

**MICHIGAN PUBLIC SERVICE COMMISSION**

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

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

<b>Report submitted for year ending:</b> December 31, 2005
<b>Present name of respondent:</b> Alpena Power Company
<b>Address of principal place of business:</b>
<b>Utility representative to whom inquires regarding this report may be directed:</b>  <b>Name:</b> Vicki M. Goodburne <b>Title:</b> Finance Department Manager  <b>Address:</b> 310 North Second Avenue  <b>City:</b> Alpena <b>State:</b> MI <b>Zip:</b> 49707  <b>Telephone, Including Area Code:</b> 989-358-4934
<b>If the utility name has been changed during the past year:</b>  <b>Prior Name:</b>  <b>Date of Change:</b>
<b>Two copies of the published annual report to stockholders:</b>  [    X    ]                      were forwarded to the Commission [        ]                      will be forwarded to the Commission  <b>on or about</b> March 21, 2006
<b>Annual reports to stockholders:</b>  [    X    ]                      are published [        ]                      are not published

**FOR ASSISTANCE IN COMPLETION OF THIS FORM:**

Contact the Michigan Public Service Commission (Bill Stosik) at (517) 241-5853 or [bmstosi@michigan.gov](mailto:bmstosi@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



*Certified Public Accountants*

PHILIP T. STRALEY, C.P.A.  
ROBERT D. ILSLEY, C.P.A.  
BERNARD R. LAMP, C.P.A.  
MARK L. SANDULA, C.P.A.  
TERRENCE D. YULE, C.P.A.  
JAMES E. KRAENZLEIN, C.P.A., C.V.A.  
SHANNA M. JOHNSON, C.P.A.  
DONALD C. LEVREN

## STRALEY, ILSLEY & LAMP P.C.

2106 U.S. 23 SOUTH, P.O. BOX 738  
ALPENA, MICHIGAN 49707  
TELEPHONE (989) 356-4531  
FACSIMILE (989) 356-0494

*TAX, AUDIT AND BUSINESS CONSULTANTS*

RETIRED  
GORDON A. NETHERCUT, C.P.A.  
CARL F. REITZ, C.P.A.  
WARREN W. YOUNG, C.P.A.

### REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Shareholders  
and Directors of  
Alpena Power Company

We have audited the balance sheets of Alpena Power Company as of December 31, 2005 and 2004, and the related statements of income, retained earnings and cash flows for the years then ended, included on pages 110 through 123D of the accompanying Michigan Public Service Commission Form P521. These financial statements are the responsibility of the Company's management. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alpena Power Company as of December 31, 2005 and 2004, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles. Also, in our opinion, the information presented in the financial statements referred to above is presented fairly, in all material respects, in accordance with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

*Straley, Ilsley & Lamp P.C.*

January 25, 2006

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

GENERAL INFORMATION

**I. Purpose:**

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

**II. Who Must Submit:**

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

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

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

**III. What and Where to Submit:**

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

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

**Retain one copy of this report for your files. Also submit the electronic version of this record to Bill Stosik at the address below or to [bmstosi@michigan.gov](mailto:bmstosi@michigan.gov)**

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

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

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

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

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

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

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

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

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

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

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

**IV. When to Submit**

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

**GENERAL INSTRUCTIONS**

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

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

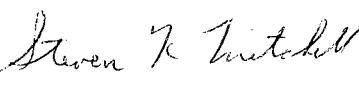
- III.** Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV.** For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
  - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4 and 5.
- V.** Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. Additional copies must be clear and readable.
- VI.** Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (See VIII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VII.** Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ( ).
- VIII.** When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission (Regulated Energy Division)  
Financial Analysis and Customer Choice Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909
- IX.** Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X.** Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI.** Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII.** Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of the preprinted schedules if they are in substantially the same format.
- XIII.** A copy of the FERC Annual Report Form is acceptable to substitute for the same schedules of this report.

#### DEFINITIONS

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

**MPSC FORM P-521**

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

IDENTIFICATION		
01 Exact Legal Name of Respondent  <b>Alpena Power Company</b>	02 Year of Report  <b>December 31, 2005</b>	
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, St., Zip)  <b>310 North Second Avenue, Alpena, Michigan 49707</b>		
05 Name of Contact Person  <b>Vicki M. Goodburne</b>	06 Title of Contact Person  <b>Finance Department Manager</b>	
07 Address of Contact Person (Street, City, St., Zip)  <b>310 North Second Avenue, Alpena, Michigan 49707</b>		
08 Telephone of Contact Person, Including Area Code:  <b>989-358-4394</b>	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr)
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name  <b>Steven K. Mitchell</b>	03 Signature  	04 Date Signed (Mo, Da, Yr)  <i>4/28/06</i>
02 Title  <b>Executive Vice President</b>		

Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**LIST OF SCHEDULES (Electric Utility)**

1. Enter in column (c) the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".

2. The "M" prefix below denotes those pages where the information requested by the MPSC differs from that requested by FERC. Each of these pages also contains the "M" designation on the page itself.

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>		
General Information	101	
Control Over Respondent & Other Associated Companies	M 102	
Corporations Controlled by Respondent	103	NONE
Officers and Employees	M 104	
Directors	M 105	
Security Holders and Voting Powers	M 106-107	
Important Changes During the Year	108-109	
Comparative Balance Sheet	M 110-113	
Statement of Income for the Year	114-117	
Statement of Retained Earnings for the Year	118-119	
Statement of Cash Flows	120-121	
Notes to Financial Statements	122-123	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>		
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201	
Nuclear Fuel Materials	202-203	NONE
Electric Plant in Service	M 204-211	
Electric Plant Leased to Others	213	NONE
Electric Plant Held for Future Use	214	NONE
Construction Work in Progress - Electric	M 216	
Construction Overheads - Electric	217	
General Description of Construction Overhead Procedure	M 218	
Accumulated Provision for Depreciation of Electric Utility Plant	M 219	
Nonutility Property	M 221	
Investment in Subsidiary Companies	224-225	NONE
Materials and Supply	227	
Allowances	228-229	NONE
Extraordinary Property Losses	230B	NONE
Unrecovered Plant and Regulatory Study Costs	230B	NONE
Other Regulatory Assets	M 232	
Miscellaneous Deferred Debits	M 233	
Accumulated Deferred Income Taxes (Account 190)	M 234A-B	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)</b>		
Capital Stock	250-251	
Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments Received on Capital Stock	252	NONE

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>LIST OF SCHEDULES (Electric Utility) (Continued)</b>			
Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)</b>			
Other Paid-In Capital	253	NONE	
Discount on Capital Stock	254	NONE	
Capital Stock Expense	254	NONE	
Long-Term Debt	256-257		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Tax	M 261A-B		
Calculation of Federal Income Tax			
Taxes Accrued, Prepaid and Charged During Year	M 262-263		
Distribution of Taxes Charged	M 262-263		
Accumulated Deferred Income Taxes - Accelerated Amortization Property	M 272-273	NONE	
Accumulated Deferred Income Taxes - Other Property	M 274-275		
Accumulated Deferred Income Taxes - Other	M 276A-B		
Other Regulatory Liabilities	M 278		
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>			
Electric Operating Revenues	M 300-301		
Sales of Electricity by Rate Schedules	304		
Sales for Resale	310-311	NONE	
Electric Operation and Maintenance Expenses	320-323	REPLACE WITH 320N-324N	
Number of Electric Department Employees	323		
Purchased Power	326-327		
Transmission of Electricity for Others	328-330		
Transmission of Electricity by Others	332	NONE	
Miscellaneous General Expenses - Electric	M 335		
Depreciation and Amortization of Electric Plant	M 336-337		
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340		
<b>COMMON SECTION</b>			
Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-353	NONE	
Distribution of Salaries and Wages	354-355		
Common Utility Plant and Expenses	356	NONE	
<b>ELECTRIC PLANT STATISTICAL DATA</b>			
Monthly Transmission System Peak Load	M 400	NONE	
Electric Energy Account	401		
Monthly Peaks and Output	401		
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	NONE	
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	NONE	
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	NONE	
Generating Plant Statistics (Small Plants)	410-411	NONE	



Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**LIST OF SCHEDULES (Electric Utility) (Continued)**

Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)
<b>ELECTRIC PLANT STATISTICAL DATA (Continued)</b>		
Transmission Line Statistics	422-423	
Transmission Lines Added During Year	424-425	NONE
Substations	426-427	
Electric Distribution Meters and Line Transformers	429	
Environmental Protection Facilities	430	NONE
Environmental Protection Expenses	431	NONE
Footnote Data	450	NONE
Stockholders' Report	---	
<b>MPSC SCHEDULES</b>		
Reconciliation of Deferred Income Tax Expense	117A-B	
Operating Loss Carry Forward	117C	NONE
Plant Acquisition Adjustments and Accumulated Provision for Amortization of Plant Acquisition Adjustments	215	
Construction Work In Progress and Completed Construction Not Classified - Electric	216	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	
Investments	222-223	
Notes & Accounts Receivable Summary for Balance Sheet	226A	
Accumulated Provision for Uncollectible Accounts - Credit	226A	
Receivables From Associated Companies	226B	
Production Fuel and Oil Stocks	227A-B	NONE
Miscellaneous Current and Accrued Assets	230A	
Preliminary Survey and Investigation Charges	231A-B	NONE
Deferred Losses fro Disposition of Utility Plant	235A-B	NONE
Unamortized Loss and Gain on Reacquired Debt	237A-B	NONE
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	
Notes Payable	260A	NONE
Payables to Associated Companies	260B	NONE
Investment Tax Credits Generated and Utilized	264-265	NONE
Miscellaneous Current and Accrued Liabilities	268	
Customer Advances for Construction	268	
Deferred Gains from Disposition of Utility Plant	270A-B	NONE
Accumulated Deferred Income Taxes - Temporary	277	NONE
Gain or Loss on Disposition of Property	280A-B	NO 280B
Income from Utility Plant Leased to Others	281	NONE
Particulars Concerning Certain Other Income Accounts	282	
Electric Operation and Maintenance Expenses (Nonmajor)	320N-324N	
Number of Electric Department Employees	234N	
Sales to Railroads & Railways and Interdepartmental Sales	331A	NONE
Rent From Electric Property & Interdepartmental Rents	331A	
Sales of Water and Water Power	331B	NONE
Misc. Service Revenues & Other Electric Revenues	331B	
Lease Rentals Charged	333A-D	NONE
Expenditures for Certain Civic, Political and Related Activities	341	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**LIST OF SCHEDULES (Electric Utility) (Continued)**

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
<b>MPSC SCHEDULES (Continued)</b>		
Extraordinary Items	342	NONE
Charges for Outside Professional and Other Consultative Services	357	
Summary of Costs Billed to Associated Companies	358-359	
Summary of Costs Billed from Associated Companies	360-361	
Monthly Transmission System Peak Load	400	NONE
Changes Made or Scheduled to be Made in Generating Plant Capacities	412	NONE
Steam-Electric Generating Plants	413A-B	NONE
Hydroelectric Generating Plants	414-415	NONE
Pumped Storage Generating Plants	416-418	NONE
Internal Combustion Engine and Gas Turbine Generating Plants	420-421	NONE

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Steven K. Mitchell-Executive Vice President

310 N. Second Avenue, Alpena, Michigan 49707

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Michigan, April 28, 1924

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A

4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.

Distribution of Electric Energy-Michigan

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1)  Yes...Enter date when such independent accountant was initially engaged: \_\_\_\_\_.

(2)  No

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES**

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.
2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.

1. Alpena Power Resources Ltd. Owns 100% of Alpena Power Company common stock.
2. Alpena Power Generation, LLC, Sunrise Side Energy, LLC, West Dock Properties, LLC

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**CORPORATIONS CONTROLLED BY RESPONDENT**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

**DEFINITIONS**

1. See the Uniform of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	NONE			
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
31	NONE			
32				
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

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1. See the Uniform of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
61	NONE			
62				
63				
64				
65				
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89				
90				

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

**DEFINITIONS**

1. See the Uniform of Accounts for a definition of control.
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4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint cont

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
91	NONE			
92				
93				
94				
95				
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97				
98				
99				
100				
101				
102				
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120				



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
121	NONE			
122				
123				
124				
125				
126				
127				
128				
129				
130				
131				
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
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2. Direct control is that which is exercised without interposition of an intermediary.
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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
151	NONE			
152				
153				
154				
155				
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157				
158				
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**OFFICERS AND EMPLOYEES**

1. Report below the name, title and salary for the five executive officers
2. Report in column (b) salaries and wages accrued during the year including deferred compensation.
3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent. Provide type code for other compensation in column (d).
4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.
5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.

Line	Name and Title	Base Wages	Other Compensation	Type of Other Compensation	Total Compensation
	(a)	(b)	(c)	(d)	(e)
1	Stephen H. Fletcher Chairman & CEO				
2	Ann K. Burton President				
3	Steven K. Mitchell Executive Vice President				
4	Elaine M. Orr Vice President				
5	Mary Ann Pernie Corporate Secretary				

1	Footnote Data
2	
3	
4	
5	

Compensation Type Codes:      A = Executive Incentive Compensation  
    B = Incentive Plan (Matching Employer Contribution)  
    C = Stock Plans  
    D = Other Reimbursements

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**DIRECTORS**

1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
1 Stephen H. Fletcher Chairman & CEO	Alpena Power Company Alpena, Michigan	3	13,664
2 Ann K. Burton President	Alpena Power Company Alpena, Michigan	3	13,664
3 Philip N. Potvin	Western Concrete Products Cadillac, Michigan	3	13,664
4 Craig T. Hall	Lean Logistics, Inc. Holland, Michigan	3	13,664
5 Timothy O. Schad	Grand Valley State University Allendale, Michigan	3	13,664
6 Steven K. York	Contract Professionals, Inc Waterford, Michigan	3	13,664
7 Charon K. Fletcher	Alpena, Michigan	3	13,664

Footnote Data

1

Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**SECURITY HOLDERS AND VOTING POWERS**

1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:

December 22, 2005

Record date for dividend.

2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:

Total: 336,793

By Proxy: 336,793

3. Give the date and place of such meeting:

4/15/2005

Alpena Power Company, Alpena, Michigan

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**SECURITY HOLDERS AND VOTING POWERS (Continued)**

Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities	336,793	336,793		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below	336,793	336,793		
7	Alpena Power Resources, Ltd.				
8	310 N. Second Avenue				
9	Alpena, Michigan 49707				
10					
11					
12					
13					
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35					

# RESPONSE/NOTES TO INSTRUCTION #

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>IMPORTANT CHANGES DURING THE YEAR</b>			
<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"> <li>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefor and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</li> <li>8. State the estimated annual effect and nature of any important wage scale changes during the year.</li> <li>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.</li> <li>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.</li> <li>11. (Reserved.)</li> <li>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.</li> </ol>			
<ol style="list-style-type: none"> <li>1 NONE</li> <li>2 NONE</li> <li>3 NONE</li> <li>4 NONE</li> <li>5 NONE</li> </ol>			



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**IMPORTANT CHANGES DURING THE YEAR (Continued)**

6 \$1,770,000 of Long-Term Energy Thrift Notes were issued in 2005. These notes have a weighted average interest rate of 4.46% and are due in two to seven years after issuance.

7 None

8 Most non-union employees received a 2 1/2% increase on 1/27/05 and most union employees received a 2% increase on 1/10/05. The total estimated costs for the year was \$37,648.

9 None

10 None

11 N/A

12 None

Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) [ X ] An Original (2) [ ] A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	42,443,793	43,876,173
3	Construction Work in Progress (107)	200-201	673,181	769,137
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		<b>43,116,974</b>	<b>44,645,310</b>
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	(16,419,692)	(17,106,913)
6	Net Utility Plant (Enter total of line 4 less 5)		<b>26,697,282</b>	<b>27,538,397</b>
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)			
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)			
9	Nuclear Fuel Assemblies in Reactor (120.3)			
10	Spent Nuclear Fuel (120.4)			
11	Nuclear Fuel under Capital Leases (120.6)			
12	Assemblies (120.5)	202-203		
13	Net Nuclear Fuel (Enter total of line 7 less 8)		<b>0</b>	<b>0</b>
14	Net Utility Plant (Enter total of lines 6 and 13)		<b>26,697,282</b>	<b>27,538,397</b>
15	Utility Plant Adjustments (116)	122		
16	Gas Stored Underground-Noncurrent (117)	---		
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)	221	190,734	190,734
19	(Less) Accum.Prov. for Depr. and Amort. (122)	---	(126,838)	(131,808)
20	Investments in Associated Companies (123)	222-223		
21	Investments in Subsidiary Companies (123.1)	224-225		
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229		
24	Other Investments (124)		27,430	29,003
25	Sinking Funds (125)			
26	Depreciation Fund (126)			
27	Amortization Fund - Federal (127)			
28	Other Special Funds (128)			
29	Special Funds (Non-Major Only) (129)			
30	Long-Term Portion of Derivative Assets (175)			
31	Long-Term Portion of Derivative Assets - Hedges (176)			
32	TOTAL Other Property and Investments (Total of lines 18 thru 21, 23 thru 31)		<b>91,326</b>	<b>87,929</b>
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-Major Only) (130)			
35	Cash (131)	---	911	245,706
36	Special Deposits (132-134)	---		
37	Working Fund (135)	---		
38	Temporary Cash Investments (136)	222-223		
39	Notes Receivable (141)	226A		
40	Customer Accounts Receivable (142)	226A	1,564,016	1,591,860
41	Other Accounts Receivable (143)	226A	10,447	15,585
42	(Less) Accum.Prov. for Uncoll. Acct. - Credit (144)	226A	(25,000)	(25,000)
43	Notes Receivable from Assoc. Companies (145)	226B	2,037,879	806,618
44	Accounts Receivable from Assoc. Companies (146)	226B	13,220	14,686
45	Fuel Stock (151)	227		
46	Fuel Stock Expenses Undistributed (152)	227		
47	Residuals (Elec) and Extracted Products (153)	227		
48	Plant Materials and Operating Supplies (154)	227	120,783	139,634
49	Merchandise (155)	227		
50	Other Materials and Supplies (156)	227		
51	Nuclear Materials Held for Sale (157)	202-203, 207		
52	Allowances (158.1 and 158.2)	228-229		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	(Less) Noncurrent Portion of Allowances	---		
54	Stores Expense Undistributed (163)	227		
55	Gas Stored Underground-Current (164.1)	---		
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	---		
57	Prepayments (165)	---	686,321	694,285
58	Advances for Gas (166-167)	---		
59	Interest and Dividends Receivable (171)	---		
60	Current Def.Tax (176)	---	102,580	51,662
61	Accrued Utility Revenues (173)	---		
62	Misc Current and Accrued Assets (174)		845,609	1,612,936
63	Derivative Instrument Assets (175)			
64	(Less) LT Portion of Derivative Inst. Assets (175)			
65	Derivative Instrument Assets - Hedges (176)			
66	(Less) LT Portion of Derivative Inst. Assets - Hedges (176)			
67	TOTAL Current and Accrued Assets (Enter total of lines 34 thru 66)		<b>5,356,766</b>	<b>5,147,972</b>
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)	---		
70	Extraordinary Property Losses (182.1)	230		
71	Unrecovered Plant & Regulatory Study Costs (182.2)	230		
72	Other Regulatory Assets	232	342,587	245,205
73	Prelim. Survey & Invest. Charges (Elec) (183)	231		
74	Prelim. Survey & Invest. Charges (Gas) (183.1)	---		
75	Other Prelim. Survey & Investigation Charges (183.2)			
76	Clearing Accounts (184)	---		
77	Temporary Facilities (185)	---		
78	Miscellaneous Deferred Debits (186)	233	79,279	68,351
79	Def. Losses from Disposition of Utility Plant (187)	235		
80	Research, Devel. and Demonstration Expend (188)	352-353		
81	Unamortized Loss on Reacquired Debt (189)	237		
82	Accumulated Deferred Income Taxes (190)	234	2,059,048	2,146,348
83	Unrecovered Purchased Gas Costs (191)	---	(34,889)	6,299
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		<b>2,446,025</b>	<b>2,466,203</b>
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		<b>34,591,399</b>	<b>35,240,501</b>

Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	<b>PROPRIETARY CAPITAL</b>			
2	Common Stock Issued (201)	250-251	3,367,930	3,367,930
3	Preferred Stock Issued (204)	250-251	608,300	608,300
4	Capital Stock Subscribed (202, 205)	252		
5	Stock Liability for Conversion (203, 206)	252		
6	Premium on Capital Stock (207)	252		
7	Other Paid-In Capital (208-211)	253		
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254		
11	Retained Earnings (215, 215.1, 216)	118-119	8,188,072	8,863,451
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Noncorporate Proprietorship (Non-major only) (218)			
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	(128,173)	(30,653)
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		12,036,129	12,809,028
17	<b>LONG-TERM DEBT</b>			
18	Bonds (221)	256-257		
19	(Less) Reacquired Bonds (222)	256-257		
20	Advances from Associated Companies (223)	256-257		
21	Other Long-Term Debt (224) & (230) Current Maturities	256-257	10,943,361	10,615,105
22	Unamortized Premium on Long-Term Debt (225)	---		
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---		
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		10,943,361	10,615,105
25	<b>OTHER NONCURRENT LIABILITIES</b>			
26	Obligations Under Capital Leases-Noncurrent (227)			
27	Accumulated Prov. for Property Insurance (228.1)			
28	Accumulated Prov. for Injuries and Damage (228.2)			
29	Accumulated Prov. for Pensions and Benefits (228.3)			
30	Accumulated Misc. Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)			
32	Long-Term Portion of Derivative Instrument Liabilities			
33	LT Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations ( )			
35	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 34)		0	0
36	<b>CURRENT AND ACCRUED LIABILITIES</b>			
37	Notes Payable (231)		50,000	
38	Accounts Payable (232)		1,445,587	1,506,482
39	Notes Payable to Associated Companies (233)			
40	Accounts Payable to Associated Companies (234)			
41	Customer Deposits (235)		25,646	26,564
42	Taxes Accrued (236)	262-263	354,601	(1,979)
43	Interest Accrued (237)		91,312	85,604
44	Dividends Declared (238)			
45	Matured Long-Term Debt (239)			

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)</b>				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	Matured Interest (240)			
47	Tax Collections Payable (241)			
48	Misc. Current and Accrued Liabilities (242)	268	700,751	606,587
49	Obligations Under Capital Leases -Current (243)			
50	Federal Income Taxes Accrued for Prior Years (244)			
51	Michigan Single Business Taxes Accrued for Prior Years (244.1)			
52	Fed. Inc. Taxes Accrued for Prior Years -Adj. (245)			
53	Def Txs (FAS109)(246)		2,969	382,344
54	37 thru 53)		<b>2,670,866</b>	<b>2,605,602</b>
55	<b>DEFERRED CREDITS</b>			
56	Customer Advances for Construction (252)	268	124,543	179,359
57	Accumulated Deferred Investment Tax Credits (255)	266-267	251,885	225,650
58	Deferred Gains from Disposition of Utility Plt. (256)	270		
59	Other Deferred Credits (253)	269	4,460,199	4,756,769
60	Other Regulatory Liabilities (286)	278	235,247	196,646
61	Deferred Taxes (285)	237	172,062	(275,824)
62	Accum. Deferred Income Taxes-Accel. Amort. (281)			
63	Accum. Deferred Income Taxes-Other Property (282)		3,633,801	3,728,436
64	Accum. Deferred Income Taxes-Other (283)	272-277	63,306	399,730
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		<b>8,941,043</b>	<b>9,210,766</b>
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		<b>34,591,399</b>	<b>35,240,501</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**STATEMENT OF INCOME FOR THE YEAR**

- Report amounts for accounts 412 and 413, Revenue and Expenses for Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
- Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1,404.2, 404.3 407.1, and 407.2
- Use pages 122-123 for important notes regarding the statement of income or any account thereof.
- Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to....

