

Beyond Expectations In Pursuit of Excellence

**1985
Annual
Report**



Wolverine Power Supply Cooperative, Inc.

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THE COVER

Wolverine's Energy Control Center, located near Cadillac, Michigan, is a state-of-the-art computerized power dispatch facility. Through the Center's computerized Supervisory Control and Data Acquisition (SCADA) system, Wolverine has the capabilities to electronically gather, tabulate and evaluate necessary energy data. The Energy Control Center coordinates power dispatch operations for Wolverine and municipal utilities in Grand Haven, Lowell, Traverse City and Zeeland.

ANNUAL MEETING

April 23, 1986, 9:00 a.m.
McGuire's Resort & Convention Center
Mackinaw Trail
Cadillac, Michigan

INDEPENDENT ACCOUNTANTS

Coopers & Lybrand
Valley American Bank Building
South Bend, IN 46601

GENERAL COUNSEL

Albert Ernst
Dykema, Gossett, Spencer, Goodnow & Trigg
800 Michigan National Tower
Lansing, MI 48933

CONTENTS

- 1 Financial Highlights
- 2 President & General Manager's Report
- 4 Board of Directors
- 6 Member Distribution Cooperatives
- 8 Management & Departmental Summary
- 8 Finance & Administrative Services
- 9 Power Production
- 10 Transmission, Engineering & Operations
- 11 Regulatory Affairs
- 13 Financial Statements

FOR INFORMATION

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Boyer City, Michigan 49712
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Employer M/F/V/H

1985 Financial Highlights

1

	1985	1984	Increase (Decrease)	% Increase (Decrease)
Assets	\$887,266,691	\$837,443,012	\$49,823,679	5.95
Operating Revenue	50,042,520	50,356,505	(313,985)	(.62)
Total Expenses	49,291,380	47,730,677	1,560,703	3.27
Non Operating Margins	764,927	612,340	152,587	24.92
Net Margins	1,516,067	3,308,536	(1,792,469)	(54.18)
System Peak Demand (MW)	207	195	12	6.15
Energy Sales (MWH)	1,059,853	1,043,530	16,323	1.56
To Member Systems	1,018,294	984,465	33,829	3.43
To Others	41,559	59,065	(17,506)	(29.64)
Members Revenue per KWH Sold (mills/kwh)	46.38	48.16	(1.78)	(3.70)
Purchased Power Costs (mills/kwh)	30.91	31.04	(.13)	(.42)
Total Cost of Electric Service per KWH sold	46.51	45.74	1.17	2.56
Advance Plant Purchased Coal (\$/ton)	50.60	50.39	21	.42
Full Time Employees	114	111	3	2.70

The Cooperative

Wolverine Power Supply Cooperative, Inc., with headquarters in Boyne City, Michigan, is a non-profit rural electric generation and transmission cooperative supplying wholesale electric energy to seven rural electric distribution cooperatives serving a total consumer membership exceeding 130,000 in 35 Michigan counties.

Wolverine owns and/or operates 165 megawatts of coal-fired, natural gas, diesel and hydroelectric generation. In addition, Wolverine is an approximately 15 percent owner, with the Detroit Edison Company, in the Fermi 2 Nuclear Power Plant near Monroe, Michigan. Fermi 2 is a 1,093 megawatt boiling water reactor which Detroit Edison has scheduled for commercial operation in 1986. Wolverine also maintains an approximate 15 megawatt ownership with Consumers Power Company in the 770 megawatt J.H. Campbell Unit 3 coal fired plant located near Grand Haven, Michigan.



President and General Manager's Report

(From left) Melvin Basel - President, Raymond R. Cristell - Executive Vice President and General Manager

Beyond Expectations in Pursuit of Excellence, it requires that we meet the needs of our member distribution cooperatives - and then some.

The principle by which we have guided Wolverine over the past three years will continue. Wolverine's underlying business philosophy will continue to be "providing reliable wholesale electric service at the lowest possible cost."

In 1982, we met the critical challenge of merging two generation and transmission cooperatives into a new and much larger cooperative. We believe that Wolverine's performance since that time can speak for itself. Since the merger of Wolverine Electric Cooperative and Northern Michigan Electric Cooperative into Wolverine Power Supply Cooperative, wholesale power costs have been cut by an average of nearly 15% and the cooperative's financial outlook has steadily improved.

But the challenges we must face together will continue. Wolverine is part of an industry that faces challenges every day. We expect those challenges and during 1985 Wolverine again overcame many of them.

During 1985, management again expended a significant amount of time and resources towards continuing the precedent established in 1983 of stabilizing wholesale power costs. We are pleased to report that our joint efforts have been successful.

Wolverine's financial condition has also become more stable and November 1985 margins of \$638,000 represented the largest single month of margins in the history of Wolverine Electric Cooperative, Northern Michigan Electric Cooperative or Wolverine Power Supply Cooperative.

The continued growth of Wolverine's seven member systems has also provided additional benefits. Wolverine

members purchased 3.4% more wholesale power during 1985 than during 1984 and we are happy to report each of Wolverine's member systems contributed to this increase.

To help meet the continued growth of Wolverine's member systems, several measures were undertaken this past year to ensure the continued low cost and reliable operation of both generation and transmission facilities.

A study of the Advance Steam Plant was undertaken to analyze future electrical generation alternatives at the plant and to determine the feasibility of upgrading the plant's generating capabilities. High cost standby gas contracts at Burnips, Hersey and Scottville were also cancelled and will result in savings of approximately \$382,000 in standby gas charges.

Management was also successful in reaching a significant new amendment to the Wolverine and Consumers Power Company transmission ownership and operating agreement. This amendment will save Wolverine's member systems approximately \$1 million per year in transmission wheeling charges and allow Wolverine to use its ownership in the Consumers Power transmission system for purchased power from other utilities.

But Wolverine's largest and most critical challenge continues to pose both interim and long term problems. As a minority owner in the Fermi 2 nuclear power plant, the continuing problems Detroit Edison has encountered in bringing the plant into commercial operation will continue to have a direct effect upon Wolverine.

During extensive negotiations with Detroit Edison Company senior management this past year, we were successful in achieving an agreement that resolved some of our concerns at Fermi 2 and is expected to result in an estimated savings of \$150 million over the life of the agreement.

We are very concerned with Fermi 2 and its eventual impact on Wolverine's wholesale power costs. Although we firmly believe that the agreement achieved in 1985 will greatly benefit Wolverine, we will continue to closely monitor the situation at Fermi 2.

To help offset the challenges presented by Fermi 2, the Board of Directors has organized a committee whose sole purpose is to analyze future financial and power supply options. By drawing upon the resources of the directors and management, we are confident in the committee's ability to arrive upon several recommendations to analyze further.

The challenge of combining wholesale power rates to Wolverine member-systems was also completed during 1985. Beginning with October 1, 1985 power billings, wholesale power costs to each of Wolverine's member systems were identical. We are thankful for the patience and guidance exhibited by both the Michigan Public Ser-

vice Commission and Wolverine's member systems during this entire rate blending process.

While 1985 was indeed a very challenging year, it was also a year of progress and transition.

