 Price Risk Hedging 1,490 State Tax Deduction - PLT-INVEST IN WPSI Intangibles (NPL) (38,154) Partnerships & Equity Invest (1,037,393) STATE TAX LIABILITY (114,484) PLT-CUSTOMER ADVANCES (897,127) PLT-INTANGIBLES Basis Adjustment (CWIP) - Basis Adjustment (PLT) - PLT-OTHER Depreciation (9,749,320) Depreciation (ADJ-TAX SYS) 2,531,439 Gains and Losses (PLT) - Removal - REGULATORY DEFERRALS Environment Cleanup 56,061 Regulatory Assets (CUR) (949,937) Regulatory Assets (NC) 967,726 Regulatory Liabilities (CUR) (1,024,086) Regulatory Liabilities (NC) 174,054 TAXES - OTHER (148,374) TOTAL M-1 ADJUSTMENTS <u><u>(16,011,419)</u></u>

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal					
2	Income Current Year	3,559	4,650,245	360,595	-775,000	13,355
3	Income Prior Year			-2,138,426	-5,436,997	672,551
4	Illinois					
5	Income Prior Year		-28,424	-28,320	33	-1
6	Michigan					
7	Income Current Year		1,668,226	110,450	107,304	2,674
8	Income Prior Year			-500,834	-1,540,357	-157,711
9	Minnesota					
10	Income Current Year		971		100	
11	Income Prior Year				-2,081	4
12	Wisconsin					
13	Income Current Year		80,039	8,830	9,080	1,102
14	Income Prior Year			-63,873	-149,700	13,768
15	DC					
16	Income Prior Year			250	250	
17	Federal TOTIT					
18	Federal Excise Tax		534	763	1,805	
19	Federal Highway Use Tax			315	630	
20	FICA	28,253		559,839	556,079	
21	FUTA			10,139	10,139	
22	State of Michigan TOTIT					
23	Unauthorized Insurance Tax		10,496	15,310	17,183	
24	Unemployment			27,407	27,407	
25	Other States TOTIT					
26	Payroll Tax Billed			320,661	320,661	
27	Use Tax			155,832	155,832	
28	WI Recycling Fee & Other			-755	-755	
29	Local MI TOTIT					
30	Real Estate & Personal Prop	5,114,104		4,787,401	4,861,915	
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	5,145,916	6,382,087	3,625,584	-1,836,472	545,742

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
5,825	3,528,005	208,123			152,472	2
	-2,653,020	-1,963,064			-175,362	3
						4
	-72				-28,320	5
						6
	1,664,754	141,003			-30,553	7
	-1,197,234	-735,180			234,346	8
						9
	1,071					10
	-913				-1,164	11
						12
	81,391	5,938			2,892	13
	-72,059	-61,273			-2,600	14
						15
					250	16
						17
	1,576	763				18
	315	315				19
32,013		559,839				20
		10,139				21
						22
	12,369	15,310				23
		27,407				24
						25
		320,661				26
		155,832				27
		-755				28
						29
5,039,590		4,564,658				30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
5,077,428	1,366,183	3,249,716			151,961	41

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: f

Stock Options	\$17,268
Restricted Stock	(3,006)
Deferred Compensation	313
FIN 48	(1,220)
	<u>\$13,354</u>

Schedule Page: 262 Line No.: 3 Column: f

Intercompany Receivable/Payable	\$667,767
Non FIN 48 Interest Income/Expense	4,784
	<u>\$672,551</u>

Schedule Page: 262 Line No.: 5 Column: f

Interest

Schedule Page: 262 Line No.: 11 Column: f

Interest

Schedule Page: 262 Line No.: 13 Column: f

Stock Options	\$ 154
WI Recycling Fee Trueup	975
Restricted Stock	(27)
	<u>\$1,102</u>

Schedule Page: 262 Line No.: 14 Column: f

Intercompany Receivable/Payable	\$21,232
Reclass between MI and WI	28,916
Interest	(36,380)
	<u>\$13,768</u>

Schedule Page: 262 Line No.: 26 Column: i

FICA	\$278,361
SUTA	39,069
FUTA	3,231
	<u>\$320,661</u>

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	63,076				4,656	
4	7%						
5	10%	495,517				36,517	
6		1,592,166				154,203	
7							
8	TOTAL	2,150,759				195,376	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Electric from Above	2,150,759				195,376	
11	Electric Sub Total	2,150,759				195,376	
12	Non-Utility	25,401				8,248	
13	Total	25,401				8,248	
14							
15							
16							
17							
18							
19							
20							
21							
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Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION			Line No.
					1
					2
58,420	44.7 Years				3
					4
459,000	44.8 Years				5
1,437,963	51.4 Years				6
					7
1,955,383					8
					9
1,955,383					10
1,955,383					11
17,153	39.0 Years				12
17,153					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 13 Column: b

Non-utility total only.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Give description and amount of other current and accrued liabilities as of the end of year. 2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1			
2	Curr & Accr Liab 401K Serv Acc	45,716	
3	ESOP - Company Contribution	9,720	
4	Worker's Comp Incurred But Not Reported	778	
5	Current Pension Obligation	127,738	
6	Current Sick Pay Plan Obligation	24,772	
7	Current Pension Restoration	29,105	
8	Current Post Retirement Obligation	19,457	
9	Curr & Accr Liab Vac Pay Accr	769,473	
10	Accrued Wages Payable	203,539	
11	Health Care/Life Accrual	117,067	
12	Goal Sharing	211,153	
13	Deferred Revenue 2012	326,036	
14			
15			
16			
17			
18			
19			
20			
21			
22	TOTAL	1,884,554	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by department (a)	Balance End of Year (b)
23	Electric	3,296,332
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	3,296,332

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.						
Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Bond Falls Mitigation	141,057	Various	43,683	101,879	199,253
2						
3	P.I. Ash Site	424,091				424,091
4						
5	Outstanding Checks Cancelled	1,982	232	82	643	2,543
6						
7	Warden Ash Site	990,000	511	55,000		935,000
8						
9	Sick Leave Term. Pay	475,233		196,031	117,423	396,625
10						
11	Deferred Comp	306,578	926	90,330	63,867	280,115
12						
13	Restricted Common Stock				6,304	6,304
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
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46						
47	TOTAL	2,338,941		385,126	290,116	2,243,931

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Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric	32,358,101	8,635,797	1,406,244	
3	Gas				
4	Non Utility	7,928,967			
5	TOTAL (Enter Total of lines 2 thru 4)	40,287,068	8,635,797	1,406,244	
6					
7					
8					
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	40,287,068	8,635,797	1,406,244	
10	Classification of TOTAL				
11	Federal Income Tax	38,079,590	6,502,683	1,397,100	
12	State Income Tax	2,207,478	2,133,114	9,144	
13	Local Income Tax				

NOTES

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4		
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
					2,120,650	41,708,304	2
							3
1,473,983	921,220					8,481,730	4
1,473,983	921,220				2,120,650	50,190,034	5
							6
							7
							8
1,473,983	921,220				2,120,650	50,190,034	9
							10
1,373,950	781,005				1,865,228	45,643,346	11
100,033	140,215				255,422	4,546,688	12
							13

NOTES (Continued)

Name of Respondent		This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283. 2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Electric			
2	Plant			
3	Other Than Plant	17,472,024	5,344,045	6,582,145
4	Other Than Plant (FAS 109)			
5				
6	Other			
7	TOTAL Electric (total of lines 2 thru 6)	17,472,024	5,344,045	6,582,145
8	Gas			
9	Plant			
10	Other Than Plant			
11	Other Than Plant (FAS 109)			
12				
13	Other			
14	TOTAL Gas (Total of lines 9 thru 13)			
15	Other (Specify) Nonutility	(95,493)		
16	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	17,376,531	5,344,045	6,582,145
17	Classification of TOTAL			
18	Federal Income Tax	14,439,361	4,375,017	4,516,291
19	State Income Tax	2,937,170	969,028	2,065,854
20	Local Income Tax			
NOTES				

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.

