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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

BORROWER DESIGNATION
MI0049

FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION

PERIOD ENDED December, 2013 (Prepared with Audited Data)

BORROWER NAME
Midwest Energy Cooperative

INSTRUCTIONS - See help in the online application.

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

CERTIFICATION

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

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

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

(check one of the following)

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

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

Robert Hance

4/9/2014

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	72,202,854	73,212,659	75,324,044	6,467,773
2. Power Production Expense				
3. Cost of Purchased Power	49,302,514	48,601,547	50,266,961	4,344,923
4. Transmission Expense	35,467	35,800	60,000	0
5. Regional Market Expense				
6. Distribution Expense - Operation	1,430,580	1,503,816	1,641,269	155,584
7. Distribution Expense - Maintenance	4,356,558	4,706,637	4,455,611	539,878
8. Customer Accounts Expense	2,652,346	2,798,881	2,629,887	269,059
9. Customer Service and Informational Expense	1,418,937	1,552,880	1,801,926	171,809
10. Sales Expense	121,264	138,097	171,273	14,086
11. Administrative and General Expense	3,049,529	3,011,264	3,358,439	266,771
12. Total Operation & Maintenance Expense (2 thru 11)	62,367,195	62,348,922	64,387,366	5,762,112
13. Depreciation and Amortization Expense	4,373,462	4,614,750	4,521,042	396,920
14. Tax Expense - Property & Gross Receipts	1,827,240	1,895,898	1,985,836	75,552
15. Tax Expense - Other	(28,687)			
16. Interest on Long-Term Debt	3,770,986	3,770,857	3,877,052	317,363
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	73,098	51,243	75,590	4,124
19. Other Deductions	5,929	3,713	5,500	790
20. Total Cost of Electric Service (12 thru 19)	72,389,223	72,685,383	74,852,386	6,556,861
21. Patronage Capital & Operating Margins (1 minus 20)	(186,369)	527,276	471,658	(89,088)
22. Non Operating Margins - Interest	453,928	414,045	255,835	33,824
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments	242,630	780,453	466,591	130,605
25. Non Operating Margins - Other	9,714	(198,035)	(35,526)	(54,381)
26. Generation and Transmission Capital Credits	1,930,045	2,078,683	2,302,385	2,011,797
27. Other Capital Credits and Patronage Dividends	210,500	300,074	194,513	33,554
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	2,660,448	3,902,496	3,655,456	2,066,311

RUS Financial and Operating Report Electric Distribution

Revision Date 2013

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION MI0049 PERIOD ENDED December, 2013		
INSTRUCTIONS - See help in the online application.					
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	224	337	5. Miles Transmission	39.96	44.96
2. Services Retired	51	57	6. Miles Distribution -- Overhead	3,133.28	3,123.21
3. Total Services in Place	38,757	39,076	7. Miles Distribution - Underground	793.45	832.00
4. Idle Services (Exclude Seasonals)	3,502	3,554	8. Total Miles Energized (5 + 6 + 7)	3,966.69	4,000.17
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	156,769,823		30. Memberships	0	
2. Construction Work in Progress	1,483,796		31. Patronage Capital	46,836,259	
3. Total Utility Plant (1 + 2)	158,253,619		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	50,680,075		33. Operating Margins - Current Year	527,276	
5. Net Utility Plant (3 - 4)	107,573,544		34. Non-Operating Margins	3,375,219	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	(8,909,044)	
7. Investments in Subsidiary Companies	4,993,205		36. Total Margins & Equities (30 thru 35)	43,829,710	
8. Invest. in Assoc. Org. - Patronage Capital	11,861,117		37. Long-Term Debt - RUS (Net)	55,056,624	
9. Invest. in Assoc. Org. - Other - General Funds	0		38. Long-Term Debt - FFB - RUS Guaranteed	23,067,717	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	5,993,695		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	8,959,209	
12. Other Investments	0		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments - Unapplied	5,728,636	
14. Total Other Property & Investments (6 thru 13)	22,848,017		43. Total Long-Term Debt (37 thru 41 - 42)	81,354,914	
15. Cash - General Funds	3,734,730		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	90		45. Accumulated Operating Provisions and Asset Retirement Obligations	1,632,130	
17. Special Deposits	139		46. Total Other Noncurrent Liabilities (44 + 45)	1,632,130	
18. Temporary Investments	0		47. Notes Payable	0	
19. Notes Receivable (Net)	116,160		48. Accounts Payable	6,776,868	
20. Accounts Receivable - Sales of Energy (Net)	3,739,907		49. Consumers Deposits	717,653	
21. Accounts Receivable - Other (Net)	331,020		50. Current Maturities Long-Term Debt	3,266,862	
22. Renewable Energy Credits	0		51. Current Maturities Long-Term Debt - Economic Development	0	
23. Materials and Supplies - Electric & Other	1,188,458		52. Current Maturities Capital Leases	0	
24. Prepayments	243,582		53. Other Current and Accrued Liabilities	2,060,243	
25. Other Current and Accrued Assets	47,454		54. Total Current & Accrued Liabilities (47 thru 53)	12,821,626	
26. Total Current and Accrued Assets (15 thru 25)	9,401,540		55. Regulatory Liabilities	0	
27. Regulatory Assets	0		56. Other Deferred Credits	1,351,785	
28. Other Deferred Debits	1,167,064		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	140,990,165	
29. Total Assets and Other Debits (5+14+26 thru 28)	140,990,165				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION MI0049
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2013
PART D. NOTES TO FINANCIAL STATEMENTS	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION MI0049
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2013
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE				BORROWER DESIGNATION MI0049			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION				PERIOD ENDED December, 2013			
INSTRUCTIONS - See help in the online application.							
PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	128,204,604	7,902,600	995,294		135,111,910		
2. General Plant	9,762,692	1,051,425	715,392		10,098,725		
3. Headquarters Plant	4,901,857	110,505			5,012,362		
4. Intangibles	0				0		
5. Transmission Plant	4,654,286	1,892,539			6,546,825		
6. Regional Transmission and Market Operation Plant							
7. All Other Utility Plant	0				0		
8. Total Utility Plant in Service (1 thru 7)	147,523,439	10,957,069	1,710,686		156,769,822		
9. Construction Work in Progress	3,946,538	(2,462,742)			1,483,796		
10. Total Utility Plant (8 + 9)	151,469,977	8,494,327	1,710,686		158,253,618		
PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	1,325,039	1,639,965	27,500	1,791,709		(40,267)	1,160,528
2. Other	29,740	51,323			55,482	2,349	27,930
PART G. SERVICE INTERRUPTIONS							
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)		
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)			
1. Present Year	229.800	606.600	18.600	232.800	1,087.800		
2. Five-Year Average	100.870	559.500	10.380	217.420	888.170		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	102	4. Payroll - Expensed			5,236,323		
2. Employee - Hours Worked - Regular Time	185,407	5. Payroll - Capitalized			1,021,142		
3. Employee - Hours Worked - Overtime	13,092	6. Payroll - Other			296,220		
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION		THIS YEAR (a)	CUMULATIVE (b)			
1. Capital Credits - Distributions	a. General Retirements		0	7,869,538			
	b. Special Retirements		154,202	3,041,391			
	c. Total Retirements (a + b)		154,202	10,910,929			
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power		72,297				
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System		191,631				
	c. Total Cash Received (a + b)		263,928				
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	56,709	2. Amount Written Off During Year	\$	89,465		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE					BORROWER DESIGNATION				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					M10049				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December, 2013				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Buckeye Power, Inc (OH0099)	7004			17,632,668	1,353,204	7.67		
2	Wabash Valley Power Assn, Inc (IN0107)	40211			0	720,000	0.00		
3	Wolverine Pwr Supply Coop, Inc	20910	Various	Wind	628,694,718	46,528,343	7.40		
	Total				646,327,386	48,601,547	7.52		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION MI0049
INSTRUCTIONS - See help in the online application		PERIOD ENDED December, 2013
PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		
2		
3		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION MI0049	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2013	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION MI0049	
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2013	
INSTRUCTIONS - See help in the online application.			
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/12/2013	2. Total Number of Members 29,004	3. Number of Members Present at Meeting 12	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 146,176	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2013

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION M10049		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2013		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	55,056,624	2,608,582	1,566,143	4,174,725
2	National Rural Utilities Cooperative Finance Corporation	5,166,815	336,598	743,751	1,080,349
3	CoBank, ACB	3,792,393	178,765	355,224	533,989
4	Federal Financing Bank	23,067,718	646,911	416,924	1,063,835
5	RUS - Economic Development Loans				
6	Payments Unapplied	5,728,636			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	81,354,914	3,770,856	3,082,042	6,852,898

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION MI0049		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2013		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	29,651	29,680	
	b. kWh Sold			345,411,667
	c. Revenue			45,601,029
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served	631	585	
	b. kWh Sold			15,778,910
	c. Revenue			1,854,317
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	5,233	5,124	
	b. kWh Sold			136,263,488
	c. Revenue			16,667,153
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	7	7	
	b. kWh Sold			107,920,160
	c. Revenue			8,580,083
6. Public Street & Highway Lighting	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		35,522	35,396	
11. Total kWh Sold (lines 1b thru 9b)				605,374,225
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				72,702,582
13. Transmission Revenue				
14. Other Electric Revenue				510,078
15. kWh - Own Use				885,454
16. Total kWh Purchased				646,327,387
17. Total kWh Generated				
18. Cost of Purchases and Generation				48,637,347
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input type="checkbox"/> Coincident <input checked="" type="checkbox"/>				136,522

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE				BORROWER DESIGNATION MI0049		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION				PERIOD ENDED December, 2013		
INSTRUCTIONS - See help in the online application.						
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	1,824	545,785	11,653	12,403	1,886,805	24,136
2. Residential Sales - Seasonal						
3. Irrigation Sales	0	0	0	1	10,738	34
4. Comm. and Ind. 1000 KVA or Less	76	383,978	11,765	302	1,208,340	16,977
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale - RUS Borrowers						
9. Sales for Resale - Other						
10. Total	1,900	929,763	23,418	12,706	3,105,883	41,147

RUS Financial and Operating Report Electric Distribution

Revision Date 2013

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION MI0049		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS			PERIOD ENDED December, 2013		
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q, SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)					
No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	123.18 Midwest Energy, Inc.	4,993,205		780,454	
	123.10 Patronage Capital - NRUCFC		364,395	17,250	
	123.11 Patronage Capital - WVPA		9,854,658		
	123.12 Patronage Capital - NISC	192,616		28,517	
	123.13 Patronage Capital - Resco MI				
	123.15 Patronage Capital - Resco OH	20,106			
	123.16 Patronage Capital - Resco WI	517,730		69,837	
	123.17 Patronage Capital - Buckeye		911,611	29,932	
	123.22 Capital Term Certificates - CFC		1,274,079	(3,169)	
	123.23 MI Electric Coop Association	0		(54,034)	
	123.24 Federated - Member Equity	314,471		5,218	
	123.24 NRUCFC Membership Fee		1,000		
	123.24 NRTC	196,323		10,085	
	124.10 Cooperative Response Center	29,945		651	
	123.24 Co-Bank		45,920	12,365	
	124.03 Riverfront Student Housing, LLC				
	123.21 CFC Capital Funding Investment		300,000		
	123.27 Wolverine Power Membership	0	3,831,958	1,976,453	
	Totals	6,264,396	16,583,621	2,873,559	
6	Cash - General				
	131.50 5/3 General Fund	1,687,930	250,000		
	131.26 Choice One Bank	0	15,372		
	135.00 Working Funds - Petty Cash	1,651			
	131.51 5/3 Electronic Pmts.	1,753,024			
	131.53 5/3 Empl Gives Back	13,458			
	131.52 5/3 URMED	13,295			
	131.20 5/3 construction fund	90			
	Totals	3,469,448	265,372		
7	Special Deposits				
	134.00 U.S. Post Office	139			
	Totals	139			
8	Temporary Investments				
	136.00 Temporary Investments				
	Totals				
9	Accounts and Notes Receivable - NET				
	Accounts Receivable - Other (Net)	331,020			
	Notes Receivable (Net)	116,160			
	Totals	447,180			
11	TOTAL INVESTMENTS (1 thru 10)	10,181,163	16,848,993	2,873,559	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION MI0049			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2013			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q, SECTION II, LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Midwest Energy Inc.	8/23/2023	7,450,000	1,188,348	
	TOTAL		7,450,000	1,188,348	
	TOTAL (Included Loan Guarantees Only)		7,450,000	1,025,986	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION MI0049			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2013			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (c). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					7.08 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (S) (c)	LOAN BALANCE (S) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	TOTAL				

MICHIGAN PUBLIC SERVICE COMMISSION

ADDITIONAL SCHEDULES FOR AN ELECTRIC UTILITY COOPERATIVE

This form is authorized by Case No. U-12134, the Code of Conduct.
Filing of this form is mandatory.

Report submitted for year ending:	2013				
Present name of respondent:	Midwest Energy Cooperative				
Address of principal place of business:	901 E. State St. Cassopolis, MI 49031				
Utility representative to whom inquires regarding this report may be directed:					
Name:	John H. Miner V.P. of Finance				
Address:	901 E. State St.				
City:	Cassopolis	State:	MI	Zip:	49031
Direct Telephone, Include Area Code:	269-445-1064				
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:					
<input type="checkbox"/>	<input type="checkbox"/>	were forwarded to the Commission			
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	will be forwarded to the Commission			
		on or about	April 16, 2014		
Annual reports to stockholders:					
<input type="checkbox"/>	<input type="checkbox"/>	are published			
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	are not published			

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Bill Stosik) at
(517) 241-5853 or stosikb@michigan.gov OR forward correspondence to

Regulated Energy Division (Bill Stosik)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

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APR 22 2014

FINANCIAL ANALYSIS AND
AUDIT DIVISION

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/16/2014	Year of Report 2013
IMPORTANT CHANGES DURING THE 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 acceptable" 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>			
<ol style="list-style-type: none"> 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. 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. 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. 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 conditions. State name of Commission authorizing lease and give reference to such authorization. 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. 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. 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. 8. State the estimated annual effect and nature of any important wage scale changes during the year. 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. 10. Describe briefly and 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. 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 instruction 1 to 11 above, such notes may be attached to this page. 			
<p>Please reference the attached Midwest Energy Cooperative's notes to the financial statements, 2013 Annual Audit Report.</p>			

MIDWEST ENERGY COOPERATIVE
REPORT ON FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

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**MIDWEST ENERGY COOPERATIVE
BOARD OF DIRECTORS
DECEMBER 31, 2013**

Clarence A. Barth	Chairman
Kenneth Swope	Vice Chairman
Colyne Sorsby	Secretary
John Green	Treasurer
Jerry Campbell	Director
James W. Dickerson	Director
Ronald Armstrong	Director
Harry Gentz	Director
Ben Russell	Director

President & CEO

Robert Hance

Insert
signed
copy

Independent Auditor's Report

The Board of Directors
Midwest Energy Cooperative
Cassopolis, Michigan

Report on the Financial Statements

We have audited the accompanying balance sheets of Midwest Energy Cooperative as of December 31, 2013 and 2012, and the related statements of revenue, equities, and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 risk 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 entity'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 entity'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

Generally accepted accounting principles require that all majority-owned subsidiaries be included in financial statements with the parent corporation. If the financial statements of the company had been consolidated with its majority-owned subsidiaries, total assets and total liabilities would have increased by \$1,678,393 and \$3,279,523 as of December 31, 2013 and 2012, respectively.

