



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990

Return of Organization Exempt From Income Tax

2011

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable

Address change

Name change

Initial return

Terminated

Amended return

Application pending

C Name of organization
Prairie Power Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
2103 South Main Street PO Box 61City or town, state or country, and ZIP + 4
Jacksonville, IL 626510610F Name and address of principal officer
LYNDON GABBERT
2103 SOUTH MAIN ST
JACKSONVILLE, IL 626510610D Employer identification number
37-1013955E Telephone number
(217) 245-6161

G Gross receipts \$ 124,129,020

I Tax-exempt status 501(c)(3) 501(c) (12) (insert no) 4947(a)(1) or 527H(a) Is this a group return for affiliates? Yes NoH(b) Are all affiliates included? Yes No
If "No," attach a list (see instructions)H(c) Group exemption number

J Website: WWW PPI COOP

K Form of organization Corporation Trust Association Other

L Year of formation 1963

M State of legal domicile IL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
PRAIRIE POWER, INC IS A MEMBER-OWNED, NOT-FOR-PROFIT, ELECTRIC GENERATION AND TRANSMISSION COOPERATIVE LOCATED IN JACKSONVILLE, ILLINOIS

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	20
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	62
6 Total number of volunteers (estimate if necessary)	6	0
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	-13,405
b Net unrelated business taxable income from Form 990-T, line 34	7b	-13,405

8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	0	0
9 Program service revenue (Part VIII, line 2g)	119,263,938	122,465,488
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,626,068	1,270,791
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	376,687	255,468
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	121,266,693	123,991,747

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	6,489,732	6,567,817
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	109,359,726	113,037,365
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	115,849,458	119,605,182
19 Revenue less expenses Subtract line 18 from line 12	5,417,235	4,386,565

20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	550,646,370	581,880,144
21 Total liabilities (Part X, line 26)		500,990,240
22 Net assets or fund balances Subtract line 21 from line 20	76,421,092	80,889,904

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	***** Signature of officer LYNDON GABBERT VP FINANCE & ACCOUNTING Type or print name and title	2012-08-17 Date
-----------	---	--------------------

Paid Preparer's Use Only	Preparer's signature <input type="checkbox"/>	Date	Check if self-employed <input type="checkbox"/>	Preparer's taxpayer identification number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 <input type="checkbox"/> BKD LLP 225 NORTH WATER ST SUITE 400 DECATUR, IL 62523			EIN <input type="checkbox"/>
				Phone no <input type="checkbox"/> (217) 429-2411

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission

PRAIRIE POWER, INC IS A MEMBER-OWNED, NOT-FOR-PROFIT, ELECTRIC GENERATION AND TRANSMISSION COOPERATIVE LOCATED IN JACKSONVILLE, ILLINOIS. PPI PRODUCES, PURCHASES AND DELIVERS ELECTRIC POWER AND ENERGY TO ITS 10 MEMBER-OWNED ELECTRIC DISTRIBUTION COOPERATIVE MEMBERS. PPI'S DISTRIBUTION COOPERATIVES PROVIDE RETAIL ELECTRIC SERVICE TO RESIDENTIAL, AGRICULTURAL, COMMERCIAL AND INDUSTRIAL CONSUMER-MEMBERS THROUGHOUT CENTRAL ILLINOIS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If "Yes," describe these new services on Schedule C

Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If "Yes," describe these changes on Schedule O.

Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ including grants of \$) (Revenue \$
ELECTRIC PURCHASES - PURCHASED AND GENERATED KILOWATT HOURS OF ELECTRICITY FOR SALE TO MEMBER SYSTEMS

ELECTRIC PURCHASES - PURCHASED AND GENERATED KILOWATT HOURS OF ELECTRICITY FOR SALE TO MEMBER SYSTEM

TRANSMISSION & DISTRIBUTION OF ELECTRICITY - TRANSMISSION AND DISTRIBUTION OF ELECTRICITY FROM THE GENERATOR TO OUR MEMBER SYSTEMS

4c (Code) (Expenses \$ including grants of \$) (Revenue \$

4d Other program services (Describe in Schedule O)

