

Date **September 2010**

Subject **East Interchange Power Statement and Related Data**
September 2010 Actual

Reviewer: **David B. Roberts (Bruce)**
10/29/2010

Approved **Eric Gleckler**
10/29/2010

To **See Distribution List**

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of September 2010.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
September 2010

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	1,796,110	274,127	72,058,052	10,603,466
	BILLING	KPCO	71,675	224,771	6,613,260	6,255,570
	AMOUNT	I&M	190,679	1,134,245	6,160,892	28,474,902
		OPCO	163,567	1,365,573	5,885,032	65,700,542
		CSP	886,596	109,911	23,588,318	3,271,074
		TOTAL	3,108,627	3,108,627	114,305,554	114,305,553
II.	PREVIOUSLY	APCO	1,768,747	252,552	72,056,928	9,635,399
	ESTIMATED	KPCO	72,859	223,389	6,607,166	6,205,152
	BILLING	I&M	181,959	1,125,092	5,688,142	29,097,827
	AMOUNT	OPCO	171,518	1,370,727	5,992,051	65,702,358
		CSP	917,030	140,353	24,351,152	4,054,702
		TOTAL	3,112,113	3,112,113	114,695,439	114,695,439
III.	ADJUSTMENT	APCO	27,363	21,575	1,124	968,067
	TO BE BOOKED	KPCO	(1,184)	1,382	6,094	50,418
	NEXT MONTH	I&M	8,720	9,153	472,750	(622,925)
	(I - II)	OPCO	(7,951)	(5,154)	(107,019)	(1,816)
		CSP	(30,434)	(30,442)	(762,834)	(783,628)
		TOTAL	(3,486)	(3,486)	(389,885)	(389,886)
IV.	ADJUSTMENT FOR TRANSMISSION	APCO			2,953	0
	SERVICE (PURCHASES) TO BE	KPCO			612	0
	BOOKED NEXT MONTH	I&M			1,776	0
	(SEE APPENDIX VI)	OPCO			0	7,044
		CSP			1,703	0
		TOTAL			7,044	7,044
V.	ADJUSTMENT TO ALLOCATION OF	APCO			50	0
	TRADING & MARKETING REALIZATION	KPCO			9	0
	TO BE BOOKED NEXT MONTH	I&M			30	0
	(SEE PAGE 6B)	OPCO			34	0
		CSP			27	0
		West. AEP			0	150
		TOTAL			150	150
VI.	ADJUSTMENT FOR PJM CHARGES	APCO			702,467	0
	TRANSFERRED FROM	KPCO			145,690	0
	nMARKET TO AEE (NON-ECR)	I&M			422,469	0
	TO BE BOOKED NEXT MONTH	OPCO			494,400	0
	(SEE APPENDIX IX)	CSP			404,898	0
		East. AEP (Co. 122)			0	2,169,923
		TOTAL			2,169,923	2,169,923
VII.	ADJUSTMENT FOR PJM CHARGES	APCO			0	36,256
	(NON-ECR) FROM INVOICE	KPCO			0	7,519
	TO BE BOOKED NEXT MONTH	I&M			0	21,795
	(SEE APPENDIX IX)	OPCO			0	25,496
		CSP			0	20,905
		East. AEP (Co. 122)			111,971	0
		TOTAL			111,971	111,971

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF	APCO	0	67,209
BUCKEYE PASS-THROUGH CHARGES	KPCO	0	13,940
ASSOCIATED WITH PJM	I&M	0	40,422
TO BE BOOKED NEXT MONTH	OPCO	0	47,305
(SEE APPENDIX IX)	CSP	0	38,741
	East. AEP (Co. 122)	207,617	0
	TOTAL	207,617	207,617
IX. ADJUSTMENT FOR BUCKEYE SHARE	APCO	0	0
OF PJM CONGESTION CHARGES	KPCO	0	0
TO BE BOOKED NEXT MONTH	I&M	0	0
(SEE APPENDIX IX)	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH	APCO	0	15,649,001
(SEE APPENDIX VI)	KPCO	0	3,245,322
(Net amounts due System Agent to	I&M	0	9,410,192
effect sharing by MLR in revenues	OPCO	0	11,011,075
and cost of purchases for AEP System	CSP	0	9,021,082
cash-settled transactions)	East. AEP (Co.122)	48,336,672	0
	TOTAL	48,336,672	48,336,672
XIII. ESTIMATED THIS MONTH	APCO	0	15,460,455
(SEE APPENDIX VI)	KPCO	0	3,206,221
	I&M	0	9,296,814
	OPCO	0	10,878,407
	CSP	0	8,912,393
	East. AEP (Co.122)	47,754,290	0
	TOTAL	47,754,290	47,754,290
XI. ADJUSTMENT FOR RECLASS OF ENERGY	APCO	0	0
SPREADS FOR DIRECT ALLOCATION TO WEST	KPCO	0	0
(SEE APPENDIX VIII, pages 2, 3, & 4)	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	188,546
	KPCO	0	39,101
	I&M	0	113,379
	OPCO	0	132,667
	CSP	0	108,688
	East. AEP (Co.122)	582,381	0
	TOTAL	582,381	582,381

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

			CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)	
			SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447
			KW	\$/KW	(1)	(2)	(3)	(4)
I.	ACTUAL	APCO	(2,238,900)	13.29	29,761,680	0	42,296,372	10,603,466
	BILLING	KPCO	(317,200)	13.29	4,216,537	0	2,396,723	6,255,570
	AMOUNT	I&M	247,800	15.47	0	3,833,466	6,160,892	24,641,436
		OPCO	2,419,200	13.07	0	31,618,944	5,885,032	34,081,598
		CSP	(110,900)	13.29	1,474,193	0	22,114,125	3,271,074
		TOTAL			35,452,410	35,452,410	78,853,144	78,853,143
II.	PREVIOUSLY	APCO			29,920,600	0	42,136,328	9,635,399
	ESTIMATED	KPCO			4,239,052	0	2,368,114	6,205,152
	BILLING	I&M			0	3,705,426	5,688,142	25,392,401
	AMOUNT *	OPCO			0	31,936,291	5,992,051	33,766,067
		CSP			1,482,065	0	22,869,087	4,054,702
		TOTAL			35,641,717	35,641,717	79,053,722	79,053,722
IV.	ADJUSTMENT	APCO			(158,920)	0	160,044	968,067
	TO BE BOOKED	KPCO			(22,515)	0	28,609	50,418
	NEXT MONTH	I&M			0	128,040	472,750	(750,965)
	(I - II + III)	OPCO			0	(317,347)	(107,019)	315,531
		CSP			(7,872)	0	(754,962)	(783,628)
		TOTAL			(189,307)	(189,307)	(200,578)	(200,579)
					ENERGY MWh		\$ TOTAL OF ALL ABOVE	
					(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)
					FROM POOL	TO POOL	CHARGE	CREDIT
					(7)	(8)		
I.	ACTUAL	APCO			1,796,110	274,127	72,058,052	10,603,466
	BILLING	KPCO			71,675	224,771	6,613,260	6,255,570
	AMOUNT	I&M			190,679	1,134,245	6,160,892	28,474,902
		OPCO			163,567	1,365,573	5,885,032	65,700,542
		CSP			886,596	109,911	23,588,318	3,271,074
		TOTAL			3,108,627	3,108,627	114,305,554	114,305,553
II.	PREVIOUSLY	APCO			1,768,747	252,552	72,056,928	9,635,399
	ESTIMATED	KPCO			72,859	223,389	6,607,166	6,205,152
	& ENERGY	I&M			181,959	1,125,092	5,688,142	29,097,827
	BILLING	OPCO			171,518	1,370,727	5,992,051	65,702,358
	AMOUNT	CSP			917,030	140,353	24,351,152	4,054,702
		TOTAL			3,112,113	3,112,113	114,695,439	114,695,439
IV.	ADJUSTMENT	APCO			27,363	21,575	1,124	968,067
	TO BE BOOKED	KPCO			(1,184)	1,382	6,094	50,418
	NEXT MONTH	I&M			8,720	9,153	472,750	(622,925)
	(I - III)	OPCO			(7,951)	(5,154)	(107,019)	(1,816)
		CSP			(30,434)	(30,442)	(762,834)	(783,628)
		TOTAL			(3,486)	(3,486)	(389,885)	(389,886)

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

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**CALCULATION OF MEMBER PRIMARY CAPACITY
SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u>	<u>MEMBER LOAD RATIO (APPENDIX I)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
	(1)	(2)	(3)	
APCO	6,379,000	0.32375	8,617,900	(2,238,900)
KPCO	1,470,000	0.06714	1,787,200	(317,200)
I&M	5,430,000	0.19468	5,182,200	247,800
OPCO	8,483,000	0.22780	6,063,800	2,419,200
CSP	4,857,000	0.18663	4,967,900	(110,900)
TOTAL	26,619,000	1.00000	26,619,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>	<u>CAPACITY RATE \$/kW *</u>	<u>CREDIT (CHARGE) ** \$</u>
	(1)	(2)	(3)
APCO	(2,238,900)	***** + *****	(29,761,680)
KPCO	(317,200)	***** + *****	(4,216,537)
I&M	247,800	9.92 + 5.55	3,833,466
OPCO	2,419,200	10.6 + 2.47	31,618,944
CSP	(110,900)	***** + *****	(1,474,193)

EQUALIZATION CAPACITY RATE: 13.2930

(This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	526,076	567,214	20,215,391	23,863,968
RECOVERY AND MLR	KPCO	107,673	96,462	4,192,313	3,429,451
ALLOCATION FOR ALL	I&M	316,785	231,756	12,156,084	10,050,152
AEP SYSTEM	OPCO	370,578	503,952	14,224,142	16,573,433
DELIVERIES TO	CSP	298,344	220,072	11,653,431	8,524,357
NON-AFFILIATED COS.	AEP	1,619,456	1,619,456	62,441,361	62,441,360
ADJUSTMENT TO	APCO	(299,315)	(299,315)	(13,459,597)	(13,459,597)
PREVENT RECOGNITION	KPCO	(39,069)	(39,069)	(1,870,507)	(1,870,507)
OF SALES BY POOL	I&M	(128,495)	(128,495)	(6,062,418)	(6,062,418)
MEMBERS TO	OPCO	(208,361)	(208,361)	(8,382,191)	(8,382,191)
THEMSELVES	CSP	(120,434)	(120,434)	(5,566,321)	(5,566,321)
(PAGE 7)	AEP	(795,674)	(795,674)	(35,341,034)	(35,341,034)
SUBTOTAL	APCO	226,761	267,899	6,755,794	10,404,371
AEP EXTERNAL	KPCO	68,604	57,393	2,321,806	1,558,944
ENERGY	I&M	188,290	103,261	6,093,666	3,987,734
	OPCO	162,217	295,591	5,841,951	8,191,242
	CSP	177,910	99,638	6,087,110	2,958,036
	AEP	823,782	823,782	27,100,327	27,100,326
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,569,349	6,228	35,540,578	199,095
ENERGY	KPCO	3,071	167,378	74,917	4,696,626
(PAGE 8)	I&M	2,389	1,030,984	67,226	20,653,702
	OPCO	1,350	1,069,982	43,081	25,890,356
	CSP	708,686	10,273	16,027,015	313,038
	AEP	2,284,845	2,284,845	51,752,817	51,752,817
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,796,110	274,127	42,296,372	10,603,466
	KPCO	71,675	224,771	2,396,723	6,255,570
	I&M	190,679	1,134,245	6,160,892	24,641,436
	OPCO	163,567	1,365,573	5,885,032	34,081,598
	CSP	886,596	109,911	22,114,125	3,271,074
	AEP	3,108,627	3,108,627	78,853,144	78,853,143

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	0	0	0
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	0	0	0	0
SPECIAL SERVICE	OPCO	0	0	0	0
CUSTOMERS	CSP	0	0	0	0
	AEP	0	0	0	0
PREVIOUSLY	APCO	0	0	0	0
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
ADJUSTMENT	APCO	0	0	0	0
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	20,215,391	23,863,968	22,691,373	2,475,982
KPCO	4,192,313	3,429,451	4,705,780	513,467
I&M	12,156,084	10,050,152	13,644,966	1,488,882
OPCO	14,224,142	16,573,433	15,966,299	1,742,157
CSP	11,653,431	8,524,357	13,080,751	1,427,320
TOTAL	62,441,361	62,441,361	70,089,169	7,647,808

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	2,475,982	0.32375
KPCO	0	513,467	0.06714
I&M	0	1,488,882	0.19468
OPCO	0	1,742,157	0.22780
CSP	0	1,427,320	0.18663
TOTAL	0	7,647,808	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	98.247% x	572,453 =	\$562,421
WESTERN AEP:	1.753% x	572,453 =	\$10,032
			<u>\$572,453</u>

REALIZATION TO BE SHARED: \$572,453
 LESS EASTERN AEP REALIZATION SHARE: \$562,421
 WESTERN REALIZATION SHARE: \$10,032
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM EASTERN AEP TO WESTERN AEP: \$10,032

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	TOTAL	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	3,248	3,198	4470.144	4210.043	4470.144	4210.043	50
1,452	1,796	0	3,248	3,198	0	0	0	0	9
KPCO 301	372	0	673	664	0	0	0	0	30
I&M 874	1,080	0	1,954	1,924	0	0	0	0	34
OPCO 1,022	1,263	0	2,285	2,251	0	0	0	0	27
CSP 837	1,035	0	1,872	1,845	0	0	0	0	150
TOTAL 4,486	5,546	0	10,032	9,882	0	0	0	0	

WESTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	TOTAL	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	(4,564)	(4,495)	4470.144	4470.043	4470.144	4470.043	(69)
(2,041)	(2,523)	0	(4,564)	(4,495)	0	0	0	0	(81)
SWERCO (2,445)	(3,023)	0	(5,468)	(5,387)	0	0	0	0	0
TCC 0	0	0	0	0	0	0	0	0	0
TNC 0	0	0	0	0	0	0	0	0	0
TOTAL (4,486)	(5,546)	0	(10,032)	(9,882)	0	0	0	0	(150)

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	COST (2)		MLR	ADJUSTMENT	
	MWh	(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	256,399	8,519,487	0.32375	83,009	2,758,184
KPCO	54,873	1,520,476	0.06714	3,684	102,085
I&M	36,854	980,536	0.19468	7,175	190,891
OPCO	316,631	8,820,816	0.22780	72,129	2,009,382
CSP	88,768	2,682,851	0.18663	16,567	500,700
TOTAL	753,525	22,524,165	1.00000	182,564	5,561,242

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	COST		MLR	ADJUSTMENT	
	MWh	(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	139,755	6,865,904	0.32375	45,246	2,222,836
KPCO	6,651	150,670	0.06714	447	10,116
I&M	91,370	3,971,204	0.19468	17,788	773,114
OPCO	66,160	1,786,853	0.22780	15,071	407,045
CSP	33,733	953,914	0.18663	6,296	178,029
TOTAL	337,669	13,728,545	1.00000	84,848	3,591,140

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	171,060	8,478,577
KPCO	34,938	1,758,306
I&M	103,532	5,098,413
OPCO	121,161	5,965,764
CSP	97,571	4,887,592
TOTAL	528,262	26,188,652

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	299,315	13,459,597
KPCO	39,069	1,870,507
I&M	128,495	6,062,418
OPCO	208,361	8,382,191
CSP	120,434	5,566,321
TOTAL	795,674	35,341,034

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: September 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	117,164	26.521	3,107,306
2. I&M	APCO	708,460	17.306	12,260,608
3. OPCO	APCO	733,452	21.537	15,796,356
4. CSP	APCO	10,273	25.933	266,409
5. TOTAL	APCO	1,569,349	20.028	31,430,679
6. APCO	KPCO	603	26.164	15,777
7. I&M	KPCO	979	17.305	16,942
8. OPCO	KPCO	1,489	21.537	32,068
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	3,071	21.096	64,787
11. APCO	I&M	1,173	26.165	30,691
12. KPCO	I&M	79	26.519	2,095
13. OPCO	I&M	1,137	21.536	24,487
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	2,389	23.974	57,273
16. APCO	OPCO	1,343	26.165	35,139
17. KPCO	OPCO	1	26.000	26
18. I&M	OPCO	6	17.167	103
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	1,350	26.124	35,268
21. APCO	CSP	3,109	26.165	81,346
22. KPCO	CSP	50,134	26.521	1,329,604
23. I&M	CSP	321,539	17.306	5,564,553
24. OPCO	CSP	333,904	21.537	7,191,290
25. TOTAL	CSP	708,686	19.990	14,166,793
26. TOTAL ALL MEMBERS RECEIVED		2,284,845	20.025	45,754,800
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	6,228	26.165	162,953
28. KPCO	1, 12, 17, & 22	167,378	26.521	4,439,031
29. I&M	2, 7, 18, & 23	1,030,984	17.306	17,842,206
30. OPCO	3, 8, 13, & 24	1,069,982	21.537	23,044,201
31. CSP	4, 9, 14, & 19	10,273	25.933	266,409
32. TOTAL ALL MEMBERS DELIVERED:		2,284,845	20.025	45,754,800

ACTUAL: September 2010

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	117,164	28.060	3,287,622
2. I&M	APCO	708,460	20.033	14,192,579
3. OPCO	APCO	733,452	24.197	17,747,339
4. CSP	APCO	10,273	30.472	313,038
5. TOTAL	APCO	1,569,349	22.647	35,540,578
6. APCO	KPCO	603	31.967	19,276
7. I&M	KPCO	979	20.033	19,612
8. OPCO	KPCO	1,489	24.197	36,029
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	3,071	24.395	74,917
11. APCO	I&M	1,173	31.967	37,498
12. KPCO	I&M	79	28.060	2,216
13. OPCO	I&M	1,137	24.197	27,512
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	2,389	28.140	67,226
16. APCO	OPCO	1,343	31.967	42,933
17. KPCO	OPCO	1	28.060	28
18. I&M	OPCO	6	20.033	120
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	1,350	31.912	43,081
21. APCO	CSP	3,109	31.967	99,388
22. KPCO	CSP	50,134	28.060	1,406,760
23. I&M	CSP	321,539	20.033	6,441,391
24. OPCO	CSP	333,904	24.197	8,079,476
25. TOTAL	CSP	708,686	22.615	16,027,015
26. TOTAL ALL MEMBERS RECEIVED		2,284,845	22.650	51,752,817
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	6,228	31.967	199,095
28. KPCO	1, 12, 17, & 22	167,378	28.060	4,696,626
29. I&M	2, 7, 18, & 23	1,030,984	20.033	20,653,702
30. OPCO	3, 8, 13, & 24	1,069,982	24.197	25,890,356
31. CSP	4, 9, 14, & 19	10,273	30.472	313,038
32. TOTAL ALL MEMBERS DELIVERED:		2,284,845	22.650	51,752,817

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: September 2010

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		ECONOMY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY \$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY

ACTUAL: September 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

September 2010

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**AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)**

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	0	4,052	0.0000	24	0.0000
	AMOS 2	74,005	497,195	0.1488	130	19.3499
	AMOS 3	39,792	222,644	0.1787	84	15.0129
	CEREDO1	98	536	0.1828	0	0.0000
	CEREDO2	96	795	0.1208	0	0.0000
	CEREDO3	95	959	0.0991	0	0.0000
	CEREDO4	93	958	0.0971	0	0.0000
	CEREDO5	96	962	0.0998	0	0.0000
	CEREDO6	0	649	0.0000	0	0.0000
	CLINCH RIVER 1	8,422	53,595	0.1571	264	41.4854
	CLINCH RIVER 2	647	8,920	0.0725	41	2.9739
	CLINCH RIVER 3	3,208	20,300	0.1580	92	14.5387
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	2,697	6,338	0.4255	55	23.4041
	KANAWHA RIVER 1	3,103	17,919	0.1732	116	20.0875
	KANAWHA RIVER 2	20,928	74,548	0.2807	527	147.9457
	MOUNTAINEER 1	61,710	277,989	0.2220	125	27.7484
	SPORN 1	3,326	12,428	0.2676	95	25.4240
	SPORN 3	7,994	60,472	0.1322	443	58.5617
TOTAL	226,310	1,261,259	0.1794	1,996	396.5322	
KPCO	BIG SANDY 1	9,521	46,742	0.2037	289	58.8672
	BIG SANDY 2	45,352	477,960	0.0949	3,074	291.6814
	ROCKPORT 1 (AEG)	2,642	111,647	0.0237	340	8.0457
	ROCKPORT 2 (AEG)	4,009	126,023	0.0318	385	12.2475
	TOTAL	61,524	762,372	0.0807	4,088	370.8418
I&M	ROCKPORT 1	8,802	372,114	0.0237	1,134	26.8237
	ROCKPORT 1 (AEG)	6,160	260,490	0.0236	794	18.7763
	ROCKPORT 2	13,367	420,280	0.0318	1,287	40.9330
	ROCKPORT 2 (AEG)	9,340	293,903	0.0318	900	28.6013
	TANNERS CREEK 1	2,067	12,017	0.1720	66	11.3524
	TANNERS CREEK 2	625	1,881	0.3323	12	3.9872
	TANNERS CREEK 3	3,871	40,464	0.0957	253	24.2033
	TANNERS CREEK 4	8,122	65,267	0.1244	459	57.1192
TOTAL	52,354	1,466,416	0.0357	4,905	211.7964	

ACTUAL: September 2010

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	80,334	449,484	0.1787	168	30.0258
	CARDINAL 1	45,032	393,040	0.1146	451	51.6727
	CARDINAL 2	4,690	4,690	1.0000	4	3.9854
	CARDINAL 3	56,122	56,122	1.0000	374	373.9404
	GAVIN 1	18,708	785,171	0.0238	1,004	23.9220
	GAVIN 2	24,220	792,356	0.0306	1,198	36.6193
	KAMMER 1	1,835	19,522	0.0940	184	17.2954
	KAMMER 2	0	0	0.0000	0	0.0000
	KAMMER 3	13,940	64,910	0.2148	672	144.3180
	MITCHELL 1	14,203	118,489	0.1199	79	9.4695
	MITCHELL 2	21,862	351,396	0.0622	168	10.4521
	MUSKINGUM 1	557	9,425	0.0591	201	11.8787
	MUSKINGUM 2	9,716	78,887	0.1232	1,706	210.1170
	MUSKINGUM 3	5,807	104,476	0.0556	2,254	125.2822
	MUSKINGUM 4	4,065	59,088	0.0688	1,276	87.7833
	MUSKINGUM 5	10,978	376,362	0.0292	3,463	101.0113
	SPORN 2	2,883	18,264	0.1579	132	20.8364
	SPORN 4	1,679	7,232	0.2322	55	12.7689
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	316,631	3,688,914	0.0858	13,389
CSP	BECKJORD 6	45	21,937	0.0021	438	0.8985
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	4,162	34,128	0.1220	758	92.4401
	CONESVILLE 4	4,401	37,622	0.1170	28	3.2754
	CONESVILLE 5	23,485	95,934	0.2448	76	18.6051
	CONESVILLE 6	21,568	132,409	0.1629	93	15.1487
	DARBY 1	8	710	0.0113	0	0.0000
	DARBY 2	8	939	0.0085	0	0.0000
	DARBY 3	9	950	0.0095	0	0.0000
	DARBY 4	1	695	0.0014	0	0.0000
	DARBY 5	36	612	0.0588	0	0.0000
	DARBY 6	0	667	0.0000	0	0.0000
	LAWRENCEBURG 1	4,914	69,576	0.0706	0	0.0000
	LAWRENCEBURG 2	6,119	70,243	0.0871	0	0.0000
	PICWAY 5	13	756	0.0172	13	0.2235
	STUART 1	1,571	50,351	0.0312	75	2.3401
	STUART 2	8,237	75,176	0.1096	36	3.9445
	STUART 3	6,230	53,706	0.1160	16	1.8560
	STUART 4	8,690	85,166	0.1020	145	14.7952
	WATERFORD	7,601	83,028	0.0915	0	0.0000
	ZIMMER 1	2,703	162,541	0.0166	416	6.9179
		TOTAL	99,801	977,146	0.1021	2,094

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: September 2010

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
I. AEP EXTERNAL ENERGY (3)			
APCO	5,643	7,709	2,066
KPCO	5,268	49,830	44,562
I&M	3,018	18,693	15,675
OPCO	20,207	57,161	36,954
CSP	2,432	31,747	29,315
AEP	<u>36,567</u>	<u>165,140</u>	<u>128,573</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	55,374	686	(54,688)
KPCO	25,483	153	(25,331)
I&M	26,898	18,185	(8,712)
OPCO	76,719	2,432	(74,287)
CSP	44,230	12,808	(31,422)
AEP	<u>228,705</u>	<u>34,265</u>	<u>(194,440)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	23,916,590	23,863,968	
KPCO	3,410,220	3,429,452	
I&M	10,043,190	10,050,153	
OPCO	16,610,765	16,573,433	
CSP	8,526,464	8,524,357	
AEP	<u>62,507,229</u>	<u>62,441,362</u>	

	<u>SO2</u>	<u>NOX</u>
NOTES: (1) Market Price (\$/Ton):	15.00	525.23
(2) APCO \$/Ton:	19.44	6.46
KPCO \$/Ton:	134.37	3.29
I&M \$/Ton:	88.26	354.71
OPCO \$/Ton:	44.96	16.71
CSP \$/Ton:	197.87	149.04

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 08/31/2010

OPERATING COMPANY PERCENTAGE
 SEPTEMBER 2010

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32375	0.06714	0.19468	0.22780	0.18663

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
08/10	21174	04	16	6200	04	14	1310	12	16	4422	10	14	5096	13	16	4146
07/10	21269	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4289
06/10	20188	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4160
05/10	18403	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3643
04/10	15059	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	16	2662
03/10	18083	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3037
02/10	19912	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3281
01/10	20592	11	08	7440	08	09	1543	07	08	3680	13	08	4563	05	19	3366
12/09	19925	11	08	6613	11	08	1434	10	19	3858	10	20	4510	10	19	3510
11/09	16370	06	08	5106	06	08	1113	30	20	3373	06	10	3848	30	20	2930
10/09	16005	19	07	5341	19	08	1070	14	10	3163	19	07	3694	14	19	2737
09/09	17161	24	14	5141	22	14	1040	15	15	3559	15	14	4140	15	16	3281

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

TOTAL	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
22981	7440	1543	4474	5235	4289

DATE/TIME	01/11/10 HR 08	01/08/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16

Notes: OP peak load was restated from January through September 2009, due to a correction in the Buckeye calculation.

ACTUAL: September 2010	APPENDIX II
SYSTEM PRIMARY CAPACITY	
STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	31,000
Grand Ridge Wind Farm	33,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,679,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,379,000
KENTUCKY POWER COMPANY	
Big Sandy	1,077,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,470,000
TOTAL MEMBER PRIMARY CAPACITY	1,470,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	32,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,416,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,430,000
OHIO POWER COMPANY	
Amos	865,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,424,000
Sporn	742,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,458,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,483,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,619,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 September 2010

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capability*** as of 12/31/2009 (1)	\$ Installed Cost of Production Plant * as of 12/31/2009 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,483,267,503		
Ceredo	482,000	203,369,148		
Clinch River	700,000	358,164,558		
Glen Lyn	332,000	148,885,831		
Kanawha River	400,000	182,968,061		
Mountaineer	1,317,000	1,450,802,783		
Sporn	295,000	134,047,947		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	31,000	0		
Grand Ridge Wind Farm	33,000	0		
Appalachian Total	5,679,000	3,961,505,831	697.57	9.56
KENTUCKY POWER COMPANY				
Big Sandy	1,077,000	536,453,896		
Rockport 1 Purchased from AEG	198,000	193,366,259		
Rockport 2 Purchased from AEG	195,000	27,141,372		
Kentucky Total	1,470,000	756,961,527	514.94	7.05
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,062,724,614		
Rockport 1 Ownership Share	660,000	636,774,575		
Rockport 1 Purchased from AEG	461,000	451,187,937		
Rockport 2 Leased Shared	650,000	90,849,751		
Rockport 2 Purchased from AEG	455,000	63,329,867		
Tanners Creek	992,000	616,366,861		
Fowler Ridge Wind Farm I	32,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,416,000	3,921,233,605	724.01	9.92
OHIO POWER COMPANY				
Amos	865,000	924,967,652		
Cardinal	592,000	697,320,442		
Gavin	2,638,000	1,902,741,299		
Kammer	620,000	314,113,001		
Mitchell	1,560,000	1,680,573,111		
Muskingum River	1,424,000	653,370,851		
Sporn	742,000	369,031,699		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,458,000	6,542,118,055	773.48	10.60
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	19,174,815		
Conesville	1,302,000	960,396,210		
Darby	473,000	190,517,993		
Lawrenceburg Purchased from AEG	1,155,000	694,861,245		
Picway	98,000	41,666,553		
Stuart	600,000	498,179,916		
Waterford	830,000	211,967,376		
Zimmer	330,000	768,336,888		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,385,100,996	696.95	9.55

ACTUAL:
 September 2010

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	6,338	1,084,221	299,555	142,510	64,620	234,935
SPORN (APCO)	72,900	3,331,767	2,489,072	478,416	2,376,473	112,599
KANAWHA RIVER	92,467	4,031,177	3,077,585	481,246	2,641,647	435,938
CLINCH RIVER	82,815	4,946,029	3,494,566	591,775	3,238,871	255,695
AMOS (APCO)	725,066	27,853,079	20,288,900	3,977,791	18,953,768	1,335,132
MOUNTAINEER	277,989	13,194,370	7,706,331	3,878,743	7,199,088	507,243
CEREDO	4,859	606,501	277,562	99,901	277,445	117
BEECH RIDGE	8,523	0	0	0	0	0
CAMP GROVE	18,100	0	0	0	0	0
FOWLER RIDGE III	18,971	0	0	0	0	0
GRAND RIDGE II	10,102	0	0	0	0	0
GRAND RIDGE III	10,057	0	0	0	0	0
TOTAL	1,328,187	55,047,144	37,633,570	9,650,382	34,751,912	2,881,657
RATES:		31.968	28.335	3.633	26.165	2.170
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	524,702	17,083,359	14,979,645	914,037	14,600,826	378,820
ROCKPORT 1 (AEG)	111,647	3,865,582	2,719,203	137,793	2,629,436	89,767
ROCKPORT 2 (AEG)	126,023	4,363,325	3,089,485	155,536	2,988,637	100,848
TOTAL	762,373	25,312,266	20,788,333	1,207,366	20,218,898	569,435
RATES:		28.060	27.268	0.792	26.521	0.747
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	54,362		2,291,833		2,139,184	152,649
TANNERS CREEK 4	65,267		1,731,530		1,611,945	119,586
TANNERS CREEK TOTAL	119,629	6,638,989	4,023,363	1,522,156	3,751,129	272,235
ROCKPORT 1 (OWNED SHARE)	372,114	12,883,770	9,062,952	459,257	8,763,763	299,188
ROCKPORT 1 (AEG)	260,490	9,018,987	6,344,311	321,492	6,134,871	209,440
ROCKPORT 2 (AEG)	293,903	10,175,855	7,205,091	362,730	6,969,900	235,192
ROCKPORT 2 (LEASED SHARE)	420,280	14,551,426	10,303,248	518,703	9,966,925	336,323
COOK	1,502,274	36,870,938	16,301,282	10,463,139	16,301,282	0
FOWLER RIDGE I	19,194	0	0	0	0	0
FOWLER RIDGE II	10,332	0	0	0	0	0
TOTAL	2,998,217	90,139,964	53,240,247	13,647,477	51,887,870	1,352,377
RATES:		20.033	17.757	2.276	17.306	0.451
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	25,496	1,762,213	964,996	291,875	873,495	91,501
MUSKINGUM	628,238	18,864,562	15,194,874	1,961,700	14,915,760	279,113
KAMMER	84,432	6,664,929	4,721,537	1,465,809	4,479,129	242,408
CARDINAL (OPCO)	425,378	10,301,605	7,442,451	1,426,946	7,719,170	(276,720)
MITCHELL	469,885	17,452,937	11,636,729	4,004,361	11,286,308	350,421
AMOS (OPCO)	448,309	14,026,752	12,090,322	793,339	11,582,373	507,949
GAVIN	1,577,527	40,631,833	30,021,899	3,537,621	28,194,490	1,827,409
FOWLER RIDGE II	10,332	0	0	0	0	0
Wyandot	857	0	0	0	0	0
TOTAL	3,670,454	109,704,831	82,072,807	13,481,651	79,050,726	3,022,081
RATES:		24.197	22.360	1.837	21.537	0.823
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	300,093	16,322,973	8,743,150	3,027,011	8,009,096	734,054
PICWAY	756	200,123	30,918	59,684	14,591	16,327
BECKJORD	21,937	747,116	636,716	78,298	603,736	32,979
STUART	264,399	9,180,312	6,780,449	1,259,537	6,465,145	315,304
ZIMMER	162,541	4,898,617	3,617,722	680,268	3,465,019	152,703
WATERFORD	83,028	3,273,686	2,602,001	258,083	2,460,197	141,804
DARBY	4,573	910,953	581,520	75,890	499,091	82,429
LAWRENCEBURG	139,819	5,253,480	4,127,447	542,980	4,109,161	18,286
FOWLER RIDGE II	673	0	0	0	0	0
Wyandot	10,332	0	0	0	0	0
TOTAL	988,151	40,787,260	27,119,923	5,981,751	25,626,036	1,493,887
RATES:		30.472	27.445	3.027	25.933	1.512
SYSTEM TOTAL	9,747,382	320,991,465	220,854,879	43,968,627	211,535,442	9,319,437
SYSTEM TOTAL	9,747,382	320,991,465	220,854,879	43,968,627	211,535,442	9,319,437

ACTUAL: September 2010

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

<u>COMPANY</u>	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	55,047,144	34,751,912	2,881,657	9,650,382	4,825,191
KPCO	25,312,266	20,218,898	569,435	1,207,366	603,683
I&M	90,139,964	51,887,870	1,352,377	13,647,477	6,823,738
OPCO	109,704,831	79,050,726	3,022,081	13,481,651	6,740,826
CSP	40,787,260	25,626,036	1,493,887	5,981,751	2,990,876
TOTAL	320,991,465	211,535,442	9,319,437	43,968,627	21,984,314

CALCULATION OF MEMBER PRIMARY RATES:

<u>COMPANY</u>	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,706,848	1,328,187	1,328,187	31.967
KPCO	1,173,118	762,373	762,373	28.060
I&M	8,176,115	2,998,217	2,998,217	20.033
OPCO	9,762,907	3,670,454	3,670,454	24.197
CSP	4,484,763	988,151	988,151	30.472
TOTAL	31,303,751	9,747,382	9,747,382	24.913

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

<u>COMPANY</u>	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	12,588,383	5,679,000	2.22
KPCO	3,920,249	1,470,000	2.67
I&M	30,075,979	5,416,000	5.55
OPCO	20,891,198	8,458,000	2.47
CSP	10,676,461	4,857,000	2.20
TOTAL	78,152,271	25,880,000	3.02

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: September 2010

APPENDIX VI
 Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION	APCO	362,392	43,510	359,684	43,755	2,953	0
SERVICE	KPCO	75,154	9,023	74,593	9,074	612	0
(PURCHASES)	I&M	217,918	26,165	216,288	26,311	1,776	0
	OPCO	103,780	864,372	104,363	857,911	0	7,044
	CSP	208,908	25,082	207,346	25,223	1,703	0
	TOTAL	968,152	968,152	962,274	962,274	7,044	7,044
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NET AMOUNT DUE	APCO	0	12,713,632	0	12,823,657	110,025	0
FOR ALL SYSTEM	KPCO	0	2,636,577	0	2,659,394	22,817	0
TRANSACTIONS	I&M	0	7,645,074	0	7,711,236	66,162	0
(EXCEPT TRANS.	OPCO	0	8,945,663	0	9,023,080	77,417	0
SERVICE) (1)	CSP	0	7,328,947	0	7,392,373	63,426	0
	East. AEP (Co. 122)	39,269,894	0	39,609,740	0	0	339,846
	TOTAL	39,269,894	39,269,894	39,609,740	39,609,740	339,846	339,846
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THIRD PARTY	APCO	2,696,182	5,631,551	2,634,854	5,271,651	68,695	367,266
SALES (2)	KPCO	559,140	1,167,885	546,423	1,093,250	14,245	76,163
	I&M	1,621,291	3,386,409	1,584,412	3,169,990	41,310	220,850
	OPCO	1,897,112	3,962,524	1,853,960	3,709,287	48,337	258,421
	CSP	1,554,249	3,246,383	1,518,894	3,038,914	39,602	211,716
	East. AEP (Co. 122)	17,394,753	8,327,975	16,283,093	8,138,543	1,134,416	212,189
	TOTAL	25,722,728	25,722,728	24,421,637	24,421,637	1,346,605	1,346,605
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GROSS TOTAL	APCO	2,696,182	18,345,183	2,634,854	18,095,308	178,720	367,266
	KPCO	559,140	3,804,462	546,423	3,752,644	37,063	76,163
	I&M	1,621,291	11,031,484	1,584,412	10,881,226	107,471	220,850
	OPCO	1,897,112	12,908,187	1,853,960	12,732,367	125,754	258,421
	CSP	1,554,249	10,575,331	1,518,894	10,431,287	103,027	211,716
	East. AEP (Co. 122)	56,664,646	8,327,975	55,892,833	8,138,543	1,134,416	552,035
	TOTAL	64,992,621	64,992,621	64,031,377	64,031,377	1,686,452	1,686,452
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NET TOTAL	APCO	0	15,649,001	0	15,460,455	0	188,546
	KPCO	0	3,245,322	0	3,206,221	0	39,101
	I&M	0	9,410,192	0	9,296,814	0	113,379
	OPCO	0	11,011,075	0	10,878,407	0	132,667
	CSP	0	9,021,082	0	8,912,393	0	108,688
	East. AEP (Co. 122)	48,336,672	0	47,754,290	0	582,381	0
	TOTAL	48,336,672	48,336,672	47,754,290	47,754,290	582,381	582,381

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

Pwr Code	Customer	ACCT	CO. AGNT	CO. ACTUAL BILL	MLR						Total	AMOUNT DUE (TO)/FROM AGENT						NET
					APCO	KPCO	I&M	OPCO	CSP	18.663%		100.00%	APCO	KPCO	I&M	OPCO	CSP	
	Totals			1,119,364	362,392	75,154	217,918	254,991	208,908	1,119,363	362,392	(75,154)	(217,918)	864,372	(208,908)	-		
CPLC	Progress Energy	4470066 07		6,383	2,066	429	1,243	1,454	1,191	6,383	(2,066)	(429)	(1,243)	4,929	(1,191)	-		
DUKE2	Duke Power Company	4470066 07		18,472	5,980	1,240	3,596	4,208	3,448	18,472	(5,980)	(1,240)	(3,596)	14,264	(3,448)	-		
ENTE	Entergy Power Serv	(1) 4470066 07		18,341	5,938	1,231	3,571	4,178	3,423	18,341	(5,938)	(1,231)	(3,571)	14,163	(3,423)	-		
MISO Retail	Midwest Retail	(3) 4470066 07		125,455	40,616	8,423	24,423	28,579	23,414	125,455	(40,616)	(8,423)	(24,423)	96,876	(23,414)	-		
MISO Trading	Midwest Trading	4470006 07		147,779	47,843	9,922	28,770	33,664	27,580	147,779	(47,843)	(9,922)	(28,770)	114,115	(27,580)	-		
MISO Auction	Midwest Auction	5550099 07		796,349	257,818	53,467	155,033	181,408	148,623	796,349	(257,818)	(53,467)	(155,033)	614,941	(148,623)	-		
TVAM	TVA Bulk Power Trading	4470066 07		6,584	2,131	442	1,282	1,500	1,229	6,584	(2,131)	(442)	(1,282)	5,084	(1,229)	-		

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	Customer	ACCT	CO. AGNT	CO. ACTUAL BILL	MLR						Total	AMOUNT DUE (TO)/FROM AGENT						NET
					APCO	KPCO	I&M	OPCO	CSP	18.663%		100.00%	APCO	KPCO	I&M	OPCO	CSP	
	Totals			(134,395)	(43,510)	(9,023)	(26,165)	(30,615)	(25,082)	(134,395)	(43,510)	(9,023)	(26,165)	(103,780)	(25,082)	-		
CLEB2	City of Lebanon	4470066 07		(134,395)	(43,510)	(9,023)	(26,165)	(30,615)	(25,082)	(134,395)	(43,510)	(9,023)	(26,165)	(103,780)	(25,082)	-		

Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (\$8,940.03)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$125,455.29)
 (3) \$0 of the ENTE Invoice will be allocated to PSO/SWEPSCO - See Appendix VIII Page 4

ACTUAL: September 2010

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>		
				TOTAL COSTS	TOTAL REVENUES	
				TO BE BOOKED	TO BE BOOKED	
<u>ENERGY</u> (1)		ACCT. 4470.010	ACCT. 4470.006	ACCT. 4470.010	ACCT. 4470.006	
I.	ACTUAL	APCO	436,881	452,355	18,275,773	23,804,863
	THIS MONTH	KPCO	90,601	93,808	3,790,069	4,936,706
		I&M	262,706	272,012	10,989,738	14,314,535
		OPCO	307,400	318,285	12,859,371	16,749,800
		CSP	251,846	260,758	10,535,312	13,722,630
		TOTAL	1,349,434	1,397,218	56,450,263	73,528,535
II.	PREVIOUS	APCO	437,151	441,457	17,894,401	23,062,258
	ESTIMATE	KPCO	90,657	91,545	3,710,978	4,782,703
		I&M	262,867	265,454	10,760,410	13,867,986
		OPCO	307,590	310,609	12,591,027	16,227,282
		CSP	252,001	254,473	10,315,465	13,294,546
		TOTAL	1,350,266	1,363,538	55,272,281	71,234,774
III.	ADJUSTMENT	APCO	(270)	10,898	381,372	742,605
	(I-II)	KPCO	(56)	2,263	79,091	154,003
		I&M	(161)	6,558	229,328	446,550
		OPCO	(190)	7,676	268,344	522,519
		CSP	(155)	6,285	219,847	428,085
		TOTAL	(832)	33,680	1,177,982	2,293,761
<u>EXERCISED</u>				TOTAL COSTS	TOTAL REVENUES	
<u>OPTIONS &</u>				TO BE BOOKED	TO BE BOOKED	
<u>PREMIUMS</u> (2)		ACCT. 4470.011	ACCT. 4470.007	ACCT. 4470.011	ACCT. 4470.007	
I.	ACTUAL	APCO	0	0	0	
	THIS MONTH	KPCO	0	0	0	
		I&M	0	0	0	
		OPCO	0	0	0	
		CSP	0	0	0	
		TOTAL	0	0	0	
II.	PREVIOUS	APCO	0	0	0	
	ESTIMATE	KPCO	0	0	0	
		I&M	0	0	0	
		OPCO	0	0	0	
		CSP	0	0	0	
		TOTAL	0	0	0	
III.	ADJUSTMENT	APCO	0	0	0	
	(I-II)	KPCO	0	0	0	
		I&M	0	0	0	
		OPCO	0	0	0	
		CSP	0	0	0	
		TOTAL	0	0	0	

ACTUAL: September 2010

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
I. ACTUAL THIS MONTH	APCO	40,159	40,158	1,707,214	1,809,675			
	KPCO	8,328	8,328	354,046	375,294			
	I&M	24,146	24,146	1,026,596	1,088,208			
	OPCO	28,254	28,254	1,201,246	1,273,340			
	CSP	23,148	23,147	984,146	1,043,211			
	TOTAL	124,035	124,033	5,273,247	5,589,728			
II. PREVIOUS ESTIMATE	APCO	40,147	40,148	1,705,450	1,809,245			
	KPCO	8,326	8,326	353,680	375,205			
	I&M	24,139	24,139	1,025,535	1,087,950			
	OPCO	28,246	28,246	1,200,005	1,273,038			
	CSP	23,142	23,141	983,130	1,042,963			
	TOTAL	124,000	124,000	5,267,800	5,588,400			
III. ADJUSTMENT (I-II)	APCO	12	10	1,763	430			
	KPCO	2	2	366	89			
	I&M	7	7	1,060	259			
	OPCO	8	8	1,241	303			
	CSP	6	6	1,017	248			
	TOTAL	35	33	5,447	1,328			

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	0	0	303	21,578	(21,648)
	KPCO	0	0	63	4,475	(4,489)
	I&M	0	0	182	12,975	(13,017)
	OPCO	0	0	213	15,182	(15,232)
	CSP	0	0	175	12,438	(12,479)
	TOTAL	0	0	936	66,648	(66,865)
II. PREVIOUS ESTIMATE	APCO	0	0	299	26,473	(21,564)
	KPCO	0	0	62	5,490	(4,472)
	I&M	0	0	180	15,919	(12,967)
	OPCO	0	0	211	18,626	(15,173)
	CSP	0	0	173	15,260	(12,431)
	TOTAL	0	0	925	81,768	(66,607)
III. ADJUSTMENT (I-II)	APCO	0	0	4	(4,895)	(84)
	KPCO	0	0	1	(1,015)	(17)
	I&M	0	0	2	(2,944)	(50)
	OPCO	0	0	2	(3,444)	(59)
	CSP	0	0	2	(2,822)	(48)
	TOTAL	0	0	11	(15,120)	(258)

COSTS TO BE BOOKED	COSTS TO BE BOOKED		COSTS TO BE BOOKED		COSTS TO BE BOOKED		REVENUES TO BE BOOKED		REVENUES TO BE BOOKED	
	Act. 9590.107	Act. 5614.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 4470.170	Act. 4470.167	
1,109,885	0	28,177	(3,059)	30,845	4,262,761	6,774	4,262,761	6,774	6,774	
230,170	0	5,843	(634)	6,334	884,021	1,405	884,021	1,405	1,405	
667,405	0	16,943	(1,840)	18,367	2,563,319	4,074	2,563,319	4,074	4,074	
780,947	0	19,826	(2,153)	21,492	2,994,404	4,767	2,994,404	4,767	4,767	
639,808	0	14,243	(1,743)	17,608	2,487,326	3,905	2,487,326	3,905	3,905	
3,428,215	0	87,593	(9,496)	94,347	13,156,850	20,924	13,156,850	20,924	20,924	
1,082,997	0	28,153	(3,059)	30,545	4,408,229	6,774	4,408,229	6,774	6,774	
224,512	0	5,838	(634)	6,334	914,198	1,405	914,198	1,405	1,405	
650,996	0	16,829	(1,840)	18,367	2,650,793	4,074	2,650,793	4,074	4,074	
761,747	0	19,809	(2,153)	21,492	3,101,759	4,767	3,101,759	4,767	4,767	
624,078	0	16,229	(1,744)	17,608	2,541,193	3,905	2,541,193	3,905	3,905	
3,343,930	0	86,958	(9,450)	94,346	13,216,152	20,924	13,216,152	20,924	20,924	
27,288	0	24	(0)	(0)	(145,458)	0	(145,458)	0	0	
5,658	0	5	(0)	(0)	(30,157)	0	(30,157)	0	0	
16,409	0	14	0	0	(87,474)	0	(87,474)	0	0	
19,200	0	17	0	0	(102,396)	0	(102,396)	0	0	
15,750	0	14	0	(0)	(83,897)	0	(83,897)	0	0	
64,265	0	75	(0)	1	(449,322)	0	(449,322)	0	0	

