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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et. seq.) and may be confidential.

BORROWER DESIGNATION MI0049

PERIOD ENDED
December, 2008 (Prepared with Audited Data)

BORROWER NAME
MIDWEST ENERGY COOPERATIVE

CERTIFICATION

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

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

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

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

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

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

Robert Hance

3/16/2009

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	53,043,880	57,859,097	55,953,722	5,498,400
2. Power Production Expense				
3. Cost of Purchased Power	33,916,504	37,847,530	35,981,657	3,592,112
4. Transmission Expense				
5. Distribution Expense - Operation	1,595,238	1,598,461	1,748,583	178,947
6. Distribution Expense - Maintenance	3,369,329	3,372,364	3,907,182	81,227
7. Customer Accounts Expense	1,898,610	1,974,170	1,882,643	193,957
8. Customer Service and Informational Expense	282,620	274,796	294,368	24,930
9. Sales Expense	262,922	154,232	190,385	10,007
10. Administrative and General Expense	2,269,198	2,177,111	2,283,059	113,709
11. Total Operation & Maintenance Expense (2 thru 10)	43,594,421	47,398,664	46,287,877	4,194,889
12. Depreciation and Amortization Expense	3,789,715	3,867,391	4,051,337	318,532
13. Tax Expense - Property & Gross Receipts	1,372,394	1,639,732	1,717,417	65,433
14. Tax Expense - Other	211,545	123,732	208,000	48,732
15. Interest on Long-Term Debt	3,283,695	3,276,585	3,473,503	272,679
16. Interest Charged to Construction - Credit				
17. Interest Expense - Other	105,285	66,230	87,000	8,030
18. Other Deductions	10,342	10,911	16,838	1,514
19. Total Cost of Electric Service (11 thru 18)	52,367,397	56,383,245	55,841,972	4,909,809
20. Patronage Capital & Operating Margins (1 minus 19)	676,483	1,475,852	111,750	588,591
21. Non Operating Margins - Interest	100,081	73,468	74,999	5,015
22. Allowance for Funds Used During Construction				
23. Income (Loss) from Equity Investments	282,093	(121,620)	667,213	(616,894)
24. Non Operating Margins - Other	11,183	(2,004)	2,342	676
25. Generation and Transmission Capital Credits	551,703	1,338,062	1,413,000	1,291,000
26. Other Capital Credits and Patronage Dividends	173,103	279,206	175,000	9,535
27. Extraordinary Items				
28. Patronage Capital or Margins (20 thru 27)	1,794,646	3,042,964	2,444,304	1,277,923

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION

MI0049

PERIOD ENDED

December, 2008

INSTRUCTIONS - See RUS Bulletin 1717B-2

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	357	255	5. Miles Transmission	14.46	14.46
2. Services Retired	54	42	6. Miles Distribution - Overhead	3,150.58	3,153.19
3. Total Services in Place	37,618	37,917	7. Miles Distribution - Underground	703.49	725.81
4. Idle Services (Exclude Seasonals)	2,719	3,002	8. Total Miles Energized (5 + 6 + 7)	3,868.53	3,893.46

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	125,988,727	29. Memberships.....	0
2. Construction Work in Progress	838,028	30. Patronage Capital.....	33,855,783
3. Total Utility Plant (1 + 2)	126,826,755	31. Operating Margins - Prior Years.....	4,595
4. Accum. Provision for Depreciation and Amort	34,067,082	32. Operating Margins - Current Year.....	3,093,121
5. Net Utility Plant (3 - 4)	92,759,673	33. Non-Operating Margins.....	(50,156)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities.....	(8,950,703)
7. Investments in Subsidiary Companies	3,072,481	35. Total Margins & Equities (29 thru 34).....	27,952,640
8. Invest. in Assoc. Org. - Patronage Capital	7,489,725	36. Long-Term Debt - RUS (Net).....	56,527,379
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - FFB - RUS Guaranteed.....	0
10. Invest. in Assoc. Org. - Other - Nongeneral Funds..	1,730,369	38. Long-Term Debt - Other - RUS Guaranteed.....	0
11. Investments in Economic Development Projects	0	39. Long-Term Debt Other (Net).....	8,938,447
12. Other Investments	0	40. Long-Term Debt - RUS - Econ. Devel. (Net).....	0
13. Special Funds	0	41. Payments - Unapplied	0
14. Total Other Property & Investments (6 thru 13) ...	12,292,575	42. Total Long-Term Debt (36 thru 40 - 41).....	65,465,826
15. Cash - General Funds	1,230,553	43. Obligations Under Capital Leases - Noncurrent.....	0
16. Cash - Construction Funds - Trustee	90	44. Accumulated Operating Provisions and Asset Retirement Obligations..	5,902,916
17. Special Deposits	187	45. Total Other Noncurrent Liabilities (43 + 44).....	5,902,916
18. Temporary Investments	0	46. Notes Payable.....	1,700,000
19. Notes Receivable (Net)	136,018	47. Accounts Payable.....	3,980,541
20. Accounts Receivable - Sales of Energy (Net)	3,473,048	48. Consumers Deposits.....	697,275
21. Accounts Receivable - Other (Net)	321,906	49. Current Maturities Long-Term Debt.....	2,211,000
22. Materials and Supplies - Electric & Other	716,597	50. Current Maturities Long-Term Debt -Economic Development.....	0
23. Prepayments	88,117	51. Current Maturities Capital Leases.....	0
24. Other Current and Accrued Assets	14,785	52. Other Current and Accrued Liabilities.....	1,744,358
25. Total Current and Accrued Assets (15 thru 24)	5,981,301	53. Total Current & Accrued Liabilities (46 thru 52).....	10,333,174
26. Regulatory Assets	0	54. Regulatory Liabilities.....	0
27. Other Deferred Debits	3,168,640	55. Other Deferred Credits.....	4,547,633
28. Total Assets and Other Debits (5+14+25 thru 27)..	114,202,189	56. Total Liabilities and Other Credits (35+ 42 + 45 + 53 thru 55).....	114,202,189

USDA-RUS

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

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PERIOD ENDED

December, 2008

PART D. NOTES TO FINANCIAL STATEMENTS

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION

PERIOD ENDED

INSTRUCTIONS - See RUS Bulletin 1717B-2

PART E. CHANGES IN UTILITY PLANT

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	111,368,125	3,076,927	1,417,380		113,027,672
2. General Plant	7,628,368	888,116	915,742		7,600,742
3. Headquarters Plant	4,534,433	67,768	625		4,601,576
4. Intangibles	0				0
5. Transmission Plant	758,737				758,737
6. All Other Utility Plant	0				0
7. Total Utility Plant in Service (1 thru 6)	124,289,663	4,032,811	2,333,747		125,988,727
8. Construction Work in Progress	308,675	529,353			838,028
9. TOTAL UTILITY PLANT (7 + 8)	124,598,338	4,562,164	2,333,747		126,826,755

PART F. MATERIALS AND SUPPLIES

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	662,736	704,329	3,976	663,302	7,278	(24,754)	675,707
2. Other	44,601	77,306	0		82,229	1,212	40,890

PART G. SERVICE INTERRUPTIONS

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)	
1. Present Year	206.820	46.440	3.420	176.760	433.440
2. Five-Year Average	145.080	260.160	6.660	210.000	621.900

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	82	4. Payroll - Expensed	3,631,847
2. Employee - Hours Worked - Regular Time	168,207	5. Payroll - Capitalized	812,197
3. Employee - Hours Worked - Overtime	10,739	6. Payroll - Other	428,727

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	0	7,869,538
	b. Special Retirements	91,052	2,333,936
	c. Total Retirements (a + b)	91,052	10,203,474
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	88,861	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	62,152	
	c. Total Cash Received (a + b)	151,013	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. AMOUNT DUE OVER 60 DAYS	\$ 97,430	2. AMOUNT WRITTEN OFF DURING YEAR	\$ 152,953
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FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