(Expenses \$)

including grants of \$

) (Revenue

4e Total program service expenses

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI

b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII

c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII

d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I

15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U.S.? If "Yes," complete Schedule F, Part II and IV

16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U.S.? If "Yes," complete Schedule F, Part III and IV

17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements

	Yes	No
1		No
2		No
3		No
4		
5		
6		No
7		No
8		No
9		No
10		No
11a	Yes	
11b	Yes	
11c		No
11d	Yes	
11e	Yes	
11f		No
12a	Yes	
12b		No
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20a		No
20b		

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	39
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	62
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes
<p>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</p>			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a	No
b	If "Yes," enter the name of the foreign country ► See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10 Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a	118,460,566
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b	5,531,181
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state	13a	
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the aggregate amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year

1b Enter the number of voting members included in line 1a, above, who are independent

2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?

3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?

5 Did the organization become aware during the year of a significant diversion of the organization's assets?

6 Did the organization have members or stockholders?

7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?

b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

a The governing body?

b Each committee with authority to act on behalf of the governing body?

9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

	Yes	No
1a	20	
1b	20	
2		No
3		No
4		No
5		No
6	Yes	
7a	Yes	
7b	Yes	
8a	Yes	
8b	Yes	
9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

10a Did the organization have local chapters, branches, or affiliates?

b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?

11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?

b Describe in Schedule O the process, if any, used by the organization to review the Form 990

12a Did the organization have a written conflict of interest policy? If "No," go to line 13

b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done

13 Did the organization have a written whistleblower policy?

14 Did the organization have a written document retention and destruction policy?

15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?

a The organization's CEO, Executive Director, or top management official

b Other officers or key employees of the organization

If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)

16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
10a		No
10b		
11a	Yes	
12a	Yes	
12b	Yes	
12c	Yes	
13	Yes	
14	Yes	
15a	Yes	
15b		No
16a		No
16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ► AZ, CA, IL, IN, NC

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply

Own website Another's website Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ►

LYNDON GABBERT
2103 SOUTH MAIN ST
JACKSONVILLE, IL 62651
(217) 245-6161

Part VII: Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons.

Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **►12**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
ACES POWER MARKETING 4140 W 99TH ST CARMEL, IN 46032	MARKET CONSULTANTS	428,065
PAUL HASTINGS LLP 875-15TH STREET NW 1216 N 550TH AV WASHINGTON, DC 20005	LEGAL COUNSEL	310,568
TOTH ASSOCIATES INC 830 E PRIMROSE STE 200 SPRINGFIELD, MO 658075211	CONSULTANTS	425,036
NELSON TREE SERVICE INC PO BOX 634525 CINCINNATI, OH 452634525	TREE TRIMMING SERV	278,634
BBC ELECTRICAL SERVICE INC 5467 S HWY 43 JOPLIN, MO 64804	CONTRACTORS	1,641,680
2. Total number of independent contractors (including but not limited to those listed above) who received more than		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **►7**