Efforts toward one of Wolverine's most visible transitions are already underway. Since the Board of Directors has approved the relocation of our corporate headquarters from Boyne City to Cadillac, construction will begin this spring on the new 12,000 square foot headquarters building. By moving the entire administrative function of Wolverine's operation to Cadillac later this year, we feel confident that Wolverine can more fully serve the member systems' needs. At the present time, we expect to relocate in the new Cadillac headquarters late this summer. The new headquarters facility will be constructed east of Cadillac and adjacent to Wolverine's Energy Control Center.

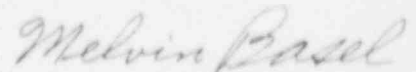
While construction on the Energy Control Center was completed in 1984, Wolverine personnel are presently installing the center's computer and communications equipment and we expect the facility to be fully operational later this year.

This past year, we were also very pleased that Wolverine's apprentice linemen training program received accreditation from the U.S. Department of Labor. The program, which runs for a 3 1/2 year period and includes 7,200 hours of class and field work, has been expanded and now includes nearly 30 apprentice linemen from Wolverine, its member-systems and other Michigan electric utilities. This is the only fully accredited program offered by a rural electric cooperative in Michigan.

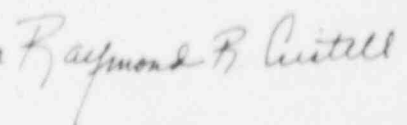
It now appears that Wolverine will achieve success in litigation against Canonic and Dundee, and their apparent negligence relating to Wolverine's underwater transmission cable to Beaver Island. A mediator has rendered a decision in Wolverine's favor in the amount of \$494,000 - eighty percent of which is apportioned to Canonic and the remaining twenty percent to Dundee. We are most optimistic that the two defendants will accept the mediator's decision.

The many successes that Wolverine achieved during 1985 must be attributed in great measure to the Board of Directors, member system managers and our employees. We look forward to their continued support in taking Wolverine "Beyond Expectations In Pursuit of Excellence". We stand committed to accept whatever challenges lie ahead.

Melvin Basel
President



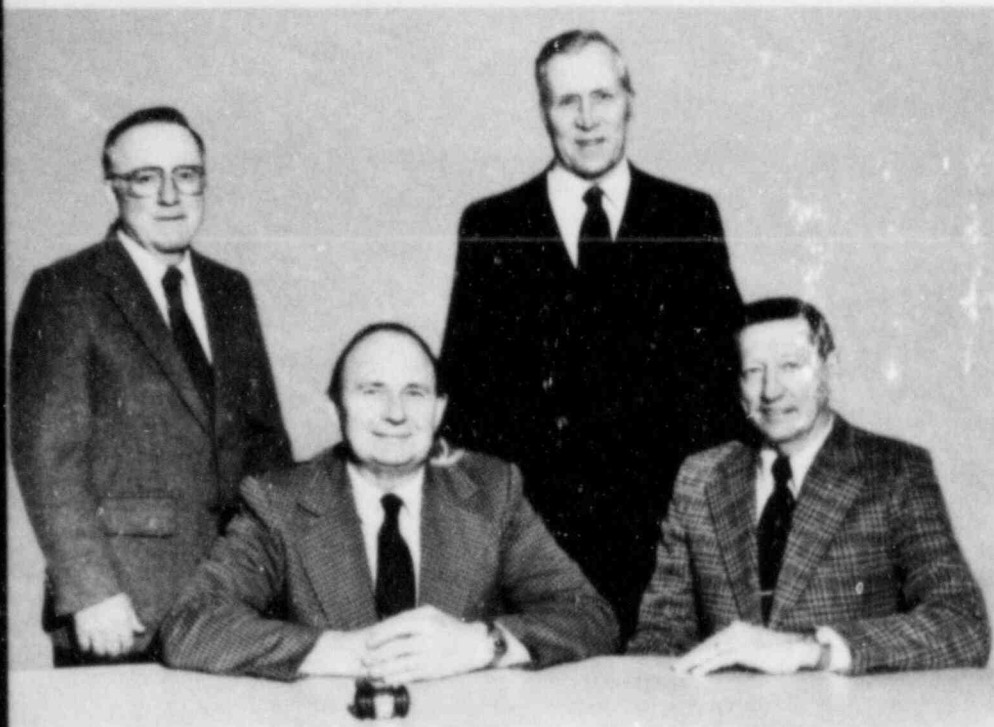
Raymond R. Cristell
Executive Vice President
and General Manager



Board of Directors

4

Board Officers



Seated (from left) Mevin Basel, President, Howard Carson, Secretary, standing (from left) Donald Harmon, Treasurer, William Chapin, Senior Vice President.

Directors



Seated (from left) Wayne Nordbeck, Robert Hasenbank, Emma Reinbold, Clare Shull, Burton Scott. Standing (from left) F. Edgar Render, Willard Haenke, Thomas VanPelt, Fred Foltz, Carl Fortelka, Thaddeus Gauel.

Melvin Basel

President
Self Employed Farmer, Age 59
Wolverine Director Since 1975
Presque Isle Electric Cooperative Director Since 1965
Presque Isle Electric Cooperative Member Since 1958

William Chapin

Senior Vice President
Dairy Farmer, Age 64
Wolverine Director Since 1976
Tri-County Electric Cooperative Director Since 1973
Tri-County Electric Cooperative Member Since 1950

Howard Carson

Secretary
Building Official, Age 52
Wolverine Director Since 1977
Top O'Michigan Rural Electric Director Since 1973
Top O'Michigan Rural Electric Member Since 1960

Donald Harmon

Treasurer
Fruit Farmer
Wolverine Director Since 1981
Western Michigan Electric Cooperative Director Since 1968
Western Michigan Electric Cooperative Member Since 1946

Fred P. Foltz

Dairy Farmer, Age 59
Wolverine Director Since 1983
Top O'Michigan Rural Electric Director Since 1980
Top O'Michigan Rural Electric Member Since 1945

Carl Fortelka

Canoe Livery Proprietor, Age 48
Wolverine Director Since 1976
O & A Electric Cooperative Director Since 1973
O & A Electric Cooperative Member Since 1958

Thaddeus Gawel

Retired Dairy Inspector, Age 67
Wolverine Director Since 1983
Presque Isle Electric Cooperative Director Since 1978
Presque Isle Electric Cooperative Member Since 1956

Willard Haenke

Retired Farmer & Carpenter, Age 69
Wolverine Director Since 1967
Tri-County Electric Cooperative Director Since 1947
Tri-County Electric Cooperative Member Since 1937

Robert Hasenbank

Bus Driver/Dairy Farmer, Age 60
Wolverine Director Since 1981
Western Michigan Electric Cooperative Director Since 1975
Western Michigan Electric Cooperative Member Since 1956

Wallace Hoffman

General Farming, Age 64
Wolverine Director Since 1985
Oceana Electric Cooperative Director Since 1981
Oceana Electric Cooperative Member Since 1945

Wayne Nordbeck

Retail Grocer, Age 52
Wolverine Director Since 1984
Cherryland Rural Electric Cooperative Director Since 1967
Cherryland Rural Electric Cooperative Member Since 1957

Emma Reinbold

Retired Home Economist, Age 65
Wolverine Director Since 1983
Top O'Michigan Rural Electric Director Since 1977
Top O'Michigan Rural Electric Member Since 1948