4. Fill in all columns for all items as appropriate.

5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
							2
				254/282	2,025,833	18,259,757	3
							4
							5
							6
0	0		0		2,025,833	18,259,757	7
							8
							9
							10
							11
							12
							13
0	0		0		0	0	14
143,033	47,540						15
143,033	47,540		0		2,025,833	18,259,757	16
							17
128,067	42,566				1,750,630	16,134,218	18
14,966	4,974				275,203	2,125,539	19
							20

NOTES (Continued)

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes. 3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Derivatives	21,104	175/182	349,505	448,908	120,507
2						
3	Decoupling				273,456	273,456
4						
5	Deferred Taxes	893,407	190/282	302,909		590,498
6						
7						
8						
9	See Footnote					
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	914,511		652,414	722,364	984,461

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 9 Column: a

Formula Rate Regulatory Liabilities - Allocable to Distribution, Average of Line 5, Columns B and F.

Formula Rate Regulatory Liabilities - Direct Assigned to Distribution, None.

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012	
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421. 2)					
<p>1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility.</p> <p>2. Individual gains or losses relating to property with an original cost of less than \$100,000 may be grouped with the number of such transactions disclosed in column (a).</p> <p>3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See account 102, Utility Plant Purchased or Sold.)</p>					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2					
3	Gain associated with sale of				
4	Hoist Hydro Land	1		63,719	
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	Total Gain	1		63,719	

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012	
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19					
20	Loss associated with the replacement of				
21	Boney Line poles	5,279			3,220
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	5,279			3,220

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS		
1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.	date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.	
2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.	5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.	
3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.	6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.	
4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration	7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.	

Line No.	Item (a)	Amount (b)
1	Revenues from Nonutility Operations	
2	Revenues from Sale of Renewable Energy Credits	201,950
3	Revenues from Operation of Escanaba River Hydros	525,946
4	Operations Expense for Escanaba River Hydros	187,561
5	Maintenance Expense for Escanaba River Hydros	333,397
6	Depreciation of Escanaba River Hydros	113,585
7	Other Non-Utility	71,289
8	Subtotal 417	164,642
9		
10	Non-Operating Rental Income	
11	Land Lease Income	350
12	Subtotal 418	350
13		
14		
15	Equity in Earnings of Subsidiary Companies	
16	Equity Earnings of Subsidiary - American Transmission Company	2,200,035
17	Subtotal 418.1	2,200,035
18		
19	Interest and Dividend Income	
20	Interest on Miscellaneous	1,788
21	Subtotal 419	1,788
22		
23	Miscellaneous Non-Operating Income	
24	Gain on Disposal of Property	63,719
25	Gain /Loss on ETF	43,023
26	Miscellaneous Non-Operating Income	119,290
27	Subtotal 421	226,032
28		
29		
30		
31		
32		
33		
34		
35		
36		
37	TOTAL	2,592,847

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	50,872,881	49,370,940
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	34,824,544	34,913,909
5	Large (or Ind.) (See Instr. 4)	17,492,191	16,821,482
6	(444) Public Street and Highway Lighting	1,466,495	1,416,210
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	104,656,111	102,522,541
11	(447) Sales for Resale	1,879,335	5,322,420
12	TOTAL Sales of Electricity	106,535,446	107,844,961
13	(Less) (449.1) Provision for Rate Refunds	-915,232	507,544
14	TOTAL Revenues Net of Prov. for Refunds	107,450,678	107,337,417
15	Other Operating Revenues		
16	(450) Forfeited Discounts	77,404	82,946
17	(451) Miscellaneous Service Revenues	86,009	67,236
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	190,195	188,069
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	1,918,110	301,369
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	2,271,718	639,620
27	TOTAL Electric Operating Revenues	109,722,396	107,977,037

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
262,628	269,136	46,178	46,181	2
				3
241,257	244,217	5,529	5,529	4
328,429	288,160	10	10	5
5,163	5,285	179	175	6
				7
				8
				9
837,477	806,798	51,896	51,895	10
21,351	63,980	36	67	11
858,828	870,778	51,932	51,962	12
				13
858,828	870,778	51,932	51,962	14

Line 12, column (b) includes \$ 0 of unbilled revenues.

Line 12, column (d) includes 0 MWH relating to unbilled revenues

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 11 Column: b
Includes \$686,031 for FERC Order 668-A.
Schedule Page: 300 Line No.: 11 Column: c
Includes \$436,103 for FERC Order 668-A.
Schedule Page: 300 Line No.: 11 Column: d
Includes 20,252 MWH for FERC Order 668-A.
Schedule Page: 300 Line No.: 11 Column: e
Includes 17,320 MW for FERC Order 668-A.

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	440 Residential Sales					
2	A-1 Residential	212,067	41,589,304	39,401	5,382	0.1961
3	A-2 Residential	17,080	3,180,890	3,226	5,294	0.1862
4	AH-1 Electric Heat	32,250	5,637,188	3,551	9,082	0.1748
5	AH-2 Electric Heat	266	41,811			0.1572
6	Z-1&3 Dusk to Dawn	638	215,618			0.3380
7	Z-2&4 Dusk to Dawn	75	20,538			0.2738
8	Total	262,376	50,685,349	46,178	5,682	0.1932
9	442 Commercial & Industrial					
10	C-1 General Commercial	52,901	9,974,383	4,329	12,220	0.1885
11	C-2 General Commercial	5,704	992,486	396	14,404	0.1740
12	H-1 Commercial Heating	7,158	1,082,750	229	31,258	0.1513
13	H-2 Commercial Heating	100	15,064			0.1506
14	P-1 Light & Power	92,768	13,497,340	514	180,482	0.1455
15	P-2 Light & Power	835	124,025			0.1485
16	RTMP	228,347	9,356,789	2	114,173,500	0.0410
17	Schedule A					
18	C-1 Commercial	15	2,644			0.1763
19	CP-I Interruptible Rider	345	30,198	15	23,000	0.0875
20	WP-3	37,054	2,267,349	1	37,054,000	0.0612
21	Z-1&3 Dusk to Dawn	550	164,071			0.2983
22	Z-2&4 Dusk to Dawn	82	18,529			0.2260
23	C-2 Commercial-IR	18	2,872			0.1596
24	CPU(PRI)	5,066	732,107	6	844,333	0.1445
25	CPU(SEC)	73,964	8,019,261	46	1,607,913	0.1084
26	CPU(SECV)	49,974	4,718,998	9	5,552,667	0.0944
27	CPU(TRANV)	15,057	1,317,317	1	15,057,000	0.0875
28	Total	569,938	52,316,183	5,548	102,729	0.0918
29	444 Public Street Hwy Light	5,163	1,466,495	179	28,844	0.2840
30	Total	5,163	1,466,495	179	28,844	0.2840
31	Naturewise					
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	837,477	104,468,132	51,905	16,135	0.1247
42	Total Unbilled Rev.(See Instr. 6)	0	187,979	0	0	0.0000
43	TOTAL	837,477	104,656,111	51,905	16,135	0.1250

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 304	Line No.: 6	Column: d
No count customer.		
Schedule Page: 304	Line No.: 7	Column: d
No count customer.		
Schedule Page: 304	Line No.: 20	Column: c
Interruptible demand revenue \$1,039,342.		
Schedule Page: 304	Line No.: 21	Column: d
No count customer.		
Schedule Page: 304	Line No.: 22	Column: d
No count customer.		