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PERIOD ENDED

December, 2008

Part K. kWh PURCHASED AND TOTAL COST

No	ITEM (a)	RUS USE ONLY SUPPLIER CODE (b)	kWh PURCHASED (c)	TOTAL COST (d)	AVERAGE COST (Cents/kWh) (e)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT (f)	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES (g)
1	Wabash Valley Power Assn, Inc (IN0107)	40211	606,962,362	36,906,412	6.08		
2	Buckeye Rural Elec Coop, Inc (OH0088)	2502	18,049,366	941,118	5.21		
	Total		625,011,728	37,847,530	6.06		

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FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

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PART L. LONG-TERM LEASES

No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
Total			

USDA - RUS

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION MI0049

PERIOD ENDED
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INSTRUCTIONS - See RUS Bulletin 1717B-2

PART M. ANNUAL MEETING AND BOARD DATA

1. Date of Last Annual Meeting 4/29/2008	2. Total Number of Members 27,992	3. Number of Members Present at Meeting 9	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 171,619	8. Does Manager Have Written Contract? Y

USDA-RUS

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

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PERIOD ENDED

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PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	56,527,379	2,751,519	1,212,585	3,964,104
2	National Rural Utilities Cooperative Finance Corporation	8,938,446	525,066	776,255	1,301,321
3	Bank for Cooperatives				
4	Federal Financing Bank				
5	RUS - Economic Development Loans				
6	Payments Unapplied				
	Total	65,465,825	3,276,585	1,988,840	5,265,425

FINANCIAL AND STATISTICAL REPORT

PERIOD ENDED

December, 2008

INSTRUCTIONS - See RUS Bulletin 1717B-2

PART O. POWER REQUIREMENTS DATA BASE - ANNUAL SUMMARY

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER	AVERAGE NO. CONSUMERS SERVED	TOTAL YEAR TO DATE
		(a)	(b)	(c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	29,897	29,949	
	b. kWh Sold			349,138,600
	c. Revenue			37,008,930
2. Residential Sales - Seasonal	a. No. Consumers Served	42	46	
	b. kWh Sold			584,532
	c. Revenue			67,188
3. Irrigation Sales	a. No. Consumers Served	388	375	
	b. kWh Sold			10,988,552
	c. Revenue			1,024,978
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	4,583	4,529	
	b. kWh Sold			138,240,110
	c. Revenue			13,375,006
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	5	4	
	b. kWh Sold			86,949,129
	c. Revenue			5,882,763
6. Public Street & Highway Lighting	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. TOTAL No. of Consumers (lines 1a thru 9a)		34,915	34,903	
11. TOTAL kWh Sold (lines 1b thru 9b)				585,900,923
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				57,358,865
13. Other Electric Revenue				500,232
14. kWh - Own Use				1,094,497
15. TOTAL kWh Purchased				625,011,728
16. TOTAL kWh Generated				
17. Cost of Purchases and Generation				37,847,530
18. Interchange - kWh - Net				
19. Peak - Sum All kW Input (Metered) Non-coincident___ Coincident___				120,387

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION

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INSTRUCTIONS - See RUS Bulletin 1717B-2

PART I. INVESTMENTS

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	123.18 Midwest Energy, Inc.	3,072,481		(121,721)	
	123.10 Patronage Capital - NRUCFC		259,831	60,801	
	123.11 Patronage Capital - WVPA		6,019,685	1,291,135	
	123.12 Patronage Capital - NISC	108,718		9,535	
	123.13 Patronage Capital - Resco MI	17,877			
	123.15 Patronage Capital - Resco OH	20,106			
	123.16 Patronage Capital - Resco WI	221,042		84,870	
	123.17 Patronage Capital - Buckeye		842,467	46,928	
	123.22 Capital Term Certificates - CFC		1,288,988		
	123.23 MI Electric Coop Association	54,034			
	123.24 Federated - Reciprocal Stock	42,982			
	123.24 Federated - Preferred Stock	12,450			
	123.24 Federated - Insurance Stock	100,000			
	123.24 Federated - Member Equity	116,473		42,624	
	123.24 NRUCFC Membership Fee		1,000		
	123.24 WVPA Membership Fee	5			
	123.24 NRTC	78,775		63,024	
	124.10 Cooperative Response Center	29,293		10,722	
	123.24 Co-Bank		6,369	7,631	
	Totals	3,874,236	8,418,340	1,495,549	
5	Special Funds				
	128.50 Deferred Compensation				
	Totals				
6	Cash - General				
	131.10,131.12- Bank of America	671,082			
	131.25,131.27, FNB General & Payroll	549,408			
	131.26 Valley Ridge Bank	8,311			
	135.00 Working Funds - Petty Cash	1,751			
	131.20 Fifth Third Construction Acct.	90			
	131.40 Transfer of Cash-Construct fund				
	131.24 IRP Loan funds, FNB				
	Totals	1,230,642			
7	Special Deposits				
	134.00 U.S. Post Office	187			
	Totals	187			
8	Temporary Investments				
	136.00 Temporary Investments				
	Totals				
9	Accounts and Notes Receivable - NET				
	Accounts Receivable - Other (Net)	321,906			
	Notes Receivable (Net)	136,018			
	Totals	457,924			
11	TOTAL INVESTMENTS (1 thru 10)	5,562,989	8,418,340	1,495,549	

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

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PERIOD ENDED

December, 2008

PART II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Midwest Energy Inc.	9/30/2009	7,450,000	3,302,803	
	Total		7,450,000	3,302,803	
	TOTAL (Included Loan Guarantees Only)				

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

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PERIOD ENDED

December, 2008

Part III. RATIO

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT

[Total Of Included Investments (Part I, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form7, Part C, Line3)]

4.38 %

PART IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
Total					

MICHIGAN PUBLIC SERVICE COMMISSION

ADDITIONAL SCHEDULES FOR AN ELECTRIC UTILITY COOPERATIVE

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

Report submitted for year ending:	2008
Present name of respondent:	Midwest Energy Cooperative
Address of principal place of business:	901 E. State St. Cassopolis, MI 49031
Utility representative to whom inquires regarding this report may be directed:	Name: John H. Miner V.P. of Finance Address: 901 E. State St. City: Cassopolis State: MI Zip: 49031 Direct Telephone, Include Area Code: 269-445-1064
If the utility name has been changed during the past year:	Prior Name: Date of Change:
Two copies of the published annual report to stockholders:	<input type="checkbox"/> were forwarded to the Commission <input checked="" type="checkbox"/> will be forwarded to the Commission on or about April 15, 2009
Annual reports to stockholders:	<input type="checkbox"/> are published <input checked="" type="checkbox"/> are not published

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

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

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

Stosik B @ Michigan.Gov

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/15/2009	Year of Report 2008
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IMPORTANT CHANGES DURING THE YEAR

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.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly and materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

Please reference the attached Midwest Energy Cooperative's notes to the financial statements, 2008 Annual Audit Report.



HARRIS GROUP

Certified Public Accountants

Independent Auditor's Report

The Board of Directors
Midwest Energy Cooperative
Cassopolis, Michigan

We have audited the accompanying consolidated balance sheets of Midwest Energy Cooperative and subsidiary as of December 31, 2008 and 2007, and the related consolidated statements of revenue, patronage capital, and cash flows for the years then ended. These consolidated financial statements are the responsibility of Midwest Energy Cooperative's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Midwest Energy Cooperative and subsidiary as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 19, 2009, on our consideration of Midwest Electric Cooperative's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Midwest Energy Cooperative. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

March 19, 2009

**MIDWEST ENERGY COOPERATIVE
CONSOLIDATED STATEMENTS OF CHANGES IN PATRONAGE CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	Patronage Capital Assigned	Patronage Capital Assignable	Non-Assignable Non-Operating Margins	Unappropriated Undistributed Subsid. Earnings	Other Equities	Accumulated Other Comprehensive Loss
Balance, December 31, 2006	\$ 31,177,116	\$ 1,127,253	\$ 190,413	\$ (3,588,094)	\$ 1,575,482	\$
Adjustment for adoption of SFAS No. 158	(1,543,264)					(1,543,264)
Adjustments	13,865	(309)			14,174	
Net margins (loss)	1,794,646	1,401,289	111,264	282,093		
Capital credits retired	(50,188)				9,332	
Balance, December 31, 2007	31,116,619	2,528,542	301,677	(3,306,001)	1,598,988	(1,543,264)
Adjustment for adoption of SFAS No. 158	(5,708,486)					(5,708,486)
Adjustments	2,528,538	(2,528,542)		4		
Net margins (loss)	3,042,965	3,093,121	71,463	(121,619)		
Capital credits retired	(78,400)	(91,050)			12,650	
Balance, December 31, 2008	\$ 33,554,107	\$ 3,093,121	\$ 373,140	\$ (3,427,616)	\$ 1,611,638	\$ (7,251,750)

The accompanying notes are an integral part of these statements.