F. Edgar Render

Retired Manufacturers Agent, Age 68
Wolverine Director Since 1978
Presque Isle Electric Cooperative Director Since 1975
Presque Isle Electric Cooperative Member Since 1962

Burton Scott

Rancher & Farmer, Age 56
Wolverine Director Since 1973
O & A Electric Cooperative Director Since 1967
O & A Electric Cooperative Member Since 1938

Clare Shull

Retired Farmer, Age 80
Wolverine Director Since 1967
Oceana Electric Cooperative Director Since 1964
Oceana Electric Cooperative Member Since 1940

Thomas VanPelt

Cherry Farmer, Age 34
Wolverine Director Since 1985
Cherryland Rural Electric Cooperative Director Since 1984
Cherryland Rural Electric Cooperative Member Since 1952

COMMITTEES**Audit Committee**

Directors Basel, Chapin, Carson, Harmon

Building Committee

Directors Carson, Foltz, Fortelka, Haenke

Executive/Policy/Long Range Planning Committee

Directors Basel, Chapin, Carson, Harmon, Nordbeck, Scott, Shull

Equity Management Committee

Directors Basel, Chapin, Carson, Harmon, Hasenbank, Reinbold, Render

Bargaining Unit Compensation Committee

Directors Gawel, Hoffman, VanPelt

Member Distribution Cooperatives

6



Seated (from left) Philip Cole, Manager - Cherryland Rural Electric Cooperative Assn., Robert Frederiksen, Manager - Oceana Electric Cooperative, Kenneth Bumstead, Manager - O & A Electric Cooperative. Standing (from left) Jack Stickney, Manager - Western Michigan Electric Cooperative, Thomas Hanna, Manager - Top O'Michigan Rural Electric Co., Robert Matheny, Manager - Tri-County Electric Cooperative, A. Barkley Travis, Manager - Presque Isle Electric Cooperative.

Member Distribution Cooperative Profile

7

Cherryland Rural Electric Cooperative Assn.

Number of Members: 17,589
Miles of Distribution Line: 1,935
Members/Mile of Line: 9
1985 Kwh Sales: 140,836,475
Operating Revenue: \$11,125,000
Employees: 54

O & A Electric Cooperative

Number of Members: 24,786
Miles of Distribution Line: 3,284
Members/Mile of Line: 7.5
1985 Kwh Sales: 132,426,292
Operating Revenue: \$11,137,431
Employees: 41

Oceana Electric Cooperative

Number of Members: 8,306
Miles of Distribution Line: 1,015
Members/Mile of Line: 8.2
1985 Kwh Sales: 55,267,061
Operating Revenue: \$4,642,776
Employees: 22

Presque Isle Electric Cooperative, Inc.

Number of Members: 25,076
Miles of Distribution Line: 3,696
Members/Mile of Line: 6.8
1985 Kwh Sales: 131,874,567
Operating Revenue: \$11,036,389
Employees: 65

Top O'Michigan Rural Electric Company

Number of Members: 37,216
Miles of Distribution Line: 4,929
Members/Mile of Line: 7.6
1985 Kwh Sales: 283,573,428
Operating Revenue: \$20,876,000
Employees: 78

Tri-County Electric Cooperative

Number of Members: 16,400
Miles of Distribution Line: 2,538
Members/Mile of Line: 6.4
1985 Kwh Sales: 139,707,477
Operating Revenue: \$11,616,844
Employees: 42

Western Michigan Electric Cooperative

Number of Members: 9,718
Miles of Distribution Line: 1,282
Members/Mile of Line: 7.6
1985 Kwh Sales: 40,762,985
Operating Revenue: \$3,993,376
Employees: 19

Management & Departmental Summary

8



Seated (from left) Raymond R. Cristell, Executive Vice President and General Manager, Ray G. Towne, Assistant General Manager & Manager, Finance & Administrative Services. Standing (from left) Albert Ernst, General Counsel - Dykema, Gossett, Spencer, Goodnow & Trigg, James O. Wood, Manager Power Production, Richard B. Chappell, Manager Transmission, Engineering & Operations.

Finance and Administrative Services

In a continuing effort to provide the most efficient and reliable services to Wolverine member-systems, several measures were undertaken in the Finance and Administrative Services department during 1985.

This past year was a very impressive financial year for Wolverine. Kilowatthour sales to Wolverine member-systems were up 3.4 percent from a year ago, with each of Wolverine's member systems contributing to this increase. This past November, Wolverine's margins totaled approximately \$638,000 and this figure represented the largest single month of margins in the history of Wolverine Electric, Northern Michigan Electric or Wolverine Power Supply Cooperative.

Much of the growth in energy usage by Wolverine member-systems can be attributed to Wolverine's ability to stabilize wholesale power costs.

Against the national trend, Wolverine's wholesale power costs have continued on the stable course that was established in 1983. Fuel costs for Wolverine's generating plants have also continued to remain stable.

	Fuel Costs	Purchased Power Costs
1982	33.38	37.69
1983	28.83	31.01
1984	25.66	31.04
1985	25.69	30.91

(figures expressed in mills /kwh)

This continuing stabilization in wholesale power costs will result in a third consecutive year of Power Supply Cost Recovery (PSCR) overcollections. For the period ended December 31, 1985, approximately \$1.8 million was overcollected from Wolverine member systems. Since Wolverine was successful in achieving more than a 1.35 Times Interest Earned Ratio (TIER) during 1985, member systems also received an approximate \$1.3 million rate reduction. Wolverine is particularly pleased with the continued growth of its member systems as it has greatly contributed to the cooperative's improving financial condition.

Wolverine also continued working closely with its

member systems in seeking new members and satisfying the needs of existing members. During 1985, Wolverine members were successful in attracting two large industrial customers.

Wolverine and Top O'Michigan were successful in attracting LexaMar Corporation as a new Top O'Michigan member. LexaMar Corporation, which is currently constructing its facility in the Boyne City Air Industrial Park, anticipates an initial load of up to 5,000 kw at its plant currently under construction and additional loads may soon become a reality through further growth by LexaMar and other businesses in the industrial park. Wolverine member O & A Electric Cooperative was also successful in attracting PPG Industries potash test facility to its system this past year.

To lessen the eventual impact of Fermi 2 on Wolverine's member-systems' wholesale power cost, Wolverine and its member-system managers have been working closely with Dennis Eicher of Power Systems Engineering to formulate a comprehensive marketing/load management program. Preliminary indications recommend that Wolverine aggressively market further new industrial loads, new interruptible dual fuel heating sales and perform annual surveys to detect any member movement away from electric hot water heaters.

To help meet these marketing recommendations, Wolverine sought, and received approval, from the Michigan Public Service Commission to offer a large power interruptible rate for industrial members and a dual fuel heating rate. The interruptible rate will grant Wolverine member-systems a reduced demand charge for service to loads of more than 1,000 kw. The dual fuel heating rate provides an energy credit for dual fuel heating loads.

In anticipation of construction of the new headquarters facility in Cadillac this spring, Wolverine took many steps during 1985 to ease this transition.