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Alger-Delta Cooperative Electric Assoc	RQ	54			
2						
3	City of Negaunee	RQ	56			
4						
5	Detroit Edison Energy					
6	Renewable Energy Credits	OS				
7						
8	Midwest ISO					
9	General Purpose	OS	1			
10	Spinning Reserve Service	OS	1			
11	Ancillary Svcs - Sch 2 Firm Sales	OS	1			
12	MISO Voluntary Capacity Auction	OS	1			
13						
14	Wolverine Power Supply Cooperative					
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
			-20,533	-20,533	1
					2
			-9,735	-9,735	3
					4
					5
			1,005,832	1,005,832	6
					7
					8
21,351		731,545		731,545	9
		520		520	10
			137,527	137,527	11
	1,220			1,220	12
					13
					14
0	0	0	-30,268	-30,268	
21,351	1,220	732,065	1,176,318	1,909,603	
21,351	1,220	732,065	1,146,050	1,879,335	

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Renewable Energy Credits	OS				
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type-of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
			32,959	32,959	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	-30,268	-30,268	
21,351	1,220	732,065	1,176,318	1,909,603	
21,351	1,220	732,065	1,146,050	1,879,335	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 1 Column: c

Original Rate Schedule FERC No. 54

Schedule Page: 310 Line No.: 1 Column: j

Prior year-end accrual true-up difference.

Schedule Page: 310 Line No.: 3 Column: c

Original Rate Schedule FERC No. 56

Schedule Page: 310 Line No.: 3 Column: j

Prior year-end accrual true-up difference.

Schedule Page: 310 Line No.: 6 Column: j

Renewable Energy Credits.

Schedule Page: 310 Line No.: 9 Column: c

Market Based Rate Tariff Vol. No. 1.

Schedule Page: 310 Line No.: 9 Column: g

Midwest ISO-Non-Firm service. Includes adjustment for compliance with FERC Order 668-A. The megawatt hours reported are the total megawatt hours sold to MISO. The megawatt hour sales when netted on an hourly basis with the megawatt hours purchased from MISO are 1,099.

Schedule Page: 310 Line No.: 9 Column: i

Midwest ISO-Non-Firm service. Includes adjustment for compliance with FERC Order 668-A. The dollars reported are the total dollars sold to MISO. The dollar sales when netted on an hourly basis with the dollars purchased from MISO are \$45,514.

Schedule Page: 310 Line No.: 10 Column: c

Market Based Rate Tariff Vol. No. 1.

Schedule Page: 310 Line No.: 11 Column: c

Market Based Rate Tariff Vol. No. 1.

Schedule Page: 310 Line No.: 11 Column: j

Ancillary Services Schedule 2 Firm Sales

Schedule Page: 310 Line No.: 12 Column: c

Market Based Rate Tariff Vol. No. 1.

Schedule Page: 310.1 Line No.: 1 Column: j

Renewable Energy Credits.

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering				
5	(501) Fuel				
6	(502) Steam Expenses				
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses				
10	(506) Miscellaneous Steam Power Expenses				
11	(507) Rents				
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)				
14	Maintenance				
15	(510) Maintenance Supervision and Engineering				
16	(511) Maintenance of Structures	27,671	33,490		
17	(512) Maintenance of Boiler Plant				
18	(513) Maintenance of Electric Plant				
19	(514) Maintenance of Miscellaneous Steam Plant				
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	27,671	33,490		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	27,671	33,490		
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering	902,786	768,952		
45	(536) Water for Power				
46	(537) Hydraulic Expenses	590,715	611,113		
47	(538) Electric Expenses	137,074	167,210		
48	(539) Miscellaneous Hydraulic Power Generation Expenses	61,808	51,765		
49	(540) Rents	116,897	98,829		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	1,809,280	1,697,869		
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering	180,915	146,505		
54	(542) Maintenance of Structures	40,535	43,937		
55	(543) Maintenance of Reservoirs, Dams, and Waterways	282,753	374,871		
56	(544) Maintenance of Electric Plant	218,230	1,707,642		
57	(545) Maintenance of Miscellaneous Hydraulic Plant	912	912		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	723,345	2,273,867		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	2,532,625	3,971,736		

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering	61,776	54,446		
63	(547) Fuel	76,889	133,357		
64	(548) Generation Expenses	21,201	11,535		
65	(549) Miscellaneous Other Power Generation Expenses	10,578	10,184		
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)	170,444	209,522		
68	Maintenance				
69	(551) Maintenance Supervision and Engineering	107,876	39,351		
70	(552) Maintenance of Structures	1,516			
71	(553) Maintenance of Generating and Electric Plant	614,454	25,644		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	24,399	22,252		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	748,245	87,247		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	918,689	296,769		
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	39,399,737	41,600,154		
77	(556) System Control and Load Dispatching	881,347	738,708		
78	(557) Other Expenses				
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	40,281,084	42,338,862		
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	43,760,069	46,640,857		
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering				
84					
85	(561.1) Load Dispatch-Reliability				
86	(561.2) Load Dispatch-Monitor and Operate Transmission System				
87	(561.3) Load Dispatch-Transmission Service and Scheduling				
88	(561.4) Scheduling, System Control and Dispatch Services	278,254	110,303		
89	(561.5) Reliability, Planning and Standards Development				
90	(561.6) Transmission Service Studies				
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services	10,698	10,180		
93	(562) Station Expenses				
94	(563) Overhead Lines Expenses				
95	(564) Underground Lines Expenses				
96	(565) Transmission of Electricity by Others	7,199,998	7,012,044		
97	(566) Miscellaneous Transmission Expenses				
98	(567) Rents				
99	TOTAL Operation (Enter Total of lines 83 thru 98)	7,488,950	7,132,527		
100	Maintenance				
101	(568) Maintenance Supervision and Engineering				
102	(569) Maintenance of Structures				
103	(569.1) Maintenance of Computer Hardware				
104	(569.2) Maintenance of Computer Software				
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment				
108	(571) Maintenance of Overhead Lines				
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant				
111	TOTAL Maintenance (Total of lines 101 thru 110)				
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	7,488,950	7,132,527		

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
113	3. REGIONAL MARKET EXPENSES				
114	Operation				
115	(575.1) Operation Supervision				
116	(575.2) Day-Ahead and Real-Time Market Facilitation				
117	(575.3) Transmission Rights Market Facilitation				
118	(575.4) Capacity Market Facilitation				
119	(575.5) Ancillary Services Market Facilitation				
120	(575.6) Market Monitoring and Compliance				
121	(575.7) Market Facilitation, Monitoring and Compliance Services	88,803	94,695		
122	(575.8) Rents				
123	Total Operation (Lines 115 thru 122)	88,803	94,695		
124	Maintenance				
125	(576.1) Maintenance of Structures and Improvements				
126	(576.2) Maintenance of Computer Hardware				
127	(576.3) Maintenance of Computer Software				
128	(576.4) Maintenance of Communication Equipment				
129	(576.5) Maintenance of Miscellaneous Market Operation Plant				
130	Total Maintenance (Lines 125 thru 129)				
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	88,803	94,695		
132	4. DISTRIBUTION EXPENSES				
133	Operation				
134	(580) Operation Supervision and Engineering	1,029,039	1,011,193		
135	(581) Load Dispatching	729,615	635,456		
136	(582) Station Expenses	680,128	742,339		
137	(583) Overhead Line Expenses	282,645	86,463		
138	(584) Underground Line Expenses	24,057	18,408		
139	(585) Street Lighting and Signal System Expenses	38,814	49,183		
140	(586) Meter Expenses	434,969	426,563		
141	(587) Customer Installations Expenses	966	1,762		
142	(588) Miscellaneous Expenses	1,426,128	1,475,981		
143	(589) Rents	66,569	60,034		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	4,712,930	4,507,382		
145	Maintenance				
146	(590) Maintenance Supervision and Engineering	80,986	76,238		
147	(591) Maintenance of Structures	310,123	155,173		
148	(592) Maintenance of Station Equipment	682,678	832,599		
149	(593) Maintenance of Overhead Lines	4,936,046	5,031,084		
150	(594) Maintenance of Underground Lines	433,993	442,382		
151	(595) Maintenance of Line Transformers	35,636	44,758		
152	(596) Maintenance of Street Lighting and Signal Systems	75,414	84,375		
153	(597) Maintenance of Meters	6,793	12,503		
154	(598) Maintenance of Miscellaneous Distribution Plant	7,397	8,068		
155	TOTAL Maintenance (Total of lines 146 thru 154)	6,569,066	6,687,180		
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	11,281,996	11,194,562		
157	5. CUSTOMER ACCOUNTS EXPENSES				
158	Operation				
159	(901) Supervision	161,532	159,858		
160	(902) Meter Reading Expenses	784,136	762,697		
161	(903) Customer Records and Collection Expenses	1,673,012	1,811,424		
162	(904) Uncollectible Accounts	-89,772	1,466,869		
163	(905) Miscellaneous Customer Accounts Expenses	29,179	51,008		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	2,558,087	4,251,856		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 320 Line No.: 76 Column: b

Includes \$686,031 for FERC Order 668-A.