**MIDWEST ENERGY COOPERATIVE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Organization

Midwest Energy Cooperative (Midwest) is a non-profit organization generally exempt from income tax under Section 501(c)(12) of the United States Internal Revenue Code. Midwest is subject to the Michigan Business Tax Act of the State of Michigan. The Cooperative is engaged principally in the distribution and sale of electricity in Southwest and Southeast Michigan, Northern Indiana and Northern Ohio.

The Cooperative's subsidiary is a telecommunications and propane service provider. The subsidiary is organized as a U.S. Corporation and subject to federal and state income taxes.

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

Principles of Consolidation

The consolidated financial statements for 2008 and 2007 combine the financial results of Midwest Energy Cooperative and its wholly-owned subsidiary Midwest Energy, Inc. As required by APB Opinion No. 18, Midwest Energy Cooperative has accounted for the investments in common stock using the Equity Method. All significant inter-company transactions and accounts have been eliminated. In accordance with RUS guidelines, the activity of the subsidiary is not assignable to members of the Cooperative, the result is to include the net activities of the subsidiary in Unappropriated Undistributed Subsidiary Earnings.

Accounting Records

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

Recently Adopted Accounting Pronouncement

In September 2006, The Financial Accounting Standards Board issued SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* (an amendment of SFAS Nos. 87, 88, 106 and 132R). SFAS No. 158 requires an employer to: (a) recognize in its statement of financial position an asset for a plan's overfunded status or a liability for a plan's underfunded status; (b) measure a plan's assets and its obligation that determine its funded status as of the end of the employers fiscal year; and (c) recognize changes in the funded status of a defined benefit pension plan in the year in which the changes occur. These changes are to be reported in comprehensive income of a business entity. The provision of SFAS No. 158 for entities without publicly traded equity securities are effective for fiscal years ending after June 15, 2007.

MIDWEST ENERGY COOPERATIVE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Electric Plant and Equipment

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

Accounts receivable

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

Investments

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

Cash

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

Unbilled Revenues

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

Purchased Power Billing

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

Materials and Supplies

Electrical and propane materials and supplies are valued at average cost.

Regulation

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

Revenue Recognition

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

**MIDWEST ENERGY COOPERATIVE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Recognition of Patronage Revenue

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

Unclaimed Property

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

Cash and Cash Equivalents

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

Advertising

The cost of advertising is expensed as incurred.

Compensated Absences

The Cooperative's policy on accumulated extended sick leave is to grant 96 hours annually with any unused hours available to be carried forward to future years up to a maximum of 800 hours. It is the Cooperative's policy to pay one-half of the employee's accumulated unused sick leave upon normal retirement by the employee or if the employee qualifies to draw benefits from the Cooperative pension plan. However, upon termination of employment, other than by normal retirement, or does not qualify to receive pension benefits, the employee forfeits all rights to the accumulated unused hours. For the years ended December 31, 2008 and 2007 an accrual has been made for individuals who have attained the age of 60 and have qualified to receive pension benefits.

NOTE 2: ASSETS PLEDGED

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

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/15/2009	Year of Report 2008
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.

2. Under "Other" specify significant amounts and group others.

3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)	
2	Net Income (Line 72 (c) on page 117)	
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	
5	Amortization of (Specify)	
6	Intangible Plant	
7		
8	Deferred Income Taxes (Net)	
9	Investment Tax Credit Adjustment (Net)	
10	Net (Increase) Decrease in Receivables	
11	Net (Increase) Decrease in Inventory	
12	Net (Increase) Decrease in Allowances Inventory	
13	Net (Increase) Decrease in Payables and Accrued Expenses	
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net (Increase) Decrease in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other:	
19		
20		
21		
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance to Other Funds Used During Construction	
31	Other:	
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition of Investments in (and Advances to)	
42	Associated and Subsidiary Companies	
43		
44	Purchase of Investment Securities (a)	
45	Proceeds from Sales of Investment Securities (a)	

Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/15/2009	Year of Report 2008
STATEMENT OF CASH FLOWS (Continued)				
4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Don not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. 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)			
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long Term Debt (b)			
62	Preferred Stock			
63	Common Stock			
64	Other:			
65				
66	Net Increase in Short-Term Debt (c)			
67	Other:			
68				
69				
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)			
71				
72	Payments for Retirement of:			
73	Long Term Debt (b)			
74	Preferred Stock			
75	Common Stock			
76	Other:			
77				
78	Net Decrease in Short-Term Debt (c)			
79				
80	Dividends on Preferred Stock			
81	Dividends on Common Stock			
82	Net Cash Provided by (Used in) Financing Activities			
83	(Total of lines 70 thru 81)			
84				
85	Net Increase (Decrease) in Cash and Cash Equivalents			
86	(Total of lines 22, 57 and 83)			
87				
88	Cash and Cash Equivalents at Beginning of Year			
89				
90	Cash and Cash Equivalents at End of Year			

MIDWEST ENERGY COOPERATIVE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from consumers	\$ 67,927,375	\$ 61,955,094
Cash paid to suppliers and employees	(56,621,000)	(49,705,644)
Interest received	73,468	100,081
Interest paid	(3,564,342)	(3,710,108)
Taxes paid	(1,743,973)	(2,025,255)
	<u>6,071,528</u>	<u>6,614,168</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction and acquisition of plant, net of retirements	(3,369,763)	(5,349,049)
Net proceeds from sale of plant	68,302	108,306
(Increase) decrease in:		
Materials inventory	(9,260)	118,246
Deferred charges	(846,449)	(589,714)
Notes receivable	(10,972)	1,376
Investments – associated organizations	151,116	210,073
	<u>(4,017,026)</u>	<u>(5,500,762)</u>
NET CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances from RUS, CFC, and NCSC	19,300,000	22,899,965
Proceeds from loans	1,000,000	
Retirement of patronage capital credits	(78,550)	(37,008)
Payments on debt	(23,127,290)	(21,873,728)
Payments to pension	(1,600,000)	(1,600,000)
Increase in:		
Consumer deposits	1,460,546	833,790
	<u>(3,045,294)</u>	<u>223,019</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND TEMPORARY CASH INVESTMENTS	(990,792)	1,336,425
CASH AND TEMPORARY CASH INVESTMENTS – beginning	2,454,183	1,117,758
CASH AND TEMPORARY CASH INVESTMENTS - ending	\$ 1,463,391	\$ 2,454,183

The accompanying notes are an integral part of these statements.

MIDWEST ENERGY COOPERATIVE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
(Continued)

	2008	2007
RECONCILIATION OF NET MARGINS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net margins	\$ 3,042,965	\$ 1,794,646
Adjustments to reconcile net margins to net cash provided by Operating activities:		
Depreciation and amortization	4,620,309	4,535,510
G & T capital credits	(1,617,269)	(724,806)
(Gain) Loss on disposal of assets	45,323	(45,547)
(Increase) decrease in:		
Customer and other accounts receivable	338,590	491,112
Materials and supplies – subsidiary	461,857	(477,366)
Current and accrued assets – other	1,897	169,420
Increase (decrease) in:		
Post-retirement benefits other than pensions	48,214	199,464
Accounts payable	468,467	527,775
Current and accrued liabilities – other	(1,338,825)	143,960
 Total Adjustments	 3,028,563	 4,819,522
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 \$ 6,071,528	 \$ 6,614,168
 NON-CASH INVESTING AND FINANCING ACTIVITIES		
Capital credits	\$ 1,617,269	\$ 724,806
(Gain) Loss on disposition of assets	45,323	(45,547)
Capitalized depreciation	118,977	97,894

The accompanying notes are an integral part of these statements.