Line	Title of Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	<b>UTILITY OPERATING INCOME</b>			
2	Operating Revenues (400)	300-301	23,388,766	21,424,611
3	Operating Expenses			
4	Operation Expenses (401)	320-323	17,888,649	16,067,916
5	Maintenance Expenses (402)	320-323	719,871	688,760
6	Depreciation Expenses (403)	336-337	1,270,031	1,235,407
7	Depreciation Expenses for Asset Retirement Costs (403.1)			
8	Amortization and Depl. of Utility Plant (404-405)	336-337	74,423	73,895
9	Amortization of Utility Plant Acq. Adj (406)	336-337		
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
11	Amort. Of Conversion Expenses (407)			
12	Regulatory Debits			
13	(Less) Regulatory Credits			
14	Taxes Other Than Income Taxes (408.1)	262-263	865,353	774,373
15	Income Taxes-Federal (409.1)	262-263	375,100	366,780
16	-Other (409.1)	262-263	990,738	889,239
17	Provision for Deferred Income Taxes (410.1)	234,272-276	(700,668)	(628,686)
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	(26,235)	(28,698)
19	Investment Tax Credit Adj.- Net (411.4)	266-267		
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B		
21	Losses from Disposition of Utility Plant (411.6)	235A-B		
22	(Less) Gains from Disposition of Allowances			
23	Losses from Disposition of Allowances			
24	Accretion Expense (411.10)			
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		<b>21,457,262</b>	<b>19,438,986</b>
26	Net Utility Operating Income ( Enter Total of line 2 less 25) ( Carry forward to page 117, line 27)		<b>1,931,504</b>	<b>1,985,625</b>

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) December 31, 2005		Year of Report December 31, 2005	
<b>STATEMENT OF INCOME FOR THE YEAR (Continued)</b>							
...retain such revenues or recover amounts paid with respect to power and gas purchases.							
6. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.							
7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.							
8. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.							
9. Explain in a footnote if the previous year's figures are different from that reported in prior years.							
10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages 122-123 or in a footnote.							
ELECTIC UTILITY		GAS UTILITY		OTHER UTILITY			
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	Line	
						1	
23,388,766	21,424,611					2	
						3	
17,888,649	16,067,916					4	
719,871	688,760					5	
1,270,031	1,235,407					6	
						7	
74,423	73,895					8	
						9	
						10	
						11	
						12	
						13	
865,353	774,373					14	
375,100	366,780					15	
						16	
990,738	889,239					17	
(700,668)	(628,686)					18	
(26,235)	(28,698)					19	
						20	
						21	
						22	
						23	
						24	
<b>21,457,262</b>	<b>19,438,986</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b> 25	
<b>1,931,504</b>	<b>1,985,625</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b> 26	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**STATEMENT OF INCOME FOR THE YEAR (cont'd)**

Line	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY	
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)
1						
2						
3						
4						
5						
6						
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11						
12						
13						
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19						
20						
21						
22						
23						
24						
25	0	0	0	0	0	0
26	0	0	0	0	0	0



Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line	Account (a)	(Ref.) Page No. (b)	Total	
			Current Year (c)	Previous Year (d)
27	Net Utility Operating Income <i>(Carried forward from page 114)</i>		<b>1,931,504</b>	<b>1,985,625</b>
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282		
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282		
33	Revenues From Nonutility Operations ( 417)	282	94,613	94,351
34	(Less) Expenses of Nonutility Operations (417.1)	282	(71,713)	(72,439)
35	Nonoperating Rental Income (418)	282	21,860	28,602
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282		
37	Interest and Dividend Income (419)	282	124,022	93,627
38	Allowance for Other Funds Used During Construction (419.1)	282		
39	Miscellaneous Nonoperating Income (421)	282		
40	Gain on Disposition of Property (421.1)	280	394	2,447
41	TOTAL Other Income <i>(enter Total of lines 31 thru 40)</i>		<b>169,176</b>	<b>146,588</b>
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)	280		
44	Miscellaneous Amortization (425)	340		
45	Donations (426.1)		8,420	37,095
46	Life Insurance (426.2)			
47	Penalties (426.3)			
48	Exp. For Certain Civic, Political & Related Activities (426.4)		10,097	9,431
49	Other Deductions (426.5)		807	757
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		<b>19,324</b>	<b>47,283</b>
51	Taxes Applicable to Other Income and Deductions			
52	Taxes Other Than Income Taxes (408.2)	262-263	5,354	5,124
53	Income Taxes - Federal (409.2)	262-263	45,482	29,375
54	Income Taxes - Other (409.2)	262-263		
55	Provision for Deferred Income Taxes (410.2)	234,272-276	3,656	3,570
56	(Less) Provision for Deffered Income Taxes - Cr. (411.2)	234,272-276	(206)	(1,119)
57	Investment Tax Credit Adjustment - Net (411.5)	264-265		
58	(Less) Investment Tax Credits (420)	264-265		
59	TOTAL Taxes on Other Income and Deductions (total of 52 thru 58)		<b>54,286</b>	<b>36,950</b>
60	Net Other Income and Deductions (total of lines 41,50 & 59)		<b>95,566</b>	<b>62,355</b>
61	INTEREST CHARGES			
62	Interest on Long-Term Debt (427)	257	610,892	673,041
63	Amort. Of Debt Disc. And Expense (428)	256-257		
64	Amortizaiton of Loss on Reacquired Debt (428.1)			
65	(Less) Amort. Of Premium on Debt-Credit (429)	256-257		
66	(Less) Amort. of Gain on Reacquired Debt-Credit (429.1)			
67	Interest on Debt to Associated Companies (430)	257-340		
68	Other Interest Expense (431)	340	142,621	164,362
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)			
70	Net Interest Charges (total of lines 62 thru 69)		<b>753,513</b>	<b>837,403</b>
71	Income Before Extraordinary Items (total lines 27,60,70)		<b>1,273,557</b>	<b>1,210,577</b>
72	EXTRAORDINARY ITEMS			
73	Extraordinary Income (434)	342		
74	(Less) Extraordinary Deductions (435)	342		
75	Net Extraordinary Items (total line 73 less line 74)		<b>0</b>	<b>0</b>
76	Income Taxes-Federal and Other (409.3)	262-263		
77	Extraordinary Items After Taxes (Enter Total of lines 75 less line 76)		<b>0</b>	<b>0</b>
78	Net Income (Enter Total of lines 71 and 77)		<b>1,273,557</b>	<b>1,210,577</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**RECONCILIATION OF DEFERRED INCOME TAX EXPENSE**

1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.

2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.

Line No.	Electric Utility	Gas Utility
1 Debits to Account 410 from:		
2 Account 190	585,706	
3 Account 281		
4 Account 282	206,190	
5 Account 283	198,842	
6 Account 284		
7 Reconciling Adjustments		
8 TOTAL Account 410.1 (on pages 114-115 line 17)	<b>990,738</b>	<b>0</b>
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	(488,493)	
12 Account 281		
13 Account 282	(111,435)	
14 Account 283	(100,740)	
15 Account 284		
16 Reconciling Adjustments		
17 TOTAL Account 411.1 ( on page 114-115 line 18)	<b>(700,668)</b>	<b>0</b>
18 TOTAL Account 411.2 ( on page 117 line 56)		
19 Net ITC Adjustment:		
20 ITC Utilized for the Year DR		
21 ITC Amortized for the Year CR	(26,235)	
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	<b>(26,235)</b>	<b>0</b>
26 Net Reconciling Adjustments Account 411.5**		
27 Net Reconciling Adjustments Account 420***		

\* on pages 114-15 line 19

\*\* on page 117 line 57

\*\*\* on page 117 line 58

Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**RECONCILIATION OF DEFERRED INCOME TAX EXPENSE**

3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages. (b) Identify all contra accounts (other than accounts 190 and 281-284). (c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

Other Utility	Total Utility	Other Income	Total Company	Line No.
				1
	585,706	3,570	589,276	2
			0	3
	206,190	86	206,276	4
	198,842		198,842	5
			0	6
			0	7
<b>0</b>	<b>990,738</b>			8
		<b>3,656</b>		9
				10
	(488,493)		-488,493	11
			0	
	(111,435)	(206)	-111,641	13
	(100,740)		-100,740	14
			0	15
				16
<b>0</b>	<b>(700,668)</b>			17
		<b>(206)</b>		18
				19
				20
	(26,235)		(26,235)	21
				22
				23
				24
<b>0</b>	<b>(26,235)</b>	<b>0</b>		25
		<b>0</b>		26
		<b>0</b>		27

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**OPERATING LOSS CARRYFORWARD**

Fill in below when the company sustains an operating loss, loss carryback or carryforward whenever or wherever applicable.

Line No.	Year (a)	Operating Loss (b)	Loss Carryforward (F) or Carryback (B) (c)	Loss Utilized		Balance Remaining (f)
				Amount (d)	Year (e)	
1	NONE					
2						
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR</b>			
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during theyear should be identified as to the the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.</p> <p>5. Show dividends for each class and series of capital stock.</p> <p>6. Show separately the state and federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)</p> <p>7. Explain in a footnote the basis for determining the amount reseeded or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		8,188,072
1	Balance-Beginning of Year		
2	Changes ( <i>Identify by prescribed retained earnings accounts</i> )		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Unrealized gain on securities		
5	Credit: Taxes related to unrealized gain on securities		
6	Credit: Minimum pension liability		
7	Credit: Taxes related to Minimum pension liability		
8	TOTAL Credits to Retained Earnings (439)		<b>0</b>
9	Debit: Redemption of Common Stock		
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		<b>0</b>
14	Balance Transferred from Income (Account 433 Less Account 418.1)		1,273,557
15	Appropriations of Retained Earnings (Account 436)		
16			
17			
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		<b>0</b>
22	Dividends Declared-Preferred Stock (Account 437)		
23	Dividends Declared-Preferred Stock	242	59,309
24			
25			
26			
27			
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		<b>59,309</b>

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)</b>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock ( Account 438)	242	538,869	
30				
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)		<b>538,869</b>	
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings			
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		<b>8,863,451</b>	
<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>				
State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)		<b>0</b>	
<b>APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)</b>				
State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		<b>0</b>	
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		<b>8,863,451</b>	
<b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</b>				
47	Balance-Beginning of Year (Debit or Credit)			
48	Equity in Earnings for Year (Credit) (Account 418.1)			
49	(Less) Dividends Received (Debit)			
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)		<b>0</b>	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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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)	1,273,557
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	1,392,407
5	Amortization of (Specify)	
6	Intangible Plant	74,423
7		
8	Deferred Income Taxes (Net)	293,520
9	Investment Tax Credit Adjustment (Net)	(26,235)
10	Net (Increase) Decrease in Receivables	(34,448)
11	Net (Increase) Decrease in Inventory	(18,851)
12	Net (Increase) Decrease in Allowances Inventory	
13	Net (Increase) Decrease in Payables and Accrued Expenses	(60,895)
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: Other Current Assests	(775,685)
19	Deferred Debits	10,929
20	Deferred Credits	497,573
21	Other Current Liabilities	(333,745)
22	Net Cash Provided by ( Used in) Operating Activities (Total of lines 2 thru 21)	2,292,550
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	(2,214,568)
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)	(2,214,568)
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	(88,408)
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)	394



Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>STATEMENT OF CASH FLOWS (Continued)</b>				
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) Do 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. 6. 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)	<b>(2,302,582)</b>		
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long Term Debt (b)	1,978,602		
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)	<b>1,978,602</b>		
71				
72	Payments for Retirement of:			
73	Long Term Debt (b)	<b>(2,306,859)</b>		
74	Preferred Stock			
75	Common Stock			
76	Other:			
77	Increase in Notes Receivable	1,231,262		
78	Net Decrease in Short-Term Debt (c)	<b>(50,000)</b>		
79				
80	Dividends on Preferred Stock	<b>(59,309)</b>		
81	Dividends on Common Stock	<b>(538,869)</b>		
82	Net Cash Provided by (Used in) Financing Activities			
83	(Total of lines 70 thru 81)	<b>254,827</b>		
84	Cash and Cash Equivalents at Beginning of Year	911		
85	Net Increase (Decrease) in Cash and Cash Equivalents			
86	(Total of lines 22, 57 and 83)	<b>245,706</b>		
87				
88	Cash and Cash Equivalents at Beginning of Year			
89				
90	Cash and Cash Equivalents at End of Year			

Name of Respondent Alpena Power Company	This report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Year)	Year of Report December 31, 2005
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**STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES**

- Report in columns (b), (c), (d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
- Report in columns (f) and (g) the amounts of other categories of other cash flow hedges
- For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on Available for Sale Securities (b)	Minimum Pension Liability and adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Minimum Pension Liability		96,483		
2	Unrealized Gain on Securities	1,037			
3					
4					
5					
6					
7					
8					
9					

Name of Respondent Alpena Power Company	This report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Year) December 31, 2005	Year of Report December 31, 2005
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**STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES (cont'd)**

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges (specify) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (carried forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)
1			96,483		
2			1,037		
3					
4					97,520
5					
6					
7					
8					
9					

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**NOTES TO FINANCIAL STATEMENTS**

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition.

4. Where Accounts 189, *Unamortized Loss on Reacquired Debt*, and 257, *Unamortized Gain on Reacquired Debt*, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 16 of Uniform System of Accounts.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be herein.

**Note 1 — Significant Accounting Policies.**

**Nature of Operations.** Alpena Power Company ("Company") is primarily engaged in the distribution and retail sale of electric energy to approximately 16,000 residential, commercial and industrial customers in the Alpena area, situated in the northeastern lower peninsula of Michigan. The Company has been in operation since 1881. The Company purchases 89% of its power from Consumers Energy Company and receives 24% of its revenue from its five largest customers.

**Basis of Accounting.** The accounting records of the Company are maintained in accordance with generally accepted accounting principles and the Uniform Systems of Accounts prescribed by the Michigan Public Service Commission ("MPSC").

**Electric Utility Plant.** Property is recorded at original cost (cost to the entity first devoting the plant to service). The cost of property additions, including replacements of units of property and betterments, is capitalized. Expenditures for maintenance and repairs are charged to expense.

**Depreciation.** Property is depreciated on a straight-line basis over its estimated service life by applying rates approved by the MPSC. Depreciation rates averaged 3.27% in 2005 and 3.29% in 2004.

**Income Taxes.** For federal income tax purposes, the Company generally computes depreciation using accelerated methods and shorter depreciable lives. Deferred taxes are provided for timing differences between book and taxable income for depreciation and other differences to the extent authorized by the MPSC. Accumulated deferred investment tax credits are being amortized ratably over the estimated service lives of the related properties.

**Investments.** Investments in business entities in which the Company does not have control, but has the ability to exercise significant influence over the operating and financial policies, are accounted for under the equity method.

Investments in securities available-for-sale are stated at market value.

**Revenues and Fuel Costs.** Revenues for electric service are recognized on a monthly cycle billing basis. The Company accrues revenue for electricity used by its customers but not billed at month end.

Revenues include amounts collected from customers by application of purchased power supply cost factors. The purpose of these factors is to allow the Company to recover its purchased power supply costs. The factors are approved by the MPSC and are subject to reconciliation hearings. Any over or under recovery of purchased power supply costs is recorded as an adjustment to revenues, pending the results of the reconciliation hearings.

**Regulation and Regulatory Assets and Liabilities.** The Company is subject to regulation by the MPSC with respect to accounting and rate matters. As a regulated utility, the Company meets the criteria of Statement of Financial Accounting Standards ("SFAS") No. 71, "Accounting for the Effects of Certain Types of Regulations". This accounting standard recognizes the ratemaking process which results in differences in the application of generally accepted accounting principles between regulated and non-regulated business. These regulatory assets and liabilities are deferred (normally treated as expenses or revenues in non-regulated business), and are being amortized as the costs are included in rates and recovered from customers.

**Use of Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. The estimates are based on an analysis of the best information available. Actual results could differ from those estimates.

**Cash and Cash Equivalents.** All highly liquid investments with an original maturity of three months or less are considered cash equivalents.

**Advertising.** Advertising costs are generally expensed as incurred.

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
--	---	--------------------------------	-------------------------------------

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Note 2 — Long-Term Debt**

The Company sells unsecured Energy Thrift Note Certificates, available only to residents of the State of Michigan, at various interest rates (competitive with other instruments with similar terms). A summary of interest rates on certificates outstanding is as follows:

	December 31	
	2005	2004
Certificates outstanding	10,615,105	10,943,361
Weighted average cost	5.60%	5.83%
Interest rate range at December 31	2.50%	2.50%
	to 8.40%	to 8.40%

below shows maturities (principal and compounded interest) for long-term debt outstanding at December 31, 2005.

2006	\$2,102,053
2007	\$2,461,167
2008	\$984,455
2009	\$1,261,543
2010	\$1,729,561
Due thereafter	\$2,076,326
Total	\$10,615,105

**Note 3 — Purchased Power**

The Company purchases power from Consumers Energy Company under an agreement that expires December 31, 2024. Under the agreement Alpena Power must purchase 35 megawatts of firm power at all times through 2007, except in certain circumstances involving significant load loss, when the required purchases can be reduced to 26 megawatts. After 2007 and through 2024 Alpena Power must purchase 27 megawatts of firm power at all times, except in certain circumstances involving significant load loss, when the required purchases can be reduced to 20 megawatts. Additional purchases of non-firm power are permitted at all times. Rates under the agreement provide for fixed capacity charges and variable energy charges. The minimum annual payments under the agreement, assuming that significant load loss does not occur, range from \$6,502,000 in 2006 to \$8,100,000 in 2024. The cost of power purchased under this agreement was \$12,650,054 in 2005, \$11,131,514 in 2004.

The Company purchased power from Thunder Bay Power Company under agreements that expired December 31, 2005. The cost of power purchased under these agreements was the Company's avoided capacity and energy costs, which amounted to \$1,121,096 in 2005, \$1,085,681 in 2004.

The Company purchases power from two of its customers, when those customers generate power in excess of their needs. The cost of power purchased from those customers is the Company's avoided energy cost, which amounted to \$327,949 in 2005, \$256,479 in 2004, and \$223,799 in 2003.

The Company entered into an agreement with CMS Marketing, Services & Trading ("CMS MST") to purchase five megawatts of firm power at all times from May 16 through October 15 in the years 1999 through 2003. For 2003 CMS MST's rights and responsibilities under the agreement were transferred to Constellation Power Source. Rates under the agreement provided for fixed energy charges, which were approved by the MPSC. The cost of power purchased was \$0 in 2005, \$0 in 2004.

The Company purchases power from APGen when APGen generates power in excess of its customers' needs. The cost of the power purchased is the Company's avoided cost, which amounted to \$2,520 in 2005, \$7,898 in 2004.

**Note 4 — Capital Stock**

The Company's capital stock consists of a single class of common stock (100% owned by Alpena Power Resources, Ltd), and \$100 cumulative non-convertible preferred stock. Holders of common stock have one vote per share, while preferred stock holders do not have voting rights. The preferred stock is redeemable, at the option of the Company, at \$100 per share or some higher price the Company may offer from time-to-time.

In 2004 the Company purchased 2,745 shares of its outstanding common stock at a cost of \$89,240, which was the book value of the stock as of February 29, 2004.

**Note 5 — Legal Proceedings**

From time to time, the Company may be involved in lawsuits, claims, and proceedings. Often, these cases and claims raise difficult and complex factual and legal issues and are subject to many uncertainties and complexities, including, but not limited to, the facts and circumstances of each particular case and claim. Reserves are established for claims that are considered probable of loss.

Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Note 6 — Pension and Other Postretirement Benefits**

**Pension Plan Benefits.** The Company has a non-contributory defined benefit pension plan for all eligible employees. The plan provides defined benefits based upon years of service and career average salary. The Company uses a September 30 measurement date for its pension plan.

The following table sets forth certain information concerning the status of the plan.

	September 30	
	<u>2005</u>	<u>2004</u>
Plan assets at fair value at end of period	\$6,549,873	\$5,764,094
Projected benefit obligation at end of period	<u>8,226,847</u>	<u>\$7,367,261</u>
Funded (unfunded) status	(\$1,676,974)	(\$1,603,167)
Accumulated benefit obligation at end of period	\$7,150,608	\$6,300,151
Company contributions	\$300,000	\$250,000
Benefits paid	(\$334,342)	(\$283,528)
Net periodic benefit cost	\$267,429	\$307,211
Special termination benefits under FAS88	\$257,707	\$ ~
Increase (decrease) in minimum liability included in a combination of other comprehensive income and intangible assets	(\$160,459)	(\$122,012)

Amounts recognized in the balance sheet consist of:

	<u>2005</u>	<u>2004</u>
Accrued benefit cost	(\$200,735)	(\$236,058)
Intangible assets	17,216	\$31,489
Accumulated other comprehensive income	<u>56,747</u>	<u>\$202,933</u>
Net (accrued benefit cost) asset	(\$126,772)	(\$1,636)

The assumptions used to determine benefit obligations were as follows:

	<u>2005</u>	<u>2004</u>
Discount rate	6.00%	6.25%
Rate of compensation increase	5.00%	5.00%

The assumptions used to determine the net periodic benefit cost were as follows:

	<u>2005</u>	<u>2004</u>
Discount rate	6.25%	6.72%
Expected long-term return on plan assets	8.25%	8.25%
Rate of compensation increase	5.00%	5.00%

The expected long-term return on plan assets was determined by reviewing actual pension plan historical returns as well as calculating expected total trust returns using the weighted average of long-term market returns for each of the asset categories utilized in the pension plan.