The most significant step was the sale of Wolverine's current Boyne City headquarters facility and the construction bid award of the new 12,000 square foot corporate headquarters facility in Cadillac. Wolverine's Board of Directors approved the sale of the current Boyne City headquarters facility on favorable terms to continue using the existing garage facilities for ten years.

At the present time, Wolverine anticipates that the new Cadillac headquarters facility will be ready for occupancy by August 15. By relocating in Cadillac, Wolverine is confident that it can more adequately service its member-systems' needs through a more centralized location.

In the interim, management is examining the various financing alternatives for the new headquarters facility

and whether tax abatement from Missaukee County's Lake Township can be received. Pending outcome of legislation currently before the Michigan House of Representatives, Wolverine may still receive tax abatement status before construction begins on the facility this spring.

Administrative improvements have also been realized from a totally revised set of corporate policies, a new safety manual, additional word processing capabilities and the purchase of a new IBM 3600 series computer system for the engineering and accounting departments. With this new computer system, Wolverine will have the capabilities to perform more extensive accounting and engineering functions in-house.

Power Production

During the past year, several measures were undertaken to ensure the continued reliability and most efficient operation of Wolverine's production facilities.

Standby natural gas contracts at Burnips, Hersey and Scottville were cancelled during 1985 and will result in a savings of approximately \$382,000. Since cancellation of these contracts, plant personnel have converted these standby units so they are now operating with fuel oil rather than natural gas.

Restoration work on the Tower Hydro was also completed this past year. Durocher Dock and Dredge completed extensive work on the dam's flood gates and retaining walls that will allow continued use of this efficient source of low-cost power.

Solid Fuel Technology is continuing its evaluation of future electrical generation alternatives at the Advance Steam Plant. The Advance plant is Wolverine's largest fully-owned production facility. In its initial feasibility study, Solid Fuel Technology recommended rehabilitation of boilers 1 & 2, installation of a new turbine generator and instrumentation and control systems. During the coming year, Solid Fuel representatives will prepare specifications for ultrasonic testing on the boiler and associated tubes, test station piping and inspect the plant's stack and electrical equipment. Clean up efforts were also completed on both the interior and exterior of the plant, with installation of a new electronic security system also completed.

Efforts were also successful in negotiating a 15 cent per ton reduction in rail transportation costs with the Chesapeake and Ohio Railroad. Since Wolverine annually transports approximately 85,000 tons of West Virginia coal, this measure resulted in an approximate \$13,000

savings to Wolverine. Savings of approximately \$30,000 were realized by Wolverine as a result of reduced workers compensation costs to Winchester Coals Inc. - the cooperative's largest fossil fuel supplier.

Through a great deal of effort during the past year, operation of Wolverine's state-of-the-art computerized Energy Control Center will become a reality in 1986. The computerized Supervisory Control and Data Acquisition (SCADA) equipment has been received and installation of the sophisticated equipment began in late 1985. The SCADA equipment, manufactured by Harris Controls Corporation, will help to minimize transmission outages and increase the efficiency of power production and purchase transactions. Preliminary estimates show that savings of \$2,000 to \$3,000 per day could be obtained through operation of the Control Center.

During 1985, Wolverine continued working with the Michigan Public Power Agency to accommodate the interests of its municipal utility members in Wolverine's Energy Control Center. R.W. Beck and Associates completed the first of a two-part study for Wolverine and MPPA examining the economic and technical feasibility of forming a power resource pool. R.W. Beck has also been given approval to conduct a joint dispatch study for Wolverine and MPPA analyzing potential cost sharing benefits through joint usage of Wolverine's Energy Control Center. R.W. Beck may begin that study later this year.

Through the Energy Control Center, Wolverine handles power dispatch operations for the Municipal and Cooperative Pool (MCP). MCP members include Wolverine and municipal utilities in Grand Haven, Lowell, Traverse City and Zeeland. As a result of increased wheeling charges from Wolverine to MCP members, an approximate \$8,000 per month increase in revenue will be realized. Effective June 1, 1985, MCP members were charged an additional 2 mills/kwh wheeling charge for all third party transactions wheeled through the Wolverine transmission system.

Favorable changes were also finalized in the J.H. Campbell III Ownership and Operating Agreement between Wolverine and Consumers Power Company. Under terms negotiated in the new amendment, Wolverine's cost of backup energy for Campbell III has been reduced and the supply or replacement of Campbell III backup will be consistent with practical unit and system operations. Wolverine retains an approximate 15 megawatt ownership share of the 770 megawatt J.H. Campbell III plant.

While many production related concerns have been resolved during 1985, Fermi 2 still continues to be Wolverine's largest area of concern. Wolverine retains an approximate 15 percent ownership share of the Fermi 2 nuclear power plant with the Detroit Edison Company.

This past summer, Wolverine management, consultants and directors concluded negotiations with Detroit Edison that significantly limited Wolverine's exposure at Fermi 2 and solidified the cooperative's future power supply picture. The new agreement entitled "Sixth Amendment to the Fermi 2 Participation Agreement" will result in savings of approximately \$150 million to Wolverine over the life of the agreement.

The Sixth Amendment provided the following:

1. Wolverine would not be required to seek additional borrowings of approximately \$21 million per quarter to finance Fermi 2 construction and related interest costs. Detroit Edison has already made two \$21 million payments to Wolverine covering its quarterly interest payments to the Federal Financing Bank and will continue making such payments until Fermi 2 attains commercial operation.
2. Wolverine's ownership percentage in Fermi 2 was frozen on December 31, 1985.
3. Wolverine would continue its purchase of interruptible on and off peak power, at very favorable prices, from Detroit Edison through October 2002.
4. Wolverine will sell back more of its Fermi 2 energy and capacity in earlier years than had been agreed to previously.

While the Sixth Amendment greatly enhanced the future, Wolverine continues to be seriously concerned with the ongoing problems Detroit Edison has encountered at Fermi 2.

Wolverine will continue to monitor the situation at Fermi 2 through its on-site nuclear consultant and monthly management meetings with Detroit Edison.

Transmission, Engineering & Operations

With the number and diversity of maintenance and construction tasks undertaken by the Transmission, Engineering & Operations department during 1985, Wolverine member-systems can be assured of an even more economical and reliable transmission system.

The most significant cost savings measure came in a new amendment to the transmission ownership and operating agreement between Wolverine and Consumers Power Company. Prior to this amendment, Wolverine was not able to use its 93 megawatt ownership in the Consumers Power transmission system for purchased power. It became necessary to seek changes in this agreement after Consumers Power sought approval from the Federal Energy Regulatory Commission to raise its

transmission wheeling charges from 24 cents/kw/week to 30 cents/kw/week. This new amendment, which has been approved by Wolverine, Consumers Power and the Rural Electrification Administration, became effective December 1 and allows Wolverine to use its transmission ownership in the Consumers Power system for purchased power from Detroit Edison or other utilities. This new amendment will save Wolverine's member-system approximately \$1 million per year in transmission wheeling charges.

Wolverine is also awaiting preparation of final documents relating to the purchase of the Blendon switching facility from Consumers Power Company. Wolverine currently leases the facility from Consumers Power Company and its purchase will allow a savings in carrying charges of approximately \$20,000 per year. At the present time, a 50MVA interconnection with Consumers Power at Wayland is also being planned for an anticipated in service date of October, 1987.