In our opinion, except for the effects of not including the wholly-owned subsidiary's activity, the financial statements referred to above present fairly, in all material respects, the financial position of Midwest Energy Cooperative as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report Issued in Accordance with Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 11, 2014, on our consideration of Midwest Energy Cooperative's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

March 11, 2014

**MIDWEST ENERGY COOPERATIVE
BALANCE SHEETS
DECEMBER 31, 2013 AND 2012**

ASSETS	<u>2013</u>	<u>2012</u>
ELECTRIC PLANT:		
In service – at cost	\$ 156,769,823	\$ 147,523,441
Construction work in progress	<u>1,733,021</u>	<u>3,946,537</u>
	158,502,844	151,469,978
Less accumulated depreciation	<u>50,680,075</u>	<u>47,741,809</u>
NET ELECTRIC PLANT	<u>107,822,769</u>	<u>103,728,169</u>
OTHER ASSETS AND INVESTMENTS:		
Investments in associated organizations	22,848,016	19,974,458
Notes receivable	76,160	79,472
Receivables from subsidiary	82,687	48,113
Pension asset	<u>1,187,778</u>	<u>-</u>
TOTAL OTHER ASSETS AND INVESTMENTS	<u>24,194,641</u>	<u>20,102,043</u>
CURRENT ASSETS:		
Cash and temporary cash investments	3,734,959	2,859,533
Accounts receivable, less allowance for doubtful accounts of approximately \$666,000 and \$540,000 in 2013 and 2012, respectively	3,988,240	4,396,126
Current portion of notes receivable	40,000	40,000
Power supply cost recovery receivable	-	784,684
Materials and supplies	1,188,458	1,354,779
Other current assets	<u>291,033</u>	<u>99,369</u>
TOTAL CURRENT ASSETS	<u>9,242,690</u>	<u>9,534,491</u>
DEFERRED CHARGES	<u>1,167,064</u>	<u>1,629,069</u>
TOTAL ASSETS	<u><u>\$ 142,427,164</u></u>	<u><u>\$ 134,993,772</u></u>

The accompanying notes are an integral part of these statements.

	2013	2012
EQUITIES AND LIABILITIES		
EQUITIES:		
Patronage capital and other equities	\$ 43,829,709	\$ 35,330,520
 LONG-TERM DEBT, less current maturities	 81,354,914	 80,566,844
 OTHER LIABILITIES:		
Post-retirement benefits other than pensions	2,819,905	2,943,354
Accrued pension liability	-	4,068,081
 TOTAL OTHER LIABILITIES	 2,819,905	 7,011,435
 CURRENT LIABILITIES:		
Note payable – line of credit, unsecured		
Current maturities of long-term debt	3,266,862	3,160,426
Accounts payable:		
Purchased power	4,284,923	3,813,418
Regulatory liabilities	908,683	667,976
Associated organizations	1,368,496	112,460
Other	1,130,362	889,353
Power supply cost recovery payable	382,188	-
Customer deposits	717,653	752,600
Other	2,060,244	1,924,977
 TOTAL CURRENT LIABILITIES	 14,119,411	 11,321,210
 DEFERRED CREDITS	 303,225	 763,763
 TOTAL EQUITIES AND LIABILITIES	 \$ 142,427,164	 \$ 134,993,772

The accompanying notes are an integral part of these statements.

**MIDWEST ENERGY COOPERATIVE
STATEMENTS OF REVENUE
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
OPERATING REVENUES	\$ 73,212,659	\$ 72,202,854
OPERATING EXPENSES:		
Cost of power	48,601,547	49,302,514
Distribution – operations	1,539,616	1,466,047
Distribution – maintenance	4,706,638	4,356,558
Customer accounts	2,798,880	2,652,346
Customer service and information expense	1,690,977	1,540,201
Administrative and general	3,011,264	3,049,529
Depreciation and amortization	4,614,750	4,373,462
Taxes – property	1,895,898	1,827,240
Taxes – other	-	(28,687)
TOTAL OPERATING EXPENSES	68,859,570	68,539,210
OPERATING MARGINS BEFORE FIXED CHARGES	4,353,089	3,663,644
FIXED CHARGES:		
Interest on long-term debt	3,770,857	3,770,986
Other interest	51,242	73,098
TOTAL FIXED CHARGES	3,822,099	3,844,084
OPERATING MARGINS AFTER FIXED CHARGES	530,990	(180,440)
G&T AND OTHER CAPITAL CREDITS	2,378,757	2,140,546
NET OPERATING MARGINS	2,909,747	1,960,106
NON-OPERATING MARGINS:		
Interest and dividend income	414,044	453,928
Income (Loss) from subsidiary	780,453	242,629
Other income (expense)	(201,748)	3,785
TOTAL NON-OPERATING MARGINS	992,749	700,342
NET MARGINS	\$ 3,902,496	\$ 2,660,448

The accompanying notes are an integral part of these statements.

MIDWEST ENERGY COOPERATIVE
STATEMENT OF CHANGES IN PATRONAGE CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	Patronage Capital Assigned	Patronage Capital Assignable	Non-Operating Margins	Unappropriated Undistributed Subsid. Earnings	Other Equities	Accumulated Other Comprehensive Loss
Balance, December 31, 2011	\$ 33,092,785	\$ 39,093,844	\$ 1,924,226	\$ (2,529,978)	\$ 1,664,201	\$ (9,827,036)
Adjustments						
Net margins (loss)	161,793	3,810,094			161,793	
Capital credits retired	2,660,448	1,954,176	463,643	242,629		
Reserved-prepaid pension cost	(126,822)	(142,728)			15,906	
	(457,684)					(457,684)
Balance, December 31, 2012	35,330,520	42,761,210	2,387,869	(2,287,349)	1,841,900	(10,284,720)
Adjustments						
Net margins (loss)	3,902,496	2,837,741				
Capital credits retired	(138,667)	2,906,034	216,009	780,453	15,535	
Reserved-prepaid pension cost	4,735,360	(154,202)				4,735,360
Balance, December 31, 2013	\$ 43,829,709	\$ 45,444,749	\$ 2,603,878	\$ (1,506,896)	\$ 1,857,435	\$ (5,549,360)

The accompanying notes are an integral part of these statements.

MIDWEST ENERGY COOPERATIVE NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the accounting policies adopted by Midwest Energy Cooperative which have a significant effect on the financial statements.

Organization

Midwest Energy Cooperative (Midwest) is a member-owned, not-for-profit corporation whose purpose is to provide electric service to its members. As a cooperative, all monies in excess of cost of providing electric service are capital, at the moment of receipt, and are credited to each member's capital account. The Cooperative is engaged principally in the distribution and sale of electricity in Southwest and Southeast Michigan, Northern Indiana and Northern Ohio.

Midwest began a soft launch project for fiber to the home in 2013. This includes providing phone and high-speed broadband to 963 members in two areas of their service territory. It was under construction in 2013 and will be fully functional in 2014.

It is the Cooperatives policy not to charge membership fees and all previously collected membership fees have been refunded.

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Accounting Records

The Cooperative maintains its records in accordance with policies prescribed or permitted by the Michigan Public Service Commission (MPSC) and United States Department of Agriculture Rural Utilities Service (RUS). The applicable uniform system of accounts prescribed by these regulatory commissions conform in all material respects with generally accepted accounting principles as applied to rate regulated utilities.

Electric Plant

Additions, with a life expectancy of more than one year, are recorded at cost, less contributions in aid of construction received from customers. As items are retired or otherwise disposed of, the asset account is credited for the cost and the accumulated depreciation account is charged. The cost of removal, less salvage, is also charged to the accumulated depreciation account.

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investments

The carrying values of investments in associated organizations are stated at cost, adjusted for capital credits earned or retired. Short-term investments are stated at cost, which approximates market value.

Cash

For purposes of the statement of cash flows, Midwest considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Unbilled Revenues

Unbilled revenues for the year were determined to be immaterial and therefore not recorded.

Accounts receivable

Accounts receivable consist primarily of amounts due from members for electric service. An allowance for doubtful accounts has been estimated based on collection history. When a member's account becomes past due and uncollectible, the member's service is terminated. The Board of Director's approve all accounts charged off.

Purchased Power Billing

Refundable or recoverable PSCR credit-over collections as well as under collections of the cost of electricity purchased not recovered or refunded through rates are deferred and are being refunded or recovered in accordance with procedures approved by the MPSC.

Materials and Supplies

Electrical materials and supplies are valued at lower of market value or average cost.

Regulation

The MPSC has jurisdiction over regulated Rural Electric Cooperatives in Michigan. This agency regulates the Cooperative's electric utility business operations and rates. The financial statements of the Cooperative are based on generally accepted accounting principles, which give recognition to the rate-making and accounting practices of this agency.

Revenue Recognition

Revenue, and its related receivable, are recorded as of the monthly meter reading date and accordingly, does not include the consumption for the balance of the month. Although this accounting policy is not a generally accepted accounting principle, the effect on the financial statements is immaterial. Electric rates used in the determination of revenues are approved by the MPSC.

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Recognition of Patronage Revenue

Patronage revenue of associated organizations is recognized in the year in which the associated organization allocates its earnings to their respective members.

Unclaimed Property

Unclaimed property represents refunds to members of deposits, membership fees received and patronage refunds received which have not been claimed. After five years and appropriate notification, such amounts may be credited back to the cooperative as donated capital

Cash and Cash Equivalents

Cash and cash equivalents includes cash in bank. The Cooperative places its cash in investments with high credit quality financial institutions. At times, such investments may be in excess of the FDIC insurance limit.

Advertising

The cost of advertising is expensed as incurred.

Compensated Absences

For 2012, the Cooperative's policy on accumulated extended sick leave is to grant 96 hours annually with any unused hours available to be carried forward to future years up to a maximum of 800 hours. It is the Cooperative's policy to pay one-half of the employee's accumulated unused sick leave upon normal retirement by the employee or if the employee qualifies to draw benefits from the Cooperative pension plan. However, upon termination of employment, other than by normal retirement, or not meeting the qualifications required to receive pension benefits, the employee forfeits all rights to the accumulated unused hours.

For 2013, the Cooperative's policy on accumulated extended sick leave is to grant 48 hours annually with any unused hours available to be carried forward to future years up to a maximum of 800 hours. Employees may use extended sick leave hours on their 4th consecutive day of absence due to their own personal illness or injury. It is the Cooperative's policy to pay one-half of the employee's accumulated unused sick leave upon normal retirement provided that their extended sick leave bank is equal to or greater than 520 hours. The payout is capped at 260 hours and will be reduced by any PTO payouts taken during the employee's tenure. For the years ended December 31, 2013 and 2012 an accrual has been made for individuals who meet the required qualifications and have attained the age of 60.

Income Taxes

The Cooperative is exempt from federal and state income taxes under Section 501(c)(12) of the Internal Revenue Code which provides, in part that the Cooperative derive at least 85 percent of its annual gross income from members to retain the exemption. The Cooperative expects to meet the requirements for the tax year ended December 31, 2013. Accordingly, no provision for income taxes has been made in the consolidated financial statements. The Cooperative's federal information returns for Calendar year 2010 and after are subject to examination by the Internal Revenue Service.

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 2: ASSETS PLEDGED

Substantially all assets are pledged as collateral on long-term debt payable to the Rural Utilities Service (RUS) of the United States of America, the National Rural Utilities Cooperative Finance Corporation (CFC), and CoBank Cooperative.

NOTE 3: ELECTRIC PLANT AND DEPRECIATION RATES AND PROCEDURES

Major classes of electric plant as of December 31, 2013 and 2012 consisted of:

	2013	2012
Cost:		
General plant	\$ 15,111,088	\$ 14,664,550
Transmission plant	6,546,825	4,654,286
Distribution plant	135,111,910	128,204,605
Construction in progress	1,733,021	3,946,537
	<u>158,502,844</u>	<u>151,469,978</u>
Accumulated depreciation and amortization	<u>50,680,075</u>	<u>47,741,809</u>
Net Electric Plant	<u>\$ 107,822,769</u>	<u>\$ 103,728,169</u>

Provision has been made for depreciation of the distribution plant at a straight-line composite rate of 3.0 percent per annum, except for yard lights and street lighting systems which are being depreciated at the rate of 4.2 percent per annum.

General plant depreciation rates have been applied on a straight-line basis as follows:

Structures and improvements	2.0%
Office furniture, fixtures, data processing and laboratory equipment	4.8-20.0%
Transportation equipment	10.0-33.3%
Stores, tools and power operated equipment	6.0%
Communications	8.4%
Miscellaneous	9.6%

Depreciation and amortization of electric plant in service was charged as follows for the years ended December 31, 2013 and 2012:

	2013	2012
Charged to operations-		
Classified as depreciation	\$ 4,614,750	\$ 4,373,462
Classified in other operating expenses	302,084	382,120
	<u>4,916,834</u>	<u>4,755,582</u>
Capitalized	<u>134,827</u>	<u>128,586</u>
TOTAL DEPRECIATION	<u>\$ 5,051,661</u>	<u>\$ 4,884,168</u>

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 4: INVESTMENTS IN ASSOCIATED ORGANIZATIONS

Investments in associated organizations consisted of the following at December 31, 2013 and 2012:

	2013	2012
Capital term certificates, at cost, issued by National Rural Utilities Cooperative Finance Corp. (CFC)	\$ 1,274,079	\$ 1,277,248
Patronage capital:		
CFC	364,395	347,145
National Information Solutions Cooperative	192,616	164,099
Wabash Valley Power Association	9,854,658	9,854,658
Buckeye Power, Inc.	812,722	782,790
Wolverine Power Supply Cooperative	3,831,958	1,855,505
Midwest Energy, Inc.	4,993,204	4,212,751
Michigan Electric Cooperative Assn.	-	54,034
Federated Rural Electric Insurance Cooperative, at cost	314,471	309,253
Buckeye Power, Inc. – membership	98,889	98,889
CFC Member Capital Securities	300,000	300,000
Resco (WISC)	517,731	447,894
NRTC	196,323	186,238
Other	96,970	83,954
TOTAL	\$ 22,848,016	\$ 19,974,458

The accounting policies for recognition of patronage revenue are described in Note 1. Investments are pledged to secure long-term debt as described in Note 8.

The following is a detailed schedule of investments in affiliated and subsidiary companies:

	Midwest Energy, Inc.
Original Investment	\$ 100
Capital contributions, to date, December 31, 2012	6,500,000
Undistributed loss, to date, December 31, 2012	2,287,349
Book value as of December 31, 2012	4,212,751
Undistributed income during 2013	780,453
Book value as of December 31, 2013	\$ 4,993,204

Midwest Energy, Inc. provides telecommunication/internet services, remarkets natural gas, and owns a 100% interest in Midwest Propane, LLC. Midwest Energy Cooperative owns 100% of the outstanding stock and accounts for the investment on the equity basis.