The pension plan's asset allocations at September 30, and the target allocation for 2005, by asset category were as follows:

	<u>Target</u>	<u>2005</u>	<u>2004</u>
Equity securities	80%	83%	79%
Debt securities	1	1	2
Other (guaranteed interest)	19	16	19
Total	100%	100%	100%

The primary goal of the Company's pension plan investment strategy is to ensure that pension liabilities are met in manner that minimizes the Company's net periodic benefit cost over the long-term. The strategy incorporates an assessment of the proper long-term level of risk for the plan, considering factors such as the long-term nature of the plan's liabilities, the current funded status of the plan, and the impact of asset allocation on the volatility and magnitude of the plan's contributions and expense.

The Company made contributions to the plan after the September 30 measurement date of \$400,000 in 2005 and \$300,000 in 2004. The Company expects to contribute \$400,000 to the plan in 2006.

The following benefit payments, which reflect expected future service, are expected to be paid:

2006	\$361,000
2007	\$392,000
2008	\$446,000
2009	\$452,000
2010	\$446,000
2011 thru 2015	\$2,677,000

In late 2004, the Company offered an early retirement incentive program ("ERIP") through its defined benefit pension plan. Five employees elected to retire under the program. In accordance with SFAS No. 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits", because the ERIP occurred after the 2004 measurement date of the plan, the additional pension liability related to the ERIP of \$257,707 was recorded in 2005.

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Other Postretirement Plan Benefits.** The Company provides certain postretirement health care benefits to qualified retired employees. The health care plan is contributory with participants' contributions adjusted annually. The Company uses an August 31 measurement date for its health care plan.

The following table sets forth certain information concerning the status of the plan.

	<u>August 31</u>	
	<u>2005</u>	<u>2004</u>
Plan assets at fair value at end of period	\$ ~	\$ ~
Projected benefit obligation at end of period	4,189,342	2,549,969
Funded (unfunded) status	<u>(\$4,189,342)</u>	<u>(\$2,549,969)</u>
Participant contributions	\$20,180	\$19,513
Company contributions	\$145,649	\$76,408
Benefits paid	(\$165,829)	(\$95,291)
Net periodic pension benefit cost	\$256,110	\$343,578
Net (accrued) benefit cost, at December 31	<u>(\$2,097,865)</u>	<u>(\$2,075,580)</u>

The assumptions used to determine benefit obligations were as follows:

	<u>2005</u>	<u>2004</u>
Discount rate	6.00%	6.25%

The assumptions used to determine the net periodic benefit cost were as follows:

	<u>2005</u>	<u>2004</u>
Discount rate	6.25%	6.25%
Expected long-term return on plan assets	n.a.	n.a.

Benefit costs were calculated assuming health care cost trend rates of 10.3% for 2006 decreasing by 0.5% per year to an ultimate rate of 4.8%.

The following benefit payments are expected to be paid:

2006	\$180,000
2007	\$201,000
2008	\$219,000
2009	\$241,000
2010	\$252,000
2011 thru 2015	\$1,629,000

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Note 7 — Related Party Transactions**

The Company has entered into operating agreements with APResources, APGen, Sunrise Side, and West Dock, whereby the Company performs certain operational and managerial services for each company. The Company is compensated for these services at market-based rates that are higher than the Company's costs. The revenues received from these agreements were \$94,612 in 2005, \$88,808 in 2004. The related expenses were \$71,713 in 2005, \$68,820 in 2004.

In 2001 the Company received a \$2,501,582 long-term note from West Dock at a variable rate of interest. West Dock was required to make minimum monthly payments of \$20,000. As of December 31, the remaining balance on the note was \$0 for 2005, \$0 for 2004. The Company received interest income from this note of \$0 for 2005, \$16,209 in 2004.

From time-to-time the Company has made short-term loans at a variable rate of interest to West Dock and West Dock has made payments on the loans. West Dock is required to pay all interest due monthly. As of December 31, the outstanding note balance was \$806,618 for 2005, \$2,037,879 for 2004. The Company received interest income from these notes of \$114,913 for 2005, \$50,118 in 2004.

From time-to-time the Company has made short-term loans at a variable rate of interest to Sunrise Side and Sunrise Side has made payments on the loans. Sunrise Side is required to pay all interest due monthly. As of December 31, the outstanding note balance was \$0 for 2005, \$0 for 2004. The Company received interest income from these notes of \$0 in 2005, \$19,969 in 2004.

From time-to-time the Company has issued short-term notes payable at a variable rate of interest to APResources and the Company has made payments on the notes. The Company is required to pay all interest due monthly. As of December 31, the outstanding note balance was \$0 for 2005, \$0 for 2004. The Company incurred interest expense on these notes of \$0 in 2005, \$1,223 in 2004.

The Company provides regulated electric utility services to APGen and West Dock. The revenue from these services related to APGen was 131,991 in 2005, \$156,383 in 2004. The revenue from these services related to West Dock was \$752 in 2005, \$581 in 2004.

As described more fully in Note 8 — Purchased Power, the Company purchases power from APGen.

**Note 8 — Financial Instruments**

SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities", requires accounting for investments in debt securities to be

	December 31,		
	Amortized	Unrealized	Fair
	Cost	gains (losses)	Value
Available-for-sale:			
Equity securities	<u>\$18,699</u>	<u>\$10,304</u>	<u>\$29,003</u>

	December 31,		
	Amortized	Unrealized	Fair
	Cost	gains (losses)	Value
Available-for-sale:			
Equity securities	<u>\$18,699</u>	<u>\$8,731</u>	<u>\$27,430</u>

As disclosed in Note 3 — Long-Term Debt, the Company borrows operating funds by selling Energy Thrift Notes at rates varying from 2.50% to 8.40% over periods from two to seven years in length. The Company is subject to risk that may arise by holding debt at rates higher than the market, should interest rates drop. The Company minimizes this risk by retaining the right to "call" or redeem these notes prior to maturity.

Cash is deposited and held in federally insured banks. At various times, the amount on deposit in these banks may exceed the limit of federally



Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	43,876,173	43,876,173	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	<b>43,876,173</b>	<b>43,876,173</b>	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	769,137	769,137	
12	Acquisition Adjustments			
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	<b>44,645,310</b>	<b>44,645,310</b>	
14	Accum. Prov. For Depr., Amort., & Depl.	(17,106,913)	(17,106,913)	
15	Net Utility Plant (Enter Total of line 13 less 14)	<b>27,538,397</b>	<b>27,538,397</b>	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	16,722,026	16,722,026	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights			
20	Amort. Of Underground Storage Land & Land Rights			
21	Amort. Of Other Utility Plant	384,887	384,887	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	<b>17,106,913</b>	<b>17,106,913</b>	
23	Leased to Others			
24	Depreciation			
25	Amortization & Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	<b>0</b>	<b>0</b>	
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	TOTAL held for Future Use (Enter Total of Lines 28 and 29)	<b>0</b>	<b>0</b>	
31	Abandonment of leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment			
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 & 32)	<b>17,106,913</b>	<b>17,106,913</b>	

Name of Respondent		This Report Is:		Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 01/00/00	December 31, 2005
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)					
Gas (d)	Other (Specify) _____ (e)	Other (Specify) _____ (e)	Other (Specify) _____ (e)	Common (h)	Line No.
					1
					2
		N/A			3
					4
					5
					6
					7
0	0	0	0	0	8
					9
					10
					11
					12
0	0	0	0	0	13
					14
0	0	0	0	0	15
					16
					17
					18
					19
					20
					21
0	0	0	0	0	22
					23
					24
					25
0	0	0	0	0	26
					27
					28
					29
0	0	0	0	0	30
					31
					32
0	0	0	0	0	33

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 1/0/00	Year of Report December 31, 2005
<b>NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 &amp; 157)</b>				
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.		arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.		
2. If the nuclear fuel stock is obtained under leasing				
Line No.	Description of Item (a)	Balance Beginning of Year (b)	Changes During Year Additions (c)	
1	Nuclear Fuel in process of Refinement, Conversion, Enrichment & Fabrication (120.1)	NONE		
2	Fabrication			
3	Nuclear Materials			
4	Allowance for Funds Used during Construction			
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	0		
7	Nuclear Fuel Materials & Assemblies			
8	In Stock (120.2)			
9	In Reactor (120.3)			
10	SUBTOTAL (Enter Total of lines 8 & 9)	0		
11	Spent Nuclear Fuel (120.4)			
12	Nuclear Fuel Under Capital Leases (120.6)			
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)			
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	0		
15	Estimated net Salvage Value of Nuclear Materials in line 9			
16	Estimated net salvage Value of Nuclear Materials in line 11			
17	Estimated Net Salvage Value of Nuclear Materials in Chemical Processing			
18	Nuclear Materials held for Sale (157)			
19	Uranium			
20	Plutonium			
21	Other			
22	TOTAL Nuclear Materials held for Sale (Enter Total of lines 19, 20 & 21)	0		

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 &amp; 157)(Continued)</b>			
Changes During the Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a Footnote) (e)		
			1
			2
			3
			4
			5
		0	6
			7
			8
			9
		0	10
			11
			12
			13
		0	14
			15
			16
			17
			18
			19
			20
			21
		0	22

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)</b>			
<p>1. Report below the original cost of plant in service in the same detail as in the current depreciation order.</p> <p>2. In addition to Account 101, Electric Plant in service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and</p>		<p>include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the</p>	
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	301 Organization		
3	302 Franchises and Consents	30,667	
4	303 Miscellaneous Intangible Plant	476,215	39,325
5	TOTAL Intangible Plant	<b>506,882</b>	39,325
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land		
9	310.2 Land Rights		
10	311 Structures and Improvements		
11	312 Boiler Plant Equipment		
12	313 Engines and Engine-Driven Generators		
13	314 Turbogenerator Units		
14	315 Accessory Electric Equipment		
15	316 Miscellaneous Power Plant Equipment		
16	TOTAL Steam Production Plant	<b>0</b>	<b>0</b>
17	Nuclear Production Plant		
18	320.1 Land		
19	320.2 Land Rights		
20	321 Structures and Improvements		
21	322 Reactor Plant Equipment		
22	323 Turbogenerator Units		
23	324 Accessory Electric Equipment		

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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
<p>reversals of the prior year's tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p> <p>6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f)</p>		<p>to primary account classifications.</p> <p>7. For Account 399, state the nature and use of plant included in this account and, if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.</p> <p>8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.</p>		
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			301	2
			30,667	3
(26,350)			489,190	4
(26,350)	0	0	519,857	5
				6
				7
			310.1	8
			310.2	9
			311	10
			312	11
			313	12
			314	13
			315	14
			316	15
0	0	0	0	16
				17
			320.1	18
			320.2	19
			321	20
			322	21
			323	22
			324	23

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
24	325 Miscellaneous Power Plant Equipment			
25	TOTAL Nuclear Production Plant	0	0	
26	Hydraulic Production Plant			
27	330.1 Land			
28	330.2 Land Rights			
29	331 Structures and Improvements			
30	332 Reservoirs, Dams and Waterways			
31	333 Water Wheels, Turbines and Generators			
32	334 Accessory Electric Equipment			
33	335 Miscellaneous Power Plant Equipment			
34	336 Roads, Railroads and Bridges			
35	TOTAL Hydraulic Production Plant	0	0	
36	Other Production Plant			
37	340.1 Land			
38	340.2 Land Rights			
39	341 Structures and Improvements			
40	342 Fuel Holders, Products and Accessories			
41	343 Prime Movers			
42	344 Generators			
43	345 Accessory Electric Equipment			
44	346 Miscellaneous Power Plant Equipment			
45	TOTAL Other Production Plant	0	0	
46	TOTAL Production Plant	0	0	
47	3. TRANSMISSION PLANT			
48	350.1 Land	150,674		
49	350.2 Land Rights	7,486		
50	352 Structures and Improvements	125,752		
51	353 Station Equipment	3,922,390	114,539	
52	354 Towers and Fixtures	0		
53	355 Poles and Fixtures	1,317,671	1,251	
54	356 Overhead Conductors and Devices	978,590	28,791	
55	357 Underground Conduit	0		
56	358 Underground Conductors and Devices	24,413		

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		01/00/00 (Mo, Da, Yr)		December 31, 2005	
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>							
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.		
				325	24		
0	0	0	0		25		
					26		
				330.1	27		
				330.2	28		
				331	29		
				332	30		
				333	31		
				334	32		
				335	33		
				336	34		
0	0	0	0		35		
					36		
				340.1	37		
				340.2	38		
				341	39		
				342	40		
				343	41		
				344	42		
				345	43		
				346	44		
0	0	0	0		45		
0	0	0	0		46		
					47		
			150,674	350.1	48		
			7,486	350.2	49		
			125,752	352	50		
(165,598)			3,871,331	353	51		
			0	354	52		
(2,437)			1,316,485	355	53		
(2,909)			1,004,472	356	54		
			0	357	55		
			24,413	358	56		



Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
57	359 Roads and Trails			
58	TOTAL Transmission Plant	<b>6,526,976</b>	144,581	
59	4. DISTRIBUTION PLANT			
60	360.1 Land	32,988		
61	360.2 Land Rights	2,087	62	
62	361 Structures and Improvements	12,012		
63	362 Station Equipment	4,602,799	239,974	
64	363 Storage Battery Equipment	0		
65	364 Poles, Towers and Fixtures	8,754,892	365,577	
66	365 Overhead Conductors and Devices	5,797,809	302,131	
67	366 Underground Conduit	0		
68	367 Underground Conductors and Devices	1,821,939	193,053	
69	368 Line Transformers	6,773,587	308,013	
70	368.1 Capacitors	0	0	
71	369 Services	2,782,651	129,768	
72	370 Meters	1,274,904	43,509	
73	371 Installations on Customers' Premises	495,325	15,207	
74	372 Leased Property on Customers' Premises	0		
75	373 Street Lighting and Signal Systems	57,504	310	
76	TOTAL Distribution Plant	<b>32,408,497</b>	1,597,604	
77	5. GENERAL PLANT			
78	389.1 Land	54,942	9,237	
79	389.2 Lands Rights	0	0	
80	390 Structures and Improvements	930,254	115,442	
81	391 Office Furniture and Equipment	295,489	26,621	
82	391.1 Computers / Computer Related Equipment	214,972	34,250	
83	392 Transportation Equipment	404,005	26,647	
84	393 Stores Equipment	0	0	
85	394 Tools, Shop and Garage Equipment	76,550		
86	395 Laboratory Equipment	133,563		
87	396 Power Operated Equipment	738,976	124,903	
88	397 Communication Equipment	152,687		
89	398 Miscellaneous Equipment	0		
90	SUBTOTAL	<b>3,001,438</b>	337,100	

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Alpena Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 01/00/00	December 31, 2005	
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				359
				57
(170,944)	0	0	6,500,613	58
				59
			32,988	360.1
			2,149	360.2
			12,012	361
(35,483)			4,807,290	362
0			0	363
(88,691)			9,031,778	364
(54,596)			6,045,344	365
0			0	366
(4,360)			2,010,632	367
(68,343)			7,013,257	368
0			0	368.1
(32,793)			2,879,626	369
(1,628)			1,316,785	370
(10,091)			500,441	371
0			0	372
0			57,814	373
(295,985)	0	0	33,710,116	76
				77
			64,179	389.1
			0	389.2
			1,045,696	390
(5,821)			316,289	391
(25,471)			223,751	391.1
(20,523)			410,129	392
0			0	393
			76,550	394
			133,563	395
(117,789)			746,090	396
(23,347)			129,340	397
			0	398
(192,951)	0	0	3,145,587	90

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**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)**

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
91	399 Other Tangible Property	0	
92	TOTAL General Plant	<b>3,001,438</b>	337,100
93	TOTAL (Accounts 101 and 106)	<b>42,443,793</b>	2,118,610
94			
95	102 Electric Plant Purchased		
96	(Less) 102 Electric Plant Sold		
97	103 Experimental Plant Unclassified		
98	TOTAL Electric Plant in Service <i>(Total of lines 93 thru 97)</i>	<b>42,443,793</b>	2,118,610

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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
				399	91
(192,951)	0	0	<b>3,145,587</b>		92
(686,230)	0	0	<b>43,876,173</b>		93
					94
				102	95
					96
				103	97
(686,230)	0	0	<b>43,876,173</b>		98

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<b>ELECTRIC PLANT LEASED TO OTHERS (Account 104)</b>					
1. Report below the information called for concerning electric plant leased to others.			2. In column (c) give the date of Commission authorization of the lease of electric plant to others.		
Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	NONE				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
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36					
37					
38					
39					
40					
41					
42					
43					
44	TOTAL				<b>0</b>

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<b>ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)</b>					
1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.			more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.		
2. For property having an original cost of \$1,000,000 or					
Line No.	Description and Location of Property (a)	Date Originally included in this Acct. (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2					
3	NONE				
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Other Property:				
22					
23					
24					
25					
26					
27					
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29					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44	TOTAL				<b>0</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005			
<b>PLANT ACQUISITION ADJUSTMENTS AND ACCUMULATED PROVISION FOR AMORTIZATION OF PLANT ACQUISITION ADJUSTMENTS (Accounts 114 &amp; 115)</b>						
<p>1. Report the particulars called for concerning acquisition adjustments. state the name of the company from which the property was acquired, date of transaction, and date journal entries clearing Account 102, Plant Purchased or Sold, were filed with the Commission.</p> <p>2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.</p> <p>3. Explain each debit and credit during the year, give reference to any Commission orders or other authorizations concerning such amounts, and show contra account debited or credited.</p> <p>4. For acquisition adjustments arising during the year</p> <p>5. In the blank space at the bottom of the schedule, explain the plan of disposition of any acquisition adjustments not currently being amortized.</p> <p>6. Give date Commission authorized use of Account 115.</p>						
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	CREDITS		Balance End of Year (f)
				Contra Acct. (d)	Amount (e)	
1	Account 114					
2						
3	NONE					
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15	Account 115					
16						
17						
18						
19						
20						

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<b>CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)</b>				
<p>1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service.</p> <p>2. The information specified by this schedule for Account 106, Completed Construction</p>		<p>Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts.</p> <p>3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).</p> <p>4. Minor projects may be grouped.</p>		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	Radio system improvement project	161,142		2,000
2	US 23 N Motion Industries Tie Line	80,668		5,000
3	APC Ninth Ave Building Renovation	22,232		977,768
4	4 Mile Sub OCB Replacement	30,932		18,000
5	Gennrich Sub-Oil Filtration System	8,468		500
6	Line Extensions	465,695		
7				
8				
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32				
33				
34				
35	<b>TOTAL</b>	<b>769,137</b>	<b>0</b>	<b>1,003,268</b>



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<b>CONSTRUCTION OVERHEADS - ELECTRIC</b>				
<p>1. List in columns (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather</p> <p>should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)		
1	Administrative & General	442,642		
2	Payroll Tax	22,186		
3	General Liability Insurance	27,565		
4	Workers Compensation	4,699		
5				
6				
7				
8				
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38				
39	<b>TOTAL</b>	<b>497,092</b>		

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**GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE**

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.

Administrative and General Salaries (Account 920) and Employee Benefits (Account 926) are charged to construction based on percent of construction labor to total labor. The procedure is the same for all work orders and it is accomplished through the use of a sub account.

Payroll taxes (FICA, Medicare, MESC, and FUTA), general liability insurance, and workers compensation insurance are loaded as a percent of all labor charges to construction. The procedure is the same for all work orders and is accomplished by the use of a sub account.

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<b>ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108 &amp; 110)</b>					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 202-204A, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.			If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all cost included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.		
<b>Section A. Balances and Changes During Year</b>					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	16,082,877	16,082,877		
2	Depreciation Prov. for Year, Charged to	0			
3	(403) Depreciation Expense	1,270,031	1,270,031		
4	(403.1) Decommissioning Expense	0			
5	(413) Exp. Of Elec. Plt. Leas. to Others	0			
6	Transportation Expenses-Clearing	117,406	117,406		
7	Other Clearing Accounts	0			
8	Other Accounts (Specify):	0			
9					
10	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	<b>1,387,437</b>	<b>1,387,437</b>	0	0
11	Net Charges for Plant Retired:	0			
12	Book Cost of Plant Retired	659,880	659,880		
13	Cost of Removal	124,184	124,184		
14	Salvage (Credit)	(41,848)	(41,848)		
15	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	<b>742,216</b>	<b>742,216</b>	0	0
16	Net Earnings of Decommissioning Funds	0			
17	Other Debit or Credit Items (Described)	0			
18	Retirement WIP	1,372	1,372		
19	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	<b>16,729,470</b>	<b>16,729,470</b>	0	0
<b>Section B. Balances at End of Year According to Functional Classifications</b>					
20	WIP-Retirement	(29,883)	(29,883)		
21	Nuclear Production-Depreciation	0			
22	Nuclear Production-Decommissioning	0			
23	Hydraulic Production-Conventional	0			
24	Hydraulic Production-Pumped Storage	0			
25	Other Production	0			
26	Transmission	2,876,426	2,876,426		
27	Distribution	12,583,125	12,583,125		
28	General	1,299,802	1,299,802		
29	TOTAL (Enter total of lines 20 thru 28)	<b>16,729,470</b>	<b>16,729,470</b>	0	0

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**NONUTILITY PROPERTY (Account 121)**

- |   |   |
|---|---|
| <p>1. Give a brief description and state the location of nonutility property included in Account 121.</p> <p>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.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.</p> | <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.</p> <p>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.</p> |
|---|---|

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales Transfers, etc. (c)	Balance at End of Year (d)
1	Previously devoted to public service Office building, Alpena, MI 5/31/88	190,734		190,734
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
TOTAL		190,734	0	190,734

**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	126,838
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	4,970
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	4,970
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)	0
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	131,808

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**INVESTMENTS (Accounts 123, 124, 136)**

1. Report below the investments in Accounts 123, *Investments in Associated Companies*, 124, *Other Investment*, and 136, *Temporary Cash Investments*.  
 2. Provide a subheading for each account and list thereunder the information called for:  
 (a) Investment in securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, *Other Investments*), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, *Temporary Cash Investments*, also may be grouped by classes.  
 (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

Line No.	Description of Investment  (a)	Book Cost at Beginning of Year <i>(If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)</i> (b)		Purchases or Additions During Year  (c)
		Original Cost	Book Value	
1	Maine Public Common Stock	2,058	2,635	
2	CMS Energy Common Stock	2,452	1,045	
3	DTE Energy Common Stock	3,559	4,313	
4	WI Energy Common Stock	3,513	7,388	
5	Lafarge Corporation Common Stock	1,941	5,132	
6	Semco Energy Common Stock	2,050	680	
7	WPS Resource Common Stock	3,127	6,237	
8				
9				
10				
11	**For book purposes, stock investments are adjusted to			
12	market value. The market adjustment, net of deferred taxes,			
13	is recorded in Account 439, Adjustment to Retained			
14	earnings.			
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30		18,700	27,430	0

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**INVESTMENTS (Accounts 123, 124, 136) (Cont'd)**

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.

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.

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.

5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

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).