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f		0			
Program Service Revenue	2a DISTRIBUTION REVENUE	Business Code				
		221000	1,532,943	1,532,943		
	b ELECTRIC SALES	221000	120,932,545	120,932,545		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		122,465,488			
Other Revenue	3 Investment income (including dividends, interest and other similar amounts)					
			1,217,316		1,217,316	
	4 Income from investment of tax-exempt bond proceeds		0			
	5 Royalties		0			
	6a Gross rents	(I) Real				
		110,991				
	b Less rental expenses	(II) Personal				
		32,920				
c Rental income or (loss)		78,071				
d Net rental income or (loss)			78,071		78,071	
7a Gross amount from sales of assets other than inventory	(I) Securities					
		157,828				
b Less cost or other basis and sales expenses	(II) Other					
		104,353				
c Gain or (loss)		53,475				
d Net gain or (loss)			53,475		53,475	
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
b Less direct expenses	b					
c Net income or (loss) from fundraising events		0				
9a Gross income from gaming activities See Part IV, line 19						
b Less direct expenses	b					
c Net income or (loss) from gaming activities		0				
10a Gross sales of inventory, less returns and allowances						
b Less cost of goods sold	b					
c Net income or (loss) from sales of inventory		0				
Miscellaneous Revenue		Business Code				
11a PATRONAGE CAPITAL REVENUE		900099	259,644	259,644		
b INVESTMENTS IN LLC'S		900099	-82,247	-13,405	-68,842	
c						
d All other revenue						
e Total. Add lines 11a-11d		177,397				
12 Total revenue. See Instructions		123,991,747	122,725,132	-13,405	1,280,020	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	1,511,605			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	2,928,912			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	1,747,092			
10 Payroll taxes	380,208			
11 Fees for services (non-employees)				
a Management	0			
b Legal	546,923			
c Accounting	58,474			
d Lobbying	0			
e Professional fundraising See Part IV, line 17	0			
f Investment management fees	0			
g Other	250,152			
12 Advertising and promotion	39,945			
13 Office expenses	196,511			
14 Information technology	85,802			
15 Royalties	0			
16 Occupancy	0			
17 Travel	119,017			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	71,112			
20 Interest	2,090,086			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	3,539,098			
23 Insurance	549,696			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a ELECTRIC PURCHASES	93,253,628			
b GENERATION OPERATION & MAINT	2,005,554			
c LINE & STATION OPERATIONS	10,148,502			
d PROPERTY TAXES	82,865			
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	119,605,182			
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash—non-interest-bearing	10,090,082	1 1,523,730
	2 Savings and temporary cash investments	67,864,555	2 27,913,398
	3 Pledges and grants receivable, net	0	3 0
	4 Accounts receivable, net	10,931,946	4 9,979,818
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	4,674	5 3,755
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L	0	6 0
	7 Notes and loans receivable, net	583,848	7 522,214
	8 Inventories for sale or use	3,493,453	8 3,261,874
	9 Prepaid expenses and deferred charges	3,173,108	9 2,958,499
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	103,180,029	
	10b Less accumulated depreciation	10a 65,783,065	35,328,740 10c 37,396,964
	11 Investments—publicly traded securities	0	11 0
	12 Investments—other securities See Part IV, line 11	46,532,966	12 38,808,322
	13 Investments—program-related See Part IV, line 11	0	13 0
	14 Intangible assets	0	14 0
	15 Other assets See Part IV, line 11	372,642,998	15 459,511,570
	16 Total assets. Add lines 1 through 15 (must equal line 34)	550,646,370	16 581,880,144
Liabilities	17 Accounts payable and accrued expenses	12,097,258	17 12,337,208
	18 Grants payable	0	18 0
	19 Deferred revenue	0	19 0
	20 Tax-exempt bond liabilities	47,993,686	20 51,200,000
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21 0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22 0
	23 Secured mortgages and notes payable to unrelated third parties	393,444,574	23 423,354,191
	24 Unsecured notes and loans payable to unrelated third parties	0	24 0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	20,689,760	25 14,098,841
	26 Total liabilities. Add lines 17 through 25	474,225,278	26 500,990,240
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	27	
	28 Temporarily restricted net assets	28	
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds	0	30 0
	31 Paid-in or capital surplus, or land, building or equipment fund	0	31 0
	32 Retained earnings, endowment, accumulated income, or other funds	76,421,092	32 80,889,904
	33 Total net assets or fund balances	76,421,092	33 80,889,904
	34 Total liabilities and net assets/fund balances	550,646,370	34 581,880,144

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1 Total revenue (must equal Part VIII, column (A), line 12)	1	123,991,747
2 Total expenses (must equal Part IX, column (A), line 25)	2	119,605,182
3 Revenue less expenses Subtract line 2 from line 1	3	4,386,565
4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	76,421,092
5 Other changes in net assets or fund balances (explain in Schedule O)	5	82,247
6 Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	80,889,904

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b Were the organization's financial statements audited by an independent accountant?	2b	Yes
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	

2011

Open to Public
Inspection**SCHEDULE D**
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
 ► Attach to Form 990. ► See separate instructions.