Construction will soon begin on Wolverine's proposed Pierson to Howard City 69kv transmission line. Harza, Inc. was awarded the contract to complete the bid tabulation, engineering, design and supervision of construction on the 10-mile section of line. Many of the easements for the line have already been received and right-of-way personnel are currently completing this process. Transmission personnel also completed stabilization of the White Cloud to Hart line with phase spacers to improve the line's reliability in inclement weather.

When the merger of Wolverine Electric Cooperative and Northern Michigan Electric Cooperative forming Wolverine Power Supply Cooperative was successfully completed in 1982, management opted for less reliance on outside engineering consultants by hiring more in-house engineering expertise. Since that time, Wolverine's non-Fermi engineering consulting costs have been reduced from \$620,000 to \$84,000. By utilizing the talents of in-house expertise, Wolverine was able to undertake and complete many more construction and maintenance projects during 1985.

Wolverine personnel have completed construction on both the Bagley and Burnips substations and both facilities have been energized. Work is also progressing towards energizing the West Traverse, Riverton and Wilson substations. Preliminary engineering and material procurement has also begun for new substations at Advance, Fife Lake, Hagensville, Howard City, Leroy and Thompsonville. Construction of new oil circuit breaker stations is also currently in progress and Wolverine linemen have already completed nearly 70 percent of the pole numbering project in the southern portion of Wolverine's transmission system.

In July, the second underwater transmission cable to

Beaver Island was successfully energized and should further improve reliability to island residents. This past summer Wolverine personnel also completed installation of a new standby generator at the Beaver Island Plant, which can be used in case of cable failure.

During 1985, Wolverine went through the formal process of seeking accreditation from the U.S. Department of Labor for its apprentice linemen training program. Wolverine is particularly pleased to have received accreditation for this program and during 1986 this valuable program will be expanded to include linemen from electric utilities not associated with the Wolverine system. Wolverine is most encouraged by the wide acceptance of this program.

While this annual report is intended to recognize the many accomplishments that were completed during 1985, Wolverine would be remiss in not mentioning the tragic accident that killed Carl Armock, a journeyman lineman stationed at the Burnips Generating Plant. Carl was killed on December 20, 1985 when, while attempting to board a helicopter for line patrol duties at Burnips, he accidentally came in contact with the tail rotor of the helicopter. He died in route to Butterworth Hospital in Grand Rapids. This was the first on the job fatality involving an employee of Wolverine Electric Cooperative, Northern Michigan Electric Cooperative or Wolverine Power Supply Cooperative.

Regulatory Affairs

Nineteen hundred and eighty five was an active year for Wolverine in the regulatory arena -- primarily before the Michigan Public Service Commission.

Specifically, Wolverine successfully resolved/initiated proceedings relating to the following:

- Approval of rate revisions which completed the process of blending rates for all of the member-systems;
- Approval of new load management rates;
- Approval of a unique mechanism to allow excess margins to be expeditiously returned to the member-systems' member-consumers;
- Approval of power supply cost recovery plans and reconciliations, allowing full and fair cost recovery;
- Initiation of proceedings to reduce the regulatory assessment which Wolverine is required to pay.

Prior to the merger which created Wolverine, three of the member-systems purchased power from the former

Northern Michigan Electric Cooperative and four of the member-systems purchased power from the former Wolverine Electric Cooperative. Thus, at Wolverine's birth, there were differences in the wholesale power rates of the member-systems.

Soon after the merger, a Rate Review Committee was formed (1) to evaluate various cost of service and rate design alternatives available to the newly merged entity and (2) to develop rates designed to lead to the eventual elimination of rate differentials between the three former Northern Michigan member-systems and the four former Wolverine Electric member-systems.

The Rate Review Committee's work culminated in an October 1, 1985 Commission Order (1) authorizing the requested rate revisions, (2) implementing requested load management rates (discussed below), and most importantly, (3) completing the process of blending the wholesale rates of the member-systems.

These results could not have been achieved without the dedicated work of Wolverine's employees, the cooperation of the member-systems and the assistance and understanding of the Commission and its Staff.

Wolverine is systematically pursuing prudent, load management rates -- with the goal of fitting retail member-consumer usage patterns into Wolverine's power supply picture, so that total power supply costs are less for Wolverine, its members and their retail member-consumers.

On October 1, 1985, the Commission authorized Wolverine to implement two new load management tariff riders -- (1) an interruptible large power rate applicable to interruptible service to large commercial and industrial retail consumers of Wolverine's seven members and (2) a special energy charge credit applicable to interruptible space and water heating sales of the seven members.

The first rider mentioned above, the Large Power Interruptible Rate, provides a 50% reduction in the demand charge for service to large power loads (1,000 Kw or more) which may be interrupted by Wolverine during system emergencies or peak load conditions. This demand charge discount from Wolverine to its seven members is then passed on to large power retail member-consumers. To date, this rate has been attractive to large power member-consumers and, we hope, will encourage additional sales to these customers.

The second rider provides a 3.0 mills per Kwh energy charge credit applicable to interruptible heating sales load. This rider's goal is to permit Wolverine members to develop retail rates which are competitive with alternative fuels such as oil and gas. These competitive rates should encourage development of interruptible off-peak load which, in the long run, should be beneficial to Wolverine and its members -- since addi-

tional off-peak sales will allow Wolverine to spread its fixed costs over a greater number of Kwh sales.

If one overall goal had to be chosen, it would be providing reliable power at the lowest possible price -- to the member-consumer at the end of the line. 1985 offered what, we hope, is a major stride toward that goal -- the "1.35 Tier Ceiling Mechanism".

Tier refunds can be (and are) significant. For example, at its January 23, 1986 meeting, Wolverine's Board of Directors authorized the refund of \$1,295,908 to Wolverine's member-systems. In effect, these refunds reduced the member-systems' wholesale power costs by approximately 1.4 mills per Kwh, or by approximately 3%. Again, the 1.35 Tier Ceiling Mechanism could not have been approved without the assistance of Wolverine employees, the member-system managers, the Commission (which authorized the mechanism) and its Staff.

Power supply costs are, by far, the greatest single expense of Wolverine and its member-systems -- and full/timely/fair power supply cost recovery is vital to financial health. During 1985, power cost recovery proceeded smoothly. As this report is being written, Wolverine is about to seek authority to refund \$1,782,939 to its member-systems for the period ended December 31, 1985 -- relating to 1985 power supply cost recovery.

Wolverine, as a utility regulated by the Commission, is required to annually pay a regulatory assessment -- based on Wolverine's gross revenues. The same is true for each of Wolverine's member-systems.

The gross revenues of Wolverine and its member-systems are, obviously, earned by "teaming up" to provide electricity to the member-consumers. In other words, Wolverine provides the electricity to the member-system so that the member-system may distribute the same electricity to its member-consumers. Thus, the gross revenues of Wolverine and its member-systems used in calculating the regulatory assessment relate to the same electricity being sold to the member-consumer.

Simply stated, Wolverine and its member-systems are "being hit twice" in providing electricity to the member-consumer -- once by Wolverine's sale to the member-systems and again by the member-systems' sale to their member-consumers.