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			
	100	2,058	1,549	95	0	1
	100	2,452	1,451	0	0	2
	100	3,559	4,319	206	0	3
	219.1599	3,513	8,561	193	0	4
	100	1,941	5,502	92	0	5
	127.363	2,050	716	0	0	6
	124.848	3,127	6,905	280	0	7
						8
						9
						10
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						29
0	871.3709	18,700	29,003	866	0	30

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005	
<b>INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)</b>				
<p>Report below the investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances - Report separately the</p>		<p>amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.</p>		
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
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34				
35				
36	TOTAL Cost of Account 123.1 \$ _____		TOTAL	0

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**INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledgee and purpose of the pledge.  
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.  
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.  
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).  
8. Report on Line 36, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
NONE				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
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				31
				32
				33
				34
				35
0	0	0	0	36



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET**

Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).

Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)
1	Notes Receivable (Account 141)	1,564,016	1,591,860
2	Customer Accounts Receivable (Account 142)	10,447	15,585
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)		
4	<b>TOTAL</b>	<b>1,574,463</b>	<b>1,607,445</b>
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	<b>(25,000)</b>	<b>(25,000)</b>
6	<b>TOTAL, Less Accumulated Provision for Uncollectible Accounts</b>	<b>1,549,463</b>	<b>1,582,445</b>
7			
8			
9			
10			
11			
12			
13			
14			

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)**

- Report below the information called for concerning this accumulated provision.
- Explain any important adjustments of subaccounts.
- Entries with respect to officers and employees shall not include items for utility services.

Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	25,000				25,000
2	Prov. For uncollectibles for current year	22,150				22,150
3	Account written off (less)	<b>(48,895)</b>				<b>(48,895)</b>
4	Coll. Of accounts written off	26,745				26,745
5	Adjustments (explain): .....					0 0
6	Balance end of year	25,000	0	0	0	25,000
7						
8						
9						
10						
11						

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)**

- |   |  |
|---|--|
| <p>1. Report particulars of notes and accounts receivable from associated companies* at end of year.</p> <p>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.</p> <p>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.</p> | <p>4. If any note was received in satisfaction of an open account, state the period covered by such open account.</p> <p>5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year.</p> <p>6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.</p> |
|---|--|

\* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the account company. This includes related parties.

"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	NOTES RECEIVABLE					
2						
3	West Dock Properties, LLC	2,037,879	2,148,274	3,379,535	806,618	114,913
4	Working capital; 1/4% above APC's borrowing rate					
5						
6	<b>TOTALS</b>	2,037,879	2,148,274	3,379,535	806,618	114,913
7	ACCOUNTS RECEIVABLE					
8						
9	Alpena Power Resources, LTD	573	12,359	11,819	1,113	
10						
11	West Dock Properties, LLC	10,197	14,568	20,628	4,137	
12						
13	Sunrise Side Energy LLC	295	3,608	3,576	327	
14						
15	Alpena Power Generation, LLC	2,155	67,510	60,556	9,109	
16						
17	<b>TOTALS</b>	13,220	98,045	96,579	14,686	
18						
19						
20						
21						
22						
23						
24						
25	<b>TOTAL</b>	2,051,099	2,246,319	3,476,114	821,304	114,913

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>MATERIALS AND SUPPLIES</b>				
1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.		2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.		
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials & Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	48,313	55,854	
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)	30,195	34,909	
9	Distribution Plant (Estimated)	42,275	48,871	
10	Assigned to - Other			
11	TOTAL Account 154 <i>(Enter total of line 5 thru 10)</i>	120,783	139,634	0
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) <i>(not applicable to Gas utilities)</i>			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials & Supplies (Per Balance Sheet)	<b>120,783</b>	<b>139,634</b>	

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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)**

1. Report below the information called for concerning production fuel and oil stock.      affiliated companies, a statement should be submitted showing the quantity of such fuel so obtained, the quantity used and quantity on hand, and cost of the fuel classified as to the nature of the costs and expenses incurred with appropriate adjustment for the inventories at beginning and end of year.

2. Show quantities in tons Of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable.

3. Each kind of coal or oil should be shown separately.

4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from

Line No.	Item (a)	Total Cost (b)	KINDS OF FUEL AND OIL	
			Quantity (c)	Cost (d)
1	<b>On hand beginning of year</b>	NONE		
2	<b>Received during year</b>			
3	<b>TOTAL</b>	0	0	0
4	<b>Used during year (specify department)</b>			
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	<b>Sold or transferred</b>			
16	<b>TOTAL DISPOSED OF</b>	0	0	0
17	<b>BALANCE END OF YEAR</b>	<b>0</b>	0	0

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 01/00/00		Year of Report December 31, 2005	
<b>PRODUCTION FUEL AND OIL STOCKS (Included in Account 151 (Continued))</b>							
NONE							
KINDS OF FUEL AND OIL (Continued)							
Quantity (e)	Cost (f)	Quantity (g)	Cost (h)	Quantity (i)	Cost (j)	Line No.	
						1	
						2	
0	0	0	0	0	0	3	
						4	
						5	
						6	
						7	
						8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
0	0	0	0	0	0	16	
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	17	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ALLOWANCES**

- |  |  |
|--|--|
| <p>1. Report below the details called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>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.</p> <p>4. Report the allowances transactions by the period they are first</p> | <p>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).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.</p> |
|--|--|

Line No.	Allowance Inventory (a)	Current Year		20__	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance - Beginning of Year	NONE			
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	0	0	0	0
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	0	0	0	0
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 Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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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)	
NONE								1
								2-4
								5
								6-8
								9
								10
								11
								12
								13
								14
0	0	0	0	0	0	0	0	15
								16-18
								19
								20
								21-22
								23
								24
								25
								26
								27
0	0	0	0	0	0	0	0	28
								29
								30-32
								33
								34
								35
								36
								37
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								41-43
								44
								45
								46



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)</b>			
1. Give description and amount of other current and accrued assets as of the end of year. 2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1	Unbilled Revenue	938,885	
2	Workmans Compensation Premium Adjustment	1,711	
3	2005 PSCR	672,340	
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25	TOTAL	<b>1,612,936</b>	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**EXTRAORDINARY PROPERTY LOSS (Account 182.1)**

Line No.	Description of Extraordinary Loss (Include in description the date of loss, the date of Commission authorization to use Account 182.1 and period of amort. (mo, yr, to mo, yr). (a))	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	0	0		0	0

**UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)**

Line No.	Description of Unrecovered Plant and Regulatory Study Costs (Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo, yr). (a))	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	NONE					
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL	0	0		0	0

Name of Respondent	This Report Is:	Date of Report	Year of Report
Alpena Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	(Mo, Da, Yr) 01/00/00	December 31, 2005

**PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)**

1. Report below particulars concerning the cost of plans, surveys, and investigations made for the purpose of determining the feasibility of projects under contemplation.  
2. Minor items may be grouped by classes. Show the number of items in each group.

Line No.	Description and Purpose of Project (a)	Balance Beginning of Year (b)
1	NONE	
2		
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29		
<b>TOTAL</b>		0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**PRELIMINARY SURVEY AND INVESTIGATION CHARGES (Account 183)**

Debits (c)	CREDITS		Balance End of Year (f)	Line No.
	Account Charged (d)	Amount (e)		
NONE				1
				2
				3
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0		0	0	TOTAL

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**OTHER REGULATORY ASSETS**

1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (amounts less than \$50,000) may be grouped by classes.
4. Give the number and name of the account(s) where each amount if recorded.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Debits  (b)	CREDITS		Balance at End of Year  (e)
			Account Charged  (c)	Amount  (d)	
1	FAS109 Adj:Capitalized Interest and Customer Contr.		191	142	224
2	FAS109 Straight-Line Tax/Book Depreciation		285	97,239	244,981
3					
4					
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38					
39	TOTAL	0		97,381	245,205

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		Date of Report (Mo, Da, Yr) 01/00/00		Year of Report December 31, 2005	
<b>MISCELLANEOUS DEFERRED DEBITS (Account 186)</b>							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.				3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.			
2. For any deferred debit being amortized, show period of amortization in column (a).							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	Customer Choice Implementation	47,790	3,345			51,135	
2	Intangible Pension (Unrecognized Prior Service Cost)	31,489		439	14,273	17,216	
3							
4							
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37							
38							Misc. Work in Progress
39	<b>TOTAL</b>	79,279	3,345		14,273	68,351	

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

TAX SCHEDULES

I Purpose:

The Commission will permit the option to adopt FERC reporting requirements if the company agrees to file the MPSC information on a historical test-year basis in a rate case or upon request of the Commission Staff. For the following pages:

A.	Accumulated Deferred Income Taxes	234A-B
B.	Reconciliation of Report Net Income With Taxable Income for Federal Income Taxes	261A-B
C.	Calculation of Federal Income Tax	261C-D
D.	Taxes Accrued, Prepaid and Charged During Year	262-263
E.	Accumulated Deferred Income Taxes	272-277



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

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

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Uncollectibles	8,500		
3	Pension	69,553	136,000	178,549
4	Post Retirement Benefits	705,697	79,500	87,077
5	Customer Contributions/Capital Int.	348,964	31,682	51,833
6	Vacation	32,026	19,532	28,288
7	Customer Advances	42,344	14,266	32,904
8	Deferred Compensation	730,511	4,485	109,752
9	Office Building Basis Adj.	37,198	2,687	
10	PSCR & Related Interest	59,674	62,485	92
11				
12	Subtotals	2,034,467	350,637	488,495
13				
14				
15	Other			
16	Pledge Donations	8,500		
17	Non-utility - Office Building	16,081		
18	TOTAL (Account 190) (Enter total of lines 12, 16 & 17)	<b>2,059,048</b>	<b>350,637</b>	<b>488,495</b>
19	Classification of Total:			
20	Federal Income Tax	2,059,048	350,637	488,495
21	State Income Tax			
22	Local Income Tax			

**NOTES**

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

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)**

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

4. In the space provided below, identify by amount

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						8,500	2
		439	4,850	439	54,556	62,396	3
						713,274	4
						369,115	5
						40,782	6
						60,982	7
						835,778	8
						34,511	9
		283	2,719			0	10
							11
0	0		7,569		54,556	2,125,338	12
							13
							14
							15
2,380						6,120	16
1,191						14,890	17
3,571			7,569		54,556	2,146,348	18
							19
							20
							21
							22

NOTES (Continued)

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>DEFERRED LOSSES FROM DISPOSITION OF UTILITY PLANT (Account 187)</b>			
<p>1. In column (a) give a brief description of property creating the deferred loss and the date the loss was recognized. Identify items by department where applicable.</p> <p>2. Losses on property with an original cost of less than \$50,000 may be grouped. The number of items making up the grouped amount shall be reported in</p>		<p>column (a).</p> <p>3. In column (b) give the date of Commission approval of journal entries. Where approval has not been received, give explanation following the respective item in column (a). (See account 187, Deferred Losses From Sale of Utility Plant.)</p>	
Line No.	Description of Property (a)	Date J.E. Approved (b)	Total Amount of Loss (c)
1	NONE		
2			
3			
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TOTAL			0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**DEFERRED LOSSES FROM DISPOSITION OF UTILITY PLANT (Account 187) (Continued)**

Balance Beginning of Year (d)	Current Year		Balance End of Year (g)	Line No
	Amortizations to Acct. 411.7 (e)	Additional Losses (f)		
NONE				1
				2
				3
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0	0	0	0	TOTAL

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)**

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.

2. In column (c) show the principal amount of bonds or other long-term debt reacquired.

3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	NONE			
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)**

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1,

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
NONE				1
				2
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**CAPITAL STOCK (Accounts 201 and 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (I.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Common Stock	602,050	10	NONE
2	Preferred Stock	20,000	100	NONE
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005	
<b>CAPITAL STOCK (Accounts 201 and 204) (Continued)</b>						
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.			5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.			
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.			6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.			
OUTSTANDING PER BALANCE SHEET		HELD BY RESPONDENT				
<i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
336,793	3,367,930					1
6,083	608,300					2
						3
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK</b> <b>(Accounts 202 &amp; 205, 203 &amp; 206, 207, 212)</b>			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	NONE		
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40	TOTAL	0	0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)**

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) *Donations Received from Stockholders* (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) *Reduction in Par or Stated Value of Capital Stock* (account 209)-State amount and give brief explanation

of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) *Gain on Resale or Cancellation of Reacquired Capital Stock* (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) *Miscellaneous Paid-In Capital* (Account 211)- Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	NONE	
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35	TOTAL	0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**DISCOUNT ON CAPITAL STOCK (Account 213)**

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.
2. If any change occurred during the year in the balance with respect to any class or series of stock.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	NONE	
2		
3		
4		
5		
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12		
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15		
16		
17	TOTAL	0

**CAPITAL STOCK EXPENSE (Account 214)**

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.
2. If any change occurred during the year in the balance with respect to any class or series of stock,

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	NONE	
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18	TOTAL	0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED  
DURING THE YEAR**

- |  |   |
|--|---|
| <p>1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.</p> <p>2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.</p> <p>3. Include in the identification of each class and series of security, as appropriate, the interest or dividend</p> | <p>rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.</p> <p>4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the commission authorization for the different accounting and state the accounting method.</p> <p>5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.</p> |
|--|---|

\$1,770,000 of Long-Term Energy Thrift Notes were issued in 2005. These notes have a weighted average interest rate of 4.46% and are due in two to seven years after issuance.

\$2,306,859 of Long-Term Energy Thrift Notes were redeemed in 2005. The weighted average interest rate was 5.85%.

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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>LONG-TERM DEBT (Accounts 221, 222, 223 and 224)</b>			
<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 <i>(For new issue, give Commission Authorization numbers and dates)</i>  (a)	Principal Amount of Debt Issued  (b)	Total Expense, Premium or Discount  (c)
1	Account 224-Long Term Debt Energy Thrift Certificates	10,056,000	0
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24			
25	TOTAL	10,056,000	0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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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)			
Various	Various	N/A	N/A	10,615,105	610,892	1
				2		
				3		
				4		
				5		
				6		
				7		
				8		
				9		
				10		
				11		
				12		
				13		
				14		
				15		
				16		
				17		
				18		
				19		
				20		
				21		
				22		
				23		
				24		
				10,615,105	610,892	25



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**NOTES PAYABLE (Accounts 231)**

1. Report the particulars indicated concerning notes payable at end of year.
2. Give particulars of collateral pledged, if any.
3. Furnish particulars for any formal or informal compensating balance agreements covering open lines or credit.
4. Any deman notes should be designated as such in column (d).
5. Minor amounts may be grouped by classes, showing the number of such amounts.

Line No.	Payee (a)	Purpose for which issued (b)	Date of Note (c)	Date of Maturity (d)	Int. Rate (e)	Balance End of Year (f)
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
<b>TOTAL</b>						\$0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**PAYABLES TO ASSOCIATED COMPANIES\* (Accounts 233, 234)**

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

**\*See definition on page 226B**

Line No.	Particulars  (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
	<b>TOTAL</b>	0	0	0	0	0

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

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.

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.

Line No.		TOTAL AMOUNT
1	Utility net operating income (page 114 line 20)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 68)	
6	Allocation of Net income for the year	
7	Add: Federal income tax expenses	
8	<b>SEE INSERT PAGE 261B</b>	
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	

RECONCILIATION OF REPORTED NET INCOME  
WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

	TOTAL AMOUNT	UTILITY	OTHER
Utility Net Operating Income: (Pg114 Ln26)		1,931,504	
Allocations:			
Interest Expense		753,513	
Other (Net Other Income & Deductions)			95,566
Net Income for the Year: (Pg117 Ln78)	1,273,557	1,177,991	95,566
Add: Federal Income Tax Expenses	687,867	638,935	48,932
Total Pre-Tax Income	1,961,424	1,816,926	144,498
Add: Taxable Income Not Reported on Books:			
Customer Advances	54,816	54,816	
Customer Contributions in Aid of Construction	150,149	150,149	
Gain on Sale of Fixed Assets	13,441	13,441	
Add: Deductions Recorded on Books Not Deducted on Return:			
Deferred Compensation w/Interest	322,800	322,800	
Book Depreciation	1,275,001	1,270,032	4,969
50% of Meals and Entertainment	993	993	
Interest Capitalized for Tax	8,240	8,240	
Other Post-Employment Benefits	19,181	19,181	
Pension	525,136	525,136	
Vacation Pay Accrual	25,755	25,755	
Interest Expense on Power Supply Cost Recovery	(12,377)	(12,377)	
Subtract: Income recorded on Book Not Included on Return:			
Dividend Exclusion	(606)		(606)
PSCR Under Recovery	(835,474)	(835,474)	
Subtract: Deductions on Return Not Charged Against Book Income:			
Tax Depreciation	(1,532,605)	(1,524,513)	(8,092)
Charitable Contributions	(7,000)		(7,000)
Property Taxes	(312,225)	(312,225)	
Customer Choice Implementation	(3,345)	(3,345)	
Deferred Compensation Paid	(13,192)	(13,192)	
Pension Plan Contribution	(400,000)	(400,000)	
Federal Taxable Income for the Year:	1,240,112	1,106,343	133,769

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

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.

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.

Line No.		TOTAL AMOUNT
1	Utility net operating income (page 114 line 20)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 68)	
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	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)**

3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2
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.

Utility	Other	Line No.
		1
		2
		3
		4
		5
		6
		7
		8
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		11
		12
		13
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		24
		25
		26

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)**

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

Line No.	Kind of Tax Subaccount (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)
1	Federal Income Tax	(1,845)	
2	MI Single Business Tax	29,296	
3	Property Tax	317,347	447,019
4	Payroll Tax	9,692	
5	Michigan Use Tax	111	
6	MPSC Assessment	0	
7			
8			
9			
10			
11			
12		354,601	447,019

**DISTRIBUTION OF TAXES CHARGED (omit cents)**

Line No.	Electric a/c 408.1, 409.1 (i)	Gas a/c 408.1, 409.1 (j)	Other Utility Departments a/c 408.1, 409.1 (k)	Other Income & Deductions a/c 408.2, 409.2 (l)
1	375,100			45,482
2	111,224			
3	581,252			5,354
4	144,180			
5	1,356			
6	27,905			
7				
8				
9				
10				
11				
12	1,241,017	0	0	50,836

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax which it was necessary to apportion to more than one utility department or account, state in a more than one utility department or account, state in a footnote the basis of apportioning such tax.
10. Fill in all columns for all line items.

Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	
420,582	460,099		(41,362)		1
111,224	115,217		25,303		2
586,606	898,831		0	441,897	3
186,337	182,144		13,885		4
1,996	1,912		195		5
27,905	27,905		0		6
					7
					8
					9
					10
					11
1,334,650	1,686,108	0	(1,979)	441,897	12

**DISTRIBUTION OF TAXES CHARGED**

Extraordinary Items a/c 409.3 (m)	Other Utility Opn. Income a/c 408.1, 409.1 (n)	Adjustment to Ret. Earnings a/c 439 (o)	Other (p)	Line No.
				1
				2
				3
			#107-\$32,709 #110-\$4,049 #417-\$4,667	4
			#456-\$732	5
			#107-640	6
				7
				8
				9
				10
				11
0	0	0	42,797	12



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

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

Line No.	Account Subdivisions	Balance at Beginning of Year	Deferred for Year		Allocation to Current Year's Income		Adjustments
			Account No.	Amount	Account No.	Amount	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Electric Utility						
2	3%						
3	4%						
4	8%	15,982			411.4	1,614	
5	10%	235,903			411.4	24,621	
6							
7							
8	TOTAL	251,885		0		26,235	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
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48							

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)**

Balance at End of Year  (h)	Average Period of Allocation to Income  (i)	Adjustment Explanation	Line No.
			1
			2
14,368	31.90		3
211,282	32.77		4
			5
			6
			7
225,650	32.70		8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
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			47
			48

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)**

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

Line No.	Item (a)	Balance End of Year (b)
1	Accrued Payroll	96,852
2	Accrued Vacation	142,388
3	Tax Collection Payable	83,194
4	Preferred Stock Dividend Declared	59,309
5	Common Stock Dividend Declared	134,717
6	Prepaid Rent	4,372
7	Flex Plan	3,150
8	General Liability Insurance	47,867
9	Employee Medical Contributions	7,369
10	Pledged Donations	18,000
11	Miscellaneous	9,369
12		
13		
14		
15		
16		
17		
18		
19		
20	<b>TOTAL</b>	<b>606,587</b>

**CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)**

Line No.	List Advances by department (a)	Balance End of Year (b)
21	Electric Construction	179,359
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	<b>TOTAL</b>	<b>179,359</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**OTHER DEFERRED CREDITS (Account 253)**

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$10,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Deferred Pension	236,058	439	160,459		
2	Liability		130	400,000	525,136	200,735
3						
4	FAS109-OPEB	2,075,580	926	233,825	256,110	2,097,865
5						
6	Deferred	2,148,561	130	13,192	322,800	2,458,169
7	Compensation					
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
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46						
47	<b>TOTAL</b>	4,460,199		807,476	1,104,046	4,756,769

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
<b>DEFERRED GAINS FROM DISPOSITION OF UTILITY PLANT (Account 256)</b>			
<p>1. In column (a) give a brief description of property creating the deferred gain and the date the gain was recognized. Identify items by department where applicable.</p> <p>2. Gains on property with an original cost of less than \$50,000 may be grouped. The number if items making up the grouped amount shall be reported in column (a).</p> <p>3. In column (b) give the date of Commission approval of journal entries. Where approval has not been received, give explanation following the respective item in column (a). (See account 256. Deferred Gains from Sale of Utility Plant.)</p>			
Line No.	Description of Property (a)	Date J. E. Approved (b)	Total Amount of Gain (c)
1	NONE		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
<b>TOTAL</b>			<b>0</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**DEFERRED GAINS FROM DISPOSITION OF UTILITY PLANT (Account 256) (cont'd)**

Balance Beginning of Year  (d)	Current Year		Balance End of Year  (g)	Line No.
	Amortizations to Acc. 411.6  (e)	Additional Gains  (f)		
NONE				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
\$0	\$0	\$0	\$0	TOTAL

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY  
(Account 281)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.  
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities	NONE		
4	Pollution Control Facilities			
5	Other			
6				
7	TOTAL Electric <i>(Total of lines 3 thru 6)</i>	0	0	0
8	Gas			
9	Defense Facilities			
10	Pollution Control Facilities			
11	Other			
12				
13	TOTAL Gas <i>(Total of lines 9 thru 12)</i>	0	0	0
14	Other (Specify)			
15	TOTAL (Account 281)	0	0	0
16	Classification of TOTAL			
17	Federal Income Tax			
18	State Income Tax			
19	Local Income Tax			

NOTES

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY  
(Account 281) (Continued)**

3. Use footnotes as required.  
4. Fill in all columns for all line items as appropriate.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
							2
NONE							3
							4
							5
							6
							7
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NOTES (Continued)



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY  
(Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.  
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Account 282			
2	Depreciation-Utility	3,625,772	206,190	110,691
3				
4				
5	Subtotal	3,625,772	206,190	110,691
6	Other			
7	AFUDC	18,060		744
8	Non-Utility-Depreciation	(10,031)		
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	3,633,801	206,190	111,435
10	Classification of TOTAL			
11	Federal Income Tax	3,633,801	206,190	111,435
12	State Income Tax			
13	Local Income Tax			

NOTES

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY  
(Account 282) (Continued)**

3. Use footnotes as required.  
4. Fill in all columns for all line items as appropriate.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Acct. 410.2	Amounts Credited to Acct. 411.2	DEBITS		CREDITS			
(e)	(f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
						3,721,271	2
							3
							4
0	0		0		0	3,721,271	5
							6
						17,316	7
86	206					(10,151)	8
86	206		0		0	3,728,436	9
							10
86	206					3,728,436	11
							12
							13

NOTES (Continued)

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Electric			
2	Property Tax-Summer	44,088	94,921	91,548
3	Customer Choice	16,249	1,137	
4	Property Tax-Winter	0	102,784	
5	PSCR 2005/Related Interest	0	235,069	9,192
6	Other			
7	TOTAL Electric ( <i>total of lines 2 thru 6</i> )	60,337	433,911	100,740
8	Gas			
9				
10				
11				
12				
13	Other			
14	TOTAL Gas ( <i>Total of lines 9 thru 13</i> )	0	0	0
15	Other -Investment Gain	2,969		
16	TOTAL (Account 283) ( <i>Enter total of lines 7, 14 and 15</i> )	63,306	433,911	100,740
17	Classification of TOTAL			
18	Federal Income Tax	63,306	433,911	100,740
19	State Income Tax			
20	Local Income Tax			

NOTES

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.  
4. Fill in all columns for all items as appropriate.  
5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
						47,461	2
						17,386	3
						102,784	4
		190	2,719			228,596	5
							6
0	0		2,719		0	396,227	7
							8
							9
							10
							11
							12
							13
0	0		0		0	0	14
		439	534			3,503	15
0	0		3,253		0	399,730	16
							17
0	0		3,253		0	399,730	18
							19
							20

NOTES (Continued)

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - TEMPORARY (Account 284)**

1. Report the information called for below concerning each item included in this account at year end.

Line No.	Description of Item (a)	Balance at End of Year (b)	Date of Filing for Commission Approval (c)	Case Number (d)
1	Electric			
2		NONE		
3				
4				
5				
6				
7	TOTAL Electric ( <i>Total of lines 2 thru 6</i> )	0		
8	Gas			
9				
10				
11				
12				
13				
14	TOTAL Gas ( <i>Total of lines 9 thru 13</i> )	0		
15	Other (Specify)			
16	TOTAL (Account 284) ( <i>Enter Total of lines 7, 14 and 15</i> )	0		
17	Classification of TOTAL			
18	Federal Income Tax			
19	State Income Tax			
20	Local Income Tax			

NOTES

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**OTHER REGULATORY LIABILITIES**

- Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
- For regulatory liabilities being amortized, show period of amortization in column (a).
- Minor items (amounts less than \$50,000) may be grouped by classes.
- Give the number and name of the account(s) where each amount is recorded.