Name of the organization

Prarie Power Inc

Employer identification number

37-1013955

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically importantly land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year

► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other
c <input type="checkbox"/> Preservation for future generations	

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ►

b Permanent endowment ►

c Term endowment ►

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations Yes No

(ii) related organizations Yes No

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		5,291,575			5,291,575
b Buildings		47,708,954	38,024,309		9,684,645
c Leasehold improvements					
d Equipment		50,179,500	27,758,756		22,420,744
e Other					
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)					37,396,964

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) GUARANTEE CERTIFICATES	4,608,000	C
(B) LOAN CAPITAL TERM CERTIFICATES	22,541,257	C
(C) CERTIFICATES	2,252,049	C
(D) PATRONAGE CAPITAL	4,813,981	C
(E) MISCELLANEOUS INVESTMENTS	4,593,035	C

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	123,991,747
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	119,605,182
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	4,386,565
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	82,247
9	Total adjustments (net) Add lines 4 - 8	9	82,247
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	4,468,812

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	120,594,223
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	453,279
e	Add lines 2a through 2d	2e	453,279
3	Subtract line 2e from line 1	3	120,140,944
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	3,850,803
c	Add lines 4a and 4b	4c	3,850,803
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	123,991,747

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	116,125,411
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	371,032
e	Add lines 2a through 2d	2e	371,032
3	Subtract line 2e from line 1	3	115,754,379
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	3,850,803
c	Add lines 4a and 4b	4c	3,850,803
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	119,605,182

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	SCHEDULE D, PART XI, LINE 8	LOSSES FROM INVESTMENTS IN LLC'S \$82,247
OTHER REVENUE INCLUDED ON LINE 1 BUT NOT ON FORM 990	SCHEDULE D, PART XII, LINE 2D	ARO \$371,032 LOSSES FROM INVESTMENTS IN LLC'S 82,247 TOTAL \$453,279
OTHER REVENUE INCLUDED ON FORM 990 BUT NOT ON LINE 1	SCHEDULE D, PART XII, LINE 4B	MISO SALES \$3,850,803
OTHER EXPENSES INCLUDED ON LINE 1 BUT NOT ON FORM 990	SCHEDULE D, PART XIII, LINE 2D	ARO \$371,032
OTHER EXPENSES INCLUDED ON FORM 990 BUT NOT ON LINE 1	SCHEDULE D, PART XIII, LINE 4B	MISO SALES \$3,850,803
UNCERTAIN TAX POSITIONS	SCHEDULE D, PART X, LINE 2	THE COOPERATIVE ADOPTED THE PROVISIONS OF FASB ACCOUNTING STANDARDS CODIFICATION (ASC) 740-10, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, ON JANUARY 1, 2009 AS A RESULT OF THE IMPLEMENTATION OF ASC 740-10, NO UNCERTAIN TAX POSITIONS HAVE BEEN RECOGNIZED

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

2011**Open to Public
Inspection**Department of the Treasury
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
► Attach to Form 990. ► See separate instructions.

Name of the organization

Praine Power Inc

Employer identification number

37-1013955

Part I Questions Regarding Compensation

Yes

No

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input checked="" type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

1b Yes

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

2 Yes

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply

<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

4a No

a Receive a severance payment or change-of-control payment?

4b Yes

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4c No

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

5a

a The organization?

5b

b Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

6a

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

6b

a The organization?

7

b Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(III) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
HOUSING ALLOWANCE	PART I, QUESTION 1A	RICHARD CHAPMAN WAS REIMBURSED FOR RENT ON AN APARTMENT DURING HIS RELOCATION TRANSITION. THE REIMBURSEMENT WAS TREATED AS TAXABLE COMPENSATION.
NONQUALIFIED RETIREMENT PLAN	PART I, QUESTION 4B	THE PRESIDENT/CEO JAY BARTLETT PARTICIPATED IN A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN FOR 2011 BUT DID NOT RECEIVE ANY DISTRIBUTIONS.