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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	n/a			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
	TOTAL			

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):	
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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 (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b)		Purchases or Additions During Year (c)
		Original Cost	Book Value	
1	See Attachment			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
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Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008	
INVESTMENTS (Accounts 123, 124, 136) (Cont'd)						
<p>listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229.</p> <p>3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.</p> <p>4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of</p>			<p>authorization, and case or docket number.</p> <p>5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.</p> <p>6. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).</p>			
Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (f)		Revenues for Year (g)	Gain of Loss from Improvement Disposed of (h)	Line No.
		Original Cost	Book Value			
						1 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

**MIDWEST ENERGY COOPERATIVE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 4: INVESTMENTS IN ASSOCIATED ORGANIZATIONS

Investments in associated organizations consisted of the following at December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Capital term certificates, at cost, issued by National Rural Utilities Cooperative Finance Corp. (CFC)	\$ 1,288,988	\$ 1,292,173
Patronage capital:		
CFC	259,831	255,893
National Information Solutions Cooperative	108,718	100,825
Wabash Valley Power Association	6,019,685	4,728,550
Buckeye Power, Inc.	743,578	728,648
Michigan Electric Cooperative Assn.	54,034	54,034
Federal Rural Electric Insurance Cooperative, at cost	358,054	280,688
Buckeye Power, Inc. – membership	98,889	98,889
South County Golf Development		50,000
Other	289,318	215,242
TOTAL	<u><u>\$ 9,221,095</u></u>	<u><u>\$ 7,804,942</u></u>

The accounting policies for recognition of patronage revenue are described in Note 1. Investments are pledged to secure long-term debt as described in Note 9.

NOTE 5: DEFERRED CHARGES AND CREDITS

Following is a summary of the amounts recorded as deferred charges as of December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
WVPA buyout	\$ 3,024,745	\$ 2,235,441
Other work-in-progress	143,895	86,750
TOTAL	<u><u>\$ 3,168,640</u></u>	<u><u>\$ 2,322,191</u></u>

Following is a summary of the amounts recorded as deferred credits as of December 31, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Line extension contributions	\$ 54,587	\$ 54,587
WVPA buyout	3,024,745	2,235,441
	<u><u>\$ 3,079,332</u></u>	<u><u>\$ 2,290,028</u></u>

Midwest Energy Cooperative
Investment in Associated Organizations - Patronage Capital and Other NonGeneral Funds
YTD through 12/2008

Account Number	Description	12/31/2007 Beginning Balance	YTD through 12/2008 Allocated	YTD through 12/2008 Invested	YTD through 12/2008 Profit/(loss)	Adjusted Adjustments G/L	Retrad (Cash Received)	Form 7	YTD through 12/2008 General Ledger
Investment in Subsidiary Companies									
123.25 Midwest Energy-100 shares		6,500,100						6,500,100	6,500,100.00
123.18 Midwest Energy, Inc.		(3,305,898)			(121,721)			(3,427,619)	(3,427,619.21)
		3,194,202			(121,721)			3,072,481	3,072,480.79
123.10 NRUCFC		255,893	60,801				(56,863)	259,831	259,830.52
123.11 Wabash Valley		4,728,550	1,291,135					6,019,685	6,019,684.62
123.12 NISC (formerly CADP)		100,825	9,535				(1,642)	108,718	108,717.94
123.13 Resco - Michigan		17,877						17,877	17,877.00
123.15 Resco - Ohio		20,106						20,106	20,106.05
123.16 Resco - Wisconsin		155,250	84,870				(19,078)	221,042	221,041.87
123.17 Buckeye		827,537	46,928				(31,968)	842,467	842,467.16
		6,106,038	1,493,268				(109,581)	7,489,725	7,489,725.16
123.22 GFC Cap. Term Cert.		1,292,173						1,288,988	1,288,988.21
123.23 MECA		54,034					(3,165)	54,034	54,034.00
123.24 NRUCFC Membership		1,000						1,000	1,000.00
123.24 Wabash Membership		5						5	5.00
123.24 NRTC (New 6/03)		34,659	63,024				(18,907)	78,775	78,775.40
123.24 Federated Insurance		242,471	42,624				(13,190)	271,905	271,904.54
123.24 ECO INC.									
123.24 CoBank-New 10/2006		2,563	7,631				(3,815)	6,369	6,368.84
124.00 American Seating Park-SBT									
124.01/124.02 Talon Homes-SBT									
124.10 Cooperative Response Center		20,906	10,722				(2,355)	29,283	29,283.34
		1,647,801	124,000				(41,432)	1,730,369	1,730,369.33
128.50 Other Special Funds - Def. Comp									
Total - Form 7, Part C, Line 14		10,948,041	1,617,269		(121,721)		(151,013)	12,292,575	12,292,575

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25	TOTAL					

Midwest Energy Cooperative
 Receivables from Associated Companies (Account 145,146)
 For Year Ending 12/31/08

<u>Line #</u>	<u>Particulars</u> (a)	<u>Balance</u> <u>Beginning of</u> <u>Year</u> (b)	<u>Debits</u> ©	<u>Credits</u> (d)	<u>Balance</u> <u>End of</u> <u>Year</u> (e)	<u>Interest</u> <u>for Year</u> (f)
1	146.00 Midwest Energy, Inc.- Unbilled	\$0	\$0	\$0	\$0	
2	146.01 Midwest Energy, Inc. Commerce Park	\$0	\$0	\$0	\$0	
3	146.10 Midwest Propane	\$0	\$49,125	\$49,125	\$0	
4	146.15 Midwest Energy, Inc. Propane Conversion	\$0	\$0	\$0	\$0	
5	146.18 Midwest Energy, Inc. Internet	\$0	\$0	\$0	\$0	
6	146.20 Midwest Energy, Inc. Long Distance	\$0	\$0	\$0	\$0	
7	146.35 Midwest Energy, Inc. Billed	\$2,081	\$48,480	\$47,055	\$3,506	
8	146.36 Midwest Propane Billed	\$48,606	\$719,921	\$679,614	\$88,913	
9	146.37 Due from wild Blue	\$6,439	\$64,008	\$65,744	\$4,703	
10	146.95 Midwest Propane Unreimbursed Medical	\$536	\$1,546	\$1,841	\$241	
11	146.96 Midwest Propane Cobra Suspense	\$0	\$0	\$0	\$0	
		<u>\$57,662</u>	<u>\$883,079</u>	<u>\$843,378</u>	<u>\$97,363</u>	<u>\$0</u>

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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				
2-4	Acquired During Year: Issued (Less Withheld Allow.)				
5	Returned by EPA				
6-8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16-18	Relinquished During Year: Charges to Acct. 509				
19	Other:				
20					
21-22	Cost of Sales/Transfers:				
23					
24					
25					
26					
27					
28	Total				
29	Balance - End of Year				
30-32	Sales:				
	Net Sales Proceeds (Assoc Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld				
36	Balance - Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance - End of Year				
41-43	Sales:				
	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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ALLOWANCES (Continued)

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

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

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

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

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

20__		20__		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2-4
								5
				N/A				6-8
								9
								10
								11
								12
								13
								14
								15
								16-18
								19
								20
								21-22
								23
								24
								25
								26
								27
								28
								29
								30-32
								33
								34
								35
								36
								37
								38
								39
								40
								41-43
								44
								45
								46