Line No.	Description and Purpose of Other Regulatory Liabilities  (a)	DEBITS		Credits  (d)	Balance at End of Year  (e)
		Account Credited  (b)	Amount  (c)		
1	FAS109 Adjustment:				
2	ITC Basis Adjustment			3,643	(58,063)
3	FAS109 Adjustment:				
4	Amortization of Derred ITC	191	13,516		116,248
5	FAS109 Adjustment:				
6	Accelerated Tax Depreciation on				
7	Pre-1981 Utility Property	285	23,238		53,075
8	FAS109 Adjustment:				
9	Tax Depreciation on Post 1980				
10	Utility Property	285	5,490		85,386
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL		42,244	3,643	196,646

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)**

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.
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).
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.)

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2					
3					
4	Sale of stock investment	0		394	
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	Total Gain	0		394	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)**

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19					
20	NONE				
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	0			



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report December 31, 2005
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**INCOME FROM UTILITY PLANT LEASED TO OTHERS (Accounts 412 and 413)**

1. Report below the following information with respect to utility property leased to others constituting an operating unit or system.

2. For each lease show: (1) name of lessee and description and location of the leased property; (2) revenues; (3) operating expenses classified as to operation, maintenance, depreciation, rents, amortization; and (4) net income from lease for year. Arrange amounts so that deductions appear as a subtraction from revenues, and income as the remainder.

3. Provide a subheading and total for each utility department in addition to a total for all utility departments.

4. Furnish particulars of the method of determining the annual rental for the property.

5. Designate associated companies.

Line No.	
1	NONE
2	
3	
4	
5	
6	
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Alpena Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	01/00/00	December 31, 2005
<b>PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS</b>			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.</p> <p>6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.</p> <p>7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1	<b>Account 417 - Revenues From Non-Utility Operations</b>		
2	Alpena Power Resources Ltd.	12,360	
3	Alpena Power Generation LLC	67,510	
4	West Dock Properties LLC	11,136	
5	Sunrise Side Energy LLC	3,607	
6	<b>Total</b>	<b>94,613</b>	
7	<b>Account 417.1-Expenses of Non-Utility Operations</b>		
8	Alpena Power Resources Ltd.	(9,551)	
9	Alpena Power Generation LLC	(51,162)	
10	West Dock Properties LLC	(8,317)	
11	Sunrise Side Energy LLC	(2,683)	
12	<b>Total</b>	<b>(71,713)</b>	
13	<b>Account 418-Non Operating Rental</b>		
14	Rents	46,505	
15	Depreciation	(4,969)	
16	Utilities	(3,527)	
17	Maintenance	(16,149)	
18	<b>Total</b>	<b>21,860</b>	
19	<b>Account 419-Interest &amp; Dividend Income</b>		
20	Bank & Credit Unions	4,898	
21	Stock Dividend	866	
22	Customer Choice Implementation	3,345	
23	West Dock Properties LLC	114,913	
24	<b>Total</b>	<b>124,022</b>	
25	<b>Grand Total</b>	<b>168,782</b>	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
<b>ELECTRIC OPERATING REVENUES (Account 400)</b>				
<p>1. Report below operating revenues for each prescribed account.</p> <p>2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</p> <p>3. If increases or decreases from pervious year (columns (c), (e), and (g)), are not derived from previously reported figures explain any inconsistencies in a footnote.</p>				
Line No.	Title of Account (a)	OPERATING REVENUES		
		Amount for Year (b)	Amount for Previous Year (c)	
1	Sales of Electricity			
2	(440) Residential Sales	8,185,005	7,670,645	
3	(442) Commercial and Industrial Sales			
4	Small (or Commercial)	8,796,281	8,374,842	
5	Large (or Industrial)	5,471,783	5,227,197	
6	(444) Public Street and Highway Lighting	24,074	23,734	
7	(445) Other Sales to Public Authorities			
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales			
10	(449) Other Sales			
11				
12	TOTAL Sales to Ultimate Consumers	22,477,143	21,296,418	
13				
14	(447) Sales for Resale			
15	TOTAL Sales of Electricity	22,477,143 *	21,296,418	
16				
17	(Less) (449.1) Provision for Rate Refunds	637,353	(160,287)	
18	TOTAL Revenue Net of Provision for Refunds	23,114,496	21,136,131	
19	Other Operating Revenues			
20	(450) Forfeited discounts	38,070	37,790	
21	(451) Miscellaneous Service Revenues	19,102	21,221	
22	(453) Sales of Water and Water Power	0	0	
23	(454) Rent from Electric Property	93,686	93,939	
24	(455) Interdepartmental Rents	0	0	
25	(456) Other Electric Revenues	123,412	135,530	
26				
27				
28				
29				
30	TOTAL Other Operating Revenues	274,270	288,480	
31				
32	TOTAL Electric Operating Revenues	23,388,766	21,424,611	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**ELECTRIC OPERATING REVENUES (Account 400) (Continued)**

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number or Previous Year (g)	
91,362	87,004	13,606	13,578	1 2
113,031	110,395	3,676	3,610	3 4
109,555	120,236	5	5	5
98	97	199	197	6 7 8 9 10 11
314,046	317,732	17,486	17,390	12 13 14
314,046 **	317,732	17,486	17,390	15 16 17
314,046	317,732	17,486	17,390	18

\* Include \$ 938,885 unbilled revenues.

\*\* Includes 9,890 MWH relating to unbilled revenues.

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005	
SALES OF ELECTRICITY BY RATE SCHEDULES						
<p>1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.</p> <p>2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.</p> <p>3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</p> <p>4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</p> <p>5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</p> <p>6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</p>						
Line No.	Number and Title of Rate Schedule	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	<u>440 - Residential</u>					
2	Residential	91,362	8,383,194	13,606	6,715	9.176
3	Unbilled @ 12/31/05	6,787	648,111			
4						
5						
6	<u>442-Commercial/Industrial</u>					
7	General Service	30,219	2,849,160	2,244	13,467	9.428
8	General Service-Electric Heat	31	2,457	3	10,333	7.926
9	Standard Power	47,808	3,641,145	225	212,480	7.616
10	Large Power	33,952	2,367,075	18	1,886,222	6.972
11	Protective Lights	1,021	196,947	1,186	861	19.29
12	Industrial	109,555	5,650,225	5	21,911,000	5.157
13	Total 442	222,586	14,707,009	3,681	60,469	6.607
14	Unbilled @ 12/31/05	3,098	289,624			
15						
16	<u>444-Street and Highway</u>					
17	Street and Highway Lights	98	24,293	199	492	24.789
18	Unbilled @ 12/31/05	5	1,150			
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34	Total Billed	314,046	23,114,496	17,486	17,960	7.36
35	Total Unbilled Rev. (See Instr. 6)	9,890	938,885			
36	TOTAL	<b>314,046</b>	<b>23,114,496</b>	<b>17,486</b>	<b>17,960</b>	<b>7.36</b>

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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**SALES FOR RESALE (Account 447)**

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

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

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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

**LF** - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended

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

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

**SF** - for short-term firm service. Use this category for commitment for service is one year or less.

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

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

**OS** - for other service. Use this category only for

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**SALES FOR RESALE (Account 447) (Continued)**

those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

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

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

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

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

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

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

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

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

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

Megawatthours Sold (g)	REVENUE				Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)	Total (\$) (h + i + j) (f)	
NONE				0	1
				0	2
				0	3
				0	4
				0	5
				0	6
				0	7
				0	8
				0	9
				0	10
				0	11
				0	12
				0	13
				0	14



Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
1	<b>1. POWER PRODUCTION EXPENSES</b>			
2	<b>A. Steam Power Generation</b>			
3	Operation			
4	(500) Operation Supervision and Engineering			
5	(501) Fuel	N/A		
6	(502) Steam Expenses			
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses			
10	(506) Miscellaneous Steam Power Expenses			
11	(507) Rents			
12	Allowances			
13	TOTAL Operation ( Enter Total of Lines 4 thru 12 )	0	0	0
14	Maintenance			
15	(510) Maintenance Supervision and Engineering			
16	(511) Maintenance of Structures			
17	(512) Maintenance of Boiler Plant			
18	(513) Maintenance of Electric Plant			
19	(514) Maintenance of Miscellaneous Steam Plant			
20	TOTAL Maintenance ( Enter Total of Lines 15 thru 19 )	0	0	0
21	TOTAL Power Production Expenses-Steam Power ( Total of lines 13 & 20 )	0	0	0
22	<b>B. Nuclear Power Generation</b>			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation ( Enter Total of lines 24 thru 32 )	0	0	0
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance ( Enter Total of Lines 35 thru 39 )	0	0	0
41	TOTAL Power Production Expenses-Nuclear Power ( Total of lines 33 & 40 )	0	0	0
42	<b>C. Hydraulic Power Generation</b>			
43	Operation			
44	(535) Operation Supervision and Engineering			
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses			
49	(540) Rents			
50	TOTAL Operation ( Enter Total of Lines 44 thru 49 )	0	0	0

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
51	<b>C. Hydraulic Power Generation (Continued)</b>			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	N/A		
54	(542) Maintenance of Structures			
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant			
57	(545) Maintenance of Miscellaneous Hydraulic Plant			
58	TOTAL Maintenance ( Total of Lines 53 thru 57 )	0	0	
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr.( Total of lines 50 & 58 )	0	0	
60	<b>D. Other Power Generation</b>			
61	Operation			
62	(546) Operation Supervision and Engineering			
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			
66	(550) Rents			
67	TOTAL Operation ( Total of Lines 62 thru 66 )	0	0	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance ( Total of Lines 69 thru 72 )	0	0	
74	TOTAL Pwr. Production Expenses-Other Power ( Total of Lines 67 & 73 )	0	0	
75	<b>E. Other Power Supply Expenses</b>			
76	(555) Purchased Power			
77	(556) System Control and Load Dispatching			
78	(557) Other Expenses			
79	Total Other Power Supply Expenses ( Total of Lines 76 thru 78 )	0	0	
80	Total Pwr. Production Expenses ( Total of lines 21, 41, 59, 74 & 79 )	0	0	
81	<b>2. TRANSMISSION EXPENSES</b>			
82	Operation			
83	(560) Operation Supervision and Engineering			
84	(561) Load Dispatching			
85	(562) Station Expenses			
86	(563) Overhead Lines Expenses			
87	(564) Underground Lines Expenses			
88	(565) Transmission of Electricity by Others			
89	(566) Miscellaneous Transmission Expenses			
90	(567) Rents			
91	TOTAL Operation ( Total of Lines 83 thru 90 )	0	0	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering			
94	(569) Maintenance of Structures			
95	(570) Maintenance of Station Equipment			
96	(571) Maintenance of Overhead Lines			
97	(572) Maintenance of Underground Lines			
98	(573) Maintenance of Miscellaneous Transmission Plant			
99	TOTAL Maintenance ( Total of Lines 93 thru 98 )	0	0	
100	TOTAL Transmission Expenses (Total of Lines 91 & 99)	0	0	
101	<b>3. DISTRIBUTION EXPENSES</b>			
102	Operation			
103	(580) Operation Supervision and Engineering			

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<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
104	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			
105	(581) Load Dispatching	N/A		
106	(582) Station Expenses			
107	(583) Overhead Line Expenses			
108	(584) Underground Line Expenses			
109	(585) Street Lighting and Signal System Expenses			
110	(586) Meter Expenses			
111	(587) Customer Installations Expenses			
112	(588) Miscellaneous Expenses			
113	(589) Rents			
114	TOTAL Operation (Total of Lines 103 thru 113)	0		0
115	Maintenance			
116	(590) Maintenance Supervision and Engineering			
117	(591) Maintenance of Structures			
118	(592) Maintenance of Station Equipment			
119	(593) Maintenance of Overhead Lines			
120	(594) Maintenance of Underground Lines			
121	(595) Maintenance of Line Transformers			
122	(596) Maintenance of Street Lighting and Signal Systems			
123	(597) Maintenance of Meters			
124	(598) Maintenance of Miscellaneous Distribution Plant			
125	TOTAL Maintenance (Total of Lines 116 thru 124)	0		0
126	TOTAL Distribution Expenses (Total of Lines 114 & 125)	0		0
127	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
128	Operation			
129	(901) Supervision			
130	(902) Meter Reading Expenses			
131	(903) Customer Records and Collection Expenses			
132	(904) Uncollectible Accounts			
133	(905) Miscellaneous Customer Accounts Expenses			
134	TOTAL Customer Accounts Expenses (Total of Lines 129 thru 133)	0		0
135	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
136	Operation			
137	(907) Supervision			
138	(908) Customer Assistance Expenses			
139	(909) Informational and Instructional Expenses			
140	(910) Miscellaneous Customer Service and Informational Expenses			
141	TOTAL Cust. Service and Informational Exp. (Total of Lines 137 thru 140)	0		0
142	<b>6. SALES EXPENSE</b>			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses			
146	(913) Advertising Expenses			
147	(916) Miscellaneous Sales Expenses			
148	Total Sales Expenses (Total of Lines 144 thru 147)	0		0
149	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
150	Operation			
151	(920) Administrative and General Salaries			
152	(921) Office Supplies and Expenses			
153	(Less) (922) Administrative Expenses Transferred - CR			

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
154	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>			
155	(923) Outside Services Employed	N/A		
156	(924) Property Insurance			
157	(925) Injuries and Damages			
158	(926) Employee Pensions and Benefits			
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses			
161	(929) Duplicate Charges - CR.			
162	(930.1) General Advertising Expenses			
163	(930.2) Miscellaneous General Expenses			
164	(931) Rents			
165	TOTAL Operation (Total of Lines 151 thru 164)	0	0	
166	Maintenance			
167	(935) Maintenance of General Plant			
168	TOTAL Administrative and General Expenses (Total of Lines 165 & 167)	0	0	
169	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 100, 126, 134, 141, 148, and 168)	0	0	

<b>NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES</b>		
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p>	<p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>	
1. Payroll Period Ended (Date)		
2. Total Regular Full-Time Employees		
3. Total Part-Time and Temporary Employees		
4. Total Employees		

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES - NONMAJOR</b>				
Line No.	Account	Amount For Current Year	Amount for Previous Year	
1	(1) POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	500 Operation Supervision and Engineering	0	0	
5	501 Fuel	0	0	
6	503 Steam from Other Sources	0	0	
7	(Less) 504 Steam Transferred- <b>CR.</b>	0	0	
8	507 Rents	0	0	
9	508 Operation Supplies and Expenses	0	0	
10	509 Allowances	0	0	
11	TOTAL Operation ( Enter Total of Lines 4 thru 10 )	0	0	
12	Maintenance			
13	515 Maintenance of Steam Production Plant	0	0	
14	TOTAL Maintenance	0	0	
15	TOTAL Power Prod. Exp. - Steam Plant	0	0	
16	B. Nuclear Power Generation			
17	Operation			
18	517 Operation Supervision and Engineering	0	0	
19	518 Nuclear Fuel Expense	0	0	
20	519 Coolants and Water	0	0	
21	520 Steam Expenses	0	0	
22	521 Steam from Other Sources	0	0	
23	(Less) 522 Steam Transferred- <b>CR.</b>	0	0	
24	523 Electric Expenses	0	0	
25	524 Miscellaneous Nuclear Power Expenses	0	0	
26	525 Rents	0	0	
27	TOTAL Operation ( Enter Total of Lines 18 thru 26 )	0	0	
28	Maintenance			
29	528 Maintenance Supervision and Engineering	0	0	
30	529 Maintenance of Structures	0	0	
31	530 Maintenance of Reactor Plant Equipment	0	0	

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES-NONMAJOR (Continued)</b>				
Line No.	Account	Amount For Current Year	Amount for Previous Year	
32	531 Maintenance of Electric Plant	0	0	
33	532 Maintenance of Miscellaneous Nuclear Plant	0	0	
34	TOTAL Maintenance ( <i>Total of Line 29 thru 33</i> )	0	0	
35	TOTAL Power Production Expenses-Nuclear Power	0	0	
36	C. Hydraulic Power Generation			
37	Operation			
38	535 Operation Supervision and Engineering	0	0	
39	536 Water for Power	0	0	
40	540 Rents	0	0	
41	540.1 Operation Supplies and Expenses	0	0	
42	TOTAL Operation ( <i>Total of Line 38 thru 41</i> )	0	0	
43	Maintenance			
44	545.1 Maintenance of Hydraulic Production Plant	0	0	
45	TOTAL Maintenance	0	0	
46	TOTAL Power Production Expenses-Hydraulic Power	0	0	
47	D. Other Power Generation			
48	Operation			
49	546 Operation Supervision and Engineering	0	0	
50	547 Fuel	0	0	
51	550 Rents	0	0	
52	550.1 Operation Supplies and Expenses	0	0	
53	TOTAL Operation ( <i>Total of Lines 49 thru 52</i> )	0	0	
54	Maintenance			
55	554.1 Maintenance of Other Power Production Plant	0	0	
56	TOTAL Maintenance	0	0	
57	TOTAL Power Production Expenses-Other Power	0	0	
58				
59	E. Other Power Supply Expenses			
60	Operation			
61	555 Purchased Power	14,101,619	12,481,572	
62	557 Other Expenses	0	0	

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES-NONMAJOR (Continued)</b>				
Line No.	Account	Amount For Current Year	Amount for Previous Year	
63	TOTAL Other Pwr. Supply Exp. ( Total of Lines 61 and 62 )	14,101,619	12,481,572	
64	TOTAL Power Prod. Exp. ( Total Lines 15, 35, 46, 57 & 63 )	14,101,619	12,481,572	
65				
66	2. TRANSMISSION EXPENSES			
67	Operation			
68	560 Operation Supervision and Engineering	15,421	22,646	
69	567 Rents	0	0	
70	567.1 Operation Supplies and Expenses	34,518	43,628	
71	TOTAL Operation ( Total of Lines 68 thru 70 )	49,939	66,274	
72	Maintenance			
73	574 Maintenance of Transmission Plant	88,331	77,100	
74	TOTAL Maintenance	88,331	77,100	
75	TOTAL Transmission Expenses	138,270	143,374	
76	3. DISTRIBUTION EXPENSES			
77	Operation			
78	580 Operation Supervision and Engineering	124,447	139,447	
79	581.1 Line and Station Expenses	110,975	93,488	
80	585 Street Lighting and Signal System Expenses	0	474	
81	586 Meter Expenses	92,273	91,072	
82	587 Customer Installations Expenses	21,029	21,368	
83	588 Miscellaneous Distribution Expenses	140,405	161,200	
84	589 Rents	3,295	3,065	
85	TOTAL Operation ( Total of Lines 78 thru 84 )	492,424	510,114	
86	Maintenance			
87	592.1 Maintenance of Structures and Equipment	69,907	22,166	
88	594.1 Maintenance of Lines	333,990	294,410	
89	595 Maintenance of Line Transformers	28,128	32,052	
90	596 Maintenance of Street Lighting and Signal Systems	0	0	
91	597 Maintenance of Meters	252	8,699	
92	598 Maintenance of Miscellaneous Distribution Plant	4,633	2,167	
93	TOTAL Maintenance ( Total of Lines 87 thru 92 )	436,910	359,494	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES-NONMAJOR (Continued)</b>				
Line No.	Account	Amount For Current Year	Amount for Previous Year	
94	TOTAL Distribution Expenses ( Total of Lines 85 and 93 )	929,334	869,608	
95				
96	4. CUSTOMER ACCOUNTS EXPENSES			
97	Operation			
98	902 Meter Reading Expenses	148,026	151,298	
99	903 Customer Records and Collection Expenses	264,117	287,265	
100	904 Uncollectible Accounts	22,149	17,680	
101	TOTAL Customer Accounts Expenses (Total of Lines 98 thru 100)	434,292	456,243	
102				
103	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
104	Operation			
105	906 Customer Service & Informational Expense	20,880	18,493	
106	TOTAL Cust. Service & Informational Expense	20,880	18,493	
107				
108	6. SALES EXPENSE			
109	Operation			
110	917 Sales Expenses	3,485	2,871	
111	TOTAL Sales Expense	3,485	2,871	
112	7. ADMINISTRATIVE AND GENERAL EXPENSES			
113	Operation			
114	920 Administrative and General Salaries	992,477	923,022	
115	921 Office Supplies and Expenses	102,343	85,043	
116	(Less) 922 Administrative Expenses Transferred-CR.	(474,453)	(402,387)	
117	923 Outside Services Employed	111,687	120,687	
118	924 Property Insurance	57,908	57,283	
119	925 Injuries and Damages	154,197	188,031	
120	926 Employee Pensions and Benefits	1,652,787	1,367,078	
121	927 Franchise Requirements	0	0	
122	928 Regulatory Commission Expenses	28,327	38,701	
123	(Less) 929 Duplicate Charges-CR.	0	0	