**Schedule K
(Form 990)****2011****Open to Public
Inspection****Supplemental Information on Tax Exempt Bonds**

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).

► Attach to Form 990. ► See separate instructions.

Department of the Treasury
Internal Revenue ServiceName of the organization
Prairie Power IncEmployer identification number
37-1013955**Part I Bond Issues**

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
ILLINOIOS FINANCE A AUTHORITY	86-1091967	45203GAA2	11-14-2008	51,200,000	SOLID WASTE DISPOSAL FACILITIES		X		X		X

Part II Proceeds

1	Amount of bonds retired	A		B		C		D	
		0		0		0		0	
2	Amount of bonds defeased		0						
3	Total proceeds of issue		51,200,000						
4	Gross proceeds in reserve funds		2,560,000						
5	Capitalized interest from proceeds		0						
6	Proceeds in refunding escrow		0						
7	Issuance costs from proceeds		1,024,000						
8	Credit enhancement from proceeds		0						
9	Working capital expenditures from proceeds		0						
10	Capital expenditures from proceeds		47,616,000						
11	Other spent proceeds		0						
12	Other unspent proceeds		0						
13	Year of substantial completion		2012						

14	Were the bonds issued as part of a current refunding issue?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?		X						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use?		X						
b If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ►			0 %					
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ►			0 %					
6 Total of lines 4 and 5			0 %					
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		X						

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2 Is the bond issue a variable rate issue?		X						
3a Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X						
b Name of provider	0							
c Term of hedge								
d Was the hedge superintegrated?								
e Was a hedge terminated?								
4a Were gross proceeds invested in a GIC?		X						
b Name of provider	0							
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?		X						
6 Did the bond issue qualify for an exception to rebate?		X						

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations

Yes No

Part VI Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation
------------	------------------	-------------

Schedule L
(Form 990 or 990-FZ)

Transactions with Interested Persons

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Prarie Power Inc

Employer identification number

37-1013955

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958  \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
1) JAY BARTLETT COMPUTER		X	5,000	2,051		No	Yes		Yes	
2) ALISHA ANKER COMPUTER		X	2,332	1,704		No	Yes		Yes	
total				► \$ 3,755						

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
COMPUTER LOAN PROGRAM	SCHEDULE L PART II	PRAIRIE POWER INSTITUTED AN ORGANIZATION-WIDE COMPUTER LOAN PROGRAM THAT FACILITATES THE PURCHASE OF COMPUTERS FOR ITS EMPLOYEES AND DIRECTORS HOME USE THESE LOANS ARE PROVIDED TO ALL EMPLOYEES AND DIRECTORS, THE OFFICERS/DIRECTORS/HIGHEST COMPENSATED EMPLOYEES LISTED REPRESENT THE INTERESTED PERSONS WHO PARTICIPATED IN THE PROGRAM

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
► Attach to Form 990 or 990-EZ.

2011**Open to Public
Inspection**Name of the organization
Prairie Power Inc**Employer identification number**