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 5: DEFERRED CHARGES AND CREDITS

Following is a summary of the amounts recorded as deferred charges as of December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
WVPA buyout	\$ 719,875	\$ 1,439,875
Other work-in-progress	<u>447,189</u>	<u>189,194</u>
TOTAL	<u><u>\$ 1,167,064</u></u>	<u><u>\$ 1,629,069</u></u>

Following is a summary of the amounts recorded as deferred credits as of December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Refundable contracting advance	\$ 249,225	\$ 687,763
Prepaid deposits from subsidiary	<u>54,000</u>	<u>76,000</u>
	<u><u>\$ 303,225</u></u>	<u><u>\$ 763,763</u></u>

NOTE 6: CASH AND INVESTMENTS

Statements of Financial Accounting Standards (SFAS) No. 105 require disclosure of significant concentrations of credit risk arising from cash deposits in excess of federally insured limits. The detail of these deposits follows:

	<u>Per Institution</u>
Insured	\$ 265,297
Uninsured	<u>3,241,180</u>
	3,506,477
In-transit transactions	<u>(81,842)</u>
	<u><u>\$ 3,424,635</u></u>
Total cash in bank	\$ 3,424,635
Undeposited funds	308,534
Working funds	<u>1,790</u>
Total Cash	<u><u>\$ 3,734,959</u></u>

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 7: NOTES RECEIVABLE

Notes receivable includes loans to customers for the purchase of miscellaneous equipment.

NOTE 8: MORTGAGE NOTES

Long-term debt is composed of 2.267% to 7.350% mortgage notes payable to the Rural Utilities Service (RUS) of the United States of America, the National Rural Utilities Cooperative Finance Corporation (CFC), the Federal Financing Bank (FFB), and CoBank Cooperative. Several mortgage notes to CFC and RUS will be repriced and the interest rate adjusted accordingly during the next 10 years in accordance with the policy and procedure governing such repricing. The notes are for 35 year periods each, with principal and interest installments due either quarterly or monthly. The notes are scheduled to be fully repaid at various times from 2014 through 2046. Unadvanced loan funds were available from RUS at December 31, 2013 and 2012 in the amounts of \$20,000,000 and \$24,000,000, respectively.

Detail of the long-term debt is as follows:

	2013	2012
Notes payable to CFC in quarterly installments of \$270,182, including interest at 5.15%-7.35%, with final maturity ranging from 2014 to 2032. Secured by substantially all assets	\$ 5,166,815	\$ 5,910,565
Notes payable to CoBank in monthly installments of \$44,612, including interest at 4.50%, with final maturity in 2022. Secured by substantially all assets	3,792,394	4,147,618
Notes payable to FFB in quarterly installments of \$299,065, including interest at 2.267%-3.941%, with final maturity ranging from 1942 to 1946. Secured by substantially all assets	23,067,717	19,484,642
Notes, payable to RUS in monthly installments of \$347,895, including interest at 3.000-5.375%, with final maturity ranging from 2014 to 2039. Secured by substantially all assets.	58,323,486	59,889,629
	90,350,412	89,432,454
Less:		
RUS Cushion of credit	5,728,636	5,705,184
Current maturities	3,266,862	3,160,426
TOTAL LONG-TERM DEBT, less current portion	\$ 81,354,914	\$ 80,566,844

Approximate maturities of long-term debt for each of the next five years are as follows:

2014	\$ 3,266,862
2015	3,502,569
2016	3,706,385
2017	3,891,987
2018	4,080,956
Thereafter	71,901,653
	<u>\$ 90,350,412</u>

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 9: LINE OF CREDIT

The Cooperative has available a perpetual line of credit with CFC in the amount of \$10,000,000 for both 2013 and 2012. The Cooperative had an outstanding balance of \$-0- for 2013 and \$-0- in 2012. Interest at December 31, 2013 was charged at 2.90%

The Cooperative has available a line of credit with CoBank in the amount of \$10,000,000 for both 2013 and 2012. The Cooperative had an outstanding balance of \$0 for both 2013 and 2012. Interest at December 31, 2013 was charged at 3.03%.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Under its wholesale power agreement the Cooperative is committed to purchase most of its electric power and energy requirements from Wolverine Power Supply Cooperative, Inc., until December 31, 2050. The rates paid for such purchases are subject to approval of the Federal Energy Regulatory Commission (FERC).

NOTE 11: RETIREMENT PLAN

The Cooperative has a defined benefit pension plan covering 57 employees. As of January 1, 2007, the plan was closed to all new non-union staff and inside union staff. As of January 1, 2009, the plan was closed to all new outside union staff. Retirement benefits are based on a percentage of compensation as defined in the plan and benefits vested after completion of five years of service or age 55. The normal retirement age is 62. The assets of the plan consist primarily of mutual funds. The Cooperative's funding policy is to contribute so as to amortize the unfunded actuarial accrued liabilities over a 30-year period from January 1, 1987.

The following table sets forth the plan's funded status and amounts recognized in the Cooperative's financial statements at December 31, 2013 and 2012:

	2013	2012
Actuarial present value of benefit obligations: Accumulated		
Benefit obligation, including vested benefits of \$18,149,170 for 2013 and \$19,143,366 for 2012.	\$ 18,226,985	\$ 19,254,571
Change in Benefit Obligation		
Benefit obligation at beginning of year	\$ 22,023,079	\$ 18,989,658
Service cost	797,170	756,789
Interest cost	899,749	878,654
Actuarial (gain) loss	(2,452,429)	1,874,378
Benefits paid	(567,077)	(476,400)
Benefit obligation at end of year	\$ 20,700,492	\$ 22,023,079

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 11: RETIREMENT PLAN - continued

	<u>2013</u>	<u>2012</u>
Change in Plan Assets		
Fair value of plan assets at beginning of year	\$ 17,954,998	\$ 14,803,332
Actual return on plan assets	2,800,349	2,028,066
Employer contributions	1,700,000	1,600,000
Benefits paid	(567,077)	(476,400)
Fair value of plan assets at end of year	<u>\$ 21,888,270</u>	<u>\$ 17,954,998</u>
 Reconciliation of Funded Status		
Funded status (underfunded)/overfunded	<u>\$ 1,187,778</u>	<u>\$ (4,068,081)</u>
 Net pension cost included the following components:		
Service cost- benefits earned during the period	\$ 797,170	\$ 756,789
Interest cost on projected benefit obligation	899,749	878,654
Return on plan assets	(1,406,853)	(1,148,270)
Net amortization and deferral	<u>590,655</u>	<u>596,322</u>
 Net periodic pension cost	<u>\$ 891,210</u>	<u>\$ 1,083,495</u>
 Amounts Recognized in Accumulated Other Comprehensive Loss		
Net actuarial gains	\$ (4,936,280)	\$ (9,372,860)
Net prior service cost	<u>(31,465)</u>	<u>(41,954)</u>
 Amounts Recognized in Accumulated Other Comprehensive Loss - ending	<u>\$ (4,967,745)</u>	<u>\$ (9,414,814)</u>

The weighted-average discount rate was 4.96% for 2013 and 4.14% for 2012. The rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation was 3.5% for 2013 and 2012. The expected long-term rate of return on assets was 7.25% for 2013 and 7.50% 2012.

The Cooperative expects to contribute \$1,000,000 to its pension plan in 2014. Expected benefit payments for 2014 are estimated at \$600,000, \$690,000 for 2015, \$720,000 for 2016, \$810,000 for 2017, \$850,000 for 2018, and \$5,600,000 for 2019 – 2023.

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 11: RETIREMENT PLAN - continued

Investment Policy

Asset Allocation for Midwest Energy Cooperative

US large cap equity	\$ 6,549,764
U.S. small/mid cap equity	1,663,957
International Equity	2,755,105
Balanced	1,095,552
Fixed income	<u>9,823,892</u>
 Total	 <u><u>\$ 21,888,270</u></u>

The investment strategy is to build an efficient, well-diversified portfolio based on long-term, strategic outlook of the investment markets. The investment market outlook utilizes both historical-based and forward-looking return forecasts to establish future return expectations for various asset classes. These return expectations are used to develop a core asset allocation based on the needs of the plan. The core asset allocation utilizes investment portfolios of various asset classes and multiple investment managers in order to help maximize the plans return while providing multiple layers of diversification to help minimize risk.

NOTE 12: POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

The Cooperative sponsors a defined benefit post-retirement plan that covers both salaried and non-salaried employees, but none of its subsidiary employees. The plan provides for medical benefits for retirees between the ages of 60 and 65. The Cooperative's funding policy is pay-as-you-go.

The following table sets forth the plan's combined funded status reconciled with the amount shown in the Cooperative's statement of financial position at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
(Accrued) post-retirement benefit costs, beginning	\$ (2,943,354)	\$ (2,960,027)
Net periodic post-retirement benefit (costs)	(332,057)	(219,859)
Contributions made	167,215	117,362
Actuarial adjustment	<u>288,291</u>	<u>119,170</u>
 (Accrued) post-retirement benefit cost, end of year	 <u><u>\$ (2,819,905)</u></u>	 <u><u>\$ (2,943,354)</u></u>

**MIDWEST ENERGY COOPERATIVE
NOTES TO FINANCIAL STATEMENTS**

NOTE 12: POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - continued

Net periodic post-retirement benefit cost includes the following components:

	2013	2012
Service cost-benefits attributed to service during the period	\$ 218,500	\$ 74,305
Interest cost	118,108	150,115
Net amortization and deferral	<u>(4,561)</u>	<u>(4,561)</u>
Net periodic post-retirement benefit cost	<u>\$ 332,057</u>	<u>\$ 219,859</u>

In 2014, premiums are expected to increase 7.0% and then drop to 4.5 % per year in 2022 and after.

The weighted average discount rate used in determining the accumulated post-retirement benefit obligation is 4.96% and 4.14% for 2013 and 2012, respectively.

Benefit payments of \$236,000 are expected for 2014.

NOTE 13: RECLASSIFICATION OF AMOUNTS

Certain amounts previously reported have been reclassified to conform to the 2013 presentation.

NOTE 14: RELATED PARTY TRANSACTIONS

Midwest Energy, Inc. is a wholly-owned subsidiary of Midwest Energy Cooperative. In addition, Midwest Energy Cooperative has furnished some personnel, office space, and other necessary operating facilities such as computer time for Midwest Energy's operations. During the year Midwest Energy Cooperative charged Midwest Energy, Inc.'s operations for such services. The total inter-company receivable (payable) was \$(1,285,810) and \$(64,347) at December 31, 2013 and 2012, respectively. The 2013 inter-company balance includes a \$1,300,000 non-interest bearing fund advancement that is expected to be repaid in 2014.

NOTE 15: SUBSEQUENT EVENTS

In preparing these financial statements, the Cooperative's management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2013, the most recent statement of financial position presented herein, through March 11, 2014, the issuance date of the accompanying financial statements. No significant such events or transactions were identified.

SUPPLEMENTARY MATERIAL

**MIDWEST ENERGY COOPERATIVE
BALANCE SHEET - STATISTICS**

	2013	2012	2011	2010
Utility plant, net	\$ 107,822,769	\$ 103,728,169	\$ 100,167,736	\$ 95,249,290
Investments	22,848,016	19,974,458	17,739,406	16,071,855
Notes receivable	76,160	79,472	93,753	100,961
Current assets	9,242,693	9,534,491	7,336,280	10,749,559
Long-term debt	81,354,914	80,566,844	76,271,985	72,539,244
Equities	43,829,709	35,330,520	33,092,785	34,935,268
Current liabilities	14,119,411	15,389,291	15,417,146	12,058,711
Net cash flows	875,426	482,305	(3,159,692)	4,567,337
Current ratio	65%	62%	48%	89%
Quick ratio	57%	53%	41%	84%
Equity/assets ratio	31%	26%	26%	28%
Number of members	29,004	28,993	28,115	28,237

**MIDWEST ENERGY COOPERATIVE
STATEMENTS OF REVENUE - STATISTICS**

	2013	2012	2011	2010
Electric revenues	\$ 73,212,659	\$ 72,202,854	\$ 68,022,430	\$ 65,628,036
Purchased power	48,601,547	49,302,514	45,112,509	44,118,481
Gross margin	24,611,112	22,900,340	22,909,921	21,509,555
Gross margin %	33.62%%	31.72%	33.68%	32.77%
Operating expenses	13,834,442	13,064,681	12,906,657	11,783,900
Depreciation	4,614,750	4,373,462	4,147,304	4,010,787
Taxes (net)	1,895,898	1,798,553	1,867,405	1,778,725
Operating margins before other items	4,266,022	3,663,644	3,988,555	3,936,143
Patronage revenue	2,378,757	2,140,546	1,657,791	1,516,206
Interest expense	3,822,099	3,844,084	3,753,877	3,695,348
Operating margins (loss)	2,822,680	1,960,106	1,892,469	1,757,001
Non-operating items	992,749	700,343	813,555	972,970
Net margins (loss)	3,815,429	2,660,448	2,706,024	2,729,971
KWH sold	605,374,225	617,325,204	601,058,374	604,428,773
KWH purchased	646,327,387	652,916,838	634,762,033	640,248,291
Line loss %	6.20%	5.31%	5.15%	5.43%
Percentage change in KWH sold	(1.94%)	2.71%	(0.56%)	2.07%
Revenue per KWH sold	0.1210	0.1170	0.1131	0.1086
Power cost per KWH sold	0.0803	0.0799	0.0751	0.0730
Margin per KWH sold	0.0407	0.0371	0.0450	0.0356
Times interest earned ratio (TIER)	2.03	1.71	1.73	1.75
Debt service coverage (DSC)	1.83	1.61	1.66	1.72

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

March 11, 2014

To the Board of Directors
Midwest Energy Cooperative
Cassopolis, Michigan

We have audited the financial statements of Midwest Energy Cooperative for the year ended December 31, 2013, and have issued our report thereon dated March 11, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Midwest Energy Cooperative's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Midwest Energy Cooperative's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Midwest Energy Cooperative's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Midwest Energy Cooperative's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which would have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the Rural Utilities Service, and supplemental lenders, entities and is not intended to be and should not be used by anyone other than these specific parties.

Certified Public Accountants

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/16/2014	Year of Report 2013
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STATEMENT OF CASH FLOWS		
1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.		2. Under "Other" specify significant amounts and group others. 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 on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)	
2	Net Income (Line 72 (c) on page 117)	
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	
5	Amortization of (Specify)	
6	Intangible Plant	
7		
8	Deferred Income Taxes (Net)	
9	Investment Tax Credit Adjustment (Net)	
10	Net (Increase) Decrease in Receivables	
11	Net (Increase) Decrease in Inventory	
12	Net (Increase) Decrease in Allowances Inventory	
13	Net (Increase) Decrease in Payables and Accrued Expenses	
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net (Increase) Decrease in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other:	
19		
20		
21		
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance to Other Funds Used During Construction	
31	Other:	
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
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 Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/16/2014	Year of Report 2013
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STATEMENT OF CASH FLOWS (Continued)		
4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Don not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. Enter on pages 122-123 clarifications and explanations.
Line No.	Description (See instructions for Explanation of Codes) (a)	Amount (b)
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:	
54		
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 34 thru 55)	
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long Term Debt (b)	
62	Preferred Stock	
63	Common Stock	
64	Other:	
65		
66	Net Increase in Short-Term Debt (c)	
67	Other:	
68		
69		
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	
71		
72	Payments for Retirement of:	
73	Long Term Debt (b)	
74	Preferred Stock	
75	Common Stock	
76	Other:	
77		
78	Net Decrease in Short-Term Debt (c)	
79		
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)	
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22, 57 and 83)	
87		
88	Cash and Cash Equivalents at Beginning of Year	
89		
90	Cash and Cash Equivalents at End of Year	

**MIDWEST ENERGY COOPERATIVE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from consumers	\$ 75,033,437	\$ 71,115,058
Cash paid to suppliers and employees	(61,133,608)	(62,651,232)
Interest received	410,492	470,838
Interest paid	(3,827,671)	(3,936,810)
Taxes paid	(1,781,518)	(1,730,063)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>8,701,132</u>	<u>3,267,791</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction and acquisition of plant, net of retirements	(7,647,679)	(6,926,605)
Net proceeds from sale of plant	365,097	233,403
(Increase) decrease in:		
Materials inventory	166,321	(242,930)
Deferred charges	462,005	627,926
Notes receivable	3,312	14,281
Investments – associated organizations	264,883	148,123
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(6,386,061)</u>	<u>(6,145,802)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances from RUS and CFC	4,000,000	4,000,000
Cushion of credit advances from RUS	(23,452)	3,449,179
Retirement of patronage capital credits, net	(138,666)	(110,165)
Payments on debt	(3,082,042)	(2,952,555)
Payments to pension	(1,700,000)	(1,600,000)
Increase (decrease) in:		
Consumer deposits and advances	(495,485)	573,857
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>(1,439,645)</u>	<u>3,360,316</u>
Net Increase (Decrease) in Cash and Temporary Cash Investments	<u>875,426</u>	<u>482,305</u>
CASH AND TEMPORARY CASH INVESTMENTS – beginning	<u>2,859,533</u>	<u>2,377,228</u>
CASH AND TEMPORARY CASH INVESTMENTS – ending	<u><u>\$ 3,734,959</u></u>	<u><u>\$ 2,859,533</u></u>

The accompanying notes are an integral part of these statements.