ACTUAL: September 2010

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	5,529,090	0	5,167,857	0	361,233
	KPCO	0	1,146,637	0	1,071,725	0	74,912
	I&M	0	3,324,797	0	3,107,576	0	217,221
	OPCO	0	3,890,430	0	3,636,255	0	254,175
	CSP	0	3,187,318	0	2,979,081	0	208,237
	East. AEP (Co.122)	17,078,272	0	15,962,493	0	1,115,778	0
	TOTAL	17,078,272	17,078,272	15,962,493	15,962,493	1,115,778	1,115,778
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	0	102,461	0	103,794	1,333	0
	KPCO	0	21,249	0	21,525	277	0
	I&M	0	61,613	0	62,414	802	0
	OPCO	0	72,094	0	73,033	938	0
	CSP	0	59,065	0	59,834	769	0
	East. AEP (Co.122)	316,481	0	320,600	0	0	4,119
	TOTAL	316,481	316,481	320,600	320,600	4,119	4,119
BROKERS' COMMISSIONS (3)	APCO	43,529	0	48,336	0	0	4,807
	KPCO	9,027	0	10,024	0	0	997
	I&M	26,174	0	29,066	0	0	2,892
	OPCO	30,627	0	34,010	0	0	3,383
	CSP	25,092	0	27,864	0	0	2,772
	East. AEP (Co.122)	0	134,449	0	149,300	14,851	0
	TOTAL	134,449	134,449	149,300	149,300	14,851	14,851
POWER SWAPS	APCO	2,495,492	0	2,496,718	0	0	1,226
	KPCO	517,520	0	517,775	0	0	254
	I&M	1,500,610	0	1,501,347	0	0	737
	OPCO	1,755,901	0	1,756,764	0	0	863
	CSP	1,438,560	0	1,439,266	0	0	706
	East. AEP (Co.122)	0	7,708,083	0	7,711,871	3,788	0
	TOTAL	7,708,083	7,708,083	7,711,871	7,711,871	3,788	3,788
PJM/MISO NON-ECR ENERGY	APCO	157,161	0	89,800	0	67,361	0
	KPCO	32,593	0	18,624	0	13,969	0
	I&M	94,507	0	53,999	0	40,508	0
	OPCO	110,584	0	63,185	0	47,398	0
	CSP	90,597	0	51,764	0	38,833	0
	East. AEP (Co.122)	0	485,442	0	277,373	0	208,070
	TOTAL	485,442	485,442	277,373	277,373	208,070	208,070
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	2,696,182	5,631,551	2,634,854	5,271,651	68,695	367,266
	KPCO	559,140	1,167,885	546,423	1,093,250	14,245	76,163
	I&M	1,621,291	3,386,409	1,584,412	3,169,990	41,310	220,850
	OPCO	1,897,112	3,962,524	1,853,960	3,709,287	48,337	258,421
	CSP	1,554,249	3,246,383	1,518,894	3,038,914	39,602	211,716
	East. AEP (Co.122)	17,394,753	8,327,975	16,283,093	8,138,543	1,134,416	212,189
	TOTAL	25,722,728	25,722,728	24,421,637	24,421,637	1,346,605	1,346,605

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: September 2010
- (3) Actual commissions paid in: September 2010

ACTUAL:	September 2010				APPENDIX VIII Page 1 of 7
Amended System Integration Agreement (SIA) Effective 4/1/06					
June 2010 Actual Cycle					
Item Description	Account	East Amount Direct Allocation	West Amount Direct Allocation	Total Direct Allocation	Amounts To Be Shared
Above the Line Activity:					
ECR / ICR	4470.001, 002 & 089	\$7,581,940	\$875,137	\$8,257,077	\$0
Affiliated Sales Removed from ECR / ICR		\$29,852	(\$31,784)	(\$1,932)	\$0
SO2 Differential	4470.001 & 002	(\$128,573)	\$0	(\$128,573)	\$0
Additional SO2 Adjustment	4470.001 & 002	\$236	\$0	\$236	\$0
NOx Differential	4470.001 & 002	\$194,440	\$0	\$194,440	\$0
ECR Purchase Demand Charges	5550.032	\$0	\$0	\$0	\$0
Transmission Purchases	(East) = 4470.066 (West) = 565, 5614 & 5767 Accts	(\$984,969)	\$0	(\$984,969)	\$0
Transmission Paid by East Applicable to West	(East) = 4470.066 (West) = 5850.002	\$0	\$0	\$0	\$0
Transmission Associated With 250 MW Link paid by West	(West) = 565 Accts.	\$0	\$0	\$0	\$0
Buckeye - PJM Entry	Various	\$949,703	\$0	\$949,703	\$0
City of Columbus - PJM Entry	Various	\$0	\$0	\$0	\$0
City of Columbus Generation Credit	4470.002	\$0	\$0	\$0	\$0
PJM - New Allocation Summary Sheet Effective 08-10	Various	\$15,760,726	\$0	\$15,760,726	\$0
PJM Administration Fees - Schedule 9 & 10 Effective 10-07	Various	(\$257,471)	\$0	(\$257,471)	\$0
Balancing Operating Reserve Credit Reclass	4470.098	\$0	\$0	\$0	\$0
PJM NITS & Transmission Owner Entry Effective 10-07	4470.107 & 4470.110	\$58,757	\$0	\$58,757	\$0
PJM AEP WOH Activity	4470.099 & 4470.124	\$0	\$0	\$0	\$0
PJM - Westerville Generation Charges & Credits	4470.124	\$0	\$0	\$0	\$0
PJM - G/L to Invoice Adjustment	4470.124, 125 & 209	\$123,105	\$0	\$123,105	\$0
PJM - Generation Activity on PJM Transmission Invoice	4470.126 & 5550.039	\$0	\$0	\$0	\$0
PJM Default Payment Charge - OSS	5614.008	\$0	\$0	\$0	\$0
ICR Non-Dedicated AP / AR Energy & Ancillaries	Various	\$0	(\$22,276)	(\$22,276)	\$0
ERCOT Capacity Purchases	4470.147 & 5550.053	\$0	(\$1)	(\$1)	\$0
ERCOT Non-Dedicated Administration Fee	5614.005 & 5850.002	\$0	\$0	\$0	\$0
SPP Non-Dedicated Region Settlement	Various	\$0	(\$5,128)	(\$5,128)	\$0
Power Intercompany with AEPEP	4470.154	\$0	\$0	\$0	\$0
Gas Intercompany with AEPEP	4470.152	\$0	\$0	\$0	\$0
Gas Non-Dedicated Swaps	4470.081	\$0	\$0	\$0	\$0
Gas Non-Dedicated Swap - Accruals	4470.081	\$3,495	\$0	\$3,495	\$0
Gas Non-Ded Spark Gas Broker Commissions	4470.081	(\$33)	\$0	(\$33)	\$0
Paribas Futures	4470.082	\$0	\$0	\$0	\$0
Mizuho Securities	4470.081	(\$241,206)	\$0	(\$241,206)	\$0
Mizuho Securities	4470.082	\$390,168	\$0	\$390,168	\$0
Mizuho UBS Accrual (Previously Paribas UBS Accrual)	4470.143	\$842,927	\$0	\$842,927	\$0
Mizuho UBS Accrual (Previously Paribas UBS Accrual)	5550.099	(\$1,389,025)	\$0	(\$1,389,025)	\$0
Mizuho UBS Accrual (Previously Paribas UBS Accrual)	4470.082	(\$9,530,624)	\$0	(\$9,530,624)	\$0
UBS Securities / ABN Amro	4470.081	\$46,010	\$0	\$46,010	(\$31,465)
UBS Securities / ABN Amro	4470.082	\$124,546	\$0	\$124,546	\$0
Renewable Energy Credit Commissions	5570.007	\$0	\$0	\$0	\$0
Renewable Energy Credits	5570.007	\$0	\$0	\$0	\$0
Bookout Purchases Related to Energy Spreads	4470.010	\$0	\$0	\$0	(\$6,264,858)
Bookout Purchase Commissions Related to Energy Spread	4470.010	\$0	\$0	\$0	(\$3,646)
Bookout Sales Related to Energy Spreads	4470.006	\$0	\$0	\$0	\$6,560,227
Bookout Sales Commissions Related to Entergy Spread	4470.006	\$0	\$0	\$0	(\$4,286)
Bookout Purchases	4470.010	(\$50,185,405)	(\$69,392)	(\$50,254,797)	\$0
Bookout Purchases	4470.131	(\$87,033)	(\$8)	(\$87,041)	\$0
Non-ECR Purchased Capacity	4470.089	\$9,450	\$0	\$9,450	\$0
Bookout Purchases	5550.035	\$0	\$0	\$0	\$0
PJM Capacity Related to Normal Purchases	5550.088	\$0	\$0	\$0	\$0
PJM Purchases Non-ECR - Auctions	5550.099	(\$8,132,845)	\$0	(\$8,132,845)	\$0
PJM Capacity Purchases - Auction	5550.100	(\$1,153,902)	\$0	(\$1,153,902)	\$0
Capacity Purchases - Trading	5550.107	(\$3,428,215)	\$0	(\$3,428,215)	\$0
PJM Administrative Defaults - OSS	5614.008	\$0	\$0	\$0	\$0
Physical Off-System Purchases	4470.146	\$0	\$0	\$0	\$0
Bookout Sales	4470.006	\$66,968,308	\$0	\$66,968,308	\$0
Bookout Sales	4470.112	\$94,347	\$3,416	\$97,763	\$0
Dowagiac Termination Payment (May 2009 thru May 2010)	4470.112	\$0	\$0	\$0	\$0
MISO FTR Revenue - Effective 1/1/08	4470.167	\$20,924	\$0	\$20,924	\$0
Non-ECR Auction Sales - OSS	4470.170	\$13,166,830	\$0	\$13,166,830	\$0
Physical Off-System Sales	4470.148	\$0	\$0	\$0	\$0
Commissions on Bookout Purchases	4470.010, 4470.143 5550.099	(\$63,440)	\$0	(\$63,440)	\$0
Commissions on Bookout Sales	4470.006, 4470.143 & 5550.099	(\$63,078)	\$0	(\$63,078)	\$0
Exercised Sales Options	4470.007	\$0	\$0	\$0	\$0
Exercised Purchase Options	4470.011	\$0	\$0	\$0	\$0
Swaps Related to Trading Activity ("P" Books)	4470.082	(\$7,646,148)	\$0	(\$7,646,148)	\$0
Swaps Related to Accrual / Hedging Activity	4470.143	\$7,967	\$0	\$7,967	\$0
Swaps Related to HPJM & NPJM Books	5550.035	\$0	\$0	\$0	\$0
Swaps Related to PJM Purchases Non-ECR - Auction	5550.099	(\$69,903)	\$0	(\$69,903)	\$0
Exercised & Expired Sales Option Premiums	4470.007	\$0	\$0	\$0	\$0
Exercised & Expired Purchase Option Premiums	4470.011 & 5550.099	\$0	\$0	\$0	\$0
Below the Line Activity:					
Transitional Purchases (West Coast)	4210.032	\$0	\$0	\$0	(\$5,273,247)
Transitional Sales (West Coast)	4210.031	\$0	\$0	\$0	\$5,589,728
	Total	\$23,011,861	\$549,964	\$23,561,825	\$672,453
		97.666%	2.334%		

September 2010 Actual Cycle - Sales Reclassification
 Journal Entry to Reclass Energy Spreads to Appropriate Zone - Account 4470.010

As Booked In Actual Cycle Account	Amount	APCO 32.375%	KPCO 6.714%	I&M 19.468%	OPCO 22.780%	CSP 18.663%	Total 100.000%
Bookouts	\$6,264,858.00	\$2,028,247.75	\$420,622.57	\$1,219,642.56	\$1,427,134.65	\$1,189,210.47	\$6,264,858.00
Commissions	\$3,645.59	\$1,180.32	\$244.75	\$709.74	\$830.45	\$680.33	\$3,645.59
Total	\$6,268,503.59	\$2,029,428.07	\$420,867.32	\$1,220,352.30	\$1,427,965.10	\$1,189,890.80	\$6,268,503.59

Energy Direct Allocation to West Account	Amount	APCO 32.375%	KPCO 6.714%	I&M 19.468%	OPCO 22.780%	CSP 18.663%	Total 100.000%
Bookouts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Less Energy Direct Allocation to West In Estimated Cycle Account	Amount	APCO 32.375%	KPCO 6.714%	I&M 19.468%	OPCO 22.780%	CSP 18.663%	Total 100.000%
Bookouts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Direct Allocation Adjustment Account	Amount	APCO 32.375%	KPCO 6.714%	I&M 19.468%	OPCO 22.780%	CSP 18.663%	Total 100.000%
Bookouts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Energy Direct Allocation to West Account	Amount	TCC 0.000%	PSO 45.492%	SWEP 54.508%	TNC 0.000%	Total 100.000%
Bookouts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

ACTUAL: September 2010

APPENDIX VIII
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SIA Ratio Calculation

		Trading and Marketing Realizations						Total Realizations
		East Direct Allocation	East Sharing Allocation	East Total Allocation	West Direct Allocation	West Sharing Allocation	West Total Allocation	
Oct-09	Act	24,261,500	(351,975)	23,909,525	667,469	(8,435)	659,034	24,568,559
Nov-09	Act	14,150,198	496,267	14,646,465	(443,061)	8,351	(434,710)	14,211,755
Dec-09	Act	30,708,217	(309,743)	30,398,474	(235,347)	(5,094)	(240,441)	30,158,033
Jan-10	Act	32,970,032	1,004,432	33,974,464	(772,642)	11,685	(760,957)	33,213,507
Feb-10	Act	18,329,239	735,512	19,064,751	1,718,684	13,429	1,732,113	20,796,864
Mar-10	Act	15,432,859	869,923	16,302,782	(4,923)	8,555	3,632	16,306,414
Apr-10	Act	7,354,532	553,594	7,908,126	1,912,384	10,006	1,922,390	9,830,516
May-10	Act	9,553,379	539,902	10,093,281	73,183	8,487	81,670	10,174,951
Jun-10	Act	38,574,855	582,161	39,157,016	225,889	8,984	234,873	39,391,889
Jul-10	Act	63,185,593	47,450	63,233,043	837,422	643	838,065	64,071,108
Aug-10	Act	52,135,527	262,489	52,398,016	1,369,405	4,495	1,373,900	53,771,916
Sep-10	Act	23,011,861		23,011,861	549,964		549,964	23,561,825

12-Month Total Realizations

334,097,804

5,959,533

340,057,337

SIA Sharing Ratios for:

September 2010 Actual

0.98247

0.01753

1.00000

Actual: September 2010

Appendix VIII
Page 6 of 7

Adjustments in September 2010 Actual Cycle that Apply to West Transmission Purchases from April 2006 thru February 2010

Applicable Period	Description	Accounts	Amount	APCO n/a	KP&O n/a	I&M n/a	OP&O n/a	GSP n/a	Total n/a	SWEPCo n/a	PSO n/a	TNC n/a	TCC n/a	Total n/a
			\$0.00											
				East Summary:										
				4470.144	4210.043	Total								
				APCO	\$ -	\$ -	\$ -							
				KP&O	\$ -	\$ -	\$ -							
				I&M	\$ -	\$ -	\$ -							
				OP&O	\$ -	\$ -	\$ -							
				GSP	\$ -	\$ -	\$ -							
				TOTAL	\$ -	\$ -	\$ -							

West Summary: 4470.144 4210.043 Total

East Summary: 4470.144 4210.043 Total

Western AEP Needs to Receive from Eastern AEP

Eastern AEP Owes Western AEP

Realization Sharing Calculations

	Account Number	Amounts To Be Shared	East Share of Realization	West Share of Realization	Realizations Booked to West	Transfer of Funds	Account Number
Gas Non-Dedicated Swaps	4470.081	\$0					
Gas Non-Dedicated Swap - Accruals	4470.081	\$0					
Gas Non-Ded Spark Gas Broker Commissions	4470.081	\$0					
Mizuho Securities	4470.081	\$0					
UBS Securities / ABN Amro	4470.081	(\$31,465)					
Bookout Purchase Commissions Related to Entergy Spread	4470.010	(\$3,646)					
Bookout Sales Commissions Related to Entergy Spread	4470.006	(\$4,286)					
Bookout Purchases Related To Entergy Spreads	4470.010	(\$6,254,858)					
Bookout Sales Related to Entergy Spreads	4470.006	\$6,560,227	\$255,972	\$4,486	\$0	\$4,486	4470.144
Transitional Purchases (West Coast)	4210.032	(\$5,273,247)					
Transitional Sales (West Coast)	4210.031	\$5,589,728	\$316,481	\$5,546	\$0	\$5,546	4210.043
Total			\$0	\$0	\$0	\$0	4210.044
			\$572,453	\$10,032	\$0	\$10,032	

\$10,032 TO BE TRANSFERRED FROM EASTERN AEP TO WESTERN AEP

SIA Sharing Ratios	East Direct Allocation	West Direct Allocation	Total
East Direct Allocation	\$ 334,097,804		98.247%
West Direct Allocation	\$ 5,959,533		1.753%
Total	\$ 340,057,337		

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP

EASTERN AEP JOURNAL ENTRIES	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	TOTAL OF ALL ACCOUNTS
APCO	1,452	1,786	0	3,238
KPCO	301	372	0	673
I&M	874	1,080	0	1,954
OPCO	1,022	1,263	0	2,285
CSP	837	1,035	0	1,872
TOTAL	4,486	5,546	0	10,032

WESTERN AEP JOURNAL ENTRIES

WESTERN AEP JOURNAL ENTRIES	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	TOTAL OF ALL ACCOUNTS
PSO	(2,041)	(2,523)	0	(4,564)
SWEPCCO	(2,445)	(3,023)	0	(5,468)
TCC	0	0	0	0
TNC	0	0	0	0
TOTAL	(4,486)	(5,546)	0	(10,032)

APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSCC									
ALLOCATION OF PJM Non-ECR CHARGES									
Total of PJM Non-ECR MISC Charges	Various	1,309,958	274,386	803,357	956,707	740,803	4,086,211	Various	
PJM Schedule 9 & 10 Entry - LSE	5614000	36,975	7,668	22,234	26,017	21,315	114,209	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5614001	449,350	93,187	270,207	316,176	259,034	1,387,964	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	2,426	503	1,459	1,707	1,399	7,494	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	29,484	6,114	17,729	20,745	16,996	91,069	no	
PJM Schedule 9 & 10 Entry - LSE	5757000	36,110	7,489	21,714	25,408	20,816	111,536	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5757001	438,830	91,006	263,881	308,774	252,970	1,355,460	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,875	389	1,128	1,320	1,081	5,793	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	22,792	4,727	13,705	16,037	13,139	70,399	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	3,427	711	2,061	2,411	1,975	10,585	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	41,644	8,636	25,042	29,302	24,006	128,630	no	
PJM Admin Fee - Schedule 9 MMU	5757000	2,543	527	1,529	1,789	1,466	7,855	East Zone SIA	
PJM Admin Fee - Schedule 9 MMU	5757001	30,904	6,409	18,884	21,745	17,815	95,457	N	
Network Integration Transmission Service Charge	4470107	(11,038)	(2,289)	(6,637)	(7,766)	(6,363)	(34,093)	East Zone SIA	
Transmission Owner Scheduling System	4470110	4,615	987	2,775	3,248	2,661	14,256	East Zone SIA	
Power Factor Charges	5550039	(720)	(149)	(433)	(507)	(419)	(2,224)	East Zone SIA	
Other Supporting Facilities Charge	4470107	(11,880)	(2,464)	(7,144)	(8,399)	(6,848)	(36,695)	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124	(1)	(0)	(1)	(1)	(1)	(3)	East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	-	-	-	-	-	-	East Zone SIA	
Meter Correction - LSE	4470116	94,882	19,677	57,055	66,761	54,696	293,070	N	
Inadvertent - OSS	4470093	(136,624)	(28,333)	(82,156)	(96,133)	(78,799)	(422,006)	N	
Inadvertent - LSE	5550040	-	-	-	-	-	-	N	
Misc Credits	4470107	-	-	-	-	-	-	East Zone SIA	
Balancing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Load Reconciliation LSE	4470093	(231,309)	(47,969)	(139,093)	(162,756)	(133,341)	(714,468)	N	
Load Reconciliation OSS	4470115	(19,034)	(3,947)	(11,445)	(13,393)	(10,972)	(58,791)	East Zone SIA	(58,791)
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		2,095,209	437,233	1,275,551	1,509,233	1,195,472	6,510,697		(58,791)
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		1,392,742	291,543	853,082	1,014,833	788,574	4,340,774		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	702,467	145,690	422,469	494,400	406,898	2,169,923		

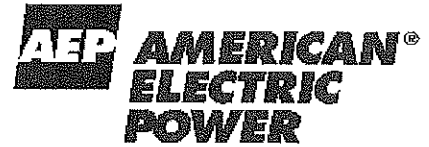
PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)									
Power Factor (BCK)	4470141	20,816	4,317	12,517	14,647	12,000	64,296		
Power Factor (BCK)	4470126	(20,821)	(4,318)	(12,520)	(14,650)	(12,002)	(64,311)		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		2,016,453	418,926	1,213,415	1,420,769	1,161,620	6,230,584		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		2,082,709	425,845	1,235,210	1,446,265	1,182,525	6,342,554		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(36,256)	(7,519)	(21,795)	(25,496)	(20,905)	(111,971)		

Note:

(1) The results shown on this appendix are tabulated for system settlement on IPS, page 1, items VI and VII.

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
PARTICIPANT TOTAL*									
**Includes all participants except SCC and BCK	Various	343,196	71,177	206,404	241,560	197,810	1,060,136.76	Various	
Buckeye (BCK)									
Capacity Credit Market	4470089	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	(307,563)	(63,783)	(184,946)	(216,410)	(177,299)	(950,000.00)	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,783	6,799	19,713	23,067	18,898	101,260.75	No	
Regulation Credit (Expense)	5550078	21,098	4,375	12,687	14,845	12,162	65,188.20	No	
Spinning Reserve - Credit	5550084	745	154	448	524	429	2,300.71	No	
Buckeye Pass-Through	4470141	(4,027,348)	(835,350)	(2,422,623)	(2,835,694)	(2,320,827)	(12,441,840.78)	No	
Transmission Loss Credit	4470206	96	20	58	68	55	297.19	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,936,992)	(816,608)	(2,368,269)	(2,772,049)	(2,268,770)	(12,162,677.11)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,869,783)	(802,668)	(2,327,837)	(2,724,744)	(2,230,029)	(11,955,061)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)		(67,209)	(13,940)	(40,422)	(47,305)	(38,741)	(207,617)		



Date **October 2010**

Subject **East Interchange Power Statement and Related Data**
October 2010 Actual

Reviewer: David B. Roberts (Bruce)
 11/30/2010

Approved Eric Gleckler
 11/30/2010

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of October 2010.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
October 2010

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: October 2010

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			MWh		(\$)	
			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	2,000,970	134,764	77,347,953	6,412,573
	BILLING	KPCO	37,471	248,650	5,658,528	6,783,395
	AMOUNT	I&M	103,323	924,093	3,649,819	26,395,495
		OPCO	82,447	1,677,812	3,616,959	71,250,552
		CSP	798,413	37,305	21,699,337	1,130,579
		TOTAL	3,022,624	3,022,624	111,972,595	111,972,595
II.	PREVIOUSLY	APCO	2,015,284	118,455	77,726,447	6,132,663
	ESTIMATED	KPCO	34,892	249,364	5,659,537	6,703,405
	BILLING	I&M	81,905	917,610	3,014,511	25,508,353
	AMOUNT	OPCO	95,474	1,713,033	3,996,264	72,617,875
		CSP	825,827	54,920	22,110,888	1,545,351
		TOTAL	3,053,382	3,053,382	112,507,648	112,507,647
III.	ADJUSTMENT	APCO	(14,314)	16,309	(378,495)	279,909
	TO BE BOOKED	KPCO	2,579	(714)	(1,010)	79,990
	NEXT MONTH	I&M	21,418	6,483	635,308	887,142
	(I - II)	OPCO	(13,027)	(35,221)	(379,305)	(1,367,322)
		CSP	(27,414)	(17,615)	(411,551)	(414,772)
		TOTAL	(30,758)	(30,758)	(535,053)	(535,052)
IV.	ADJUSTMENT FOR TRANSMISSION	APCO			0	19,842
	SERVICE (PURCHASES) TO BE	KPCO			0	4,114
	BOOKED NEXT MONTH	I&M			0	11,930
	(SEE APPENDIX VI)	OPCO			47,327	0
		CSP			0	11,441
		TOTAL			47,327	47,327
V.	ADJUSTMENT TO ALLOCATION OF	APCO			#N/A	0
	TRADING & MARKETING REALIZATION	KPCO			#N/A	0
	TO BE BOOKED NEXT MONTH	I&M			#N/A	0
	(SEE PAGE 6B)	OPCO			#N/A	0
		CSP			#N/A	0
		West. AEP			0	#N/A
		TOTAL			#N/A	#N/A
VI.	ADJUSTMENT FOR PJM CHARGES	APCO			0	160,145
	TRANSFERRED FROM	KPCO			0	33,199
	MARKET TO AEE (NON-ECR)	I&M			0	96,235
	TO BE BOOKED NEXT MONTH	OPCO			0	112,538
	(SEE APPENDIX IX)	CSP			0	92,377
		East. AEP (Co. 122)			494,494	0
		TOTAL			494,494	494,494
VII.	ADJUSTMENT FOR PJM CHARGES	APCO			206,917	0
	(NON-ECR) FROM INVOICE	KPCO			43,030	0
	TO BE BOOKED NEXT MONTH	I&M			39,009	0
	(SEE APPENDIX IX)	OPCO			147,111	0
		CSP			118,658	0
		East. AEP (Co. 122)			0	554,724
		TOTAL			554,724	554,724

ACTUAL: October 2010

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF	APCO	0	206,199
BUCKEYE PASS-THROUGH CHARGES	KPCO	0	42,880
ASSOCIATED WITH PJM	I&M	0	124,673
TO BE BOOKED NEXT MONTH	OPCO	0	146,606
(SEE APPENDIX IX)	CSP	0	118,245
	East. AEP (Co. 122)	638,603	0
	TOTAL	638,603	638,603
IX. ADJUSTMENT FOR BUCKEYE SHARE	APCO	0	0
OF PJM CONGESTION CHARGES	KPCO	0	0
TO BE BOOKED NEXT MONTH	I&M	0	0
(SEE APPENDIX IX)	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH	APCO	0	8,050,795
(SEE APPENDIX VI)	KPCO	0	1,669,606
(Net amounts due System Agent to	I&M	0	4,841,166
effect sharing by MLR in revenues	OPCO	0	5,664,742
and cost of purchases for AEP System	CSP	0	4,641,007
cash-settled transactions)	East. AEP (Co.122)	24,867,316	0
	TOTAL	24,867,316	24,867,316
XIII. ESTIMATED THIS MONTH	APCO	0	7,822,183
(SEE APPENDIX VI)	KPCO	0	1,622,192
	I&M	0	4,703,695
	OPCO	0	5,503,881
	CSP	0	4,509,222
	East. AEP (Co.122)	24,161,173	0
	TOTAL	24,161,173	24,161,173
XI. ADJUSTMENT FOR RECLASS OF ENTERGY	APCO	0	0
SPREADS FOR DIRECT ALLOCATION TO WEST	KPCO	0	0
(SEE APPENDIX VIII, pages 2, 3, & 4)	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	228,611
	KPCO	0	47,413
	I&M	0	137,472
	OPCO	0	160,861
	CSP	0	131,786
	East. AEP (Co.122)	706,143	0
	TOTAL	706,143	706,143

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: October 2010

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kw	\$/kw	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,238,900)	13.14	29,413,963	0	47,933,990	6,412,573
	BILLING	KPCO	(317,200)	13.14	4,167,274	0	1,491,254	6,783,395
	AMOUNT	I&M	247,800	14.97	0	3,709,566	3,649,819	22,685,929
		OPCO	2,419,200	12.95	0	31,328,640	3,616,959	39,921,912
		CSP	(110,900)	13.14	1,456,969	0	20,242,368	1,130,579
	TOTAL				35,038,206	35,038,206	76,934,389	76,934,389
II.	PREVIOUSLY	APCO			30,015,564	0	47,710,883	6,132,663
	ESTIMATED	KPCO			4,252,507	0	1,407,030	6,703,405
	BILLING	I&M			0	3,736,200	3,014,511	21,772,153
	AMOUNT *	OPCO			0	32,018,639	3,996,264	40,599,236
		CSP			1,486,769	0	20,624,119	1,545,351
	TOTAL				35,754,840	35,754,839	76,752,808	76,752,808
IV.	ADJUSTMENT	APCO			(601,601)	0	223,106	279,909
	TO BE BOOKED	KPCO			(85,233)	0	84,223	79,990
	NEXT MONTH	I&M			0	(26,634)	635,308	913,776
	(I - II + III)	OPCO			0	(689,999)	(379,305)	(677,323)
		CSP			(29,800)	0	(381,751)	(414,772)
	TOTAL				(716,634)	(716,633)	181,581	181,581
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			2,000,970	134,764	77,347,953	6,412,573
	BILLING	KPCO			37,471	248,650	5,658,528	6,783,395
	AMOUNT	I&M			103,323	924,093	3,649,819	26,395,495
		OPCO			82,447	1,677,812	3,616,959	71,250,552
		CSP			798,413	37,305	21,699,337	1,130,579
	TOTAL				3,022,624	3,022,624	111,972,595	111,972,595
II.	PREVIOUSLY	APCO			2,015,284	118,455	77,726,447	6,132,663
	ESTIMATED	KPCO			34,892	249,364	5,659,537	6,703,405
	& ENERGY	I&M			81,905	917,610	3,014,511	25,508,353
	BILLING	OPCO			95,474	1,713,033	3,996,264	72,617,875
	AMOUNT	CSP			825,827	54,920	22,110,888	1,545,351
	TOTAL				3,053,382	3,053,382	112,507,648	112,507,647
IV.	ADJUSTMENT	APCO			(14,314)	16,309	(378,495)	279,909
	TO BE BOOKED	KPCO			2,579	(714)	(1,010)	79,990
	NEXT MONTH	I&M			21,418	6,483	635,308	887,142
	(I - II)	OPCO			(13,027)	(35,221)	(379,305)	(1,367,322)
		CSP			(27,414)	(17,615)	(411,551)	(414,772)
	TOTAL				(30,758)	(30,758)	(535,053)	(535,052)

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: October 2010

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u>	<u>MEMBER LOAD RATIO (APPENDIX I)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
	(1)	(2)	(3)	
APCO	6,379,000	0.32375	8,617,900	(2,238,900)
KPCO	1,470,000	0.06714	1,787,200	(317,200)
I&M	5,430,000	0.19468	5,182,200	247,800
OPCO	8,483,000	0.22780	6,063,800	2,419,200
CSP	4,857,000	0.18663	4,967,900	(110,900)
TOTAL	26,619,000	1.00000	26,619,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,238,900)	***** +	***** (29,413,963)
KPCO	(317,200)	***** +	***** (4,167,274)
I&M	247,800	9.92 +	5.05 3,709,566
OPCO	2,419,200	10.6 +	2.35 31,328,640
CSP	(110,900)	***** +	***** (1,456,969)

EQUALIZATION CAPACITY RATE: 13.1377
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	428,785	429,462	16,564,561	18,620,000
RECOVERY AND MLR	KPCO	86,672	77,187	3,435,196	2,724,689
ALLOCATION FOR ALL	I&M	258,842	222,573	9,960,738	9,687,756
AEP SYSTEM	OPCO	302,699	413,665	11,655,312	13,492,522
DELIVERIES TO	CSP	243,161	177,272	9,548,862	6,639,702
NON-AFFILIATED COS.	AEP	1,320,159	1,320,159	51,164,669	51,164,669
ADJUSTMENT TO	APCO	(294,698)	(294,698)	(12,207,427)	(12,207,427)
PREVENT RECOGNITION	KPCO	(49,494)	(49,494)	(1,950,664)	(1,950,664)
OF SALES BY POOL	I&M	(155,519)	(155,519)	(6,310,919)	(6,310,919)
MEMBERS TO	OPCO	(220,252)	(220,252)	(8,038,353)	(8,038,353)
THEMSELVES	CSP	(140,399)	(140,399)	(5,523,517)	(5,523,517)
(PAGE 7)	AEP	(860,362)	(860,362)	(34,030,881)	(34,030,881)
SUBTOTAL	APCO	134,087	134,764	4,357,134	6,412,573
AEP EXTERNAL	KPCO	37,178	27,693	1,484,532	774,025
ENERGY	I&M	103,323	67,054	3,649,819	3,376,837
	OPCO	82,447	193,413	3,616,959	5,454,168
	CSP	102,762	36,873	4,025,345	1,116,184
	AEP	459,797	459,797	17,133,788	17,133,788
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,866,883	0	43,576,856	0
ENERGY	KPCO	293	220,957	6,722	6,009,370
(PAGE 8)	I&M	0	857,039	0	19,309,092
	OPCO	0	1,484,399	0	34,467,744
	CSP	695,651	432	16,217,023	14,395
	AEP	2,562,827	2,562,827	59,800,601	59,800,601
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	2,000,970	134,764	47,933,990	6,412,573
	KPCO	37,471	248,650	1,491,254	6,783,395
	I&M	103,323	924,093	3,649,819	22,685,929
	OPCO	82,447	1,677,812	3,616,959	39,921,912
	CSP	798,413	37,305	20,242,368	1,130,579
	AEP	3,022,624	3,022,624	76,934,389	76,934,389

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: October 2010

PAGE (5)

SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	0	0	0
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	0	0	0	0
SPECIAL SERVICE	OPCO	0	0	0	0
CUSTOMERS	CSP	0	0	0	0
	AEP	0	0	0	0
PREVIOUSLY	APCO	0	0	0	0
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
ADJUSTMENT	APCO	0	0	0	0
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: October 2010

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	16,564,561	18,620,000	18,532,459	1,967,898
KPCO	3,435,196	2,724,689	3,843,310	408,114
I&M	9,960,738	9,687,756	11,144,075	1,183,337
OPCO	11,655,312	13,492,522	13,039,947	1,384,635
CSP	9,548,862	6,639,702	10,683,285	1,134,423
TOTAL	51,164,669	51,164,669	57,243,076	6,078,407

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	1,967,898	0.32375
KPCO	0	408,114	0.06714
I&M	0	1,183,337	0.19468
OPCO	0	1,384,635	0.22780
CSP	0	1,134,423	0.18663
TOTAL	0	6,078,407	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE	
EASTERN AEP:	#DIV/01 x #N/A = #DIV/01	#DIV/01	#DIV/01
WESTERN AEP:	#DIV/01 x #N/A = #DIV/01	#DIV/01	#DIV/01

REALIZATION TO BE SHARED: #N/A
 LESS EASTERN AEP REALIZATION SHARE: #DIV/01
 WESTERN REALIZATION SHARE: #N/A
 LESS AMOUNT ALREADY BOOKED ON WEST \$0
 #N/A

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL TOTAL OF ALL ACCOUNTS	PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS ACCOUNT NO.	ADJUSTMENT TO BE BOOKED NEXT MONTH
4470.144	4210.043	4210.044	#DIV/01	#N/A	4,895	4470.144	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	0	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	1,015	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	2,945	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	3,446	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	2,823	0	#N/A
TOTAL	#N/A	#DIV/01	#DIV/01	#N/A	15,124	0	#N/A

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL TOTAL OF ALL ACCOUNTS	PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS ACCOUNT NO.	ADJUSTMENT TO BE BOOKED NEXT MONTH
4470.144	4210.043	4210.044	#DIV/01	#N/A	(6,880)	4470.144	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	(8,244)	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	0	0	#N/A
#N/A	#N/A	#DIV/01	#DIV/01	#N/A	0	0	#N/A
TOTAL	#N/A	#DIV/01	#DIV/01	#N/A	(15,124)	0	#N/A

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: October 2010

PAGE (7)

CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	69,561	2,124,139	0.32375	22,520	687,690
KPCO	28,591	805,465	0.06714	1,920	54,079
I&M	9,380	279,231	0.19468	1,826	54,361
OPCO	211,142	5,993,433	0.22780	48,098	1,365,304
CSP	29,986	954,423	0.18663	5,596	178,124
TOTAL	348,660	10,156,690	1.00000	79,960	2,339,558

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	129,720	7,358,409	0.32375	41,997	2,382,285
KPCO	1,096	24,268	0.06714	74	1,629
I&M	73,884	3,913,932	0.19468	14,384	761,964
OPCO	39,328	1,069,721	0.22780	8,959	243,682
CSP	15,347	417,874	0.18663	2,864	77,988
TOTAL	259,375	12,784,204	1.00000	68,278	3,467,548

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	230,181	9,137,452
KPCO	47,500	1,894,956
I&M	139,309	5,494,594
OPCO	163,195	6,429,367
CSP	131,939	5,267,405
TOTAL	712,124	28,223,775

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	294,698	12,207,427
KPCO	49,494	1,950,664
I&M	155,519	6,310,919
OPCO	220,252	8,038,353
CSP	140,399	5,523,517
TOTAL	860,362	34,030,881

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash" from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: October 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	161,814	25.195	4,076,905
2. I&M	APCO	608,795	18.085	11,010,059
3. OPCO	APCO	1,095,842	20.793	22,785,843
4. CSP	APCO	432	26.222	11,328
5. TOTAL	APCO	1,866,883	20.293	37,884,135
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	116	18.078	2,097
8. OPCO	KPCO	177	20.791	3,680
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	293	19.717	5,777
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	59,143	25.195	1,490,109
23. I&M	CSP	248,128	18.085	4,487,396
24. OPCO	CSP	388,380	20.793	8,075,585
25. TOTAL	CSP	695,651	20.201	14,053,090
26. TOTAL ALL MEMBERS RECEIVED		2,562,827	20.268	51,943,002
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	220,957	25.195	5,567,014
29. I&M	2, 7, 18, & 23	857,039	18.085	15,499,552
30. OPCO	3, 8, 13, & 24	1,484,399	20.793	30,865,108
31. CSP	4, 9, 14, & 19	432	26.222	11,328
32. TOTAL ALL MEMBERS DELIVERED:		2,562,827	20.268	51,943,002

ACTUAL: October 2010

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	161,814	27.197	4,400,857
2. I&M	APCO	608,795	22.530	13,716,153
3. OPCO	APCO	1,095,842	23.220	25,445,451
4. CSP	APCO	432	33.325	14,395
5. TOTAL	APCO	1,866,883	23.342	43,576,856
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	116	22.530	2,613
8. OPCO	KPCO	177	23.220	4,109
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	293	22.942	6,722
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	59,143	27.197	1,608,513
23. I&M	CSP	248,128	22.530	5,590,326
24. OPCO	CSP	388,380	23.220	9,018,184
25. TOTAL	CSP	695,651	23.312	16,217,023
26. TOTAL ALL MEMBERS RECEIVED		2,562,827	23.334	59,800,601
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	220,957	27.197	6,009,370
29. I&M	2, 7, 18, & 23	857,039	22.530	19,309,092
30. OPCO	3, 8, 13, & 24	1,484,399	23.220	34,467,744
31. CSP	4, 9, 14, & 19	432	33.325	14,395
32. TOTAL ALL MEMBERS DELIVERED:		2,562,827	23.334	59,800,601

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: October 2010

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		ECONOMY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY CREDIT (\$)	
			\$/MWh	
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL: October 2010

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	0	0	0.0000	64	0.0000
	AMOS 2	6,599	64,449	0.1024	17	1.7406
	AMOS 3	40,726	281,190	0.1448	101	14.6283
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	3,891	38,416	0.1013	175	17.7250
	CLINCH RIVER 2	0	0	0.0000	0	0.0000
	CLINCH RIVER 3	949	15,144	0.0627	66	4.1359
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	0	0	0.0000	1	0.0000
	KANAWHA RIVER 2	3,608	58,243	0.0619	413	25.5843
	MOUNTAINEER 1	0	0	0.0000	0	0.0000
	SPORN 1	1,405	31,407	0.0447	253	11.3180
	SPORN 3	1,252	32,832	0.0381	275	10.4867
	TOTAL	58,430	521,681	0.1120	1,365	85.6188
KPCO	BIG SANDY 1	0	0	0.0000	0	0.0000
	BIG SANDY 2	28,591	493,594	0.0579	3,316	192.0764
	ROCKPORT 1 (AEG)	703	140,297	0.0050	417	2.0895
	ROCKPORT 2 (AEG)	393	137,561	0.0029	406	1.1599
		TOTAL	29,687	771,452	0.0385	4,139
I&M	ROCKPORT 1	2,347	467,367	0.0050	1,385	6.9551
	ROCKPORT 1 (AEG)	1,643	327,206	0.0050	969	4.8656
	ROCKPORT 2	1,306	458,698	0.0028	1,354	3.8551
	ROCKPORT 2 (AEG)	912	320,757	0.0028	947	2.6926
	TANNERS CREEK 1	209	10,751	0.0194	74	1.4386
	TANNERS CREEK 2	0	0	0.0000	0	0.0000
	TANNERS CREEK 3	3,276	40,094	0.0817	246	20.1002
	TANNERS CREEK 4	2,242	151,272	0.0148	1,125	16.6736
	TOTAL	11,935	1,776,145	0.0067	6,100	56.5808

ACTUAL: October 2010

PAGE (10-2)

		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
(1)		(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)	
OPCO	AMOS 3	82,349	568,572	0.1448	202	29.2566
	CARDINAL 1	47,860	417,221	0.1147	462	52.9967
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	21,752	21,752	1.0000	1,247	1,247.0000
	GAVIN 1	3,841	820,162	0.0047	913	4.2758
	GAVIN 2	3,761	902,395	0.0042	1,142	4.7596
	KAMMER 1	11,408	54,834	0.2080	538	111.9288
	KAMMER 2	399	24,807	0.0161	240	3.8602
	KAMMER 3	109	1,110	0.0982	12	1.1784
	MITCHELL 1	9,120	219,930	0.0415	178	7.3813
	MITCHELL 2	14,172	500,547	0.0283	216	6.1156
	MUSKINGUM 1	7,660	114,837	0.0667	2,258	150.6159
	MUSKINGUM 2	0	0	0.0000	0	0.0000
	MUSKINGUM 3	1,872	55,715	0.0336	1,085	36.4555
	MUSKINGUM 4	2,153	43,226	0.0498	843	41.9881
	MUSKINGUM 5	4,686	407,149	0.0115	4,198	48.3160
	SPORN 2	0	0	0.0000	0	0.0000
	SPORN 4	0	0	0.0000	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	211,142	4,152,257	0.0508	13,534
CSP	BECKJORD 6	2,432	16,815	0.1446	441	63.7831
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	773	31,605	0.0245	765	18.7105
	CONESVILLE 4	4,977	76,443	0.0651	71	4.6226
	CONESVILLE 5	163	1,416	0.1151	14	1.6116
	CONESVILLE 6	216	20,075	0.0108	15	0.1614
	DARBY 1	6	403	0.0149	0	0.0000
	DARBY 2	6	402	0.0149	0	0.0000
	DARBY 3	0	355	0.0000	0	0.0000
	DARBY 4	0	304	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	843	69,406	0.0121	0	0.0000
	LAWRENCEBURG 2	328	19,853	0.0165	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	0	0	0.0000	(1)	0.0000
	STUART 2	7,189	84,447	0.0851	20	1.7026
	STUART 3	370	2,896	0.1278	4	0.5110
	STUART 4	9,378	90,511	0.1036	40	4.1445
	WATERFORD	3,647	30,288	0.1204	0	0.0000
	ZIMMER 1	829	218,262	0.0038	469	1.7813
		TOTAL	31,157	663,481	0.0470	1,838

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.

(b) From Continuous Emission Monitoring System monthly data.