To reduce operating expenses, Wolverine has asked the Commission to reduce its regulatory assessment and derive a fairer and more equitable formula for determining future regulatory assessments.

While the matter is in progress, preliminary discussions with the Commission Staff indicate a strong possibility that we will be able to make required adjustments. Hopefully, this change will benefit Wolverine, its member-systems and their member-consumers.

MICHIGAN 46, NEWAYGO
WOLVERINE POWER SUPPLY COOPERATIVE, INC.
BOYNE CITY, MICHIGAN

Report on Examination of Financial Statements
for the years ended December 31, 1985 and 1984

CONTENTS

	<u>Pages</u>
Financial Statements:	
Balance Sheets	14-15
Statements of Revenue	16-17
Statements of Changes in Financial Position	18-19
Statements of Patronage Capital and Other Equities	20
Notes To Financial Statements	21-23
Report of Independent Accountants	24

MICHIGAN 46, NEWAYGO
WOLVERINE POWER SUPPLY COOPERATIVE, INC.

BALANCE SHEETS, as of December 31, 1985 and 1984

	1985	1984
ASSETS		
Electric plant, at cost (Notes A, B, G, and H):		
In service	\$ 104,232,714	\$ 102,452,693
Construction work in progress	788,869,140	744,138,266
	893,101,854	846,590,959
Less, Accumulated depreciation and amortization	35,055,360	32,621,985
Net electric plant	858,046,494	813,968,974
Other assets and investments:		
Non-utility property	-	12,210
Investments in associated organizations (Note C)	4,507,891	4,704,606
	4,507,891	4,716,816
Current assets:		
Cash and cash investments - General funds	8,769,057	6,022,894
Cash - Construction funds	228,199	227,326
Accounts receivable	6,782,436	5,350,338
Materials and supplies (Note A)	7,968,051	6,986,545
Other current and accrued assets	942,358	170,119
Total current assets	24,690,101	18,757,222
Deferred charges	22,205	-
Total assets	\$ 887,266,691	\$ 837,443,012

The accompanying notes are a part of the financial statements.

EQUITIES AND LIABILITIES	1985	1984
Equities:		
Memberships	\$ 1,400	\$ 1,400
Patronage capital	11,289,531	10,538,391
Other equities	1,013,770	248,843
Total equities	<u>12,304,701</u>	<u>10,788,634</u>
Long-term debt (Note G):		
REA mortgage notes	49,333,587	49,339,587
Federal Financing Bank notes	800,544,476	763,145,476
Total long-term debt	<u>849,878,063</u>	<u>812,485,063</u>
Current liabilities:		
Current maturities of long-term debt (Note G)	10,713,000	2,057,763
Accounts payable - purchased power	4,169,412	4,014,059
Accounts payable - other	213,627	220,263
Advances payable to members (Note E)	3,596,500	3,971,500
Refunds payable to members (Note F)	3,078,847	1,193,681
Taxes and wages payable	2,172,005	1,607,784
Accrued vacation and sick leave	557,022	504,246
Accrued interest	203,722	230,934
Total current liabilities	<u>24,704,135</u>	<u>13,800,230</u>
Deferred credits	<u>379,792</u>	<u>369,085</u>
Total equities and liabilities	<u>\$ 887,266,691</u>	<u>\$ 837,443,012</u>

STATEMENTS OF REVENUE
for the years ended December 31, 1985 and 1984

	1985	
	Amount	Percent of Operating Revenue
Operating revenue	\$ 50,042,520	100.0
Operating expenses:		
Purchased power	25,322,267	50.6
Power generation:		
Operation	9,625,956	19.2
Maintenance	999,671	2.0
Transmission expense:		
Operation	827,525	1.6
Maintenance	460,976	.9
Distribution expense:		
Operation	150,716	.3
Maintenance	182,341	.4
Administrative and general:		
Operation	2,128,486	4.3
Maintenance	44,438	.1
Depreciation and amortization (Note B)	2,981,832	6.0
Taxes	1,896,388	3.8
Other deductions	7,575	-
Total	44,628,171	89.2
Operating margins before fixed charges	5,414,349	10.8
Fixed charges:		
Interest on debt	4,663,209	9.3
Operating margins after fixed charges	751,140	1.5
Capital credits	-	-
Net operating margins	751,140	1.5
Non-operating margins:		
Interest income	764,927	1.5
Net margins	\$ 1,516,067	3.0

The accompanying notes are a part of the financial statements.

1984		
Amount	Percent of Operating Revenue	Increase (Decrease)
\$ 50,356,505	100.0	\$ (313,985)
24,467,777	48.6	854,490
9,912,636	19.7	(286,680)
731,112	1.5	268,559
754,526	1.5	72,999
335,808	.7	125,168
139,375	.3	11,341
111,975	.2	70,366
2,045,009	4.1	83,477
54,131	.1	(9,693)
2,788,005	5.5	193,827
1,820,329	3.6	76,059
85,939	.1	(78,364)
43,246,622	85.9	1,381,549
7,109,883	14.1	(1,695,534)
4,484,055	8.9	179,154
2,625,828	5.2	(1,874,688)
70,368	.1	(70,368)
2,696,196	5.3	(1,945,056)
612,340	1.2	152,587
\$ 3,308,536	6.5	\$ (1,792,469)

STATEMENTS OF CHANGES IN FINANCIAL POSITION
for the years ended December 31, 1985 and 1984

	1985	1984
Funds were provided by:		
Net margins	\$ 1,516,067	\$ 3,308,536
Items not affecting funds:		
Depreciation and amortization	2,981,832	2,788,005
Capital credits assigned from CFC	-	(70,368)
Gain on sale of electric plant	(108,502)	-
Proceeds from sale of electric plant	42,351,495	-
Advance from REA and Federal		
Financing Bank	48,106,000	129,062,000
Increase in deferred credits	10,707	16,314
Decrease in non-utility property	12,210	-
Decrease in deferred charges	-	83,416
Capital credits refunded from CFC	196,715	530,150
Decrease in working capital	4,971,026	-
	<u>\$ 100,037,550</u>	<u>\$ 135,718,053</u>
Funds were used for:		
Extension and replacement of		
electric plant	\$ 89,302,345	\$ 103,541,857
Payment and current maturities of		
long-term debt	10,713,000	2,057,763
Decrease in accrued interest, long-term	-	17,706,888
Purchase of CFC capital term		
certificates	-	291,768
Increase in deferred charges	22,205	-
Increase in working capital	-	12,119,777
	<u>\$ 100,037,550</u>	<u>\$ 135,718,053</u>

The accompanying notes are a part of the financial statements.