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission.	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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-Discourt and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
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Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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-Discout and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
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CFC Debt									
Midwest Energy Cooperative									
Long Term Debt - Account # 224.12									
CFC Debt - 2008 Annual Summary									
		Original	Date	Final	12/31/2007	Interest	Principal	12/31/2008	
	Interest	Loan	Loan	Payment	Principal	Expense	Payments	Principal	
	Rate	Amount	Executed	Date	Balance			Balance	
9001-001	3.075%	\$12,000.00	1/6/1972	3/1/2007	\$0.00	\$ -	\$ -	\$0.00	
9002-001	6.875%	\$90,000.00	9/27/1973	9/1/2008	\$5,049.99	\$ 145.66	\$ 5,049.99	\$0.00	
9003-001	4.375%	\$35,000.00	5/27/1976	3/1/2011	\$8,172.56	\$ 310.00	\$ 2,389.27	\$5,783.29	
9004-001	3.825%	\$228,000.00	6/23/1977	6/1/2012	\$70,240.91	\$ 2,433.29	\$ 14,553.53	\$55,687.38	
9005-001	5.025%	\$182,000.00	8/17/1979	6/1/2014	\$69,566.33	\$ 3,284.40	\$ 9,255.95	\$60,310.38	
9006-001	5.125%	\$118,000.00	4/29/1982	2/28/2017	\$62,359.62	\$ 3,070.57	\$ 5,384.70	\$56,974.92	
9007-001	5.175%	\$98,000.00	4/30/1984	3/1/2019	\$56,763.86	\$ 2,848.29	\$ 3,797.03	\$52,966.83	
9008-001	5.975%	\$222,680.00	10/30/1986	9/1/2021	\$144,335.97	\$ 8,436.09	\$ 6,935.28	\$137,400.69	
9009-001	6.075%	\$211,454.00	12/9/1988	11/30/2023	\$150,696.71	\$ 8,997.64	\$ 5,705.02	\$144,991.69	
9009-002	6.075%	\$184,379.00	12/9/1988	11/30/2023	\$131,394.43	\$ 7,845.16	\$ 4,974.32	\$126,420.11	
9010-001	5.025%	\$437,500.00	10/31/1991	9/1/2026	\$331,515.81	\$ 16,411.90	\$ 10,809.02	\$320,706.79	
9011-001	5.025%	\$178,980.00	2/29/1996	2/28/1931	\$155,121.58	\$ 7,713.51	\$ 3,562.39	\$151,559.19	
9011-002	5.025%	\$614,020.00	2/29/1996	3/1/1931	\$629,426.10	\$ 26,326.08	\$ 12,158.35	\$517,267.75	
9012-001	6.875%	\$104,000.00	12/15/1971	3/1/2007	\$0.00	\$ -	\$ -	\$0.00	
9013-001	6.875%	\$428,000.00	8/13/1973	6/1/2008	\$16,089.69	\$ 320.67	\$ 16,089.69	\$0.00	
9014-001	6.875%	\$478,000.00	10/7/1974	9/1/2009	\$60,151.58	\$ 3,093.06	\$ 33,475.34	\$26,676.24	
9015-001	5.525%	\$290,000.00	10/22/1975	9/1/2010	\$62,294.45	\$ 2,901.32	\$ 21,548.78	\$40,745.67	
9016-001	6.875%	\$768,000.00	7/27/1978	6/1/2013	\$271,108.07	\$ 17,333.38	\$ 41,920.34	\$229,187.73	
9017-001	6.625%	\$784,000.00	10/23/1979	9/1/2014	\$318,390.77	\$ 19,877.55	\$ 39,568.85	\$278,821.92	
9018-001	6.025%	\$603,000.00	8/18/1982	6/1/2017	\$345,146.39	\$ 20,039.59	\$ 27,645.97	\$317,500.42	
9019-001	7.125%	\$1,273,469.00	1/13/1989	12/1/2023	\$922,852.45	\$ 64,725.15	\$ 31,872.31	\$890,980.14	
9020-001	7.225%	\$1,471,000.00	7/1/1997	5/1/2032	\$1,403,807.97	\$ 100,725.27	\$ 21,399.93	\$1,382,408.04	
9020-002	5.375%	\$1,471,000.00	7/1/1997	5/1/2032	\$1,238,580.98	\$ 65,970.31	\$ 24,724.14	\$1,213,856.84	
9021-003	2.975%	\$433,574.57	8/8/2003	8/31/2006	\$0.00	\$ -	\$ -	\$0.00	
9021-004	3.075%	\$433,574.57	8/8/2003	8/31/2007	\$0.00	\$ -	\$ -	\$0.00	
9021-005	3.425%	\$433,574.57	8/8/2003	8/31/2008	\$326,613.28	\$ 4,659.64	\$ 326,613.28	\$0.00	
9021-006	3.775%	\$433,574.57	8/8/2003	8/31/2009	\$433,574.57	\$ 16,081.00	\$ 106,821.21	\$326,753.36	
9021-007	4.125%	\$433,574.57	8/8/2003	8/31/2010	\$433,574.57	\$ 17,933.93	\$ -	\$433,574.57	
9021-008	4.375%	\$433,574.57	8/8/2003	8/31/2011	\$433,574.57	\$ 19,020.84	\$ -	\$433,574.57	
9021-009	4.625%	\$433,574.57	8/8/2003	8/31/2012	\$433,574.57	\$ 20,107.76	\$ -	\$433,574.57	
9021-010	4.775%	\$385,806.78	8/8/2003	8/31/2013	\$385,806.78	\$ 18,472.74	\$ -	\$385,806.78	
9021-011	4.775%	\$47,767.79	8/8/2003	8/31/2014	\$47,767.79	\$ 2,287.14	\$ -	\$47,767.79	
9021-012	5.025%	\$433,574.57	8/8/2003	8/31/2015	\$433,574.57	\$ 21,846.80	\$ -	\$433,574.57	
9021-013	5.025%	\$433,574.53	8/8/2003	8/31/2016	\$433,574.53	\$ 21,846.80	\$ -	\$433,574.53	
Grand Total		\$14,618,227.66			\$9,714,701.45	525,065.54	776,254.69	\$8,938,446.76	