ACTUAL: October 2010

PAGE (11)

SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES

I. AEP EXTERNAL ENERGY (3)	ACCOUNT 509		SOURCE ALLOCATION
	SO2 COST (\$)	SO2 COST (\$)	\$
	<u>(AS SUPPLIED)</u>	<u>(ADJUSTED)</u>	<u>SO2 ADJUSTMENT</u>
	(1)	(2)	(3)=(2)-(1)
APCO	578	1,775	1,197
KPCO	1,584	26,246	24,662
I&M	397	4,994	4,597
OPCO	4,943	77,266	72,323
CSP	671	19,199	18,528
AEP	<u>8,174</u>	<u>129,480</u>	<u>121,306</u>

	NOX COST (\$)	NOX COST (\$)	\$
	<u>(AS SUPPLIED)</u>	<u>(ADJUSTED)</u>	<u>NOX ADJUSTMENT</u>
	(4)	(5)	(6)=(5)-(4)
APCO	8,767	0	(8,767)
KPCO	4,039	40	(4,000)
I&M	3,823	3,186	(636)
OPCO	29,453	345	(29,108)
CSP	6,175	599	(5,576)
AEP	<u>52,257</u>	<u>4,170</u>	<u>(48,087)</u>

	SOURCE ALLOCATION	SOURCE ALLOCATION
	<u>(UNADJUSTED)</u>	<u>(ADJUSTED)</u>
	(7)	(8)=(7)+(3)+(6)
APCO	18,627,570	18,620,000
KPCO	2,704,027	2,724,689
I&M	9,683,796	9,687,756
OPCO	13,449,307	13,492,522
CSP	6,626,749	6,639,702
AEP	<u>51,091,449</u>	<u>51,164,669</u>

NOTES:	SO2	NOX
(1) Market Price (\$/Ton):	11.00	335.00
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	134.37	3.29
I&M \$/Ton:	88.26	276.56
OPCO \$/Ton:	44.25	3.92
CSP \$/Ton:	197.87	32.37

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 09/30/2010

OPERATING COMPANY PERCENTAGE
 OCTOBER 2010

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32375	0.06714	0.19468	0.22780	0.18663

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
09/10	20018	02	16	5861	02	16	1191	01	13	3938	01	15	4989	02	16	4039
08/10	21174	04	16	6200	04	14	1310	12	16	4422	10	14	5096	13	16	4146
07/10	21269	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4289
06/10	20188	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4160
05/10	18403	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3643
04/10	15059	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	16	2662
03/10	18083	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3037
02/10	19912	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3281
01/10	20592	11	08	7440	08	09	1543	07	08	3680	13	08	4563	05	19	3366
12/09	19925	11	08	6613	11	08	1434	10	19	3858	10	20	4510	10	19	3510
11/09	16370	06	08	5106	06	08	1113	30	20	3373	06	10	3848	30	20	2930
10/09	16005	19	07	5341	19	08	1070	14	10	3163	19	07	3694	14	19	2737

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
22981	7440	1543	4474	5235	4289

DATE/TIME	01/11/10 HR 08	01/08/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16
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Notes:

ACTUAL: October 2010

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	31,000
Grand Ridge Wind Farm	33,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,679,000</u>
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,379,000
KENTUCKY POWER COMPANY	
Big Sandy	1,077,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>1,470,000</u>
TOTAL MEMBER PRIMARY CAPACITY	1,470,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	32,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,416,000</u>
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	<u>5,430,000</u>
OHIO POWER COMPANY	
Amos	865,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,424,000
Sporn	742,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>8,458,000</u>
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	<u>8,483,000</u>
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>4,857,000</u>
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,619,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 October 2010

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capability*** as of 12/31/2009 (1)	\$ Installed Cost of Production Plant * as of 12/31/2009 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,483,267,503		
Ceredo	482,000	203,369,148		
Clinch River	700,000	358,164,558		
Glen Lyn	332,000	148,885,831		
Kanawha River	400,000	182,968,061		
Mountaineer	1,317,000	1,450,802,783		
Sporn	295,000	134,047,947		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	31,000	0		
Grand Ridge Wind Farm	33,000	0		
Appalachian Total	5,679,000	3,961,505,831	697.57	9.56
KENTUCKY POWER COMPANY				
Big Sandy	1,077,000	536,453,896		
Rockport 1 Purchased from AEG	198,000	193,366,259		
Rockport 2 Purchased from AEG	195,000	27,141,372		
Kentucky Total	1,470,000	756,961,527	514.94	7.05
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,062,724,614		
Rockport 1 Ownership Share	660,000	636,774,575		
Rockport 1 Purchased from AEG	461,000	451,187,937		
Rockport 2 Leased Shared	650,000	90,849,751		
Rockport 2 Purchased from AEG	455,000	63,329,867		
Tanners Creek	992,000	616,366,861		
Fowler Ridge Wind Farm I	32,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,416,000	3,921,233,605	724.01	9.92
OHIO POWER COMPANY				
Amos	865,000	924,967,652		
Cardinal	592,000	697,320,442		
Gavin	2,638,000	1,902,741,299		
Kammer	620,000	314,113,001		
Mitchell	1,560,000	1,680,573,111		
Muskingum River	1,424,000	653,370,851		
Sporn	742,000	369,031,699		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,458,000	6,542,118,055	773.48	10.60
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	19,174,815		
Conesville	1,302,000	960,396,210		
Darby	473,000	190,517,993		
Lawrenceburg Purchased from AEG	1,155,000	694,861,245		
Picway	98,000	41,666,553		
Stuart	600,000	498,179,916		
Waterford	830,000	211,967,376		
Zimmer	330,000	768,336,888		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,385,100,996	696.95	9.55

ACTUAL:
 October 2010

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	1,323,969	342,811	446,506	0	342,811
SPORN (APCO)	64,239	3,073,542	2,413,543	245,012	2,290,264	123,279
KANAWHA RIVER	58,243	3,147,031	2,060,296	497,958	1,818,790	241,506
CLINCH RIVER	53,560	4,056,443	2,402,482	704,818	2,142,121	260,362
AMOS (APCO)	347,418	18,857,187	8,718,882	7,036,654	7,957,851	761,031
MOUNTAINEER	0	9,195,489	315,379	7,433,594	17,295	298,084
CEREDO	0	560,080	(1,957)	219,628	(2,197)	240
BEECH RIDGE	11,015	0	0	0	0	0
CAMP GROVE	21,479	0	0	0	0	0
FOWLER RIDGE III	24,594	0	0	0	0	0
GRAND RIDGE II	10,774	0	0	0	0	0
GRAND RIDGE III	12,494	0	0	0	0	0
TOTAL	603,816	40,213,741	16,251,436	16,584,170	14,224,124	2,027,313
RATES:		40.648	26.915	13.733	23.557	3.358
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	493,594	17,014,510	13,916,202	1,702,302	13,593,600	322,602
ROCKPORT 1 (AEG)	140,297	4,209,086	3,019,003	123,572	2,895,611	123,392
ROCKPORT 2 (AEG)	137,561	4,126,996	3,072,127	121,162	2,947,384	124,743
TOTAL	771,452	25,350,592	20,007,331	1,947,036	19,436,594	570,737
RATES:		27.197	25.935	1.262	25.195	0.740
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	50,845		2,377,796		2,133,847	243,949
TANNERS CREEK 4	151,272		4,003,711		3,657,692	346,019
TANNERS CREEK TOTAL	202,117	8,544,887	6,381,506	1,565,281	5,791,539	589,968
ROCKPORT 1 (OWNED SHARE)	467,367	14,021,602	10,057,112	411,651	9,646,061	411,051
ROCKPORT 1 (AEG)	327,206	9,816,611	7,041,047	288,200	6,753,267	287,780
ROCKPORT 2 (AEG)	320,757	9,623,110	7,163,422	282,519	6,872,552	290,870
ROCKPORT 2 (LEASED SHARE)	458,698	13,761,523	10,244,048	404,016	9,828,090	415,958
COOK	874,108	32,179,081	9,733,679	16,958,222	9,733,679	0
FOWLER RIDGE I	24,841	0	0	0	0	0
FOWLER RIDGE II	13,595	0	0	0	0	0
TOTAL	2,688,689	87,946,814	50,620,814	19,909,888	48,625,188	1,995,626
RATES:		22.530	18.827	3.703	18.085	0.742
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	0	941,185	(17,369)	468,574	(64,026)	46,657
MUSKINGUM	620,927	19,262,068	14,274,295	3,220,414	13,999,513	274,782
KAMMER	80,751	4,674,814	3,302,085	909,056	3,095,120	206,964
CARDINAL (OPCO)	417,645	10,538,990	7,393,885	1,823,016	6,741,715	652,170
MITCHELL	720,477	20,632,622	17,259,080	1,620,702	16,726,469	532,611
AMOS (OPCO)	566,793	15,422,305	13,792,973	685,329	13,218,018	574,955
GAVIN	1,722,557	44,627,622	34,378,128	2,929,712	32,438,036	1,940,092
FOWLER RIDGE II	13,595	0	0	0	0	0
Wyandot	765	0	0	0	0	0
TOTAL	4,143,510	116,099,606	90,383,076	11,656,803	86,154,845	4,228,231
RATES:		23.220	21.813	1.407	20.793	1.020
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	129,539	11,357,057	4,847,110	3,458,578	4,629,836	217,274
PTCWAY	0	297,865	18,960	157,892	(5,384)	24,344
BECKJORD	16,815	1,063,169	800,030	105,921	736,426	63,604
STUART	177,854	7,478,546	4,597,544	1,627,069	4,263,514	334,030
ZIMMER	218,262	6,957,582	5,155,130	885,051	4,877,944	277,187
WATERFORD	30,288	1,835,327	1,112,266	348,023	899,108	213,157
DARBY	1,464	240,365	26,319	54,960	(99,843)	126,162
LAWRENCEBURG	89,259	3,722,738	2,493,050	428,449	2,469,833	23,217
FOWLER RIDGE II	13,595	0	0	0	0	0
Wyandot	601	0	0	0	0	0
TOTAL	677,677	32,952,649	19,050,409	7,065,943	17,771,434	1,278,975
RATES:		33.324	28.111	5.213	26.224	1.887
SYSTEM TOTAL	8,885,143	302,563,402	196,313,067	57,163,840	186,212,186	10,100,881
SYSTEM TOTAL	8,885,143	302,563,402	196,313,067	57,163,840	186,212,186	10,100,881

ACTUAL: October 2010

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	40,213,741	14,224,124	2,027,313	16,584,170	8,292,085
KPCO	25,350,592	19,436,594	570,737	1,947,036	973,518
I&M	87,946,814	48,625,188	1,995,626	19,909,888	9,954,944
OPCO	116,099,606	86,154,845	4,228,231	11,656,803	5,828,402
CSP	32,952,649	17,771,434	1,278,975	7,065,943	3,532,972
TOTAL	302,563,402	186,212,186	10,100,881	57,163,840	28,581,921

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	10,319,398	603,816	603,816	40.647
KPCO	1,544,255	771,452	771,452	27.197
I&M	11,950,570	2,688,689	2,688,689	22.530
OPCO	10,056,633	4,143,510	4,143,510	23.220
CSP	4,811,947	677,677	677,677	33.325
TOTAL	38,682,802	8,885,143	8,885,143	25.312

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	15,670,220	5,679,000	2.76
KPCO	4,369,743	1,470,000	2.97
I&M	27,371,056	5,416,000	5.05
OPCO	19,888,128	8,458,000	2.35
CSP	10,369,268	4,857,000	2.13
TOTAL	77,668,415	25,880,000	3.00

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: October 2010

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	232,570	46,541	252,996	47,125	0	19,842
	KPCO	48,232	9,652	52,467	9,773	0	4,114
	I&M	139,851	27,986	152,133	28,338	0	11,930
	OPCO	111,008	554,721	112,402	603,442	47,327	0
	CSP	134,068	26,829	145,846	27,166	0	11,441
	TOTAL	665,729	665,729	715,844	715,844	47,327	47,327
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	6,046,964	0	6,066,483	19,519	0
	KPCO	0	1,254,044	0	1,258,091	4,047	0
	I&M	0	3,636,201	0	3,647,939	11,738	0
	OPCO	0	4,254,780	0	4,268,514	13,734	0
	CSP	0	3,485,865	0	3,497,117	11,252	0
	East. AEP (Co. 122)	18,677,854	0	18,738,144	0	0	60,290
	TOTAL	18,677,854	18,677,854	18,738,144	18,738,144	60,290	60,290
THIRD PARTY SALES (2)	APCO	3,535,167	5,538,998	3,440,253	5,195,953	94,914	343,045
	KPCO	733,130	1,148,692	713,447	1,077,549	19,683	71,143
	I&M	2,125,796	3,330,761	2,068,720	3,124,475	57,076	206,286
	OPCO	2,487,446	3,897,407	2,420,660	3,656,028	66,785	241,380
	CSP	2,037,893	3,193,035	1,983,175	2,995,280	54,717	197,755
	East. AEP (Co. 122)	17,108,893	10,919,431	16,049,285	10,626,255	1,059,609	293,176
	TOTAL	28,028,325	28,028,325	26,675,540	26,675,540	1,352,784	1,352,784
GROSS TOTAL	APCO	3,535,167	11,585,962	3,440,253	11,262,436	114,433	343,045
	KPCO	733,130	2,402,736	713,447	2,335,640	23,730	71,143
	I&M	2,125,796	6,966,962	2,068,720	6,772,414	68,814	206,286
	OPCO	2,487,446	8,152,187	2,420,660	7,924,542	80,519	241,380
	CSP	2,037,893	6,678,900	1,983,175	6,492,397	65,969	197,755
	East. AEP (Co. 122)	35,786,747	10,919,431	34,787,429	10,626,255	1,059,609	353,466
	TOTAL	46,706,178	46,706,179	45,413,684	45,413,684	1,413,074	1,413,074
NET TOTAL	APCO	0	8,050,795	0	7,822,183	0	228,611
	KPCO	0	1,669,606	0	1,622,192	0	47,413
	I&M	0	4,841,166	0	4,703,695	0	137,472
	OPCO	0	5,664,742	0	5,503,881	0	160,861
	CSP	0	4,641,007	0	4,509,222	0	131,786
	East. AEP (Co. 122)	24,867,316	0	24,161,173	0	706,143	0
	TOTAL	24,867,316	24,867,316	24,161,173	24,161,173	706,143	706,143

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

Pwr Code	Customer	ACCT	CO. AGENT	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT					
					APCO	KPCO	I&M	OPCO	CSP	Total	APCO	KPCO	I&M	OPCO	CSP	NET
	Totals			718,365	232,570	48,232	139,851	163,644	134,068	718,365	232,570	(48,232)	(139,851)	554,721	(134,068)	-
DUKE2	Duke Power Company	4470066 07		11,115	3,599	746	2,164	2,532	2,074	11,115	(3,599)	(746)	(2,164)	8,583	(2,074)	-
ENTE	Entergy Power Serv	4470066 07	(1)	1,137	368	77	221	259	212	1,137	(368)	(77)	(221)	878	(212)	-
MISO Retail	Midwest Retail	4470066 07	(3)	136,621	44,231	9,173	26,597	31,122	25,498	136,621	(44,231)	(9,173)	(26,597)	105,499	(25,498)	-
MISO Trading	Midwest Trading	4470066 07		74,539	24,132	5,005	14,511	16,980	13,911	74,539	(24,132)	(5,005)	(14,511)	57,559	(13,911)	-
MISO Auction	Midwest Auction	5550099 07		492,693	159,509	33,079	95,918	112,236	91,951	492,693	(159,509)	(33,079)	(95,918)	380,457	(91,951)	-
TVAH	TVA Bulk Power Trading	4470066 07		2,260	731	152	440	515	422	2,260	(731)	(152)	(440)	1,745	(422)	-

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	Customer	ACCT	CO. AGENT	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT					
					APCO	KPCO	I&M	OPCO	CSP	Total	APCO	KPCO	I&M	OPCO	CSP	NET
	Totals			(143,756)	(46,541)	(9,652)	(27,986)	(32,748)	(26,829)	(143,756)	(46,541)	9,652	27,986	(111,008)	26,829	-
CLEB2	City of Lebanon	4470066 07		(143,756)	(46,541)	(9,652)	(27,986)	(32,748)	(26,829)	(143,756)	(46,541)	9,652	27,986	(111,008)	26,829	-

- Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (\$7,135.62)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$136,620.52)
 (3) \$0 of the ENTE Invoice will be allocated to PSO/SWEPCO - See Appendix VIII Page 4

ACTUAL: October 2010

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)	
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>	
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
<u>ENERGY (1)</u>		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>
I.	ACTUAL APCO	403,933	412,871	16,037,724	21,456,243
	THIS MONTH KPCO	83,773	85,625	3,325,937	4,449,644
	I&M	242,896	248,275	9,643,930	12,902,244
	OPCO	284,216	290,508	11,284,607	15,097,242
	CSP	232,851	238,008	9,245,154	12,368,737
	TOTAL	<u>1,247,669</u>	<u>1,275,287</u>	<u>49,537,353</u>	<u>66,274,110</u>
II.	PREVIOUS APCO	404,759	410,566	15,829,515	20,908,243
	ESTIMATE KPCO	83,943	85,150	3,282,760	4,335,998
	I&M	243,391	246,891	9,518,731	12,572,716
	OPCO	284,794	288,891	11,138,109	14,711,653
	CSP	233,326	236,681	9,125,131	12,052,835
	TOTAL	<u>1,250,213</u>	<u>1,268,179</u>	<u>48,894,246</u>	<u>64,581,445</u>
III.	ADJUSTMENT APCO	(826)	2,305	208,209	548,000
	(I-II) KPCO	(170)	475	43,178	113,646
	I&M	(495)	1,384	125,199	329,528
	OPCO	(578)	1,617	146,499	385,589
	CSP	(475)	1,327	120,023	315,902
	TOTAL	<u>(2,544)</u>	<u>7,108</u>	<u>643,107</u>	<u>1,692,665</u>
EXERCISED				TOTAL COSTS	TOTAL REVENUES
OPTIONS &				TO BE BOOKED	TO BE BOOKED
PREMIUMS (2)		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>
I.	ACTUAL APCO	0	0	0	0
	THIS MONTH KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
II.	PREVIOUS APCO	0	0	0	0
	ESTIMATE KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
III.	ADJUSTMENT APCO	0	0	0	0
	(I-II) KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

ACTUAL: October 2010

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
I. ACTUAL THIS MONTH	APCO	42,016	42,016	1,791,522	1,912,001			
	KPCO	8,715	8,715	371,530	396,515			
	I&M	25,266	25,267	1,077,293	1,149,740			
	OPCO	29,565	29,565	1,260,567	1,345,340			
	CSP	24,222	24,221	1,032,747	1,102,199			
	TOTAL	129,784	129,784	5,533,659	5,905,795			
II. PREVIOUS ESTIMATE	APCO	41,878	41,750	1,777,215	1,894,440			
	KPCO	8,686	8,659	368,563	392,873			
	I&M	25,183	25,106	1,068,690	1,139,180			
	OPCO	29,468	29,375	1,250,501	1,332,984			
	CSP	24,142	24,067	1,024,499	1,092,075			
	TOTAL	129,357	128,957	5,489,468	5,851,554			
III. ADJUSTMENT (I-II)	APCO	138	266	14,307	17,561			
	KPCO	29	56	2,967	3,642			
	I&M	83	161	8,603	10,560			
	OPCO	97	190	10,067	12,356			
	CSP	80	154	8,247	10,123			
	TOTAL	427	827	44,191	54,242			

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	0	0	231	18,921	(18,627)
	KPCO	0	0	48	3,924	(3,863)
	I&M	0	0	139	11,378	(11,201)
	OPCO	0	0	162	13,313	(13,106)
	CSP	0	0	133	10,907	(10,737)
	TOTAL	0	0	712	58,443	(57,534)
II. PREVIOUS ESTIMATE	APCO	0	0	226	18,834	(18,456)
	KPCO	0	0	47	3,906	(3,828)
	I&M	0	0	136	11,325	(11,098)
	OPCO	0	0	159	13,251	(12,986)
	CSP	0	0	131	10,856	(10,638)
	TOTAL	0	0	699	58,172	(57,005)
III. ADJUSTMENT (I-II)	APCO	0	0	4	87	(171)
	KPCO	0	0	1	18	(35)
	I&M	0	0	3	53	(103)
	OPCO	0	0	3	62	(120)
	CSP	0	0	2	51	(99)
	TOTAL	0	0	13	271	(529)

ACTUAL: October 2010

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH ALL ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

I. ACTUAL THIS MONTH	AFCO	PURCHASES	TOTAL COSTS		TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
			AWM	LEASE			
AFCO	AFCO	AWM	LEASE	LEASE	Act. 4470.099	Act. 4470.099	Act. 4470.099
611	0	0	0	0	4,544	0	(3,977,567)
127	0	0	0	0	942	0	(704,595)
367	0	0	0	0	2,733	0	(2,043,083)
480	0	0	0	0	3,197	0	(2,390,648)
332	0	0	0	0	2,860	0	(1,258,273)
1,887	0	0	0	0	14,036	0	(10,494,416)
611	0	0	0	0	4,544	0	(3,977,281)
127	0	0	0	0	942	0	(704,563)
367	0	0	0	0	2,733	0	(2,042,846)
480	0	0	0	0	3,197	0	(2,390,384)
332	0	0	0	0	2,860	0	(1,258,173)
1,887	0	0	0	0	14,036	0	(10,493,846)
0	0	0	0	0	0	0	(646)
0	0	0	0	0	0	0	(72)
0	0	0	0	0	0	0	(208)
0	0	0	0	0	0	0	(244)
0	0	0	0	0	0	0	(200)
0	0	0	0	0	0	0	(1,069)

PTM NON-ECR PURCHASES-035
 NON-ECR PHYSICAL SALES-035

I. ACTUAL THIS MONTH	AFCO	PURCHASES	TOTAL COSTS		TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
			PURCHASES	LEASE			
AFCO	AFCO	AWM	LEASE	LEASE	Act. 4470.112	Act. 4470.112	Act. 4470.112
60,350	497	0	0	0	497	0	0
12,641	103	0	0	0	103	0	0
36,652	299	0	0	0	299	0	0
42,886	350	0	0	0	350	0	0
35,135	286	0	0	0	286	0	0
188,264	1,535	0	0	0	1,535	0	0
63,278	497	0	0	0	497	0	0
13,122	103	0	0	0	103	0	0
38,052	299	0	0	0	299	0	0
44,825	350	0	0	0	350	0	0
36,476	286	0	0	0	286	0	0
195,453	1,535	0	0	0	1,535	0	0
(2,328)	0	0	0	0	0	0	(2,328)
(481)	0	0	0	0	0	0	(481)
(1,400)	0	0	0	0	0	0	(1,400)
(1,683)	0	0	0	0	0	0	(1,683)
(1,241)	0	0	0	0	0	0	(1,241)
(7,182)	0	0	0	0	0	0	(7,182)

II. PREVIOUS ESTIMATE	AFCO	PURCHASES	TOTAL COSTS		TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
			PURCHASES	LEASE			
AFCO	AFCO	AWM	LEASE	LEASE	Act. 4470.100	Act. 4470.100	Act. 4470.100
346,171	497	0	0	0	497	0	1,133,894
74,864	103	0	0	0	103	0	236,087
241,175	299	0	0	0	299	0	681,442
250,612	350	0	0	0	350	0	797,630
205,319	286	0	0	0	286	0	653,478
1,100,141	1,535	0	0	0	1,535	0	3,520,147
333,199	497	0	0	0	497	0	1,133,598
69,099	103	0	0	0	103	0	236,087
200,842	299	0	0	0	299	0	681,442
234,449	350	0	0	0	350	0	797,630
192,077	286	0	0	0	286	0	653,478
1,029,186	1,535	0	0	0	1,535	0	3,520,147
22,971	0	0	0	0	0	0	0
4,764	0	0	0	0	0	0	0
13,813	0	0	0	0	0	0	(0)
19,183	0	0	0	0	0	0	(0)
15,242	0	0	0	0	0	0	(0)
70,956	0	0	0	0	0	0	(0)

(\$)	COSTS		COSTS		COSTS		REVENUES		REVENUES	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED
	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167					
	17,572	(3,059)	16,091	3,949,829	6,774					
	3,844	(684)	3,337	813,164	1,405					
	10,387	(1,940)	9,576	2,370,348	4,074					
	12,344	(2,183)	11,322	2,779,215	4,767					
	10,330	(1,764)	9,276	2,271,931	3,905					
	54,276	(9,490)	49,702	12,200,248	20,924					
	17,568	(3,059)	16,091	4,074,309	6,774					
	3,840	(684)	3,337	843,354	1,405					
	10,385	(1,940)	9,576	2,491,199	4,074					
	12,350	(2,183)	11,322	2,888,211	4,767					
	10,316	(1,764)	9,276	2,349,643	3,905					
	54,216	(9,490)	49,702	12,299,918	20,924					
	0	(0)	0	(26,480)	0					
	0	(0)	0	(26,280)	0					
	0	0	0	(76,096)	0					
	0	0	0	(88,999)	0					
	0	(0)	0	(72,911)	0					
	0	(0)	0	(890,672)	0					

ACTUAL: October 2010

APPENDIX VII

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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	5,418,519	0	5,078,728	0	339,791
	KPCO	0	1,123,707	0	1,053,238	0	70,469
	I&M	0	3,258,314	0	3,053,985	0	204,329
	OPCO	0	3,812,635	0	3,573,544	0	239,090
	CSP	0	3,123,583	0	2,927,704	0	195,879
	East. AEP (Co.122)	16,736,757	0	15,687,199	0	1,049,558	0
	TOTAL	16,736,757	16,736,757	15,687,199	15,687,199	1,049,558	1,049,558
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	0	120,479	0	117,225	0	3,254
	KPCO	0	24,985	0	24,310	0	675
	I&M	0	72,448	0	70,491	0	1,957
	OPCO	0	84,773	0	82,483	0	2,290
	CSP	0	69,482	0	67,576	0	1,876
	East. AEP (Co.122)	372,137	0	362,086	0	10,051	0
	TOTAL	372,137	372,137	362,086	362,086	10,051	10,051
BROKERS' COMMISSIONS (3)	APCO	37,779	0	37,516	0	263	0
	KPCO	7,835	0	7,781	0	54	0
	I&M	22,718	0	22,559	0	159	0
	OPCO	26,581	0	26,396	0	185	0
	CSP	21,777	0	21,625	0	152	0
	East. AEP (Co.122)	0	116,689	0	115,876	0	813
	TOTAL	116,689	116,689	115,876	115,876	813	813
POWER SWAPS	APCO	3,393,634	0	3,393,288	0	346	0
	KPCO	703,779	0	703,708	0	72	0
	I&M	2,040,688	0	2,040,480	0	208	0
	OPCO	2,387,860	0	2,387,617	0	244	0
	CSP	1,956,305	0	1,956,106	0	200	0
	East. AEP (Co.122)	0	10,482,267	0	10,481,197	0	1,069
	TOTAL	10,482,267	10,482,267	10,481,197	10,481,197	1,069	1,069
PJM/MISO NON-EGR ENERGY	APCO	103,754	0	9,449	0	94,305	0
	KPCO	21,516	0	1,959	0	19,557	0
	I&M	62,391	0	5,682	0	56,709	0
	OPCO	73,004	0	6,647	0	66,357	0
	CSP	59,810	0	5,445	0	54,366	0
	East. AEP (Co.122)	0	320,475	0	29,182	0	291,294
	TOTAL	320,475	320,475	29,182	29,182	291,294	291,294
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-EGR ENERGY	APCO	3,535,167	5,538,998	3,440,253	5,195,953	94,914	343,045
	KPCO	733,130	1,148,692	713,447	1,077,549	19,683	71,143
	I&M	2,125,796	3,330,761	2,068,720	3,124,475	57,076	206,286
	OPCO	2,487,446	3,897,407	2,420,660	3,656,028	66,785	241,380
	CSP	2,037,893	3,193,035	1,983,175	2,995,280	54,717	197,755
	East. AEP (Co.122)	17,108,893	10,919,431	16,049,285	10,626,255	1,059,609	293,176
	TOTAL	28,028,325	28,028,325	26,675,540	26,675,540	1,352,784	1,352,784

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the EGR/MLR report.
 (2) Sold in previous period(s) and exercised in: October 2010
 (3) Actual commissions paid in: October 2010

APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES
									FOR EAST ZONE
AEPSGG									
ALLOCATION OF PJM Non-ECR CHARGES									
Total of PJM Non-ECR MISC Charges	Various	(1,190,112)	(244,041)	(699,754)	(801,854)	(700,628)	(3,636,388)	Various	
PJM Schedule 9 & 10 Entry - LSE	5614000	29,480	6,107	17,709	20,722	16,977	90,964	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5614001	341,874	70,899	205,579	240,553	197,078	1,055,982	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,771	367	1,065	1,246	1,021	5,469	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	20,555	4,263	12,360	14,463	11,849	63,491	no	
PJM Schedule 9 & 10 Entry - LSE	5757000	31,083	6,446	18,691	21,871	17,918	96,008	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5757001	360,831	74,830	216,978	253,892	208,006	1,114,537	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,874	389	1,127	1,319	1,081	5,790	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	21,761	4,513	13,085	15,311	12,544	67,214	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	3,425	710	2,060	2,410	1,974	10,579	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	39,760	8,246	23,909	27,976	22,920	122,811	no	
PJM Admin Fee - Schedule 9 MMU	5757000	2,462	511	1,480	1,732	1,419	7,604	East Zone SIA	
PJM Admin Fee - Schedule 9 MMU	5757001	28,580	5,927	17,186	20,110	16,475	88,279	N	
Network Integration Transmission Service Charge	4470107	(11,803)	(2,448)	(7,097)	(8,305)	(6,804)	(36,456)	East Zone SIA	
Transmission Owner Scheduling System	4470110	3,920	813	2,357	2,758	2,260	12,109	East Zone SIA	
Power Factor Charges	5550039	4,918	1,020	2,957	3,460	2,835	15,190	East Zone SIA	
Other Supporting Facilities Charge	4470107	(6,889)	(1,429)	(4,143)	(4,847)	(3,971)	(21,279)	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124	1	0	1	1	1	3	East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	-	-	-	-	-	-	East Zone SIA	
Meter Correction - LSE	4470116	(29,144)	(6,044)	(17,525)	(20,506)	(16,800)	(90,019)	N	
Inadvertent - OSS	4470093	(64,191)	(13,312)	(38,600)	(45,166)	(37,003)	(198,272)	N	
Inadvertent - LSE	5550040	-	-	-	-	-	-	N	
Misc Credits - Adj to Other Supporting Facilities	4470107	(5,277)	(1,094)	(3,173)	(3,713)	(3,042)	(16,299)	East Zone SIA	
Balancing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Load Reconciliation LSE	4470093	(270,801)	(56,159)	(162,840)	(190,543)	(156,107)	(836,450)	N	
Load Reconciliation OSS	4470115	(23,327)	(4,838)	(14,027)	(16,414)	(13,447)	(72,053)	East Zone SIA	(72,053)
DA Op Res for Load Response (OSS)	4470098	17	4	10	12	10	53	N	
DA Op Res for Load Response (LSE)	4470203	199	41	120	140	115	616	East Zone SIA	616
PJM Trans Loss Charge (LSE)	4470207	32	7	19	23	18	99	N	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		(709,028)	(144,273)	(410,465)	(463,350)	(423,301)	(2,150,417)		(71,438)
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		(548,884)	(111,074)	(314,230)	(350,812)	(330,923)	(1,655,923)		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(160,145)	(33,199)	(96,235)	(112,538)	(92,377)	(494,494)		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES
									FOR EAST ZONE
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE ⁽¹⁾	Various	3,394,704	704,154	1,956,117	2,390,582	1,956,117	10,401,674	Various	
Power Factor (BCK)	4470141	20,257	4,201	12,181	14,254	11,677	62,570		
Power Factor (BCK)	4470126	(18,769)	(3,892)	(11,287)	(13,207)	(10,820)	(57,970)		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,396,192	704,463	1,957,011	2,391,629	1,956,974	10,406,270		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		3,189,275	661,433	1,918,002	2,244,518	1,838,316	9,851,545		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	206,917	43,030	39,009	147,111	118,658	554,724		

Note:

(1) The results shown on this appendix are tabulated for system settlement on IPS, page 1, Items VI and VII.

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES
									FOR EAST ZONE
PARTICIPANT TOTAL*									
**Includes all participants except SCG and BCK	Various	340,092	70,534	204,537	239,368	196,021	1,050,552	Various	
AEP/AB Emergency Load Response	4470208	2.27	0.47	1.37	1.60	1.31	7.02	East Zone SIA	
Buckeye (BCK)									
Capacity Credit Market	4470099	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	(307,563)	(63,783)	(184,946)	(216,410)	(177,299)	(850,000)	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,783	6,799	19,713	23,067	18,898	101,260	No	
Regulation Credit (Expense)	5550079	10,776	2,235	6,480	7,583	6,212	33,285	No	
Spinning Reserve - Credit	5550084	518	107	311	364	298	1,589	No	
Buckeye Pass-Through	4470141	(4,092,853)	(848,938)	(2,462,029)	(2,881,821)	(2,398,574)	(12,644,214)	No	
Transmission Loss Credit	4470208	64	13	39	45	37	199.47	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES ⁽¹⁾		(4,016,180)	(833,032)	(2,415,893)	(2,627,801)	(2,314,404)	(12,407,305)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,809,981)	(790,152)	(2,291,219)	(2,681,195)	(2,196,159)	(11,768,707)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)		(206,199)	(42,880)	(124,673)	(146,606)	(118,245)	(638,603)		



Date November 2010

Subject East Interchange Power Statement and Related Data
November 2010 Actual

Reviewer: David B. Roberts (Bruce)
1/3/2011

Approved Eric Gleckler
1/3/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of November 2010.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
November 2010

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: November 2010

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		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,766,177 52,056 132,106 117,801 650,518 2,718,658	202,047 165,398 755,163 1,522,892 73,158 2,718,658	72,778,770 6,090,761 4,528,254 4,570,388 18,535,914 106,504,087	8,209,806 4,495,446 22,986,737 68,573,235 2,238,860 106,504,085
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,733,642 52,673 117,869 117,672 643,533 2,665,389	168,886 166,511 740,808 1,520,655 68,529 2,665,389	72,417,448 6,170,510 4,052,826 4,634,596 18,408,675 105,684,054	7,250,634 4,561,188 22,526,975 69,330,112 2,015,146 105,684,055
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	32,535 (617) 14,237 129 6,985 53,269	33,161 (1,113) 14,355 2,237 4,629 53,269	361,322 (79,749) 475,428 (64,208) 127,239 820,033	959,172 (65,742) 459,761 (756,877) 223,715 820,030
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)			APCO KPCO I&M OPCO CSP TOTAL	10,146 2,103 6,099 0 5,847 24,195	0 0 0 24,195 0 24,195
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)			APCO KPCO I&M OPCO CSP West. AEP TOTAL	0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 7,455 0 0 107,744 115,199	48,291 7,935 0 45,790 5,727 7,455 115,199
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	1,271,100 263,737 765,111 896,088 732,044 0 3,928,080	0 0 0 0 0 3,928,080 3,928,080

ACTUAL: November 2010

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	1,262,114
	KPCO	0	261,872
	I&M	0	759,704
	OPCO	0	889,757
	CSP	0	726,869
	East. AEP (Co. 122)	3,900,316	0
	TOTAL	3,900,316	3,900,316
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	5,665,706
	KPCO	0	1,174,974
	I&M	0	3,406,938
	OPCO	0	3,986,536
	CSP	0	3,266,078
	East. AEP (Co.122)	17,500,233	0
	TOTAL	17,500,233	17,500,233
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	5,714,413
	KPCO	0	1,185,072
	I&M	0	3,436,221
	OPCO	0	4,020,803
	CSP	0	3,294,150
	East. AEP (Co.122)	17,650,659	0
	TOTAL	17,650,659	17,650,659
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	48,706	0
	KPCO	10,099	0
	I&M	29,283	0
	OPCO	34,266	0
	CSP	28,072	0
	East. AEP (Co.122)	0	150,426
	TOTAL	150,426	150,426

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: November 2010

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555 (1)	CREDIT A/C 447 (2)	CHARGE A/C 555 (3)	CREDIT A/C 447 (4)	
		kW	\$/kW					
I.	ACTUAL	APCO	(2,238,900)	13.25	29,663,803	0	43,114,967	8,209,806
	BILLING	KPCO	(317,200)	13.25	4,202,670	0	1,888,091	4,495,446
	AMOUNT	I&M	247,800	15.39	0	3,813,642	4,528,254	19,173,095
		OPCO	2,419,200	13.03	0	31,522,176	4,570,388	37,051,059
		CSP	(110,900)	13.25	1,469,345	0	17,066,569	2,238,860
		TOTAL			35,335,818	35,335,818	71,168,269	71,168,267
II.	PREVIOUSLY	APCO			30,031,880	0	42,385,568	7,250,634
	ESTIMATED	KPCO			4,254,818	0	1,915,692	4,561,188
	BILLING	I&M			0	3,744,787	4,052,826	18,782,188
	AMOUNT *	OPCO			0	32,029,488	4,634,596	37,300,624
		CSP			1,487,577	0	16,921,098	2,015,146
		TOTAL			35,774,275	35,774,275	69,909,779	69,909,780
IV.	ADJUSTMENT	APCO			(368,077)	0	729,399	959,172
	TO BE BOOKED	KPCO			(52,148)	0	(27,601)	(65,742)
	NEXT MONTH	I&M			0	68,855	475,428	390,906
	(I - II + III)	OPCO			0	(507,312)	(64,208)	(249,565)
		CSP			(18,232)	0	145,471	223,715
		TOTAL			(438,457)	(438,457)	1,258,490	1,258,487
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO		1,766,177	202,047	72,778,770	8,209,806	
	BILLING	KPCO		52,056	165,398	6,090,761	4,495,446	
	AMOUNT	I&M		132,106	755,163	4,528,254	22,986,737	
		OPCO		117,801	1,522,892	4,570,388	68,573,235	
		CSP		650,518	73,158	18,535,914	2,238,860	
		TOTAL		2,718,658	2,718,658	106,504,087	106,504,085	
II.	PREVIOUSLY	APCO		1,733,642	168,886	72,417,448	7,250,634	
	ESTIMATED	KPCO		52,673	166,511	6,170,510	4,561,188	
	& ENERGY	I&M		117,869	740,808	4,052,826	22,526,975	
	BILLING	OPCO		117,672	1,520,655	4,634,596	69,330,112	
	AMOUNT	CSP		643,533	68,529	18,408,675	2,015,146	
		TOTAL		2,665,389	2,665,389	105,684,054	105,684,055	
IV.	ADJUSTMENT	APCO		32,535	33,161	361,322	959,172	
	TO BE BOOKED	KPCO		(617)	(1,113)	(79,749)	(65,742)	
	NEXT MONTH	I&M		14,237	14,355	475,428	459,761	
	(I - III)	OPCO		129	2,237	(64,208)	(756,877)	
		CSP		6,985	4,629	127,239	223,715	
		TOTAL		53,269	53,269	820,033	820,030	

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: November 2010

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,379,000	0.32375	8,617,900	(2,238,900)
KPCO	1,470,000	0.06714	1,787,200	(317,200)
I&M	5,430,000	0.19468	5,182,200	247,800
OPCO	8,483,000	0.22780	6,063,800	2,419,200
CSP	4,857,000	0.18663	4,967,900	(110,900)
TOTAL	26,619,000	1.00000	26,619,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,238,900)	***** + *****	(29,663,803)
KPCO	(317,200)	***** + *****	(4,202,670)
I&M	247,800	9.92 + 5.47	3,813,642
OPCO	2,419,200	10.6 + 2.43	31,522,176
CSP	(110,900)	***** + *****	(1,469,345)

EQUALIZATION CAPACITY RATE: 13.2493
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

November 2010

PAGE (4)

**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	402,152	447,213	15,386,134	18,485,403
RECOVERY AND MLR	KPCO	81,732	59,942	3,190,811	2,163,628
ALLOCATION FOR ALL	I&M	242,406	198,590	9,252,116	8,572,650
AEP SYSTEM	OPCO	283,358	370,335	10,826,135	12,327,173
DELIVERIES TO	CSP	228,311	161,879	8,869,542	5,975,882
NON-AFFILIATED COS.	AEP	1,237,959	1,237,959	47,524,738	47,524,737
ADJUSTMENT TO	APCO	(245,166)	(245,166)	(10,275,596)	(10,275,596)
PREVENT RECOGNITION	KPCO	(32,601)	(32,601)	(1,372,803)	(1,372,803)
OF SALES BY POOL	I&M	(110,969)	(110,969)	(4,741,673)	(4,741,673)
MEMBERS TO	OPCO	(165,557)	(165,557)	(6,255,747)	(6,255,747)
THEMSELVES	CSP	(99,292)	(99,292)	(4,090,418)	(4,090,418)
(PAGE 7)	AEP	(653,585)	(653,585)	(26,736,237)	(26,736,237)
SUBTOTAL	APCO	156,986	202,047	5,110,538	8,209,806
AEP EXTERNAL	KPCO	49,131	27,341	1,818,008	790,825
ENERGY	I&M	131,437	87,621	4,510,443	3,830,978
	OPCO	117,801	204,778	4,570,388	6,071,426
	CSP	129,019	62,587	4,779,124	1,885,463
	AEP	584,374	584,374	20,788,501	20,788,499
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,609,191	0	38,004,429	0
ENERGY	KPCO	2,925	138,057	70,083	3,704,621
(PAGE 8)	I&M	669	667,542	17,811	15,342,117
	OPCO	0	1,318,114	0	30,979,633
	CSP	521,499	10,571	12,287,445	353,397
	AEP	2,134,284	2,134,284	50,379,768	50,379,768
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,766,177	202,047	43,114,967	8,209,806
	KPCO	52,056	165,398	1,888,091	4,495,446
	I&M	132,106	755,163	4,528,254	19,173,095
	OPCO	117,801	1,522,892	4,570,388	37,051,059
	CSP	650,518	73,158	17,066,569	2,238,860
	AEP	2,718,658	2,718,658	71,168,269	71,168,267

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: November 2010

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	0	0	0
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	0	0	0	0
SPECIAL SERVICE	OPCO	0	0	0	0
CUSTOMERS	CSP	0	0	0	0
	AEP	0	0	0	0
PREVIOUSLY	APCO	0	0	0	0
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
ADJUSTMENT	APCO	0	0	0	0
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: November 2010

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	15,386,134	18,485,403	17,777,539	2,391,405
KPCO	3,190,811	2,163,628	3,686,747	495,936
I&M	9,252,116	8,572,650	10,690,119	1,438,003
OPCO	10,826,135	12,327,173	12,508,769	1,682,634
CSP	8,869,542	5,975,882	10,248,102	1,378,560
TOTAL	47,524,738	47,524,737	54,911,276	7,386,538

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	2,391,405	0.32375
KPCO	0	495,936	0.06714
I&M	0	1,438,003	0.19468
OPCO	0	1,682,634	0.22780
CSP	0	1,378,560	0.18663
TOTAL	0	7,386,538	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO₂ & NO_x emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED:	\$0
LESS EASTERN AEP REALIZATION SHARE:	\$0
WESTERN REALIZATION SHARE:	\$0
LESS AMOUNT ALREADY BOOKED ON WEST	\$0
TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP:	\$0

(1)

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043
APCO	0	0	0	0	0	0
KPCO	0	0	0	0	0	0
I&M	0	0	0	0	0	0
OPCO	0	0	0	0	0	0
CSP	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043
PSO	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0
TCC	0	0	0	0	0	0
TNC	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: November 2010

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	165,226	5,207,028	0.32375	53,492	1,685,775
KPCO	29,285	847,220	0.06714	1,966	56,882
I&M	27,321	881,756	0.19468	5,319	171,660
OPCO	217,692	6,563,034	0.22780	49,590	1,495,059
CSP	53,915	1,678,213	0.18663	10,062	313,205
TOTAL	493,439	15,177,250	1.00000	120,429	3,722,581

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	133,550	6,933,166	0.32375	43,237	2,244,613
KPCO	24	523	0.06714	2	35
I&M	81,482	3,875,331	0.19468	15,863	754,449
OPCO	47,496	1,299,471	0.22780	10,820	296,019
CSP	23,033	639,876	0.18663	4,299	119,420
TOTAL	285,585	12,748,366	1.00000	74,221	3,414,536

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	148,437	6,345,208
KPCO	30,633	1,315,886
I&M	89,787	3,815,564
OPCO	105,147	4,464,669
CSP	84,931	3,657,793
TOTAL	458,935	19,599,120

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	245,166	10,275,596
KPCO	32,601	1,372,803
I&M	110,969	4,741,673
OPCO	165,557	6,255,747
CSP	99,292	4,090,418
TOTAL	653,585	26,736,237

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: November 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	103,467	25.407	2,628,786
2. I&M	APCO	504,806	18.412	9,294,488
3. OPCO	APCO	990,698	21.037	20,841,314
4. CSP	APCO	10,220	26.677	272,638
5. TOTAL	APCO	1,609,191	20.530	33,037,226
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	501	18.411	9,224
8. OPCO	KPCO	2,263	21.037	47,606
9. CSP	KPCO	161	26.671	4,294
10. TOTAL	KPCO	2,925	20.897	61,124
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	61	25.393	1,549
13. OPCO	I&M	418	21.036	8,793
14. CSP	I&M	190	26.674	5,068
15. TOTAL	I&M	669	23.034	15,410
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	34,529	25.407	877,278
23. I&M	CSP	162,235	18.412	2,987,070
24. OPCO	CSP	324,735	21.037	6,831,450
25. TOTAL	CSP	521,499	20.510	10,695,798
26. TOTAL ALL MEMBERS RECEIVED		2,134,284	20.527	43,809,558
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	138,057	25.407	3,507,613
29. I&M	2, 7, 18, & 23	667,542	18.412	12,290,782
30. OPCO	3, 8, 13, & 24	1,318,114	21.037	27,729,163
31. CSP	4, 9, 14, & 19	10,571	26.677	282,000
32. TOTAL ALL MEMBERS DELIVERED:		2,134,284	20.527	43,809,558

ACTUAL: November 2010

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	103,467	26.833	2,776,434
2. I&M	APCO	504,806	22.983	11,601,956
3. OPCO	APCO	990,698	23.503	23,284,375
4. CSP	APCO	10,220	33.430	341,664
5. TOTAL	APCO	1,609,191	23.617	38,004,429
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	501	22.983	11,514
8. OPCO	KPCO	2,263	23.503	53,187
9. CSP	KPCO	161	33.430	5,382
10. TOTAL	KPCO	2,925	23.960	70,083
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	61	26.833	1,636
13. OPCO	I&M	418	23.503	9,824
14. CSP	I&M	190	33.430	6,351
15. TOTAL	I&M	669	26.623	17,811
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	34,529	26.833	926,551
23. I&M	CSP	162,235	22.983	3,728,647
24. OPCO	CSP	324,735	23.503	7,632,247
25. TOTAL	CSP	521,499	23.562	12,287,445
26. TOTAL ALL MEMBERS RECEIVED		2,134,284	23.605	50,379,768
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	138,057	26.833	3,704,621
29. I&M	2, 7, 18, & 23	667,542	22.983	15,342,117
30. OPCO	3, 8, 13, & 24	1,318,114	23.503	30,979,633
31. CSP	4, 9, 14, & 19	10,571	33.430	353,397
32. TOTAL ALL MEMBERS DELIVERED:		2,134,284	23.605	50,379,768

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: November 2010

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ECONOMY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY

ACTUAL: November 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY \$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

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**AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)**

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	0	0	0.0000	0	0.0000
	AMOS 2	25,522	444,007	0.0575	96	5.5182
	AMOS 3	29,606	182,954	0.1618	79	12.7840
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	12,816	59,401	0.2158	335	72.2776
	CLINCH RIVER 2	213	3,733	0.0571	21	1.1982
	CLINCH RIVER 3	0	0	0.0000	(1)	0.0000
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	10,237	39,453	0.2595	253	65.6467
	KANAWHA RIVER 2	16,521	56,853	0.2906	356	103.4506
	MOUNTAINEER 1	15,821	121,284	0.1304	63	8.2181
	SPORN 1	22,750	67,558	0.3367	502	169.0473
	SPORN 3	7,414	26,698	0.2777	195	54.1512
	TOTAL	140,900	1,001,941	0.1406	1,899	492.2919
KPCO	BIG SANDY 1	0	0	0.0000	0	0.0000
	BIG SANDY 2	29,285	490,573	0.0597	3,210	191.6226
	ROCKPORT 1 (AEG)	0	140,013	0.0000	436	0.0000
	ROCKPORT 2 (AEG)	24	93,673	0.0003	276	0.0707
		TOTAL	29,309	724,259	0.0405	3,922
I&M	ROCKPORT 1	0	466,554	0.0000	1,451	0.0000
	ROCKPORT 1 (AEG)	0	326,617	0.0000	1,015	0.0000
	ROCKPORT 2	78	312,574	0.0002	923	0.2303
	ROCKPORT 2 (AEG)	55	218,645	0.0003	645	0.1622
	TANNERS CREEK 1	8,005	33,503	0.2389	126	30.1057
	TANNERS CREEK 2	0	0	0.0000	0	0.0000
	TANNERS CREEK 3	11,756	47,033	0.2500	170	42.4919
	TANNERS CREEK 4	7,482	335,819	0.0223	1,984	44.2032
		TOTAL	27,376	1,740,745	0.0157	6,314

ACTUAL: November 2010

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	59,777	369,398	0.1618	158	25,5680
	CARDINAL 1	38,638	256,135	0.1509	228	34,3938
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	48,551	48,551	1.0000	342	341,7183
	GAVIN 1	1,099	922,023	0.0012	1,276	1,5209
	GAVIN 2	2,386	923,346	0.0026	1,214	3,1371
	KAMMER 1	0	1	0.0000	0	0.0000
	KAMMER 2	5,287	57,277	0.0923	500	46,1529
	KAMMER 3	7,095	31,804	0.2231	296	66,0332
	MITCHELL 1	26,178	423,438	0.0618	211	13,0445
	MITCHELL 2	5,224	285,576	0.0183	236	4,3171
	MUSKINGUM 1	1,066	55,078	0.0194	1,559	30,1735
	MUSKINGUM 2	0	0	0.0000	0	0.0000
	MUSKINGUM 3	0	0	0.0000	0	0.0000
	MUSKINGUM 4	3,368	103,124	0.0327	2,568	83,8701
	MUSKINGUM 5	1,664	284,782	0.0058	1,863	10,8856
	SPORN 2	17,359	62,530	0.2776	456	126,5905
	SPORN 4	0	0	0.0000	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	217,692	3,823,063	0.0569	10,907
CSP	BECKJORD 6	0	21,130	0.0000	413	0.0000
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	3,224	37,356	0.0863	905	78,1058
	CONESVILLE 4	24	2,575	0.0093	(12)	-0.1118
	CONESVILLE 5	2,217	8,336	0.2660	27	7,1808
	CONESVILLE 6	0	0	0.0000	0	0.0000
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	225	5,407	0.0416	0	0.0000
	LAWRENCEBURG 2	2,715	59,443	0.0457	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	466	4,366	0.1067	12	1,2808
	STUART 2	12,280	97,731	0.1257	41	5,1517
	STUART 3	9,337	98,561	0.0947	59	5,5893
	STUART 4	12,666	98,714	0.1283	46	5,9023
WATERFORD	13,428	193,390	0.0694	0	0.0000	
ZIMMER 1	273	224,659	0.0012	484	0,5881	
	TOTAL	56,855	851,668	0.0668	1,975	103,6870