37-1013955

Identifier	Return Reference	Explanation
MEMBERS OR STOCKHOLDERS	FORM 990, PART VI, LINE 6	THE ORGANIZATION HAS ONE CLASS OF MEMBERS THAT CONSIST OF TEN ELECTRIC DISTRIBUTION COOPERATIVES IN ILLINOIS
GOVERNING BODY ELECTION	FORM 990, PART VI, LINE 7A	EACH DISTRIBUTION COOPERATIVE MEMBER OF PPI NOMINATES TWO PERSONS TO SERVE AS DIRECTORS OF PPI AND ONE PERSON TO SERVE AS AN ALTERNATE DIRECTOR OF PPI TO ACT IN THE ABSENCE OF A DIRECTOR. THE MEMBERS OF PPI ELECT THE DIRECTORS AND ALTERNATE DIRECTORS AT THE ANNUAL MEETING OF MEMBERS OF PPI
GOVERNING BODY APPROVAL	FORM 990, PART VI, LINE 7B	CERTAIN ACTIONS OF PPI, E.G. MERGER, CONSOLIDATION OR SALE OF SUBSTANTIALLY ALL OF THE ASSETS OF PPI OUTSIDE OF THE ORDINARY COURSE OF BUSINESS, REQUIRE APPROVAL OF PPI'S ELECTRIC DISTRIBUTION COOPERATIVE MEMBERS
REVIEW OF FORM 990	FORM 990, PART VI, LINE 11	PRIOR TO FILING, THE FORM 990 WAS REVIEWED BY MANAGEMENT OF PPI. AFTER MANAGEMENT'S REVIEW, EVERY MEMBER OF THE BOARD OF DIRECTORS WAS PROVIDED WITH A COPY OF THE FORM 990
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, LINE 12	PPI'S LEGAL COUNSEL ANNUALLY REVIEWS THE CONFLICT OF INTEREST POLICY WITH THE OFFICERS, DIRECTORS, AND KEY EMPLOYEES. EACH DIRECTOR, OFFICER, AND KEY EMPLOYEE MUST ANNUALLY COMPLETE, SIGN, AND SUBMIT THE CONFLICT OF INTEREST CERTIFICATION AND DISCLOSURE FORM
COMPENSATION DETERMINATION PROCESS	FORM 990, PART VI, LINE 15	THE PRESIDENT AND CEO HAS A WRITTEN EMPLOYMENT CONTRACT APPROVED BY THE BOARD OF DIRECTORS. ANNUALLY THIS EMPLOYMENT CONTRACT IS REVIEWED AND MAY BE REVISED. IN ESTABLISHING THE COMPENSATION FOR THE PRESIDENT AND CEO, THE BOARD OF DIRECTORS REVIEWS INFORMATION AVAILABLE THROUGH INDUSTRY ORGANIZATIONS, INCLUDING THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION. THE PRESIDENT AND CEO REVIEW IS CONDUCTED ANNUALLY IN MAY BY THE BOARD OF DIRECTORS. THE SALARIES OF OTHER STAFF OFFICERS AND KEY EMPLOYEES ARE DETERMINED BY THE PRESIDENT AND CEO. THE PRESIDENT AND CEO IS PROVIDED NUMEROUS WAGE SURVEYS AS GUIDANCE. ADDITIONALLY, THE PPI BOARD OF DIRECTORS APPROVES AN ANNUAL BUDGET. THE PRESIDENT AND CEO IS TO DETERMINE SALARIES WITHIN THE BUDGET AMOUNT PROVIDED BY THE BOARD.
DOCUMENT AVAILABILITY	FORM 990, PART VI, LINE 19	PRAIRIE POWER, INC. MAINTAINS ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS IN A CENTRAL LOCATION AT THE ORGANIZATION'S HEADQUARTERS. THESE DOCUMENTS ARE AVAILABLE UPON REQUEST AND SHALL BE ISSUED AT THE ORGANIZATION'S DISCRETION.
LEGAL EXPENSES	FORM 990, PART VII, SECTION B	THE LEGAL FEES REPORTED IN PART IX OF THE FORM 990 REPRESENT LEGAL EXPENSES ACTUALLY EXPENDED IN 2011. ON PART VII, SECTION B OF THE FORM 990, PPI REPORTS \$310,568 IN LEGAL EXPENSES PAID TO INDEPENDENT CONTRACTORS.
EMPLOYEE BENEFITS	FORM 990, PART IX, LINE 9	THE EMPLOYEE BENEFIT EXPENDITURE REPORTED ON LINE 9 INCLUDES THE ORGANIZATION'S PENSION PLAN EXPENSES, HOWEVER, THE CURRENT ACCOUNTING FOR THESE AMOUNTS IS NOT IN A FORMAT THAT WOULD PERMIT AN ALLOCATION BETWEEN LINES 8 AND 9 AT THIS TIME. ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST.
OTHER CHANGES IN NET ASSETS	FORM 990, PART XI, LINE 5	LOSSES FROM INVESTMENTS IN LLC'S \$82,247