Midwest Energy Cooperative											
RUS Debt Reconciliation											
December 2008											
			Date	Final	Beginning	Next	Interest		Ending	YTD	
			Loan	Payment	Principal	Reprice	Rate	Pmt	Principal	Interest	
A/C #	Defer	Executed	Date	Balance	Year	%	Freq	Balance	Expense		
1	1B260	D	4/29/1982	4/29/2017	\$ 97,357.87	N/A	5.000%	Q	\$ 88,854.66	\$ 4,710.11	
2	1B262	D	4/29/1982	4/29/2017	\$ 97,044.94	N/A	5.000%	Q	\$ 88,569.06	\$ 4,694.96	
3	1B270	D	4/30/1984	4/30/2019	\$ 88,579.35	N/A	5.000%	M	\$ 82,603.83	\$ 4,292.28	
4	1B271	D	4/30/1984	4/30/2019	\$ 420.94	N/A	5.000%	M	\$ 392.50	\$ 20.40	
5	1B273	D	4/30/1984	4/30/2019	\$ 91,359.78	N/A	5.000%	M	\$ 85,196.77	\$ 4,426.99	
6	1B280	D	10/30/1986	10/30/2021	\$ 228,439.67	N/A	5.000%	M	\$ 216,555.15	\$ 11,149.95	
7	1B282	D	10/30/1986	10/30/2021	\$ 190,366.46	N/A	5.000%	M	\$ 180,462.77	\$ 9,291.63	
8	1B283	D	10/30/1986	10/30/2021	\$ 39,093.79	N/A	5.000%	M	\$ 37,059.93	\$ 1,908.14	
9	1B290	D	12/9/1988	12/9/2023	\$ 432,762.68	N/A	5.000%	M	\$ 414,433.12	\$ 21,218.36	
10	1B292	D	12/9/1988	12/9/2023	\$ 424,140.27	N/A	5.000%	M	\$ 406,176.02	\$ 20,795.63	
11	1B293	D	12/9/1988	12/9/2023	\$ 4,826.57	N/A	5.000%	M	\$ 4,622.10	\$ 236.65	
12	1B301	D	10/31/1991	10/31/2026	\$ 530,382.06	N/A	5.000%	M	\$ 512,952.33	\$ 26,119.59	
13	1B310	D	2/29/1996	2/28/2031	\$ 672,556.44	4/22/2005	4.250%	M	\$ 655,095.28	\$ 28,242.88	
14	1B311	D	2/29/1996	2/28/2031	\$ 103,232.81	5/20/2005	3.500%	M	\$ 100,280.82	\$ 3,585.69	
15	1B312	D	2/29/1996	2/28/2031	\$ 206,865.10	2/18/2007	4.120%	M	\$ 201,378.91	\$ 8,429.25	
16	1B313	D	2/29/1996	2/28/2031	\$ 312,997.00	5/5/2006	4.375%	M	\$ 304,963.70	\$ 13,532.26	
17	1B314	D	2/29/1996	2/28/2031	\$ 25,153.46	7/21/2006	4.500%	M	\$ 24,518.70	\$ 1,118.80	
18	1B315	D	2/29/1996	2/28/2031	\$ 1,042,439.82		5.375%	M	\$ 1,019,103.19	\$ 55,455.25	
19	1B316	D	9/23/1999	2/28/2031	\$ 315,986.21	9/30/2004	3.250%	M	\$ 306,647.66	\$ 10,130.13	
20	1B591	D	1/31/1989	3/20/2030	\$ 1,536,020.01	N/A	5.000%	M	\$ 1,594,540.23	\$ 80,849.18	
21	1B596	D	1/31/1989	3/20/2030	\$ 1,636,189.28	N/A	5.000%	M	\$ 1,594,705.26	\$ 80,657.54	
22	1B600	D	7/1/1997	7/1/2032	\$ 4,047,162.20		5.000%	M	\$ 3,960,328.76	\$ 200,363.76	
23	1B605	D		7/1/2032	\$ 3,975,560.15		4.500%	M	\$ 3,883,973.89	\$ 177,007.10	
24	1B610		8/11/1999	3/12/1934	\$ 3,425,694.26	8/31/03	4.250%	M	\$ 3,352,694.71	\$ 144,166.13	
25	1B611		2/9/2000	3/12/1934	\$ 3,774,868.93	03/01/04	5.125%	M	\$ 3,703,987.34	\$ 191,792.01	
26	1B612		2/16/2000	3/12/1934	\$ 983,879.90		4.625%	M	\$ 963,932.62	\$ 45,080.44	
27	1B613		1/9/2001	3/12/1934	\$ 1,861,438.47	05/05/06	4.500%	M	\$ 1,842,595.57	\$ 83,861.42	
28	1B614		2/27/2001	3/12/1934	\$ 2,389,993.14	07/21/06	3.000%	M	\$ 2,328,787.70	\$ 70,865.78	
29	1B615		9/11/2001	3/1/2034	\$ 2,139,152.40		4.500%	M	\$ 2,094,847.99	\$ 95,345.59	
30	1B620		3/25/2003	8/1/2037	\$ 2,318,267.08		5.080%	M	\$ 2,283,315.42	\$ 116,950.34	
31	1B621		3/31/2003	8/1/2037	\$ 2,294,396.23	3/31/2013	3.960%	M	\$ 2,252,671.19	\$ 90,097.96	
32	1B622		4/2/2003	8/1/2037	\$ 2,266,274.73	4/30/2008	3.340%	M	\$ 2,219,298.33	\$ 71,595.56	
33	1B623		12/23/2003	8/1/2037	\$ 1,912,702.65		5.090%	M	\$ 1,884,108.95	\$ 96,686.31	
34	1B624		7/8/2004	8/1/2037	\$ 2,872,934.62		5.260%	M	\$ 2,831,158.84	\$ 150,104.22	
35	1B625		3/29/2005	8/1/2037	\$ 3,369,455.74		4.880%	M	\$ 3,317,252.32	\$ 163,256.58	
36	1B626		9/13/2005	8/1/2037	\$ 1,932,622.66		4.450%	M	\$ 1,900,363.77	\$ 85,341.11	
37	1B627		11/22/2005	8/1/2037	\$ 2,215,134.59		4.620%	M	\$ 2,179,058.30	\$ 101,572.11	
38	1A320		8/10/2006	11/1/1937	\$ 3,990,537.46		5.050%		\$ 3,931,486.20	\$ 200,148.74	
39	1A321		11/24/2006	11/1/1937	\$ 3,989,783.79		4.650%		\$ 3,926,269.22	\$ 184,165.43	
40	1A322		9/11/2007		\$ 1,994,891.90		4.650%		\$ 1,963,134.61	\$ 92,082.71	
41	New						5.000%		\$ -	\$ -	
					\$ 59,950,963.41				\$ 58,738,377.93	\$ 2,751,518.96	

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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	See Attachment					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
	TOTAL					

Midwest Energy Cooperative
 Payables to Associated Companies (Accts 232,233,242)
 For Year Ending 12/31/08

Note () = credit balance

Line #	Particulars (a)	Balance Beginning of Year (b)	Debits ©	Credits (d)	Balance End of Year (e)	Interest for Year (f)
1	232.50 Accounts Payable Midwest Propane Payments made with Electric bill that need to be transferred to Propane	(\$49,648)	\$10,527,065	\$10,518,787	(\$41,370)	
2	232.51 Accounts Payable Midwest Propane Gobles location Payments made with Electric bill that are NSF's	\$0	\$0	\$0	\$0	
3	232.52 Accounts Payable Midwest Energy, Inc. Propane tank cylinder & gas sales	\$0	\$0	\$0	\$0	
4	232.70 Accounts payable-Wild Blue Payments made with Electric bill that need to be transferred to Wild Blue	\$0	\$362,863	\$410,392	(\$47,529)	
5	233.10 Accounts Payable Midwest Energy, Inc.	\$0	\$0	\$0	\$0	
6	242.58 Aflac Pretax Deduction-Employee transfer to Propane-due coop	\$0	\$15,140	\$15,140	\$0	
		(\$49,648)	\$10,905,067	\$10,944,318	(\$88,899)	\$0

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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.	N/A, MWE is a tax exempt organization and does not file a Federal Income Tax Return.	TOTAL AMOUNT
1	Utility net operating income (page 114 line 20)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 68)	
6	Allocation of Net income for the year	
7	Add: Federal income tax expenses	
8		
9	Total pre-tax income	
10		
11	Add: Taxable income not reported on books:	
12		
13		
14		
15	Add: Deductions recorded on books not deducted from return	
16		
17		
18		
19	Subtract: Income recorded on books not included in return:	
20		
21		
22		
23	Subtract: Deductions on return not charged against book income:	
24		
25		
26	Federal taxable income for the year	

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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	See Attachment				
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	Total Gain				

Name of Respondent Midwest Energy Cooperative		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss				

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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					
2					
3		See Attachment			
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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28					
29					
30					
31					
32					
33					
34					
35					

Midwest Energy Cooperative
 Charges for Outside Professional and Other Consultative Service
 Year Ending 12/31/08

Amounting to more than \$25,000.00

<u>Name and Address</u>	<u>Description of Services</u>	<u>Basis of Charges</u>	<u>Total Charges for the Year</u>	<u>Account Charged</u>	<u>Amount</u>
EnerVision PO Box 450789 Atlanta, GA 31145	Power Supply Diagnostics Analysis		\$50,126.12	923.01-01	50,126.12 <u>50,126.12</u>
CC Power Electrical Contracting PO Box 5663 Traverse City, MI 49696	Contractor-Construction		\$175,283.25	107.10 108.90	154,499.05 12,302.25 <u>175,283.25</u>
Cooperative Response Center 2000 8th Street N.W. Austin, MN 55912	Customer Service, Overflow and after hours		\$95,488.86	581.01-22 1..923.	83,186.61 12,302.25 <u>95,488.86</u>
Harris Group 731 S. Garfield Ave Traverse City, MI 49686	CPA		\$31,881.81	923.00-11	31,881.81 <u>31,881.81</u>
Dykema Gossett 400 Renaissance Center Detroit, MI 48243	Legal Services		\$205,449.99	1.00.925 3.00.923.01 923.00-01	9,101.40 372.00 195,976.59 <u>205,449.99</u>
American Energy Services PO Box 295 Richmond, MI 48062	Pole Testing		\$33,159.30	593.00-51	33,159.30 <u>33,159.30</u>
Green Leaf Tree Service 5280 Engle Rd Middleville, MI 49333	Contractor- Tree Work		\$1,632,785.00	107.10 593.00-51 593.30-54	494,683.00 \$43,840.00 1,094,262.00 <u>1,632,785.00</u>
Markur Consulting, LLC 9319 Mockingbird Lane Cadillac, MI 49601	Information Systems Contractor		\$278,296.40	903.12-22 927.00-23 927.10-23 912.30-70 186.00 416.22 909.00-70	77,337.76 107,000.00 1,995.00 6,600.00 83,769.41 1,245.23 349.00 <u>278,296.40</u>