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: November 2010

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
I. AEP EXTERNAL ENERGY (3)	SO2 COST (\$) (AS SUPPLIED) (1)	SO2 COST (\$) (ADJUSTED) (2)	\$ SO2 ADJUSTMENT (3)=(2)-(1)
APCO	6,500	10,205	3,705
KPCO	2,868	25,758	22,890
I&M	1,666	10,343	8,677
OPCO	11,205	34,843	23,638
CSP	1,323	20,517	19,194
AEP	<u>23,563</u>	<u>101,666</u>	<u>78,103</u>
	NOX COST (\$) (AS SUPPLIED) (4)	NOX COST (\$) (ADJUSTED) (5)	\$ NOX ADJUSTMENT (6)=(5)-(4)
APCO	40,905	0	(40,905)
KPCO	3,894	36	(3,858)
I&M	9,904	6,304	(3,600)
OPCO	29,934	365	(29,569)
CSP	10,667	1,068	(9,599)
AEP	<u>95,304</u>	<u>7,772</u>	<u>(87,532)</u>
	SOURCE ALLOCATION (UNADJUSTED) (7)	SOURCE ALLOCATION (ADJUSTED) (8)=(7)+(3)+(6)	
APCO	18,522,603	18,485,403	
KPCO	2,144,597	2,163,628	
I&M	8,567,573	8,572,650	
OPCO	12,333,105	12,327,173	
CSP	5,966,288	5,975,882	
AEP	<u>47,534,166</u>	<u>47,524,737</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	15.60	323.41
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	134.37	2.98
I&M \$/Ton:	88.26	211.69
OPCO \$/Ton:	44.25	3.92
CSP \$/Ton:	197.87	32.37

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 10/31/2010

OPERATING COMPANY PERCENTAGE
 NOVEMBER 2010

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32375	0.06714	0.19468	0.22780	0.18663

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
10/10	15012	22	08	4550	22	08	1002	20	07	3170	12	14	3673	11	19	2617
09/10	20018	02	16	5861	02	16	1191	01	13	3938	01	15	4989	02	16	4039
08/10	21174	04	16	6200	04	14	1310	12	16	4422	10	14	5096	13	16	4146
07/10	21269	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4289
06/10	20188	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4160
05/10	18403	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3643
04/10	15059	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	16	2662
03/10	18083	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3037
02/10	19912	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3281
01/10	20592	11	08	7440	08	09	1543	07	08	3680	13	08	4563	05	19	3366
12/09	19925	11	08	6613	11	08	1434	10	19	3858	10	20	4510	10	19	3510
11/09	16370	06	08	5106	06	08	1113	30	20	3373	06	10	3848	30	20	2930

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
22981	7440	1543	4474	5235	4289

DATE/TIME	01/11/10 HR 08	01/08/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16
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Notes:

ACTUAL: November 2010	SYSTEM PRIMARY CAPACITY	APPENDIX II
STATION		PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY		
Amos		2,032,000
Ceredo		482,000
Clinch River		700,000
Glen Lyn		332,000
Kanawha River		400,000
Mountaineer		1,317,000
Sporn		295,000
Beech Ridge Wind Farm		31,000
Camp Grove Wind Farm		26,000
Fowler Ridge Wind Farm		31,000
Grand Ridge Wind Farm		33,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		5,679,000
Smith Mountain (Hydro)		586,000
SEPA Capacity Agreement		4,000
Other Conventional Hydros		82,000
Summersville		28,000
TOTAL MEMBER PRIMARY CAPACITY		6,379,000
KENTUCKY POWER COMPANY		
Big Sandy		1,077,000
Rockport 1 (Purchase from AEG)		198,000
Rockport 2 (Purchase from AEG)		195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		1,470,000
TOTAL MEMBER PRIMARY CAPACITY		1,470,000
INDIANA MICHIGAN POWER COMPANY		
Cook		2,149,000
Rockport 1 (I&M owned)		660,000
Rockport 1 (Purchase from AEG)		461,000
Rockport 2 (I&M leased)		650,000
Rockport 2 (Purchase from AEG)		455,000
Tanners Creek		992,000
Fowler Ridge Wind Farm I		32,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		5,416,000
Others (Hydro)		14,000
TOTAL MEMBER PRIMARY CAPACITY		5,430,000
OHIO POWER COMPANY		
Amos		865,000
Cardinal		592,000
Gavin		2,638,000
Kammer		620,000
Mitchell		1,560,000
Muskingum River		1,424,000
Sporn		742,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		8,458,000
Racine (Hydro)		25,000
TOTAL MEMBER PRIMARY CAPACITY		8,483,000
COLUMBUS SOUTHERN POWER COMPANY		
Beckjord		52,000
Conesville		1,302,000
Darby		473,000
Lawrenceburg		1,155,000
Picway		98,000
Stuart		600,000
Waterford		830,000
Zimmer		330,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		4,857,000
TOTAL MEMBER PRIMARY CAPACITY		4,857,000
TOTAL SYSTEM PRIMARY CAPACITY		26,619,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 November 2010

APPENDIX III

**MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010**

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capability*** as of <u>12/31/2009</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2009</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,483,267,503		
Ceredo	482,000	203,369,148		
Clinch River	700,000	358,164,558		
Glen Lyn	332,000	148,885,831		
Kanawha River	400,000	182,968,061		
Mountaineer	1,317,000	1,450,802,783		
Sporn	295,000	134,047,947		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	31,000	0		
Grand Ridge Wind Farm	33,000	0		
Appalachian Total	5,679,000	3,961,505,831	697.57	9.56
KENTUCKY POWER COMPANY				
Big Sandy	1,077,000	536,453,896		
Rockport 1 Purchased from AEG	198,000	193,366,259		
Rockport 2 Purchased from AEG	195,000	27,141,372		
Kentucky Total	1,470,000	756,961,527	514.94	7.05
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,062,724,614		
Rockport 1 Ownership Share	660,000	636,774,575		
Rockport 1 Purchased from AEG	461,000	451,187,937		
Rockport 2 Leased Shared	650,000	90,849,751		
Rockport 2 Purchased from AEG	455,000	63,329,867		
Tanners Creek	992,000	616,366,861		
Fowler Ridge Wind Farm I	32,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,416,000	3,921,233,605	724.01	9.92
OHIO POWER COMPANY				
Amos	865,000	924,967,652		
Cardinal	592,000	697,320,442		
Gavin	2,638,000	1,902,741,299		
Kammer	620,000	314,113,001		
Mitchell	1,560,000	1,680,573,111		
Muskingum River	1,424,000	653,370,851		
Sporn	742,000	369,031,699		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,458,000	6,542,118,055	773.48	10.60
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	19,174,815		
Conesville	1,302,000	960,396,210		
Darby	473,000	190,517,993		
Lawrenceburg Purchased from AEG	1,155,000	694,861,245		
Picway	98,000	41,666,553		
Stuart	600,000	498,179,916		
Waterford	830,000	211,967,376		
Zimmer	330,000	768,336,888		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,385,100,996	696.95	9.55

ACTUAL:
 November 2010

APPENDIX IV

PRODUCTION EXPENSES INCURRED
GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	1,207,895	11,071	632,854	(133,924)	144,994
SPORN (APCO)	94,256	3,642,894	2,965,522	294,773	2,815,509	150,014
KANAWHA RIVER	96,306	4,648,305	3,435,767	714,558	3,088,679	347,089
CLINCH RIVER	63,134	3,386,426	1,649,356	831,079	1,394,081	255,275
AMOS (APCO)	627,938	25,534,614	15,767,095	6,225,957	14,182,258	1,584,837
MOUNTAINEER	121,284	11,150,013	4,421,942	5,176,162	4,070,948	350,994
CEREDO	0	413,949	(4,422)	51,605	(4,625)	202
BEECH RIDGE	19,389	0	0	0	0	0
CAMP GROVE	24,038	0	0	0	0	0
FOWLER RIDGE III	28,534	0	0	0	0	0
GRAND RIDGE II	15,984	0	0	0	0	0
GRAND RIDGE III	15,866	0	0	0	0	0
TOTAL	1,106,729	49,984,096	28,246,331	13,926,988	25,412,925	2,833,405
RATES:		31.814	25.522	6.292	22.962	2.560
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	490,573	16,355,791	13,858,544	799,083	13,607,391	251,154
ROCKPORT 1 (AEG)	140,013	4,443,827	2,925,046	237,745	2,818,373	106,673
ROCKPORT 2 (AEG)	93,673	2,971,130	2,052,561	158,956	1,975,361	77,200
TOTAL	724,259	23,770,747	18,836,152	1,195,784	18,401,125	435,026
RATES:		26.834	26.008	0.826	25.407	0.601
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	80,536		2,919,679		2,685,914	233,765
TANNERS CREEK 4	335,819		8,898,816		8,218,716	680,099
TANNERS CREEK TOTAL	416,355	14,486,966	11,818,494	1,758,046	10,904,630	913,864
ROCKPORT 1 (OWNED SHARE)	466,554	14,807,790	9,746,885	792,218	9,391,428	355,457
ROCKPORT 1 (AEG)	326,617	10,366,392	6,823,437	554,603	6,574,595	248,842
ROCKPORT 2 (AEG)	218,645	6,934,982	4,790,930	371,022	4,610,736	180,194
ROCKPORT 2 (LEASED SHARE)	312,574	9,914,238	6,849,105	530,413	6,591,500	257,605
COOK	728,352	30,884,236	8,209,752	15,064,721	8,209,752	0
FOWLER RIDGE I	28,691	0	0	0	0	0
FOWLER RIDGE II	15,952	0	0	0	0	0
TOTAL	2,513,740	87,394,603	48,238,602	19,071,023	46,282,641	1,955,962
RATES:		22.983	19.190	3.793	18.412	0.778
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	62,530	3,123,396	1,995,353	702,322	1,863,836	131,517
MUSKINGUM	442,984	14,483,478	10,058,322	2,982,173	9,841,764	216,558
KAMMER	89,082	4,720,791	3,414,101	812,688	3,244,956	169,146
CARDINAL (OPCO)	256,576	7,214,690	4,514,189	1,570,114	4,689,870	(175,682)
MITCHELL	709,014	21,255,100	17,330,145	1,856,824	17,113,525	216,621
AMOS (OPCO)	368,421	10,956,541	9,212,739	892,451	8,837,415	375,323
GAVIN	1,845,369	47,899,063	36,280,816	3,747,336	34,148,012	2,132,804
FOWLER RIDGE II	15,952	0	0	0	0	0
Wyandot	589	0	0	0	0	0
TOTAL	3,790,517	109,653,059	82,805,665	12,563,908	79,739,377	3,066,288
RATES:		23.503	21.846	1.657	21.037	0.809
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	48,267	11,351,780	3,442,164	5,870,014	3,001,919	440,245
PICWAY	0	343,866	(897)	240,686	0	(897)
BECKJORD	21,130	1,028,046	717,125	261,618	667,918	49,207
STUART	299,372	10,980,730	7,478,073	2,567,303	7,223,037	255,035
ZIMMER	224,659	5,837,912	4,731,990	397,286	4,566,566	165,423
WATERFORD	193,390	6,327,664	5,620,573	328,786	5,631,572	(10,999)
DARBY	0	296,077	(9,567)	148,462	550	(10,117)
LAWRENCEBURG	64,850	3,020,716	2,083,392	100,690	2,065,910	17,483
FOWLER RIDGE II	15,952	0	0	0	0	0
Wyandot	463	0	0	0	0	0
TOTAL	868,083	39,186,791	24,062,853	9,914,845	23,157,472	905,381
RATES:		33.431	27.720	5.711	26.677	1.043
SYSTEM TOTAL	9,003,328	309,989,296	202,189,603	56,672,548	192,993,540	9,196,062
SYSTEM TOTAL	9,003,328	309,989,296	202,189,603	56,672,548	192,993,540	9,196,062

ACTUAL: November 2010

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

<u>COMPANY</u>	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	49,984,096	25,412,925	2,833,405	13,926,988	6,963,494
KPCO	23,770,747	18,401,125	435,026	1,195,784	597,892
I&M	87,394,603	46,282,641	1,955,962	19,071,023	9,535,512
OPCO	109,653,059	79,739,377	3,066,288	12,563,908	6,281,954
CSP	39,186,791	23,157,472	905,381	9,914,845	4,957,423
TOTAL	309,989,296	192,993,540	9,196,062	56,672,548	28,336,275

CALCULATION OF MEMBER PRIMARY RATES:

<u>COMPANY</u>	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	9,796,899	1,106,729	1,106,729	31.814
KPCO	1,032,918	724,259	724,259	26.833
I&M	11,491,474	2,513,740	2,513,740	22.983
OPCO	9,348,242	3,790,517	3,790,517	23.503
CSP	5,862,804	868,083	868,083	33.430
TOTAL	37,532,337	9,003,328	9,003,328	25.604

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

<u>COMPANY</u>	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	14,774,271	5,679,000	2.60
KPCO	4,336,704	1,470,000	2.95
I&M	29,620,488	5,416,000	5.47
OPCO	20,565,440	8,458,000	2.43
CSP	10,166,515	4,857,000	2.09
TOTAL	79,463,418	25,880,000	3.07

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: November 2010

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	243,161	30,568	233,175	30,728	10,146	0
	KPCO	50,427	6,339	48,357	6,372	2,103	0
	I&M	146,219	18,382	140,215	18,477	6,099	0
	OPCO	72,911	579,980	73,290	556,164	0	24,195
	CSP	140,173	17,622	134,417	17,713	5,847	0
	TOTAL	652,891	652,891	629,454	629,454	24,195	24,195
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NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	3,735,045	0	3,756,666	21,621	0
	KPCO	0	774,586	0	779,070	4,484	0
	I&M	0	2,245,971	0	2,258,972	13,001	0
	OPCO	0	2,628,063	0	2,643,276	15,213	0
	CSP	0	2,153,117	0	2,165,581	12,464	0
	East. AEP (Co. 122)	11,536,782	0	11,603,564	0	0	66,783
	TOTAL	11,536,782	11,536,782	11,603,564	11,603,564	66,783	66,783
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THIRD PARTY SALES (2)	APCO	3,272,039	5,202,701	3,174,164	5,131,911	101,704	74,618
	KPCO	678,561	1,078,949	658,265	1,064,268	21,090	15,475
	I&M	1,967,568	3,128,535	1,908,715	3,085,964	61,155	44,873
	OPCO	2,302,301	3,660,775	2,233,435	3,610,962	71,560	52,507
	CSP	1,886,207	2,999,168	1,829,787	2,958,356	58,626	43,018
	East. AEP (Co. 122)	16,070,127	10,106,676	15,851,461	9,804,366	230,492	314,135
	TOTAL	26,176,802	26,176,802	25,655,827	25,655,827	544,627	544,627
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GROSS TOTAL	APCO	3,272,039	8,937,745	3,174,164	8,888,577	123,325	74,618
	KPCO	678,561	1,853,535	658,265	1,843,337	25,574	15,475
	I&M	1,967,568	5,374,506	1,908,715	5,344,936	74,156	44,873
	OPCO	2,302,301	6,288,837	2,233,435	6,254,238	86,773	52,507
	CSP	1,886,207	5,152,285	1,829,787	5,123,937	71,090	43,018
	East. AEP (Co. 122)	27,606,908	10,106,676	27,455,025	9,804,366	230,492	380,918
	TOTAL	37,713,584	37,713,584	37,259,391	37,259,391	611,410	611,410
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NET TOTAL	APCO	0	5,665,706	0	5,714,413	48,706	0
	KPCO	0	1,174,974	0	1,185,072	10,099	0
	I&M	0	3,406,938	0	3,436,221	29,283	0
	OPCO	0	3,986,536	0	4,020,803	34,266	0
	CSP	0	3,266,078	0	3,294,150	28,072	0
	East. AEP (Co. 122)	17,500,233	0	17,650,659	0	0	150,426
	TOTAL	17,500,233	17,500,233	17,650,659	17,650,659	150,426	150,426

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE

Pwr Code	Customer	ACCT	AGNT	CO. ASNT	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT					
						APCO	KPCO	I&M	OPCO	CSP	Total	APCO	KPCO	I&M	OPCO	CSP	NET
	Totals				751,076	243,161	50,427	146,219	171,095	140,173	751,076	(243,161)	(50,427)	(146,219)	579,980	(140,173)	-
CPLC	Progress Energy	4470066	07		408	132	27	80	93	76	408	(132)	(27)	(80)	315	(76)	-
DUKE2	Duke Power Company	4470066	07		10,551	3,416	708	2,054	2,404	1,949	10,551	(3,416)	(708)	(2,054)	8,147	(1,949)	-
ENTE	Entergy Power Serv	(1) 4470066	07		9,755	3,158	655	1,899	2,222	1,821	9,755	(3,158)	(655)	(1,899)	7,533	(1,821)	-
MISO Retail	Midwest Retail	(3) 4470066	07		87,775	28,417	5,893	17,088	19,995	16,382	87,775	(28,417)	(5,893)	(17,088)	67,780	(16,382)	-
MISO Trading	Midwest Trading	4470006	07		120,447	38,995	8,087	23,448	27,438	22,479	120,447	(38,995)	(8,087)	(23,448)	93,009	(22,479)	-
MISO Auction	Midwest Auction	5550099	07		514,771	166,657	34,562	100,216	117,265	96,071	514,771	(166,657)	(34,562)	(100,216)	357,506	(96,071)	-
TYAH	TVA Bulk Power Trading	4470066	07		7,368	2,386	495	1,434	1,678	1,375	7,368	(2,386)	(495)	(1,434)	5,690	(1,375)	-

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	Customer	ACCT	AGNT	CO. ASNT	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT					
						APCO	KPCO	I&M	OPCO	CSP	Total	APCO	KPCO	I&M	OPCO	CSP	NET
	Totals				(94,420)	(30,568)	(6,339)	(18,382)	(21,509)	(17,622)	(94,420)	30,568	6,339	18,382	(72,911)	17,622	-
CLEB2	City of Lebanon	4470066	07		(94,420)	(30,568)	(6,339)	(18,382)	(21,509)	(17,622)	(94,420)	30,568	6,339	18,382	(72,911)	17,622	-

- Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (\$5,644.85)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$87,775.31)
 (3) \$0 of the ENTE Invoice will be allocated to PSO/SWEPCO - See Appendix VIII Page 4

ACTUAL: November 2010

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
ENERGY (1)						
I.	ACTUAL	APCO	404,313	417,361	16,457,003	21,573,485
	THIS MONTH	KPCO	83,968	86,595	3,412,890	4,473,958
		I&M	243,230	251,045	9,896,056	12,972,745
		OPCO	284,201	293,314	11,579,627	15,179,736
		CSP	232,723	240,119	9,486,852	12,436,319
		TOTAL	1,248,435	1,288,434	50,832,429	66,636,243
II.	PREVIOUS	APCO	404,954	414,166	16,480,122	21,524,696
	ESTIMATE	KPCO	84,102	85,934	3,417,685	4,463,840
		I&M	243,613	249,124	9,909,961	12,943,407
		OPCO	284,653	291,066	11,595,898	15,145,407
		CSP	233,090	238,276	9,500,183	12,408,194
		TOTAL	1,250,412	1,278,566	50,903,849	66,485,544
III.	ADJUSTMENT	APCO	(641)	3,195	(23,119)	48,789
	(I-II)	KPCO	(134)	661	(4,795)	10,118
		I&M	(383)	1,921	(13,905)	29,338
		OPCO	(452)	2,248	(16,270)	34,329
		CSP	(367)	1,843	(13,331)	28,125
		TOTAL	(1,977)	9,868	(71,420)	150,699
EXERCISED						
OPTIONS &						
PREMIUMS (2)						
		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: November 2010

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
I. ACTUAL THIS MONTH	APCO	40,248	40,202	1,706,448	1,792,667			
	KPCO	8,324	8,325	353,886	371,767			
	I&M	24,175	24,174	1,026,135	1,077,981			
	OPCO	28,246	28,245	1,200,707	1,261,372			
	CSP	22,978	23,025	983,705	1,033,405			
	TOTAL	123,971	123,971	5,270,880	5,537,193			
II. PREVIOUS ESTIMATE	APCO	40,264	40,216	1,705,740	1,793,077			
	KPCO	8,327	8,328	353,740	371,852			
	I&M	24,184	24,184	1,025,709	1,078,228			
	OPCO	28,257	28,256	1,200,208	1,261,661			
	CSP	22,985	23,033	983,296	1,033,642			
	TOTAL	124,017	124,017	5,268,693	5,538,459			
III. ADJUSTMENT (I-II)	APCO	(16)	(14)	708	(410)			
	KPCO	(3)	(3)	147	(85)			
	I&M	(9)	(10)	426	(247)			
	OPCO	(11)	(11)	498	(289)			
	CSP	(7)	(8)	408	(236)			
	TOTAL	(46)	(46)	2,187	(1,267)			

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	0	0	81	16,340	(16,102)
	KPCO	0	0	17	3,388	(3,339)
	I&M	0	0	49	9,826	(9,682)
	OPCO	0	0	57	11,497	(11,329)
	CSP	0	0	47	9,419	(9,282)
	TOTAL	0	0	250	50,471	(49,733)
II. PREVIOUS ESTIMATE	APCO	0	0	81	17,609	(16,031)
	KPCO	0	0	17	3,652	(3,325)
	I&M	0	0	49	10,589	(9,640)
	OPCO	0	0	57	12,390	(11,279)
	CSP	0	0	47	10,150	(9,240)
	TOTAL	0	0	250	54,389	(49,515)
III. ADJUSTMENT (I-II)	APCO	0	0	0	(1,269)	(71)
	KPCO	0	0	0	(263)	(14)
	I&M	0	0	0	(763)	(43)
	OPCO	0	0	0	(893)	(50)
	CSP	0	0	0	(731)	(41)
	TOTAL	0	0	0	(3,919)	(219)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

	EJM NON-ECR PURCHASES - LSE		POWER SWAPS	
	AWH	\$	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
	Act. 5550.001	Act. 5550.001	Act. 4470.143	Act. 4470.082
I. ACTUAL	0	0	6,298	(3,053,989)
THIS MONTH	0	0	1,306	(633,343)
ECR	0	0	3,787	(1,836,450)
OPCO	0	0	4,431	(2,146,877)
CSP	0	0	3,630	(1,760,513)
TOTAL	0	0	19,452	(9,433,172)
II. PREVIOUS ESTIMATE	0	0	6,298	(3,055,502)
ECR	0	0	1,306	(633,697)
IAM	0	0	3,787	(1,837,350)
OPCO	0	0	4,431	(2,149,941)
CSP	0	0	3,630	(1,761,389)
TOTAL	0	0	19,452	(9,437,845)
III. ADJUSTMENT (I-II)	0	0	0	1,513
ECR	0	0	0	314
IAM	0	0	0	910
OPCO	0	0	0	1,064
CSP	0	0	0	872
TOTAL	0	0	0	4,573

PJM NON-ECR ENERGY

	PURCHASES		SALES		PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	Act. 5550.107	Act. 5550.099	Act. 4470.131	Act. 4470.112	Act. 4470.170	Act. 4470.170	Act. 5550.088	Act. 5550.023	Act. 5550.099	Act. 5550.100	Act. 5550.099	Act. 5550.100	Act. 5550.099	Act. 5550.100	Act. 5550.100	Act. 5550.100
I. ACTUAL	0	69,298	291	60,321	60,321	12,656	0	315,696	0	2,316,934	0	382,484	0	73,086	0	392,484
THIS MONTH	0	14,375	60	14,375	14,375	36,633	0	65,462	0	480,490	0	73,086	0	211,922	0	211,922
ECR	0	41,667	175	41,667	41,667	42,865	0	189,813	0	1,393,238	0	189,813	0	247,975	0	247,975
OPCO	0	48,744	205	48,744	48,744	35,117	0	222,105	0	1,630,263	0	203,159	0	203,159	0	203,159
CSP	0	39,316	168	39,316	39,316	188,172	0	975,000	0	7,156,581	0	1,088,565	0	1,088,565	0	1,088,565
TOTAL	0	214,000	899	188,172	188,172	62,851	0	315,696	0	2,387,540	0	392,484	0	73,086	0	392,484
II. PREVIOUS ESTIMATE	0	69,164	291	62,851	62,851	13,035	0	65,462	0	495,133	0	73,086	0	211,922	0	211,922
THIS MONTH	0	14,347	60	14,347	14,347	37,795	0	189,813	0	1,435,696	0	189,813	0	211,922	0	211,922
ECR	0	41,588	175	41,588	41,588	44,224	0	222,105	0	1,679,944	0	203,144	0	203,144	0	203,144
OPCO	0	48,649	205	48,649	48,649	36,229	0	975,000	0	7,374,641	0	1,088,484	0	1,088,484	0	1,088,484
CSP	0	39,839	168	39,839	39,839	194,134	0	0	0	0	0	0	0	0	0	0
TOTAL	0	213,567	899	194,134	194,134	62,851	0	315,696	0	2,387,540	0	392,484	0	73,086	0	392,484
III. ADJUSTMENT (I-II)	0	134	0	(1,930)	(1,930)	0	0	0	0	(70,605)	0	27	0	5	0	27
THIS MONTH	0	28	0	(399)	(399)	0	0	0	0	(14,643)	0	5	0	16	0	16
ECR	0	79	0	(1,162)	(1,162)	0	0	0	0	(48,488)	0	16	0	18	0	18
OPCO	0	95	0	(1,359)	(1,359)	0	0	0	0	(49,581)	0	15	0	15	0	15
CSP	0	77	0	(1,112)	(1,112)	0	0	0	0	(40,703)	0	15	0	15	0	15
TOTAL	0	413	0	(5,362)	(5,362)	0	0	0	0	(218,090)	0	81	0	81	0	81

PJM NON-ECR ENERGY

	PURCHASES		SALES		PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	Act. 5550.107	Act. 5550.099	Act. 4470.131	Act. 4470.112	Act. 4470.170	Act. 4470.170	Act. 5550.088	Act. 5550.023	Act. 5550.099	Act. 5550.100	Act. 5550.099	Act. 5550.100	Act. 5550.099	Act. 5550.100	Act. 5550.100	Act. 5550.100
I. ACTUAL	0	69,298	291	60,321	60,321	12,656	0	315,696	0	2,316,934	0	382,484	0	73,086	0	392,484
THIS MONTH	0	14,375	60	14,375	14,375	36,633	0	65,462	0	480,490	0	73,086	0	211,922	0	211,922
ECR	0	41,667	175	41,667	41,667	42,865	0	189,813	0	1,393,238	0	189,813	0	247,975	0	247,975
OPCO	0	48,744	205	48,744	48,744	35,117	0	222,105	0	1,630,263	0	203,159	0	203,159	0	203,159
CSP	0	39,316	168	39,316	39,316	188,172	0	975,000	0	7,156,581	0	1,088,565	0	1,088,565	0	1,088,565
TOTAL	0	214,000	899	188,172	188,172	62,851	0	315,696	0	2,387,540	0	392,484	0	73,086	0	392,484
II. PREVIOUS ESTIMATE	0	69,164	291	62,851	62,851	13,035	0	65,462	0	495,133	0	73,086	0	211,922	0	211,922
THIS MONTH	0	14,347	60	14,347	14,347	37,795	0	189,813	0	1,435,696	0	189,813	0	211,922	0	211,922
ECR	0	41,588	175	41,588	41,588	44,224	0	222,105	0	1,679,944	0	203,144	0	203,144	0	203,144
OPCO	0	48,649	205	48,649	48,649	36,229	0	975,000	0	7,374,641	0	1,088,484	0	1,088,484	0	1,088,484
CSP	0	39,839	168	39,839	39,839	194,134	0	0	0	0	0	0	0	0	0	0
TOTAL	0	213,567	899	194,134	194,134	62,851	0	315,696	0	2,387,540	0	392,484	0	73,086	0	392,484
III. ADJUSTMENT (I-II)	0	134	0	(1,930)	(1,930)	0	0	0	0	(70,605)	0	27	0	5	0	27
THIS MONTH	0	28	0	(399)	(399)	0	0	0	0	(14,643)	0	5	0	16	0	16
ECR	0	79	0	(1,162)	(1,162)	0	0	0	0	(48,488)	0	16	0	18	0	18
OPCO	0	95	0	(1,359)	(1,359)	0	0	0	0	(49,581)	0	15	0	15	0	15
CSP	0	77	0	(1,112)	(1,112)	0	0	0	0	(40,703)	0	15	0	15	0	15
TOTAL	0	413	0	(5,362)	(5,362)	0	0	0	0	(218,090)	0	81	0	81	0	81

	COSTS		COSTS		COSTS		REVENUES		REVENUES	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED
Act. 5550.107	Act. 3614.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 4470.170	Act. 4470.167	Act. 4470.167	Act. 4470.167
1,090,101	0	14,370	(3,059)	11,576	3,875,897	6,727	3,875,897	6,727	6,727	6,727
226,067	0	2,580	(694)	2,484	863,792	1,395	863,792	1,395	1,395	1,395
655,508	0	9,641	(1,840)	7,201	2,330,686	4,045	2,330,686	4,045	4,045	4,045
757,026	0	10,111	(2,185)	8,427	2,727,199	4,734	2,727,199	4,734	4,734	4,734
628,403	0	8,284	(1,764)	6,504	2,234,313	3,878	2,234,313	3,878	3,878	3,878
3,357,105	0	44,385	(9,450)	36,991	11,571,864	20,779	11,571,864	20,779	20,779	20,779
1,090,100	0	12,741	(3,059)	11,576	4,045,432	6,727	4,045,432	6,727	6,727	6,727
226,067	0	2,642	(694)	2,484	838,951	1,395	838,951	1,395	1,395	1,395
655,508	0	7,661	(1,840)	7,201	2,632,632	4,045	2,632,632	4,045	4,045	4,045
757,026	0	8,585	(2,185)	8,427	2,846,483	4,734	2,846,483	4,734	4,734	4,734
628,403	0	7,345	(1,764)	6,504	2,332,043	3,878	2,332,043	3,878	3,878	3,878
3,357,104	0	39,354	(9,450)	36,991	12,495,543	20,779	12,495,543	20,779	20,779	20,779
1	0	1,629	0	0	(169,535)	0	(169,535)	0	0	0
0	0	338	0	0	(35,158)	0	(35,158)	0	0	0
0	0	979	0	0	(101,546)	0	(101,546)	0	0	0
0	0	1,446	0	0	(119,290)	0	(119,290)	0	0	0
0	0	939	0	0	(97,731)	0	(97,731)	0	0	0
1	0	5,031	0	0	(583,659)	0	(583,659)	0	0	0

ACTUAL: November 2010

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	5,116,482	0	5,044,574	0	71,908
	KPCO	0	1,061,068	0	1,046,155	0	14,913
	I&M	0	3,076,689	0	3,033,446	0	43,243
	OPCO	0	3,600,109	0	3,549,509	0	50,599
	CSP	0	2,949,467	0	2,908,011	0	41,456
	East. AEP (Co.122)	15,803,814	0	15,581,695	0	222,119	0
	TOTAL	15,803,814	15,803,814	15,581,695	15,581,695	222,119	222,119
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	0	86,219	0	87,337	1,118	0
	KPCO	0	17,881	0	18,113	232	0
	I&M	0	51,847	0	52,519	672	0
	OPCO	0	60,666	0	61,453	787	0
	CSP	0	49,701	0	50,345	645	0
	East. AEP (Co.122)	266,313	0	269,766	0	0	3,453
	TOTAL	266,313	266,313	269,766	269,766	3,453	3,453
BROKERS' COMMISSIONS (3)	APCO	32,523	0	33,721	0	0	1,198
	KPCO	6,744	0	6,993	0	0	249
	I&M	19,557	0	20,277	0	0	720
	OPCO	22,883	0	23,726	0	0	843
	CSP	18,748	0	19,437	0	0	690
	East. AEP (Co.122)	0	100,454	0	104,154	3,700	0
	TOTAL	100,454	100,454	104,154	104,154	3,700	3,700
POWER SWAPS	APCO	3,047,692	0	3,049,204	0	0	1,513
	KPCO	632,037	0	632,351	0	0	314
	I&M	1,832,663	0	1,833,573	0	0	910
	OPCO	2,144,446	0	2,145,510	0	0	1,064
	CSP	1,756,883	0	1,757,755	0	0	872
	East. AEP (Co.122)	0	9,413,720	0	9,418,393	4,673	0
	TOTAL	9,413,720	9,413,720	9,418,393	9,418,393	4,673	4,673
PJM/MISO NON-ECR ENERGY	APCO	191,825	0	91,239	0	100,586	0
	KPCO	39,780	0	18,921	0	20,858	0
	I&M	115,348	0	54,865	0	60,483	0
	OPCO	134,972	0	64,199	0	70,773	0
	CSP	110,577	0	52,595	0	57,981	0
	East. AEP (Co.122)	0	592,501	0	281,820	0	310,682
	TOTAL	592,501	592,501	281,820	281,820	310,682	310,682
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	3,272,039	5,202,701	3,174,164	5,131,911	101,704	74,618
	KPCO	678,561	1,078,949	658,265	1,064,268	21,090	15,475
	I&M	1,967,568	3,128,535	1,908,715	3,085,964	61,155	44,873
	OPCO	2,302,301	3,660,775	2,233,435	3,610,962	71,560	52,507
	CSP	1,886,207	2,999,168	1,829,787	2,958,356	58,626	43,018
	East. AEP (Co.122)	16,070,127	10,106,676	15,851,461	9,804,366	230,492	314,135
	TOTAL	26,176,802	26,176,802	25,655,827	25,655,827	544,627	544,627

NOTES:

(1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.

(2) Sold in previous period(s) and exercised in: November 2010

(3) Actual commissions paid in: November 2010

APPENDIX IX

PJM CHARGES TRANSFERRED FROM rMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	PJM CHARGES FOR EAST ZONE	
								STA	STA
AEPSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	536,949	114,059	338,425	412,572	295,284	1,697,289	Various	
<i>PJM Admin Fees</i>									
PJM Schedule 9 & 10 Entry - LSE	5614000	28,990	6,012	17,438	20,398	16,712	89,548	East Zone STA	
PJM Schedule 9 & 10 Entry - OSS	5614001	371,702	77,084	223,515	261,541	214,273	1,148,116	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,730	359	1,041	1,218	998	5,345	East Zone STA	
PJM Schedule 9 & 10 Entry - OSS	5618001	22,187	4,601	13,342	15,612	12,790	68,532	no	
PJM Schedule 9 & 10 Entry - LSE	5757000	29,980	6,217	18,028	21,095	17,282	92,603	East Zone STA	
PJM Schedule 9 & 10 Entry - OSS	5757001	384,397	79,117	231,149	270,473	221,591	1,187,327	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,826	379	1,098	1,285	1,032	5,639	East Zone STA	
PJM Schedule 9 & 10 Entry - OSS	5618001	23,408	4,854	14,076	16,471	13,494	72,303	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	3,336	692	2,006	2,347	1,923	10,304	East Zone STA	
PJM Schedule 9 & 10 Entry - OSS	5618001	42,770	8,870	25,719	30,095	24,656	132,109	no	
PJM Admin Fee - Schedule 9 NMU	5757000	2,358	489	1,418	1,659	1,359	7,284	East Zone STA	
PJM Admin Fee - Schedule 9 NMU	5757001	30,238	6,271	18,183	21,276	17,431	93,399	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	(31,705)	(6,575)	(19,065)	(22,309)	(18,277)	(97,932)	East Zone STA	
Transmission Owner Scheduling System	4470110	2,897	601	1,742	2,038	1,670	8,947	East Zone STA	
Power Factor Charge	5550039	(9,042)	(1,869)	(5,419)	(6,341)	(5,195)	(27,837)	East Zone STA	
Other Supporting Facilities Charge	4470107	7,894	1,637	4,747	5,884	4,550	24,382	East Zone STA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone STA	
Incremental Explicit Congestion -OSS	4470126	-	-	-	-	-	-	N	
Implicit Congestion -LSE	4470093	(40,264)	(8,350)	(24,212)	(28,331)	(23,211)	(124,368)	N	
Inadvertent - OSS	5550039	-	-	-	-	-	-	N	
Inadvertent - LSE	5550040	-	-	-	-	-	-	East Zone STA	
Misc Credits	4470107	-	-	-	-	-	-	East Zone STA	
Meter Correction - LSE	4470116	86,711	17,982	52,142	61,012	49,986	267,833	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	2	0	1	2	1	7	East Zone STA	
Load Reconciliation OSS	4470115	(12,152)	(2,820)	(7,307)	(8,550)	(7,005)	(37,534)	East Zone STA	
Load Reconciliation LSE	4470093	(155,604)	(32,311)	(93,689)	(109,628)	(89,815)	(481,247)	N	
Firm Pt to Pt Transmission (SCG)	4470106	-	-	-	-	-	-	East Zone STA	
Power Factor (BCK)	4470141	15,951	3,308	9,592	11,224	9,195	49,270	N	
Power Factor (BCK)	4470126	(10,890)	(2,258)	(6,548)	(7,662)	(6,278)	(33,637)	East Zone STA	
Planning Period Cong Uplift Adj OSS	4470174	1	0	1	1	0	3	East Zone STA	
Planning Period Cong Uplift Adj LSE	4470101	11	2	7	8	6	34	N	
DA Op Res PJM Invoice Adj	4470098	247	51	148	174	142	763	East Zone STA	
Firm Pt to Pt Transmission (SCG)	4470206	0	0	0	0	0	2	East Zone STA	
Firm Pt to Pt Transmission (SCG)	4470208	(358)	(74)	(215)	(252)	(206)	(1,106)	N	
DA Op Res for Load Response (OSS)	4470098	5,701	1,182	3,428	4,012	3,287	17,610	East Zone STA	
DA Op Res for Load Response (LSE)	4470203	73,101	15,160	43,958	51,436	42,140	225,794	N	
1245 - Emergency Load Response Charge (AUB)	4470207	-	-	-	-	-	-	N	
<i>PJM TEA Charge Reclass (MLR)</i>									
Transmission Enhancement Charge	5650012	(1,058,404)	(219,494)	(636,448)	(744,724)	(610,131)	(3,269,200)	N	
RTO Start-up Cost Recovery Charge	4561002	(48,493)	(11,686)	(38,521)	(55,085)	(49,373)	(173,128)	East Zone STA	
Expansion Cost Recovery Charge	4561003	(32,024)	(7,717)	(25,438)	(36,387)	(12,794)	(114,330)	East Zone STA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	262,649	54,469	187,938	184,808	151,408	811,272	East Zone STA	
<i>PJM TEA Charge Reclass (LCCP)</i>									
Transmission Enhancement Charge	5650012	1,006,627	197,160	473,664	661,395	553,761	2,892,607	No	
RTO Start-up Cost Recovery Charge	4561002	60,249	11,800	28,350	39,586	33,144	173,328	East Zone STA	
Expansion Cost Recovery Charge	4561003	39,787	7,793	18,722	26,142	21,887	114,330	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(282,423)	(55,296)	(132,846)	(185,497)	(159,310)	(811,272)	N	
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ACTUAL)		1,560,272	272,500	710,161	910,724	762,426	4,024,044		
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ESTIMATED)		1,408,565	280,555	702,706	964,514	766,155	3,124,473		
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ADJUSTMENT)	(1)	(151,687)	(87,955)	(191,535)	(149,790)	(103,729)	(900,000)		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	PJM CHARGES FOR EAST ZONE	
								STA	STA
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	3,113,025	645,737	1,872,815	2,192,350	1,793,753	9,617,679	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,113,025	645,737	1,872,815	2,192,350	1,793,753	9,617,679		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		1,841,925	882,000	1,107,704	1,298,262	1,061,709	5,659,600		
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ADJUSTMENT)	(1)	(1,271,100)	(263,737)	(765,111)	(896,088)	(732,044)	(3,928,000)		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	PJM CHARGES FOR EAST ZONE	
								STA	STA
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SCE and BCK									
AEP/PAUB Emergency Load Response	4470208	367,283	76,173	220,887	268,498	211,696	1,134,538.81	Various	
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470099	-	-	-	-	-	-	East Zone STA	
PJM Service Fee	4470143	(807,563)	(63,783)	(184,946)	(216,410)	(177,299)	(890,000.00)	East Zone STA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,785	6,799	19,713	23,067	18,898	101,260.75	No	
Regulation Credit (Expense)	5550079	9,631	1,997	5,791	6,776	5,592	29,747.48	No	
Spinning Reserve - Credit	5550094	275	57	169	193	158	848.32	No	
Buckeye Pass-Through	4470141	(3,992,899)	(828,206)	(2,401,906)	(2,811,458)	(2,300,966)	(12,333,424.47)	No	
Transmission Loss Credit	4470208	123	26	74	87	71	380.21	East Zone STA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(5,890,365)	(806,938)	(2,340,271)	(2,719,241)	(2,241,869)	(12,018,651.01)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(2,628,249)	(445,005)	(1,580,517)	(1,849,284)	(1,516,820)	(6,118,335)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(1,262,116)	(261,872)	(759,754)	(869,957)	(726,869)	(3,900,316)		



Date December 2010

Subject East Interchange Power Statement and Related Data
December 2010 Actual

Reviewer: David B. Roberts (Bruce)
1/28/2011

Approved Eric Gleckler
1/28/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of December 2010.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
December 2010

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: December 2010

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		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	1,986,777	297,504	79,968,945	11,822,272
	BILLING	KPCO	188,653	92,172	9,792,010	2,695,567
	AMOUNT	I&M	141,827	1,385,496	5,110,538	35,771,291
		OPCO	155,511	942,997	6,257,463	58,380,381
		CSP	435,833	190,432	13,708,574	6,168,020
	TOTAL		2,908,601	2,908,601	114,837,530	114,837,531
II.	PREVIOUSLY ESTIMATED	APCO	1,983,454	300,904	76,488,500	12,206,052
	BILLING	KPCO	193,225	91,449	9,567,677	2,568,708
	AMOUNT	I&M	136,972	1,381,171	5,017,862	34,532,621
		OPCO	163,550	945,832	6,469,103	55,781,854
		CSP	427,659	185,504	13,348,963	5,802,870
	TOTAL		2,904,860	2,904,860	110,892,105	110,892,106
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO	3,323	(3,400)	3,480,445	(383,781)
		KPCO	(4,572)	723	224,333	126,859
		I&M	4,855	4,325	92,676	1,238,670
		OPCO	(8,039)	(2,835)	(211,640)	2,598,526
		CSP	8,174	4,928	359,611	365,150
	TOTAL		3,741	3,741	3,945,425	3,945,425
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO			0	11,262
		KPCO			0	2,332
		I&M			0	6,770
		OPCO			26,856	0
		CSP			0	6,492
	TOTAL				26,856	26,856
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO			0	0
		KPCO			0	0
		I&M			0	0
		OPCO			0	0
		CSP			0	0
		West. AEP			0	0
	TOTAL				0	0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			2,419,831	0
		KPCO			4,565,250	0
		I&M			1,494,040	0
		OPCO			0	3,798,075
		CSP			2,857,400	0
		East. AEP (Co. 122)			3,798,075	11,336,521
	TOTAL				15,134,596	15,134,596
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			690,380	0
		KPCO			20,560	0
		I&M			416,026	0
		OPCO			649,699	0
		CSP			357,980	0
		East. AEP (Co. 122)			0	2,134,645
	TOTAL				2,134,645	2,134,645

ACTUAL: December 2010

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	3,881,588	0
	KPCO	1,038,166	0
	I&M	2,333,229	0
	OPCO	2,415,376	0
	CSP	2,318,910	0
	East. AEP (Co. 122)	0	11,987,269
	TOTAL	11,987,269	11,987,269
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	8,470,997
	KPCO	0	1,756,744
	I&M	0	5,093,850
	OPCO	0	5,960,413
	CSP	0	4,883,221
	East. AEP (Co.122)	26,165,225	0
	TOTAL	26,165,225	26,165,225
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	9,186,373
	KPCO	0	1,904,892
	I&M	0	5,524,680
	OPCO	0	6,464,541
	CSP	0	5,296,238
	East. AEP (Co.122)	28,376,725	0
	TOTAL	28,376,725	28,376,725
XI. ADJUSTMENT FOR RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	715,377	0
	KPCO	148,148	0
	I&M	430,831	0
	OPCO	504,128	0
	CSP	413,017	0
	East. AEP (Co.122)	0	2,211,500
	TOTAL	2,211,500	2,211,500

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: December 2010

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,238,900)	14.21	31,815,897	0	48,153,048	11,822,272
	BILLING	KPCO	(317,200)	14.21	4,507,572	0	5,284,438	2,695,567
	AMOUNT	I&M	247,800	17.73	0	4,393,494	5,110,538	31,377,797
		OPCO	2,419,200	13.85	0	33,505,920	6,257,463	24,874,461
		CSP	(110,900)	14.21	1,575,945	0	12,132,629	6,168,020
		TOTAL			37,899,414	37,899,414	76,938,116	76,938,117
II.	PREVIOUSLY	APCO			30,064,901	0	46,423,599	12,206,052
	ESTIMATED	KPCO			4,259,496	0	5,308,181	2,568,708
	BILLING	I&M			0	3,753,613	5,017,862	30,779,008
	AMOUNT *	OPCO			0	32,059,997	6,469,103	23,721,857
		CSP			1,489,212	0	11,859,751	5,802,870
		TOTAL			35,813,609	35,813,610	75,078,496	75,078,496
IV.	ADJUSTMENT	APCO			1,750,996	0	1,729,449	(383,781)
	TO BE BOOKED	KPCO			248,076	0	(23,743)	126,859
	NEXT MONTH	I&M			0	639,881	92,676	598,789
	(I - II + III)	OPCO			0	1,445,923	(211,640)	1,152,603
		CSP			86,733	0	272,878	365,150
		TOTAL			2,085,805	2,085,804	1,859,620	1,859,621
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			1,986,777	297,504	79,968,945	11,822,272
	BILLING	KPCO			188,653	92,172	9,792,010	2,695,567
	AMOUNT	I&M			141,827	1,385,496	5,110,538	35,771,291
		OPCO			155,511	942,997	6,257,463	58,380,381
		CSP			435,833	190,432	13,708,574	6,168,020
		TOTAL			2,908,601	2,908,601	114,837,530	114,837,531
II.	PREVIOUSLY	APCO			1,983,454	300,904	76,488,500	12,206,052
	ESTIMATED	KPCO			193,225	91,449	9,567,677	2,568,708
	& ENERGY	I&M			136,972	1,381,171	5,017,862	34,532,621
	BILLING	OPCO			163,550	945,832	6,469,103	55,781,854
	AMOUNT	CSP			427,659	185,504	13,348,963	5,802,870
		TOTAL			2,904,860	2,904,860	110,892,105	110,892,106
IV.	ADJUSTMENT	APCO			3,323	(3,400)	3,480,445	(383,781)
	TO BE BOOKED	KPCO			(4,572)	723	224,333	126,859
	NEXT MONTH	I&M			4,855	4,325	92,676	1,238,670
	(I - III)	OPCO			(8,039)	(2,835)	(211,640)	2,598,526
		CSP			8,174	4,928	359,611	365,150
		TOTAL			3,741	3,741	3,945,425	3,945,425