Schedule Page: 320 Line No.: 76 Column: c

Includes \$436,103 for FERC Order 668-A.

Schedule Page: 320 Line No.: 88 Column: b

Account 561.4 (561.BA) includes \$90,867 of expenses incurred related to Balancing Authority functions performed in connection with membership in the Midwest ISO (MISO). This amount is eligible for recovery through MISO's filing ER06-27-000, dated October 4, 2005.

Schedule Page: 320 Line No.: 88 Column: c

Account 561.4 (561.BA) includes \$23,730 of expenses incurred related to Balancing Authority functions performed in connection with membership in the Midwest ISO (MISO). This amount is eligible for recovery through MISO's filing ER06-27-000, dated October 4, 2005.

Schedule Page: 320 Line No.: 121 Column: b

MISO Day 2 administrative fees (Schedules 16 & 17) of \$83,702 are included in this total.

Schedule Page: 320 Line No.: 121 Column: c

MISO Day 2 administrative fees (Schedules 16 & 17) of \$89,840 are included in this total.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012
Upper Peninsula Power Company			
<p align="center">NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES</p>			
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p>		<p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>	
1. Payroll Period Ended (Date)		12/22/2012	
2. Total Regular Full-Time Employees		114	
3. Total Part-Time and Temporary Employees		0	
4. Total Employees		114	

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Cargill Power Markets LLC	OS				
2	New Page Corporation	SF				
3	MISO	OS				
4	Parallel Generation	OS				
5	UP Hydro LLC	OS				
6	Northern States Power	SF				
7	White Pine	LF				
8	Wisconsin Public Service W2-A Inter					
9	Wisconsin Public Service FERC RS74	RQ				
10	See Footnotes					
11						
12						
13						
14						
	Total					

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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PURCHASED POWER (Account 555), (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
102,000				4,284,000		4,284,000	1
77				8,835		8,835	2
284,862				9,769,933		9,769,933	3
20				3,461		3,461	4
4,206				276,671		276,671	5
			5,250			5,250	6
			2,870,700			2,870,700	7
					-39,704	-39,704	8
436,272			11,789,892	10,419,791	10,908	22,220,591	9
							10
							11
							12
							13
							14
827,437			14,665,842	24,762,691	-28,796	39,399,737	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 3 Column: g

MISO purchases have been reported in accordance with FERC Order 668-A which requires transactions for real-time and day-ahead Regional Transmission Organization administered energy markets to be separately reported for each hour. The total MISO purchases when MISO purchases and sales are netted on an hourly basis are 264,610 MWh.

Schedule Page: 326 Line No.: 3 Column: k

MISO purchases have been reported in accordance with FERC Order 668-A which requires transactions for real-time and day-ahead Regional Transmission Organization administered energy markets to be separately reported for each hour. The total MISO purchases when MISO purchases and sales are netted on an hourly basis are \$9,083,903.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

SALES TO RAILROADS AND RAILWAYS AND INTERDEPARTMENTAL SALES (Accounts 446, 448)

1. Report particulars concerning sales included in Accounts 446 and 448.
2. For Sales to Railroads and Railways, Account 446, give name of railroad or railway in addition to other required information. If contract covers several points of delivery and small amounts of electricity are delivered at each point, such sales may be grouped.
3. For Interdepartmental Sales, Account 448, give name of other department and basis of charge to other department in addition to other required information.
4. Designate associated companies.
5. Provide subheading and total for each account.

Line No.	Item (a)	Point of Delivery (b)	Kilowatt-hours (c)	Revenue (d)	Revenue per kwh (in cents) (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

RENT FROM ELECTRICITY PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 454, 455)

1. Report particulars concerning rents received included in Accounts 454 and 455.
2. Minor rents may be grouped by classes.
3. If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account represents profit or return on property, depreciation and taxes, give particulars and the basis of apportionment of such charges to Accounts 454 and 455.
4. Designate if lessee is an associated company.
5. Provide a subheading and total for each account.

Line No.	Name of Lessee or Department (a)	Description of Property (b)	Amount of Revenue for Year (c)
16			
17	Account 454:		
18	Pole Contact Rental	Distribution System	181,795
19	Land Rent	Hydro Land	8,400
20			
21			
22			
23			
24			
25			
26			
27			
28			
29	Total		190,195

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012	
Upper Peninsula Power Company				
SALES OF WATER AND WATER POWER (Account 453)				
1. Report below the information called for concerning revenues derived during the year from sales to others of water or water power. 2. In column (c) show the name of the power		development of the respondent supplying the water or water power sold. 3. Designate associated companies.		
Line No.	Name of Purchaser (a)	Purpose for Which Water Was Used (b)	Power Plant Development Supplying Water or Water Power (c)	Amount of Revenue for Year (d)
1	Not Applicable			
2				
3				
4				
5				
6				
7				
8				
9				
10	TOTAL			0

MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)		
1. Report particulars concerning miscellaneous service revenues and other electric revenues derived from electric utility operations during year. Report separately in this schedule the total revenues from operation of fish and wildlife and recreation facilities, regardless of whether such facilities are operated by		company or by contract concessionaires. Provide a subheading and total for each account. For Account 456, list first revenues realized through Research and Development ventures, see Account 456. 2. Designate associated companies. 3. Minor items may be grouped by classes.
Line No.	Name of Company and Description of Service (a)	Amount of Revenue for Year (b)
11		
12		
13	<u>Miscellaneous Service Revenues (451)</u>	
14	Service Charges	77,100
15	Temporary Service	8,909
16	Total	86,009
17		
18	<u>Other Electric Revenues (456)</u>	
19	Telephone Company Poles & Related Services	4,809
20	Wholesale Distribution Services	873,285
21	Decoupling Revenue	(596,891)
22	Minor Items	137,788
23	Total	418,991
24		
25		
26		
27		
28		
29		
30	TOTAL	505,000

Name of Respondent Upper Peninsula Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012		Year/Period of Report End of 2012/Q4	
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Received Power from:							
2								
3	Midwest ISO Network	OS	882,248	882,248	1,042,048			1,042,048
4	American Transmission	FNS			6,157,950			6,157,950
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL		882,248	882,248	7,199,998			7,199,998

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	67,557			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	54,737			
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	Cost of Capital and Billed Depreciation	916,027			
7	IBS Allocations	123,298			
8	Misc. Items Under \$5,000 Each	38,887			
9					
10					
11					
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45					
46	TOTAL	1,200,506			

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)						
<p>1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.</p> <p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</p> <p>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.</p>						
A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			152,145		152,145
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	2,531,632				2,531,632
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	180,430				180,430
7	Transmission Plant					
8	Distribution Plant	4,297,744				4,297,744
9	Regional Transmission and Market Operation					
10	General Plant	620,693				620,693
11	Common Plant-Electric					
12	TOTAL	7,630,499		152,145		7,782,644
B. Basis for Amortization Charges						

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012		Year/Period of Report End of 2012/Q4	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
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13							
14							
15							
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 336 Line No.: 1 Column: d

Hydro Production - Conventional	\$149,075
Distribution	3,070
	\$152,145

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS
AND INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) *Miscellaneous Amortization* (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) *Miscellaneous Income Deductions*-- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related

Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) *Interest on Debt to Associated Companies* (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) *Other Interest Expense* (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Miscellaneous Amortization (425)	
2	Total - 425	0
3		
4	Donations (426.1)	
5	Bell Foundation	2,500
6	City of Hancock	1,000
7	Chamber of Commerce	3,200
8	United Way	7,250
9	Ishpeming Public Schools	1,000
10	Lake Superior Community Partnership	1,320
11	Pine Mountain Music Festival	1,000
12	Rozsa Center for Performing Arts	1,000
13	Salvation Army	2,500
14	St. Vincent DePaul Society	4,500
15	Miscellaneous Items Under \$1,000 Each	33,975
16	Total - 426.1	59,245
17		
18	Key Executive Life Insurance (426.2)	
19		
20	Total - 426.2	0
21		
22	Penalties (426.3)	
23	Minor Items	75
24	Total - 426.3	75
25		
26	Expenses for Certain Civil, Political, & Related Activities (426.4)	
27	Memberships	16,040
28	Consulting	1,865
29	Labor	2,752
30	Other	937
31	Total - 426.4	21,594
32		
33	Other Deductions (426.5)	
34	Escanaba/EPA expenses	29,178
35	Bad Debt Reserve Escanaba	224,000
36	Non-utility Hydro Energy Expense	17,422
37	Unrealized Fuel Options	1,490
38	Total - 426.5	272,090
39		
41		

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p>		<p>Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.</p> <p>(c) <i>Interest on Debt to Associated Companies</i> (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>

Line No.	Item (a)	Amount (b)
1	Other Interest Expense (431)	
2	Other Interest Expense	4,641
3	Interest on Electric Refunds	111,056
4	Customer Deposits	63,722
5	Tax Adjustments	(11,859)
6	Def Comp Reserv-Allow Ratemaking	(4,258)
7	Total - 431	163,302
8		
9		
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES		
(Account 426.4)		

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities, Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows:
(a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customer's bills; (d) inserts in

reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.

4. If respondent has not incurred any expenditures contemplated by the instruction of Account 426.4, so state.

5. Minor amount may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this amount is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1		
2	Federal Lobby Activities	
3	Memberships	15,030
4	Professional Services	1,024
5		16,054
6		
7	State Lobby Activities	
8	Memberships	1,010
9	Professional Services	1,778
10	Labor and Expenses	2,752
11		5,540
12		
13		
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31		
32	TOTAL	21,594

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Federal Energy Regulatory Commission	100,617	12,758	113,375	
2	Michigan Public Service Commission	206,142	15,818	221,960	
3	North American Electric Reliability Commission	33,887		33,887	
4					
5					
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46	TOTAL	340,646	28,576	369,222	

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
	928	113,375					1
	928	221,960					2
	928	33,887					3
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		369,222					46

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	790,943		
4	Transmission			
5	Regional Market			
6	Distribution	2,671,215		
7	Customer Accounts	753,231		
8	Customer Service and Informational	143,833		
9	Sales			
10	Administrative and General	-133,528		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	4,225,694		
12	Maintenance			
13	Production	253,882		
14	Transmission			
15	Regional Market			
16	Distribution	2,263,396		
17	Administrative and General			
18	TOTAL Maintenance (Total of lines 13 thru 17)	2,517,278		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	1,044,825		
21	Transmission (Enter Total of lines 4 and 14)			
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	4,934,611		
24	Customer Accounts (Transcribe from line 7)	753,231		
25	Customer Service and Informational (Transcribe from line 8)	143,833		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	-133,528		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	6,742,972	264,432	7,007,404
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission			

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Distribution				
49	Administrative and General				
50	TOTAL Maint. (Enter Total of lines 43 thru 49)				
51	Total Operation and Maintenance				
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)				
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,				
54	Other Gas Supply (Enter Total of lines 33 and 45)				
55	Storage, LNG Terminating and Processing (Total of lines 31 thru				
56	Transmission (Lines 35 and 47)				
57	Distribution (Lines 36 and 48)				
58	Customer Accounts (Line 37)				
59	Customer Service and Informational (Line 38)				
60	Sales (Line 39)				
61	Administrative and General (Lines 40 and 49)				
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)				
63	Other Utility Departments				
64	Operation and Maintenance				
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	6,742,972	264,432		7,007,404
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	1,477,673	145,284		1,622,957
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	1,477,673	145,284		1,622,957
72	Plant Removal (By Utility Departments)				
73	Electric Plant				
74	Gas Plant				
75	Other (provide details in footnote):				
76	TOTAL Plant Removal (Total of lines 73 thru 75)				
77	Other Accounts (Specify, provide details in footnote):				
78	Non Utility CWIP	28,533	1,077		29,610
79	Billed to Customers	457,096	11,203		468,299
80	Other Operating Revenue	45,534	9,517		55,051
81	Other Income & Deductions	287,101	1,151		288,252
82	Billed to Subsidiaries	3,606			3,606
83	Transp Capital Accr/Debt Expense	5,742	126		5,868
84	Clearing Accounts	334,980	-432,790		-97,810
85	Vacation Taken or Paid	-3,956			-3,956
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	TOTAL Other Accounts	1,158,636	-409,716		748,920
96	TOTAL SALARIES AND WAGES	9,379,281			9,379,281

Name of Respondent	This Report Is:	Date of Report	Year of Report	
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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
<p>1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account</p>		<p>426.4, Expenditures for Certain civic, Political and Related Activities.) (a) Name and address of person or organization rendering services, (b) description of services received during year and project or case to which services relate, (c) basis of charges, (d) total charges for the year, detailing utility department and account charged. 2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval. 3. Designate with an asterisk associated companies.</p>		
Line No.	Name / Address	Service	Account #	Amount
1	ABB, Inc.	Construction Services	107	196,643
2	1501 Ardmore Blvd., Ste. 401			
3	Pittsburgh, PA			
4				
5	AECOM Technical Services, Inc.	Construction Services	107, 535, 541	236,232
6	1035 Kepler Drive			
7	Green Bay, WI			
8				
9	Altec Industries, Inc.	Construction Services	107	88,525
10	5201 W. 84th Street			
11	Indianapolis, IN			
12				
13	Asplundh Tree Expert Co.	Tree Trimming Services	107, 538, 593	1,803,341
14	5907 Municipal Street			
15	Schofield, WI			
16				
17	Associated Constructors, LLC	Construction Services	107, 232, 539, 541, 543	538,131
18	P. O. Box 970			
19	Marquette, MI			
20				
21	Bacco Construction Co.	Construction Services	107, 121, 232, 417	384,417
22	N3660 N US 2			
23	Iron Mountain, MI			
24				
25	Basler Electric Co.	Construction Services	107, 121, 592	100,922
26	Rte. 143, Box 269			
27	Highland, IL			
28				
29	Cartus Corp.	Relocation Services	921	66,278
30	40 Apple Ridge Road			
31	Danbury, CT			
32				
33	CG Power Systems USA	Construction Services	107, 232	623,267
34	One Pauwels Drive			
35	Washington, MO			

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
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Line No.	Name / Address	Service	Account #	Amount
1	CR Meyer & Sons Co.	Construction Services	107, 121, 232, 417	107,360
2	895 West 20th Avenue			
3	P. O. Box 2157			
4	Oshkosh, WI			
5				
6	Deloitte & Touche, LLP	Accounting, Auditing, and	923	76,843
7	111 South Wacker Drive, Suite 1200	Tax Services		
8	Chicago, IL			
9				
10	Electrical Consultants, Inc.	Consulting Services	107	133,720
11	3521 Gabel Road			
12	Billings, MT			
13				
14	Fox Power, Inc.	Construction Services	107, 121	267,976
15	P. O. Box 85			
16	Gladstone, MI			
17				
18	Garney Companies, Inc.	Construction Services	107, 232	973,388
19	1333 NW Vivion Road			
20	Kansas City, MO			
21				
22	GEI Consultants, Inc.	Consulting Services	121, 417, 541, 543	329,842
23	400 Unicorn Park Drive, Suite 8			
24	Woburn, MA			
25				
26	Gerace Construction Company, Inc.	Construction Services	107, 232	283,834
27	4055 South Saginaw Road			
28	Midland, MI			
29				
30	HDR	Construction Services	107, 232	795,530
31	303 East 17th Avenue, Suite 700			
32	Denver, CO			
33				
34				
35				