Michigan Electric Coop Assoc
2859 W. Jolly Rd
Okemos, MI 48864

Utility Restructuring
Country Line Magazine
Deferred Income

\$253,647.04	923.00-1	2,756.13
	182.30	1,510.00
	921.60-1	350.00
	921.60-11	175.00
	921.60-45	175.00
	921.60-70	350.00
	930.22-1	50,122.00
	165.13	6,837.00
	583.50-51	267.80
	930.22-1	85,844.00
	930.21-3	2,750.00
	909.02-70	1,874.00
	921.00-51	215.20
	909.01-70	94,720.91
	1.00.913	5,700.00

253,647.04

NISC
SDS 12-2053
Minneapolis, MN 55486

Computer System Support

\$473,678.35	186	39,888.06
	923.00-1	4,480.00
	921.00-11	1,173.38
	921.01-11	196.53
	921.60-11	8,245.47
	902.80-21	600.00
	903.00-21	2,862.00
	903.04-21	168,658.61
	903.06-21	439.11
	903.04-21	15,459.57
	903.02-21	2,160.00
	903.60-21	1,265.50
	903.08-21	2,667.84
	903.09-21	5,694.00
	581.01-22	300.00
	921.00-22	371.00
	903.60-22	2,386.00
	903.08-22	6,408.00
	903.02-23	126,477.46
	588.10-46	11,717.70
	593.00-51	10,067.88
	927.20-23	10,473.86
	593.00-46	399.00
	1.0.921.40	30,471.79
	1.00.921.62	54.00
	1.0.558.	2,300.00
	1.00.921.	15,965.04
	2.00.731.	2,138.11
	2.00.725	358.44

473,678.35

Power System Engineering
2000 Engel St
Madison, WI 53713

WO# M27082104

107.20	\$63,678.00
	<u>\$63,678.00</u>

Runkle Electric
28807 Sarabyn St.
Dowagiac, MI 49047

Contractor

\$28,910.00	587.20-70	\$1,235.00
	587.00-45	27,675.00

\$28,910.00

TOTAL \$3,258,706.12

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES

1. In column (a) report the name of the associated company.
 2. In column (b) describe the affiliation (percentage ownership, etc.).
 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).
 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.

Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1					
2					
3					
4		See Attachment			
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					
TOTAL					

Name of Respondent Midwest Energy Cooperative	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/09	Year of Report 2008
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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.
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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						23
						24
						25
						26
						27
						28
						29
						30

Miscellaneous Midwest Inc/Propane Expenses		Paid by Midwest Energy Cooperative to be Reimbursed		For year 2008		Form 7 MPSC page		Desc: nature of		Goods and Services		Account #		Amount Classified To Balance		Amount Classified to Operating Income		Amount Classified to Non-Operating		Pricing Method													
Line #	Company	Affiliation	Wholly Owned	Subsidiary of Midwest Energy Cooperative	Out of Pocket Expense Labor & Benefit Allocation	0.00.146.35	11,203.40	24,711.07	35,914.47																								
1	Midwest Energy, Inc GL# 0.00.146.35	Wholly Owned Subsidiary of Midwest Energy Cooperative			Out of Pocket Expense Labor & Benefit Allocation	0.00.146.35	\$ 11,203.40	\$ 24,711.07	\$ 35,914.47												Cost Cost												
2	Long Distance Expense TWN GL# 0.00.146.35	Midwest Energy, Inc Line of Business			Out of Pocket Expense Labor & Benefit Allocation	0.00.146.35	\$ 1,740.61	\$ 4,225.87	\$ 5,966.48													Cost Cost											
3	Midwest Propane LLC GL# 0.00.146.36 & GL# 0.00.146.10	Wholly Owned Subsidiary of Midwest Energy Cooperative			Out of Pocket Expense Labor & Benefit Allocation Facility Lease	0.00.146.36/146.10	\$ 337,112.11	\$ 272,377.29	\$ 19,020.00													Cost Cost Contract											
4	Midwest Energy, Inc - Connection/WildBlue GL# 0.00.146.37	Midwest Energy, Inc Line of Business			Out of Pocket Expense Labor & Benefit Allocation	0.00.146.37	\$ 19,243.22	\$ 42,921.57	\$ 62,164.79													Cost Cost											
Total Costs Billed to Associated Companies													\$ 732,555.14	\$ -	\$ -																		

Miscellaneous Midwest Inc/Propane Expenses			
Paid by Midwest Energy Cooperative to be reimbursed			
For year 2008			
		Form 7 MPSC page	
Expenses:	Desc: nature of Goods and Services	Desc: nature of Goods and Services	YTD 2008
G/L #146.00 Midwest Energy Inc #146.35 eff FEB			
Dykema -Legal	Legal & Professional	Out of Pocket expense	\$ 9,301.40
Federated/etc	misc invoices	Out of Pocket expense	\$ 2,302.00
misc / office supplies	food/office	Out of Pocket expense	\$ -
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ 1,687.58
Administrative Services	Administrative Services	Labor & Benefit Allocation	\$ 13,621.49
Accounting Services	Accounting Services	Labor & Benefit Allocation	\$ 9,402.00
Total #146.00 billed			\$ 35,914.47
G/L #146.01 Commerce park-sold fall 2005			
Electric Usage	Commerce Park Expense	Out of Pocket expense	\$ -
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ -
Dykema	Legal & Professional	Out of Pocket expense	\$ -
Total #146.01 MWE Inc Commerce Park			\$ -
146.2 Long Distance Expense TWN #146.35 eff FEB			\$ -
Accounting Services	Accounting Services	Labor & Benefit Allocation	\$ 1,882.47
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ 2,343.40
Bill Stuffers fee MJ-46	Office Supplies & Postage	Out of Pocket expense	\$ -
Misc Natural Gas Exp	NAT Gas training	Out of Pocket expense	\$ -
Natural Gas Bill Stuffers Sept07	Advertising	Out of Pocket expense	\$ -
Meal Natural Gas P Nowlin	Meals	Out of Pocket expense	\$ -
Parking/airlines/hotel	Travel Expense	Out of Pocket expense	\$ -
MECA	Legal & Professional	Out of Pocket expense	\$ -
SBC-Ameritech 816 r0216477443	Advertising	Out of Pocket expense	\$ -
General Tax and Accounting Service	Accounting Services	Out of Pocket expense	\$ -
NISC-postage	postage	Out of Pocket expense	\$ -
Idearc Media	Advertising	Out of Pocket expense	\$ 1,697.61
AT&T	phone	Out of Pocket expense	\$ 43.00
Double Day	Audit Supplies	Out of Pocket expense	\$ -
Total #146.20			\$ 5,966.48
#146.35 Due from total includes #146.00;#146.01 #146.20			\$ -41,880.95