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: December 2010

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,379,000	0.32375	8,617,900	(2,238,900)
KPCO	1,470,000	0.06714	1,787,200	(317,200)
I&M	5,430,000	0.19468	5,182,200	247,800
OPCO	8,483,000	0.22780	6,063,800	2,419,200
CSP	4,857,000	0.18663	4,967,900	(110,900)
TOTAL	26,619,000	1.00000	26,619,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,238,900)	***** + *****	(31,815,897)
KPCO	(317,200)	***** + *****	(4,507,572)
I&M	247,800	9.92 + 7.81	4,393,494
OPCO	2,419,200	10.6 + 3.25	33,505,920
CSP	(110,900)	***** + *****	(1,575,945)

EQUALIZATION CAPACITY RATE: 14.2105
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

December 2010

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT**

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	488,686	665,857	23,510,322	31,000,525
RECOVERY AND MLR	KPCO	98,834	63,527	4,875,623	3,338,341
ALLOCATION FOR ALL	I&M	294,565	218,001	14,137,419	12,457,738
AEP SYSTEM	OPCO	344,264	293,831	16,542,552	13,707,914
DELIVERIES TO	CSP	278,149	263,282	13,552,838	12,114,237
NON-AFFILIATED COS.	AEP	1,504,498	1,504,498	72,618,754	72,618,755
ADJUSTMENT TO	APCO	(369,432)	(369,432)	(19,293,535)	(19,293,535)
PREVENT RECOGNITION	KPCO	(48,049)	(48,049)	(2,872,370)	(2,872,370)
OF SALES BY POOL	I&M	(153,212)	(153,212)	(9,054,280)	(9,054,280)
MEMBERS TO	OPCO	(191,343)	(191,343)	(10,560,431)	(10,560,431)
THEMSELVES	CSP	(155,117)	(155,117)	(8,679,300)	(8,679,300)
(PAGE 7)	AEP	(917,153)	(917,153)	(50,459,916)	(50,459,916)
SUBTOTAL	APCO	119,254	296,425	4,216,787	11,706,990
AEP EXTERNAL	KPCO	50,785	15,478	2,003,253	465,971
ENERGY	I&M	141,353	64,789	5,083,139	3,403,458
	OPCO	152,921	102,488	5,982,121	3,147,483
	CSP	123,032	108,165	4,873,538	3,434,937
	AEP	587,345	587,345	22,158,838	22,158,839
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,867,523	0	43,936,261	0
ENERGY	KPCO	137,868	76,484	3,281,185	2,206,181
(PAGE 8)	I&M	0	1,319,744	0	27,884,869
	OPCO	94	840,388	2,335	21,719,827
	CSP	312,801	81,670	7,259,091	2,667,995
	AEP	2,318,286	2,318,286	54,478,872	54,478,872
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,986,777	297,504	48,153,048	11,822,272
	KPCO	188,653	92,172	5,284,438	2,695,567
	I&M	141,827	1,385,496	5,110,538	31,377,797
	OPCO	155,511	942,997	6,257,463	24,874,461
	CSP	435,833	190,432	12,132,629	6,168,020
	AEP	2,908,601	2,908,601	76,938,116	76,938,117

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: December 2010

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	1,079	0	115,281
COST RECOVERY	KPCO	0	210	0	23,415
ALLOCATED TO	I&M	474	963	27,399	89,471
SPECIAL SERVICE	OPCO	2,496	121	273,007	7,151
CUSTOMERS	CSP	0	597	0	65,088
	AEP	<u>2,970</u>	<u>2,970</u>	<u>300,406</u>	<u>300,406</u>
PREVIOUSLY	APCO	0	74	0	8,676
ESTIMATED	KPCO	0	11	0	1,787
AMOUNT	I&M	0	57	0	6,216
	OPCO	192	0	21,645	0
	CSP	0	50	0	4,966
	AEP	<u>192</u>	<u>192</u>	<u>21,645</u>	<u>21,645</u>
ADJUSTMENT	APCO	0	1,005	0	106,605
TO BE BOOKED	KPCO	0	199	0	21,629
NEXT MONTH	I&M	474	906	27,399	83,255
	OPCO	2,304	121	251,362	7,151
	CSP	0	547	0	60,122
	AEP	<u>2,778</u>	<u>2,778</u>	<u>278,762</u>	<u>278,762</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: December 2010

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) <u>(1)</u>	CREDIT MEMBER (1) COST RECOVERY (\$) <u>(2)</u>	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) <u>(3)</u>	EXCESS OF REVENUE OVER ENERGY COSTS (\$) <u>(4)=(3)-(1)</u>
APCO	23,510,322	31,000,525	22,994,997	(515,325)
KPCO	4,875,623	3,338,341	4,768,762	(106,861)
I&M	14,137,419	12,457,738	13,827,532	(309,887)
OPCO	16,542,552	13,707,914	16,179,915	(362,637)
CSP	13,552,838	12,114,237	13,255,768	(297,070)
TOTAL	<u>72,618,754</u>	<u>72,618,755</u>	<u>71,026,974</u>	<u>(1,591,780)</u>

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) <u>(5)</u>	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) <u>(6)=(4)-(5)</u>	(MLR) MEMBER LOAD RATIO THIS MONTH <u>(7)</u>
APCO	0	(515,325)	0.32375
KPCO	0	(106,861)	0.06714
I&M	0	(309,887)	0.19468
OPCO	0	(362,637)	0.22780
CSP	0	(297,070)	0.18663
TOTAL	<u>0</u>	<u>(1,591,780)</u>	<u>1.00000</u>

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED:	\$0
LESS EASTERN AEP REALIZATION SHARE:	\$0
WESTERN REALIZATION SHARE:	\$0
LESS AMOUNT ALREADY BOOKED ON WEST	\$0
TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP:	\$0

(1)

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043
APCO	0	0	0	0	0	0
KPCO	0	0	0	0	0	0
I&M	0	0	0	0	0	0
OPCO	0	0	0	0	0	0
GSP	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043
PSO	0	0	0	0	0	0
SWEPGO	0	0	0	0	0	0
TCC	0	0	0	0	0	0
TNC	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: December 2010

PAGE (7)

**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	COST (2)		MLR	ADJUSTMENT	
	MWh	(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	320,133	10,273,560	0.32375	103,643	3,326,065
KPCO	16,567	498,947	0.06714	1,112	33,499
I&M	11,931	410,574	0.19468	2,323	79,931
OPCO	103,246	3,270,737	0.22780	23,519	745,074
CSP	94,802	3,012,429	0.18663	17,693	562,210
TOTAL	546,679	17,466,247	1.00000	148,290	4,746,779

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	COST		MLR	ADJUSTMENT	
	MWh	(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	118,204	7,038,071	0.32375	38,269	2,278,575
KPCO	25	561	0.06714	2	38
I&M	68,521	3,815,645	0.19468	13,340	742,830
OPCO	29,475	805,257	0.22780	6,714	183,437
CSP	38,182	1,210,664	0.18663	7,126	225,946
TOTAL	254,407	12,870,197	1.00000	65,451	3,430,826

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	227,520	13,688,895
KPCO	46,935	2,838,833
I&M	137,549	8,231,519
OPCO	161,110	9,631,920
CSP	130,298	7,891,144
TOTAL	703,412	42,282,311

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	369,432	19,293,535
KPCO	48,049	2,872,370
I&M	153,212	9,054,280
OPCO	191,343	10,560,431
CSP	155,117	8,679,300
TOTAL	917,153	50,459,916

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash" from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: December 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	62,349	26.516	1,653,246
2. I&M	APCO	1,067,052	16.814	17,941,412
3. OPCO	APCO	662,598	21.819	14,457,226
4. CSP	APCO	75,524	29.072	2,195,633
5. TOTAL	APCO	1,867,523	19.409	36,247,517
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	68,652	16.814	1,154,314
8. OPCO	KPCO	63,097	21.819	1,376,713
9. CSP	KPCO	6,119	29.072	177,891
10. TOTAL	KPCO	137,868	19.649	2,708,918
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	5	26.400	132
18. I&M	OPCO	62	16.806	1,042
19. CSP	OPCO	27	29.037	784
20. TOTAL	OPCO	94	20.830	1,958
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	14,130	26.516	374,671
23. I&M	CSP	183,978	16.814	3,093,406
24. OPCO	CSP	114,693	21.819	2,502,486
25. TOTAL	CSP	312,801	19.087	5,970,563
26. TOTAL ALL MEMBERS RECEIVED		2,318,286	19.380	44,928,956

TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	76,484	26.516	2,028,049
29. I&M	2, 7, 18, & 23	1,319,744	16.814	22,190,174
30. OPCO	3, 8, 13, & 24	840,388	21.819	18,336,425
31. CSP	4, 9, 14, & 19	81,670	29.072	2,374,308
32. TOTAL ALL MEMBERS DELIVERED:		2,318,286	19.380	44,928,956

ACTUAL: December 2010

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	62,349	28.844	1,798,457
2. I&M	APCO	1,067,052	21.129	22,545,741
3. OPCO	APCO	662,598	25.846	17,124,845
4. CSP	APCO	75,524	32.668	2,467,218
5. TOTAL	APCO	1,867,523	23.526	43,936,261
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	68,652	21.129	1,450,548
8. OPCO	KPCO	63,097	25.846	1,630,742
9. CSP	KPCO	6,119	32.668	199,895
10. TOTAL	KPCO	137,868	23.799	3,281,185
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	5	28.844	144
18. I&M	OPCO	62	21.129	1,309
19. CSP	OPCO	27	32.668	882
20. TOTAL	OPCO	94	24.840	2,335
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	14,130	28.844	407,580
23. I&M	CSP	183,978	21.129	3,887,271
24. OPCO	CSP	114,693	25.846	2,964,240
25. TOTAL	CSP	312,801	23.207	7,259,091
26. TOTAL ALL MEMBERS RECEIVED		2,318,286	23.500	54,478,872
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	76,484	28.844	2,206,181
29. I&M	2, 7, 18, & 23	1,319,744	21.129	27,884,869
30. OPCO	3, 8, 13, & 24	840,388	25.846	21,719,827
31. CSP	4, 9, 14, & 19	81,670	32.668	2,667,995
32. TOTAL ALL MEMBERS DELIVERED:		2,318,286	23.500	54,478,872

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: December 2010

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ECONOMY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY

ACTUAL: December 2010

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

December 2010

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS	TOTAL GENERATION	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons)	SO2 EMISSION EXPENDED FOR SYSTEM SALES
		(MWh) (1)	(MWh) (2)	(3)=(1)/(2)	(b) (4)	(5)=(3)*(4)
APCO	AMOS 1	0	0	0.0000	0	0.0000
	AMOS 2	28,144	555,518	0.0507	118	5.9782
	AMOS 3	25,274	224,692	0.1125	88	9.8985
	CEREDO1	378	1,620	0.2333	0	0.0000
	CEREDO2	376	1,749	0.2150	0	0.0000
	CEREDO3	467	2,051	0.2277	0	0.0000
	CEREDO4	427	1,801	0.2371	0	0.0000
	CEREDO5	66	959	0.0688	0	0.0000
	CEREDO6	70	951	0.0736	0	0.0000
	CLINCH RIVER 1	16,858	75,082	0.2245	312	70.0527
	CLINCH RIVER 2	25,912	83,458	0.3105	333	103.3897
	CLINCH RIVER 3	0	0	0.0000	0	0.0000
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	7,322	36,376	0.2013	289	58.1718
	KANAWHA RIVER 1	34,293	86,342	0.3972	570	226.3905
	KANAWHA RIVER 2	0	15	0.0000	0	0.0000
	MOUNTAINEER 1	131,712	949,517	0.1387	704	97.6552
	SPORN 1	11,999	66,517	0.1804	469	84.6029
	SPORN 3	15,622	73,842	0.2116	516	109.1649
TOTAL	298,920	2,160,490	0.1384	3,399	765.3044	
KPCO	BIG SANDY 1	6,389	87,722	0.0728	619	45.0832
	BIG SANDY 2	10,178	390,753	0.0260	2,663	69.3635
	ROCKPORT 1 (AEG)	0	141,381	0.0000	388	0.0000
	ROCKPORT 2 (AEG)	25	142,828	0.0002	398	0.0697
	TOTAL	16,592	762,684	0.0218	4,068	114.5164
I&M	ROCKPORT 1	0	471,010	0.0000	1,294	0.0000
	ROCKPORT 1 (AEG)	0	329,758	0.0000	906	0.0000
	ROCKPORT 2	82	476,524	0.0002	1,331	0.2290
	ROCKPORT 2 (AEG)	56	333,333	0.0002	931	0.1564
	TANNERS CREEK 1	10,691	62,471	0.1711	256	43.8107
	TANNERS CREEK 2	0	232	0.0000	1	0.0000
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	1,158	357,839	0.0032	2,243	7.2586
TOTAL	11,987	2,031,167	0.0059	6,962	51.4547	

ACTUAL: December 2010

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	50,737	451,064	0.1125	177	19.9095
	CARDINAL 1	658	232,420	0.0028	159	0.4501
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	0	0	0.0000	0	0.0000
	GAVIN 1	453	849,603	0.0005	1,195	0.6372
	GAVIN 2	1,750	820,727	0.0021	1,260	2.6866
	KAMMER 1	0	0	0.0000	0	0.0000
	KAMMER 2	14,293	87,122	0.1641	794	130.2615
	KAMMER 3	4,194	39,691	0.1057	373	39.4135
	MITCHELL 1	2,139	515,756	0.0041	431	1.7875
	MITCHELL 2	2,290	535,156	0.0043	207	0.8858
	MUSKINGUM 1	728	84,796	0.0086	1,479	12.6977
	MUSKINGUM 2	0	0	0.0000	0	0.0000
	MUSKINGUM 3	11,843	118,060	0.1003	2,625	263.3227
	MUSKINGUM 4	8,272	132,621	0.0624	2,388	148.9473
	MUSKINGUM 5	0	0	0.0000	1	0.0000
	SPORN 2	5,889	33,206	0.1773	231	40.9673
	SPORN 4	0	0	0.0000	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	103,246	3,900,222	0.0265	11,320
CSP	BECKJORD 6	0	23,114	0.0000	605	0.0000
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	5,621	54,021	0.1041	1,124	116.9546
	CONESVILLE 4	0	85,048	0.0000	57	0.0000
	CONESVILLE 5	31,295	181,650	0.1723	167	28.7711
	CONESVILLE 6	27,275	129,204	0.2111	84	17.7324
	DARBY 1	13	433	0.0300	0	0.0000
	DARBY 2	13	435	0.0299	0	0.0000
	DARBY 3	12	433	0.0277	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	9,891	168,113	0.0588	0	0.0000
	LAWRENCEBURG 2	15,548	198,931	0.0782	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	4,771	76,938	0.0620	104	6.4491
	STUART 2	6,587	70,285	0.0937	74	6.9352
	STUART 3	1,224	52,329	0.0234	39	0.9122
	STUART 4	6,330	68,246	0.0928	108	10.0173
	WATERFORD	11,661	255,426	0.0457	0	0.0000
	ZIMMER 1	0	219,867	0.0000	419	0.0000
		TOTAL	120,241	1,584,473	0.0759	2,781

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: December 2010

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>	<u>SOURCE ALLOCATION</u>	
I. AEP EXTERNAL ENERGY (3)			
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	3,514	15,865	12,351
KPCO	625	43,473	42,848
I&M	243	8,950	8,707
OPCO	3,895	114,871	110,976
CSP	929	37,154	36,225
AEP	9,206	220,313	211,107
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	57,894	0	(57,894)
KPCO	5,326	7,087	1,762
I&M	4,085	8,515	4,430
OPCO	27,347	753	(26,593)
CSP	32,903	19,367	(13,536)
AEP	127,554	35,722	(91,831)
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	31,046,068	31,000,525	
KPCO	3,293,732	3,338,341	
I&M	12,444,601	12,457,738	
OPCO	13,623,531	13,707,914	
CSP	12,091,547	12,114,237	
AEP	72,499,480	72,618,755	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	7.00	299.84
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	379.62	412.09
I&M \$/Ton:	173.93	632.84
OPCO \$/Ton:	173.53	8.22
CSP \$/Ton:	197.87	177.36

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 11/30/2010

OPERATING COMPANY PERCENTAGE
 DECEMBER 2010

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32375	0.06714	0.19468	0.22780	0.18663

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			DA	INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
11/10	17201	29	08	5865	29	09	1217	24	14	3503	24	19	3981	24	19	2635	
10/10	15012	22	08	4550	22	08	1002	20	07	3170	12	14	3673	11	19	2617	
09/10	20018	02	16	5861	02	16	1191	01	13	3938	01	15	4989	02	16	4039	
08/10	21174	04	16	6200	04	14	1310	12	16	4422	10	14	5096	13	16	4146	
07/10	21269	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4289	
06/10	20188	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4160	
05/10	18403	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3643	
04/10	15059	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	16	2662	
03/10	18083	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3037	
02/10	19912	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3281	
01/10	20592	11	08	7440	08	09	1543	07	08	3680	13	08	4563	05	19	3366	
12/09	19925	11	08	6613	11	08	1434	10	19	3858	10	20	4510	10	19	3510	

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
22981	7440	1543	4474	5235	4289

<u>DATE/TIME</u>	01/11/10 HR 08	01/08/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16
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Notes:

ACTUAL: December 2010	SYSTEM PRIMARY CAPACITY	APPENDIX II
STATION		PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY		
Amos		2,032,000
Ceredo		482,000
Clinch River		700,000
Glen Lyn		332,000
Kanawha River		400,000
Mountaineer		1,317,000
Sporn		295,000
Beech Ridge Wind Farm		31,000
Camp Grove Wind Farm		26,000
Fowler Ridge Wind Farm		31,000
Grand Ridge Wind Farm		33,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		<u>5,679,000</u>
Smith Mountain (Hydro)		586,000
SEPA Capacity Agreement		4,000
Other Conventional Hydros		82,000
Summersville		28,000
TOTAL MEMBER PRIMARY CAPACITY		6,379,000
KENTUCKY POWER COMPANY		
Big Sandy		1,077,000
Rockport 1 (Purchase from AEG)		198,000
Rockport 2 (Purchase from AEG)		195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		<u>1,470,000</u>
TOTAL MEMBER PRIMARY CAPACITY		1,470,000
INDIANA MICHIGAN POWER COMPANY		
Cook		2,149,000
Rockport 1 (I&M owned)		660,000
Rockport 1 (Purchase from AEG)		461,000
Rockport 2 (I&M leased)		650,000
Rockport 2 (Purchase from AEG)		455,000
Tanners Creek		992,000
Fowler Ridge Wind Farm I		32,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		<u>5,416,000</u>
Others (Hydro)		14,000
TOTAL MEMBER PRIMARY CAPACITY		<u>5,430,000</u>
OHIO POWER COMPANY		
Amos		865,000
Cardinal		592,000
Gavin		2,638,000
Kammer		620,000
Mitchell		1,560,000
Muskingum River		1,424,000
Sporn		742,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		<u>8,458,000</u>
Racine (Hydro)		25,000
TOTAL MEMBER PRIMARY CAPACITY		<u>8,483,000</u>
COLUMBUS SOUTHERN POWER COMPANY		
Beckjord		52,000
Conesville		1,302,000
Darby		473,000
Lawrenceburg		1,155,000
Picway		98,000
Stuart		600,000
Waterford		830,000
Zimmer		330,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		<u>4,857,000</u>
TOTAL MEMBER PRIMARY CAPACITY		4,857,000
TOTAL SYSTEM PRIMARY CAPACITY		26,619,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 December 2010

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capability*** as of 12/31/2009 (1)	\$ Installed Cost of Production Plant * as of 12/31/2009 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,483,267,503		
Ceredo	482,000	203,369,148		
Clinch River	700,000	358,164,558		
Glen Lyn	332,000	148,885,831		
Kanawha River	400,000	182,968,061		
Mountaineer	1,317,000	1,450,802,783		
Sporn	295,000	134,047,947		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	31,000	0		
Grand Ridge Wind Farm	33,000	0		
Appalachian Total	5,679,000	3,961,505,831	697.57	9.56
KENTUCKY POWER COMPANY				
Big Sandy	1,077,000	536,453,896		
Rockport 1 Purchased from AEG	198,000	193,366,259		
Rockport 2 Purchased from AEG	195,000	27,141,372		
Kentucky Total	1,470,000	756,961,527	514.94	7.05
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,062,724,614		
Rockport 1 Ownership Share	660,000	636,774,575		
Rockport 1 Purchased from AEG	461,000	451,187,937		
Rockport 2 Leased Shared	650,000	90,849,751		
Rockport 2 Purchased from AEG	455,000	63,329,867		
Tanners Creek	992,000	616,366,861		
Fowler Ridge Wind Farm I	32,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,416,000	3,921,233,605	724.01	9.92
OHIO POWER COMPANY				
Amos	865,000	924,967,652		
Cardinal	592,000	697,320,442		
Gavin	2,638,000	1,902,741,299		
Kammer	620,000	314,113,001		
Mitchell	1,560,000	1,680,573,111		
Muskingum River	1,424,000	653,370,851		
Sporn	742,000	369,031,699		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,458,000	6,542,118,055	773.48	10.60
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	19,174,815		
Conesville	1,302,000	960,396,210		
Darby	473,000	190,517,993		
Lawrenceburg Purchased from AEG	1,155,000	694,861,245		
Picway	98,000	41,666,553		
Stuart	600,000	498,179,916		
Waterford	830,000	211,967,376		
Zimmer	330,000	768,336,888		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,385,100,996	696.95	9.55

ACTUAL:
 December 2010

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	36,376	2,921,670	1,767,948	469,112	1,516,389	251,559
SPORN (APCO)	140,359	5,720,747	4,538,225	640,765	4,294,702	243,523
KANAWHA RIVER	86,357	5,927,196	3,036,882	2,163,651	2,460,201	576,680
CLINCH RIVER	158,540	8,928,285	6,048,856	1,450,959	5,606,018	442,838
AMOS (APCO)	780,546	33,929,091	19,168,236	9,557,671	18,021,377	1,146,858
MOUNTAINEER	949,517	32,021,058	24,399,473	4,123,798	23,159,278	1,240,195
CEREDO	9,131	1,172,233	505,908	126,753	505,755	153
BEECH RIDGE	11,907	0	0	0	0	0
CAMP GROVE	20,336	0	0	0	0	0
FOWLER RIDGE III	27,258	0	0	0	0	0
GRAND RIDGE II	12,857	0	0	0	0	0
GRAND RIDGE III	13,528	0	0	0	0	0
TOTAL	2,246,712	90,620,280	59,465,526	18,532,709	55,563,720	3,901,807
RATES:		30.592	26.468	4.124	24.731	1.737
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	478,475	18,353,953	14,528,291	2,120,126	14,130,244	398,048
ROCKPORT 1 (AEG)	141,381	4,435,372	3,099,610	141,082	3,013,238	86,372
ROCKPORT 2 (AEG)	142,828	4,480,788	3,168,880	142,526	3,079,829	89,051
TOTAL	762,684	27,270,113	20,796,781	2,403,734	20,223,311	573,470
RATES:		28.844	27.268	1.576	26.516	0.752
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	62,703		2,203,939		2,091,138	112,801
TANNERS CREEK 4	357,839		9,124,177		8,594,568	529,609
TANNERS CREEK TOTAL	420,542	15,950,702	11,328,116	2,196,760	10,685,706	642,410
ROCKPORT 1 (OWNED SHARE)	471,010	14,776,454	10,328,013	470,014	10,038,612	289,401
ROCKPORT 1 (AEG)	329,758	10,345,102	7,230,716	329,060	7,028,105	202,612
ROCKPORT 2 (AEG)	333,333	10,457,264	7,396,469	332,628	7,187,706	208,764
ROCKPORT 2 (LEASED SHARE)	476,524	14,949,439	10,573,805	475,517	10,275,362	298,443
COOK	1,395,355	49,093,801	13,082,312	22,835,548	13,082,312	0
FOWLER RIDGE I	26,327	0	0	0	0	0
FOWLER RIDGE II	14,351	0	0	0	0	0
TOTAL	3,467,201	115,572,763	59,939,430	26,639,527	58,297,801	1,641,629
RATES:		21.129	17.287	3.842	16.814	0.473
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	33,206	4,107,449	1,197,872	2,305,890	1,037,854	160,019
MUSKINGUM	335,477	13,617,765	8,691,133	2,863,780	8,184,892	506,241
KAMMER	126,813	7,314,427	5,209,987	1,615,970	4,811,517	398,470
CARDINAL (OPCO)	232,420	8,565,950	4,328,275	3,016,072	3,875,446	452,828
MITCHELL	1,050,912	31,485,545	25,166,293	3,421,360	24,976,559	189,734
AMOS (OPCO)	450,728	14,262,965	11,410,599	1,928,956	10,929,164	481,435
GAVIN	1,670,330	49,327,817	33,833,325	7,522,854	31,596,911	2,236,414
FOWLER RIDGE II	14,351	0	0	0	0	0
Wyandot	325	0	0	0	0	0
TOTAL	3,914,562	128,681,918	89,837,483	22,674,882	85,412,343	4,425,141
RATES:		25.845	22.949	2.896	21.819	1.130
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	449,923	21,938,170	14,251,666	4,502,379	13,244,602	1,007,064
PECWAY	0	225,253	13,563	50,085	134	13,429
BECKJORD	23,114	900,483	720,383	133,779	676,412	43,972
STUART	267,798	8,119,715	6,719,851	1,208,725	6,398,822	321,029
ZIMMER	219,867	6,407,410	5,009,908	599,872	4,824,324	185,584
WATERFORD	255,426	10,463,442	9,031,107	658,793	8,909,084	122,023
DARBY	1,301	518,616	144,600	61,061	76,090	68,510
LAWRENCEBURG	367,044	14,007,007	12,577,121	327,725	12,359,516	217,605
FOWLER RIDGE II	14,351	0	0	0	0	0
Wyandot	255	0	0	0	0	0
TOTAL	1,599,079	62,580,096	48,468,199	7,542,419	46,488,984	1,979,215
RATES:		32.668	30.310	2.358	29.072	1.238
SYSTEM TOTAL	11,990,238	424,725,170	278,507,420	77,793,271	265,986,159	12,521,262

ACTUAL: December 2010

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	90,620,280	55,563,720	3,901,807	18,532,709	9,266,355
KPCO	27,270,113	20,223,311	573,470	2,403,734	1,201,867
I&M	115,572,763	58,297,801	1,641,629	26,639,527	13,319,763
OPCO	128,681,918	85,412,343	4,425,141	22,674,882	11,337,441
CSP	62,580,096	46,488,984	1,979,215	7,542,419	3,771,210
TOTAL	424,725,170	265,986,159	12,521,262	77,793,271	38,896,636

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	13,168,162	2,246,712	2,246,712	30.592
KPCO	1,775,337	762,684	762,684	28.844
I&M	14,961,392	3,467,201	3,467,201	21.129
OPCO	15,762,582	3,914,562	3,914,562	25.846
CSP	5,750,425	1,599,079	1,599,079	32.668
TOTAL	51,417,898	11,990,238	11,990,238	26.472

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	21,888,399	5,679,000	3.85
KPCO	5,271,465	1,470,000	3.59
I&M	42,313,570	5,416,000	7.81
OPCO	27,506,994	8,458,000	3.25
CSP	10,340,687	4,857,000	2.13
TOTAL	107,321,114	25,880,000	4.15

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: December 2010

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	319,380	69,674	296,185	35,217	0	11,262
	KPCO	66,236	14,448	61,423	7,303	0	2,332
	I&M	192,052	41,896	178,103	21,177	0	6,770
	OPCO	166,182	761,780	83,998	706,452	26,856	0
	CSP	184,112	40,164	170,741	20,301	0	6,492
	TOTAL	927,962	927,962	790,450	790,450	26,856	26,856
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NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	5,712,698	0	5,990,767	278,069	0
	KPCO	0	1,184,721	0	1,242,387	57,666	0
	I&M	0	3,435,200	0	3,602,410	167,211	0
	OPCO	0	4,019,586	0	4,215,244	195,657	0
	CSP	0	3,293,157	0	3,453,454	160,296	0
	East. AEP (Co. 122)	17,645,362	0	18,504,262	0	0	858,899
	TOTAL	17,645,362	17,645,362	18,504,262	18,504,262	858,899	858,899
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THIRD PARTY SALES (2)	APCO	1,400,281	4,158,580	1,209,154	4,404,761	439,105	1,798
	KPCO	290,394	862,418	250,966	913,471	91,064	582
	I&M	842,027	2,500,677	726,439	2,648,709	264,044	424
	OPCO	985,279	2,926,106	850,025	3,099,322	308,965	495
	CSP	807,208	2,397,272	696,399	2,539,183	253,126	406
	East. AEP (Co. 122)	12,845,052	4,325,190	13,605,446	3,732,983	3,704	1,356,304
	TOTAL	17,170,242	17,170,242	17,338,429	17,338,429	1,360,008	1,360,008
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GROSS TOTAL	APCO	1,400,281	9,871,278	1,209,154	10,395,528	717,174	1,798
	KPCO	290,394	2,047,138	250,966	2,155,858	148,730	582
	I&M	842,027	5,935,877	726,439	6,251,119	431,254	424
	OPCO	985,279	6,945,692	850,025	7,314,566	504,623	495
	CSP	807,208	5,690,430	696,399	5,992,637	413,423	406
	East. AEP (Co. 122)	30,490,415	4,325,190	32,109,708	3,732,983	3,704	2,215,204
	TOTAL	34,815,604	34,815,604	35,842,691	35,842,691	2,218,908	2,218,908
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NET TOTAL	APCO	0	8,470,997	0	9,186,373	715,377	0
	KPCO	0	1,756,744	0	1,904,892	148,148	0
	I&M	0	5,093,850	0	5,524,680	430,831	0
	OPCO	0	5,960,413	0	6,464,541	504,128	0
	CSP	0	4,883,221	0	5,296,238	413,017	0
	East. AEP (Co. 122)	26,165,225	0	28,376,725	0	0	2,211,500
	TOTAL	26,165,225	26,165,225	28,376,725	28,376,725	2,211,500	2,211,500

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

Pwr Code	Customer	CO.	ACTUAL	AMOUNT DUE (TO)/FROM AGENT											
				MLR	APCO	RFCO	I&M	OPCO	CSP	NET	APCO	RFCO	I&M	OPCO	CSP
	Totals		986,505	319,880	65,236	192,062	224,725	184,112	986,505	(319,880)	(66,236)	(192,062)	761,780	(184,112)	-
				335	69	201	235	1,033	(335)	(69)	(201)	758	(193)	-	
CPLC	Progress Energy	4470066 07	1,033					1,033							
DTE	Duke Energy Trading	(5) 4470006 07	23,185	7,566	4,514	5,281	4,327	23,185	(7,566)	(4,514)	17,904	(4,327)	-		
DJKE	Duke Power Company	(1) 4470066 07	13,714	4,440	921	2,670	3,124	2,859	(4,440)	(921)	10,590	(2,859)	-		
EPCC	East KY Power Co-Op	4470066 07	82	26	6	19	15	82	(26)	(6)	63	(15)	-		
ENTE	Energy Power Serv	(2) 4470066 07	16,167	5,234	1,086	3,147	3,683	16,167	(5,234)	(1,086)	12,484	(3,017)	-		
MISO Retail	Midwest Retail	(3) 4470066 07	102,126	33,063	6,857	19,882	23,264	19,060	(33,063)	(6,857)	78,962	(19,060)	-		
MISO Trading	Midwest Trading	(4) 4470066 07	180,534	58,448	12,121	35,146	41,125	33,693	(58,448)	(12,121)	139,408	(33,693)	-		
MISO Auction	Midwest Auction	5950099 07	619,992	200,709	41,624	120,692	141,225	619,992	(200,709)	(41,624)	478,727	(115,702)	-		
TVAA	TVA Bulk Power Trading	4470066 07	93,712	9,419	1,995	5,784	6,768	5,546	(9,419)	(1,995)	22,944	(5,546)	-		

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	Customer	CO.	ACTUAL	AMOUNT DUE (TO)/FROM AGENT										
				MLR	APCO	RFCO	I&M	OPCO	CSP	NET	APCO	RFCO	I&M	OPCO
	Totals		(215,203)	(59,574)	(14,448)	(41,896)	(49,022)	(40,164)	(215,204)	(59,574)	(14,448)	(41,896)	(166,182)	(40,164)
				(35,421)	(7,345)	(21,299)	(24,922)	(20,418)	(109,405)	35,421	7,345	21,299	(84,483)	20,418
CLEB2	City of Lebanon	4470066 07	(109,405)					(109,405)						
CWEL2	Village of Crowell	4470006 07	(85,019)	(11,337)	(2,351)	(6,817)	(7,977)	(6,937)	11,337	2,351	6,817	(27,042)	6,937	
SEBE2	Village of Sebawing	4470006 07	(63,207)	(20,463)	(4,244)	(14,398)	(14,398)	(63,207)	20,463	4,244	12,306	(48,809)	11,796	
TOHE2	Town of Hagerstown	4470006 07	(7,573)	(2,453)	(508)	(1,474)	(1,725)	(1,413)	2,453	508	1,474	(5,848)	1,413	

- Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (\$7,278.41)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$102,126.46)
 (3) \$0 of the ENTE invoice will be allocated to RFCO/SWRFPCO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470006 is passed through to Sebawing Light & Water 28,801.22, Crowell 23,480.46 and Hagerstown 7,572.86.
 (5) DTE is passed through to SEBE2 \$11,616.31 and CWEL2 \$11,568.04 respectively.

ACTUAL: December 2010

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
ENERGY (1)						
I.	ACTUAL	APCO	427,170	438,219	18,733,491	22,749,824
	THIS MONTH	KPCO	88,701	90,919	3,884,992	4,717,910
		I&M	256,953	263,633	11,264,971	13,680,111
		OPCO	300,298	308,019	13,181,426	16,007,443
		CSP	245,971	252,200	10,799,162	13,114,436
		TOTAL	1,319,093	1,352,990	57,864,042	70,269,724
II.	PREVIOUS	APCO	426,612	438,845	18,538,728	22,799,572
	ESTIMATE	KPCO	88,588	91,053	3,844,602	4,728,227
		I&M	256,617	264,009	11,147,858	13,710,025
		OPCO	299,908	308,457	13,044,390	16,042,448
		CSP	245,642	252,554	10,686,892	13,143,114
		TOTAL	1,317,367	1,354,918	57,262,470	70,423,386
III.	ADJUSTMENT	APCO	558	(626)	194,763	(49,748)
	(I-II)	KPCO	113	(134)	40,390	(10,317)
		I&M	336	(376)	117,113	(29,915)
		OPCO	390	(438)	137,036	(35,005)
		CSP	329	(354)	112,270	(28,678)
		TOTAL	1,726	(1,928)	601,572	(153,662)
EXERCISED						
OPTIONS &						
PREMIUMS (2)						
		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: December 2010

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
I. ACTUAL THIS MONTH	APCO	41,754	41,704	1,770,336	1,912,582			
	KPCO	8,634	8,634	367,136	396,635			
	I&M	25,076	25,076	1,064,552	1,150,090			
	OPCO	29,304	29,302	1,245,660	1,345,749			
	CSP	23,833	23,885	1,020,534	1,102,532			
	TOTAL	128,601	128,601	5,468,218	5,907,589			
II. PREVIOUS ESTIMATE	APCO	41,752	41,702	1,768,601	1,912,518			
	KPCO	8,634	8,634	366,776	396,622			
	I&M	25,075	25,075	1,063,509	1,150,051			
	OPCO	29,303	29,301	1,244,439	1,345,703			
	CSP	23,832	23,884	1,019,534	1,102,495			
	TOTAL	128,596	128,596	5,462,859	5,907,389			
III. ADJUSTMENT (I-II)	APCO	2	2	1,735	65			
	KPCO	0	0	360	13			
	I&M	1	1	1,043	39			
	OPCO	1	1	1,221	46			
	CSP	1	1	1,000	37			
	TOTAL	5	5	5,359	200			

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY CREDIT COMMISSIONS ACCT. 5570.007	BROKER'S COMMISSIONS ACCT. 4470.143	BROKER'S COMMISSIONS ACCT. 5550.099	PURCHASE COSTS ACCT. 4470.010	SALES REVENUES ACCT. 4470.006	
	I. ACTUAL THIS MONTH	APCO	0	72	21,458	(24,854)
		KPCO	0	15	4,450	(5,154)
I&M		0	44	12,903	(14,944)	
OPCO		0	51	15,098	(17,487)	
CSP		0	42	12,369	(14,326)	
TOTAL		0	224	66,278	(76,765)	
II. PREVIOUS ESTIMATE	APCO	0	72	23,063	(25,047)	
	KPCO	0	15	4,883	(5,303)	
	I&M	0	42	13,553	(14,719)	
	OPCO	0	49	15,858	(17,223)	
	CSP	0	41	12,992	(14,110)	
	TOTAL	0	220	70,349	(76,402)	
III. ADJUSTMENT (I-II)	APCO	0	0	(1,605)	193	
	KPCO	0	(0)	(433)	149	
	I&M	0	1	(650)	(225)	
	OPCO	0	1	(760)	(264)	
	CSP	0	1	(623)	(216)	
	TOTAL	0	4	(4,071)	(363)	

(\$)	COSTS		COSTS		REVENUES		REVENUES		COST		Total PPA/MSO	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	Non-ECR Energy	(Revenue - Cost)
	Act. 5614,008	Act. 4470,131	Act. 4470,099	Act. 4470,112	Act. 4470,170	Act. 4470,167	Act. 5550,002	Act. 4470,157	Act. 5550,002	Act. 4470,157	Act. 5550,002	Act. 4470,157
0	51,324	(3,789)	41,777	4,189,238	8,517	324	(70,289)					
0	10,644	(634)	9,664	218,546	1,766	67	(9,267)					
0	30,414	(1,490)	29,122	2,663,464	2,121	195	(27,799)					
0	30,114	(1,744)	27,983	3,116,540	2,993	238	(26,437)					
0	29,557	(1,744)	27,983	3,116,540	2,993	197	(26,289)					
0	156,535	(9,740)	129,942	14,981,936	26,206	1,000	(1,89,869)					
0	51,531	(3,059)	41,777	4,602,908	8,517	0	(26,473)					
0	10,707	(634)	9,664	954,561	1,766	0	(6,220)					
0	31,047	(1,400)	29,122	2,767,806	2,121	0	(61,283)					
0	34,329	(1,453)	29,286	3,238,741	2,993	0	(21,229)					
0	29,753	(1,453)	27,983	2,893,497	2,993	0	(13,787)					
0	157,476	(9,740)	129,942	14,217,475	26,206	0	(91,287)					
0	(305)	0	0	(173,472)	0	324	(77,864)					
0	(63)	0	0	(6,017)	0	67	(16,608)					
0	(163)	0	0	(104,494)	0	195	(16,106)					
0	(245)	0	0	(122,201)	0	228	(94,212)					
0	(776)	0	0	(100,116)	0	197	(64,696)					
0	(942)	0	0	(636,446)	0	1,000	(238,418)					

ACTUAL: December 2010

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	4,016,333	0	4,260,844	244,511	0
	KPCO	0	832,918	0	883,625	50,707	0
	I&M	0	2,415,140	0	2,562,167	147,027	0
	OPCO	0	2,826,017	0	2,998,058	172,041	0
	CSP	0	2,315,274	0	2,456,222	140,948	0
	East. AEP (Co.122)	12,405,681	0	13,160,916	0	0	755,235
	TOTAL	12,405,681	12,405,681	13,160,916	13,160,916	755,235	755,235
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	0	142,246	0	143,917	1,670	0
	KPCO	0	29,500	0	29,846	346	0
	I&M	0	85,537	0	86,542	1,004	0
	OPCO	0	100,089	0	101,264	1,175	0
	CSP	0	81,999	0	82,961	963	0
	East. AEP (Co.122)	439,371	0	444,530	0	0	5,159
	TOTAL	439,371	439,371	444,530	444,530	5,159	5,159
BROKERS' COMMISSIONS (3)	APCO	46,384	0	48,182	0	0	1,798
	KPCO	9,619	0	10,201	0	0	582
	I&M	27,891	0	28,314	0	0	424
	OPCO	32,636	0	33,130	0	0	495
	CSP	26,737	0	27,143	0	0	406
	East. AEP (Co.122)	0	143,267	0	146,971	3,704	0
	TOTAL	143,267	143,267	146,971	146,971	3,704	3,704
POWER SWAPS	APCO	975,238	0	859,500	0	115,738	0
	KPCO	202,247	0	178,245	0	24,002	0
	I&M	586,438	0	516,841	0	69,597	0
	OPCO	686,206	0	604,769	0	81,437	0
	CSP	562,189	0	495,470	0	66,719	0
	East. AEP (Co.122)	0	3,012,318	0	2,654,826	0	357,492
	TOTAL	3,012,318	3,012,318	2,654,826	2,654,826	357,492	357,492
PJM/MISO NON-ECR ENERGY	APCO	378,659	0	301,472	0	77,186	0
	KPCO	78,527	0	62,520	0	16,008	0
	I&M	227,699	0	181,283	0	46,416	0
	OPCO	266,437	0	212,125	0	54,312	0
	CSP	218,283	0	173,787	0	44,496	0
	East. AEP (Co.122)	0	1,169,605	0	931,187	0	238,418
	TOTAL	1,169,605	1,169,605	931,187	931,187	238,418	238,418
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,400,281	4,158,580	1,209,154	4,404,761	439,105	1,798
	KPCO	290,394	862,418	250,966	913,471	91,064	582
	I&M	842,027	2,500,677	726,439	2,648,709	264,044	424
	OPCO	985,279	2,926,106	850,025	3,099,322	308,965	495
	CSP	807,208	2,397,272	696,399	2,539,183	253,126	406
	East. AEP (Co.122)	12,845,052	4,325,190	13,605,446	3,732,983	3,704	1,356,304
	TOTAL	17,170,242	17,170,242	17,338,429	17,338,429	1,360,008	1,360,008

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: December 2010
- (3) Actual commissions paid in: December 2010

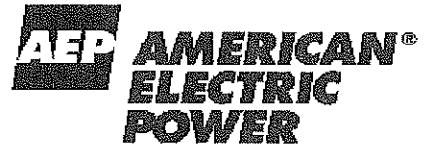
APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	11,046,962	6,353,686	6,658,649	2,293,694	7,808,259	34,161,291	Various	
<i>PJM Admin Fees</i>									
PJM Schedule 9 & 10 Entry - LSE	5614000	31,993	6,635	19,238	22,511	18,443	98,821	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5614001	410,635	85,158	246,926	288,935	236,716	1,268,370	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,870	388	1,124	1,316	1,078	5,776	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	24,001	4,977	14,432	16,888	13,836	74,134	no	
PJM Schedule 9 & 10 Entry - LSE	5757000	34,517	7,158	20,756	24,287	19,898	106,616	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5757001	443,026	91,876	266,404	311,726	298,388	1,368,420	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	3,538	734	2,127	2,489	2,040	10,928	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	45,410	9,417	27,306	31,952	26,177	140,263	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	6,445	1,336	3,875	4,535	3,715	19,906	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	82,716	17,164	49,740	58,202	47,683	255,495	no	
PJM Admin Fee - Schedule 9 AMU	5757000	2,997	622	1,802	2,109	1,728	9,257	East Zone SIA	
PJM Admin Fee - Schedule 9 AMU	5757001	38,467	7,977	23,131	27,066	22,175	118,816	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	(9,582)	(1,987)	(6,762)	(6,743)	(5,524)	(29,598)	East Zone SIA	
Transmission Owner Scheduling System	4470110	4,653	965	2,798	3,274	2,683	14,374	East Zone SIA	
Power Factor Charges	5950039	(6,946)	(1,440)	(4,177)	(4,867)	(4,004)	(21,465)	East Zone SIA	
Other Supporting Facilities Charge	4470107	5,616	1,144	3,317	3,882	3,180	17,039	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	(33,789)	(7,007)	(20,318)	(23,775)	(19,478)	(104,367)	N	
Implicit Congestion - LSE	4470093	(433,682)	(89,936)	(260,785)	(305,151)	(250,002)	(1,339,558)	N	
Inadvertent - OSS	5950039	-	-	-	-	-	-	N	
Inadvertent - LSE	5950040	-	-	-	-	-	-	East Zone SIA	
Misc Credits	4470107	-	-	-	-	-	-	East Zone SIA	
Meter Correction - LSE	4470116	38,533	7,991	23,171	27,113	22,213	119,020	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	(1)	(0)	(1)	(1)	(1)	(4)	East Zone SIA	
Load Reconciliation OSS	4470115	15,243	3,161	9,166	10,726	8,787	47,083	East Zone SIA	
Load Reconciliation LSE	4470093	(96,523)	(11,722)	(33,989)	(39,771)	(32,583)	(174,588)	N	
Firm Pt to Pt Transmission (SCG)	4470106	-	-	-	-	-	-	East Zone SIA	
Power Factor (BCK)	4470141	8,004	1,660	4,813	5,632	4,614	24,722	N	
Power Factor (BCK)	4470126	(9,390)	(1,947)	(5,647)	(6,607)	(5,413)	(29,005)	East Zone SIA	
Planning Period Cong Uplift Adj OSS	4470174	-	-	-	-	-	-	East Zone SIA	
Planning Period Cong Uplift Adj LSE	4470101	-	-	-	-	-	-	N	
DA Op Res PJM Invoice Adj	4470098	-	-	-	-	-	-	East Zone SIA	
Firm Pt to Pt Transmission (SCG)	4470206	-	-	-	-	-	-	East Zone SIA	
Firm Pt to Pt Transmission (SCG)	4470208	-	-	-	-	-	-	N	
DA Op Res for Load Response (OSS)	4470098	-	-	-	-	-	-	East Zone SIA	
Reclass of RT Implicit Congestion Dec 10 HE22	4470093	885,430	177,401	514,394	601,905	493,124	2,642,254	N	
Reclass of RT Implicit Congestion Dec 10 HE22	4470126	(885,430)	(177,401)	(514,394)	(601,905)	(493,124)	(2,642,254)	N	
<i>PJM TEA Charge Reclass (HLR)</i>									
Transmission Enhancement Charge	5650012	(1,054,688)	(218,724)	(634,213)	(742,109)	(607,989)	(3,257,723)	N	
RTO Start-up Cost Recovery Charge	4561002	(50,033)	(19,057)	(39,744)	(66,802)	(19,988)	(178,624)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(31,979)	(7,705)	(25,399)	(36,301)	(12,774)	(114,154)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	297,166	61,627	178,694	209,094	171,305	917,886	East Zone SIA	
<i>PJM TEA Charge Reclass (12CP)</i>									
Transmission Enhancement Charge	5650012	1,003,293	196,507	472,095	659,204	551,926	2,883,025	No	
RTO Start-up Cost Recovery Charge	4561002	62,161	12,175	29,250	40,842	34,196	178,624	East Zone SIA	
Expansion Cost Recovery Charge	4561003	39,726	7,781	18,693	26,101	21,894	114,154	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(319,424)	(62,563)	(150,304)	(209,875)	(175,720)	(917,886)	N	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		11,640,838	6,465,037	6,897,171	2,639,594	8,144,456	35,787,057		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		9,221,007	1,899,787	5,403,131	6,437,829	5,287,056	28,248,811		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	2,419,831	4,565,250	1,494,040	(3,798,235)	2,857,400	7,538,446		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	(330,025)	(191,054)	(197,573)	(68,288)	(230,246)	(1,017,186)	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		(330,025)	(191,054)	(197,573)	(68,288)	(230,246)	(1,017,186)		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		(1,026,405)	(211,614)	(613,899)	(717,987)	(588,226)	(3,151,831)		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	690,380	20,560	416,026	649,699	357,980	2,134,645		
CHARGE DESCRIPTION									
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SCG and BCK	Various	632,331	364,486	380,270	131,140	444,997	1,953,223.66	Various	
AEP/UB Emergency Load Response	4470206	-	-	-	-	-	-	East Zone SIA	
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470099	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	-	-	-	-	-	-	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5950075	-	-	-	-	-	-	No	
Regulation Credit (Expense)	5550079	753	156	453	530	434	2,325.87	No	
Spinning Reserve - Credit	5550084	440	91	265	310	254	1,360.24	No	
Buckeye Pass-Through	4470141	(303,305)	(63,054)	(183,267)	(219,384)	(174,038)	(939,047.16)	No	
Transmission Loss Credit	4470206	607	126	365	427	350	1,873.62	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		330,826	301,806	198,085	(82,977)	271,997	(1,019,737.23)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,550,761)	(736,360)	(2,135,144)	(2,498,353)	(2,046,913)	(10,967,532)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	3,981,988	1,038,166	2,333,229	2,415,376	2,318,910	11,987,269		



Date **January 2011**

Subject **East Interchange Power Statement and Related Data
January 2011 Actual**

Reviewer: **David B. Roberts (Bruce)
4/2/2011**

Approved **Eric Gleckler
4/2/2011**

To **See Distribution List**

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of January 2011.