Changes in Composition of Working Capital

	<u>1985</u>	<u>1984</u>
	Increase	(Decrease)
Current assets:		
Cash and cash investments -		
General funds	\$ 2,746,163	\$ 5,470,719
Cash - Construction funds	873	(76,544)
Accounts receivable	1,432,098	411,468
Materials and supplies	981,506	180,138
Other current and accrued assets	772,239	15,112
	<u>5,932,879</u>	<u>6,000,893</u>
Current liabilities:		
Short-term borrowings		(5,369,627)
Current maturities of long-term debt	8,655,237	40,998
Accounts payable - purchased power	155,353	(167,388)
Accounts payable - other	(6,636)	(89,517)
Advances payable to members	(375,000)	(125,000)
Refunds payable to members	1,885,166	(604,588)
Taxes and wages payable	564,221	139,794
Accrued vacation and sick leave	52,776	23,974
Accrued interest	(27,212)	32,470
	<u>10,903,905</u>	<u>(6,118,884)</u>
Increase (decrease) in working capital	<u>\$ (4,971,026)</u>	<u>\$ 12,119,777</u>

STATEMENTS OF PATRONAGE CAPITAL AND OTHER EQUITIES
for the years ended December 31, 1985 and 1984

PATRONAGE CAPITAL

	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$ 10,538,391	\$ 7,912,563
Operating margins - assignable	<u>751,140</u>	<u>2,625,828</u>
Balance, end of year	<u>\$ 11,289,531</u>	<u>\$ 10,538,391</u>
Assignable	\$ 751,140	\$ 2,625,828
Assigned to date	<u>10,538,391</u>	<u>7,912,563</u>
Total	<u>\$ 11,289,531</u>	<u>\$ 10,538,391</u>

OTHER EQUITIES

	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$ 248,843	\$ (433,865)
Non-operating margins	764,927	612,340
Capital credits	<u>-</u>	<u>70,368</u>
Balance, end of year	<u>\$ 1,013,770</u>	<u>\$ 248,843</u>

The accompanying notes are a part of the financial statements.

NOTES TO FINANCIAL STATEMENTS
for the years ended December 31, 1985 and 1984

NOTE A: ACCOUNTING POLICIES.

The following is a summary of the accounting policies adopted by the Cooperative which have a significant effect on the financial statements. The policies conform to generally accepted accounting principles and have been consistently applied. Certain reclassifications have been made in the accompanying 1984 financial statements to conform to the 1985 presentation.

Inventory Valuation - Materials and supplies are stated at average unit cost, which is not in excess of market.

Construction Period Interest - The cost of construction work in progress includes the actual cost of funds borrowed to finance the construction of the Fermi No. 2 Nuclear Power Plant. The Cooperative incurred total interest costs of \$88,147,548 and \$80,482,739 of which \$83,484,339 and \$75,998,684 has been capitalized during the years ended December 31, 1985 and 1984, respectively.

Federal Income Taxes - The Cooperative is exempt from federal income taxes under Section 501(c)(12) of the Internal Revenue Code. Therefore, no provision for federal income tax has been made.

NOTE B: ELECTRIC PLANT.

The electric plant in service consists of the following at December 31, 1985 and 1984:

	1985	1984
Intangible plant	\$ 628,005	\$ 628,005
Production plant	38,260,123	38,095,207
Transmission plant	50,557,799	49,318,371
Distribution plant	12,008,987	11,766,405
General plant	2,777,800	2,644,705
Total	<u>\$ 104,232,714</u>	<u>\$ 102,452,693</u>

Major classes of construction work in progress consist of the following at December 31, 1985 and 1984:

	1985	1984
Enrico Fermi Nuclear Unit 2	\$ 785,107,035	\$ 740,448,243
Other construction	3,752,105	3,690,023
Total	<u>\$ 788,869,140</u>	<u>\$744,138,266</u>

Provision has been made for depreciation of production, transmission and distribution plants at a straight-line composite rate of 3.10%, 2.75% and 2.88%, respectively, per annum.

General Plant depreciation rates have been applied on a straight-line basis and are as follows:

	Percent
Structures and improvements	2.0 - 3.0
Transportation equipment	14.0 - 17.0
Power operated equipment	10.0 - 11.0
Communications equipment	8.0 - 10.0
Office furniture and fixtures	6.0 - 10.0
Tools and shop equipment	6.0
Laboratory equipment	6.0
Other general plant	5.0 - 10.0

NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 1985 and 1984

NOTE C: INVESTMENTS IN ASSOCIATED ORGANIZATIONS.

The investments in associated organizations consist of the following at December 31, 1985 and 1984:

	1985	1984
National Rural Utilities Cooperative Finance Corporation:		
Capital term certificates (CTC)	\$ 2,856,095	\$ 2,856,095
Patronage capital credits	1,637,135	1,833,850
Other	14,661	14,661
Total	<u>\$ 4,507,891</u>	<u>\$ 4,704,606</u>

NOTE D: SHORT-TERM BORROWINGS.

The Cooperative has available an unsecured line-of-credit with the National Rural Utilities Cooperative Finance Corporation, whereby advances of \$12,000,000 for general operations are available until March, 1987. Interest on advances is determined monthly by CFC.

NOTE E: ADVANCES PAYABLE TO MEMBERS.

The Cooperative has an arrangement with its members to receive advances against their monthly power bills. The advances are interest bearing using the General Motors Acceptance Corporation 30-59 day commercial paper rate computed and payable on the twentieth day of each month. There is no stated maturity date or repayment schedule.

NOTE F: REFUNDS PAYABLE TO MEMBERS.

The refunds payable to members consist of two separate refunds. The first is under a new Michigan statute, Power Supply Cost Recovery Clause, whereby estimated power cost for a 12-month period will be billed by the Cooperative to its members each month at a fixed rate. Following the close of the 12-month period, a reconciliation of actual power cost to estimated power cost will determine the under or over-collection with the appropriate amount being collected or refunded to the members. At December 31, 1985 and 1984, the Cooperative had overcollected \$1,782,939 and \$1,193,681, respectively, which is refundable to its members.

The second is a 1.35 Tier Refund which was adopted by the Cooperative in 1985. The refund is the difference between 35% of interest on long-term debt and net margins before the Tier Refund. The refund is allocated to the members based on each member's percentage of power purchased to total power purchased by members. The amount of the 1.35 Tier Refund, payable at December 31, 1985 is \$1,295,908.

NOTE G: LONG-TERM DEBT.

Substantially all assets are pledged as collateral for long-term debt. Long-term debt consists of the following at December 31, 1985 and 1984:

Rural Electrification Administration (REA) mortgage notes bearing interest at 2% and 5% per annum. The notes are payable in quarterly installments to the year 2018.

Federal Financing Bank (FFB) notes, guaranteed by the REA and bearing interest at 8.038% - 13.195% per annum. The rate of interest is redetermined by FFB at each change of maturity date.

All advances made under FFB notes issued prior to October 1, 1983, have a seven year deferment before the repayment of principal is required. The final principal payment of all loans is established when the notes are issued. At the time of each advance, the Cooperative can select an initial maturity date for that advance of not less than two years or more than seven years. Extensions of the initial maturity date are available, however,

NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 1985 and 1984

NOTE G: LONG-TERM DEBT, Concluded

not to be less than two years in length. The total period of the initial maturity date and extensions cannot exceed a maximum of seven years. After the maximum seven year maturity, the advances are to be repaid according to the FFB guidelines.

Maturity dates of all advances made under FFB notes issued after October 1, 1983, are determined by REA based on the project's commercial operation date. All advances under these notes are to be repaid according to FFB guidelines.

All notes issued prior to October 1, 1983 are 34 year mortgage notes and all notes issued after October 1, 1983 are 30 year mortgage notes.

Following is a summary of the outstanding long-term debt at December 31, 1985 and 1984.