Additional Data

Software ID:
Software Version:
EIN: 37-1013955
Name: Prairie Power Inc

Form 990, Special Condition Description:**Special Condition Description****Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099- MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee Or director	Institutional trustee	Officer	Key employee	Highest compensated Employee			
JIM THOMPSON DIRECTOR/VICE CHAIRMAN	4 0	X		X			0	0	0
ROBERT WILLIS DIRECTOR	6 0	X					10,450	0	0
ML CHRISTMAN DIRECTOR/SECRETARY/TREASURER	5 0	X		X			0	0	0
SCOTT UPHOFF ALTERNATE DIRECTOR	1 0	X					0	0	0
BRADLEY J LUDWIG DIRECTOR	5 0	X					9,400	0	0
WM DAVID CHAMPION JR DIRECTOR	5 0	X					0	0	0
ROBERT DELP DIRECTOR	4 0	X					0	0	0
ROBERT BROWN DIRECTOR	7 0	X					11,150		
BRUCE GIFFIN DIRECTOR	2 0	X					0	0	0
JERRY RIGGINS DIRECTOR	6 0	X					10,450	0	0
MICHAEL SMITH DIRECTOR	3 0	X					0	0	0
MICHAEL E CARLS DIRECTOR	5 0	X					11,850	0	0
JAMES E COLEMAN DIRECTOR	3 0	X					0	0	0
RICHARD BOGGS DIRECTOR/ASST SECR TREAS	4 0	X		X			10,100	0	0
JACK L CLARK DIRECTOR/CHAIRMAN	5 0	X		X			10,800	0	0
WILLIAM R DODDS DIRECTOR	4 0	X					0	0	0
WILLIAM R NEWTON DIRECTOR	5 0	X					10,100	0	0
PAUL DION DIRECTOR	4 0	X					0	0	0
LYNN FRASCO DIRECTOR	8 0	X					0	0	0
THOMAS ZWICA DIRECTOR	6 0	X					11,150	0	0
JAMES BENZ ALTERNATE DIRECTOR	1 0	X					0	0	0
HAROLD LOY ALTERNATE DIRECTOR	1 0	X					0	0	0
THOMAS MEEHAN III ALTERNATE DIRECTOR	1 0	X					700	0	0
ROBERT DWYER ALTERNATE DIRECTOR	1 0	X					0	0	0
GARY L MARTIN ALTERNATE DIRECTOR	1 0	X					700	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Or individual trustee	Institutional Trustee	Officer	Key employee	Employee Highest compensated			
DAVID K BIERY ALTERNATE DIRECTOR	1 0	X					0	0	0
JAMES HOLEVOET ALTERNATE DIRECTOR	1 0	X					0	0	0
DAVID FINLEY DIRECTOR	4 0	X					12,200	0	0
JOHN M SCOTT ALTERNATE DIRECTOR	1 0	X					700	0	0
LYLE H NELSON ALTERNATE DIRECTOR	3 0	X					1,400	0	0
JOHN DALTON VP POWER ENG, OPS & PLANNING	40 0			X			180,718	0	45,579
LYNDON GABBERT VP FINANCE & ACCOUNTING	40 0			X			159,544	0	37,849
RANDALL FISHER SUPERINTENDENT OF GENERATION	40 0			X			135,890	0	37,903
GREGORY NIEMAN DIRECTOR ADMIN SERVICES	40 0			X			136,231	0	35,047
DANIEL BREDEN VP POWER DELIVERY	40 0			X			147,139	0	39,252
JAY BARTLETT PRESIDENT/CEO	40 0			X			364,010	0	81,293
ROBERT REYNOLDS SR DIRECTOR/DEMAND RESP & MEMB	40 0				X		147,463	0	41,210
PHILLIP BREEZEE DIRECTOR OF MISO MARKET OPS	40 0				X		106,703	0	34,325
ALISHA ANKER DIR OF POWER SUPPLY & MARKETS	40 0				X		121,888	0	31,831
RICHARD CHAPMAN ENGINEERING MANAGER	40 0				X		176,604	0	38,193
WILLIAM G SEIPEL OPERATIONS MANAGER	40 0				X		139,665	0	35,222