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
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Line No.	Name / Address	Service	Account #	Amount
1	Karcz Pole Inspection LLC	Pole Inspection Services	593	136,402
2	N1655 Laney Road			
3	Seymour, WI			
4				
5	Kleinschmidt Associates	Consulting Services	107	86,362
6	141 Main Street, P. O. Box 650			
7	Pittsfield, ME			
8				
9	L&H Utility Contractors, Inc.	Contracting Services	107, 583, 584, 594	277,232
10	P. O. Box 2037			
11	Kingsford, MI			
12				
13	L&S Electric, Inc.	Construction Services	544, 553	71,670
14	5101 Mesker Street, P. O. Box 740			
15	Schofield, WI			
16				
17	Michels Power	Construction Services	107, 121, 143, 184, 590, 592, 593	425,604
18	1775 East Shady Lane			
19	Neenah, WI			
20				
21	Miller Canfield Paddock & Stone PLC	Legal Services	426, 923, 928	171,440
22	P. O. Drawer 640348			
23	Detroit, MI			
24				
25	Miron Construction Co., Inc.	Construction Services	107, 232, 543	329,317
26	1471 McMahon Road			
27	Neenah, WI			
28				
29	MJ Electric LLC	Construction Services	107	300,000
30	200 W. Frank Pipp Dr., P. O. Box 686			
31	Iron Mountain, MI			
32				
33	National Electric Coil Co.	Construction Services	533	400,631
34	800 King Avenue			
35	Columbus, OH			

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
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Line No.	Name / Address	Service	Account #	Amount
1	North States Utility Contractors, Inc.	Contracting Services	107, 456, 584, 594	460,279
2	934 HWY 17 S			
3	P. O. Box 1507			
4	Eagle River, WI			
5				
6	Parsons Brinckerhoff, Inc.	Construction Services	107, 535	124,205
7	75 Arlington Street, 4th Floor			
8	Boston, MA			
9				
10	Peninsula Fiber Network LLC	Construction Services	107, 232	190,225
11	1901 West Ridge Street, Suite 2			
12	Marquette, MI			
13				
14	Pieper Electric, Inc.	Construction Services	593	50,904
15	DBA MP Systems, Inc.			
16	5070 North 35th Street			
17	Milwaukee, WI			
18				
19	Regenco	Construction Services	232, 544	427,164
20	6609 West Washington Street, #R			
21	Milwaukee, WI			
22				
23	The Boldt Co.	Construction Services	107, 184, 417	344,173
24	2525 North Roemer Road			
25	P. O. Box 419			
26	Appleton, WI			
27				
28	The Outpost	Maintenance Services	535, 537	104,701
29	P. O. Box 37			
30	Bruce Crossing, MI			
31				
32	Thomas J. Moyle Construction	Construction Services	107, 232, 537, 553	99,652
33	46702 HWY M-26			
34	P. O. Box 399			
35	Houghton, MI			

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Upper Peninsula Power Company				
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
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Line No.	Name / Address	Service	Account #	Amount
1	Toshiba International Corp.	Construction Services	553	125,118
2	6 Dickinson Drive			
3	Building 300, Suite 2			
4	Chadds Ford, PA			
5				
6	Underwater Construction Corp.	Construction Services	107, 417, 543	76,076
7	4316 North Roosevelt Road			
8	Stevensville, MI			
9				
10	USIC Locating Services, Inc.	Utility Locating Services	584	80,571
11	13085 Hamilton Crossing, Ste. 200			
12	Carmel, IN			
13				
14				
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Name of Respondent	This Report Is:	Date of Report	Year of Report		
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012		
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Michigan Gas Utilities Corporation	Subsidiary of Integrys Energy Group, Inc.	Rent & Lease Payments	930	2,699
2					
3					
4					
5	Integrys Energy Group, Inc.	Parent	Invoices	921, 923	12,542
6					
7					
8	Wisconsin Public Service Corporation	Subsidiary of Integrys Energy Group, Inc.	Labor and Labor Loading	Various	6,450
9			Inventory Transfers		
10			Invoices & Misc Expense	Various	65,840
11			Transportation Allocation		
12			ATC Receipts		
13					
14					
15	Integrys Business Support, LLC	Subsidiary of Integrys Energy Group, Inc.	Invoices & Misc Expense	Various	4,409
16					
17					
18					
19	Penvest, LLC	Subsidiary of Integrys Energy Group, Inc.	Invoices & Misc Expense	923	12,527
20					
21					
22					
23					
24					
25					
26					
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30					
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Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				7. In column (j) report the total.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				2,699	(4)	1
				2,699		2
						3
						4
				12,542	(4)	5
				12,542		6
						7
				6,450	(1)	8
		165	78,005	78,005	(1)	9
				65,840	(4)	10
		184	27,829	27,829	(4)	11
		143	72,542	72,542	(5)	12
				250,666		13
						14
				4,409	(4)	15
				4,409		16
						17
						18
				12,527	(4)	19
				12,527		20
						21
						22
						23
						24
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						31
						32
						33
						34

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2013	Year of Report December 31, 2012		
Upper Peninsula Power Company					
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Integrus Business Support, LLC	Subsidiary of Integrus Energy Group, Inc.	Labor & Labor Loading	Various	7,398,174
2			Pension Expense	926	15,407,634
3			Invoices & Misc Expense	Various	2,052,218
4			Benefit Contributions	Various	1,668,638
5			Memberships	426.4, 930.2	50,684
6			Restricted Stock	920	58,802
7			Options Expense	920	5,706
8			Incentive Plans	Various	326,103
9			Materials & Supplies		
10			Other Taxes	408	6,646
11			Derivatives		
12			Service Rewards	921	2,111
13			Insurance Expense	924, 925	560,867
14			Depreciation from IBS	930.2	716,659
15			Return on IBS	930.2	199,368
16			Printing	Various	27,922
17					
18					
19	Integrus Energy Group, Inc.	Parent	Long Term Interest	430	2,818,762
20			Taxes	Various	2,963,988
21			Invoices & Misc Expense	Various	16,389
22			Bank Charges	921, 930	47,245
23			Amortization	407	35,197
24			Short Term Interest	430	46,564
25					
26					
27	Michigan Gas Utilities Corporation	Subsidiary of Integrus Energy Group, Inc.	Other		402
28					
29					
30					
31					
32					
33					
34					

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				7. In column (j) report the total.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				7,398,174	(1)	1
				15,407,634	(4)	2
				2,052,218	(4)	3
				1,668,638	(4)	4
				50,684	(4)	5
				58,802	(4)	6
				5,706	(4)	7
				326,103	(4)	8
		154, 163	43	43	(4)	9
				6,646	(4)	10
		175, 184	12,274	12,274	(4)	11
				2,111	(4)	12
				560,867	(4)	13
				716,659	(4)	14
				199,368	(4)	15
				27,922	(4)	16
			Total	28,493,849		17
						18
				2,818,762	(4)	19
				2,963,988	(4)	20
				16,389	(4)	21
				47,244	(4)	22
				35,197	(4)	23
				46,564	(4)	24
			Total	5,928,144		25
						26
				402	(4)	27
			Total	402		28
						29
						30
						31
						32
						33
						34