	1985	1984
Rural Electrification Administration	\$ 51,175,587	\$ 51,186,334
Federal Financing Bank	809,415,476	763,356,492
	860,591,063	814,542,826
Less, Current maturities	10,713,000	2,057,763
Total long-term debt	<u>\$ 849,878,063</u>	<u>\$ 812,485,063</u>

Unadvanced loan funds of \$5,753,181, \$1,230,000 and \$7,897,756 are available to the Cooperative on loan commitments from REA, CFC and FFB, respectively.

Maturities based on the terms of the debt instruments, which allow deferment of principal payment, for the next five years are as follows: 1986 - \$10,713,000; 1987 - \$12,237,000; 1988 - \$13,789,000; 1989 - \$15,884,000 and 1990 - \$19,382,000.

NOTE H: COMMITMENT.

The Cooperative and the Detroit Edison Company are participating under an agreement for the construction and operation of the Enrico Fermi Nuclear Unit 2. Under the agreement, the Cooperative's portion of the construction costs is limited to \$426.9 million (this excludes capitalized interest costs). This cap is effective regardless of how long it takes to complete the construction. The Cooperative's ownership interest is approximately 14.41% as of December 31, 1985. The Cooperative has capitalized through December 31, 1985, \$785,107,035 and anticipates \$3,603,000 of remaining nuclear fuel and overhead costs until the unit's scheduled operational date in the fall of 1986.

In accordance with the sixth amendment to the agreement, Detroit Edison will purchase a portion of the Cooperative's interest in plant, nuclear fuel and materials and supplies, quarterly, in an amount equal to the Cooperative's quarterly interest related to specific borrowings related to the construction. Sales under this agreement were \$42,028,144, in 1985. These sales reduced the Cooperative's ownership interest by .817% in 1985.

The Cooperative has a binding agreement with Detroit Edison Company in which Detroit Edison is obligated to purchase the scheduled amount of excess energy generated related to the Cooperative's portion. These revenues will assist in offsetting the effect of the additional interest and depreciation costs recognized.

NOTE I: RETIREMENT PLAN.

Retirement plan benefits for substantially all employees are provided through participation in a retirement and security program and savings plan for employees of the National Rural Electric Cooperative Association and its member systems. Contributions for the retirement and security program were \$198,900 in 1985 and \$195,200 in 1984. Contributions for the savings plan program were \$125,700 in 1985 and \$101,600 in 1984.

COOPERS & LYBRAND

CERTIFIED PUBLIC ACCOUNTANTS

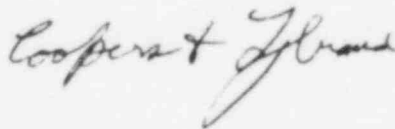
A MEMBER FIRM OF
COOPERS & LYBRAND (INTERNATIONAL)

To the Board of Directors and Members of
Wolverine Power Supply Cooperative, Inc.:

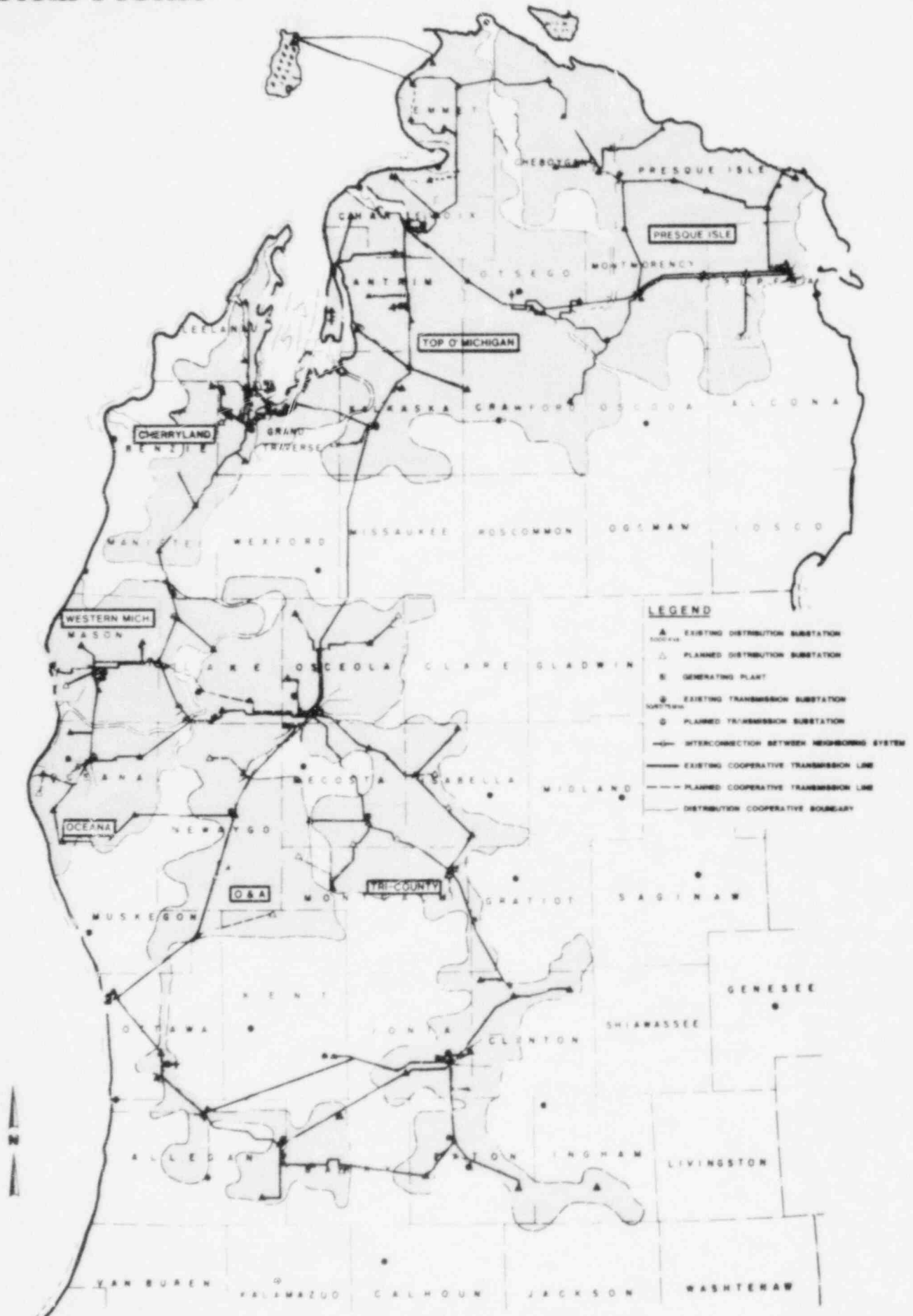
We have examined the balance sheets of Wolverine Power Supply Cooperative, Inc. as of December 31, 1985 and 1984, and the related statements of revenue, changes in financial position and patronage capital and other equities for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Wolverine Power Supply Cooperative, Inc. as of December 31, 1985 and 1984, and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

South Bend, Indiana
February 21, 1986



System Profile





WOLVERINE POWER SUPPLY COOPERATIVE, INC.

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Boyne City, MI 49712 :- Telephone: (616) 582-6572