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES-NONMAJOR (Continued)</b>			
Line No.	Account	Amount For Current Year	Amount for Previous Year
124	930.1 General Advertising Expenses	17,535	17,620
125	930.2 Miscellaneous General Expenses	137,202	130,671
126	931 Rents	6,000	6,600
127	933 Transportation Expenses	0	0
128	TOTAL Operation ( Total of Lines 114 thru 127)	2,786,010	2,532,349
129	Maintenance		
130	935 Maintenance of General Plant	194,630	252,166
131	TOTAL Admin. And Gen. Exp. ( Total of Lines 128 and 130)	2,980,640	2,784,515
132	TOTAL Electric Operation and Maintenance Expenses (Total of lines 64, 75, 94, 101, 106, 111 and 131)	18,608,520	16,756,676

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES	
<p>1. The data on number of employees should be reported for the payroll period ending nearest to December 31, any payroll period ending 60 days before or after December 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p> <p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>	
1.	Payroll Period Ended (Date) 12/25/2005
2.	Total Regular Full-Time Employees 38
3.	Total Part-Time and Temporary Employees 2
4.	Total Employees 40

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Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

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

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

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

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

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

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

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

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

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)		
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)	
1	Consumers Energy	RQ	N/A	31.3	51.4	51.3	
2	Thunder Bay Power	LU	N/A	3.0	5.1	2.2	
3	Lafarge Corporation	OS*	N/A				
4	Decorative Panel Inc	OS*	N/A				
5	Alpena Power Generation **	OS*	N/A				
6							
7	* Dump Power						
8	** 50% owned by Sunrise Side Energy, a subsidiary of APC's parent						
9							
10							
11							
12							
13							
14							

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**PURCHASED POWER (Account 555) (Continued)**  
**(Including power exchanges)**

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

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

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

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

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received	Megawatthours Delivered	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (j + k + l) or Settlement (\$)	
	(h)	(i)	(j)	(k)	(l)	(m)	
294,165			6,208,219	6,426,997	14,838	12,650,054	1
26,845			383,338	737,758		1,121,096	2
10,559				313,043		313,043	3
399				14,906		14,906	4
92				2,520		2,520	5
						0	6
						0	7
						0	8
						0	9
						0	10
						0	11
						0	12
						0	13
332,060			6,591,557	7,495,224	14,838	14,101,619	14

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**DISTRIBUTION TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
**(Including transactions referred to as "wheeling")**

- |   |   |
|---|---|
| <p>1. Report all transmission of electricity, i.e. wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in columns (a), (b), and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate.</p> | <p>or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b), or (c).</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:</p> <p><b>LF</b> - for long-term transmission service. "Long-term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as <b>LF</b>, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> |
|---|---|

Line No.	Payment By (Company or Public Authority) [Footnote Affiliations] (a)	Energy Received From (Company or Public Authority) [Footnote Affiliations] (b)	Energy Delivered To (Company or Public Authority) [Footnote Affiliation] (c)	Statistical Classification (d)
1	Alpena Power Generation	Alpena Power Generation	Consumers	SF
2	(An affiliated company)			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**DISTRIBUTION TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued)**  
**(Including transactions referred to as "wheeling")**

**SF** - for short-term transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year. **OS** - for other transmission service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm transmission service, regardless of the length of the contract. Describe the nature of the service in a footnote. **AD** - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for

MPSC Rate Schedule or Tariff Number (e)	Point or Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				Megawatthours Received (i)	Megawatthours Delivered (j)	
*	various	Four Mile	36.4	289	289	1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**DISTRIBUTION TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued)**  
**(Including transactions referred to as "wheeling")**

where energy was delivered as specified in the contract.

7. Report in column (h) the number or megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

8. Report in columns (i) and (j) the total megawatthours received and delivered.

9. In columns (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero ("0") in column (n). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and the type of energy or service rendered.

10. Provide total amounts in column (i) through (n) as the last line. Enter "TOTAL" in column (a) as the last line. The total amounts in columns (i) and (j) must be reported as Transmission Received and Delivered on page 401, lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$)  (k)	Energy Charges (\$)  (l)	Other Charges (\$)  (m)	Total Revenues (\$) (k + l + m)  (n)	Line No.
57,948	0	3,450	61,398	1
			0	2
			0	3
			0	4
			0	5
			0	6
			0	7
			0	8
			0	9
			0	10
			0	11
			0	12
			0	13
			0	14
			0	15
			0	16
			0	17

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**SALES TO RAILROADS AND RAILWAYS AND INTERDEPARTMENTAL SALES (Accounts 446, 448)**

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

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

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

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

Line No.	Name of Lessee or Department (a)	Description of Property (b)	Amount of Revenue for Year (c)
16	Verizon	Pole Attachments	47,712
17	Charter	Pole Attachments	33,765
18	Alpena School District	Pole Attachments	3,445
19	* Westdock Properties LLC	Pole Attachments	224
20	Thunder Bay National Marine Sanctuary	Pole Attachments	25
21	Various (5)	Pole Attachments	1,565
22	DTE	Handhelds-Computer	6,200
23	Lemar	Land Rental	750
24		Total	93,686
25			
26			
27			
28			
29			



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
<b>SALES OF WATER AND WATER POWER (Account 453)</b>				
1. Report below the information called for concerning revenues derived during the year from sales to others of water or water power. 2. In column (c) show the name of the power		development of the respondent supplying the water or water power sold. 3. Designate associated companies.		
Line No.	Name of Purchaser (a)	Purpose for Which Water Was Used (b)	Power Plant Development Supplying Water or Water Power (c)	Amount of Revenue for Year (e)
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10	TOTAL			0

<b>MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)</b>		
1. Report particulars concerning miscellaneous service revenues and other electric revenues derived from electric utility operations during year. Report separately in this schedule the total revenues from operation of fish and wildlife and recreation facilities, regardless of whether such facilities are operated by		company or by contract concessionaires. Provide a subheading and total for each account. For Account 456, list first revenues realized through Research and Development ventures, see Account 456. 2. Designate associated companies. 3. Minor items may be grouped by classes.
Line No.	Name of Company and Description of Service (a)	Amount of Revenue for Year (b)
11	Account 451 - Misc Service Revenue	
12	Special Services - Customer request	11,220
13	Meter tests	300
14	Reconnect fee	2,055
15	Bad check handling charge	4,860
16	Tampering Charges	667
17	TOTAL account 451	19,102
18		
19		
20	Account 456 - Other Electric Revenue	
21	Service work for customers	24,120
22	Administrative charges	37,894
23	Experimental primary distribution	61,398
24	TOTAL account 456	123,412
25		
26		
27		
28		
29		
30	TOTAL	142,514

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)  
(Including transactions referred to as "wheeling")**

1. Report all transmission, i.e., wheeling, of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.

2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company; abbreviated if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in our affiliation with the transmission service provider.

3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."

4. Report in columns (b) and (c) the total megawatthours received and delivered by the provider of the transmission service.

5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other charges on bills or vouchers rendered to respondent, including any out or period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (g) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") in column (g). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered.

6. Enter "TOTAL" in column (a) as the last line. Provide a total amount in columns (b) through (g) as the last line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, page 401. If the respondent received power from the wheeler, energy provided to account for losses should be reported on line 19, Transmission By Others Losses, on page 401. Otherwise, losses should be reported on line 27, Total Energy Losses, page 401.

7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority [Footnote Affiliations]  (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Megawatthours Received  (b)	Megawatthours Delivered  (c)	Demand Charges (\$)  (c)	Energy Charges (\$)  (d)	Other Charges (\$)  (e)	Total Cost of Transmission (\$)  (f)
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**LEASE RENTALS CHARGED**

1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.

2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000 the data called for in columns a, b (description only), f, g and j.

3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.

4. The annual charges referred to in Instruction 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements\*\* and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) below.

5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replace under terms of the lease or for the pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property.

6. In column (a) report the name of the lessor. List lessors which are associated companies\* (describing association) first, followed by non-associated lessors.

7. In column (b) for each leasing arrangement, report in order, classified by generating station, transmission line, distribution system, large substation, or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications:

Name of Lessor  (a)	Basic Details of Lease  (b)	Terminal Dates of Lease, Primary (P) or Renewal ( R)  (c)
NONE		

\*\* See Electric Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts.

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**LEASE RENTALS CHARGED (Continued)**

Description of property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancellable by either party and the cancellation conditions, the tax treatment used the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever occurs first.

8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.

9. Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.

\* See definition on page 226 (B)

**A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES**

Original Cost (O) or Fair Market Value (F) of Property  (d)	Expenses to be Paid by Lessee Itemize  (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged  (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor  (f)	Other  (g)	Lessor  (h)	Other  (i)		
NONE							

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)**

Name of Lessor  (a)	Basic Details of Lease  (b)	Terminal Dates of Lease, Primary (P) or Renewal ( R)  ( c)
NONE		

**B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)**

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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)**

Original Cost (O) or Fair Market Value (F) of Property  (d)	Expenses to be Paid by Lessee Itemize  (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged  (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor  (f)	Other  (g)	Lessor  (h)	Other  (i)		
NONE							

**B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)**

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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005
<b>MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)</b>			
Line No.	Description (a)	Amount (b)	
1	Industry Association Dues	11,900	
2	Nuclear Power Research Expenses		
3	Other Experimental and General Research Expenses		
4	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	751	
5	Other Expenses <i>(List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,00 by classes if the number of items so grouped is shown)</i>		
6			
7	Directors Fees	95,648	
8	Miscellaneous Seminars and Meetings	9,668	
9	Stockholders and Directors Expense	19,235	
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
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28			
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41			
42			
43			
44			
45			
46	TOTAL	137,202	

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405)  
(Except amortization of acquisition adjustments)**

1. Report in section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).  
2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404, 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.  
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.  
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant account included in any subaccounts used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing a composite total. Indicate at the bottom of Section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.  
For columns (c), d, and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant.  
If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.  
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section C the amounts and nature of the provisions and the plant items to which related.

**A. SUMMARY OF DEPRECIATION AND AMORTIZATION CHARGES**

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Account 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant		74,423		74,423
2	Steam Production Plant				0
3	Nuclear Prod Plant-Depreciation				0
	Nuclear Prod Plant- Decommissioning				0
4	Hydraulic Prod Plant-Conventional				0
5	Hydraulic Prod Plant-Pumped Storage				0
6	Other Production Plant				0
7	Transmission Plant	153,092			153,092
8	Distribution Plant	1,015,540			1,015,540
9	General Plant	101,399			101,399
10	Common Plant-Electric				0
11	TOTAL	1,270,031	74,423	0	1,344,454

**B. BASIS FOR AMORTIZATION CHARGES**

The franchises are amortized over the life of the franchise. Computer software is amortized over 3 years.



Name of Respondent		This Report Is:		Date of Report	Year of Report		
Alpena Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation and Decommissioning Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13	Transmission						
14	352	126					
15	353	3,897					
16	355	1,317					
17	356	992					
18	358	24					
19		6,356					
20							
21	Distribution						
22	361	12					
23	362	4,705					
24	364	8,893					
25	365	5,922					
26	367	1,916					
27	368	6,893					
28	369	2,831					
29	370	1,296					
30	371	498					
31	373	58					
32		33,024					
33							
34	General						
35	390	988					
36	391	306					
37	391.1	219					
38	392	407					
39	394	77					
40	395	134					
41	396	742					
42	397	141					
43		3,014					
44							
45	Grand Total	42,394					
46							
47							
48	Average of beginning and ending balances.						
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS  
AND INTEREST CHARGES ACCOUNTS**

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1	<b>Account 426.1 Donations</b>	
2	Alpena County Library	2,500
3	United Way	2,270
4	Alpena Community College Library	2,500
5	Community Foundation of NE Michigan	1,000
6	Boys and Girls Club	150
7	Total	8,420
8		
9	<b>Account 426.4 Civic &amp; Related Activities</b>	
10	Service Meals	993
11	Service Club Dues	3,051
12	Sponsorships (Civic and Local Groups)	3,484
13	Sponsorships (Educational Programs)	2,489
14	Sponsorships (Contests)	80
15	Total	10,097
16		
17	<b>Account 426.5 Other Deductions</b>	
18	Chamber of Commerce	807
19		
20	<b>Account 431.10 Other Interest Expense</b>	
21	Customer Deposits (3.25 to 9%)	2,272
22	Deferred Compensation (6.88%)	152,705
23	Power Supply Cost Recovery Plan	(12,377)
24	Energy Thrift Notes (.50%)	21
25		142,621
26		
27		
28	Grand Total	161,945
29		
30		
31		
32		
33		
34		
35		
36		

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES**

**(Account 426.4)**

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

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1	<b>Account 426.4 - Civic And Related Activities</b>	\$
2	Service Meals	993
3	Service Club Dues	3,051
4	Sponsorships (Civic and Local Groups)	3,484
5	Sponsorships (Educational Programs)	2,489
6	Sponsorships (Contests)	80
7		
8	<b>Total</b>	10,097
9		
10		
11		
12	Note: None of the above expenditures were incurred for the purpose described in instruction 1 and 2.	
13		
14		
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
<b>EXTRAORDINARY ITEMS (Accounts 434 and 435)</b>			
1. Give below a brief description of each item included in Accounts 434, Extraordinary Income and 435, Extraordinary Deductions.		on income. (See General Instruction 7 of the Uniform System of Accounts).	
2. List date of Commission approval for extraordinary treatment of any item which amounts to less than 5%		3. Income tax effects relating to each extraordinary item should be listed in Column (c).	
		4. For additional space use an additional page.	
Line No.	Description of Items (a)	Gross Amount (b)	Related Income Taxes (c)
1	Extraordinary Income (Account 434):		
2	NONE		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19	Total Extraordinary Income	0	0
20	Extraordinary Deductions (Account 435):		
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39	Total Extraordinary Deductions	0	0
40	Net Extraordinary Items	0	0

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005	
<b>REGULATORY COMMISSION EXPENSES</b>					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or			cases in which such a body was a party. 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous.		
Line No.	Description <i>(Furnish name of regulatory commission or body, the docket or case number, and a description of the case.)</i> (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	Case U-12915 MREP		350	350	
2	Case U-13903R 2004 PSCR Reconciliation		7,317	7,317	
3	Case U-14261 2005 PSCR		575	575	
4	Case U-14135 Code of Conduct		975	975	
5	Case U-14191 Dist.Performance Standards		3,175	3,175	
6	Case U-14700 2006 PSCR		5,008	5,008	
7	Case U-14292 FAS 143		9,577	9,577	
8	Case U-14346 Net Metering		650	650	
9	Case U-14414 Capacity Supply		700	700	
10	Case U-12655 Choice Implementation Plan		0	0	47,790
11				0	
12				0	
13				0	
14				0	
15				0	
16				0	
17				0	
18				0	
19				0	
20				0	
21				0	
22				0	
23				0	
24				0	
25				0	
26				0	
27				0	
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29				0	
30				0	
31				0	
32				0	
33				0	
34				0	
35				0	
36				0	
37				0	
38				0	
39				0	
40				0	
41				0	
42				0	
43				0	
44	TOTAL	0	28,327	28,327	47,790

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**REGULATORY COMMISSION EXPENSES (Continued)**

years  
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.

5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CHARGED CURRENTLY TO			Deferred	Contra Account	Amount	Deferred at End of Year	
Department	Account No.	Amount					
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
Electric	928	350					1
Electric	928	7,317					2
Electric	928	575					3
Electric	928	975					4
Electric	928	3,175					5
Electric	928	5,008					6
Electric	928	9,577					7
Electric	928	650					8
Electric	928	700					9
Electric	186	3,345				51,135	10
							11
							12
							13
							14
							15
							16
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							43
		31,672	0		0	51,135	44

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES**

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)

2. Indicate in column (a) the applicable classification, as shown below. Classifications:

A. Electric R, D & D Performed Internally

(1) Generation

a. Hydroelectric

i. Recreation, fish, and wildlife

ii. Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(2) System Planning, Engineering and Operation

(3) Transmission

a. Overhead

b. Underground

(4) Distribution

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$5,000.)

(7) Total Cost Incurred

B. Electric R, D & D Performed Externally

(1) Research Support to the Electrical Research Council or Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	NONE	
2		
3		
4		
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)**

<p>(2) Research Support to Edison Electric Institute  (3) Research Support to Nuclear Power Groups  (4) Research Support to Others (<i>Classify</i>)  (5) Total Cost Incurred</p> <p>3. Include in column (c) all R, D &amp; D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D &amp; D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(6) and B.(4)) classify items by type of R, D &amp; D activity.</p> <p>4. Show in column (e) the account number charged</p>	<p>with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, <i>Construction Work in Progress</i>, first. Show in column (f) the amounts related to the account charged in column (e).</p> <p>5. Show in column (g) the total amortized accumulation of costs of projects. This total must equal the balance in Account 188, <i>Research, Development, and Demonstration Expenditures, Outstanding</i> at the end of the year.</p> <p>6. If costs have not been segregated for R, D &amp; D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."</p> <p>7. Report separately research and related testing facilities operated by the respondent.</p>
--	--

Costs Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
NONE					1
					2
					3
					4
					5
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**DISTRIBUTION OF SALARIES AND WAGES**

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

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	<b>ELECTRIC</b>			
2	Operation			
3	Production			
4	Transmission	15,421		
5	Distribution	318,962		
6	Customer Accounts	166,712		
7	Customer Service and Informational			
8	Sales			
9	Administrative and General	1,251,448		
10	TOTAL Operation <i>(Enter Total of lines 3 thru 9)</i>	1,752,543		
11	Maintenance			
12	Production			
13	Transmission	6,293		
14	Distribution	172,217		
15	Administrative and General	7,728		
16	TOTAL Maint. <i>(Total of lines 12 thru 15)</i>	186,238		
17	Total Operation and Maintenance			
18	Production <i>(Enter Total of lines 3 and 12)</i>	0		
19	Transmission <i>(Enter Total of lines 4 and 13)</i>	21,714		
20	Distribution <i>(Enter Total of lines 5 and 14)</i>	491,179		
21	Customer Accounts <i>(Transcribe from line 6)</i>	166,712		
22	Customer Svc. And Informational <i>(Transcribe from line 7)</i>	0		
23	Sales <i>(Transcribe from line 8)</i>	0		
24	Administrative and General <i>(Enter Total of lines 9 &amp; 15)</i>	1,259,176		
25	TOTAL Oper. And Maint. <i>(Total of lines 18 thru 24)</i>	1,938,781	24,643	1,963,424
26	<b>GAS</b>			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation <i>(Enter Total of lines 28 thru 37)</i>	0		

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Alpena Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	(Mo, Da, Yr)	12/31/05	
<b>DISTRIBUTION OF SALARIES AND WAGES (Continued)</b>				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification	Direct Payroll Distribution	Allocation of Payroll Charged for Clearing Accounts	Total
	(a)	(b)	(c)	(d)
	GAS (Continued)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	0		
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Total of lines 28 and 40)	0		
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)	0		
51	Other Gas Supply (Enter Total of lines 30 and 42)	0		
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)	0		
53	Transmission (Lines 32 and 44)	0		
54	Distribution (Lines 33 and 45)	0		
55	Customer Accounts (Line 34)	0		
56	Customer Service and Informational (Line 35)	0		
57	Sales (Line 36)	0		
58	Administrative and General (Lines 37 and 46)	0		
59	TOTAL Operation & Maint. (total of lines 49 thru 58)	0		
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	1,938,781	24,643	1,963,424
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	419,591	10,794	430,385
66	Gas Plant			
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)	419,591	10,794	430,385
69	Plant Removal (By Utility Departments)			
70	Electric Plant	51,935	1,300	53,235
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	51,935	1,300	53,235
74	Other Accounts (Specify) Transportation	15,539	(15,539)	0
75	Stores	21,198	(21,198)	0
76	Non-Utility	69,257		69,257
77	TOTAL Other Accounts	105,994	(36,737)	69,257
78	TOTAL SALARIES AND WAGES	2,516,301	0	2,516,301

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
<b>COMMON UTILITY PLANT AND EXPENSES</b>			
<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated</p>	<p>provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>		
NONE			

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES**

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

426.4, Expenditures for Certain civic, Political and Related Activities.)  
 (a) Name and address of person or organization rendering services,  
 (b) description of services received during year and project or case to which services relate,  
 (c) basis of charges,  
 (d) total charges for the year, detailing utility department and account charged.  
 2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.  
 3. Designate with an asterisk associated companies.

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount	
1	Gillard, Bauer, Mazrum, Florip	Legal	Hourly	928	39,697	
2	Smigelski, Gulden			923	30,949	
3	109 E Chisholm Street					70,646
4	Alpena, MI 49707					
5						
6	Great Lakes Excavating	Excavating Work	Hourly	107	98,191	
7	821 Miller Street			143	897	
8	Alpena, MI 49707			574	985	
9				Misc (4)	998	
10						101,071
11						
12	Peterson Consulting Service	Engineering Services	Hourly	107	12,763	
13	PO Box 888272			574	7,722	
14	Grand Rapids, MI 49588-8272			576	7,254	
15				592	2,514	
16						30,253
17						
18	Thunder Bay Tree Service	Tree trimming/ Underground installation	Hourly	107	152,924	
19	Alpena, MI 49707			594	108,265	
20				574	37,369	
21				154	7,454	
22					306,012	
23						
24	Consumers Power Company	Substation Repairs		107	52,503	
25	Lansing MI 48937					
26						
27	Labrecque Services	Snowplowing	Hourly	107	7,561	
28	1400 US 23 South			588	7,839	
29	Alpena, MI 49707			935	8,645	
30				581	1,471	
31				Misc (2)	1,167	
32					26,683	
33	DTE	Meter Reading	Per Meter	902	91,930	
34	78149 Department			594	4,289	
35	Detroit, MI 48277					96,219
36						
37						
38	Meridian Construction	Construction	Contract	107	98,293	
39	304 W Chisholm St			935	6,491	
40	Alpena, MI 49707			418	6,609	
41					111,393	

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
<b>SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES</b>					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc. ).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Alpena Power	100% owner of Alpena	Operational Services		
2	Resources, LTD	Power Company			
3					
4	West Dock	100% owned by	Electricity	442	528
5	Properties, LLC	Alpena Power	pole attachments	454	224
6		Resources, LTD	Operational Services		
7					
8					
9			Interest on short-term		
10			loan		
11					
12	Sunrise Side	100% owned by	Operational Services		
13	Energy LLC	Alpena Power			
14		Resources, LTD			
15					
16	Alpena Power	50% owned by Sunrise	Electricity	442	75,757
17	Generation, LLC	Side Energy, LLC	Experimental	456	61,398
18			Primary		
19			Distribution		
20			Service		
21			Operational Services		
22					
23					
24					
25					
26					
27					
28					
29					
30					
<b>TOTAL</b>					<b>137,907</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)**

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.  
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.