NOTES:

- 1) Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.
- 2) The January 2011 Interchange Power Statement was reissued due to the following CEAS issues: I & M load issue, the APCO-OPCO tie line issue , OPCO-Buckeye issue and the CRES /MLR changes.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
January 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: January 2011

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			MWh		(\$)	
			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
(SOURCE: PAGE 2)						
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	2,357,716 112,334 272,268 266,547 605,150 3,614,015	428,473 159,673 1,389,889 1,303,920 332,060 3,614,015	84,714,670 8,421,506 8,967,708 9,475,495 17,015,387 128,594,766	15,015,038 4,459,353 31,848,943 66,233,480 11,037,950 128,594,765
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	2,332,770 116,564 263,867 287,826 627,742 3,628,769	420,887 166,313 1,381,427 1,328,439 331,703 3,628,769	85,594,836 8,626,294 8,951,843 10,325,789 17,258,190 130,756,952	15,629,960 4,944,319 33,306,541 66,364,014 10,512,117 130,756,952
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	24,946 (4,230) 8,401 (21,279) (22,592) (14,754)	7,586 (6,640) 8,462 (24,519) 357 (14,754)	(880,166) (204,788) 15,865 (850,294) (242,803) (2,162,186)	(614,922) (484,966) (1,457,598) (130,533) 525,833 (2,162,187)
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)			APCO KPCO I&M OPCO CSP TOTAL	0 0 0 0 2,054 2,054	349 69 202 1,434 0 2,054
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)			APCO KPCO I&M OPCO CSP West. AEP TOTAL	0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM IN-MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 0 6,077,069 0 9,840,084 15,917,153	1,281,886 5,412,294 673,259 0 2,472,645 6,077,069 15,917,153
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 554,554 0 0 172,784 764,728 1,492,066	7,152 0 4,205 753,371 0 727,338 1,492,066

ACTUAL: January 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	9,747
	KPCO	0	208,435
	I&M	0	5,745
	OPCO	272,240	0
	CSP	0	116,193
	East. AEP (Co. 122)	340,120	272,240
	TOTAL	612,360	612,360
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	26,097,445
	KPCO	0	5,463,799
	I&M	0	15,316,547
	OPCO	0	17,922,448
	CSP	0	14,939,324
	East. AEP (Co.122)	79,739,563	0
	TOTAL	79,739,563	79,739,563
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	26,035,125
	KPCO	0	5,450,628
	I&M	0	15,279,712
	OPCO	0	17,878,893
	CSP	0	14,648,550
	East. AEP (Co.122)	79,292,909	0
	TOTAL	79,292,909	79,292,909
XI. ADJUSTMENT FOR RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	62,320
	KPCO	0	13,170
	I&M	0	36,835
	OPCO	0	43,556
	CSP	0	290,774
	East. AEP (Co.122)	446,655	0
	TOTAL	446,655	446,655

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: January 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,328,000)	13.61	31,695,670	0	53,019,000	15,015,038
	BILLING	KPCO	(351,500)	13.61	4,785,665	0	3,635,841	4,459,353
	AMOUNT	I&M	319,100	15.68	0	5,003,488	8,967,708	26,845,455
		OPCO	2,486,800	13.35	0	33,198,780	9,475,495	33,034,700
		CSP	(126,400)	13.61	1,720,933	0	15,294,454	11,037,950
		TOTAL			38,202,268	38,202,268	90,392,498	90,392,497
II.	PREVIOUSLY	APCO			31,650,526	0	53,944,310	15,629,960
	ESTIMATED	KPCO			4,823,116	0	3,803,178	4,944,319
	BILLING	I&M			0	4,569,973	8,951,843	28,736,568
	AMOUNT *	OPCO			0	32,716,012	10,325,789	33,648,002
		CSP			812,343	0	16,445,847	10,512,117
		TOTAL			37,285,985	37,285,985	93,470,967	93,470,967
IV.	ADJUSTMENT	APCO			45,144	0	(925,310)	(614,922)
	TO BE BOOKED	KPCO			(37,451)	0	(167,337)	(484,966)
	NEXT MONTH	I&M			0	433,515	15,865	(1,891,113)
	(I - II + III)	OPCO			0	482,768	(850,294)	(613,301)
		CSP			908,590	0	(1,151,393)	525,833
		TOTAL			916,283	916,283	(3,078,469)	(3,078,470)
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			2,357,716	428,473	84,714,670	15,015,038
	BILLING	KPCO			112,334	159,673	8,421,506	4,459,353
	AMOUNT	I&M			272,268	1,389,889	8,967,708	31,848,943
		OPCO			266,547	1,303,920	9,475,495	66,233,480
		CSP			605,150	332,060	17,015,387	11,037,950
		TOTAL			3,614,015	3,614,015	128,594,766	128,594,765
II.	PREVIOUSLY	APCO			2,332,770	420,887	85,594,836	15,629,960
	ESTIMATED	KPCO			116,564	166,313	8,626,294	4,944,319
	& ENERGY	I&M			263,867	1,381,427	8,951,843	33,306,541
	BILLING	OPCO			287,826	1,328,439	10,325,789	66,364,014
	AMOUNT	CSP			627,742	331,703	17,258,190	10,512,117
		TOTAL			3,628,769	3,628,769	130,756,952	130,756,952
IV.	ADJUSTMENT	APCO			24,946	7,586	(880,166)	(614,922)
	TO BE BOOKED	KPCO			(4,230)	(6,640)	(204,788)	(484,966)
	NEXT MONTH	I&M			8,401	8,462	15,865	(1,457,598)
	(I - III)	OPCO			(21,279)	(24,519)	(850,294)	(130,533)
		CSP			(22,592)	357	(242,803)	525,833
		TOTAL			(14,754)	(14,754)	(2,162,186)	(2,162,187)

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: January 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u> (1)	<u>MEMBER LOAD RATIO (APPENDIX I)</u> (2)	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u> (3)	<u>SURPLUS (DEFICIT) CAPACITY KW</u> (4) = (1) - (3)
APCO	6,377,000	0.32728	8,705,000	(2,328,000)
KPCO	1,471,000	0.06852	1,822,500	(351,500)
I&M	5,428,000	0.19208	5,108,900	319,100
OPCO	8,465,000	0.22476	5,978,200	2,486,800
CSP	4,857,000	0.18736	4,983,400	(126,400)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u> (1)	<u>CAPACITY RATE \$/kW *</u> (2)	<u>CREDIT (CHARGE) ** \$</u> (3)
APCO	(2,328,000)	***** + *****	(31,695,670)
KPCO	(351,500)	***** + *****	(4,785,665)
I&M	319,100	10.22 + 5.46	5,003,488
OPCO	2,486,800	10.8 + 2.55	33,198,780
CSP	(126,400)	***** + *****	(1,720,933)

EQUALIZATION CAPACITY RATE: 13.6150
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

January 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
I. AEP EXTERNAL ENERGY	(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)	
ENERGY COST	APCO	614,985	745,915	22,776,475	28,086,552
RECOVERY AND MLR	KPCO	129,406	97,241	4,768,529	3,424,124
ALLOCATION FOR ALL	I&M	360,412	199,539	13,367,469	8,929,518
AEP SYSTEM	OPCO	416,601	417,550	15,641,776	14,260,397
DELIVERIES TO	CSP	350,620	411,779	13,038,989	14,892,646
NON-AFFILIATED COS.	AEP	1,872,024	1,872,024	69,593,238	69,593,237
ADJUSTMENT TO	APCO	(319,544)	(319,544)	(13,229,841)	(13,229,841)
PREVENT RECOGNITION	KPCO	(29,029)	(29,029)	(1,405,114)	(1,405,114)
OF SALES BY POOL	I&M	(91,565)	(91,565)	(4,561,137)	(4,561,137)
MEMBERS TO	OPCO	(153,336)	(153,336)	(6,400,620)	(6,400,620)
THEMSELVES	CSP	(129,361)	(129,361)	(5,582,524)	(5,582,524)
(PAGE 7)	AEP	(722,835)	(722,835)	(31,179,235)	(31,179,235)
SUBTOTAL	APCO	295,441	426,371	9,546,634	14,856,711
AEP EXTERNAL	KPCO	100,377	68,212	3,363,415	2,019,010
ENERGY	I&M	268,847	107,974	8,806,332	4,368,381
	OPCO	263,265	264,214	9,241,156	7,859,777
	CSP	221,259	282,418	7,456,465	9,310,122
	AEP	1,149,189	1,149,189	38,414,003	38,414,002
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	2,062,275	0	43,472,366	0
ENERGY	KPCO	11,957	91,198	272,426	2,417,659
(PAGE 8)	I&M	2,503	1,281,103	67,942	22,419,303
	OPCO	0	1,039,576	0	25,155,663
	CSP	383,891	48,749	7,837,989	1,658,098
	AEP	2,460,626	2,460,626	51,650,723	51,650,723
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	2,357,716	428,473	53,019,000	15,015,038
	KPCO	112,334	159,673	3,635,841	4,459,353
	I&M	272,268	1,389,889	8,967,708	26,845,455
	OPCO	266,547	1,303,920	9,475,495	33,034,700
	CSP	605,150	332,060	15,294,454	11,037,950
	AEP	3,614,015	3,614,015	90,392,498	90,392,497

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: January 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	2,102	0	158,327
COST RECOVERY	KPCO	0	263	0	22,684
ALLOCATED TO	I&M	918	812	93,434	57,771
SPECIAL SERVICE	OPCO	3,282	130	234,339	19,260
CUSTOMERS	CSP	0	893	0	69,731
	AEP	<u>4,200</u>	<u>4,200</u>	<u>327,773</u>	<u>327,773</u>
PREVIOUSLY	APCO	0	2,141	0	177,089
ESTIMATED	KPCO	0	204	0	19,077
AMOUNT	I&M	800	1,297	93,431	89,350
	OPCO	3,480	110	261,887	18,106
	CSP	0	528	0	51,696
	AEP	<u>4,280</u>	<u>4,280</u>	<u>355,319</u>	<u>355,319</u>
ADJUSTMENT	APCO	0	(39)	0	(18,762)
TO BE BOOKED	KPCO	0	59	0	3,607
NEXT MONTH	I&M	118	(485)	3	(31,579)
	OPCO	(198)	20	(27,549)	1,154
	CSP	0	365	0	18,035
	AEP	<u>(80)</u>	<u>(80)</u>	<u>(27,546)</u>	<u>(27,546)</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.

(1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: January 2011

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) <u>(1)</u>	CREDIT MEMBER (1) COST RECOVERY (\$) <u>(2)</u>	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) <u>(3)</u>	EXCESS OF REVENUE OVER ENERGY COSTS (\$) <u>(4)=(3)-(1)</u>
APCO	22,776,475	28,086,552	32,391,500	9,615,025
KPCO	4,768,529	3,424,124	6,781,535	2,013,006
I&M	13,367,469	8,929,518	19,010,512	5,643,043
OPCO	15,641,776	14,260,397	22,244,899	6,603,123
CSP	13,038,989	14,892,646	18,543,338	5,504,349
TOTAL	<u>69,593,238</u>	<u>69,593,237</u>	<u>98,971,784</u>	<u>29,378,546</u>

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) <u>(5)</u>	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) <u>(6)=(4)-(5)</u>	(MLR) MEMBER LOAD RATIO THIS MONTH <u>(7)</u>
APCO	0	9,615,025	0.32728
KPCO	0	2,013,006	0.06852
I&M	0	5,643,043	0.19208
OPCO	0	6,603,123	0.22476
CSP	0	5,504,349	0.18736
TOTAL	<u>0</u>	<u>29,378,546</u>	<u>1.00000</u>

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO₂ & NO_x emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0
WESTERN AEP:	0.000% x	0 =	\$0
			\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	ACTUAL TOTAL OF ALL ACCOUNTS	PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH
						ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	
APCO	0	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	ACTUAL TOTAL OF ALL ACCOUNTS	PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH
						ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043	
PSO	0	0	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: January 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	502,374	15,842,615	0.32728	164,417	5,184,971
KPCO	72,866	2,160,012	0.06852	4,993	148,004
I&M	55,337	1,956,220	0.19208	10,629	375,751
OPCO	297,139	9,013,389	0.22476	66,785	2,025,849
CSP	281,881	9,387,876	0.18736	52,813	1,758,912
TOTAL	1,209,597	38,360,112	1.00000	299,637	9,493,487

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	131,428	6,241,924	0.32728	43,014	2,042,857
KPCO	364	7,517	0.06852	25	515
I&M	78,307	3,450,728	0.19208	15,041	662,816
OPCO	43,677	1,125,119	0.22476	9,817	252,882
CSP	65,650	2,068,761	0.18736	12,300	387,603
TOTAL	319,426	12,894,050	1.00000	80,197	3,346,673

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	112,113	6,002,013
KPCO	24,011	1,256,595
I&M	65,895	3,522,570
OPCO	76,734	4,121,889
CSP	64,248	3,436,009
TOTAL	343,001	18,339,075

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	319,544	13,229,841
KPCO	29,029	1,405,114
I&M	91,565	4,561,137
OPCO	153,336	6,400,620
CSP	129,361	5,582,524
TOTAL	722,835	31,179,235

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: January 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	73,326	25.356	1,859,254
2. I&M	APCO	1,054,053	15.011	15,822,389
3. OPCO	APCO	888,034	21.505	19,097,173
4. CSP	APCO	46,862	30.981	1,451,831
5. TOTAL	APCO	<u>2,062,275</u>	<u>18.538</u>	<u>38,230,647</u>
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	4,189	15.011	62,881
8. OPCO	KPCO	6,632	21.505	142,621
9. CSP	KPCO	1,136	30.981	35,194
10. TOTAL	KPCO	<u>11,957</u>	<u>20.130</u>	<u>240,696</u>
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	2	25.000	50
13. OPCO	I&M	1,750	21.505	37,633
14. CSP	I&M	751	30.980	23,266
15. TOTAL	I&M	<u>2,503</u>	<u>24.350</u>	<u>60,949</u>
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	<u>0</u>	<u>0.000</u>	<u>0</u>
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	17,870	25.356	453,111
23. I&M	CSP	222,861	15.011	3,345,366
24. OPCO	CSP	143,160	21.505	3,078,657
25. TOTAL	CSP	<u>383,891</u>	<u>17.914</u>	<u>6,877,134</u>
26. TOTAL ALL MEMBERS RECEIVED		2,460,626	18.454	45,409,426
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	91,198	25.356	2,312,415
29. I&M	2, 7, 18, & 23	1,281,103	15.011	19,230,636
30. OPCO	3, 8, 13, & 24	1,039,576	21.505	22,356,084
31. CSP	4, 9, 14, & 19	48,749	30.981	1,510,291
32. TOTAL ALL MEMBERS DELIVERED:		2,460,626	18.454	45,409,426

ACTUAL: January 2011

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	73,326	26.510	1,943,872
2. I&M	APCO	1,054,053	17.500	18,445,928
3. OPCO	APCO	888,034	24.198	21,488,649
4. CSP	APCO	46,862	34.014	1,593,917
5. TOTAL	APCO	2,062,275	21.080	43,472,366
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	4,189	17.500	73,307
8. OPCO	KPCO	6,632	24.198	160,481
9. CSP	KPCO	1,136	34.014	38,638
10. TOTAL	KPCO	11,957	22.784	272,426
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	2	26.510	53
13. OPCO	I&M	1,750	24.198	42,346
14. CSP	I&M	751	34.014	25,543
15. TOTAL	I&M	2,503	27.144	67,942
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	17,870	26.510	473,734
23. I&M	CSP	222,861	17.500	3,900,068
24. OPCO	CSP	143,160	24.198	3,464,187
25. TOTAL	CSP	383,891	20.417	7,837,989
26. TOTAL ALL MEMBERS RECEIVED		2,460,626	20.991	51,650,723
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	91,198	26.510	2,417,659
29. I&M	2, 7, 18, & 23	1,281,103	17.500	22,419,303
30. OPCO	3, 8, 13, & 24	1,039,576	24.198	25,155,663
31. CSP	4, 9, 14, & 19	48,749	34.014	1,658,098
32. TOTAL ALL MEMBERS DELIVERED:		2,460,626	20.991	51,650,723

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: January 2011

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ECONOMY ENERGY				
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL: January 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

January 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
(1)		(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)	
APCO	AMOS 1	5,771	72,743	0.0793	462	36.6524
	AMOS 2	31,402	360,522	0.0871	107	9.3199
	AMOS 3	38,446	194,604	0.1976	79	15.6073
	CEREDO1	94	358	0.2626	0	0.0000
	CEREDO2	87	339	0.2566	0	0.0000
	CEREDO3	91	339	0.2684	0	0.0000
	CEREDO4	52	140	0.3714	0	0.0000
	CEREDO5	96	269	0.3569	0	0.0000
	CEREDO6	100	270	0.3704	0	0.0000
	CLINCH RIVER 1	27,488	75,006	0.3665	310	113.6080
	CLINCH RIVER 2	53,369	104,007	0.5131	430	220.6454
	CLINCH RIVER 3	33,173	63,695	0.5208	259	134.8898
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	11,352	37,634	0.3016	281	84.7614
	KANAWHA RIVER 1	44,594	102,841	0.4336	592	256.7035
	KANAWHA RIVER 2	60,175	123,725	0.4864	694	337.5345
	MOUNTAINEER 1	98,051	812,749	0.1206	160	19.3026
	SPORN 1	35,724	88,523	0.4036	609	245.7657
	SPORN 3	34,480	94,601	0.3645	652	237.6398
	TOTAL	474,545	2,132,365	0.2225	4,635	1,712.4303
KPCO	BIG SANDY 1	26,889	179,006	0.1502	1,140	171.2426
	BIG SANDY 2	45,977	539,092	0.0853	3,444	293.7250
	ROCKPORT 1 (AEG)	36	120,181	0.0003	378	0.1132
	ROCKPORT 2 (AEG)	328	117,769	0.0028	361	1.0054
	TOTAL	73,230	956,048	0.0766	5,323	466.0862
I&M	ROCKPORT 1	121	400,251	0.0003	1,258	0.3803
	ROCKPORT 1 (AEG)	85	280,252	0.0003	880	0.2669
	ROCKPORT 2	1,097	392,722	0.0028	1,204	3.3632
	ROCKPORT 2 (AEG)	764	274,648	0.0028	842	2.3422
	TANNERS CREEK 1	29,046	72,951	0.3982	284	113.0768
	TANNERS CREEK 2	23,959	50,048	0.4787	185	88.5633
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	1,114	350,542	0.0032	2,074	6.5910
	TOTAL	56,186	1,821,414	0.0308	6,727	214.5837

ACTUAL: January 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	77,300	391,272	0.1976	158	31.2146
	CARDINAL 1	2,335	424,800	0.0055	392	2.1547
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	0	0	0.0000	0	0.0000
	GAVIN 1	1,947	943,466	0.0021	1,374	2.8355
	GAVIN 2	4,623	968,812	0.0048	1,535	7.3247
	KAMMER 1	33,803	107,869	0.3134	897	281.0937
	KAMMER 2	16,909	51,774	0.3266	467	152.5187
	KAMMER 3	2,320	8,004	0.2899	74	21.4493
	MITCHELL 1	29,094	551,908	0.0527	448	23.6165
	MITCHELL 2	43,542	507,629	0.0858	226	19.3852
	MUSKINGUM 1	12,022	109,648	0.1096	2,315	253.8207
	MUSKINGUM 2	1,165	12,982	0.0897	315	28.2680
	MUSKINGUM 3	31,242	147,893	0.2112	3,138	662.8941
	MUSKINGUM 4	19,716	81,153	0.2429	1,715	416.6567
	MUSKINGUM 5	0	0	0.0000	0	0.0000
	SPORN 2	0	0	0.0000	0	0.0000
	SPORN 4	21,121	53,252	0.3966	369	146.3541
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	297,139	4,360,462	0.0681	13,423
CSP	BECKJORD 6	1,964	24,542	0.0800	224	17.9258
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	9,416	62,486	0.1507	1,171	176.4577
	CONESVILLE 4	47,301	142,873	0.3311	89	29.4653
	CONESVILLE 5	71,472	221,479	0.3227	175	56.4731
	CONESVILLE 6	63,530	250,550	0.2536	193	48.9375
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	26,824	207,738	0.1291	0	0.0000
	LAWRENCEBURG 2	20,206	142,925	0.1414	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	18,548	98,609	0.1881	108	20.3144
	STUART 2	20,825	83,998	0.2479	17	4.2147
	STUART 3	16,283	69,838	0.2332	19	4.4299
	STUART 4	8,240	36,367	0.2266	66	14.9542
	WATERFORD	19,357	241,893	0.0800	0	0.0000
	ZIMMER 1	4,945	124,655	0.0397	340	13.4876
		TOTAL	328,911	1,707,953	0.1926	2,402

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: January 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
I. AEP EXTERNAL ENERGY (3)			
APCO	14,986	13,151	(1,835)
KPCO	4,452	195,099	190,647
I&M	1,813	12,873	11,060
OPCO	19,061	445,109	426,048
CSP	3,375	162,328	158,953
AEP	<u>43,687</u>	<u>828,560</u>	<u>784,873</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	139,826	0	(139,826)
KPCO	23,853	2,075	(21,778)
I&M	20,649	10,770	(9,879)
OPCO	95,263	1,072	(94,191)
CSP	91,721	5,214	(86,507)
AEP	<u>371,312</u>	<u>19,131</u>	<u>(352,181)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	28,228,213	28,086,552	
KPCO	3,255,255	3,424,124	
I&M	8,928,337	8,929,518	
OPCO	13,928,540	14,260,397	
CSP	14,820,200	14,892,646	
AEP	<u>69,160,545</u>	<u>69,593,237</u>	

	<u>SO2</u>	<u>NOX</u>
NOTES: (1) Market Price (\$/Ton):	10.00	332.39
(2) APCO \$/Ton:	7.68	0.00
KPCO \$/Ton:	418.59	29.23
I&M \$/Ton:	59.99	172.86
OPCO \$/Ton:	217.17	3.74
CSP \$/Ton:	419.82	18.96

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 12/31/2010

OPERATING COMPANY PERCENTAGE
 REVISED JANUARY 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32728	0.06852	0.19208	0.22476	0.18736

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
12/10	21177	14	08	7623	15	09	1596	13	20	3785	14	19	4627	13	19	3546
11/10	17430	29	08	5873	29	08	1208	24	14	3503	24	19	3982	24	18	2864
10/10	15220	22	08	4555	22	08	997	20	07	3170	12	14	3675	11	15	2823
09/10	20151	02	16	5861	02	16	1191	01	13	3938	01	15	4993	02	16	4168
08/10	21252	04	16	6200	04	14	1310	12	16	4422	10	14	5098	12	16	4222
07/10	21344	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4364
06/10	20233	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4205
05/10	18449	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3689
04/10	15086	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	15	2689
03/10	18102	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3056
02/10	19938	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3307
01/10	20609	11	08	7440	08	09	1543	07	08	3680	13	08	4563	05	19	3383

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

TOTAL	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23292	7623	1596	4474	5235	4364

DATE/TIME	12/14/10 HR 08	12/15/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16
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Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

The January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.

ACTUAL: January 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,677,000</u>
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	<u>28,000</u>
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	<u>195,000</u>
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	<u>17,000</u>
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	<u>14,000</u>
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	<u>17,000</u>
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,440,000
Racine (Hydro)	<u>25,000</u>
TOTAL MEMBER PRIMARY CAPACITY	8,465,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	<u>17,000</u>
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 January 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capability*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 January 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLENLYN	37,634	2,178,763	1,655,445	217,511	1,448,872	206,574
SPORN (APCO)	183,124	6,392,644	5,703,145	418,626	5,363,768	339,377
KANAWHA RIVER	226,566	7,542,348	6,770,548	415,290	6,189,527	581,021
CLINCH RIVER	242,708	9,642,502	8,646,585	435,837	8,007,926	638,659
AMOS (APCO)	628,363	23,211,892	17,827,920	2,759,854	16,702,711	1,125,210
MOUNTAINEER	812,749	25,544,294	21,900,137	1,703,334	20,606,504	1,293,633
CEREDO	1,715	255,724	100,251	88,322	100,049	203
BEECH RIDGE	17,129	0	0	0	0	0
CAMP GROVE	17,038	0	0	0	0	0
FOWLER RIDGE III	23,251	0	0	0	0	0
GRAND RIDGE II	9,935	0	0	0	0	0
GRAND RIDGE III	10,076	0	0	0	0	0
TOTAL	2,210,288	74,768,167	62,604,032	6,038,774	58,419,357	4,184,675
RATES:		29.690	28.324	1.366	26.431	1.893
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	718,098	21,807,472	19,977,584	633,704	19,618,737	358,848
ROCKPORT 1 (AEG)	120,181	3,696,776	2,459,073	188,786	2,338,899	120,175
ROCKPORT 2 (AEG)	117,769	3,622,583	2,404,910	184,997	2,284,164	120,746
TOTAL	956,048	29,126,831	24,841,567	1,007,487	24,241,799	599,768
RATES:		26.510	25.983	0.527	25.356	0.627
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	122,999		4,037,952		3,618,098	419,854
TANNERS CREEK 4	350,542		8,111,028		7,517,829	593,200
TANNERS CREEK TOTAL	473,541	15,553,860	12,148,980	2,167,210	11,135,927	1,013,054
ROCKPORT 1 (OWNED SHARE)	400,251	12,311,750	8,189,702	628,733	7,789,472	400,230
ROCKPORT 1 (AEG)	280,252	8,620,572	5,734,352	440,233	5,454,115	280,237
ROCKPORT 2 (AEG)	274,648	8,448,192	5,608,468	431,430	5,326,877	281,591
ROCKPORT 2 (LEASED SHARE)	392,722	12,080,157	8,019,606	616,906	7,616,956	402,649
COOK	1,598,138	33,004,472	14,534,639	8,162,398	14,534,639	0
FOWLER RIDGE I	22,708	0	0	0	0	0
FOWLER RIDGE II	12,479	0	0	0	0	0
TOTAL	3,454,739	90,019,003	54,235,747	12,446,909	51,857,987	2,377,760
RATES:		17.500	15.699	1.801	15.011	0.688
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	53,252	3,248,721	1,891,314	879,419	1,733,966	157,348
MUSKINGUM	351,676	12,626,350	9,127,086	1,972,202	8,697,397	429,690
KAMMER	167,647	7,840,776	6,057,946	1,205,747	5,738,378	319,568
CARDINAL (OPCO)	424,800	12,901,042	7,792,109	3,246,863	7,093,070	699,039
MITCHELL	1,059,537	29,518,828	26,257,479	1,025,046	25,688,916	568,564
AMOS (OPCO)	390,778	12,739,184	10,611,242	1,119,505	10,219,095	392,146
GAVIN	1,912,278	48,424,833	37,855,089	2,998,323	34,866,758	2,988,331
FOWLER RIDGE II	12,479	0	0	0	0	0
Wyandot	381	0	0	0	0	0
TOTAL	4,372,828	127,299,734	99,592,265	12,447,105	94,037,579	5,554,686
RATES:		24.198	22.775	1.423	21.505	1.270
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	677,388	23,524,223	18,972,856	1,716,989	17,478,263	1,494,593
PICWAY	0	196,165	4,134	91,336	0	4,134
BECKJORD	24,542	815,519	721,287	97,246	647,141	74,146
STUART	288,812	13,302,204	10,538,210	1,562,473	10,149,934	388,276
ZIMMER	124,655	5,960,190	4,430,071	530,817	4,065,078	364,992
WATERFORD	241,893	9,767,355	8,899,507	462,954	8,854,300	45,207
DARBY	0	280,165	21,886	167,506	753	21,133
LAWRENCEBURG	350,663	13,493,233	12,496,955	258,765	12,114,915	382,040
FOWLER RIDGE II	12,479	0	0	0	0	0
Wyandot	300	0	0	0	0	0
TOTAL	1,720,732	67,339,054	56,084,906	4,888,086	53,310,385	2,774,521
RATES:		34.013	32.593	1.420	30.981	1.612
SYSTEM TOTAL	12,714,635	388,552,789	297,358,517	36,828,361	281,867,107	15,491,410

ACTUAL: January 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	74,768,167	58,419,357	4,184,675	6,038,774	3,019,387
KPCO	29,126,831	24,241,799	599,768	1,007,487	503,743
I&M	90,019,003	51,857,987	2,377,760	12,446,909	6,223,455
OPCO	127,299,734	94,037,579	5,554,686	12,447,105	6,223,553
CSP	67,339,054	53,310,385	2,774,521	4,888,086	2,444,043
TOTAL	388,552,789	281,867,107	15,491,410	36,828,361	18,414,181

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,204,062	2,210,288	2,210,288	29.690
KPCO	1,103,511	956,048	956,048	26.510
I&M	8,601,215	3,454,739	3,454,739	17.500
OPCO	11,778,239	4,372,828	4,372,828	24.198
CSP	5,218,564	1,720,732	1,720,732	34.014
TOTAL	33,905,591	12,714,635	12,714,635	24.835

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	9,144,748	5,677,000	1.61
KPCO	3,781,521	1,471,000	2.57
I&M	29,559,801	5,414,000	5.46
OPCO	21,483,916	8,440,000	2.55
CSP	8,810,105	4,857,000	1.81
TOTAL	72,780,091	25,859,000	2.81

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: January 2011

APPENDIX VI
 Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION	APCO	290,543	61,995	292,177	63,280	0	349
SERVICE	KPCO	60,829	12,978	61,168	13,248	0	69
(PURCHASES)	I&M	170,519	36,382	171,478	37,139	0	202
	OPCO	146,844	688,219	149,275	689,216	0	1,434
	CSP	166,328	35,489	164,393	35,608	2,054	0
	TOTAL	835,063	835,063	838,491	838,491	2,054	2,054
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NET AMOUNT DUE	APCO	0	25,529,709	0	25,637,347	107,638	0
FOR ALL SYSTEM	KPCO	0	5,344,936	0	5,367,341	22,405	0
TRANSACTIONS	I&M	0	14,983,338	0	15,046,346	63,008	0
(EXCEPT TRANS.	OPCO	0	17,532,553	0	17,605,825	73,272	0
SERVICE) (1)	CSP	0	14,615,127	0	14,424,824	0	190,303
	East. AEP (Co. 122)	78,005,663	0	78,081,683	0	0	76,020
	TOTAL	78,005,663	78,005,663	78,081,683	78,081,683	266,323	266,323
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THIRD PARTY	APCO	2,423,836	2,991,572	2,421,235	2,819,014	19,382	189,339
SALES (2)	KPCO	507,459	626,321	506,888	590,175	4,072	39,647
	I&M	1,422,543	1,755,752	1,421,090	1,654,456	11,291	111,134
	OPCO	1,664,575	2,054,470	1,662,828	1,935,895	13,226	130,054
	CSP	1,387,587	1,711,783	1,362,390	1,586,117	30,656	131,126
	East. AEP (Co. 122)	9,139,898	7,405,998	8,585,657	7,374,431	601,301	78,627
	TOTAL	16,545,897	16,545,897	15,960,088	15,960,088	679,928	679,928
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GROSS TOTAL	APCO	2,423,836	28,521,281	2,421,235	28,456,361	127,020	189,339
	KPCO	507,459	5,971,257	506,888	5,957,516	26,477	39,647
	I&M	1,422,543	16,739,090	1,421,090	16,700,802	74,299	111,134
	OPCO	1,664,575	19,587,023	1,662,828	19,541,720	86,498	130,054
	CSP	1,387,587	16,326,910	1,362,390	16,010,941	30,656	321,430
	East. AEP (Co. 122)	87,145,561	7,405,998	86,667,340	7,374,431	601,301	154,646
	TOTAL	94,551,560	94,551,560	94,041,771	94,041,771	946,251	946,251
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NET TOTAL	APCO	0	26,097,445	0	26,035,125	0	62,320
	KPCO	0	5,463,799	0	5,450,628	0	13,170
	I&M	0	15,316,547	0	15,279,712	0	36,835
	OPCO	0	17,922,448	0	17,878,893	0	43,556
	CSP	0	14,939,324	0	14,648,550	0	290,774
	East. AEP (Co. 122)	79,739,563	0	79,292,909	0	446,655	0
	TOTAL	79,739,563	79,739,563	79,292,909	79,292,909	446,655	446,655

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE

Psr Code	Customer	CO.	ACCT.	AGNT	BILL	ACTUAL	AMOUNT DUE (TO)/FROM AGENT						NET				
							MLR	KPCO	I&M	OPCO	GSP	Total		APCO	KPCO	I&M	OPCO
	Totals				887,747	290,543	60,829	170,519	199,559	166,328	887,748	(290,543)	(60,829)	(170,519)	688,219	(166,328)	-
CPLC	Progress Energy		4470066	07	567		187	39	109	127	106	(187)	(89)	(109)	440	(106)	-
DTE	DTE Energy Trading, Inc.	(5)	4470066	07	12,531		4,101	859	2,407	2,816	2,348	(4,101)	(859)	(2,407)	9,715	(2,816)	-
DUKE2	Duke Power Company	(1)	4470066	07	18,611		6,091	1,275	3,575	4,184	3,487	(6,091)	(1,275)	(3,575)	14,488	(3,487)	-
ENTE	Energy Power Serv	(2)	4470066	07	14,363		4,701	985	2,759	3,227	2,691	(4,701)	(985)	(2,759)	11,136	(2,691)	-
MISO Retail	Midwest Retail	(3)	4470066	07	91,992		30,107	6,303	17,670	20,676	17,236	(30,107)	(6,303)	(17,670)	71,316	(17,236)	-
MISO Trading	Midwest Trading	(4)	4470066	07	171,328		56,072	11,739	32,509	38,508	32,100	(56,072)	(11,739)	(32,509)	132,820	(32,100)	-
MISO Auction	Midwest Auction		5950099	07	590,990		180,328	37,754	109,834	123,840	103,233	(180,328)	(37,754)	(109,834)	427,149	(103,233)	-
TYAM	TVA Bulk Power Trading		4470066	07	27,365		8,956	1,875	5,256	6,151	5,128	(8,956)	(1,875)	(5,256)	21,215	(5,128)	-

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Psr Code	Customer	CO.	ACCT.	AGNT	BILL	ACTUAL	AMOUNT DUE (TO)/FROM AGENT						NET					
							MLR	KPCO	I&M	OPCO	GSP	Total		APCO	KPCO	I&M	OPCO	GSP
	Totals				(189,419)	(189,417)	(61,995)	(12,978)	(36,382)	(42,573)	(35,489)	(189,417)	61,995	12,978	36,382	(146,844)	35,489	-
CLEB2	City of Lebanon	(1),(2)	4470066	07	(98,820)		(32,342)	(6,771)	(18,981)	(22,211)	(18,314)	(32,342)	6,771	18,981	(76,688)	18,314	-	
CWEL2	Village of Creswell	(4),(5)	4470066	07	(30,362)		(9,937)	(2,080)	(5,832)	(6,854)	(5,689)	(9,937)	2,080	5,832	(23,588)	5,689	-	
SEB2	Village of Sebawing	(4),(5)	4470066	07	(33,858)		(11,081)	(2,320)	(6,504)	(7,610)	(6,344)	(11,081)	2,320	6,504	(26,249)	6,344	-	
BEAM2	Bethel	(4)	4470066	07	(10,419)		(3,411)	(714)	(2,000)	(3,342)	(1,952)	(3,411)	714	2,000	(8,077)	1,952	-	
HAME2	Hammersville	(4)	4470066	07	(2,084)		(682)	(143)	(399)	(466)	(391)	(682)	143	399	(1,615)	391	-	
RPLY	Ripley	(4)	4470066	07	(6,251)		(2,046)	(428)	(1,202)	(1,404)	(1,171)	(2,046)	428	1,202	(4,847)	1,171	-	
TOH22	Town of Hagerstown	(4)	4470066	07	(7,624)		(2,496)	(522)	(1,464)	(1,714)	(1,428)	(2,496)	522	1,464	(5,910)	1,428	-	

- Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (\$6,928.84)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$91,991.56)
 (3) \$0 of the ENTE Invoice will be allocated to PSO/SVPCO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470066 is passed through to Sebawing Light & Water 27,590.85, Creswell 24,098.37 and Hagerstown 7,624.10, Bethel 10,419.05, Hammersville 2,084 and Ripley 6,251.
 (5) DTE is passed through to SEBE2 \$6,267.19 and CWEL2 \$6,263.91 respectively.

ACTUAL: January 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)	
		<u>PURCHASES</u>	<u>SALES</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
		ACCT. 4470.010	ACCT. 4470.006	ACCT. 4470.010	ACCT. 4470.006
ENERGY (1)					
I.	ACTUAL				
	THIS MONTH				
	APCO	291,733	317,309	13,362,006	16,353,578
	KPCO	61,087	66,379	2,797,497	3,423,818
	I&M	171,242	186,110	7,842,131	9,597,883
	OPCO	200,389	218,003	9,176,373	11,230,843
	CSP	166,863	181,537	7,650,249	9,362,033
	TOTAL	891,314	969,338	40,828,256	49,968,154
II.	PREVIOUS				
	ESTIMATE				
	APCO	292,422	305,568	13,674,929	16,493,943
	KPCO	61,159	63,785	2,862,933	3,453,108
	I&M	171,591	179,233	8,025,702	9,680,158
	OPCO	200,734	209,706	9,390,944	11,326,839
	CSP	164,739	172,178	7,694,177	9,280,294
	TOTAL	890,645	930,470	41,648,685	50,234,342
III.	ADJUSTMENT				
	(I-II)				
	APCO	(689)	11,741	(312,923)	(140,365)
	KPCO	(72)	2,594	(65,436)	(29,290)
	I&M	(349)	6,877	(183,571)	(82,275)
	OPCO	(345)	8,297	(214,571)	(95,996)
	CSP	2,124	9,359	(43,928)	81,739
	TOTAL	669	38,868	(820,429)	(266,188)
EXERCISED					
OPTIONS &					
PREMIUMS (2)					
		ACCT. 4470.011	ACCT. 4470.007	ACCT. 4470.011	ACCT. 4470.007
I.	ACTUAL				
	THIS MONTH				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
II.	PREVIOUS				
	ESTIMATE				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
III.	ADJUSTMENT				
	(I-II)				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

ACTUAL: January 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE			ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
			PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
			PURCHASES	REVENUES	PURCHASES	REVENUES
			4210.032	4210.031	4210.032	4210.031
I.	ACTUAL THIS MONTH	APCO	5,945	6,060	265,865	222,600
		KPCO	1,244	1,268	55,662	46,604
		I&M	3,488	3,556	156,036	130,643
		OPCO	4,095	4,174	182,583	152,871
		CSP	3,428	3,494	152,202	127,433
		TOTAL	18,200	18,552	812,349	680,150
II.	PREVIOUS ESTIMATE	APCO	6,107	6,107	271,340	225,315
		KPCO	1,271	1,271	56,807	47,171
		I&M	3,596	3,596	159,247	132,236
		OPCO	4,185	4,185	186,337	154,730
		CSP	3,441	3,441	152,669	126,773
		TOTAL	18,600	18,600	826,400	686,225
III.	ADJUSTMENT (I-II)	APCO	(162)	(47)	(5,475)	(2,716)
		KPCO	(27)	(3)	(1,145)	(567)
		I&M	(108)	(40)	(3,211)	(1,592)
		OPCO	(90)	(11)	(3,753)	(1,859)
		CSP	(13)	53	(467)	660
		TOTAL	(400)	(48)	(14,051)	(6,075)

BROKERS' COMMISSIONS (3)			ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
			RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
			CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
			ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
I.	ACTUAL THIS MONTH	APCO	0	21	249	24,698	(30,894)
		KPCO	0	4	52	5,171	(6,468)
		I&M	0	12	146	14,496	(18,132)
		OPCO	0	14	171	16,962	(21,217)
		CSP	0	12	142	14,138	(17,685)
		TOTAL	0	64	760	75,465	(94,396)
II.	PREVIOUS ESTIMATE	APCO	0	21	245	33,352	(30,910)
		KPCO	0	4	51	6,982	(6,471)
		I&M	0	12	144	19,574	(18,141)
		OPCO	0	14	169	22,903	(21,227)
		CSP	0	12	138	18,767	(17,393)
		TOTAL	0	64	747	101,578	(94,143)
III.	ADJUSTMENT (I-II)	APCO	0	(0)	3	(8,654)	16
		KPCO	0	(0)	1	(1,811)	3
		I&M	0	(0)	2	(5,078)	9
		OPCO	0	(0)	2	(5,941)	10
		CSP	0	0	4	(4,629)	(292)
		TOTAL	0	(0)	13	(26,113)	(253)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH AWR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

PJM NON-ECR ENERGY

POWER SWAPS

I. ACTUAL THIS MONTH	AFCC	TOTAL COSTS		TOTAL NET		TOTAL SWAPS	
		TO BE BOOKED	Act. 5550.001	TO BE BOOKED	Act. 4470.082	TO BE BOOKED	Act. 4470.143
		0	0	26,262	6,090	0	(1,704,054)
	KFCO	0	0	5,498	1,275	0	(356,764)
	IAM	0	0	15,413	3,574	0	(1,000,109)
	OPCO	0	0	18,035	4,182	0	(1,170,242)
	CSP	0	0	15,034	3,487	0	(975,532)
	TOTAL	0	0	80,242	18,607	0	(5,206,717)
II. PREVIOUS ESTIMATE	AFCC	0	0	26,347	5,620	0	(1,708,866)
	KFCO	0	0	5,516	1,177	0	(387,789)
	IAM	0	0	15,463	3,299	0	(1,002,314)
	OPCO	0	0	18,093	3,860	0	(1,173,118)
	CSP	0	0	14,824	3,162	0	(961,486)
	TOTAL	0	0	80,242	17,118	0	(5,204,532)
III. ADJUSTMENT (I-II)	AFCC	0	0	(81)	469	0	4,801
	KFCO	0	0	(18)	98	0	996
	IAM	0	0	(276)	2,76	0	2,908
	OPCO	0	0	(58)	322	0	3,286
	CSP	0	0	210	324	0	(6,034)
	TOTAL	0	0	0	1,490	0	(2,185)

PJM NON-ECR PURCHASES-OSS
NON-ECR PHYSICAL SALES-OSS

PJM NON-ECR ENERGY

I. ACTUAL THIS MONTH	AFCC	PURCHASES	MVA PURCHASES	SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
				Act. 4470.131	Act. 4470.112	Act. 5570.007	Act. 5550.088	Act. 5550.099	Act. 5550.100		
		99,043	0	622	622	107,217	5,091	319,098	5,844,788	895,120	787,812
	KFCO	20,736	130	130	130	22,447	1,233	66,807	164,875	165,939	164,875
	IAM	80,127	365	365	365	62,928	3,487	187,278	3,430,292	521,236	442,190
	OPCO	68,018	427	427	427	73,690	4,044	219,141	4,013,917	609,918	540,823
	CSP	56,700	356	356	356	61,375	3,372	185,676	3,344,000	508,428	480,832
	TOTAL	302,624	1,900	1,900	1,900	327,957	18,000	975,000	17,859,673	2,713,540	2,406,234
II. PREVIOUS ESTIMATE	AFCC	99,036	0	624	624	108,598	5,528	320,132	5,902,023	904,022	777,064
	KFCO	20,734	131	131	131	22,736	1,209	67,562	1,235,688	189,263	162,683
	IAM	80,124	366	366	366	63,737	3,504	187,883	3,464,380	530,563	456,093
	OPCO	68,011	428	428	428	74,878	4,100	219,843	4,053,081	620,817	533,631
	CSP	55,723	351	351	351	61,102	3,359	180,122	3,320,765	508,647	437,214
	TOTAL	301,628	1,900	1,900	1,900	330,751	18,000	975,000	17,976,245	2,783,311	2,366,646
III. ADJUSTMENT (I-II)	AFCC	7	0	(2)	(2)	(1,381)	64	(1,034)	(67,236)	(15,902)	10,447
	KFCO	2	0	(1)	(1)	(285)	23	(215)	(11,949)	(3,324)	2,192
	IAM	3	0	(1)	(1)	(803)	(47)	(605)	(33,588)	(9,227)	6,137
	OPCO	7	0	(1)	(1)	(946)	(66)	(702)	(39,164)	(7,194)	5,333
	CSP	977	0	5	5	273	13	2,586	(25,295)	(219)	13,618
	TOTAL	996	0	(0)	(0)	(3,354)	0	0	(116,672)	(39,571)	39,588