MIDWEST ENERGY COOPERATIVE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(Continued)

	<u>2013</u>	<u>2012</u>
RECONCILIATION OF NET MARGINS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net margins	\$ 3,902,496	\$ 2,660,448
Adjustments to reconcile net margins to net cash provided by Operating activities:		
Depreciation and amortization	4,916,834	4,755,582
G & T capital credits	(2,378,757)	(2,140,546)
(Gain) Loss on disposal of assets	(8,084)	(22,813)
(Income) Loss from subsidiary	(780,453)	(242,629)
(Increase) decrease in assets:		
Customer and other accounts receivable	373,312	(1,039,743)
Current and accrued assets – other	(191,667)	39,044
Power supply cost recovery	1,166,872	(432,016)
Post-retirement benefits other than pensions	(123,449)	147,726
Pension asset	(520,499)	-
Increase (decrease) in:		
Accounts payable	1,968,551	94,451
Regulatory liabilities	240,707	-
Current and accrued liabilities – other	135,269	(551,713)
Total Adjustments	<u>4,798,636</u>	<u>607,343</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 8,701,132</u>	<u>\$ 3,267,791</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Capital credits	\$ 2,378,757	\$ 2,140,546
Income (Loss) from subsidiary	780,453	242,629
(Gain) Loss on disposition of property	(8,084)	(22,813)
Capitalized depreciation	134,827	128,586

The accompanying notes are an integral part of these statements.

Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/16/14	Year of Report 2013
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	n/a			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
TOTAL				

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	
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013	
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</p> <p>in Account 124, <i>Other Investments</i>), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i>, 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</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) Original Cost Book Value		Purchases or Additions During Year (c)
1	See Attachment			
2				
3				
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11				
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Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013			
INVESTMENTS (Accounts 123, 124, 136) (Cont'd)						
<p>listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229.</p> <p>3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.</p> <p>4. 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:</p> <p>5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.</p> <p>6. 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 different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).</p>						
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			
						1
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Midwest Energy Cooperative
Investment in Associated Organizations - Patronage Capital and Other NonGeneral Funds
YTD 12/31/2013

Account Number	Description	12/31/2012 Beginning Balance	Allocated	YTD 12/31/2013 Invested	YTD 12/31/2013 Profit/Loss	Adjusted Adjustments	Retired (Cash Received)	YTD 12/31/2013 Form 7	YTD 12/31/2013 General Ledger
Investment in Subsidiary Companies									
123.25	Midwest Energy-100 shares	6,500,100.00	-	-	-	-	-	6,500,100.00	6,500,100.00
123.18	Midwest Energy, Inc.	(2,287,348.62)	-	-	780,453.26	-	-	(1,506,895.36)	(1,506,895.36)
		4,212,751.38	-	-	780,453.26	-	-	4,993,204.64	4,993,204.64
123.55	Fiber Investment	-	-	-	(87,066.76)	87,066.76	-	-	(0.00)
		-	-	-	(87,066.76)	87,066.76	-	-	(0.00)
123.10	NRUCFC	347,144.92	-	34,500.83	-	-	-	364,395.33	364,395.33
123.11	Wabash Valley	9,854,657.62	-	-	-	-	(17,250.42)	9,854,657.62	9,854,657.62
123.12	NISC (formerly CADP)	164,099.26	33,554.13	-	-	-	(5,037.33)	192,616.06	192,616.06
123.13	Resco - Michigan	-	-	-	-	-	-	-	-
123.15	Resco - Ohio	20,106.05	-	-	-	-	-	20,106.05	20,106.05
123.16	Resco - Wisconsin	447,893.87	117,060.00	-	-	-	(47,223.00)	517,730.87	517,730.87
123.17	Buckeye	881,679.18	66,885.41	-	-	-	(36,953.20)	911,611.39	911,611.39
		11,715,580.90	217,499.54	34,500.83	-	-	(106,463.95)	11,861,117.32	11,861,117.32
123.21	CFC Capital Funding Investment	300,000.00	-	-	-	-	-	300,000.00	300,000.00
123.22	CFC Cap. Term Cert.	1,277,247.85	-	-	-	(955.36)	(2,213.28)	1,274,079.21	1,274,079.21
123.23	MECA	54,034.00	-	-	-	(20,768.00)	(33,266.00)	-	-
123.24	NRUCFC Membership	1,000.00	-	-	-	-	-	1,000.00	1,000.00
123.24	Wabash Membership	-	-	-	-	-	-	-	-
123.24	NRTC (New 6/03)	186,238.13	14,406.48	-	-	-	(4,321.94)	196,322.67	196,322.67
123.24	Federated Insurance	309,252.54	49,678.00	-	-	-	(44,460.00)	314,470.54	314,470.54
123.24	ECO INC. New 2005	-	-	-	-	-	-	-	-
123.24	CoBank-New 10/2005	33,554.83	49,460.49	-	-	-	(37,095.37)	45,919.95	45,919.95
123.27	Wolverine Power-membership	1,855,504.89	2,011,797.43	-	-	-	(35,344.42)	3,831,957.90	3,831,957.90
124.00	American Seating Park-SBT	-	-	-	-	-	-	-	-
124.03	River Front Student Housing-MBT	-	-	-	-	-	-	-	-
124.10	Cooperative Response Center	29,293.34	1,414.31	-	-	-	(762.86)	29,944.79	29,944.79
		4,046,125.58	2,126,756.71	-	-	(21,723.36)	(157,463.87)	5,993,695.06	5,993,695.06
128.50	Other Special Funds - Def. Comp	-	-	-	-	-	-	-	-
	Total - Form 7, Part C, Line 14	19,974,457.86	2,344,256.25	34,500.83	693,396.50	(21,723.36)	(263,927.82)	22,848,017.02	22,848,017.02

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
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.	

* 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.

"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.

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	See Attachment					
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23						
24						
25	TOTAL					

**Midwest Energy Cooperative
Receivables from Associated Companies (Account 145,146)
For Year Ending 12/31/13**

Line #	Particulars (a)	Balance Beginning of Year (b)	Debits (c)	Credits (d)	Balance End of Year (e)	Interest for Year (f)
1	146.35 Midwest Energy, Inc. Billed	\$3,208	30,411	31,681	\$1,939	
2	146.36 Midwest Propane Billed	\$42,342	1,357,373	1,319,740	\$79,976	
3	146.37 Due from wild Blue	\$2,563	18,803	20,594	\$773	
4	146.38 Due from BPL	\$0	0	\$0	\$0	
5	146.95 Midwest Propane Unreimbursed Medical	\$29	0	\$29	\$0	
		\$48,142	\$1,406,588	\$1,372,043	\$82,687	\$0

Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report 2013 04/16/14		Year of Report 2013	
ALLOWANCES							
1. Report below the details called for concerning allowances. 2. Report all acquisitions of allowances at cost. 3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts. 4. Report the allowances transactions by the period they are first				eligible for use; the current year's allowances in columns (b)-(c), allowances for the three succeeding years in column(d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k). 5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.			
Line No.	Allowance Inventory (a)	Current Year		20__			
		No. (b)	Amt. (c)	No. (d)	Amt. (e)		
1	Balance - Beginning of Year						
2-4	Acquired During Year: Issued (Less Withheld Allow.)						
5	Returned by EPA						
6-8	Purchases/Transfers:						
9							
10							
11							
12							
13							
14							
15	Total						
16-18	Relinquished During Year: Charges to Acct. 509						
19	Other:						
20							
21-22	Cost of Sales/Transfers:						
23							
24							
25							
26							
27							
28	Total						
29	Balance - End of Year						
30-32	Sales:						
	Net Sales Proceeds (Assoc Co.)						
33	Net Sales Proceeds (Other)						
34	Gains						
35	Losses						
	Allowances Withheld						
36	Balance - Beginning of Year						
37	Add: Withheld by EPA						
38	Deduct: Returned by EPA						
39	Cost of Sales						
40	Balance - End of Year						
41-43	Sales:						
	Net Sales Proceeds (Assoc. Co.)						
44	Net Sales Proceeds (Other)						
45	Gains						
46	Losses						

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
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ALLOWANCES (Continued)

6. Report on line 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales or auction of the withheld allowances.

7. Report on lines 8-14 the names of vendors/transfers of allowances acquired and identify associated companies (See "associated co." under "Definitions" in Uniform System of Accounts).

8. Report on lines 22-27 the names of purchasers/transfers of allowances disposed of and identify associated companies.

9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.

10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.

20		20		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2-4
								5
				N/A				6-8
								9
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								41-43
								44
								45
								46

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
LONG-TERM DEBT (Accounts 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	See Attachment		
2			
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23			
24			
25	TOTAL		

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
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LONG-TERM DEBT (Accounts 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 amortization debited to Account 428, Amortization of Debt-Discount and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.

12. In a footnote, give explanatory particulars (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) principal 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
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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION MI0049		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2013		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	55,056,624	2,608,582	1,566,143	4,174,725
2	National Rural Utilities Cooperative Finance Corporation	5,166,815	336,598	743,751	1,080,349
3	CoBank, ACB	3,792,393	178,765	355,224	533,989
4	Federal Financing Bank	23,067,718	646,911	416,924	1,063,835
5	RUS - Economic Development Loans				
6	Payments Unapplied	5,728,636			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	81,354,914	3,770,856	3,082,042	6,852,898

Midwest Energy Cooperative RUS Debt Reconciliation												
December 2013												
A/C #	Date Loan Executed	Final Payment Date	Beginning Principal Balance	Next Rpt Date Year	Interest Rate %	Interest Accrual	Interest Payment	Principal Payment	Input Total Payment	Ending Principal Balance	YTD Interest Expense	
1	18271	4/30/1984	4/30/2019	\$ 229.98	N/A	5.000%	0.98	0.98	3.09	\$ 4.07	\$ 228.89	\$ 12.34
2	18293	12/9/1988	12/9/2023	\$ 3,453.53	N/A	5.000%	14.66	14.66	22.10	\$ 36.76	\$ 3,431.43	\$ 178.64
3	18310	2/29/1996	2/28/2031	\$ 557,539.55	N/A	4.250%	2,012.49	2,012.49	1,796.18	\$ 3,808.87	\$ 555,743.37	\$ 24,112.22
4	18311	2/29/1996	2/28/2031	\$ 84,160.09	5/3/2014	3.500%	250.18	250.18	292.96	\$ 543.14	\$ 83,867.13	\$ 3,001.50
5	18312	2/29/1996	2/28/2031	\$ 170,844.19	N/A	4.125%	598.54	598.54	561.08	\$ 1,159.62	\$ 170,283.11	\$ 7,173.61
6	18313	2/29/1996	2/28/2031	\$ 259,910.05	N/A	4.375%	965.77	965.77	831.35	\$ 1,797.13	\$ 259,078.89	\$ 11,568.72
7	18314	2/29/1996	2/28/2031	\$ 20,945.05	N/A	4.500%	80.05	80.05	66.08	\$ 146.13	\$ 20,878.97	\$ 958.77
8	18315	2/29/1996	2/28/2031	\$ 884,151.31	12/31/2017	5.375%	4,036.22	4,036.22	2,529.77	\$ 6,565.99	\$ 881,621.54	\$ 48,268.67
9	18316	9/23/1999	2/28/2031	\$ 260,509.43	N/A	4.375%	967.99	967.99	834.52	\$ 1,802.51	\$ 259,674.91	\$ 11,596.67
10	18600	7/1/1997	7/1/2032	\$ 3,463,900.82	N/A	5.000%	14,709.71	14,709.71	9,223.39	\$ 23,933.10	\$ 3,454,877.43	\$ 175,726.82
11	18605	7/1/1997	7/1/2032	\$ 3,368,333.04	N/A	4.500%	12,873.49	12,873.49	9,509.29	\$ 22,382.78	\$ 3,358,823.75	\$ 153,918.67
12	18610	8/1/1999	3/12/1934	\$ 2,944,798.18	N/A	4.250%	10,629.51	10,629.51	7,467.63	\$ 18,097.14	\$ 2,937,330.55	\$ 128,895.76
13	18611	2/9/2000	3/12/1934	\$ 2,927,170.68	N/A	5.125%	14,351.72	14,351.72	7,537.58	\$ 21,889.30	\$ 3,289,633.11	\$ 171,111.00
14	18612	2/16/2000	3/12/1934	\$ 851,189.59	N/A	4.625%	3,343.55	3,343.55	2,075.41	\$ 5,418.96	\$ 849,114.18	\$ 39,895.34
15	18613	1/9/2001	3/12/1934	\$ 1,623,889.63	1/31/2017	4.500%	6,206.38	6,206.38	4,018.98	\$ 10,225.36	\$ 1,619,870.65	\$ 74,068.81
16	18614	2/27/2001	3/12/1934	\$ 1,999,296.56	2/28/2011	3.000%	5,094.10	5,094.10	5,918.39	\$ 11,012.49	\$ 1,993,378.17	\$ 60,948.23
17	18615	9/11/2001	3/1/2034	\$ 1,842,660.42	9/30/2011	4.250%	6,651.25	6,651.25	4,689.18	\$ 11,340.43	\$ 1,837,971.24	\$ 79,406.74
18	18620	3/25/2003	8/1/2037	\$ 2,082,942.48	N/A	5.080%	8,986.89	8,986.89	3,971.61	\$ 12,658.50	\$ 2,079,270.87	\$ 106,852.06
19	18621	3/31/2003	8/1/2037	\$ 2,016,028.00	3/31/2013	2.860%	4,907.28	4,907.28	4,897.05	\$ 9,804.33	\$ 2,011,130.95	\$ 64,105.35
20	18622	4/2/2003	8/1/2037	\$ 1,970,751.56	4/30/2015	3.340%	5,590.46	5,590.46	4,465.91	\$ 10,056.37	\$ 1,966,285.65	\$ 66,641.98
21	18623	12/23/2003	8/1/2037	\$ 1,720,133.58	N/A	5.090%	7,436.17	7,436.17	3,003.83	\$ 10,440.00	\$ 1,717,129.75	\$ 88,406.54
22	18624	7/8/2004	8/1/2037	\$ 2,590,328.02	N/A	5.260%	11,572.02	11,572.02	4,417.98	\$ 15,990.00	\$ 2,585,910.04	\$ 137,548.16
23	18625	3/29/2005	8/1/2037	\$ 3,019,814.10	N/A	4.980%	12,516.09	12,516.09	5,438.91	\$ 17,955.00	\$ 3,014,375.19	\$ 148,842.26
24	18626	9/13/2005	8/1/2037	\$ 1,718,976.29	N/A	4.450%	6,496.78	6,496.78	3,303.21	\$ 9,800.00	\$ 1,715,673.08	\$ 77,308.12
25	18627	11/22/2005	8/1/2037	\$ 1,975,145.57	N/A	4.620%	7,750.15	7,750.15	3,720.55	\$ 11,470.70	\$ 1,971,425.02	\$ 92,204.53
26	18630	8/10/2006	11/1/2037	\$ 3,593,257.72	N/A	5.050%	15,411.63	15,411.63	6,188.37	\$ 21,600.00	\$ 3,587,069.35	\$ 183,201.12
27	18631	11/24/2006	11/1/2037	\$ 3,566,931.06	N/A	4.850%	14,086.93	14,086.93	5,553.07	\$ 20,640.00	\$ 3,560,377.99	\$ 167,553.09
28	18632	9/11/2007	11/2/2037	\$ 1,783,465.51	N/A	4.650%	7,043.47	7,043.47	3,276.53	\$ 10,320.00	\$ 1,780,188.98	\$ 83,776.55
29	18633	2/6/2009	11/1/2037	\$ 5,386,500.78	N/A	3.676%	16,817.10	16,817.10	11,442.90	\$ 28,260.00	\$ 5,375,057.88	\$ 200,322.87
30	18634	2/12/2009	11/1/2037	\$ 3,585,662.18	N/A	3.586%	10,920.65	10,920.65	7,719.35	\$ 18,640.00	\$ 3,577,942.83	\$ 130,104.42
31	18635	4/29/2009	11/1/2037	\$ 1,809,723.04	N/A	3.982%	6,120.43	6,120.43	3,679.57	\$ 9,800.00	\$ 1,806,043.47	\$ 72,871.38
32						136.924%						
33												
34												
				\$ 58,452,842.00			\$ 218,442.95	\$ 218,442.65	\$ 129,155.83	\$ 347,598.48	\$ 58,323,486.17	\$ 2,608,581.94
							Cash on Cr					
							Net Pmt Due	\$	\$			