7. In column (j) report the total.  
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
417	12,360			12,360	1	1
				528	2	2
				224	2	3
417	11,136			11,136	1	4
						5
						6
						7
419	114,913			114,913	3	8
						9
						10
417	3,607			3,607	1	11
						12
						13
						14
				75,757	2	15
				61,398	2	16
						17
						18
						19
417	67,510			67,510	1	20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
	209,526		0	347,433		

Pricing methods:

(1) Monthly service fee plus time spent

(2) Tarriffed rates

(3) Interest rate of 1/4% above APC's borrowing rate

Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
<b>SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES</b>					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc. ).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Alpena Power	owns 100% of Alpena	Dividends declared -		
2	Resources, LTD	Power Company	Common		
3			Federal Income taxes		
4					
5					
6					
7	Alpena Power	50% owned by Sunrise	Electricity	555	2,520
8	Generation LLC	Side Energy, LLC			
9		which is 100% owned			
10		by Alpena Power			
11		Resources, LTD			
12					
13					
14					
15					
16	West Dock	100% owned by	Fiber optic line	931	6,000
17	Properties, LLC	Alpena Power			
18		Resources			
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
<b>TOTAL</b>					<b>8,520</b>

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)**

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.  
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.

7. In column (j) report the total.  
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		438	538,869	538,869	1	1
		236	460,099	460,099	2	2
				2,520	3	3
				6,000	4	4
	Pricing method:	(1) Dividends declared @ 1.60 per share				5
		(2) Federal Income Tax liability of APC				6
		(3) APC's avoided cost on a real time basis				7
		(4) Avoided telephone line costs				8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
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						24
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						30
	0		998,968	1,007,488		



Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**MONTHLY TRANSMISSION SYSTEM PEAK LOAD**

1. Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
2. Report on Column (b) by month the transmission system's peak load.
3. Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
4. Report on Columns (e) through (j) by month the systems' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

**NAME OF SYSTEM:**

Line No.	Month (a)	Monthly Peak MW Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long Term Firm Point to Point Reservations (g)	Other Long Term Firm Service (h)	Short Term Firm Point to Point Reservation (i)	Other Service (j)
1	January									
2	February									
3	March									
4	Total for 1Q									
5	April									
6	May									
7	June									
8	Total for 2Q									
9	July									
10	August									
11	September									
12	Total for 3Q									
13	October									
14	November									
15	December									
16	Total for 4Q									
17	Total for YEAR									

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**ELECTRIC ENERGY ACCOUNT**

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MWH's (b)	Line No.	Item (a)	MWH's (b)
1	<b>SOURCES OF ENERGY</b>		18	Net Transmission for other (line 16 minus line 17)	0
2	Generation (Excluding Station Use):		19	Transmission by others losses	0
3	Steam		20	TOTAL (Total of lines 9, 10, 14, 18 & 19)	332,060
4	Nuclear		21	<b>DISPOSITION OF ENERGY</b>	
5	Hydro-Conventional		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	314,046
6	Hydro-Pumped Storage		23	Requirements Sales for Resale (See instruction 4, page 311.)	
7	Other		24	Non-Requirements Sales For Resale (See instruction 4, page 311.)	
8	LESS Energy for Pumping		25	Energy furnished without charge	
9	Net Generation (Total of lines 3 thru 8)	0	26	Energy used by the company (Electric Dept. only, excluding station use)	337
10	Purchases	332,060	27	Total Energy Losses	17,677
11	Power Exchanges:		28	TOTAL (Enter total of lines 22 thru 27) (MUST equal line 20)	332,060
12	Received				
13	Delivered				
14	NET Exchanges (line 12 minus 13)	0			
15	Transmission for other (Wheeling)				
16	Received				
17	Delivered				

**MONTHLY PEAKS AND OUTPUT**

- |   |   |
|---|---|
| <p>1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system</p> <p>2. Report in column (b) the system's energy output for each month such that the total on line 41 matches the total on line 20.</p> <p>3. Report in column (c) a monthly breakdown on the Non-Requirements Sales for Resale reported on line 24. Include in the monthly amounts any energy losses associated with the sales so that the total on line 41 exceeds the</p> | <p>amount on line 24 by the amount of losses incurred (or estimated) in making the non-requirements Sales for Resale.</p> <p>4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c).</p> <p>5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).</p> |
|---|---|

NAME of SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instruction 4) (d)	Day of Month (e)	Hour (f)
29	January	29,576		53	18	19:00
30	February	24,320		49	10	10:00
31	March	25,115		43	21	20:00
32	April	25,292		52	20	8:00
33	May	26,364		53	25	18:00
34	June	27,224		60	27	15:00
35	July	30,768		58	13	17:00
36	August	30,294		59	3	17:00
37	September	28,275		54	30	12:00
38	October	29,456		55	27	20:00
39	November	26,970		58	9	18:00
40	December	28,406		55	14	18:00
41	TOTAL	332,060	0			

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)**

- |  |   |
|--|---|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants</p> <p>3. Indicate by footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mef.</p> <p>7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> <p>9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System</p> |
|--|---|

Line No.	Item (a)	Plant Name _____ (b)	Plant Name _____ (c)
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	NONE	
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)		
3	Year originally constructed		
4	Year last unit was installed		
5	Total Installed cpcty. (max. generator name plate ratings in MW)		
6	Net Peak Demand on Plant-MW (60 minutes)		
7	Plant hours connected to load		
8	Net continuous plant capability (megawatts)		
9	When not limited by condenser water		
10	When limited by condenser water		
11	Average number of employees		
12	Net generation, exclusive of plant use-KWh		
13	Cost of plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipments costs		
16	Asset Retirement Costs		
17	Total cost		
18	Cost per KW of Installed capacity (line 5)		
19	Production Expenses: Oper., Supv., & Engr.		
20	Fuel		
21	Coolants and Water (Nuclear Plants only)		
22	Steam expenses		
23	Steam from other sources		
24	Steam transferred (credit)		
25	Electric expenses		
26	Misc. steam (or nuclear) power expenses		
27	Rents		
28	Allowances		
29	Maintenance Supervision and Engineering		
30	Maintenance of structures		
31	Maintenance of boiler (or reactor) plant		
32	Maintenance of electric plant		
33	Maintenance of Misc. steam (or nuclear) plant		
34	Total Production Expenses		
35	Expenses per net KWh		
36	Fuel: Kind (coal, gas, oil, or nuclear)		
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.)		
	(Gas-Mcf) (Nuclear-indicate)		
38	Quantity (units) of fuel burned		
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)		
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year		
41	Avg. cost of fuel per unit burned		
42	Avg. cost of fuel burned per million Btu		
43	Avg. cost of fuel burned per KWh net gen.		
44	Avg. Btu per KWh net generation		

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)**

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.  
 10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.  
 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit

functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.  
 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

Plant Name _____ (d)	Plant Name _____ (e)	Plant Name _____ (f)	Line No.
NONE			1
			2
			3
			4
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
<b>HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)</b>			
1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings). 2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.		3. If net peak demand for 60 minutes is not available, give that which is available, specifying period. 4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.	
Line No.	ITEM (a)	FERC Licensed Project No. _____ Plant name: _____ (b)	FERC Licensed Project No. _____ Plant name: _____ (c)
1	Kind of Plant (Run-of-River or Storage)	NONE	
2	Type of Plant Construction (Conventional or Outdoor)		
3	Year originally constructed		
4	Year last unit was installed		
5	Total Installed Capacity (Generator name plate ratings in MW)		
6	Net peak demand on plant-megawatts (60 minutes)		
7	Plant hours connected to load		
8	Net plant capability (in megawatts)		
9	(a) under the most favorable oper. conditions		
10	(b) under the most adverse oper. conditions		
11	Average number of employees		
12	Net generation, exclusive of plant use-KWh		
13	Cost of plant:		
14	Land and Land Rights		
15	Structures and Improvements		
16	Reservoirs, Dams, and Waterways		
17	Equipment costs		
18	Roads, railroads, and bridges		
19	Asset Retirement Costs		
20	TOTAL Cost (Enter total of lines 14 thru 19)	0	0
21	Cost per KW of installed capacity (Line 20/5)	#DIV/0!	#DIV/0!
22	Production Expenses:		
23	Operation Supervision and Engineering		
24	Water for power		
25	Hydraulic Expenses		
26	Electric Expenses		
27	Misc. Hydraulic Power Generation Expenses		
28	Rents		
29	Maintenance Supervision and Engineering		
30	Maintenance of Structures		
31	Maintenance of Reservoirs, Dams and Waterways		
32	Maintenance of Electric Plant		
33	Maintenance of Misc. Hydraulic Plant		
34	Total Production Expenses (Total lines 23 thru 33)	0	0
35	Expenses per net KWh		

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)**

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine or gas turbine equipment.

FERC Licensed Project No. _____ Plant Name: _____ ( d)	FERC Licensed Project No. _____ Plant Name: _____ ( e)	FERC Licensed Project No. _____ Plant Name: _____ ( f)	Line No.
NONE			1
			2
			3
			4
			5
			6
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			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
0	0	0	20
#DIV/0!	#DIV/0!	#DIV/0!	21
			22
			23
			24
			25
			26
			27
			28
			29
			30
			31
			32
			33
0	0	0	34
			35

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
<b>PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)</b>			
<p>1. Large plants are pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings).</p> <p>2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available, specifying period.</p>		<p>4. If a group of employees attends more than one generating plant, report on line 8 the approximate avg. number of employees assignable to each plant.</p> <p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses.</p>	
Line No.	Item (a)	FERC Licensed Project No.____ Plant Name: _____	(b)
1	Type of Plant Construction (Conventional or Outdoor)		NONE
2	Year Originally Constructed		
3	Year Last Unit was Installed		
4	Total Installed Capacity (Generator Name Plate Ratings in MW)		
5	Net Peak Demand on Plant-Megawatts (60 minutes)		
6	Plant Hours Connected to Load While Generating		
7	Net Plant Capability (In megawatts)		
8	Average Number of Employees		
9	Generation Exclusive of Plant Use-KWh		
10	Energy Used for Plumbing-KWh		
11	Net Output for Load (line 9 minus line 10)-KWh		0
12	Cost of Plant		
13	Land and Land Rights		
14	Structures and Improvements		
15	Reservoirs, Dams and Waterways		
16	Water Wheels, Turbines, and Generators		
17	Accessory Electric Equipment		
18	Miscellaneous Powerplant Equipment		
19	Roads, Railroads, and Bridges		
20	Asset Retirement Costs		
21	TOTAL Cost (Enter total of lines 13 thru 20)		0
22	Cost per KW of Installed Capacity (line 21 ÷ line 4)		#DIV/0!
23	Production Expenses		
24	Operation Supervision and Engineering		
25	Water for Power		
26	Pumped Storage Expenses		
27	Electric Expenses		
28	Miscellaneous Pumped Storage Power Generation Expenses		
29	Rents		
30	Maintenance Supervision and Engineering		
31	Maintenance of Structures		
32	Maintenance of Reservoirs, Dams, and Waterways		
33	Maintenance of Electric Plant		
34	Maintenance of Miscellaneous Pumped Storage Plant		
35	Production Exp. Before Pumping Exp. (Total of lines 24 thru 34)		0
36	Pumping Expenses		
37	Total Production Expenses (Enter Total of lines 35 and 36)		0
38	Expenses per KWh (Enter result of line 37 ÷ line 9)		#DIV/0!

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
<b>PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)</b>			
classified as "Other Power Supply Expenses." 6. Pumping energy (line 10) is that energy measured as input to the plant for pumping purposes. 7. Include on line 35 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed, leave lines 35, 36, and 37 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the		estimated amounts of energy from each station or other source that individually provides more than 10% of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other sources which individually provide less than 10% of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier, contract number, and date of contract.	
FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
NONE			1
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
<b>GENERATING PLANT STATISTICS (Small Plants)</b>						
1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating).				2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.		
Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity-Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
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14						
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16						
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/05	
<b>GENERATING PLANT STATISTICS (Small Plants) (Continued)</b>						
3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see inst. 11, p. 403.			steacm, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.			
4. If net peak demand for 60 minutes if not available, give that which is available, specifying period.						
5. If any plant is equipped with combinations of						
Plant Cost Per MW Inst Capacity (g)	Operation Exc'l Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
NONE						1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**CHANGES MADE OR SCHEDULED TO BE MADE IN GENERATING PLANT CAPACITIES**

Give below the information called for concerning changes in electric generating plant capacities during the year.

**A. Generating Plants or Units Dismanteled, Remove from Service, Sold, or Leased to Others During Year**

1. State in column (b) whether dismantled, removed from service, sold, or leased to another. Plants removed from service include those not maintained for regular or emergency service.

2. In column (f), give date dismantled, removed from service, sold, or leased to another. Designate complete plants as such.

Line No.	Name of Plant (a)	Disposition (b)	Installed Capacity (in megawatts)			Date (f)	If Sold or Leased, Give Name and Address of Purchaser or Lessee (g)
			Hydro (c)	Steam (d)	(Other) (e)		
1	NONE						
2							
3							
4							
5							
6							
7							

**B. Generating Units Scheduled for or Undergoing Major Modifications**

Line No.	Name of Plant (a)	Character of Modification (b)	Installed Plant Capacity After Modification (in MW) (c)	Estimated Dates of Construction	
				Start (d)	Completion (e)
8					
9					
10					
11					
12					
13					
14					

**C. New Generating Plants Scheduled for or Under Construction**

Line No.	Plant Name & Location (a)	TYPE (Hydro, pumped storage, steam, internal comb., gas-turbine, nuclear, etc.) (b)	Installed Capacity (in megawatts)		Estimated Dates of Construction	
			Initial (c)	Ultimate (d)	Start (e)	Completion (f)
15						
16						
17						
18						
19						
20						
21						

**D. New Units in Existing Plants Scheduled for or Under Construction**

Line No.	Plant Name & Location (a)	TYPE (Hydro, pumped storage, steam, internal comb., gas-turbine, nuclear, etc.) (b)	Unit (c)	Size of Unit (in megawatts) (d)	Estimated Dates of Construction	
					Start (e)	Completion (f)
22						
23						
24						
25						
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27						
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**STEAM ELECTRIC GENERATING PLANTS**

<p>1. Include on this page steam-electric plants of 25,000 Kw (name plate rating) or more of installed capacity.</p> <p>2. Report the information called for concerning generating plants and equipment at year end. Show unit type Installation, boiler, and turbine-generator on same line.</p> <p>3. Exclude plant, the book cost of which is located in Account 121, <i>Nonutility Property</i>.</p> <p>4. Designate any generating plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant or portion thereof for which the respondent is not the sole</p>	<p>owner but which the respondent operates or share in the of, furnish a succinct statement explaining the arrangement and giving details as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected.</p> <p>Specify if lessor, co-owner, or other party is an associated company.</p> <p>5. Designate any generating plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company.</p> <p>6. Designate any plant or equipment owned, not</p>
--	--

Line No.	Name of Plant  (a)	Location of Plant  (b)	BIOLERS <i>(Include both ratings for the boiler and the turbine-generator or dual-rated installations)</i>				
			Number and Year Installed  (c)	Kind of Fuel And Method of Firing  (d)	Rated Pressure (In psig)  (e)	Rated Steam Temp. <i>(Indicate reheat boilers as 1050/1000)</i>  (f)	Rated Max. Continuous M lbs. Steam per Hour  (g)
1	NONE						
2							
3							
4							
5							
6							
7							
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Name of Respondent Alpena Power Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**STEAM ELECTRIC GENERATING PLANTS (cont'd)**

operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.  
7. Report gas-turbines operated in a combined cycle with a conventional steam unit with its associated steam unit.

Turbine-Generators <i>(Report cross-compound turbine generator units on two lines-H.P. section and I.P. section. Designate units with shaft connected boiler feed pumps. Give capacity rating of pumps in terms of full load requirements.)</i>												Line No.
Year Installed	TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>				GENERATORS						Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	
	Max. Rating Mega-Watt	Type <small>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</small>	Steam Pressure at Throttle psig.	RPM	NAME PLATE Rating in Kw		Hydrogen Pressure  <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV)  <small>(If other than 3 phase, 60 cycle indicate other characteristic)</small>		
					At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <small>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</small>	Min.	Max.				
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	
NONE												1
												2
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/05		
<b>HYDROELECTRIC GENERATING PLANTS</b>							
1. Report on this page Hydro plants of 10,000 Kw (name plate rating) or more of installed capacity. 2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line. 3. Exclude from this schedule, plant, the book cost of which is included in Account 121, <i>Nonutility Property</i> , 4. Designate any plant or portion thereof for which				the responsibility is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars			
Line No.	Name of Plant  (a)	Location  (b)	Name of Stream  (c)	Water Wheels <i>(In column (e), indicate whether horizontal or vertical. Also indicate type of runner-Francis (F), fixed propeller (FP), automatically adjustable propeller (AP), Impulse (I). Designate reversible type of units by appropriate footnote)</i>			
				Attended or Unattended  (d)	Type of Unit  (e)	Year Installed  (f)	Gross Static Head with Pond Full  (g)
1	NONE						
2							
3							
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**HYDROELECTRIC GENERATING PLANTS (Continued)**

(details) as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses, or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.  
 5. Designate any plant or portion thereof leased to another company, and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company.  
 6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.

Water Wheels (Continued)			Generators						Total Installed Generating Capacity	Line No.
Design Head	RPM	Maximum Hp. Capacity of Unit at Design Head	Year Installed	Voltage	Phase	Frequency or d.c.	Name Plate Rating of Unit (in MW)	No. of Units in Plant	(Name Plate Ratings in megawatts)	
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
NONE										1
										2
										3
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**PUMPED STORAGE GENERATING PLANTS**

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| <p>1. Include in this schedule pumped storage plants of 10,000 Kw (name-plate rating) or more of installed capacity.</p> <p>2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line.</p> | <p>3. Exclude from this schedule the book cost of plant included in Account 121, <i>Nonutility Property</i>.</p> <p>4. Designate any plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any</p> |
|--|--|

Line No.	Name of Plant  (a)	Location  (b)	Name of Stream  (c)	Water Wheels of Hydraulic Turbines/Pumps <i>(In column (e), indicate whether horizontal or vertical or inclined. Also indicate type of runner-Francis (F), fixed propeller (FP), automatically adjustable propeller (AP), Impulse (I), or Tubular (T). Designate reversible type units by appropriate footnote)</i>				
				Attended or Unattended  (d)	Type of Unit  (e)	Year Installed  (f)	Gross Static Head with Pond Full  (g)	Design Head  (h)
1	NONE							
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**PUMPED STORAGE GENERATING PLANTS (Continued)**

generating plant, other than a leased plant, or portion thereof, for which the respondent shares in the operation of, furnish a concise statement explaining the arrangement and giving particulars as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses, or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.

**SEPARATE MOTOR-DRIVEN PUMPS**

RPM <i>(Designate whether turbine or pump)</i> (i)	Maximum Hp Capacity of Unit at Design Head  (j)	Year Installed  (k)	Type  (l)	RPM  (m)	Phase  (n)	Fre- quency or dc  (o)	NAME PLATE RATING IN		
							Hp  (p)	MV's  (q)	Line No.
NONE									1
									2
									3
									4
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report 12/31/05	
<b>PUMPED STORAGE GENERATING PLANTS (Continued)</b>							
5. Designate any plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent and how determined. Specify whether lessee is an associated company.				6. Designate any plant or equipment, owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.			
Line No.	<b>GENERATORS OR GENERATOR/MOTORS</b> <i>(In column (v) designate whether generator or motor)</i>						Total Installed Generating Capacity (Name Plate Ratings) (In megawatts)  (x)
	Year Installed  (r)	Voltage  (s)	Phase  (t)	Frequency or d.c.  (u)	Name Plate Rating of Unit (In megawatts) (Designate whether Mva, MW, or HP; indicate power factor)  (v)	Number of Units in Plant  (w)	
1	NONE						
2							
3							
4							
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Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report 12/31/05	
<b>INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS</b>							
1. Include on this page internal-combustion engine and gas-turbine plants of 10,000 kilowatts and more. 2. Report the information called for concerning plants and equipment at end of year. Show associated prime movers and generators on the same line. 3. Exclude from this page, plant, the book cost of which is included in Account 121, <i>Nonutility Property</i> .				4. Designate any plants or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the			
Line No.	Name of Plant  (a)	Location of Plant  (b)	Prime Movers <i>In Column (e), indicate basic cycle for gas-turbine as open or closed; indicate basic cycle for internal-combustion as 2 or 4.</i>				
			Internal-Combustion or Gas-Turbine  (c)	Year Installed  (d)	Cycle  (e)	Belted or Direct Connected  (f)	
1	NONE						
2							
3							
4							
5							
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS (Continued)**

operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) as to such matters as percent of ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.  
5. Designate any plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent and how determined. Specify whether lessee is an associated company.  
6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.

Prime Movers <i>(Continued)</i>	Generators						Total Installed Generating Capacity (Name Plate Ratings in Mw) (n)	Line No.
	Rated Hp of Unit (g)	Year Installed (h)	Voltage (i)	Phase (j)	Frequency of d.c. (k)	Name Plate Rating of Unit (In MW) (l)		
NONE								1
								2
								3
								4
								5
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.

2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.

3. Report data by individual lines for all voltages if so required by a State commission.

4. Exclude from this page any transmission lines for which plant costs are included in Account 121, *Nonutility Property*.

5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood or steel; (2) H-frame, wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each construction type by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.