Detail

Miscellaneous Midwest Inc/Propane Expenses			
Paid by Midwest Energy Cooperative to be reimbursed			
For year 2008			
		Form 7 MPSC page	
Expenses:	Desc: nature of Goods and Services	Desc: nature of Goods and Services	YTD 2008
GL #146.00 Midwest Energy Inc #146.35 eff FEB			
Dykema -Legal	Legal & Professional	Out of Pocket expense	\$ 9,101.40
Federated/etc	misc invoices	Out of Pocket expense	\$ 2,102.00
misc / office supplies	food/office	Out of Pocket expense	\$ -
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ 1,687.58
Administrative Services	Administrative Services	Labor & Benefit Allocation	\$ 13,621.49
Accounting Services	Accounting Services	Labor & Benefit Allocation	\$ 9,402.00
Total #146.00 billed			\$ 35,914.47
GL #146.01 Commerce park-sold fall 2005			
Electric Usage	Commerce Park Expense	Out of Pocket expense	\$ -
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ -
Dykema	Legal & Professional	Out of Pocket expense	\$ -
Total #146.01 MWE Inc Commerce Park			\$ -
146.2 Long Distance Expense TWN #146.35 eff FEB			
Accounting Services	Accounting Services	Labor & Benefit Allocation	\$ 1,882.47
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ 2,343.40
Bill Stuffers fee MJ-46	Office Supplies & Postage	Out of Pocket expense	\$ -
Misc Natural Gas Exp	NAT Gas training	Out of Pocket expense	\$ -
Natural Gas Bill Stuffers Sept07	Advertising	Out of Pocket expense	\$ -
Meal Natural Gas P Nowlin	Meals	Out of Pocket expense	\$ -
Parking/airlines/hotel	Travel Expense	Out of Pocket expense	\$ -
MECA	Legal & Professional	Out of Pocket expense	\$ -
SBC-Ameritech 616 r0216477443	Advertising	Out of Pocket expense	\$ -
General Tax and Accounting Service	Accounting Services	Out of Pocket expense	\$ -
NISC-postage	postage	Out of Pocket expense	\$ -
Idearc Media	Advertising	Out of Pocket expense	\$ 1,697.61
AT&T	phone	Out of Pocket expense	\$ 43.00
Double Day	Audit Supplies	Out of Pocket expense	\$ -
Total #146.20			\$ 5,966.48
#146.35 Due from:total includes #146.00,#146.01 #146.20			\$ 41,880.95
GL #146.10 Midwest Propane LLC #146.35 Eff Feb			
Facility Rental	Office Space Rental	Facility Lease	\$ 10,560.00
Office Space Rental	Office Space Rental	Facility Lease	\$ 8,460.00
Coop Services Interco labor	Coop Services	Labor & Benefit Allocation	\$ 265,380.16
Coop Labor-Garage	Coop Services	Labor & Benefit Allocation	\$ 6,997.13
Garage expense after markup	Vehicle Expense	Out of Pocket expense	\$ 21,714.24
Fed Express	Misc	Out of Pocket expense	\$ 144.30
Double Day	Misc	Out of Pocket expense	\$ 107.73
credit card fees mj-79	Bank S/C -CC Fees	Out of Pocket expense	\$ 20,603.16
Experian	credit check fees	Out of Pocket expense	\$ -
SBC - Ameritech	Advertising	Out of Pocket expense	\$ -
Verizon 517-263-1808	Advertising	Out of Pocket expense	\$ 100.10
Verizon Directories/Windstream 38008	Advertising	Out of Pocket expense	\$ -
Alltel Publishing Directory/Windstream	Advertising	Out of Pocket expense	\$ -
Dowagiac Commer Press	Advertising	Out of Pocket expense	\$ 152.64
Local Insight	Advertising	Out of Pocket expense	\$ 1,806.27
AT&T	phone	Out of Pocket expense	\$ 8,654.79
Nextel Cell phones	phone	Out of Pocket expense	\$ 3,644.09
Weller Wireless	phone	Out of Pocket expense	\$ 50.75
yellow book- directories-big rapids	Advertising	Out of Pocket expense	\$ -
NISC-postage mailing bills	postage	Out of Pocket expense	\$ 32,771.79
NISC -monthly user fees etc	Legal & Professional	Out of Pocket expense	\$ 13,166.04
CRC	Legal & Professional	Out of Pocket expense	\$ 12,302.25
Dykema	Legal & Professional	Out of Pocket expense	\$ 372.00
Federated ins	Liability & Comp Insurance	Out of Pocket expense	\$ 146,156.00
Accident Fund	Liability & Comp Insurance	Out of Pocket expense	\$ 23,168.68
Idearc Media Corp	Dir. Advertising	Out of Pocket expense	\$ 31,236.61
Sponsorship/promos/donations	Advertising	Out of Pocket expense	\$ -
MI Electric Coop (MECA)	Advertising	Out of Pocket expense	\$ 5,700.00
Lands End	Clothing	Out of Pocket expense	\$ 600.00
Superior Business Solutions	Misc	Out of Pocket expense	\$ -
Annual picnic expenses-billed late/apprec dinner	Employee Benefit Costs	Out of Pocket expense	\$ -
Lakeland Medical-new benefit wellness	Employee Benefit Costs	Out of Pocket expense	\$ 35.59
Unum	Employee Benefit Costs	Out of Pocket expense	\$ 5,585.88
CVS Caremark (Pharmacare RX)	Employee Benefit Costs	Out of Pocket expense	\$ 3,741.24
US Bank	Misc fees	Out of Pocket expense	\$ 3,492.30
Dell Marketing for Gobles Flat Screen	Office Supplies	Out of Pocket expense	\$ -
Occuhealth-Wolf Creek	Physical	Out of Pocket expense	\$ 92.00
Farmhouse Bakery	Misc	Out of Pocket expense	\$ 819.00
Slate of Michigan	Misc	Out of Pocket expense	\$ 5.00
Resco	Misc	Out of Pocket expense	\$ -
Fast Signs	Misc	Out of Pocket expense	\$ -
Charmin Ruth	Misc	Out of Pocket expense	\$ -
K & K Management	MISC	Out of Pocket expense	\$ 723.90
WB Hayden	Misc	Out of Pocket expense	\$ 23.91
P Nowlin	Misc	Out of Pocket expense	\$ -
Devils & Round Lake Mens Club	Misc	Out of Pocket expense	\$ 125.00
Creative Vinyl Signs	Advertising	Out of Pocket expense	\$ 16.85
Annual fee for envelopes/cks	Office Supplies & Postage	Out of Pocket expense	\$ -
Bill stuffers fee- now on misc bill	Office Supplies & Postage	Out of Pocket expense	\$ -
Postage/misc postage gas stmls	Office Supplies & Postage	Out of Pocket expense	\$ -
Prime Office, staples, Office Plus	Office Supplies & Postage	Out of Pocket expense	\$ -
Survey Postage/meter Cards mailing	Office Supplies & Postage	Out of Pocket expense	\$ -
HOTELS/travel	TRAVELHOTELS	Out of Pocket expense	\$ -
Meals	Meals & entertainment	Out of Pocket expense	\$ -
Total #146.10 billed			\$ 628,509.40

Miscellaneous Midwest Inc/Propane Expenses			
Paid by Midwest Energy Cooperative to be reimbursed For year 2008			
		Form 7 MPSC page	
Expenses:	Desc: nature of Goods and Services	Desc: nature of Goods and Services	YTD 2008
GL#146.37 for #146.18-MIDWEST WILDBLUE started Feb WB pay not-inc			
Accounting Services	Accounting Services	Labor & Benefit Allocation	\$ 5,874.52
Admin Services	Admin Services	Labor & Benefit Allocation	\$ 3,286.64
Marketing Services	Marketing Services	Labor & Benefit Allocation	\$ 21,738.57
Dispatch Dept Services	Billing Services	Labor & Benefit Allocation	\$ 6,047.31
Customer Service/disp	Customer Service/disp	Labor & Benefit Allocation	\$ 5,512.25
Mapping & Staking	Mapping & Staking	Labor & Benefit Allocation	\$ 462.28
Verizon #517-263-1808	Advertising	Out of Pocket expense	\$ -
Airtel Publishing/windstream 020-202-2880	Advertising	Out of Pocket expense	\$ -
Local Insight	Advertising	Out of Pocket expense	\$ 296.22
Leader Publications	Advertising	Out of Pocket expense	\$ 1,334.00
Bursma Electronics	Misc Supplies	Out of Pocket expense	\$ -
WB cc/eck fees	Bank fees	Out of Pocket expense	\$ 7,001.88
US Bank Corp	Supplies	Out of Pocket expense	\$ 2,427.88
Dowagiac Commercial Press	Misc	Out of Pocket expense	\$ 871.59
Federal Express	Postage	Out of Pocket expense	\$ 34.12
NISC	Mis Expense	Out of Pocket expense	\$ 2,138.11
NISC	Misc Expenses	Out of Pocket expense	\$ 1,433.76
Vehicle 2707 depreciation and fuel	Misc Expenses	Out of Pocket expense	\$ 3,592.14
Domain Bank	Misc Expenses	Out of Pocket expense	\$ -
Misc	Misc Expenses	Out of Pocket expense	\$ 5.29
Wild Blue Meals	Meals	Out of Pocket expense	\$ -
Wild Blue Conference	Training	Out of Pocket expense	\$ -
WB-Nisc-postage for billing stmt	Office Supplies & Postage	Out of Pocket expense	\$ -
WB Hayden	Postage	Out of Pocket expense	\$ 108.23
Petty Cash-Postage; wild blue-billed late	Office Supplies & Postage	Out of Pocket expense	\$ -
Total #146.18 Midwest Connections			\$ 62,164.79
			\$ -
Total Costs billed To Associated Companies			\$ 732,555.14
			\$ 732,555.14
			\$ -