Midwest Energy Cooperative CoBank Debt Reconciliation December 2013														
A/C #	Date Loan Executed	Final Payment Date	Beginning Principal Balance	Next Reprice Year	Interest Rate %	To Update/Validate clift Calc on 360 Days	MU-18		Input Total Payment	Pmt Freq	Ending Principal Balance	YTD Interest Expense		
							New GL# 237.04/427.04 Interest Payment	Principal Payment						
1	Sum of 18260-18596	4/29/1982	4/29/2017 \$ 3,792,393.54	N/A	4.440%	\$ 14,599.19	14,599.19	\$ 30,318.38	44,877.57	M	\$ 3,762,075.16	173,764.75		
2	18262	4/29/1982	4/29/2017 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
3	18270	4/30/1984	4/30/2019 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
4	18273	4/30/1984	4/30/2019 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
5	18280	10/30/1986	10/30/2021 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
6	18282	10/30/1986	10/30/2021 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
7	18283	10/30/1986	10/30/2021 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
8	18290	12/9/1988	12/9/2023 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
9	18292	12/9/1988	12/9/2023 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
10	18301	10/31/1991	10/31/2026 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
11	18591	1/31/1999	3/20/2030 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
12	18596	1/31/1998	3/20/2030 \$ -	N/A	4.440%	-	-	-	-	M	-	-		
						\$ 14,599.19	\$ 30,318.38	\$ 44,877.57						
						Billed >>>>		New GL 224.04						
						New GL# 237.04/427.04								
						\$ 14,599.19	\$ 30,318.38	\$ 44,877.57						
										\$	3,762,075.16	\$ 178,764.75		

	A	B	C	D	E	F	G	H	I	AK	AL	AM	AN	AO	AP
1															
2	CEC Debt														
3															
4	Midwest Energy Cooperative														
5	Long Term Debt - Account # 224.12														
6	CFC Debt - 2013 Annual Summary														
9			Original	Date	Final		Fixed (F)		11/30/2012	November	December		CFC Confirmation	SEC 9	
10		Interest	Loan	Loan	Payment	Reprice	Var(V)	Interest	Principal	Balance	Accrued		summarized by Loan	Interest	
11		Rate	Amount	Executed	Date	Year	Rate	Rate	Balance		Interest		Nov. 2014		
12															
13	9005-001	5.025%	\$182,000.00	8/17/1979	6/1/2014	N/A	F	5.025%	\$ 18,165.03	\$6,210.35	\$ 26.65			0.125%	5.150%
14	9006-001	5.125%	\$118,000.00	4/29/1982	2/28/2017	N/A	F	5.125%	\$ 32,394.46	\$25,405.35	\$ 111.15			0.125%	5.250%
15	9007-001	5.175%	\$98,000.00	4/30/1984	3/1/2019	N/A	F	5.175%	\$ 35,611.88	\$30,671.32	\$ 135.46			0.125%	5.300%
16	9008-001	5.975%	\$222,680.00	10/30/1986	9/1/2021	N/A	F	5.975%	\$ 105,052.67	\$95,665.74	\$ 486.30			0.125%	6.100%
17	9009-001	6.075%	\$211,454.00	12/9/1988	11/30/2023	N/A	F	6.075%	\$ 118,314.28	\$110,554.38	\$ 571.20			0.125%	6.200%
18	9009-002	6.075%	\$184,379.00	12/9/1988	11/30/2023	N/A	F	6.075%	\$ 103,159.58	\$96,393.58	\$ 498.03			0.125%	6.200%
19	9010-001	5.025%	\$437,500.00	10/31/1991	9/1/2026	11/14	F	5.025%	\$ 271,489.76	\$257,529.18	\$ 1,105.23			0.125%	5.150%
20	9011-001	5.025%	\$178,980.00	2/29/1996	2/28/2031	11/14	F	5.025%	\$ 135,338.47	\$130,737.41	\$ 561.08			0.125%	5.150%
21	9011-002	5.025%	\$614,020.00	2/29/1996	3/1/2031	11/14	F	5.025%	\$ 461,906.82	\$446,203.50	\$ 1,914.96			0.125%	5.150%
22															
23															
24	9016-001	6.875%	\$768,000.00	7/27/1978	6/1/2013	N/A	F	6.875%	\$ 29,139.30	\$0.00				0.125%	
25	9017-001	6.525%	\$784,000.00	10/23/1979	9/1/2014	N/A	F	6.525%	\$ 96,473.49	\$42,732.91	\$ 240.37			0.125%	6.750%
26	9018-001	6.025%	\$603,000.00	8/18/1982	6/1/2017	N/A	F	6.025%	\$ 188,368.27	\$150,877.04	\$ 773.24			0.125%	6.150%
27	9019-001	7.125%	\$1,273,469.00	1/13/1989	12/1/2023	N/A	F	7.125%	\$ 737,911.95	\$692,262.48	\$ 4,182.42			0.125%	7.250%
28	9020-001	7.225%	\$1,471,000.00	7/1/1997	5/1/2032	N/A	F	7.225%	\$ 1,279,372.21	\$1,248,571.06	\$ 7,647.50			0.125%	7.350%
29	9020-002	5.725%	\$1,471,000.00	7/1/1997	5/1/2032	11/17	F	5.725%	\$ 1,103,546.55	\$1,072,174.24	\$ 5,226.85			0.125%	5.850%
30															
31															
32	9021-010	4.775%	\$385,806.78	8/8/2003	8/31/2013	N/A	F	4.775%	\$ 291,109.40	\$0.00				0.125%	
33	9021-011	4.775%	\$47,767.79	8/8/2003	8/31/2014	N/A	F	4.775%	\$ 36,043.05	\$0.00				0.125%	
34	9021-012	5.025%	\$433,574.57	8/8/2003	8/31/2015	N/A	F	5.025%	\$ 433,574.57	\$327,251.96	\$ 1,404.46			0.125%	5.150%
35	9021-013	5.025%	\$433,574.53	8/8/2003	8/31/2016	N/A	F	5.025%	\$ 433,574.53	\$433,574.53	\$ 1,860.76			0.125%	5.150%
36										\$0.00	\$ -				
37	Grand Total		\$9,918,205.67						5,910,566.27	5,166,815.03	26,745.66		0.00		

Midwest Energy Cooperative RUS(FB) Debt Reconciliation December 2013														MJ-19		YTD																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
A/C #	Date	Loan Executed	Final Payment Date	Beginning Principal Balance	Next Reprice Year	Interest Rate %	Insert Quarterly with Rec. of Statement		Interest Payment	Principal Payment	Total Payment	Pmt Freq	Ending Principal Balance	YTD Interest Expense																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
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1	6/2/2010		12/31/2042	\$ 1,901,794.40	N/A	3.941%		6,297.44	18,891.44	8,566.47	12/31/2013	Q	\$ 1,893,227.93	\$ 75,458.06																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
2	8/31/2010		12/31/2042	\$ 6,612,073.18	N/A	3.249%		18,040.39	54,147.99	32,626.22		Q	\$ 6,578,446.96	\$ 216,467.63																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
3	12/19/2011		12/31/2042	\$ 6,736,100.50	N/A	2.472%		13,961.26	41,971.26	39,076.70		Q	\$ 6,697,023.80	\$ 167,963.19																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
4	7/6/2012		12/31/2042	\$ 1,562,606.06	N/A	2.267%		2,976.86	8,928.86	9,377.67		Q	\$ 1,553,228.39	\$ 35,743.53																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
5	12/26/2012		12/31/2042	\$ 2,359,549.18	N/A	2.441%		4,839.50	14,517.50	13,758.65		Q	\$ 2,345,750.53	\$ 58,896.25																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
6	6/6/2013		12/31/2046	\$ 2,000,000.00	N/A	2.896%		4,885.33	14,599.01	-		Q	\$ 2,000,000.00	\$ 33,006.47																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
7	6/13/2013		12/31/2046	\$ 2,000,000.00	N/A	3.027%		5,080.46	15,259.40	-		Q	\$ 2,000,000.00	\$ 33,338.48																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
						0.0125%		1,507.78	7,300.82	-		Q	\$ 2,000,000.00	\$ 27,000.91																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
This is 1/8 of 1% on unpaid balance														\$	\$					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

Name of Respondent Midwest Energy Cooperative	This Report Is: 2,013 (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013			
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. <i>*See definition on page 226B</i>						
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	See Attachment					
2						
3						
4						
5						
6						
7						
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12						
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16						
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18						
19						
20						
21						
22						
23						
	TOTAL					

Midwest Energy Cooperative

Payables to Associated Companies (Accts 232,233,242)
For Year Ending 12/31/13

Note () =s credit balance

Line #	Particulars (a)	Balance Beginning of Year (b)	Debits ⊖ (c)	Credits (d)	Balance End of Year (e)	Interest for Year (f)
1	232.50 Accounts Payable Midwest Propane Payments made with Electric bill that need to be transferred to Propane	(\$105,533.73)	8,653,514.69	8,610,011.14	(\$62,030.18)	
2	232.60 Accounts Payable Midwest Energy, Inc.	\$0.00	441,291.89	1,741,291.89	(\$1,300,000.00)	
3	232.70 Accounts payable-Wild Blue	(\$6,926.03)	68,329.52	67,870.74	(\$6,467.25)	
4	242.58 Aflac Pretax Deduction-Employee transfer to Propane-due coop	\$0.00	16,281.76	16,281.76	\$0.00	
		(112,459.76)	9,179,417.86	10,435,455.53	(1,368,497.43)	\$0.00

Name of Respondent Midwest Energy Cooperative	This Report Is: 2,013 (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
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.	N/A, MWE is a tax exempt organization and does not file a Federal Income Tax Return.	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)		
6	Allocation of Net income for the year		
7	Add: Federal income tax expenses		
8			
9	Total pre-tax income		
10			
11	Add: Taxable income not reported on books:		
12			
13			
14			
15	Add: Deductions recorded on books not deducted from return		
16			
17			
18			
19	Subtract: Income recorded on books not included in return:		
20			
21			
22			
23	Subtract: Deductions on return not charged against book income:		
24			
25			
26	Federal taxable income for the year		

N/A

Name of Respondent Midwest Energy Cooperative	This Report Is: 2,013 (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
<p align="center">RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)</p>			
<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	
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		9	
		10	
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		24	
		25	
		26	

Name of Respondent Midwest Energy Cooperative		This Report Is: 2,013 (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013	
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:				
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3	See Attachment				
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16					
17	Total Gain				

Name of Respondent Midwest Energy Cooperative		This Report Is: 2,013 (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013	
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					
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32					
33					
34	Total Loss				

Midwest Energy Cooperative
Schedule of general plant assets disposed of in 2013
Reconciliation of G/L #421.10 & 421.00 gain or loss on disposition of property

Date	Acct #	Item #	Description	CR	DR	Cost	A/D	Carrying Value	Sales Price	Gain (Loss)	Item Notes	J/L#
1/15/2013	391.10	3911003003	ipad			672.16	672.16	-	50.00	50.00	Sold to Candy Riem Inv# 7434	108765
1/15/2013	391.10	3911003004	ipad w/keyboard			-	-	-	50.00	50.00	Sold to Patty Nowlin Inv# 7435	108765
1/15/2013	392.00	3920001604	2004 Ford F150 (1604)			23,909.30	23,909.30	-	2,225.00	2,225.00	Sold to Vicki Polmateer Inv# 7436	108765
1/15/2013	392.00	3920001204	2004 Ford F150 (1204)			23,909.30	23,909.30	-	3,580.00	3,580.00	Sold to Adam Johnson Inv# 7437	108765
1/15/2013	392.00	3920003407	2007 Chevy Silverado (3407)			23,681.00	23,681.00	-	5,151.99	5,151.99	Sold to Lori Ruff Inv# 7495	108765
	396.01	39601JDEERE	2004 John Deere Skidsteer			22,758.20	22,758.20	-	12,095.99	12,095.99	Sold to Lori Ruff Inv# 7639	108899
	391.10	3911000486	Dell PC Flatscreen			1,285.36	1,285.36	-	25.00	25.00	Sold to Tanya Yonker Inv# 7929	112360
7/31/2013	392.00	3920004599	1999 GMC State Truck			23,224.50	23,224.50	-	2,850.00	2,850.00	Sold to Marty Smego Inv# 8611	119942
7/31/2013			2 Motorola Cell Phones			-	-	-	50.00	50.00	Sold to Meghan Tarver Inv# 8558	119952
8/6/2013	123.23	MIECA Investment	Okemos Office Facility			54,034.00	-	54,034.00	33,266.00	(20,768.00)	Sale 7/15/2013	120540
8/19/2013			2 Drawer Cabinet			-	-	-	75.00	75.00	Sold to Roger Bowser Inv #8761	121265
8/19/2013			4 drawer Cabinet			-	-	-	117.50	117.50	Sold to Evan Bressler Inv# 8760	121265
8/19/2013			Basement Overhead Lights			-	-	-	32.00	32.00	Sold to Linda Carango Inv#8759	121265
8/19/2013			Black 2 Door Cabinet			-	-	-	50.00	50.00	Sold to Dixie Teague Inv# 8758	121265
12/23/2013	396.01	396010DW02	Ditch Witch Trencher (DW02)			77,337.60	77,337.60	-	2,500.00	2,500.00	Sold to Mike Burrell Inv# 9561	128446
						250,811.42	196,777.42	54,034.00	62,118.43	8,084.48		