(3)	COSTS		COSTS		REVENUES		REVENUES		COST		Total PFM/MSO	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	Non-GR	Energy
Act. 5514.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.157	Act. 5650.002	Act. 5650.002	Act. 5650.002	Act. 5650.002	(Revenue - Cost)		
0	21,326	(3,407)	18,703	7,235,573	6,570	0	0	0	0	(600,482)		
0	4,465	(713)	3,916	1,514,854	1,794	0	0	0	0	(155,718)		
0	12,516	(2,000)	10,977	4,246,544	5,030	0	0	0	0	(392,420)		
0	14,646	(2,340)	12,844	4,569,040	5,885	0	0	0	0	(412,283)		
0	12,209	(1,950)	10,707	4,142,193	4,906	0	0	0	0	(243,741)		
0	65,163	(10,410)	57,148	22,108,204	26,185	0	0	0	0	(1,884,742)		
0	21,374	(3,418)	18,754	7,318,564	5,598	0	0	0	0	(681,100)		
0	4,475	(716)	3,928	1,532,186	1,800	0	0	0	0	(241,646)		
0	12,544	(2,006)	11,012	4,296,204	5,046	0	0	0	0	(341,129)		
0	14,678	(2,347)	12,886	5,023,856	5,904	0	0	0	0	(399,157)		
0	12,026	(1,923)	10,657	4,117,779	4,837	0	0	0	0	(327,037)		
0	65,097	(10,410)	57,148	22,289,589	26,185	0	0	0	0	(1,770,047)		
0	(48)	11	(61)	(82,921)	(28)	0	0	0	0	(8,382)		
0	(10)	2	(13)	(17,332)	(6)	0	0	0	0	(4,072)		
0	(28)	6	(35)	(48,660)	(16)	0	0	0	0	(11,291)		
0	(32)	8	(41)	(56,817)	(19)	0	0	0	0	(8,229)		
0	183	(27)	150	24,414	69	0	0	0	0	(6,756)		
0	65	0	(0)	(381,369)	(0)	0	0	0	0	(44,595)		

ACTUAL: January 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,991,572	0	2,819,014	0	172,558
	KPCO	0	626,321	0	590,175	0	36,146
	I&M	0	1,755,752	0	1,654,456	0	101,296
	OPCO	0	2,054,470	0	1,935,895	0	118,575
	CSP	0	1,711,783	0	1,586,117	0	125,666
	East. AEP (Co.122)	9,139,898	0	8,585,657	0	554,241	0
	TOTAL	9,139,898	9,139,898	8,585,657	8,585,657	554,241	554,241
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	43,266	0	46,025	0	0	2,759
	KPCO	9,058	0	9,636	0	0	577
	I&M	25,393	0	27,012	0	0	1,619
	OPCO	29,713	0	31,607	0	0	1,894
	CSP	24,769	0	25,896	0	0	1,127
	East. AEP (Co.122)	0	132,199	0	140,175	7,976	0
	TOTAL	132,199	132,199	140,175	140,175	7,976	7,976
BROKERS' COMMISSIONS (3)	APCO	55,862	0	64,529	0	0	8,667
	KPCO	11,695	0	13,508	0	0	1,813
	I&M	32,786	0	37,872	0	0	5,086
	OPCO	38,364	0	44,313	0	0	5,949
	CSP	31,977	0	36,310	0	0	4,333
	East. AEP (Co.122)	0	170,685	0	196,532	25,847	0
	TOTAL	170,685	170,685	196,532	196,532	25,847	25,847
POWER SWAPS	APCO	1,724,226	0	1,729,582	0	0	5,356
	KPCO	360,987	0	362,098	0	0	1,111
	I&M	1,011,944	0	1,015,078	0	0	3,134
	OPCO	1,184,115	0	1,187,751	0	0	3,636
	CSP	987,079	0	973,148	0	13,932	0
	East. AEP (Co.122)	0	5,268,352	0	5,267,657	13,236	13,932
	TOTAL	5,268,352	5,268,352	5,267,657	5,267,657	27,168	27,168
PJM/MISO NON-ECR ENERGY	APCO	600,482	0	581,100	0	19,382	0
	KPCO	125,718	0	121,646	0	4,072	0
	I&M	352,420	0	341,129	0	11,291	0
	OPCO	412,383	0	399,157	0	13,226	0
	CSP	343,761	0	327,037	0	16,724	0
	East. AEP (Co.122)	0	1,834,762	0	1,770,067	0	64,695
	TOTAL	1,834,762	1,834,762	1,770,067	1,770,067	64,695	64,695
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	2,423,836	2,991,572	2,421,235	2,819,014	19,382	189,339
	KPCO	507,459	626,321	506,888	590,175	4,072	39,647
	I&M	1,422,543	1,755,752	1,421,090	1,654,456	11,291	111,134
	OPCO	1,664,575	2,054,470	1,662,828	1,935,895	13,226	130,054
	CSP	1,387,587	1,711,783	1,362,390	1,586,117	30,656	131,126
	East. AEP (Co.122)	9,139,898	7,405,998	8,585,657	7,374,431	601,301	78,627
	TOTAL	16,545,897	16,545,897	15,960,088	15,960,088	679,928	679,928

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: January 2011
- (3) Actual commissions paid in: January 2011

APPENDIX IX

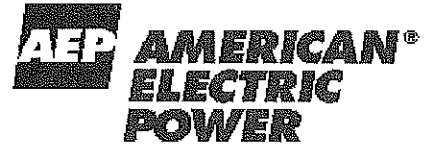
PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	14,214,873	2,978,572	8,359,198	9,797,792	8,123,907	43,474,342	Various	
<i>PJM Admin Fees</i>									
PJM Schedule 9 & 10 Entry - LSE	5614000	30,620	6,411	17,971	21,029	17,529	93,560	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5614001	503,488	105,411	298,496	345,771	288,238	1,538,400	No	
PJM Schedule 9 & 10 Entry - LSE	5618000	2,121	444	1,245	1,457	1,214	6,481	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	34,875	7,301	20,468	23,950	19,968	106,560	No	
PJM Schedule 9 & 10 Entry - LSE	5757000	29,812	6,241	17,495	20,473	17,066	91,089	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5757001	490,188	102,627	287,690	336,637	280,621	1,497,763	No	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,950	408	1,144	1,339	1,116	5,957	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	32,058	6,712	18,815	22,016	18,352	97,953	No	
PJM Schedule 9 & 10 Entry - LSE	5618000	2,958	619	1,736	2,031	1,693	9,038	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	48,640	10,183	28,547	33,403	27,845	148,618	No	
PJM Admin Fee - Schedule 9 MMU	5757000	1,972	413	1,158	1,359	1,129	6,027	East Zone SIA	
PJM Admin Fee - Schedule 9 MMU	5757001	32,453	6,790	19,035	22,273	18,667	99,088	No	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	3	1	2	2	2	9	East Zone SIA	
Transmission Owner Scheduling System	4470110	803	168	471	561	459	2,482	East Zone SIA	
Power Factor Charges	5550039	447	93	262	307	256	1,364	East Zone SIA	
Other Supporting Facilities Charge	4470107	(20,984)	(4,393)	(12,316)	(14,411)	(12,013)	(64,117)	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Reducing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Incremental Implicit Congestion - OSS	4470093	-	-	-	-	-	-	No	
Implicit Congestion - LSE	5550039	(364,299)	(76,270)	(213,806)	(250,183)	(208,552)	(1,113,110)	No	
Inadvertent - OSS	5550040	-	-	-	-	-	-	No	
Inadvertent - LSE	5550040	-	-	-	-	-	-	East Zone SIA	
Misc Credits	4470107	(23)	(9)	(14)	(16)	(13)	(72)	East Zone SIA	
Meter Correction - LSE	4470115	1,566	328	939	1,075	896	4,788	No	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	(7,715)	(1,615)	(4,528)	(5,298)	(4,417)	(23,574)	East Zone SIA	
Load Reconciliation Spot Market OSS (BCK)	4470115	3,957	828	2,322	2,718	2,265	12,091	East Zone SIA	
Load Reconciliation Congestion OSS (BCK)	4470126	(300)	(63)	(176)	(206)	(172)	(917)	No	
Load Reconciliation Losses OSS (BCK)	4470209	(78)	(16)	(46)	(53)	(44)	(237)	East Zone SIA	
Load Reconciliation Inadvertent Interchange OSS (BCK)	4470141	12	3	7	8	7	37	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470141	7,001	1,466	4,109	4,808	4,008	21,391	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470126	(7,001)	(1,466)	(4,109)	(4,808)	(4,008)	(21,391)	East Zone SIA	
Load Management Test Failure (BCK)	4470141	(1,339)	(280)	(784)	(920)	(767)	(4,093)	No	
Load Reconciliation Spot Market LSE (SCG)	4470115	(10,806)	(2,262)	(5,342)	(7,421)	(6,186)	(33,018)	East Zone SIA	
Load Reconciliation Congestion OSS (SCG)	4470126	438	92	257	301	251	1,339	East Zone SIA	
Load Reconciliation Losses OSS (SCG)	4470209	270	57	159	186	155	826	No	
Load Reconciliation Inadvertent Interchange OSS (SCG)	5550039	7	2	4	5	4	23	East Zone SIA	
Load Reconciliation Spot Market LSE (SCG)	4470124	(177,682)	(37,200)	(104,281)	(122,023)	(101,719)	(542,905)	East Zone SIA	
Load Reconciliation Congestion LSE (SCG)	4470093	7,208	1,509	4,231	4,950	4,127	22,025	East Zone SIA	
Load Reconciliation Losses LSE (SCG)	4470207	4,447	931	2,610	3,094	2,646	13,887	No	
Load Reconciliation Inadvertent Interchange LSE (SCG)	5550040	123	26	72	84	70	374	No	
<i>PJM TEA Charge Reclass (MIR)</i>									
Transmission Enhancement Charge	5650012	(1,261,918)	(264,198)	(740,617)	(866,624)	(722,418)	(3,895,775)	No	
RTO Start-up Cost Recovery Charge	4561002	(49,399)	(11,903)	(39,237)	(56,079)	(19,733)	(176,348)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(30,480)	(7,349)	(24,212)	(34,604)	(12,177)	(108,817)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	361,005	75,581	211,873	247,921	206,667	1,103,048	East Zone SIA	
<i>PJM TEA Charge Reclass (TZCP)</i>									
Transmission Enhancement Charge	5650012	1,189,440	227,819	688,345	751,566	629,692	3,487,162	No	
RTO Start-up Cost Recovery Charge	4561002	61,369	12,020	38,877	40,322	33,760	176,348	East Zone SIA	
Expansion Cost Recovery Charge	4561003	37,868	7,417	17,819	24,885	20,832	106,817	No	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(376,948)	(72,864)	(214,187)	(239,231)	(200,299)	(1,103,048)	No	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		14,792,944	3,081,094	8,667,680	10,110,788	8,430,619	45,083,145		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		16,074,860	3,492,388	9,340,939	4,033,718	10,503,264	48,846,160		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(1,281,886)	(5,412,294)	(673,259)	6,077,069	(2,072,645)			

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
<i>PJM Allocations GL Submit Summary</i>									
TOTAL PJM BUCKEYE NON-ECR FROM INVOICE (1)	Various	(1,578,721)	(330,388)	(925,655)	(1,082,254)	(904,527)	(4,821,545)	Various	
Power Factor (BCK)	4470141	-	-	-	-	-	-	No	
Power Factor (BCK)	4470126	-	-	-	-	-	-	No	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		(1,578,721)	(330,388)	(925,655)	(1,082,254)	(904,527)	(4,821,545)		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		(1,571,549)	(384,942)	(921,450)	(328,883)	(1,072,311)	(4,678,155)		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(7,152)	544,554	(4,205)	(783,371)	172,784	(37,390)		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SCG and BCK	Various	589,631	123,455	346,108	405,049	337,503	1,801,744.93	Various	
AEP/UB Emergency Load Response	4470206	-	-	-	-	-	-	East Zone SIA	
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470089	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	(310,916)	(55,094)	(182,476)	(213,822)	(177,592)	(950,900.90)	East Zone SIA	
Reserve Supply and Voltage Control Credit (Expense)	5550075	33,141	6,939	15,450	22,759	18,973	101,580.75	No	
Regulation Credit (Expense)	5550079	14,349	3,004	8,421	9,864	8,214	49,842.21	No	
Sprinkling Reserve - Credit	5550084	2	0	1	1	1	4.73	No	
Buckeye Pass-Through	4470141	(4,202,499)	(879,979)	(2,467,331)	(2,898,006)	(2,405,083)	(12,842,897.11)	No	
Transmission Loss Credit	4470206	128	27	75	88	73	391.95	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,876,165)	(811,649)	(2,275,741)	(2,663,777)	(2,218,311)	(11,845,652.56)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,866,418)	(803,214)	(2,270,006)	(2,936,016)	(2,102,318)	(11,777,722)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(9,747)	(208,433)	(5,745)	272,240	(116,193)	(67,880)		



Date February 2011

Subject East Interchange Power Statement and Related Data
February 2011 Actual

Reviewer: David B. Roberts (Bruce)
4/1/2011

Approved Eric Gleckler
4/1/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of February 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
February 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: February 2011

PAGE (1)

		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,495,587 113,724 237,548 227,587 679,575 2,754,021	348,533 189,212 746,638 1,234,345 235,293 2,754,021	66,592,187 8,221,287 7,816,653 8,241,698 18,748,334 109,620,159	12,558,833 5,699,783 20,008,701 63,673,447 7,679,396 109,620,160
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,525,437 105,718 236,040 226,434 701,773 2,795,402	356,453 171,487 838,581 1,195,008 233,873 2,795,402	67,906,028 8,226,854 7,760,016 8,009,967 18,302,080 110,204,945	13,046,968 4,950,804 21,720,296 63,224,772 7,262,105 110,204,945
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	(29,850) 8,006 1,508 1,153 (22,198) (41,381)	(7,920) 17,725 (91,943) 39,337 1,420 (41,381)	(1,313,841) (5,567) 56,637 231,731 446,254 (584,786)	(488,135) 748,979 (1,711,595) 448,675 417,291 (584,785)
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO KPCO I&M OPCO CSP TOTAL			0 0 0 23,986 0 23,986	11,014 2,305 6,461 0 4,206 23,986
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO KPCO I&M OPCO CSP West. AEP TOTAL			0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			431,556 90,090 386,994 281,517 296,591 0 1,486,747	0 0 0 0 0 1,486,747 1,486,747
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			93,338 19,560 54,839 64,244 68,057 0 300,038	0 0 0 0 0 300,038 300,038

ACTUAL: February 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	3,904,265	0
	KPCO	817,473	0
	I&M	2,292,106	0
	OPCO	2,682,699	0
	CSP	2,160,641	0
	East. AEP (Co. 122)	0	11,857,184
	TOTAL	11,857,184	11,857,184
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	21,129,646
	KPCO	0	4,423,741
	I&M	0	12,400,958
	OPCO	0	14,510,799
	CSP	0	12,096,197
	East. AEP (Co.122)	64,561,341	0
	TOTAL	64,561,341	64,561,341
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	11,925,732
	KPCO	0	4,466,801
	I&M	0	7,813,907
	OPCO	0	9,008,604
	CSP	0	10,387,012
	East. AEP (Co.122)	43,602,056	0
	TOTAL	43,602,056	43,602,056
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	9,203,914
	KPCO	43,060	0
	I&M	0	4,587,051
	OPCO	0	5,502,195
	CSP	0	1,709,185
	East. AEP (Co.122)	20,959,285	0
	TOTAL	21,002,345	21,002,345

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: February 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,328,000)	13.42	31,236,003	0	35,356,184	12,558,833
	BILLING	KPCO	(351,500)	13.42	4,716,261	0	3,505,026	5,699,783
	AMOUNT	I&M	319,100	15.97	0	5,096,027	7,816,653	14,912,674
		OPCO	2,486,800	13.09	0	32,552,212	8,241,698	31,121,235
		CSP	(126,400)	13.42	1,695,975	0	17,052,359	7,679,396
		TOTAL			37,648,239	37,648,239	71,971,920	71,971,921
II.	PREVIOUSLY	APCO			32,160,897	0	35,745,131	13,046,968
	ESTIMATED	KPCO			4,878,323	0	3,348,531	4,950,804
	BILLING	I&M			0	4,719,570	7,760,016	17,000,726
	AMOUNT *	OPCO			0	33,093,575	8,009,967	30,131,197
		CSP			773,925	0	17,528,155	7,262,105
		TOTAL			37,813,145	37,813,145	72,391,800	72,391,800
IV.	ADJUSTMENT	APCO			(924,894)	0	(388,947)	(488,135)
	TO BE BOOKED	KPCO			(162,062)	0	156,495	748,979
	NEXT MONTH	I&M			0	376,457	56,637	(2,088,052)
	(I - II + III)	OPCO			0	(541,363)	231,731	990,038
		CSP			922,050	0	(475,796)	417,291
		TOTAL			(164,906)	(164,906)	(419,880)	(419,879)
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			1,495,587	348,533	66,592,187	12,558,833
	BILLING	KPCO			113,724	189,212	8,221,287	5,699,783
	AMOUNT	I&M			237,548	746,638	7,816,653	20,008,701
		OPCO			227,587	1,234,345	8,241,698	63,673,447
		CSP			679,575	235,293	18,748,334	7,679,396
		TOTAL			2,754,021	2,754,021	109,620,159	109,620,160
II.	PREVIOUSLY	APCO			1,525,437	356,453	67,906,028	13,046,968
	ESTIMATED	KPCO			105,718	171,487	8,226,854	4,950,804
	& ENERGY	I&M			236,040	838,581	7,760,016	21,720,296
	BILLING	OPCO			226,434	1,195,008	8,009,967	63,224,772
	AMOUNT	CSP			701,773	233,873	18,302,080	7,262,105
		TOTAL			2,795,402	2,795,402	110,204,945	110,204,945
IV.	ADJUSTMENT	APCO			(29,850)	(7,920)	(1,313,841)	(488,135)
	TO BE BOOKED	KPCO			8,006	17,725	(5,567)	748,979
	NEXT MONTH	I&M			1,508	(91,943)	56,637	(1,711,595)
	(I - III)	OPCO			1,153	39,337	231,731	448,675
		CSP			(22,198)	1,420	446,254	417,291
		TOTAL			(41,381)	(41,381)	(584,786)	(584,785)

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: February 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.32728	8,705,000	(2,328,000)
KPCO	1,471,000	0.06852	1,822,500	(351,500)
I&M	5,428,000	0.19208	5,108,900	319,100
OPCO	8,465,000	0.22476	5,978,200	2,486,800
CSP	4,857,000	0.18736	4,983,400	(126,400)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,328,000)	***** + *****	(31,236,003)
KPCO	(351,500)	***** + *****	(4,716,261)
I&M	319,100	10.22 + 5.75	5,096,027
OPCO	2,486,800	10.8 + 2.29	32,552,212
CSP	(126,400)	***** + *****	(1,695,975)

EQUALIZATION CAPACITY RATE: 13.4175
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

February 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	516,642	596,561	18,301,306	22,092,437
RECOVERY AND MLR	KPCO	108,981	146,896	3,831,598	4,792,648
ALLOCATION FOR ALL	I&M	303,508	148,519	10,741,001	6,630,494
AEP SYSTEM	OPCO	350,232	364,456	12,568,448	11,489,582
DELIVERIES TO	CSP	295,292	318,223	10,477,062	10,914,255
NON-AFFILIATED COS.	AEP	1,574,655	1,574,655	55,919,415	55,919,416
ADJUSTMENT TO	APCO	(248,397)	(248,397)	(9,572,419)	(9,572,419)
PREVENT RECOGNITION	KPCO	(26,082)	(26,082)	(1,007,322)	(1,007,322)
OF SALES BY POOL	I&M	(65,960)	(65,960)	(2,924,348)	(2,924,348)
MEMBERS TO	OPCO	(123,816)	(123,816)	(4,435,885)	(4,435,885)
THEMSELVES	CSP	(96,359)	(96,359)	(3,664,501)	(3,664,501)
(PAGE 7)	AEP	(560,614)	(560,614)	(21,604,475)	(21,604,475)
SUBTOTAL	APCO	268,245	348,164	8,728,887	12,520,018
AEP EXTERNAL	KPCO	82,899	120,814	2,824,276	3,785,326
ENERGY	I&M	237,548	82,559	7,816,653	3,706,146
	OPCO	226,416	240,640	8,132,563	7,053,697
	CSP	198,933	221,864	6,812,561	7,249,754
	AEP	1,014,041	1,014,041	34,314,940	34,314,941
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,227,342	0	26,627,297	0
ENERGY	KPCO	30,825	68,315	680,750	1,906,331
(PAGE 8)	I&M	0	663,570	0	11,166,555
	OPCO	0	993,705	0	24,067,538
	CSP	480,642	13,219	10,239,798	407,421
	AEP	1,738,809	1,738,809	37,547,845	37,547,845
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,495,587	348,533	35,356,184	12,558,833
	KPCO	113,724	189,212	3,505,026	5,699,783
	I&M	237,548	746,638	7,816,653	14,912,674
	OPCO	227,587	1,234,345	8,241,698	31,121,235
	CSP	679,575	235,293	17,052,359	7,679,396
	AEP	2,754,021	2,754,021	71,971,920	71,971,921

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: February 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	369	0	38,815
COST RECOVERY	KPCO	0	83	0	8,126
ALLOCATED TO	I&M	0	509	0	39,973
SPECIAL SERVICE	OPCO	1,171	0	109,135	0
CUSTOMERS	CSP	0	210	0	22,221
	AEP	<u>1,171</u>	<u>1,171</u>	<u>109,135</u>	<u>109,135</u>
PREVIOUSLY	APCO	0	149	0	6,325
ESTIMATED	KPCO	0	3	0	141
AMOUNT	I&M	149	5	6,330	231
	OPCO	33	8	1,402	371
	CSP	0	17	0	665
	AEP	<u>181</u>	<u>181</u>	<u>7,732</u>	<u>7,732</u>
ADJUSTMENT	APCO	0	220	0	32,490
TO BE BOOKED	KPCO	0	80	0	7,985
NEXT MONTH	I&M	(149)	504	(6,330)	39,742
	OPCO	1,138	(8)	107,733	(371)
	CSP	0	193	0	21,556
	AEP	<u>990</u>	<u>990</u>	<u>101,403</u>	<u>101,403</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: February 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	18,301,306	22,092,437	23,433,404	5,132,098
KPCO	3,831,598	4,792,648	4,906,060	1,074,462
I&M	10,741,001	6,630,494	13,753,025	3,012,024
OPCO	12,568,448	11,489,582	16,092,912	3,524,464
CSP	10,477,062	10,914,255	13,415,045	2,937,983
TOTAL	55,919,415	55,919,416	71,600,446	15,681,031

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	5,132,098	0.32728
KPCO	0	1,074,462	0.06852
I&M	0	3,012,024	0.19208
OPCO	0	3,524,464	0.22476
CSP	0	2,937,983	0.18736
TOTAL	0	15,681,031	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	ESTIMATED	TOTAL	ACCOUNT NO.	ACCOUNT NO.	TO BE BOOKED	NEXT MONTH
4470.144	4210.043	4210.044	0	0	0	4470.144	4210.043	0	0
APCO	0	0	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	ESTIMATED	TOTAL	ACCOUNT NO.	ACCOUNT NO.	TO BE BOOKED	NEXT MONTH
4470.144	4210.043	4210.044	0	0	0	4470.144	4470.043	0	0
PSO	0	0	0	0	0	0	0	0	0
SWEPCO	0	0	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: February 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	371,109	11,274,546	0.32728	121,457	3,689,933
KPCO	129,147	4,051,988	0.06852	8,849	277,642
I&M	22,210	754,610	0.19208	4,266	144,945
OPCO	270,094	8,018,742	0.22476	60,706	1,802,292
CSP	218,007	7,252,034	0.18736	40,846	1,358,741
TOTAL	1,010,567	31,351,920	1.00000	236,124	7,273,553

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	146,438	7,336,492	0.32728	47,926	2,401,087
KPCO	554	11,788	0.06852	38	808
I&M	79,977	3,832,658	0.19208	15,362	736,177
OPCO	40,313	1,079,984	0.22476	9,061	242,737
CSP	55,009	1,669,203	0.18736	10,306	312,742
TOTAL	322,291	13,930,125	1.00000	82,693	3,693,551

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	79,014	3,481,399
KPCO	17,195	728,872
I&M	46,332	2,043,226
OPCO	54,049	2,390,856
CSP	45,207	1,993,018
TOTAL	241,797	10,637,371

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	248,397	9,572,419
KPCO	26,082	1,007,322
I&M	65,960	2,924,348
OPCO	123,816	4,435,885
CSP	96,359	3,664,501
TOTAL	560,614	21,604,475

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: February 2011

		<u>RECEIVED ENERGY</u>		
<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	47,824	26.475	1,266,141
2. I&M	APCO	454,742	13.514	6,145,383
3. OPCO	APCO	711,703	21.404	15,233,291
4. CSP	APCO	13,073	27.586	360,631
5. TOTAL	APCO	<u>1,227,342</u>	<u>18.744</u>	<u>23,005,446</u>
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	9,036	13.514	122,112
8. OPCO	KPCO	21,643	21.404	463,246
9. CSP	KPCO	146	27.582	4,027
10. TOTAL	KPCO	<u>30,825</u>	<u>19.120</u>	<u>589,385</u>
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	<u>0</u>	<u>0.000</u>	<u>0</u>
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	<u>0</u>	<u>0.000</u>	<u>0</u>
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	20,491	26.475	542,500
23. I&M	CSP	199,792	13.514	2,699,988
24. OPCO	CSP	260,359	21.404	5,572,724
25. TOTAL	CSP	<u>480,642</u>	<u>18.340</u>	<u>8,815,212</u>
26. TOTAL ALL MEMBERS RECEIVED		1,738,809	18.639	32,410,043
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>DELIVERED ENERGY</u>		
		<u>MWh</u>	<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	68,315	26.475	1,808,641
29. I&M	2, 7, 18, & 23	663,570	13.514	8,967,483
30. OPCO	3, 8, 13, & 24	993,705	21.404	21,269,261
31. CSP	4, 9, 14, & 19	13,219	27.586	364,658
32. TOTAL ALL MEMBERS DELIVERED:		1,738,809	18.639	32,410,043

ACTUAL: February 2011

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		PRIMARY ENERGY		
		RECEIVED ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	47,824	27.904	1,334,529
2. I&M	APCO	454,742	16.828	7,652,398
3. OPCO	APCO	711,703	24.220	17,237,448
4. CSP	APCO	13,073	30.821	402,922
5. TOTAL	APCO	1,227,342	21.695	26,627,297
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	9,036	16.828	152,057
8. OPCO	KPCO	21,643	24.220	524,194
9. CSP	KPCO	146	30.821	4,499
10. TOTAL	KPCO	30,825	22.084	680,750
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	20,491	27.904	571,802
23. I&M	CSP	199,792	16.828	3,362,100
24. OPCO	CSP	260,359	24.220	6,305,896
25. TOTAL	CSP	480,642	21.304	10,239,798
26. TOTAL ALL MEMBERS RECEIVED		1,738,809	21.594	37,547,845
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	68,315	27.904	1,906,331
29. I&M	2, 7, 18, & 23	663,570	16.828	11,166,555
30. OPCO	3, 8, 13, & 24	993,705	24.220	24,067,538
31. CSP	4, 9, 14, & 19	13,219	30.821	407,421
32. TOTAL ALL MEMBERS DELIVERED:		1,738,809	21.594	37,547,845

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: February 2011

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ECONOMY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL:

February 2011

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY \$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

February 2011

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
APCO	AMOS 1	8,675	202,404	0.0429	42	1.8001
	AMOS 2	24,633	386,470	0.0637	94	5.9914
	AMOS 3	47,686	261,611	0.1823	106	19.3215
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	18,179	72,544	0.2506	353	88.4592
	CLINCH RIVER 2	16,230	37,415	0.4338	165	71.5742
	CLINCH RIVER 3	2,046	14,392	0.1422	68	9.6670
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	1,154	0.0000	8	0.0000
	KANAWHA RIVER 1	0	0	0.0000	0	0.0000
	KANAWHA RIVER 2	49,225	95,252	0.5168	543	280.6154
	MOUNTAINEER 1	129,364	744,511	0.1738	183	31.7975
	SPORN 1	21,831	54,585	0.3999	403	161.1779
	SPORN 3	22,011	53,684	0.4100	396	162.3641
TOTAL	339,880	1,924,022	0.1767	2,361	832.7683	
KPCO	BIG SANDY 1	57,969	163,834	0.3538	1,058	374.3497
	BIG SANDY 2	71,178	481,028	0.1480	3,121	461.8162
	ROCKPORT 1 (AEG)	214	19,129	0.0112	61	0.6824
	ROCKPORT 2 (AEG)	340	126,308	0.0027	421	1.1333
	TOTAL	129,701	790,299	0.1641	4,661	837.9816
I&M	ROCKPORT 1	717	63,789	0.0112	199	2.2368
	ROCKPORT 1 (AEG)	502	44,643	0.0112	139	1.5630
	ROCKPORT 2	1,136	421,221	0.0027	1,407	3.7946
	ROCKPORT 2 (AEG)	793	294,569	0.0027	984	2.6490
	TANNERS CREEK 1	58	117	0.4957	(55)	-27.2650
	TANNERS CREEK 2	17,007	50,876	0.3343	275	91.9279
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	3,292	309,544	0.0106	1,565	16.6438
TOTAL	23,505	1,184,759	0.0198	4,514	91.5501	

ACTUAL: February 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	96,469	529,239	0.1823	212	38.6431
	CARDINAL 1	865	354,330	0.0024	390	0.9521
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	0	0	0.0000	0	0.0000
	GAVIN 1	1,170	864,395	0.0014	1,776	2.4039
	GAVIN 2	1,453	763,111	0.0019	1,603	3.0522
	KAMMER 1	30,752	100,567	0.3058	867	265.1166
	KAMMER 2	0	0	0.0000	0	0.0000
	KAMMER 3	7,620	44,567	0.1710	428	73.1788
	MITCHELL 1	38,722	347,686	0.1114	157	17.4852
	MITCHELL 2	8,497	217,261	0.0391	100	3.9110
	MUSKINGUM 1	3,048	38,149	0.0799	937	74.8637
	MUSKINGUM 2	20,393	115,499	0.1766	3,011	531.6351
	MUSKINGUM 3	9,379	103,588	0.0905	2,683	242.9225
	MUSKINGUM 4	21,179	91,100	0.2325	2,339	543.7726
	MUSKINGUM 5	25,388	235,165	0.1080	1,369	147.7948
	SPORN 2	0	0	0.0000	0	0.0000
	SPORN 4	5,159	12,608	0.4092	95	38.8725
	SPORN 5	0	0	0.0000	0	0.0000
	TOTAL	270,094	3,817,265	0.0708	15,967	1,984.6041
CSP	BECKJORD 6	133	29,039	0.0046	1,324	6.0640
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	5,030	32,251	0.1560	591	92.1748
	CONESVILLE 4	47,420	144,307	0.3286	95	31.2175
	CONESVILLE 5	43,604	103,246	0.4223	99	41.8108
	CONESVILLE 6	47,062	164,297	0.2864	144	41.2480
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	15,732	108,868	0.1445	0	0.0000
	LAWRENCEBURG 2	15,950	90,340	0.1766	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	15,171	71,929	0.2109	51	10.7567
	STUART 2	13,195	62,125	0.2124	55	11.6817
	STUART 3	20,012	92,363	0.2167	22	4.7667
	STUART 4	11,080	56,875	0.1948	45	8.7666
	WATERFORD	13,572	84,077	0.1614	0	0.0000
	ZIMMER 1	1,728	193,333	0.0089	496	4.4332
	TOTAL	249,689	1,233,050	0.2025	2,922	252.9200

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: February 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>	<u>SOURCE ALLOCATION</u>	
I. AEP EXTERNAL ENERGY (3)	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	5,665	17,188	11,523
KPCO	6,235	369,114	362,879
I&M	761	9,009	8,248
OPCO	14,399	357,963	343,564
CSP	1,813	35,209	33,396
AEP	<u>28,873</u>	<u>788,483</u>	<u>759,610</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	68,161	0	(68,161)
KPCO	43,442	3,812	(39,630)
I&M	9,195	4,714	(4,481)
OPCO	85,755	959	(84,796)
CSP	69,302	8,869	(60,433)
AEP	<u>275,855</u>	<u>18,354</u>	<u>(257,501)</u>
	<u>SOURCE</u> <u>ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE</u> <u>ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	22,149,075	22,092,437	
KPCO	4,469,399	4,792,648	
I&M	6,626,727	6,630,494	
OPCO	11,230,814	11,489,582	
CSP	10,941,292	10,914,255	
AEP	<u>55,417,307</u>	<u>55,919,416</u>	

	<u>SO2</u>	<u>NOX</u>
NOTES: (1) Market Price (\$/Ton):	8.00	338.10
(2) APCO \$/Ton:	20.64	0.00
KPCO \$/Ton:	440.48	29.67
I&M \$/Ton:	98.41	173.90
OPCO \$/Ton:	180.37	3.78
CSP \$/Ton:	139.21	43.24

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 01/31/2011

OPERATING COMPANY PERCENTAGE
 REVISED FEBRUARY 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32728	0.06852	0.19208	0.22476	0.18736

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
01/11	20428	14	08	7159	14	09	1445	31	21	3764	24	08	4666	21	19	3394
12/10	21177	14	08	7623	15	09	1596	13	20	3785	14	19	4627	13	19	3546
11/10	17430	29	08	5873	29	08	1208	24	14	3503	24	19	3982	24	18	2864
10/10	15220	22	08	4555	22	08	997	20	07	3170	12	14	3675	11	15	2823
09/10	20151	02	16	5861	02	16	1191	01	13	3938	01	15	4993	02	16	4168
08/10	21252	04	16	6200	04	14	1310	12	16	4422	10	14	5098	12	16	4222
07/10	21344	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4364
06/10	20233	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4205
05/10	18449	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3689
04/10	15086	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	15	2689
03/10	18102	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3056
02/10	19938	10	09	6952	01	09	1431	08	08	3627	08	10	4621	08	08	3307

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23292	7623	1596	4474	5235	4364

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

The January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

ACTUAL: February 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,677,000</u>
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	<u>6,377,000</u>
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>1,471,000</u>
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,414,000</u>
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	<u>5,428,000</u>
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>8,440,000</u>
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	<u>8,465,000</u>
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>4,857,000</u>
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 February 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capability*** as of <u>12/31/2009</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2009</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 February 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	1,154	379,903	(22,163)	175,628	8,056	(30,218)
SPORN (APCO)	108,269	4,188,298	3,566,046	344,118	3,345,510	220,537
KANAWHA RIVER	95,252	4,358,195	2,864,800	1,066,810	2,561,042	303,758
CLINCH RIVER	124,351	5,295,664	4,044,538	643,718	3,667,341	377,197
AMOS (APCO)	852,227	27,557,670	21,571,293	2,965,790	20,593,594	977,699
MOUNTAINEER	744,511	23,259,928	19,448,716	1,943,778	18,328,052	1,120,664
CEREDO	0	285,062	54	129,369	(107)	161
BEECH RIDGE	31,467	0	0	0	0	0
CAMP GROVE	24,178	0	0	0	0	0
FOWLER RIDGE III	29,173	0	0	0	0	0
GRAND RIDGE II	14,654	0	0	0	0	0
GRAND RIDGE III	14,435	0	0	0	0	0
TOTAL	2,039,671	65,324,720	51,473,284	7,269,211	48,503,487	2,969,797
RATES:		27.018	25.236	1.782	23.780	1.456
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	644,862	20,126,352	18,333,301	582,108	18,060,486	272,815
ROCKPORT 1 (AEG)	19,137	766,146	392,208	111,318	367,040	25,167
ROCKPORT 2 (AEG)	126,345	5,058,199	2,613,908	734,936	2,496,468	117,440
TOTAL	790,344	25,950,698	21,339,416	1,428,362	20,923,994	415,422
RATES:		27.905	27.001	0.904	26.475	0.526
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	50,993		1,743,231		1,561,452	181,779
TANNERS CREEK 4	309,544		7,986,388		7,555,024	431,364
TANNERS CREEK TOTAL	360,537	15,553,860	9,729,618	2,167,210	9,116,475	613,143
ROCKPORT 1 (OWNED SHARE)	63,783	2,553,541	1,307,216	371,019	1,223,334	83,882
ROCKPORT 1 (AEG)	44,641	1,787,194	914,906	259,672	856,197	58,708
ROCKPORT 2 (AEG)	294,705	11,798,462	6,097,049	1,714,270	5,823,116	273,933
ROCKPORT 2 (LEASED SHARE)	421,048	16,856,581	8,710,916	2,449,195	8,319,544	391,371
COOK	1,598,138	30,158,970	12,874,455	8,937,258	12,874,455	0
FOWLER RIDGE I	29,101	0	0	0	0	0
FOWLER RIDGE II	15,683	0	0	0	0	0
TOTAL	2,827,636	78,708,608	39,634,160	15,898,625	38,213,121	1,421,039
RATES:		16.828	14.017	2.811	13.514	0.503
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	12,608	1,712,592	583,178	713,081	432,039	151,138
MUSKINGUM	583,501	17,725,234	14,285,820	1,940,498	13,944,785	341,035
KAMMER	145,134	6,572,449	3,885,913	2,300,989	3,617,309	268,603
CARDINAL (OPCO)	354,330	9,804,359	6,968,993	1,761,785	6,355,265	613,729
MITCHELL	564,947	20,307,610	15,544,272	2,823,427	15,216,966	327,306
AMOS (OPCO)	527,497	14,549,066	13,066,674	803,309	12,702,411	364,263
GAVIN	1,627,506	41,432,366	31,973,114	2,650,004	29,743,922	2,229,192
FOWLER RIDGE II	15,683	0	0	0	0	0
Wyandot	447	0	0	0	0	0
TOTAL	3,831,653	112,103,676	86,307,963	12,993,093	82,012,697	4,295,266
RATES:		24.220	22.525	1.695	21.404	1.121
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	444,101	17,197,591	12,985,658	1,634,446	12,316,485	669,174
PICWAY	0	113,652	(762)	13,047	0	(762)
BECKFORD	29,039	924,651	698,605	169,753	658,823	39,782
STUART	283,292	10,061,072	7,767,749	1,575,697	7,376,239	391,510
ZIMMER	193,333	5,568,837	4,416,324	623,696	4,146,310	270,014
WATERFORD	84,077	4,255,269	3,105,864	673,533	3,106,430	(566)
DARBY	0	80,793	4,565	(41,684)	8,460	(3,895)
LAWRENCEBURG	199,208	8,278,348	6,869,273	652,919	6,844,673	24,600
FOWLER RIDGE II	15,683	0	0	0	0	0
Wyandot	351	0	0	0	0	0
TOTAL	1,249,084	46,480,213	35,847,275	5,301,407	34,457,420	1,389,856
RATES:		30.821	28.699	2.122	27.586	1.113
SYSTEM TOTAL	10,738,388	328,567,915	234,602,098	42,890,698	224,110,718	10,491,380

ACTUAL: February 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	65,324,720	48,503,487	2,969,797	7,269,211	3,634,606
KPCO	25,950,698	20,923,994	415,422	1,428,362	714,181
I&M	78,708,608	38,213,121	1,421,039	15,898,625	7,949,312
OPCO	112,103,676	82,012,697	4,295,266	12,993,093	6,496,547
CSP	46,480,213	34,457,420	1,389,856	5,301,407	2,650,704
TOTAL	328,567,915	224,110,718	10,491,380	42,890,698	21,445,350

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	6,604,403	2,039,671	2,039,671	27.018
KPCO	1,129,603	790,344	790,344	27.904
I&M	9,370,351	2,827,636	2,827,636	16.828
OPCO	10,791,813	3,831,653	3,831,653	24.220
CSP	4,040,560	1,249,084	1,249,084	30.821
TOTAL	31,936,730	10,738,388	10,738,388	23.844

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	10,216,830	5,677,000	1.80
KPCO	3,897,101	1,471,000	2.65
I&M	31,125,136	5,414,000	5.75
OPCO	19,299,166	8,440,000	2.29
CSP	7,982,234	4,857,000	1.64
TOTAL	72,520,467	25,859,000	2.80

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: February 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	261,128	58,926	271,918	58,702	0	11,014
	KPCO	54,671	12,337	56,927	12,288	0	2,305
	I&M	153,256	34,583	159,586	34,452	0	6,461
	OPCO	139,579	618,545	138,472	641,424	23,986	0
	CSP	149,490	33,733	152,993	33,030	0	4,206
	TOTAL	758,124	758,124	779,896	779,896	23,986	23,986
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NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	19,510,972	0	10,150,606	0	9,360,366
	KPCO	0	4,084,852	0	4,095,165	10,313	0
	I&M	0	11,450,960	0	6,772,100	0	4,678,860
	OPCO	0	13,399,173	0	7,789,572	0	5,609,601
	CSP	0	11,169,550	0	9,388,240	0	1,781,310
	East. AEP (Co. 122)	59,615,507	0	38,195,683	0	21,419,824	0
	TOTAL	59,615,507	59,615,507	38,195,683	38,195,683	21,430,137	21,430,137
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THIRD PARTY SALES (2)	APCO	1,578,395	3,197,069	1,588,343	3,363,469	166,400	9,948
	KPCO	330,456	669,344	332,528	704,163	34,819	2,072
	I&M	926,357	1,876,355	932,186	1,973,993	97,638	5,829
	OPCO	1,083,964	2,195,590	1,090,758	2,309,790	114,200	6,793
	CSP	903,596	1,830,244	893,682	1,892,453	72,237	112
	East. AEP (Co. 122)	9,768,602	4,822,768	10,243,869	4,837,496	24,755	485,293
	TOTAL	14,591,369	14,591,369	15,081,364	15,081,364	510,048	510,048
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GROSS TOTAL	APCO	1,578,395	22,708,041	1,588,343	13,514,075	166,400	9,370,314
	KPCO	330,456	4,754,196	332,528	4,799,329	45,132	2,072
	I&M	926,357	13,327,315	932,186	8,746,093	97,638	4,684,689
	OPCO	1,083,964	15,594,763	1,090,758	10,099,362	114,200	5,616,394
	CSP	903,596	12,999,794	893,682	11,280,694	72,237	1,781,422
	East. AEP (Co. 122)	69,384,109	4,822,768	48,439,552	4,837,496	21,444,578	485,293
	TOTAL	74,206,876	74,206,876	53,277,048	53,277,048	21,940,185	21,940,185
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NET TOTAL	APCO	0	21,129,646	0	11,925,732	0	9,203,914
	KPCO	0	4,423,741	0	4,466,801	43,060	0
	I&M	0	12,400,958	0	7,813,907	0	4,587,051
	OPCO	0	14,510,799	0	9,008,604	0	5,502,195
	CSP	0	12,096,197	0	10,387,012	0	1,709,185
	East. AEP (Co. 122)	64,561,341	0	43,602,056	0	20,959,285	0
	TOTAL	64,561,341	64,561,341	43,602,056	43,602,056	21,002,345	21,002,345

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE

Psr Code	Customer	ACCT	AGNT	CO.	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT								
						32.728%	6.832%	19.208%	22.476%	18.736%	100.00%	APCO	KPCO	I&M	ORCO	CSP	Total	APCO	KPCO	I&M
	Totals				797,877	261,128	54,671	153,256	173,332	149,490	797,877	(261,128)	(54,671)	(153,256)	618,545	(149,490)	-	-	-	-
CHLC	Progress Energy	4470066	07		418	137	29	80	94	78	418	(137)	(29)	(80)	324	(78)	-	-	-	
DTE	DTE Energy Trading, Inc.	4470066	07	(5)	13,601	4,451	932	2,613	3,037	2,548	13,601	(4,451)	(932)	(2,613)	10,544	(2,548)	-	-	-	
DUKE2	Duke Power Company	4470066	07	(1)	10,387	3,399	712	1,995	2,385	1,946	10,387	(3,399)	(712)	(1,995)	9,082	(1,946)	-	-	-	
ENTE	Energy Power Serv	4470066	07	(2)	6,042	1,977	414	1,161	1,388	1,132	6,042	(1,977)	(414)	(1,161)	4,684	(1,132)	-	-	-	
MISO Retail	Midwest Retail	4470066	07	(3)	92,668	30,328	6,350	17,800	20,828	17,362	92,668	(30,328)	(6,350)	(17,800)	71,840	(17,362)	-	-	-	
MISO Trading	Midwest Trading	4470066	07	(4)	162,684	53,243	11,477	31,248	36,565	30,481	162,684	(53,243)	(11,477)	(31,248)	126,119	(30,481)	-	-	-	
MISO Auction	Midwest Auction	5550099	07		499,519	163,483	34,227	95,947	112,272	93,590	499,519	(163,483)	(34,227)	(95,947)	307,247	(93,590)	-	-	-	
TVAM	TVA Bulk Power Trading	4470066	07		12,558	4,110	860	2,412	2,823	2,353	12,558	(4,110)	(860)	(2,412)	9,735	(2,353)	-	-	-	

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Psr Code	Customer	ACCT	AGNT	CO.	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT							
						32.728%	6.832%	19.208%	22.476%	18.736%	100.00%	APCO	KPCO	I&M	ORCO	CSP	Total	APCO	KPCO
	Totals				(180,048)	(58,926)	(12,337)	(34,563)	(40,469)	(33,733)	(180,048)	58,926	12,337	34,563	(139,579)	33,733	-	-	-
CLEB2	City of Lebanon	4470066	07	(1),(2)	(99,689)	(32,626)	(6,831)	(19,148)	(22,406)	(18,378)	(99,689)	32,626	6,831	19,148	(77,283)	18,378	-	-	-
CWEL2	Village of Croswell	4470066	07	(4),(5)	(28,160)	(9,203)	(1,927)	(5,401)	(6,320)	(5,266)	(28,160)	9,203	1,927	5,401	(21,799)	5,268	-	-	-
SEB2	Village of Sebawing	4470066	07	(4),(5)	(28,433)	(9,304)	(1,946)	(5,461)	(6,391)	(5,327)	(28,433)	9,306	1,948	5,461	(22,042)	5,327	-	-	-
BAW2	Bethel	4470066	07	(4)	(9,400)	(3,076)	(644)	(1,806)	(2,113)	(1,761)	(9,400)	3,076	644	1,806	(7,287)	1,761	-	-	-
HAME2	Hammerville	4470066	07	(4)	(1,880)	(615)	(129)	(361)	(423)	(352)	(1,880)	615	129	361	(1,497)	352	-	-	-
RPLY	Ripley	4470066	07	(4)	(5,640)	(1,846)	(386)	(1,083)	(1,268)	(1,057)	(5,640)	1,846	386	1,083	(4,372)	1,057	-	-	-
TOH12	Town of Hagerstown	4470066	07	(4)	(6,856)	(2,254)	(472)	(1,323)	(1,546)	(1,290)	(6,857)	2,254	472	1,323	(5,339)	1,290	-	-	-

- Notes: (1) A portion of the DUKE invoice is charged back to CLEB2 (7,021.24)
 (2) A portion of the MISO invoice is charged back to CLEB2 (\$92,668.24)
 (3) \$0 of the ENTE Invoice will be allocated to PSO/SWPCO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470066 is passed through to Sebawing Light & Water 21,495.198, Croswell 21,456.65 and Hagerstown 6,886, Bethel 9,400, Hammerville 1,880 and Ripley 5,640
 (5) DTE is passed through to SEB2 \$6,937.99 and CWEL2 \$6,663.01 respectively.