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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.		services provided (administrative and general expenses, dividends declared, etc.).			
2. In column (b) describe the affiliation (percentage ownership, etc.).		4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.			
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Wisconsin Public Service	Subsidiary of Integrys	Labor & Labor Loading	Various	2,204,123
2	Corporation	Energy Group, Inc.	Benefits & Other Comp	Various	56,692
3			Invoices and Misc Exp	Various	3,872,069
4			Usage Based	Various	169,320
5			Materials & Supplies		
6			Contracted Labor	Various	60,640
7			Customer Communication	902	584,327
8			Operational Systems	Various	413,888
9			Project Cost Transfer	Various	228,860
10			Post Retirement Benefits	926	1,982,966
11			Other Billed Costs	Various	94,861
12					
13					
14					
15					
16					
17					
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				7. In column (j) report the total.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				2,204,123	(1)	1
				56,692	(4)	2
				3,872,069	(4)	3
				169,320	(4)	4
		154, 163	1,871,361	1,871,361	(4)	5
				60,640	(4)	6
				584,327	(4)	7
				413,888	(4)	8
				228,860	(4)	9
				1,982,966	(4)	10
				94,861	(4)	11
				11,539,107		12
						13
						14
						15
						16
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Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	837,477
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	21,351
5	Hydro-Conventional	74,823	25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	3,139
7	Other	240	27	Total Energy Losses	40,533
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	902,500
9	Net Generation (Enter Total of lines 3 through 8)	75,063			
10	Purchases	827,437			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	902,500			

Name of Respondent Upper Peninsula Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012		Year/Period of Report End of <u>2012/Q4</u>	
MONTHLY PEAKS AND OUTPUT							
1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system. 2. Report in column (b) by month the system's output in Megawatt hours for each month. 3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales. 4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system. 5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).							
NAME OF SYSTEM: Integrated							
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK			
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)	
29	January	78,340	44	100	3	19	
30	February	69,160	66	92	10	19	
31	March	70,065	3,331	87	5	18	
32	April	67,663	2,601	81	20	13	
33	May	70,639	2,251	75	6	19	
34	June	74,931	5,852	88	28	13	
35	July	84,023	2,105	105	5	13	
36	August	80,394	2,211	98	22	13	
37	September	77,701	2,529	86	4	18	
38	October	76,221	459	81	30	20	
39	November	74,166	283	98	27	18	
40	December	79,197	49	94	21	18	
41	TOTAL	902,500	21,781				

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 401 Line No.: 10 Column: b

Purchases have been reported in accordance with FERC Order 668-A which requires transactions for real-time and day-ahead Regional Transmission Organization administered energy markets to be separately reported for each hour. The total purchases when RTO purchases and sales are netted on an hourly basis are 807,185 MWH.

Schedule Page: 401 Line No.: 24 Column: b

Non-requirement sales for resale have been reported in accordance with FERC Order 668-A which requires transactions for the real-time and day-ahead Regional Transmission Organization administered energy markets to be separately reported for each hour. The total sales when RTO purchases and sales are netted on an hourly basis are 1,099.

Schedule Page: 401 Line No.: 29 Column: Sys

2012 Total KWH

Total Monthly Customers Non Coincident	
Peak Load at Substation Level	3,354,493

Total Monthly Customers Non Coincident	
Peak Load at Primary Feeder Level	2,965,226

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: Portage (b)	Plant Name: Gladstone (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Gas Turbine	Gas Turbine
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional
3	Year Originally Constructed	1973	1975
4	Year Last Unit was Installed	1975	1987
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	22.60	22.60
6	Net Peak Demand on Plant - MW (60 minutes)	0	0
7	Plant Hours Connected to Load	0	0
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	0	0
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	2	1
12	Net Generation, Exclusive of Plant Use - KWh	0	239538
13	Cost of Plant: Land and Land Rights	7353	55663
14	Structures and Improvements	93584	110212
15	Equipment Costs	3303245	2292775
16	Asset Retirement Costs	0	0
17	Total Cost	3404182	2458650
18	Cost per KW of Installed Capacity (line 17/5) Including	150.6275	108.7898
19	Production Expenses: Oper, Supv, & Engr	58796	2980
20	Fuel	3916	72973
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	20454	747
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	0	0
26	Misc Steam (or Nuclear) Power Expenses	5327	5251
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	18012	89864
30	Maintenance of Structures	802	715
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	607151	7302
33	Maintenance of Misc Steam (or Nuclear) Plant	24400	0
34	Total Production Expenses	738858	179832
35	Expenses per Net KWh	0.0000	0.7507
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	oil	oil
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	barrel	barrel
38	Quantity (Units) of Fuel Burned	45	616
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.000	139.820
41	Average Cost of Fuel per Unit Burned	87.024	118.524
42	Average Cost of Fuel Burned per Million BTU	6.277	85.790
43	Average Cost of Fuel Burned per KWh Net Gen	0.000	0.108
44	Average BTU per KWh Net Generation	0.000	0.000

Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: Victoria (b)	FERC Licensed Project No. 0 Plant Name: (c)
1	Kind of Plant (Run-of-River or Storage)	Storage	
2	Plant Construction type (Conventional or Outdoor)	Conventional	
3	Year Originally Constructed	1930	
4	Year Last Unit was Installed	1930	
5	Total installed cap (Gen name plate Rating in MW)	12.00	0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0
7	Plant Hours Connect to Load	0	0
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	13	0
10	(b) Under the Most Adverse Oper Conditions	6	0
11	Average Number of Employees	4	0
12	Net Generation, Exclusive of Plant Use - Kwh	37,896,180	0
13	Cost of Plant		
14	Land and Land Rights	514,903	0
15	Structures and Improvements	507,098	0
16	Reservoirs, Dams, and Waterways	25,782,512	0
17	Equipment Costs	3,156,120	0
18	Roads, Railroads, and Bridges	290,977	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	30,251,610	0
21	Cost per KW of Installed Capacity (line 20 / 5)	2,520.9675	0.0000
22	Production Expenses		
23	Operation Supervision and Engineering	353,469	0
24	Water for Power	0	0
25	Hydraulic Expenses	343,376	0
26	Electric Expenses	48,686	0
27	Misc Hydraulic Power Generation Expenses	20,843	0
28	Rents	0	0
29	Maintenance Supervision and Engineering	58,736	0
30	Maintenance of Structures	29,122	0
31	Maintenance of Reservoirs, Dams, and Waterways	193,756	0
32	Maintenance of Electric Plant	86,492	0
33	Maintenance of Misc Hydraulic Plant	435	0
34	Total Production Expenses (total 23 thru 33)	1,134,915	0
35	Expenses per net KWh	0.0299	0.0000

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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	HYDRO:					
2	Prickett	1931	2.20		3,619,537	6,914,490
3	Hoist*	1925	4.40		8,594,981	17,430,083
4	McClure	1919	8.00		24,712,535	24,617,972
5						
6						
7						
8						
9	* Includes Silver Lake					
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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
3,142,950	233,886		205,006			2
3,961,382	256,792		89,813			3
3,077,247	552,226		59,986			4
						5
						6
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Name of Respondent		This Report Is:		Date of Report		Year of Report	
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2013		December 31, 2012	
CHANGES MADE OR SCHEDULED TO BE MADE IN GENERATING PLANT CAPACITIES Give below the information called for concerning changes in electric generating plant capacities during the year.							
A. Generating Plants or Units Dismantled, Removed from Service, Sold, or Leased to Others During Year 1. State in column (b) whether dismantled, removed from service, sold, or leased to another. Plants removed from service include those not maintained for regular or emergency service. 2. In column (f), give date dismantled, removed from service, sold, or leased to another. Designate complete plants as such.							
Line No.	Name of Plant (a)	Disposition (b)	Installed Capacity (in megawatts)			Date (f)	If Sold or Leased, Give Name and Address of Purchaser or Lessee (g)
			Hydro (c)	Steam (d)	(Other) (e)		
	None						
1							
2							
3							
4							
5							
6							
7							
B. Generating Units Scheduled for or Undergoing Major Modifications							
Line No.	Name of Plant (a)	Character of Modification (b)	Installed Plant Capacity After Modification (in MW) (c)	Estimated Dates of Construction			
				Start (d)	Completion (e)		
8	Victoria 1 & 2	Spillway Modification	12	Jan-13	Dec-13		
9	Prickett 1 & 2	Penstock Replacement	2.2	Jun-12	Nov-12		
10	Portage CT	Rotor Repair	22.6	Jul-12	Nov-12		
11							
12							
13							
14							
C. New Generating Plants Scheduled for or Under Construction							
Line No.	Plant Name & Location (a)	TYPE (Hydro, pumped storage, steam, internal comb., gas-turbine, nuclear, etc. (b)	Installed Capacity (in megawatts)		Estimated Dates of Construction		
			Initial (c)	Ultimate (d)	Start (e)	Completion (f)	
15	None						
16							
17							
18							
19							
20							
21							
D. New Units in Existing Plants Scheduled for or Under Construction							
Line No.	Plant Name & Location (a)	TYPE (Hydro, pumped storage, steam, internal comb., gas-turbine, nuclear, etc. (b)	Unit (c)	Size of Unit (in megawatts) (d)	Estimated Dates of Construction		
					Start (e)	Completion (f)	
22	None						
23							
24							
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