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013		
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 \$25,000, 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.</p> <p>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.</p> <p>3. Designate with an asterisk associated companies.</p>		
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
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Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
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TOTAL					

Midwest Energy Cooperative
 Changes for Outside Professional and Other Consultative Service
 Year Ending 12/31/13
 RUN GL HISTORY TRANSACTION, ADVANCE CONT
 Amounting to more than \$25,000.00

Name and Address	Description of Services	Date of Charges	Total Charges for the Year	Account Charged	Amount
Hydrex-Whittaker Co 1435 Rolabo Parkway Chicago, IL 00886	Contractor-Construction		\$1,493,998.27	107.10 107.21 108.90 593.01-51	1,058,959.77 91,871.94 282,944.27 49,222.29 <u>1,483,998.27</u>
Cooperative Resources Center 2000 8th Street N.W. Austin, MN 55912	Customer Service, Overflow and after hours			107.10 593.01-52 1,160,923.00	85,201.53 11,138.98 <u>963,162.51</u>
Harle Group 731 S. Gardfield Ave Troy, MI 48068	CPA		\$40,058.69	923.00-11	\$40,058.69 <u>\$40,058.69</u>
Dykema Gossett 400 Renaissance Center Detroit, MI 48243	Legal Services		\$0.00	184.80-30 416.22 906.08-30 909.00-70 923.00-01 3.00.923.01 5.05.6120.45	1,219.32 68,870.98 824.00 1,500.00 97,766.25 3,527.11 29,420.71 <u>203,126.37</u>
American Energy Services PO Box 295 Richmond, MI 48062	Pole Testing		\$70,507.80	593.00-51 594.00-51	60,710.30 9,797.50 <u>70,507.80</u>
Green Leaf Tree Service 5280 Engle Rd Mediavilla, MI 49333	Contractor- Tree Work			107.10 107.21 593.00-51 593.00-53 593.00-51 592.00-51 593.01-51 593.30-54	551,009.00 58,933.00 5,000.00 30,800.00 1,900.00 20,000.00 3,820.00 1,244,577.00 <u>1,915,940.00</u>
Merkur Consulting, LLC 9315 Mockingbird Lane Cadillac, MI 49601	Information Systems Contractor		\$172,404.55	107.05-5 HIS purchase asset 909.00-70 921.00-1 921.00-23 927.00-23 927.10-23	1,799.35 2,875.53 100.00 136.73 547.32 185,046.62 1,899.00

Midwest Energy Cooperative
 Charges for Outside Professional and Other Consultative Services
 Year Ending 12/31/13
 RUN GL HISTORY TRANSACTION, ADVANCE CONT
 Amounting to more than \$25,000.00

Name and Address	Description of Services	Debit of Charges	Total Charges for the Year	Account Charged	Amount
Michigan Electric Coop Assoc 7673 East Grand River Ave Portland, MI 48875			\$333,872.27		172,404.55
				184.90-30	890.45
				590.66-51	416.97
				590.00-53	83.33
				593.50-51	1,197.00
				599.04-70	108,630.79
				1,100.913.00	5,821.03
				923.00-1	2,211.76
				930.22-1	128,772.21
				165.13	85,659.00
					333,872.27
MECA 7673 East Grand River Ave Portland, MI 48875	EO		\$829,374.82		
				182.31-30	25,767.00
				184.90-30	94,778.19
				908.01-30	50,425.39
				908.02-30	34,815.44
				908.03-30	214,124.26
				908.06-30	5,962.28
				908.06-30	47,200.00
				908.08-30	21,264.00
				908.09-30	\$12,384.00
				908.11-30	96,163.43
				908.52-30	\$258,825.37
				908.53-30	\$106.43
				908.56-30	\$9,276.00
				908.57-30	\$15,456.00
				909.01-70	\$16,500.86
				1,100.913.00	\$570.00
				1,100.923.00	\$570.00
				923.00-1	\$393.20
				165.13	14,793.00
					829,374.82
NISC SDS 12-2053 Minneapolis, MN 55408	Computer System Support				
				186	49,932.24
				580.06-51	2,075.00
				581.01-22	300.00
				586.10-46	13,877.88
				593.00-51	9,043.23
				902.00-21	5,286.10
				903.00-11	72.50
				903.00-21	2,157.10
				903.00-22	20,302.96
				903.02-21	4,287.70
				903.02-23	196,357.99
				903.04-21	203,715.10
				903.09-21	5,874.00
				903.09-22	13,984.89
				903.09-21	7,050.27
				904.02-21	300.00
				921.00-11	1,115.71
				921.00-21	314.82
				921.00-22	326.21
				921.56-11	126.00
				921.56-21	2,358.50
				921.56-22	2,288.00
				921.56-23	545.00

Midwest Energy Cooperative
 Charges for Outside Professional and Other Consultative Service
 Year Ending 12/31/13
 RUN GL HISTORY TRANSACTION ADVANCE CONT
 Amounting to more than \$25,000.00

<u>Name and Address</u>	<u>Description of Services</u>	<u>Period of Charges</u>	<u>Total Charges for the Year</u>	<u>Account Charged</u>	<u>Amount</u>
McDonald Underground 30155 Topnesh Downinglac, MI 49047	Contractor-Construction		\$235,598.50	107.05 107.10 594.00-45 593.00-51	14,140.86 30,453.64 988.55 <u>\$76,341.75</u>
					\$4,750.00 \$221,243.50 \$1,880.00 \$8,725.03 <u>\$235,598.50</u>
Groat Lefkoe Energy PO Box 70 Boyne City, MI 49712	Contractor Storm Remediation Apprentice Training		\$47,265.33	107.21 590.06-51 590.06-53	\$39,535.33 \$3,815.00 \$3,615.00 <u>\$47,265.33</u>
Kent Power, Inc. 90 spring St PO Box 327 Kent City, MI 48330	Contractor-Construction		\$75,476.10	107.05 592.00-51 592.00-53	2,000.00 44,172.06 29,303.14 <u>75,476.10</u>
Power System Engineering 1532 W. Broadway Madison WI 53713	Consulting		\$28,631.93	416.22 923.00-1	\$3,947.80 \$24,684.13 <u>\$28,631.93</u>
Pulse Broadband LLC 18044 Shepherd Valley Road Wilwood MO 63038	Contractor		\$205,010.89	186.00 186.05 416.22 5.5.6720.40	\$270.00 \$248,855.22 \$3,654.17 \$13,231.50 <u>\$265,010.89</u>
	Total				\$6,331,950.76

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/16/14	Year of Report 2013			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
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.
						1
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Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/16/14	Year of Report 2013
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
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TOTAL					

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 04/16/14	Year of Report 2013			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
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.
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	Miscellaneous Midwest Inc/Propane Expenses														
	Paid by Midwest Energy Cooperative to be reimbursed									Used for Code of Conduct reporting at year end (Due April 30)					
	For year 2013														
		Form 7 MPSC page													
		Desc: nature of													
Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
	G/L #146.35 Midwest Energy Inc														
	1 Administrative Services	Labor & Benefit Allocation	\$ 650.99	\$ 754.53	\$ 616.50	\$ 614.38	\$ 833.71	\$ 598.45	\$ 592.34	\$ 605.88	\$ 583.40	\$ 824.03	\$ 578.58	\$ 721.06	\$ 7,973.85
70	Marketing Services	Labor & Benefit Allocation	\$ 81.23	\$ 131.98	\$ 102.47	\$ 101.52	\$ 141.19	\$ 104.26	\$ 103.10	\$ 709.92	\$ 102.11	\$ 144.39	\$ 104.02	\$ 139.61	\$ 1,965.80
11	Accounting Services	Labor & Benefit Allocation	\$ 939.32	\$ 986.82	\$ 778.76	\$ 778.78	\$ 1,003.84	\$ 797.38	\$ 801.02	\$ 204.78	\$ 788.67	\$ 1,073.66	\$ 776.62	\$ 1,044.83	\$ 9,974.48
3,923.00	Directors Expenses	Out of Pocket expense	\$ 30.08	\$ 30.08	\$ 180.08	\$ 30.09	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ (5.81)	\$ -	\$ 445.00
3,919.00	I/C-Accounting/Admin	Out of Pocket expense	\$ 909.24	\$ 873.26	\$ 687.36	\$ 687.09	\$ 895.67	\$ 701.83	\$ 702.86	\$ 709.92	\$ 692.97	\$ 949.82	\$ 685.54	\$ 923.19	\$ 9,418.75
3,921.20	Office Supplies Expense	Out of Pocket expense	\$ 56.24	\$ 31.65	\$ 43.75	\$ 60.42	\$ 50.45	\$ 51.14	\$ 57.88	\$ 33.05	\$ 32.57	\$ 40.24	\$ 32.03	\$ 33.29	\$ 522.71
3,918.00	Telecomm-I/C labor	Out of Pocket expense	\$ 178.23	\$ 245.54	\$ 193.87	\$ 193.21	\$ 249.36	\$ 199.81	\$ 201.26	\$ 204.78	\$ 197.81	\$ 268.23	\$ 195.10	\$ 261.25	\$ 2,588.45
3,920.00	Intercompany Labor-CEO	Out of Pocket expense	\$ 584.07	\$ 754.53	\$ 616.50	\$ 614.38	\$ 833.71	\$ 598.45	\$ 592.34	\$ 605.88	\$ 583.40	\$ 824.03	\$ 578.58	\$ 721.06	\$ 7,906.93
3,921.00	Dues, Fees and Subscriptions	Out of Pocket expense	\$ -	\$ -	\$ 25.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.00
3,165.10	Prepaid Liability Insurance	Out of Pocket expense	\$ 250.00	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00
3,923.10	Directors Expenses	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,923.01	Legal and Professional Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,527.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,527.11
	Total G/L #146.35 Midwest Energy Inc		\$ 2,007.86	\$ 2,185.08	\$ 1,746.56	\$ 1,685.19	\$ 2,309.27	\$ 1,581.31	\$ 5,111.53	\$ 1,833.71	\$ 1,536.83	\$ 2,112.40	\$ 1,485.44	\$ 1,938.79	\$ 25,433.95
	G/L #146.36 Midwest Propane LLC														
51	Mechanic Gas	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	1 Administrative Services	Labor & Benefit Allocation	\$ 952.33	\$ 1,232.92	\$ 1,019.44	\$ 974.00	\$ 1,357.42	\$ 1,030.75	\$ 939.50	\$ -	\$ 1,012.51	\$ 1,390.23	\$ 993.46	\$ 1,242.18	\$ 12,144.74
	11 Accounting Services	Labor & Benefit Allocation	\$ 6,971.66	\$ 9,300.98	\$ 7,449.90	\$ 7,353.38	\$ 9,821.65	\$ 7,705.70	\$ 7,780.62	\$ -	\$ 7,624.18	\$ 10,478.95	\$ 7,730.33	\$ 9,866.70	\$ 92,084.05
	21 Billing Services	Labor & Benefit Allocation	\$ 2,032.90	\$ 2,524.26	\$ 1,945.77	\$ 2,143.91	\$ 2,628.77	\$ 2,023.11	\$ 2,042.64	\$ -	\$ 2,011.24	\$ 2,776.50	\$ 2,052.59	\$ 2,856.71	\$ 25,038.40
	22 CSR Services	Labor & Benefit Allocation	\$ 11,491.03	\$ 12,123.84	\$ 10,069.09	\$ 10,209.05	\$ 13,470.20	\$ 10,570.94	\$ 10,654.57	\$ -	\$ 10,119.11	\$ 13,560.38	\$ 10,055.97	\$ 13,451.68	\$ 125,775.84
	70 Marketing Services	Labor & Benefit Allocation	\$ 1,234.34	\$ 1,565.71	\$ 1,275.51	\$ 1,261.30	\$ 1,711.01	\$ 1,329.23	\$ 1,341.40	\$ -	\$ 1,322.20	\$ 1,822.62	\$ 1,343.94	\$ 1,705.63	\$ 15,912.89
1,922.00	Rent - Bldg	Facilities Lease	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 20,388.00
1,142.45	ACCOUNTS RECEIVABLE MWE COOP	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (495.75)	\$ -	\$ -	\$ (495.75)
1,165.30	Prepaid Workers Comp Insurance	Out of Pocket expense	\$ -	\$ 19,782.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,782.00
1,165.50	Prepaid - Other	Out of Pocket expense	\$ -	\$ -	\$ -	\$ (17,380.15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201.80	\$ 16,975.48	\$ (202.87)
1,232.40	ACCOUNTS PAYABLE MWE COOP	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,090.89	\$ 1,135.97	\$ (3,226.86)	\$ (100.00)	\$ -	\$ -	\$ (100.00)
0,232.50	ACCOUNTS PAYABLE - MIDWEST PROPA	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,481.13)	\$ -	\$ (1,481.13)
1,236.20	Accrued FUTA Tax Payable	Out of Pocket expense	\$ 37.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37.54
1,236.21	Accrued SUTA Tax Payable	Out of Pocket expense	\$ 79.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111.88
1,236.41	Michigan Use Tax Payable	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50.07)	\$ -	\$ (4.89)	\$ -	\$ -	\$ -	\$ (54.96)
1,241.11	IN Income Tax Withheld	Out of Pocket expense	\$ 86.87	\$ 94.19	\$ 99.18	\$ 138.41	\$ 200.38	\$ 282.12	\$ 193.23	\$ 193.38	\$ 193.99	\$ 195.14	\$ 298.18	\$ 197.52	\$ 2,172.59
1,241.12	IN County Income Tax Withheld	Out of Pocket expense	\$ 47.33	\$ 52.72	\$ 55.46	\$ 74.48	\$ 105.81	\$ 145.63	\$ 101.31	\$ 101.28	\$ 101.78	\$ 101.93	\$ 153.01	\$ 103.15	\$ 1,143.89
1,242.50	BC/BS - Pretax Deduction	Out of Pocket expense	\$ 86.70	\$ 70.82	\$ 1,147.99	\$ -	\$ 72.58	\$ 77.70	\$ 1,807.00	\$ 77.70	\$ 65.33	\$ 81.75	\$ 76.63	\$ 1,711.74	\$ 5,275.94
1,242.55	AFLAC - After Tax	Out of Pocket expense	\$ -	\$ -	\$ 38.51	\$ 77.02	\$ 77.02	\$ 46.94	\$ 77.02	\$ 77.02	\$ 77.08	\$ 76.96	\$ 77.02	\$ 77.02	\$ 701.61
1,242.56	AFLAC - Pre Tax	Out of Pocket expense	\$ -	\$ -	\$ 18.93	\$ 37.86	\$ 37.86	\$ 67.94	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 389.75
1,559.10	New Account Charges	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,580.00	Health Insurance	Out of Pocket expense	\$ 786.47	\$ 642.40	\$ 786.58	\$ 667.64	\$ 727.10	\$ 704.78	\$ 15,352.80	\$ 3,630.74	\$ (1,540.56)	\$ 1,242.87	\$ 811.66	\$ 14,645.49	\$ 38,457.97
1,588.00	Maintenance - Building	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46.60	\$ -	\$ -	\$ -	\$ -	\$ 46.60
1,591.10	Maintenance - Vehicles	Out of Pocket expense	\$ 930.35	\$ 1,642.55	\$ 1,321.45	\$ 804.70	\$ 1,263.11	\$ 4,029.63	\$ 2,598.02	\$ 1,595.54	\$ 704.40	\$ 947.82	\$ 1,151.94	\$ 1,709.19	\$ 18,698.70
1,913.00	Advertising	Out of Pocket expense	\$ 1,507.35	\$ 1,507.35	\$ 1,487.45	\$ 2,960.69	\$ 1,490.30	\$ 1,899.54	\$ 2,376.17	\$ 3,278.94	\$ 4,922.94	\$ 4,289.53	\$ 1,496.55	\$ 1,109.39	\$ 28,326.20
1,914.00	Travel Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123.12	\$ 523.16	\$ -	\$ -	\$ -	\$ 468.17	\$ 159.38	\$ 1,273.83
1,914.10	Meals & Entertainment Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.32	\$ -	\$ -	\$ -	\$ -	\$ 3,380.36	\$ 3,443.68
1,921.00	Office Supplies	Out of Pocket expense	\$ 1,186.45	\$ 1,259.38	\$ 1,902.33	\$ 2,017.43	\$ 1,208.20	\$ 1,480.89	\$ 1,253.00	\$ 1,190.20	\$ 3,530.96	\$ 1,168.30	\$ 1,168.30	\$ 1,486.30	\$ 18,851.74
1,921.10	Shop Supplies	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,921.20	Electric Utilities	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97.82	\$ -	\$ -	\$ -	\$ -	\$ 97.82
1,921.30	Telephone Expense	Out of Pocket expense	\$ 600.24	\$ 587.90	\$ 578.55	\$ 558.92	\$ 665.66	\$ 822.48	\$ 557.12	\$ 631.07	\$ 545.34	\$ 544.10	\$ 212.18	\$ -	\$ 6,303.56
1,921.40	Postage Expense	Out of Pocket expense	\$ 2,923.24	\$ 2,890.01	\$ 2,833.81	\$ 2,817.36	\$ 2,449.60	\$ 2,506.32	\$ 2,455.07	\$ -	\$ 2,432.67	\$ 2,437.83	\$ 2,438.42	\$ 1,939.27	\$ 28,123.60
1,921.50	Dues & Subscriptions	Out of Pocket expense	\$ -	\$ -	\$ 264.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264.95
1,921.60	Management Fees	Out of Pocket expense	\$ 51.58	\$ -	\$ -	\$ -	\$ 12.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.58
1,921.62	Credit & Collection Expense	Out of Pocket expense	\$ 271.53	\$ 116.04	\$ 121.37	\$ 136.69	\$ 118.18	\$ -	\$ -	\$ 200.64	\$ 178.39	\$ 220.12	\$ 208.82	\$ 167.60	\$ 1,739.38
1,921.70	Bank Service Charges	Out of Pocket expense	\$ 1,980.47	\$ 2,104.34	\$ 2,064.45	\$ 2,466.74	\$ 1,958.56	\$ 1,806.51	\$ 1,605.73	\$ 1,633.28	\$ 1,623.18	\$ 1,690.77	\$ 1,864.46	\$ 1,823.90	\$ 22,622.39
1,923.00	Outside Contract Services	Out of Pocket expense	\$ 1,200.00	\$ 1,331.22	\$ 1,297.05	\$ 1,970.17	\$ 1,240.11	\$ 2,742.32	\$ 1,504.51	\$ -	\$ 1,484.19	\$ 1,544.52	\$ 1,610.70	\$ 1,785.19	\$ 17,709.98
1,923.10	Interco Labor- Administrative	Out of Pocket expense	\$ 22,682.26	\$ 26,747.71	\$ 25,228.10	\$ 21,856.79	\$ 25,716.88	\$ 22,659.73	\$ 22,758.73	\$ 23,341.91	\$ 22,089.24	\$ 24,182.45	\$ 28,022.50	\$ 29,122.90	\$ 294,409.20

Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
1.925.00	Legal & Professional Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.932.00	Maintenance - Office Equip - Cor	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302.70	\$ -	\$ -	\$ -	\$ -	\$ 302.70
1.932.10	Maintenance- Shop Equipment	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81.70	\$ -	\$ -	\$ -	\$ 81.70
1.932.20	Miscellaneous Expense	Out of Pocket expense	\$ 66.01	\$ 400.01	\$ -	\$ -	\$ 385.00	\$ -	\$ 0.66	\$ 317.00	\$ 1,322.84	\$ 218.01	\$ 311.98	\$ 1,606.24	\$ 4,627.75
1.921.80	Uniforms & Clothing	Out of Pocket expense	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150.00
1.165.20	Prepaid Liability Insurance	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.590.00	Training Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184.58	\$ 225.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 409.58
1.591.10	Maintenance - Vehicles	Out of Pocket expense	\$ -	\$ 492.36	\$ 350.49	\$ -	\$ 678.38	\$ 1,760.43	\$ -	\$ 658.08	\$ -	\$ 885.42	\$ -	\$ 238.53	\$ 5,063.69
	Total GL#146.36 Midwest Propane LLC		\$ 36,222.62	\$ 61,420.00	\$ 41,445.65	\$ 20,903.75	\$ 40,105.73	\$ 43,039.66	\$ 57,262.16	\$ 40,246.73	\$ 36,318.58	\$ 40,988.63	\$ 40,828.05	\$ 79,975.51	\$ 538,737.07
	GL#146.37 MIDWEST WILDBLUE														
11	Accounting Services	Labor & Benefit Allocation	\$ 308.98	\$ 485.83	\$ 382.80	\$ 383.05	\$ 500.07	\$ 397.26	\$ 392.87	\$ -	\$ 65.92	\$ 91.27	\$ 68.20	\$ 89.34	\$ 3,165.59
1	Admin Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70	Marketing Services	Labor & Benefit Allocation	\$ 31.86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.86
21	Billing Dept Services	Labor & Benefit Allocation	\$ 342.45	\$ 129.36	\$ 103.54	\$ 105.13	\$ 131.43	\$ 97.52	\$ 99.89	\$ -	\$ 148.67	\$ 208.29	\$ 151.70	\$ 222.11	\$ 1,740.09
22	Customer Service/disp	Labor & Benefit Allocation	\$ 923.64	\$ 902.06	\$ 742.80	\$ 726.61	\$ 949.98	\$ 753.95	\$ 753.56	\$ -	\$ 277.15	\$ 366.82	\$ 280.77	\$ 373.08	\$ 7,050.42
45	Engineering Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Mapping & Staking	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.415.60	WB-OTHER INSTALL REV-MATERIALS	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.416.60	WB-OTHER INSTALL EXP-MATERIALS	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.416.70	WB-COST OF SALES-INSTALL SUPPL	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.700.00	WB-SALARY-INTERCO LABOR CHARGES	Out of Pocket expense	\$ 1,606.93	\$ 1,517.25	\$ 1,229.14	\$ 1,214.79	\$ 1,581.48	\$ 1,248.73	\$ 1,246.32	\$ 512.79	\$ 491.74	\$ 666.38	\$ 500.67	\$ 684.53	\$ 12,500.75
2.709.00	WB-TRAINING EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.720.00	WB-VEHICLE FUEL & Other EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ 25.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.06
2.721.00	WB-VEHICLE MAINTENANCE EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.725.00	WB-OFFICE SUPPLIES	Out of Pocket expense	\$ 84.63	\$ 84.63	\$ 184.63	\$ (16.63)	\$ 83.37	\$ 83.00	\$ 83.20	\$ 82.83	\$ 82.83	\$ 82.02	\$ 82.02	\$ 82.02	\$ 998.55
2.728.50	WB-ADVERTISING	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.730.00	WB-MEALS & ENTERTAINMENT	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.731.00	WB-POSTAGE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ 18.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18.75
2.734.00	WB-LEGAL & PROFESSIONAL EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.736.00	WB-CREDIT & COLLECTION EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.736.50	WB-BANK SERVICE CHARGES	Out of Pocket expense	\$ 18.57	\$ 19.45	\$ 18.74	\$ 22.17	\$ 16.65	\$ 11.99	\$ 23.87	\$ 3.84	\$ 6.00	\$ 7.81	\$ 16.05	\$ 6.15	\$ 171.29
2.729.00	WB-TRAVEL EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total GL#146.37 MIDWEST WILDBLUE		\$ 1,710.13	\$ 1,621.33	\$ 1,432.51	\$ 1,245.39	\$ 1,700.25	\$ 1,343.72	\$ 1,353.39	\$ 599.46	\$ 580.57	\$ 756.21	\$ 598.74	\$ 772.70	\$ 13,714.40
	GL#146.38 MIDWEST Energy Inc (BPL)														
1	Admin Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Accounting Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Billing Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	CSR Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Engineering Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Mapping Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51C	Operations-Cass	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70	Marketing Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4.709.00	TRAINING EXPENSE	Out of Pocket expense													
4.730.00	MEALS & ENTERTAINMENT	Out of Pocket expense													
4.731.00	POSTAGE EXPENSE	Out of Pocket expense													
4.734.50	DUES & SUBSCRIPTIONS	Out of Pocket expense													
4.914.00	NISC EXPENSE	Out of Pocket expense													
4.919.00	INTER-COMPANY LABOR	Out of Pocket expense													
4.919.10	INTER CO. LABOR-OPS & MAINT	Out of Pocket expense													
4.921.00	SUPPLIES EXPENSE	Out of Pocket expense													
4.921.01	BANK FEES	Out of Pocket expense													
4.923.01	PROFESSIONAL SERVICES-Tech Support	Out of Pocket expense													
4.927.00	TELEPHONE EXPENSE	Out of Pocket expense													
4.790.00	MISC EXPENSE-IBEC Dissolution	Out of Pocket expense													

Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
	Total #146.38 Midwest Energy Inc (BPL)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Costs billed To Associated Companies		\$ 39,940.61	\$ 65,226.39	\$ 44,624.72	\$ 23,734.33	\$ 44,115.25	\$ 45,964.69	\$ 63,727.08	\$ 42,679.90	\$ 38,435.98	\$ 43,837.24	\$ 42,912.23	\$ 82,687.00	\$ 577,885.42
															\$ 577,885.42