6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote explain the basis of such occupancy and state

Line No.	DESIGNATION		VOLTAGE <i>(Indicate where other than 60 cycle, 3 phase)</i>		Type of Supporting Structure (e)	LENGTH (Pole Miles) <i>(in the case of underground lines, report circuit miles)</i>		Number of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		(f)	(g)	
1	Four mile sub (1&2)	LaFarge	140kv	140kv	Single wood pole	5.68		2
2								
3		Potterfield	140kv	140kv	Single wood pole	1.79		1
4								
5	34.5		34.5kv	34.5kv	Single pole cedar	65.55	1.8	15
6								
7								
8	34.5		34.5kv	34.5kv	Underground	0.2		4
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32	TOTAL					73.22	1.8	22

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**TRANSMISSION LINE STATISTICS (Continued)**

whether expenses with respect to such structures are included in the expenses reported for the line designated.

7. Do not report the same transmission line structure twice. Report lower voltage lines and higher voltage lines as one line. Designate in a footnote if you do not include lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g).

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not

the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE <i>(Include in column (j) land, land rights, and clearing right-of-way)</i>			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
267	61,040	178,417	239,457					1
								2
								3
								4
267	41,606	251,552	293,158					5
								6
								7
various	52,303	1,890,988	1,943,291					8
								9
various	0	24,413	24,413					10
								11
								12
								13
								14
								15
								16
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	154,949	2,345,370	2,500,319	0	0	0	0	32



Name of Respondent Alpena Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/05		
<b>TRANSMISSION LINES ADDED DURING YEAR</b>							
1. Report below the information called for concerning transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.				underground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these			
2. Provide separate subheadings for overhead and				permissible to report in these			
Line No.	LINE DESIGNATION		Line Length in Miles	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From	To		Type	Average Number per Miles	Present	Ultimate
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	NONE						
2							
3							
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42							
43			0.00		0.00		

Name of Respondent Alpena Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/05		
<b>TRANSMISSION LINES ADDED DURING YEAR (Continued)</b>								
columns the estimated final completion costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate foot-				note, and costs of Underground Conduit in col. (m). 3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.				
CONDUCTORS			Voltage KV (Operating)	LINE COST				Line No.
Size  (h)	Specifi- cation  (i)	Config- uration & Spacing  (j)		Land and Land Rights  (l)	Poles, Towers, and Fixtures  (m)	Conduct- tors and Device  (n)	Total  (o)	
NONE								1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42
			0	0	0	0	0	43

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**SUBSTATIONS**

- |   |  |
|---|--|
| <p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of less than 10Mva, except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> | <p>4. Indicate in col. (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p> <p>5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.</p> |
|---|--|

Line No.	Name and Location of Substation  (a)	Character of Substation  (b)	VOLTAGE (In Moa)		
			Primary  (c)	Secondary  (d)	Tertiary  (e)
1	<b>Alpena County</b>				
2	Four Mile	Unattended, Transmission	140.0	34.5	
3	Gennrich	Unattended, Transmission	140.0	34.5	
4	Potterfield	Unattended, Transmission	140.0	34.5	
5					
6	Ninth Street	Unattended, Distribution	34.5	4.16	
7	Central	Unattended, Distribution	34.5	13.8	
8	Bagley	Unattended, Distribution	34.5	13.8	
9	Hospital	Unattended, Distribution	34.5	13.8	
10	Hubbard Lake	Unattended, Distribution	34.5	13.8	
11	Northeast	Unattended, Distribution	34.5	13.8	
12	North Industrial Park	Unattended, Distribution	34.5	13.8	
13	Norway	Unattended, Distribution	34.5	13.8	
14	Ontario	Unattended, Distribution	34.5	13.2	
15	Ossineke	Unattended, Distribution	34.5	13.8	
16	Rockport	Unattended, Distribution	34.5	13.8	
17	South	Unattended, Distribution	34.5	13.2	
18	Southwest	Unattended, Distribution	34.5	13.8	
19	Long Lake	Unattended, Distribution	34.5	13.8	
20	M-32	Unattended, Distribution	34.5	13.8	
21					
22					
23					
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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**SUBSTATIONS (Continued)**

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

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment  (i)	Number of Units  (j)	Total Capacity (In Mva)  (k)	
18	1	0	None			1
42	2	0	None			2
24	1	0	None			3
						4
						5
5	1	0	None			6
20	2	0	None			7
5	1	0	None			8
8.75	2	0	None			9
3.75	1	0	None			10
5	1	0	None			11
5	1	0	None			12
3.75	1	0	None			13
10	1	0	None			14
8.75	2	0	None			15
10	1	0	None			16
10	1	0	None			17
3.75	1	0	None			18
10	1	0	None			19
20	2	0	None			20
						21
						22
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Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS**

- |   |  |
|---|--|
| <p>1. Report below the information called for concerning distribution watt-hour metes and line transformers.</p> <p>2. Include watt-hour demand distribution meters, but not external demand meters.</p> <p>3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters</p> | <p>or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more moteres or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's book of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p> |
|---|--|

Line No.	Item  (a)	Number of Watt-Hours Meters  (b)	LINE TRANSFORMERS	
			Number  (c)	Total Capacity (In Mva)  (d)
1	Number at Beginning of Year	16,568	7,198	203
2	Additions During Year			
3	Purchases	501	114	5
4	Associated with Utility Plant Acquired			
5	TOTAL Additions (Enter Total of lines 3 and 4)	501	114	5
6	Reduction During Year			
7	Retirements	277	65	1
8	Associated with Utility Plant Sold			
9	TOTAL Additions (Enter Total of lines 7 and 8)	277	65	1
10	Number at End of Year (Lines 1+ 5 - 9)	16,792	7,247	207
11	In Stock	537	251	20
12	Locked Meters on Customers' Premises			
13	Inactive Transformers on System			
14	In Customers' Use	16,240	6,959	186
15	In Companys' Use	15	37	1
16	Total End of Year (Enter Total of lines 11 to 15. This line should equal line 10)	16,792	7,247	207

Name of Respondent Alpena Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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**ENVIRONMENTAL PROTECTION FACILITIES**

1. For purposes of this response, environmental protection facilities shall be defined as any building, structure, equipment, facility or, improvement designed and constructed solely for control, reduction, prevention or abatement of discharges or releases into the environment of gaseous, liquid, or solid substances, heat, noise or for the control, reduction, prevention, or abatement of any other adverse impact of an activity on the environment.

2. Report the differences in cost of facilities installed for environmental considerations over the cost of alternative facilities which would otherwise be used without environmental considerations. Use the best engineering design achievable without environmental restrictions as the basis for determining costs without environmental considerations. It is not intended that special design studies be made for purposes of this response. Base the response on the best engineering judgment where direct comparisons are not available.

Include in these differences in costs the costs or estimated costs of environmental protection facilities in service, constructed or modified in connection with the production, transmission, and distribution of electrical energy and shall be reported herein for all such environmental facilities placed in service on or after January 1, 1969, so long as it is readily determinable that such facilities were constructed or modified for environmental rather than operational purposes. Also report similar expenditures for environmental plant included in construction work in progress. Estimate the cost of facilities when the original cost is not available or facilities are jointly owned with another utility, provided the respondent explains the basis of such estimations.

Examples of these costs would include a portion of the costs of tall smokestacks, underground lines, and landscaped substations. Explain such costs in a footnote.

3. In the cost of facilities reported on this page, include an estimated portion of the cost of plant that is or will be used to provide power to operate associated environmental protection facilities. These cost may be estimated on a percentage of plant basis. Explain such estimations in a footnote.

4. Report all costs under the major classifications provided below and include, as a minimum, the items listed hereunder:

A. Air pollution control facilities:

- (1) Scrubbers, precipitators, tall smokestacks, etc.
- (2) Changes necessary to accommodate use of environmentally clean fuels such as low ash or low sulfur fuels including storage and handling equipment.
- (3) Monitoring equipment
- (4) Other.

B. Water pollution control facilities:

- (1) Cooling towers, ponds, piping, pumps, etc.
- (2) Waste water treatment equipment
- (3) Sanitary waste disposal equipment
- (4) Oil interceptors
- (5) Sediment control facilities
- (6) Monitoring equipment
- (7) Other.

C. Solid waste disposal costs:

- (1) Ash handling and disposal equipment
- (2) Land
- (3) Settling ponds
- (4) Other.

D. Noise abatement equipment:

- (1) Structures
- (2) Mufflers
- (3) Sound proofing equipment
- (4) Monitoring equipment
- (5) Other.

E. Esthetic costs:

- (1) Architectural costs
- (2) Towers
- (3) Underground lines
- (4) Landscaping
- (5) Other.

F. Additional plant capacity necessary due to restricted output from existing facilities, or addition of pollution control facilities.

G. Miscellaneous:

- (1) Preparation of environmental reports
- (2) Fish and wildlife plants included in Accounts 330, 331, 332, and 335
- (3) Parks and related facilities
- (4) Other.

5. In those instances when costs are composites of both actual supportable costs and estimates of costs, specify in column (f) the actual costs that are included in column (e).

6. Report construction work in progress relating to environmental facilities at line 9.

Line No.	Classification of Cost (a)	Additions (b)	Retirements (c)	Adjustments (d)	Balance at End of Year (e)	Actual Cost (f)
1	Air Pollution Control Facilities	NONE				
2	Water Pollution Control Facilities					
3	Solid Waste Disposal Costs					
4	Noice Abatement Equipment					
5	Esthetic Costs					
6	Additional Plant Capacity					
7	Miscellaneous ( <i>Identify significant</i> )					
8	<b>TOTAL (Total of lines 1 thru 7)</b>	0	0	0	0	0
9	Construction work in progress					

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**ENVIRONMENTAL PROTECTION EXPENSES**

1. Show below expenses incurred in connection with the use of environmental protection facilities, the cost of which are reported on page 430. Where it is necessary that allocations and/or estimates of costs be made, state the basis or method used.

2. Include below the costs incurred due to the operation of environmental protection equipment, facilities, and programs.

3. Report expenses under the subheadings listed below.

4. Under item 6 report the difference in cost between environmentally clean fuels and the alternative fuels that would otherwise be used and are available for use.

5. Under item 7 include the cost of replacement power, purchased or generated, to compensate for the deficiency in output from existing plants due to the addition of pollution control equipment, use of alternate environmentally preferable fuels or environmental regulations of governmental bodies. Base the price of replacement power purchased on the average system price of purchased power if the actual cost of such replacement power is not known. Price internally generated replacement power at the system average cost of power generated if the actual cost of specific replacement generation is not known.

6. Under item 8 include ad valorem and other taxes assessed directly on or directly relatable to environmental facilities. Also include under item 8 licensing and similar fees on such facilities.

7. In those instances where expenses are composed of both actual supportable data and estimates of costs, specify in column (c) the actual expenses that are included in column (b).

Line No.	Classification of Expenses (a)	Amount (b)	Actual Expenses (c)
1	Depreciation	NONE	
2	Labor, Maintenance, Materials, and Supplies Cost Related to Env. Facilities and Programs		
3	Fuel Related Costs		
4	Operation of Facilities		
5	Fly Ash and Sulfur Sludge Removal		
6	Difference in Cost of Environmentally Clean Fuels		
7	Replacement Power Costs		
8	Taxes and Fees		
9	Administrative and General		
10	Other ( <i>Identify significant</i> )		
11	TOTAL	0	0

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**FOOTNOTE DATE**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)



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Next Page is Index 1

## INDEX

<u>Schedule</u>	Page No.
Accrued and prepaid taxes. . . . .	262-263
Accounts receivable. . . . .	226A
Accumulated Deferred Income Taxes. . . . .	234A-B, 272-5, 276A-B, 277
Accumulated provisions for depreciation of	
common utility plant. . . . .	356
utility plant . . . . .	219
utility plant (summary) . . . . .	200-201
Acquisition adjustments. . . . .	215
Advances from associated companies. . . . .	256-257
Advances from customers for construction. . . . .	268
Allowances. . . . .	228-229
Amortization	
miscellaneous. . . . .	340
of nuclear fuel. . . . .	202-203
of plant acquisition adjustments, accumulated provision. . . . .	215
Appropriations of Retained Earnings. . . . .	118-119
Assets, miscellaneous current & accrued. . . . .	230A
Associated Companies	
advances from . . . . .	256-257
corporations controlled by respondent . . . . .	103
control over respondent. . . . .	102
interest on debt to . . . . .	256-257
payables to. . . . .	260B
receivables from . . . . .	226A
summary of costs billed to. . . . .	358-359
summary of costs billed from . . . . .	360-361
Attestation . . . . .	1
Balance Sheet	
comparative. . . . .	110-113
notes to. . . . .	122-123
Bonds. . . . .	256-257
Calculation of Federal Income Taxes . . . . .	261C-D
Capital Stock. . . . .	250-251
discount . . . . .	254
expenses . . . . .	254
installments received . . . . .	252
premiums . . . . .	252
reacquired. . . . .	251
subscribed . . . . .	252
Cash flows, statement of . . . . .	120-121
Changes	
important during year. . . . .	108-109
made or scheduled to be made in generating plant capacities . . . . .	412
Charges for outside professional and other consultative services . . . . .	357
Civic activities, expenditures for. . . . .	341
Construction completed, not classified - electric. . . . .	216
Construction	
overheads, electric. . . . .	217
overhead procedures, general description of. . . . .	218
work in progress - common utility plant. . . . .	356
work in progress - electric. . . . .	216
work in progress - other utility departments. . . . .	200-201
Consultative services, charges for. . . . .	357

INDEX

<u>Schedule</u>	Page No.
Control	
corporation controlled by respondent . . . . .	103
over respondent . . . . .	102
security holders and voting powers . . . . .	106-107
Corporation	
controlled by . . . . .	103
incorporated . . . . .	101
CPA, background information on . . . . .	101
CPA Certification, this report form . . . . .	i-ii
Current assets, miscellaneous . . . . .	230A
Deferred	
credits, other . . . . .	269
debits, miscellaneous . . . . .	233
income taxes accumulated - accelerated amortization property . . . . .	272-273
income taxes accumulated - other property . . . . .	274-275
income taxes accumulated - other . . . . .	276A-B
income taxes accumulated - pollution control facilities . . . . .	234A-B
income taxes accumulated - temporary . . . . .	277
Definitions, this report form . . . . .	iii
Depreciation and amortization	
of common utility plant . . . . .	356
of electric plant . . . . .	219, 336-337
Directors . . . . .	105
Discount on capital stock . . . . .	254
Discount - premium on long-term debt . . . . .	256-257
Disposition of property, gain or loss . . . . .	280A-B
Disposition of utility plant	
deferred gains . . . . .	270A-B
deferred losses . . . . .	235A-B
Distribution of salaries and wages . . . . .	354-355
Dividend appropriations . . . . .	118-119
Earnings, Retained . . . . .	118-119
Electric energy account . . . . .	401
Environmental protection	
expenses . . . . .	431
facilities . . . . .	430
Expenses	
electric operation and maintenance . . . . .	320-323
electric operation and maintenance (nonmajor) . . . . .	320N-324N
electric operation and maintenance, summary . . . . .	323
unamortized debt . . . . .	256-257
Extraordinary items . . . . .	342
Extraordinary property losses . . . . .	230B
Filing requirements, this report form . . . . .	i-ii
Gains	
deferred gains, from disposition of utility plants . . . . .	270A-B
on disposition of property . . . . .	280A-B
unamortized, on reacquired debt . . . . .	237A-B
General description of construction overhead procedure . . . . .	218
General information	101
General instructions	i-vi
Generating plant statistics	
hydroelectric (large)	406-407, 414-415
internal-combustion engine and gas-turbine	420-421
pumped storage (large)	408-409, 416-418

INDEX

<u>Schedule</u>	Page No.
Generating plant statistics (continued)	
small plants . . . . .	410-411
steam electric (large). . . . .	402-413A-B
Hydro-electric generating plant statistics. . . . .	406-407, 414-415
Identification. . . . .	101
Important changes during year. . . . .	108-109
Income	
statement of, by departments. . . . .	114-117
statement of, for the year (see also revenues) . . . . .	114-117
deductions, interest on debt to associated companies . . . . .	340
deductions, miscellaneous amortization . . . . .	340
deductions, other income deduction . . . . .	340
deductions, other interest charges . . . . .	340
Incorporation information . . . . .	101
Installments received on capital stock. . . . .	252
Interdepartmental sales and rents . . . . .	331A
Internal-Combustion Engine and Gas-Turbine Generating Plant . . . . .	420-421
Interest	
charges, on debt to associated companies . . . . .	340
charges, other . . . . .	340
charges, paid on long-term debt, advances, etc. . . . .	256-257
Investments . . . . .	222-223
Investments	
nonutility property . . . . .	221
subsidiary companies. . . . .	224-225
Investment tax credits, accumulated deferred . . . . .	266-267
Investment tax credits, generated and utilized. . . . .	264-265
Law, excerpts applicable to this report form . . . . .	iii-iv
Leases	
income from utility plant leased to others . . . . .	281
lease rentals charged. . . . .	333A-D
Liabilities, miscellaneous current & accrued. . . . .	268
List of schedules, this report form . . . . .	2-5
Long-term debt . . . . .	256-257
Losses - Extraordinary property. . . . .	230B
Losses	
deferred, from disposition of utility plant. . . . .	235A-B
on disposition of property. . . . .	280A-B
operating, carryforward . . . . .	117C
unamortized, on reacquired debt. . . . .	237A-B
Materials and supplies. . . . .	227
Meters and line transformers . . . . .	429
Miscellaneous general expenses . . . . .	335
Notes	
to balance sheet. . . . .	122-123
payable . . . . .	260A
receivable. . . . .	226A
to statement of cash flow. . . . .	122-123
to statement of income . . . . .	122-123
to statement of retained earnings . . . . .	122-123
Nonutility property. . . . .	221
Nuclear fuel materials . . . . .	202-203
Nuclear generating plant, statistics. . . . .	402-403
Number of Electric Department Employees. . . . .	323
Officers and officers' salaries. . . . .	104

INDEX

<u>Schedule</u>	Page No.
Operating	
expenses - electric . . . . .	320-323
expenses - electric (summary). . . . .	323
loss carryforward . . . . .	117C
Operation and maintenance expense (nonmajor). . . . .	320N-324N
Other	
donations received from stockholders . . . . .	253
gains on resale or cancellations of reacquired capital stock. . . . .	253
income accounts. . . . .	282
miscellaneous paid-in capital . . . . .	253
paid-in capital . . . . .	253
reduction in par or stated value of capital stock. . . . .	253
regulatory assets. . . . .	232
regulatory liabilities . . . . .	278
Outside services, charges for . . . . .	357
Overhead, construction - electric. . . . .	217
Payables . . . . .	260B
Peaks, monthly, and output . . . . .	401
Plant acquisition adjustment. . . . .	215
Plant, Common utility	
accumulated provision for depreciation. . . . .	356
acquisition adjustments . . . . .	356
allocated to utility departments . . . . .	356
completed construction not classified. . . . .	356
construction work in progress . . . . .	356
expenses . . . . .	356
held for future use . . . . .	356
in service . . . . .	356
leased to others . . . . .	356
Plant data . . . . .	217-218 336-338 401-429
Plant - electric	
accumulated provision for depreciation . . . . .	219
construction work in progress . . . . .	216
held for future use. . . . .	214
in service. . . . .	204-211
leased to others. . . . .	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary) . . . . .	200-201
Political activities, expenditures for . . . . .	341
Pollution control facilities, accumulated deferred income taxes. . . . .	234A-B
Preliminary survey and investigation charges . . . . .	231A-B
Premium and discount on long-term debt. . . . .	256-257
Premium on capital stock. . . . .	251
Prepaid taxes . . . . .	262-263
Production fuel and oil stocks . . . . .	227A-B
Professional services, charges for . . . . .	357
Property - losses, extraordinary . . . . .	230B
Pumped storage generating plant statistics . . . . .	408-409, 416-418
Purchased power. . . . .	326-327
Railroads and railways, sales to . . . . .	331A
Reacquired capital stock . . . . .	250
Reacquired debt, unamortized loss and gain on . . . . .	237A-B
Reacquired long-term debt . . . . .	256-257

INDEX

<u>Schedule</u>	Page No.
Receivables	
from associated companies. . . . .	226B
notes and accounts . . . . .	226A
Receivers' certificates. . . . .	256-257
Reconciliation of deferred income tax expense . . . . .	117A-B
Reconciliation of reported net income with taxable income for Federal income taxes. . . . .	261A-B
Regulatory Assets, Other . . . . .	232
Regulatory Commission Expenses Deferred . . . . .	233
Regulatory Commission Expenses For Year . . . . .	350-351
Regulatory Liabilities, Other . . . . .	278
Rent	
from electric property . . . . .	331A
interdepartmental. . . . .	331A
lease rentals charged. . . . .	333A-D
Research, development and demonstration activities. . . . .	352-353
Retained Earnings	
amortization reserve Federal. . . . .	119
appropriated . . . . .	118-119
statement of, for year. . . . .	118-119
unappropriated. . . . .	118-119
Revenues - electric operating . . . . .	300-301
Revenues, miscellaneous service and other electric . . . . .	331B
Salaries and wages	
directors fees. . . . .	105
distribution of. . . . .	354-355
officers'. . . . .	104
Sales	
interdepartmental. . . . .	331A
of water and water power. . . . .	331B
to railroads and railways . . . . .	331A
Sales of electricity by rate schedules . . . . .	304
Sales - for resale. . . . .	310-311
Salvage - nuclear fuel. . . . .	202-203
Schedules, this report form. . . . .	2-5
Securities	
exchange registration. . . . .	250-251
holders and voting powers. . . . .	106-107
Securities issues or assumed and refunded or retired during year. . . . .	255
Statement of Cash Flows . . . . .	120-121
Statement of income for the year . . . . .	114-117
Statement of retained earnings for the year . . . . .	118-119
Steam-electric generating plant statistics . . . . .	402-404, 413A-B
Stock liability for conversion. . . . .	252
Substations . . . . .	426-427
Supplies - materials and . . . . .	227
Survey and investigation, preliminary charges . . . . .	231A-B
Taxes	
accrued and prepaid. . . . .	262-263
accumulated deferred income - temporary. . . . .	277
calculation of, Federal. . . . .	261C-D
charged during year . . . . .	262-263
on income, deferred and accumulated . . . . .	234A-B, 272-275
reconciliation of deferred income tax expense. . . . .	276A-B
reconciliation of net income with taxable income for . . . . .	117A-B
reconciliation of net income with taxable income for . . . . .	261A-B
Transformers, line - electric . . . . .	429

INDEX

<u>Schedule</u>	Page No.
Transmission	
lines added during year. . . . .	424-425
lines statistics. . . . .	422-423
of electricity for or by others . . . . .	328-330, 332
Unamortized	
debt discount. . . . .	256-257
debt expense. . . . .	256-257
premium on debt . . . . .	256-257
Unamortized loss and gain on reacquired debt . . . . .	237A-B
Uncollectible accounts, provision for. . . . .	226A
Unrecovered Plant and Regulatory Study Costs. . . . .	230B
Water and water power, sales of . . . . .	331B