HYDROELECTRIC GENERATING PLANTS							
1. Report on this page Hydro plants of 10,000 Kw (name plate rating) or more of installed capacity. 2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line. 3. Exclude from this schedule, plant, the book cost of which is included in Account 121, <i>Nonutility Property</i> , 4. Designate any plant or portion thereof for which				the responsibility is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars			
Line No.	Name of Plant	Location	Name of Stream	Water Wheels			
				Attended or Unattended	Type of Unit	Year Installed	Gross Static Head with Pond Full
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Victoria	Rockland, MI	Ontonagon	Unattended	Vertical (F)	1930	215
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Name of Respondent			This Report Is:		Date of Report		Year of Report			
Upper Peninsula Power Company			(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2013		December 31, 2012			
HYDROELECTRIC GENERATING PLANTS (Continued)										
(details) as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses, or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company. 5. Designate any plant or portion thereof leased to another company, and give name of lessee, date and					term of lease and annual rent, and how determined. Specify whether lessee is an associated company. 6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.					
Water Wheels (Continued)			Generators						Total Installed Generating Capacity	Line No.
Design Head	RPM	Maximum Hp. Capacity of Unit at Design Head	Year Installed	Voltage	Phase	Frequency or d.c.	Name Plate Rating of Unit (in MW)	No. of Units in Plant	(Name Plate Ratings in megawatts)	
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
210	300	9,000	1930	11,500	3	60	6	2	12	1
										2
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Name of Respondent		This Report Is:		Date of Report		Year of Report	
Upper Peninsula Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		April 30, 2013		December 31, 2012	
INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS							
1. Include on this page internal-combustion engine and gas-turbine plants of 10,000 kilowatts and more. 2. Report the information called for concerning plants and equipment at end of year. Show associated prime movers and generators on the same line. 3. Exclude from this page, plant, the book cost of which is included in Account 121, <i>Nonutility Property</i> .				4. Designate any plants or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the			
Line No.	Name of Plant (a)	Location of Plant (b)	Prime Movers <i>In Column (e), indicate basic cycle for gas-turbine as open or closed; indicate basic cycle for internal-combustion as 2 or 4.</i>				
			Internal-Combustion or Gas-Turbine (c)	Year Installed (d)	Cycle (e)	Belted or Direct Connected (f)	
1	Portage Generating	South Range, MI	Gas Turbine	1973	Open	Direct	
2	Gladstone Generating	Gladstone, MI	Gas Turbine	1987	Open	Direct	
3							
4							
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Name of Respondent	This Report Is:	Date of Report	Year of Report					
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012					
INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS (Continued)								
operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) as to such matters as percent of ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company. 5. Designate any plant or portion thereof leased to another company and give name of lessee, date and		term of lease and annual rent and how determined. Specify whether lessee is an associated company. 6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.						
Prime Movers (Continued)	Generators					Total Installed Generating Capacity	Line	
Rated Hp of Unit (g)	Year Installed (h)	Voltage (i)	Phase (j)	Frequency of d.c. (k)	Name Plate Rating of Unit (In MW) (l)	No. of Units in Plant (m)	(Name Plate Ratings in Mw) (n)	No.
30295	1973	12,500	3	60	24.6	1	22.6	1
31900	1987	12,500	3	60	24.6	1	22.6	2
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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Freeman's Sub, Neg Twsp	Distribution	138.00	34.00	
2	Gladstone Sub, Gladstone	Distribution	12.50	69.00	
3	Atlantic Sub, Atlantic Mine	Distribution	69.00	12.50	
4	Masonville, Mason Twsp*	Distribution	69.00	34.00	
5	McClure Plt, Ishp	Distribution	2.40	34.00	
6	Barnum Sub, Ishp	Distribution	34.00	12.50	
7	Barnum Sub, Ishp	Distribution	69.00	12.50	
8	Delta Sub, Wells Twsp	Distribution	69.00	12.50	
9	Elevation St, Hancock*	Distribution	69.00	12.50	
10	KI Sawyer AFB	Distribution	69.00	12.50	
11	Henry Street Sub, Hurontown*	Distribution	69.00	12.50	
12	Lake Mine, Greenland Twsp*	Distribution	69.00	7.20	
13	L'Anse Dist, L'Anse*	Distribution	69.00	12.50	
14	Lincoln Ave Sub, Iron River	Distribution	69.00	12.50	
15	M-38 Sub, Baraga Twsp*	Distribution	69.00	12.50	
16	Negaunee City, Neg *	Distribution	34.00	4.16	
17	Ontonagon Sub, Ont*	Distribution	69.00	12.50	
18	Munising Sub., City of Munising	Distribution	67.00	12.50	
19	Toiv Sub, Elm River Twsp*	Distribution	69.00	12.50	
20	Victoria, Rockland Twsp	Distribution	69.00	12.50	
21	Osceola Sub, Laurium *	Distribution	69.00	12.50	
22	MTU, Houghton	Distribution	69.00	12.50	
23					
24	15 Subs Under 10,000 KVA	Distribution			
25	Total		1391.90	382.36	
26					
27					
28	* Substations serving customers with				
29	energy for resale.				
30					
31					
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Name of Respondent Upper Peninsula Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report End of 2012/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
25	1	1				1
37	1	1				2
14	2	3				3
20	2					4
10	2					5
12	2					6
12	1					7
14	1	1				8
28	2					9
15	2					10
14	1					11
1	1					12
35	3	1				13
32	2					14
7	1					15
6	3	1				16
7	1					17
41	4					18
1	1					19
28	4					20
45	2					21
18	2					22
						23
103	32	27				24
525	73	35				25
						26
						27
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year/Period of Report 2012/Q4
Upper Peninsula Power Company			
FOOTNOTE DATA			

Schedule Page: 426 Line No.: 24 Column: a

Excludes energy for resale.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Upper Peninsula Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2013	December 31, 2012

ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS				
1. Report below the information called for concerning distribution watt-hour meters and line transformers. 2. Include watt-hour demand distribution meters, but not external demand meters. 3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters		or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.		
Line No.	Item	Number of Watt-Hours Meters	LINE TRANSFORMERS	
			Number	Total Capacity (In Mva)
	(a)	(b)	(c)	(d)
1	Number at Beginning of Year	64,693	23,530	667
2	Additions During Year			
3	Purchases	2,768	476	11
4	Associated with Utility Plant Acquired			
5	TOTAL Additions (Enter Total of lines 3 and 4)	2,768	476	11
6	Reduction During Year			
7	Retirements	2,974	431	14
8	Associated with Utility Plant Sold		12	4
9	TOTAL Reductions (Enter Total of lines 7 and 8)		443	18
10	Number at End of Year (Lines 1+ 5 - 9) *	67,461	23,563	660
11	In Stock	3,725	664	41
12	Locked Meters on Customers' Premises			
13	Inactive Transformers on System			
14	In Customers' Use	61,032	22,899	619
15	In Company's Use			
16	Total End of Year (Enter Total of lines 11 to 15. This line should equal line 10)	0	23,563	660

* One distribution watt-hour meter is leased and twenty-three distribution watt-hour meters are on loan.

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