	Miscellaneous Midwest Inc/Propane Expenses														
	Paid by Midwest Energy Cooperative to be reimbursed								Used for Code of Conduct reporting at year end (Due April 30)						
	For year 2013														
		Form 7 MPSC page													
		Desc: nature of													
Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
	G/L #146.35 Midwest Energy Inc														
	1 Administrative Services	Labor & Benefit Allocation	\$ 650.99	\$ 754.53	\$ 616.50	\$ 614.38	\$ 833.71	\$ 598.45	\$ 592.34	\$ 605.88	\$ 583.40	\$ 824.03	\$ 578.58	\$ 721.06	\$ 7,973.85
70	Marketing Services	Labor & Benefit Allocation	\$ 81.23	\$ 131.98	\$ 102.47	\$ 101.52	\$ 141.19	\$ 104.26	\$ 103.10	\$ 709.92	\$ 102.11	\$ 144.39	\$ 104.02	\$ 139.61	\$ 1,965.80
11	Accounting Services	Labor & Benefit Allocation	\$ 939.32	\$ 986.82	\$ 778.76	\$ 778.78	\$ 1,003.84	\$ 797.38	\$ 801.02	\$ 204.78	\$ 788.67	\$ 1,073.66	\$ 776.62	\$ 1,044.83	\$ 9,974.48
3.923.00	Directors Expenses	Out of Pocket expense	\$ 30.08	\$ 30.08	\$ 180.08	\$ 30.09	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ 30.08	\$ (5.81)	\$ -	\$ 445.00
3.919.00	I/C-Accounting/Admin	Out of Pocket expense	\$ 909.24	\$ 873.26	\$ 687.36	\$ 687.09	\$ 895.67	\$ 701.83	\$ 702.86	\$ 709.92	\$ 692.97	\$ 949.82	\$ 685.54	\$ 923.19	\$ 9,418.75
3.921.20	Office Supplies Expense	Out of Pocket expense	\$ 56.24	\$ 31.65	\$ 43.75	\$ 60.42	\$ 50.45	\$ 51.14	\$ 57.88	\$ 33.05	\$ 32.57	\$ 40.24	\$ 32.03	\$ 33.29	\$ 522.71
3.918.00	Telecomm-I/C labor	Out of Pocket expense	\$ 178.23	\$ 245.54	\$ 193.87	\$ 193.21	\$ 249.36	\$ 199.81	\$ 201.26	\$ 204.78	\$ 197.81	\$ 268.23	\$ 195.10	\$ 261.25	\$ 2,588.45
3.920.00	Intercompany Labor-CEO	Out of Pocket expense	\$ 584.07	\$ 754.53	\$ 616.50	\$ 614.38	\$ 833.71	\$ 598.45	\$ 592.34	\$ 605.88	\$ 583.40	\$ 824.03	\$ 578.58	\$ 721.06	\$ 7,906.93
3.921.00	Dues, Fees and Subscriptions	Out of Pocket expense	\$ -	\$ -	\$ 25.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.00
3.165.10	Prepaid Liability Insurance	Out of Pocket expense	\$ 250.00	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00
3.923.10	Directors Expenses		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.923.01	Legal and Professional Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,527.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,527.11
	Total G/L #146.35 Midwest Energy Inc		\$ 2,007.86	\$ 2,185.06	\$ 1,746.56	\$ 1,585.19	\$ 2,309.27	\$ 1,581.31	\$ 5,111.53	\$ 1,833.71	\$ 1,536.83	\$ 2,112.40	\$ 1,485.44	\$ 1,938.79	\$ 25,433.95
	G/L #146.36 Midwest Propane LLC														
51	Mechanic Gas	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	Administrative Services	Labor & Benefit Allocation	\$ 952.33	\$ 1,232.92	\$ 1,019.44	\$ 974.00	\$ 1,357.42	\$ 1,030.75	\$ 939.50	\$ -	\$ 1,012.51	\$ 1,390.23	\$ 993.46	\$ 1,242.18	\$ 12,144.74
11	Accounting Services	Labor & Benefit Allocation	\$ 6,971.66	\$ 9,300.98	\$ 7,449.90	\$ 7,353.38	\$ 9,821.65	\$ 7,705.70	\$ 7,780.62	\$ -	\$ 7,624.18	\$ 10,478.95	\$ 7,730.33	\$ 9,866.70	\$ 92,084.05
21	Billing Services	Labor & Benefit Allocation	\$ 2,032.90	\$ 2,524.26	\$ 1,945.77	\$ 2,143.91	\$ 2,628.77	\$ 2,023.11	\$ 2,042.64	\$ -	\$ 2,011.24	\$ 2,776.50	\$ 2,052.59	\$ 2,856.71	\$ 25,038.40
22	CSR Services	Labor & Benefit Allocation	\$ 11,491.03	\$ 12,123.84	\$ 10,069.09	\$ 10,209.05	\$ 13,470.20	\$ 10,570.94	\$ 10,654.57	\$ -	\$ 10,119.11	\$ 13,560.36	\$ 10,055.97	\$ 13,451.68	\$ 125,775.84
70	Marketing Services	Labor & Benefit Allocation	\$ 1,234.34	\$ 1,565.71	\$ 1,275.51	\$ 1,261.30	\$ 1,711.01	\$ 1,329.23	\$ 1,341.40	\$ -	\$ 1,322.20	\$ 1,822.62	\$ 1,343.94	\$ 1,705.63	\$ 15,912.89
1.922.00	Rent - Bldg	Facilities Lease	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 1,699.00	\$ 20,388.00
1.142.45	ACCOUNTS RECEIVABLE MWE COOP	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (495.75)	\$ -	\$ -	\$ (495.75)
1.165.30	Prepaid Workers Comp Insurance	Out of Pocket expense	\$ -	\$ 19,782.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,782.00
1.165.50	Prepaid - Other	Out of Pocket expense	\$ -	\$ -	\$ -	\$ (17,380.15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201.80	\$ 16,975.48	\$ (202.87)
1.232.40	ACCOUNTS PAYABLE MWE COOP	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,090.89	\$ 1,135.97	\$ (3,226.86)	\$ (100.00)	\$ -	\$ -	\$ (100.00)
0.232.50	ACCOUNTS PAYABLE - MIDWEST PROPA	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,481.13)	\$ -	\$ (1,481.13)
1.236.20	Accrued FUTA Tax Payable	Out of Pocket expense	\$ 37.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37.54
1.236.21	Accrued SUTA Tax Payable	Out of Pocket expense	\$ 79.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111.88
1.236.41	Michigan Use Tax Payable	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50.07)	\$ -	\$ (4.89)	\$ -	\$ -	\$ -	\$ (54.96)
1.241.11	IN Income Tax Withheld	Out of Pocket expense	\$ 86.87	\$ 94.19	\$ 99.18	\$ 138.41	\$ 200.38	\$ 282.12	\$ 193.23	\$ 193.38	\$ 193.99	\$ 195.14	\$ 298.18	\$ 197.52	\$ 2,172.59
1.241.12	IN County Income Tax Withheld	Out of Pocket expense	\$ 47.33	\$ 52.72	\$ 55.46	\$ 74.48	\$ 105.81	\$ 145.63	\$ 101.31	\$ 101.28	\$ 101.78	\$ 101.93	\$ 153.01	\$ 103.15	\$ 1,143.89
1.242.50	BC/BS - Pretax Deduction	Out of Pocket expense	\$ 86.70	\$ 70.82	\$ 1,147.99	\$ -	\$ 72.58	\$ 77.70	\$ 1,807.00	\$ 77.70	\$ 65.33	\$ 81.75	\$ 76.63	\$ 1,711.74	\$ 5,275.94
1.242.55	AFLAC - After Tax	Out of Pocket expense	\$ -	\$ -	\$ 38.51	\$ 77.02	\$ 77.02	\$ 46.94	\$ 77.02	\$ 77.02	\$ 77.08	\$ 76.96	\$ 77.02	\$ 77.02	\$ 701.61
1.242.56	AFLAC - Pre Tax	Out of Pocket expense	\$ -	\$ -	\$ 18.93	\$ 37.86	\$ 37.86	\$ 67.94	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 37.86	\$ 389.75
1.559.10	New Account Charges	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.580.00	Health Insurance	Out of Pocket expense	\$ 786.47	\$ 642.40	\$ 786.58	\$ 667.64	\$ 727.10	\$ 704.78	\$ 15,352.80	\$ 3,630.74	\$ (1,540.56)	\$ 1,242.87	\$ 811.66	\$ 14,645.49	\$ 38,457.97
1.588.00	Maintenance - Building	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46.60	\$ -	\$ -	\$ -	\$ -	\$ 46.60
1.591.10	Maintenance - Vehicles	Out of Pocket expense	\$ 930.35	\$ 1,642.55	\$ 1,321.45	\$ 804.70	\$ 1,263.11	\$ 4,029.63	\$ 2,598.02	\$ 1,595.54	\$ 704.40	\$ 947.82	\$ 1,151.94	\$ 1,709.19	\$ 18,698.70
1.913.00	Advertising	Out of Pocket expense	\$ 1,507.35	\$ 1,507.35	\$ 1,487.45	\$ 2,960.69	\$ 1,490.30	\$ 1,899.54	\$ 2,376.17	\$ 3,278.94	\$ 4,922.94	\$ 4,289.53	\$ 1,498.55	\$ 1,109.39	\$ 28,326.20
1.914.00	Travel Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123.12	\$ 523.16	\$ -	\$ -	\$ -	\$ 468.17	\$ 159.38	\$ 1,273.83
1.914.10	Meals & Entertainment Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.32	\$ -	\$ -	\$ -	\$ -	\$ 3,380.36	\$ 3,443.68
1.921.00	Office Supplies	Out of Pocket expense	\$ 1,186.45	\$ 1,259.38	\$ 1,902.33	\$ 2,017.43	\$ 1,208.20	\$ 1,480.89	\$ 1,253.00	\$ 1,190.20	\$ 3,530.96	\$ 1,168.30	\$ 1,168.30	\$ 1,486.30	\$ 18,851.74
1.921.10	Shop Supplies	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.921.20	Electric Utilities	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97.82	\$ -	\$ -	\$ -	\$ -	\$ 97.82
1.921.30	Telephone Expense	Out of Pocket expense	\$ 600.24	\$ 587.90	\$ 578.55	\$ 558.92	\$ 665.66	\$ 822.48	\$ 557.12	\$ 631.07	\$ 545.34	\$ 544.10	\$ 212.18	\$ -	\$ 6,303.56
1.921.40	Postage Expense	Out of Pocket expense	\$ 2,923.24	\$ 2,890.01	\$ 2,833.81	\$ 2,817.36	\$ 2,449.60	\$ 2,506.32	\$ 2,455.07	\$ -	\$ 2,432.67	\$ 2,437.83	\$ 2,438.42	\$ 1,939.27	\$ 28,123.60
1.921.50	Dues & Subscriptions	Out of Pocket expense	\$ -	\$ -	\$ 264.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264.95
1.921.60	Management Fees	Out of Pocket expense	\$ 51.56	\$ -	\$ -	\$ -	\$ 12.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.56
1.921.62	Credit & Collection Expense	Out of Pocket expense	\$ 271.53	\$ 116.04	\$ 121.37	\$ 136.69	\$ 118.18	\$ -	\$ -	\$ 200.64	\$ 178.39	\$ 220.12	\$ 208.82	\$ 167.60	\$ 1,739.38
1.921.70	Bank Service Charges	Out of Pocket expense	\$ 1,980.47	\$ 2,104.34	\$ 2,064.45	\$ 2,466.74	\$ 1,958.56	\$ 1,806.51	\$ 1,605.73	\$ 1,633.28	\$ 1,623.18	\$ 1,690.77	\$ 1,864.46	\$ 1,823.90	\$ 22,622.39
1.923.00	Outside Contract Services	Out of Pocket expense	\$ 1,200.00	\$ 1,331.22	\$ 1,297.05	\$ 1,970.17	\$ 1,240.11	\$ 2,742.32	\$ 1,504.51	\$ -	\$ 1,484.19	\$ 1,544.52	\$ 1,610.70	\$ 1,785.19	\$ 17,709.98
1.923.10	Interco Labor- Administrative	Out of Pocket expense	\$ 22,682.26	\$ 26,747.71	\$ 25,228.10	\$ 21,856.79	\$ 25,716.88	\$ 22,659.73	\$ 22,758.73	\$ 23,341.91	\$ 22,089.24	\$ 24,182.45	\$ 28,022.50	\$ 29,122.90	\$ 294,409.20

Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
1.925.00	Legal & Professional Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.932.00	Maintenance - Office Equip - Cor	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302.70	\$ -	\$ -	\$ -	\$ -	\$ 302.70
1.932.10	Maintenance- Shop Equipment	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81.70	\$ -	\$ -	\$ -	\$ 81.70
1.932.20	Miscellaneous Expense	Out of Pocket expense	\$ 66.01	\$ 400.01	\$ -	\$ -	\$ 385.00	\$ -	\$ 0.66	\$ 317.00	\$ 1,322.84	\$ 218.01	\$ 311.98	\$ 1,606.24	\$ 4,627.75
1.921.80	Uniforms & Clothing	Out of Pocket expense	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150.00
1.165.20	Prepaid Liability Insurance	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.590.00	Training Expense	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184.58	\$ 225.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 409.58
1.591.10	Maintenance - Vehicles	Out of Pocket expense	\$ -	\$ 492.36	\$ 350.49	\$ -	\$ 678.38	\$ 1,760.43	\$ -	\$ 658.08	\$ -	\$ 885.42	\$ -	\$ 238.53	\$ 5,063.69
Total GL# 146.36 Midwest Propane LLC			\$ 36,222.62	\$ 61,420.00	\$ 41,446.65	\$ 20,903.76	\$ 40,106.73	\$ 43,039.66	\$ 57,262.16	\$ 40,246.73	\$ 36,318.58	\$ 40,988.63	\$ 40,828.05	\$ 79,976.81	\$ 538,737.07
GL#146.37 MIDWEST WILDBLUE															
11	Accounting Services	Labor & Benefit Allocation	\$ 308.98	\$ 485.83	\$ 382.80	\$ 383.05	\$ 500.07	\$ 397.26	\$ 392.87	\$ -	\$ 65.92	\$ 91.27	\$ 68.20	\$ 89.34	\$ 3,165.59
1	Admin Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70	Marketing Services	Labor & Benefit Allocation	\$ 31.86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.86
21	Billing Dept Services	Labor & Benefit Allocation	\$ 342.45	\$ 129.36	\$ 103.54	\$ 105.13	\$ 131.43	\$ 97.52	\$ 99.89	\$ -	\$ 148.67	\$ 208.29	\$ 151.70	\$ 222.11	\$ 1,740.09
22	Customer Service/disp	Labor & Benefit Allocation	\$ 923.64	\$ 902.06	\$ 742.80	\$ 726.61	\$ 949.98	\$ 753.95	\$ 753.56	\$ -	\$ 277.15	\$ 366.82	\$ 280.77	\$ 373.08	\$ 7,050.42
45	Engineering Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Mapping & Staking	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.415.60	WB-OTHER INSTALL REV-MATERIALS	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.416.60	WB-OTHER INSTALL EXP-MATERIALS	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.416.70	WB-COST OF SALES-INSTALL SUPPL	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.700.00	WB-SALARY-INTERCO LABOR CHARGES	Out of Pocket expense	\$ 1,606.93	\$ 1,517.25	\$ 1,229.14	\$ 1,214.79	\$ 1,581.48	\$ 1,248.73	\$ 1,246.32	\$ 512.79	\$ 491.74	\$ 666.38	\$ 500.67	\$ 684.53	\$ 12,500.75
2.709.00	WB-TRAINING EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.720.00	WB-VEHICLE FUEL & Other EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ 25.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25.06
2.721.00	WB-VEHICLE MAINTENANCE EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.725.00	WB-OFFICE SUPPLIES	Out of Pocket expense	\$ 84.63	\$ 84.63	\$ 184.63	\$ (16.63)	\$ 83.37	\$ 83.00	\$ 83.20	\$ 82.83	\$ 82.83	\$ 82.02	\$ 82.02	\$ 82.02	\$ 998.55
2.728.50	WB-ADVERTISING	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.730.00	WB-MEALS & ENTERTAINMENT	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.731.00	WB-POSTAGE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ 18.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18.75
2.734.00	WB-LEGAL & PROFESSIONAL EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.736.00	WB-CREDIT & COLLECTION EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.736.50	WB-BANK SERVICE CHARGES	Out of Pocket expense	\$ 18.57	\$ 19.45	\$ 18.74	\$ 22.17	\$ 16.65	\$ 11.99	\$ 23.87	\$ 3.84	\$ 6.00	\$ 7.81	\$ 16.05	\$ 6.15	\$ 171.29
2.729.00	WB-TRAVEL EXPENSE	Out of Pocket expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total GL#146.37 MIDWEST WILDBLUE			\$ 1,710.13	\$ 1,821.33	\$ 1,432.51	\$ 1,245.39	\$ 1,700.26	\$ 1,343.72	\$ 1,353.39	\$ 599.46	\$ 580.57	\$ 756.21	\$ 598.74	\$ 772.70	\$ 13,714.40
GL#146.38 MIDWEST Energy Inc (BPL)															
1	Admin Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Accounting Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Billing Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	CSR Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Engineering Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46	Mapping Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51C	Operations-Cass	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70	Marketing Services	Labor & Benefit Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4.709.00	TRAINING EXPENSE	Out of Pocket expense													
4.730.00	MEALS & ENTERTAINMENT	Out of Pocket expense													
4.731.00	POSTAGE EXPENSE	Out of Pocket expense													
4.734.50	DUES & SUBSCRIPTIONS	Out of Pocket expense													
4.914.00	NISC EXPENSE	Out of Pocket expense													
4.919.00	INTER-COMPANY LABOR	Out of Pocket expense													
4.919.10	INTER CO. LABOR-OPS & MAINT	Out of Pocket expense													
4.921.00	SUPPLIES EXPENSE	Out of Pocket expense													
4.921.01	BANK FEES	Out of Pocket expense													
4.923.01	PROFESSIONAL SERVICES-Tech Support	Out of Pocket expense													
4.927.00	TELEPHONE EXPENSE	Out of Pocket expense													
4.790.00	MISC EXPENSE-IBEC Dissolution	Out of Pocket expense													

Account #	Expenses:	Goods and Services	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD 2013
	Total #146.38 Midwest Energy Inc (BPL)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Costs billed To Associated Companies		\$ 39,940.61	\$ 65,226.39	\$ 44,624.72	\$ 23,734.33	\$ 44,115.25	\$ 45,964.69	\$ 63,727.08	\$ 42,679.90	\$ 38,435.98	\$ 43,837.24	\$ 42,912.23	\$ 82,687.00	\$ 577,885.42
															\$ 577,885.42

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL
AGREEMENTS & REGULATORY REQUIREMENTS FOR ELECTRIC BORROWERS**

March 11, 2014

To the Board of Directors
Midwest Energy Cooperative
Cassopolis, Michigan

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Midwest Energy Cooperative, which comprise the balance sheet as of December 31, 2013, and related statements of revenue and patronage capital, changes in cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 11, 2014. In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2014 on our consideration of Midwest Energy Cooperative's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above and our schedule of findings and recommendations related to our audit have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that Midwest Energy Cooperative failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2014, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Midwest Energy Cooperative's noncompliance with the above-referenced items, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters.

In connection with our audit, we noted no matters regarding Midwest Energy Cooperative's accounting and records to indicate they did not:

Maintain adequate and effective accounting procedures;

Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;

Reconcile continuing property records to the controlling general ledger plant accounts;

Clear construction accounts and accrue depreciation on completed construction;

Record and properly price the retirement of plant;

Seek approval of the sale, lease and transfer of capital assets and disposition of proceeds for the sale or lease of plant, material or scrap;

Maintain adequate control over materials and supplies;

Prepare accurate and timely Financial and Operating Reports;

Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;

Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;

Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);

Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and

Comply with the requirements for the detailed schedule of investments.

This report is intended solely for the information and use of the board of directors, management, and the RUS and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Certified Public Accountants