ACTUAL: February 2011

APPENDIX VII

Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)	
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>	
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>
I.	<u>ENERGY</u> (1)				
	ACTUAL				
	THIS MONTH				
	APCO	275,545	280,497	11,687,938	14,671,677
	KPCO	57,663	58,626	2,447,011	3,071,691
	I&M	161,723	164,493	6,859,626	8,610,778
	OPCO	189,285	192,761	8,026,708	10,075,794
CSP	157,624	160,595	6,691,065	8,399,184	
	TOTAL	841,840	856,972	35,712,348	44,829,124
II.	PREVIOUS				
	ESTIMATE				
	APCO	276,476	280,611	11,603,897	14,702,305
	KPCO	57,785	58,518	2,429,346	3,078,018
	I&M	162,221	164,581	6,810,229	8,628,660
	OPCO	189,801	192,671	7,968,708	10,096,473
	CSP	155,781	158,196	6,528,912	8,272,230
	TOTAL	842,064	854,577	35,341,092	44,777,686
III.	ADJUSTMENT				
	(I-II)				
	APCO	(931)	(114)	84,041	(30,628)
	KPCO	(122)	108	17,665	(6,327)
	I&M	(498)	(88)	49,397	(17,882)
	OPCO	(516)	90	58,000	(20,679)
	CSP	1,843	2,399	162,153	126,954
	TOTAL	(224)	2,395	371,256	51,438
<u>EXERCISED</u>					
<u>OPTIONS &</u>					
<u>PREMIUMS</u> (2)					
		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>
I.	ACTUAL				
	THIS MONTH				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
II.	PREVIOUS				
	ESTIMATE				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
III.	ADJUSTMENT				
	(I-II)				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

ACTUAL: February 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES	REVENUES	PURCHASES	REVENUES	PURCHASES	REVENUES	PURCHASES	REVENUES
	4210.032	4210.031			4210.032	4210.031		
I. ACTUAL THIS MONTH	APCO	5,488	5,488		242,711	212,644		
	KPCO	1,148	1,148		50,814	44,520		
	I&M	3,220	3,220		142,447	124,800		
	OPCO	3,780	3,780		166,682	146,033		
	CSP	3,164	3,164		138,946	121,733		
	TOTAL	16,800	16,800		741,600	649,730		
II. PREVIOUS ESTIMATE	APCO	5,516	5,516		243,497	213,332		
	KPCO	1,148	1,148		50,978	44,663		
	I&M	3,248	3,248		142,906	125,203		
	OPCO	3,780	3,780		167,216	146,501		
	CSP	3,108	3,108		137,003	120,031		
	TOTAL	16,800	16,800		741,600	649,730		
III. ADJUSTMENT (I-II)	APCO	(28)	(28)		(786)	(689)		
	KPCO	0	0		(163)	(143)		
	I&M	(28)	(28)		(460)	(403)		
	OPCO	0	0		(534)	(468)		
	CSP	56	56		1,943	1,702		
	TOTAL	0	0		0	0		

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	1,528	0	929	18,336	(25,912)
	KPCO	320	0	194	3,839	(5,425)
	I&M	897	0	545	10,761	(15,208)
	OPCO	1,049	0	638	12,592	(17,795)
	CSP	875	0	532	10,498	(14,835)
	TOTAL	4,668	0	2,838	56,026	(79,175)
II. PREVIOUS ESTIMATE	APCO	1,533	0	899	19,677	(25,607)
	KPCO	321	0	188	4,119	(5,360)
	I&M	900	0	528	11,548	(15,029)
	OPCO	1,053	0	617	13,512	(17,585)
	CSP	862	0	506	11,073	(14,410)
	TOTAL	4,668	0	2,738	59,929	(77,991)
III. ADJUSTMENT (I-II)	APCO	(5)	0	30	(1,341)	(305)
	KPCO	(1)	0	6	(280)	(65)
	I&M	(3)	0	17	(787)	(179)
	OPCO	(3)	0	20	(920)	(210)
	CSP	12	0	26	(575)	(425)
	TOTAL	0	0	99	(3,903)	(1,184)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH M/R ALLOCATIONS OF ASP SYSTEM
OFF-SYSTEM THIRD PARTY

	PJM NON-ECR ENERGY		PJM NON-ECR PURCHASES - USE		POWER SWAPS		TOTAL SWAPS	
	ACTUAL	PREVIOUS ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE
I. THIS MONTH	APCO	0	APCO	0	APCO	59,874	211	1,441,960
	KRCO	0	KRCO	0	KRCO	12,538	44	(301,891)
	IAM	0	IAM	0	IAM	35,140	124	(846,283)
	OPCO	0	OPCO	0	OPCO	41,118	148	(990,268)
	CSP	0	CSP	0	CSP	34,276	120	(825,488)
	TOTAL	0	TOTAL	0	TOTAL	182,943	644	(4,405,891)
II. PREVIOUS ESTIMATE	APCO	0	APCO	0	APCO	60,068	(3,297)	(1,447,099)
	KRCO	0	KRCO	0	KRCO	12,576	(690)	(302,595)
	IAM	0	IAM	0	IAM	38,283	(1,985)	(849,290)
	OPCO	0	OPCO	0	OPCO	41,260	(2,264)	(993,761)
	CSP	0	CSP	0	CSP	33,797	(1,885)	(814,207)
	TOTAL	0	TOTAL	0	TOTAL	182,943	(10,041)	(4,407,316)
III. ADJUSTMENT (C-II)	APCO	0	APCO	0	APCO	(94)	3,508	5,138
	KRCO	0	KRCO	0	KRCO	(40)	734	1,068
	IAM	0	IAM	0	IAM	(113)	2,089	3,007
	OPCO	0	OPCO	0	OPCO	(132)	2,409	3,493
	CSP	0	CSP	0	CSP	479	1,978	(11,282)
	TOTAL	0	TOTAL	0	TOTAL	0	10,685	1,424

PJM NON-ECR PURCHASES - OS
NON-ECR PHYSICAL SALES-LOSS

	PJM NON-ECR ENERGY		MWH PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	ACTUAL	PREVIOUS ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE	THIS MONTH	ESTIMATE
I. THIS MONTH	APCO	0	APCO	68,639	0	71,269	13,204	319,098	2,937,894	490,359	705,891	102,704	147,786	
	KRCO	0	KRCO	14,870	0	14,821	2,764	66,907	615,083	102,704	147,786	1724,240	287,908	
	IAM	0	IAM	40,884	0	41,826	7,749	187,278	1,724,240	287,908	414,286	2,017,603	336,892	
	OPCO	0	OPCO	47,138	0	48,945	9,068	182,576	1,681,875	280,833	404,106	1,498,897	2,156,842	
	CSP	0	CSP	39,524	0	40,803	7,559	40,345	8,975,700	1,498,897	2,156,842	492,137	708,175	
	TOTAL	0	TOTAL	209,725	0	217,764	40,345	975,000	8,975,700	1,498,897	2,156,842	103,032	148,261	
II. PREVIOUS ESTIMATE	APCO	0	APCO	68,975	0	71,086	13,247	320,182	2,886,936	492,137	708,175	103,032	148,261	
	KRCO	0	KRCO	14,441	0	14,883	2,773	67,022	604,398	103,032	148,261	1694,359	288,831	
	IAM	0	IAM	40,481	0	41,721	7,774	187,583	1,694,359	288,831	415,822	1,962,837	486,323	
	OPCO	0	OPCO	47,368	0	48,818	9,097	219,943	1,962,837	337,964	486,323	1,624,331	276,900	
	CSP	0	CSP	38,809	0	39,998	7,453	180,122	1,624,331	276,900	398,404	1,498,898	2,156,834	
	TOTAL	0	TOTAL	210,074	0	216,008	40,345	975,000	8,975,700	1,498,898	2,156,834	103,032	148,261	
III. ADJUSTMENT (C-II)	APCO	0	APCO	(396)	0	181	(43)	(1,094)	50,958	(2,283)	(2,283)	(1,977)	(474)	
	KRCO	0	KRCO	(71)	0	38	(9)	(215)	10,680	(474)	(474)	10,680	(1,336)	
	IAM	0	IAM	(197)	0	109	(605)	(605)	29,926	(923)	(923)	29,926	(1,561)	
	OPCO	0	OPCO	(230)	0	127	(93)	(702)	35,046	(1,071)	(1,071)	35,046	5,683	
	CSP	0	CSP	485	0	805	106	2,555	57,546	3,933	3,933	57,546	8	
	TOTAL	0	TOTAL	(349)	0	1,256	0	0	184,180	0	0	184,180	0	

COSTS	COSTS		COSTS		REVENUES		REVENUES		COST		Type RTM/MSO Non-ER Energy (Revenue - Cost)
	TO BE BOOKED	Act. 4470.131	TO BE BOOKED	Act. 4470.099	TO BE BOOKED	Act. 4470.112	TO BE BOOKED	Act. 4470.170	TO BE BOOKED	Act. 5650.002	
0	0	19	(3,407)	0	0	4,668,019	0	6,870	0	213,330	0
0	0	4	(713)	0	0	977,306	0	1,794	0	44,644	0
0	0	11	(2,000)	0	0	2,739,651	0	5,030	0	122,203	0
0	0	13	(2,340)	0	0	3,205,769	0	5,885	0	144,504	0
0	0	11	(1,950)	0	0	2,672,330	0	4,906	0	122,125	0
0	0	59	(10,410)	0	0	14,263,074	0	26,185	0	651,826	0
0	0	0	(3,418)	0	0	4,673,671	0	8,598	0	245,061	0
0	0	0	(716)	0	0	970,462	0	1,800	0	56,491	0
0	0	0	(2,006)	0	0	2,742,938	0	5,046	0	135,962	0
0	0	0	(2,347)	0	0	3,209,537	0	5,904	0	185,025	0
0	0	0	(1,953)	0	0	2,659,634	0	4,937	0	149,139	0
0	0	0	(10,410)	0	0	14,234,242	0	26,186	0	807,275	0
0	0	19	11	0	0	(5,652)	0	(28)	0	(91,731)	0
0	0	4	2	0	0	(1,156)	0	(6)	0	(10,827)	0
0	0	11	6	0	0	(3,287)	0	(16)	0	(10,359)	0
0	0	13	8	0	0	(3,768)	0	(19)	0	(35,530)	0
0	0	11	(27)	0	0	42,696	0	69	0	(27,000)	0
0	0	59	0	0	0	20,852	0	(0)	0	(15,449)	0

ACTUAL: February 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,983,739	0	3,098,408	114,669	0
	KPCO	0	624,680	0	648,672	23,992	0
	I&M	0	1,751,152	0	1,818,431	67,279	0
	OPCO	0	2,049,086	0	2,127,765	78,679	0
	CSP	0	1,708,119	0	1,743,318	35,199	0
	East. AEP (Co.122)	9,116,776	0	9,436,594	0	0	319,818
	TOTAL	9,116,776	9,116,776	9,436,594	9,436,594	319,818	319,818
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	30,067	0	30,165	0	0	97
	KPCO	6,295	0	6,315	0	0	20
	I&M	17,646	0	17,703	0	0	57
	OPCO	20,649	0	20,715	0	0	66
	CSP	17,213	0	16,972	0	241	0
	East. AEP (Co.122)	0	91,870	0	91,870	241	241
	TOTAL	91,870	91,870	91,870	91,870	482	482
BROKERS' COMMISSIONS (3)	APCO	46,704	0	47,715	0	0	1,011
	KPCO	9,778	0	9,988	0	0	210
	I&M	27,411	0	28,004	0	0	594
	OPCO	32,074	0	32,767	0	0	693
	CSP	26,739	0	26,851	0	0	112
	East. AEP (Co.122)	0	142,707	0	145,326	2,619	0
	TOTAL	142,707	142,707	145,326	145,326	2,619	2,619
POWER SWAPS	APCO	1,501,623	0	1,510,463	0	0	8,840
	KPCO	314,382	0	316,225	0	0	1,842
	I&M	881,299	0	886,478	0	0	5,179
	OPCO	1,031,242	0	1,037,275	0	0	6,034
	CSP	859,644	0	849,858	0	9,786	0
	East. AEP (Co.122)	0	4,588,191	0	4,600,300	21,895	9,786
	TOTAL	4,588,191	4,588,191	4,600,300	4,600,300	31,681	31,681
PJM/MISO NON-ECR ENERGY	APCO	0	213,330	0	265,061	51,731	0
	KPCO	0	44,664	0	55,491	10,827	0
	I&M	0	125,203	0	155,562	30,359	0
	OPCO	0	146,504	0	182,025	35,521	0
	CSP	0	122,125	0	149,135	27,010	0
	East. AEP (Co.122)	651,826	0	807,275	0	0	155,449
	TOTAL	651,826	651,826	807,275	807,275	155,449	155,449
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,578,395	3,197,069	1,588,343	3,363,469	166,400	9,948
	KPCO	330,456	669,344	332,528	704,163	34,819	2,072
	I&M	926,357	1,876,355	932,186	1,973,993	97,638	5,829
	OPCO	1,083,964	2,195,590	1,090,758	2,309,790	114,200	6,793
	CSP	903,596	1,830,244	893,682	1,892,453	72,237	112
	East. AEP (Co.122)	9,768,602	4,822,768	10,243,869	4,837,496	24,755	485,293
	TOTAL	14,591,369	14,591,369	15,081,364	15,081,364	510,048	510,048

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: February 2011
 (3) Actual commissions paid in: February 2011

APPENDIX IX

PJM CHARGES TRANSFERRED FROM eMARKET TO AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	7,259,497	1,522,220	4,276,049	6,018,902	4,142,998	22,219,666	Various	
<i>PJM Admin Fees</i>									
PJM Schedule 9 & 10 Entry - LSE	5614000	25,922	5,427	15,214	17,802	14,840	79,205	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5614001	416,890	87,281	244,672	286,300	238,660	1,273,802	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,803	377	1,058	1,238	1,032	5,508	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	28,990	6,069	17,014	19,909	16,996	88,980	no	
PJM Schedule 9 & 10 Entry - LSE	5757000	25,512	5,341	14,973	17,921	14,605	77,982	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5757001	410,296	85,900	240,802	281,771	234,885	1,253,654	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	1,665	349	977	1,143	953	5,086	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	26,772	5,605	15,712	18,386	15,326	81,801	no	
PJM Schedule 9 & 10 Entry - LSE	5618000	2,526	527	1,482	1,785	1,446	7,717	East Zone SIA	
PJM Schedule 9 & 10 Entry - OSS	5618001	49,650	8,504	23,840	27,896	23,254	124,112	no	
PJM Admin Fees - Schedule 9 IMIU	5757000	1,588	353	991	1,159	916	5,158	East Zone SIA	
PJM Admin Fees - Schedule 9 IMIU	5757001	27,147	5,683	15,932	18,643	15,541	82,946	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	1	0	1	1	1	3	East Zone SIA	
Transmission Owner Scheduling System	4470110	1,080	226	634	742	618	3,299	East Zone SIA	
Power Factor Charges	8550039	(978)	(205)	(574)	(672)	(560)	(3,990)	East Zone SIA	
Other Supporting Facilities Charge	4470107	(16,079)	(3,366)	(9,437)	(11,042)	(9,205)	(49,128)	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoicing</i>									
Reducing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	-	-	-	-	-	-	N	
Implicit Congestion - LSE	4470093	(119,180)	(24,952)	(69,947)	(81,847)	(68,228)	(364,153)	N	
Inadvertent - OSS	5550039	-	-	-	-	-	-	N	
Inadvertent - LSE	5550040	-	-	-	-	-	-	East Zone SIA	
Misc Credits	4470107	-	-	-	-	-	-	East Zone SIA	
Meter Correction - LSE	4470116	(756)	(158)	(444)	(519)	(433)	(2,310)	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	(3)	(1)	(2)	(2)	(2)	(9)	East Zone SIA	
Load Reconciliation Spot Market OSS (BCK)	4470115	(55,379)	(11,594)	(32,502)	(38,031)	(31,703)	(169,208)	East Zone SIA	
Load Reconciliation Congestion OSS (BCK)	4470126	8,169	1,710	4,795	5,610	4,677	24,962	N	
Load Reconciliation Losses OSS (BCK)	4470209	1,840	385	1,080	1,263	1,053	5,621	East Zone SIA	
Load Reconciliation Inadvertent Interchange OSS (BCK)	4470141	(23)	(9)	(14)	(16)	(13)	(72)	N	
Other Supporting Facilities reclass (BCK)	4470141	7,431	1,556	4,361	5,104	4,254	22,707	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470126	(7,431)	(1,556)	(4,361)	(5,104)	(4,254)	(22,707)	East Zone SIA	
Load Management Test Failure (BCK)	4470141	(949)	(199)	(557)	(652)	(544)	(2,901)	N	
Load Reconciliation Spot Market OSS (SCG)	4470115	4,687	981	2,751	3,219	2,683	14,320	East Zone SIA	
Load Reconciliation Congestion OSS (SCG)	4470126	(41)	(9)	(24)	(28)	(24)	(126)	East Zone SIA	
Load Reconciliation Losses OSS (SCG)	4470209	(192)	(40)	(112)	(132)	(110)	(586)	N	
Load Reconciliation Inadvertent Interchange OSS (SCG)	5550039	4	1	3	3	3	13	East Zone SIA	
Load Reconciliation Spot Market LSE (SCG)	4470124	79,371	15,780	44,235	51,761	43,148	230,295	N	
Load Reconciliation Congestion LSE (SCG)	4470093	(665)	(139)	(890)	(457)	(381)	(2,032)	N	
Load Reconciliation Losses LSE (SCG)	4470207	(3,082)	(645)	(1,809)	(2,117)	(1,765)	(9,418)	N	
Load Reconciliation Inadvertent Interchange LSE (SCG)	5550040	71	15	42	49	41	217	N	
<i>PJM TEA Charge Reclass (MLK)</i>									
Transmission Enhancement Charge	5650012	(1,256,697)	(263,105)	(377,553)	(663,036)	(719,429)	(3,839,821)	N	
RTO Start-Up Cost Recovery Charge	4561002	(44,940)	(6,707)	(39,294)	(50,442)	(17,750)	(188,523)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(30,354)	(7,315)	(24,112)	(34,445)	(12,126)	(109,367)	East Zone SIA	
Firm/Non-Firm PI to PI Transmission Service Credit	4561005	267,067	58,214	196,741	185,409	152,690	815,021	East Zone SIA	
<i>PJM TEA Charge Reclass (LZP)</i>									
Transmission Enhancement Charge	5650012	(1,184,419)	(246,836)	(365,982)	(748,466)	(826,830)	(3,472,733)	N	
RTO Start-Up Cost Recovery Charge	4561002	55,201	10,812	25,974	36,269	30,367	156,623	East Zone SIA	
Expansion Cost Recovery Charge	4561003	37,712	7,286	17,745	24,778	20,746	106,367	N	
Firm/Non-Firm PI to PI Transmission Service Credit	4561005	(278,855)	(53,523)	(189,556)	(176,941)	(148,146)	(816,021)	N	
TOTAL PJM CHARGES TRANSFERRED FROM eMARKET TO AEE (ACTUAL)		8,097,885	1,677,724	4,737,372	6,507,778	4,593,741	24,613,859		
TOTAL PJM CHARGES TRANSFERRED FROM eMARKET TO AEE (ESTIMATED)		7,655,729	1,487,634	4,380,379	6,226,261	4,297,160	23,127,152		
TOTAL PJM CHARGES TRANSFERRED FROM eMARKET TO AEE (ADJUSTMENT)	(1)	431,556	90,090	386,594	281,517	296,591	1,486,747		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)									
	Various	1,589,305	332,870	933,605	1,093,286	909,134	4,858,199	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)									
		1,589,305	332,870	933,605	1,093,286	909,134	4,858,199		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)									
		1,495,947	318,310	878,766	1,029,042	841,077	4,858,162		
TOTAL PJM CHARGES TRANSFERRED FROM eMARKET TO AEE (ADJUSTMENT)									
	(1)	93,338	19,560	54,839	64,244	68,057	300,038		
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SCG and BCK									
AEPAUB Emergency Load Response	4470206	477,041	99,883	280,027	327,723	273,052	1,457,726.14	Various	
<i>Buckeye GL Entries</i>									
Buckeye (BCK)									
Capacity Credit Market	4470099	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	1,007	209	589	684	(2,489)	-	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	(107)	(22)	(63)	(73)	265	0.00	No	
Regulation Credit (Expense)	5550070	1,344	281	789	923	863	4,189.69	No	
Spinning Reserve - Credit	5550084	186	39	108	127	108	565.92	No	
Buckeye Pass-Through	4470141	(100,534)	(21,079)	(69,077)	(69,240)	(94,080)	(344,009.91)	No	
Transmission Loss Credit	4470206	(989)	(207)	(581)	(680)	(568)	(3,025.41)	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)									
		377,945	79,104	221,792	259,464	177,151	1,115,456.43		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)									
		(9,254,319)	(738,370)	(2,070,314)	(2,423,234)	(1,983,491)	(10,741,728)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)									
	(1)	3,904,265	817,473	2,292,106	2,682,699	2,160,641	11,857,164		



Date **March 2011**

Subject **East Interchange Power Statement and Related Data**
March 2011 Actual

Reviewer: David B. Roberts (Bruce)
 4/29/2011

Approved Richard Quaintance
 4/29/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of March 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
March 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: March 2011

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			MWh		(\$)	
(SOURCE: PAGE 2)			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
I.	ACTUAL	APCO	1,450,242	402,477	70,067,813	15,054,504
	BILLING	KPCO	205,686	162,423	11,064,850	4,959,669
	AMOUNT	I&M	314,876	577,572	10,191,374	18,268,252
		OPCO	272,964	1,034,150	9,892,952	62,246,164
		CSP	430,363	497,509	14,416,850	15,105,249
		TOTAL	2,674,131	2,674,131	115,633,839	115,633,839
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO	1,448,699	397,969	69,318,622	14,005,450
		KPCO	210,659	167,252	10,947,367	5,123,246
		I&M	314,318	572,956	9,837,416	18,544,351
		OPCO	291,840	1,060,055	10,001,829	61,399,068
		CSP	445,922	513,206	14,406,893	15,440,013
		TOTAL	2,711,438	2,711,438	114,512,127	114,512,127
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO	1,543	4,508	749,191	1,049,055
		KPCO	(4,973)	(4,829)	117,483	(163,577)
		I&M	558	4,616	353,958	(276,099)
		OPCO	(18,876)	(25,905)	(108,877)	847,096
		CSP	(15,559)	(15,697)	9,957	(334,764)
		TOTAL	(37,307)	(37,307)	1,121,712	1,121,711
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO			15,695	0
		KPCO			3,288	0
		I&M			9,210	0
		OPCO			0	37,172
		CSP			8,979	0
		TOTAL			37,172	37,172
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO			0	0
		KPCO			0	0
		I&M			0	0
		OPCO			0	0
		CSP			0	0
		West. AEP			0	0
		TOTAL			0	0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			0	749,837
		KPCO			0	157,358
		I&M			0	306,142
		OPCO			0	530,227
		CSP			0	442,719
		East. AEP (Co. 122)			2,186,283	0
		TOTAL			2,186,283	2,186,283
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			57,613	0
		KPCO			12,062	0
		I&M			33,814	0
		OPCO			39,568	0
		CSP			32,982	0
		East. AEP (Co. 122)			0	176,040
		TOTAL			176,040	176,040

ACTUAL: March 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	63,069
	KPCO	0	13,203
	I&M	0	37,008
	OPCO	0	43,295
	CSP	0	36,114
	East. AEP (Co. 122)	192,689	0
	TOTAL	192,689	192,689
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	24,049,425
	KPCO	0	5,035,035
	I&M	0	14,114,570
	OPCO	0	16,515,950
	CSP	0	13,767,694
	East. AEP (Co.122)	73,482,675	0
	TOTAL	73,482,675	73,482,675
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	24,665,895
	KPCO	0	5,164,099
	I&M	0	14,476,377
	OPCO	0	16,939,308
	CSP	0	14,120,608
	East. AEP (Co.122)	75,366,288	0
	TOTAL	75,366,288	75,366,288
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	616,470	0
	KPCO	129,064	0
	I&M	361,807	0
	OPCO	423,358	0
	CSP	352,914	0
	East. AEP (Co.122)	0	1,883,613
	TOTAL	1,883,613	1,883,613

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: March 2011

PAGE (2)

SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,328,000)	13.90	32,365,862	0	37,701,951	15,054,504
	BILLING	KPCO	(351,500)	13.90	4,886,856	0	6,177,994	4,959,669
	AMOUNT	I&M	319,100	15.25	0	4,866,275	10,191,374	13,401,977
		OPCO	2,486,800	13.73	0	34,143,764	9,892,952	28,102,400
		CSP	(126,400)	13.90	1,757,322	0	12,659,528	15,105,249
	TOTAL				39,010,040	39,010,039	76,623,799	76,623,800
II.	PREVIOUSLY	APCO			31,844,724	0	37,473,898	14,005,450
	ESTIMATED	KPCO			4,808,170	0	6,139,197	5,123,246
	BILLING	I&M			0	5,009,785	9,837,416	13,534,566
	AMOUNT *	OPCO			0	33,372,135	10,001,829	28,026,933
		CSP			1,729,026	0	12,677,867	15,440,013
	TOTAL				38,381,920	38,381,920	76,130,207	76,130,207
IV.	ADJUSTMENT	APCO			521,138	0	228,053	1,049,055
	TO BE BOOKED	KPCO			78,686	0	38,797	(163,577)
	NEXT MONTH	I&M			0	(143,510)	353,958	(132,589)
	(I - II + III)	OPCO			0	771,629	(108,877)	75,467
		CSP			28,296	0	(18,339)	(334,764)
	TOTAL				628,120	628,119	493,592	493,592
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			1,450,242	402,477	70,067,813	15,054,504
	BILLING	KPCO			205,686	162,423	11,064,850	4,959,669
	AMOUNT	I&M			314,876	577,572	10,191,374	18,268,252
		OPCO			272,964	1,034,150	9,892,952	62,246,164
		CSP			430,363	497,509	14,416,850	15,105,249
	TOTAL				2,674,131	2,674,131	115,633,839	115,633,839
II.	PREVIOUSLY	APCO			1,448,699	397,969	69,318,622	14,005,450
	ESTIMATED	KPCO			210,659	167,252	10,947,367	5,123,246
	& ENERGY	I&M			314,318	572,956	9,837,416	18,544,351
	BILLING	OPCO			291,840	1,060,055	10,001,829	61,399,068
	AMOUNT	CSP			445,922	513,206	14,406,893	15,440,013
	TOTAL				2,711,438	2,711,438	114,512,127	114,512,127
IV.	ADJUSTMENT	APCO			1,543	4,508	749,191	1,049,055
	TO BE BOOKED	KPCO			(4,973)	(4,829)	117,483	(163,577)
	NEXT MONTH	I&M			558	4,616	353,958	(276,099)
	(I - III)	OPCO			(18,876)	(25,905)	(108,877)	847,096
		CSP			(15,559)	(15,697)	9,957	(334,764)
	TOTAL				(37,307)	(37,307)	1,121,712	1,121,711

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: March 2011

PAGE (3)

**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.32728	8,705,000	(2,328,000)
KPCO	1,471,000	0.06852	1,822,500	(351,500)
I&M	5,428,000	0.19208	5,108,900	319,100
OPCO	8,465,000	0.22476	5,978,200	2,486,800
CSP	4,857,000	0.18736	4,983,400	(126,400)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,328,000)	***** + *****	(32,365,862)
KPCO	(351,500)	***** + *****	(4,886,856)
I&M	319,100	10.22 + 5.03	4,866,275
OPCO	2,486,800	10.8 + 2.93	34,143,764
CSP	(126,400)	***** + *****	(1,757,322)

EQUALIZATION CAPACITY RATE: 13.9029

(This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

March 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	648,932	702,367	22,583,329	26,571,599
RECOVERY AND MLR	KPCO	137,788	143,172	4,728,091	4,617,081
ALLOCATION FOR ALL	I&M	382,936	185,489	13,254,112	8,054,310
AEP SYSTEM	OPCO	440,154	504,034	15,509,133	15,563,064
DELIVERIES TO	CSP	370,827	445,575	12,928,418	14,197,030
NON-AFFILIATED COS.	AEP	1,980,637	1,980,637	69,003,083	69,003,084
ADJUSTMENT TO	APCO	(300,047)	(300,047)	(11,531,324)	(11,531,324)
PREVENT RECOGNITION	KPCO	(30,759)	(30,759)	(1,138,200)	(1,138,200)
OF SALES BY POOL	I&M	(85,240)	(85,240)	(3,545,302)	(3,545,302)
MEMBERS TO	OPCO	(168,963)	(168,963)	(5,741,580)	(5,741,580)
THEMSELVES	CSP	(131,865)	(131,865)	(4,620,471)	(4,620,471)
(PAGE 7)	AEP	(716,874)	(716,874)	(26,576,877)	(26,576,877)
SUBTOTAL	APCO	348,885	402,320	11,052,005	15,040,275
AEP EXTERNAL	KPCO	107,029	112,413	3,589,891	3,478,881
ENERGY	I&M	297,696	100,249	9,708,810	4,509,008
	OPCO	271,191	335,071	9,767,553	9,821,484
	CSP	238,962	313,710	8,307,947	9,576,559
	AEP	1,263,763	1,263,763	42,426,206	42,426,207
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,101,357	0	26,649,946	0
ENERGY	KPCO	98,657	49,987	2,588,103	1,478,765
(PAGE 8)	I&M	17,180	475,839	482,564	8,791,124
	OPCO	60	699,079	1,768	18,280,916
	CSP	191,401	183,750	4,351,581	5,523,157
	AEP	1,408,655	1,408,655	34,073,962	34,073,962
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,450,242	402,477	37,701,951	15,054,504
	KPCO	205,686	162,423	6,177,994	4,959,669
	I&M	314,876	577,572	10,191,374	13,401,977
	OPCO	272,964	1,034,150	9,892,952	28,102,400
	CSP	430,363	497,509	12,659,528	15,105,249
	AEP	2,674,131	2,674,131	76,623,799	76,623,800

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: March 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	157	0	14,229
COST RECOVERY	KPCO	0	23	0	2,023
ALLOCATED TO	I&M	0	1,484	0	101,845
SPECIAL SERVICE	OPCO	1,713	0	123,631	0
CUSTOMERS	CSP	0	49	0	5,533
	AEP	<u>1,713</u>	<u>1,713</u>	<u>123,631</u>	<u>123,631</u>
PREVIOUSLY	APCO	0	0	0	0
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
ADJUSTMENT	APCO	0	157	0	14,229
TO BE BOOKED	KPCO	0	23	0	2,023
NEXT MONTH	I&M	0	1,484	0	101,845
	OPCO	1,713	0	123,631	0
	CSP	0	49	0	5,533
	AEP	<u>1,713</u>	<u>1,713</u>	<u>123,631</u>	<u>123,631</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: March 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	22,583,329	26,571,599	27,644,864	5,061,535
KPCO	4,728,091	4,617,081	5,787,785	1,059,694
I&M	13,254,112	8,054,310	16,224,722	2,970,610
OPCO	15,509,133	15,563,064	18,985,123	3,475,990
CSP	12,928,418	14,197,030	15,825,998	2,897,580
TOTAL	69,003,083	69,003,084	84,468,492	15,465,409

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	120,192	4,941,343	0.32728
KPCO	25,164	1,034,530	0.06852
I&M	70,541	2,900,069	0.19208
OPCO	82,542	3,393,448	0.22476
CSP	68,807	2,828,773	0.18736
TOTAL	367,246	15,098,163	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0
WESTERN AEP:	0.000% x	0 =	\$0
			\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
	4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	TO BE BOOKED NEXT MONTH
APCO	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
	4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	TO BE BOOKED NEXT MONTH
PSO	0	0	0	0	0	0	0
SWEPGO	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: March 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	435,675	13,540,731	0.32728	142,588	4,431,610
KPCO	119,544	3,710,531	0.06852	8,191	254,246
I&M	32,415	946,841	0.19208	6,226	181,869
OPCO	331,513	9,819,065	0.22476	74,511	2,206,933
CSP	285,772	8,839,594	0.18736	53,542	1,656,186
TOTAL	1,204,919	36,856,762	1.00000	285,058	8,730,844

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	162,375	8,816,675	0.32728	53,142	2,885,521
KPCO	1,138	24,258	0.06852	78	1,662
I&M	91,668	4,634,167	0.19208	17,608	890,131
OPCO	100,703	2,849,894	0.22476	22,634	640,542
CSP	100,266	2,944,909	0.18736	18,786	551,758
TOTAL	456,150	19,269,903	1.00000	112,248	4,969,614

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	104,317	4,214,193
KPCO	22,490	882,292
I&M	61,406	2,473,302
OPCO	71,818	2,894,105
CSP	59,537	2,412,527
TOTAL	319,568	12,876,419

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	300,047	11,531,324
KPCO	30,759	1,138,200
I&M	85,240	3,545,302
OPCO	168,963	5,741,580
CSP	131,865	4,620,471
TOTAL	716,874	26,576,877

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: March 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	37,650	27.593	1,038,876
2. I&M	APCO	369,249	15.112	5,580,090
3. OPCO	APCO	552,648	22.702	12,546,214
4. CSP	APCO	141,810	27.383	3,883,183
5. TOTAL	APCO	<u>1,101,357</u>	<u>20.927</u>	<u>23,048,363</u>
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	15,915	15.112	240,507
8. OPCO	KPCO	49,382	22.702	1,121,070
9. CSP	KPCO	33,360	27.383	913,497
10. TOTAL	KPCO	<u>98,657</u>	<u>23.060</u>	<u>2,275,074</u>
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	8,657	22.702	196,531
14. CSP	I&M	8,523	27.383	233,385
15. TOTAL	I&M	<u>17,180</u>	<u>25.024</u>	<u>429,916</u>
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	3	15.000	45
19. CSP	OPCO	57	27.368	1,560
20. TOTAL	OPCO	<u>60</u>	<u>26.750</u>	<u>1,605</u>
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	12,337	27.593	340,414
23. I&M	CSP	90,672	15.112	1,370,235
24. OPCO	CSP	88,392	22.702	2,006,675
25. TOTAL	CSP	<u>191,401</u>	<u>19.422</u>	<u>3,717,324</u>
26. TOTAL ALL MEMBERS RECEIVED		1,408,655	20.922	29,472,282
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	49,987	27.593	1,379,290
29. I&M	2, 7, 18, & 23	475,839	15.112	7,190,877
30. OPCO	3, 8, 13, & 24	699,079	22.702	15,870,490
31. CSP	4, 9, 14, & 19	<u>183,750</u>	<u>27.383</u>	<u>5,031,625</u>
32. TOTAL ALL MEMBERS DELIVERED:		1,408,655	20.922	29,472,282

ACTUAL: March 2011

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PRIMARY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	37,650	29.583	1,113,800
2. I&M	APCO	369,249	18.474	6,821,875
3. OPCO	APCO	552,648	26.149	14,451,746
4. CSP	APCO	141,810	30.058	4,262,525
5. TOTAL	APCO	1,101,357	24.197	26,649,946
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	15,915	18.474	294,029
8. OPCO	KPCO	49,382	26.149	1,291,339
9. CSP	KPCO	33,360	30.058	1,002,735
10. TOTAL	KPCO	98,657	26.233	2,588,103
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	8,657	26.149	226,380
14. CSP	I&M	8,523	30.058	256,184
15. TOTAL	I&M	17,180	28.089	482,564
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	3	18.474	55
19. CSP	OPCO	57	30.058	1,713
20. TOTAL	OPCO	60	29.467	1,768
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	12,337	29.583	364,965
23. I&M	CSP	90,672	18.474	1,675,165
24. OPCO	CSP	88,392	26.149	2,311,451
25. TOTAL	CSP	191,401	22.735	4,351,581
26. TOTAL ALL MEMBERS RECEIVED		1,408,655	24.189	34,073,962
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	49,987	29.583	1,478,765
29. I&M	2, 7, 18, & 23	475,839	18.474	8,791,124
30. OPCO	3, 8, 13, & 24	699,079	26.149	18,280,916
31. CSP	4, 9, 14, & 19	183,750	30.058	5,523,157
32. TOTAL ALL MEMBERS DELIVERED:		1,408,655	24.189	34,073,962

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: March 2011

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ECONOMY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL: March 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

March 2011

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS	TOTAL GENERATION	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons)	SO2 EMISSION EXPENDED FOR SYSTEM SALES
		(MWh)	(MWh)	(3)=(1)/(2)	(b)	(5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	57,639	493,283	0.1168	66	7.7120
	AMOS 2	19,660	168,160	0.1169	30	3.5074
	AMOS 3	52,828	198,917	0.2656	73	19.3872
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	0	0	0.0000	0	0.0000
	CLINCH RIVER 2	0	0	0.0000	1	0.0000
	CLINCH RIVER 3	22,396	71,905	0.3115	347	108.0789
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	9	0.0000
	KANAWHA RIVER 1	13,146	22,028	0.5968	125	74.5982
	KANAWHA RIVER 2	33,677	74,438	0.4524	440	199.0634
	MOUNTAINEER 1	172,702	958,295	0.1802	181	32.6195
	SPORN 1	14,262	37,088	0.3845	276	106.1344
	SPORN 3	11,541	50,239	0.2297	357	82.0107
TOTAL	397,851	2,074,353	0.1918	1,905	633.1117	
KPCO	BIG SANDY 1	53,647	183,102	0.2930	1,003	293.8687
	BIG SANDY 2	65,897	374,791	0.1758	2,007	352.8774
	ROCKPORT 1 (AEG)	0	0	0.0000	(1)	0.0000
	ROCKPORT 2 (AEG)	1,138	132,125	0.0086	434	3.7381
	TOTAL	120,682	690,018	0.1749	3,443	650.4842
I&M	ROCKPORT 1	0	0	0.0000	0	0.0000
	ROCKPORT 1 (AEG)	0	0	0.0000	0	0.0000
	ROCKPORT 2	3,804	440,624	0.0086	1,446	12.4836
	ROCKPORT 2 (AEG)	2,656	308,133	0.0086	1,012	8.7231
	TANNERS CREEK 1	1,901	6,716	0.2831	602	170.3993
	TANNERS CREEK 2	10,485	50,142	0.2091	204	42.6577
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	16,225	276,839	0.0586	518	30.3590
TOTAL	35,071	1,082,454	0.0324	3,782	264.6227	

ACTUAL: March 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh) (1)	TOTAL GENERATION (MWh) (2)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b) (4)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
OPCO	AMOS 3	106,943	402,679	0.2656	147	39.0400
	CARDINAL 1	3,421	291,273	0.0117	307	3.6057
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	43	43	1.0000	0	0.2627
	GAVIN 1	9,346	696,348	0.0134	1,388	18.6290
	GAVIN 2	11,306	956,274	0.0118	1,766	20.8794
	KAMMER 1	14,765	106,579	0.1385	1,017	140.8908
	KAMMER 2	0	0	0.0000	0	0.0000
	KAMMER 3	12,593	88,881	0.1417	854	120.9980
	MITCHELL 1	34,750	191,808	0.1812	98	17.7547
	MITCHELL 2	51,592	418,850	0.1232	176	21.6789
	MUSKINGUM 1	0	0	0.0000	(1)	0.0000
	MUSKINGUM 2	6,377	80,002	0.0797	2,240	178.5515
	MUSKINGUM 3	5,038	111,513	0.0452	3,021	136.4845
	MUSKINGUM 4	9,950	55,906	0.1780	1,442	256.6433
	MUSKINGUM 5	55,406	351,868	0.1575	1,965	309.4137
	SPORN 2	0	3	0.0000	0	0.0000
	SPORN 4	9,983	18,204	0.5484	134	73.4851
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	331,513	3,770,231	0.0879	14,554
CSP	BECKJORD 6	1,069	30,018	0.0356	752	26.7802
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	2,606	18,166	0.1435	328	47.0532
	CONESVILLE 4	6,561	19,889	0.3299	7	2.3092
	CONESVILLE 5	87,840	235,576	0.3729	214	79.7949
	CONESVILLE 6	78,031	244,562	0.3191	223	71.1513
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	35,459	247,800	0.1431	0	0.0000
	LAWRENCEBURG 2	28,766	218,783	0.1315	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	16,275	87,086	0.1869	(32)	-5.9803
	STUART 2	14,423	92,364	0.1562	14	2.1862
	STUART 3	14,634	82,967	0.1764	5	0.8819
	STUART 4	6,214	33,421	0.1859	215	39.9752
	WATERFORD	39,899	326,241	0.1223	0	0.0000
	ZIMMER 1	18,220	171,330	0.1063	289	30.7336
		TOTAL	349,997	1,808,203	0.1936	2,015

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: March 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>	<u>SOURCE ALLOCATION</u>	
I. AEP EXTERNAL ENERGY (3)	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	4,588	13,124	8,536
KPCO	6,077	286,499	280,422
I&M	1,148	25,901	24,753
OPCO	10,523	282,438	271,915
CSP	2,049	40,791	38,742
AEP	<u>24,385</u>	<u>648,753</u>	<u>624,368</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	45,696	0	(45,696)
KPCO	30,126	3,535	(26,591)
I&M	8,498	5,796	(2,702)
OPCO	46,291	687	(45,604)
CSP	81,841	6,758	(75,083)
AEP	<u>212,452</u>	<u>16,776</u>	<u>(195,676)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	26,608,759	26,571,599	
KPCO	4,363,250	4,617,081	
I&M	8,032,259	8,054,310	
OPCO	15,336,753	15,563,064	
CSP	14,233,371	14,197,030	
AEP	<u>68,574,392</u>	<u>69,003,084</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	8.50	250.69
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	440.44	29.17
I&M \$/Ton:	97.88	172.48
OPCO \$/Ton:	211.04	3.69
CSP \$/Ton:	138.33	20.71

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 02/28/2011

OPERATING COMPANY PERCENTAGE
 MARCH 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32728	0.06852	0.19208	0.22476	0.18736

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
02/11	20750	11	08	7287	11	09	1522	10	08	3783	10	09	4642	10	08	3516
01/11	20428	14	08	7159	14	09	1445	31	21	3764	24	08	4666	21	19	3394
12/10	21177	14	08	7623	15	09	1596	13	20	3785	14	19	4627	13	19	3546
11/10	17430	29	08	5873	29	08	1208	24	14	3503	24	19	3982	24	18	2864
10/10	15220	22	08	4555	22	08	997	20	07	3170	12	14	3675	11	15	2823
09/10	20151	02	16	5861	02	16	1191	01	13	3938	01	15	4993	02	16	4168
08/10	21252	04	16	6200	04	14	1310	12	16	4422	10	14	5098	12	16	4222
07/10	21344	26	16	6026	23	16	1245	23	15	4474	23	14	5235	23	16	4364
06/10	20233	22	16	6021	15	16	1205	22	15	4015	23	13	4787	23	15	4205
05/10	18449	27	16	5281	27	15	1110	24	15	3920	26	16	4449	27	16	3689
04/10	15086	29	07	4556	28	07	1036	15	14	3080	29	08	3725	06	15	2689
03/10	18102	05	08	6240	05	08	1348	05	08	3364	03	09	4094	02	20	3056

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23292	7623	1596	4474	5235	4364

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

The January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

ACTUAL: March 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,440,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,465,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 March 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	<u>5,677,000</u>	<u>4,390,070,729</u>	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	<u>1,471,000</u>	<u>764,204,347</u>	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	<u>5,414,000</u>	<u>4,040,461,038</u>	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	<u>8,440,000</u>	<u>6,654,950,782</u>	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	<u>4,857,000</u>	<u>3,424,557,783</u>	705.08	9.66

ACTUAL:
 March 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	2,453,328	96,100	169,514	0	96,100
SPORN (APCO)	87,327	7,887,565	5,369,602	471,513	5,003,648	365,954
KANAWHA RIVER	96,466	7,670,359	3,257,636	1,558,333	2,947,975	309,662
CLINCH RIVER	71,905	8,423,834	2,565,757	870,549	2,306,988	258,769
AMOS (APCO)	861,778	43,120,829	23,385,688	4,746,475	22,177,687	1,208,001
MOUNTAINEER	958,295	36,688,309	25,115,943	1,639,428	23,520,090	1,595,853
CEREDO	0	3,305,419	855	104,163	691	164
BEECH RIDGE	27,197	0	0	0	0	0
CAMP GROVE	21,714	0	0	0	0	0
FOWLER RIDGE III	27,827	0	0	0	0	0
GRAND RIDGE II	12,251	0	0	0	0	0
GRAND RIDGE III	12,166	0	0	0	0	0
TOTAL	2,176,926	109,549,643	59,791,581	9,559,975	55,957,079	3,834,502
RATES:		29.662	27.466	2.196	25.705	1.761
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	557,893	18,823,919	16,417,509	1,261,489	16,204,256	213,253
ROCKPORT 1 (AEG)	0	859,200	39,121	714,494	47,850	(8,729)
ROCKPORT 2 (AEG)	132,125	4,868,533	2,919,742	97,426	2,787,218	132,524
TOTAL	690,018	24,551,653	19,376,372	2,073,409	19,039,324	337,048
RATES:		29.583	28.081	1.502	27.593	0.488
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	333,697	13,293,905	10,395,929	2,091,723	9,722,252	673,676
ROCKPORT 1 (OWNED SHARE)	0	2,864,001	130,403	2,381,647	159,500	(29,097)
ROCKPORT 1 (AEG)	0	2,004,801	91,282	1,667,153	111,650	(20,368)
ROCKPORT 2 (AEG)	308,133	11,354,065	6,809,225	227,209	6,500,161	309,064
ROCKPORT 2 (LEASED SHARE)	440,624	16,236,085	9,737,055	324,905	9,295,100	441,955
COOK	1,428,185	28,672,048	12,801,654	7,730,178	12,801,654	0
FOWLER RIDGE I	27,492	0	0	0	0	0
FOWLER RIDGE II	15,543	0	0	0	0	0
SUM	2,553,674	74,424,905	39,965,548	14,422,814	38,590,318	1,375,230
COAL CONVERSION	0	0	0	0	0	0
TOTAL	2,553,674	74,424,905	39,965,548	14,422,814	38,590,318	1,375,230
RATES:		18.475	15.651	2.824	15.112	0.539
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	18,207	3,447,156	2,067,632	928,100	1,860,052	207,579
MUSKINGUM	599,289	20,821,065	15,516,944	3,326,677	15,147,863	369,082
KAMMER	195,460	9,512,726	6,834,485	1,928,593	6,328,504	505,981
CARDINAL (OPCO)	291,314	9,688,424	6,076,351	2,145,363	5,699,561	376,790
MITCHELL	610,658	22,031,952	15,340,776	4,204,875	14,984,825	355,951
AMOS (OPCO)	401,261	13,519,736	11,441,094	1,133,928	11,143,423	297,672
GAVIN	1,652,622	44,709,233	33,141,584	3,444,618	30,762,530	2,379,053
FOWLER RIDGE II	15,543	0	0	0	0	0
Wyandot	677	0	0	0	0	0
TOTAL	3,785,031	123,730,292	90,418,867	17,112,154	85,926,759	4,492,108
RATES:		26.150	23.889	2.261	22.702	1.187
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	518,193	18,297,895	12,979,875	2,350,265	12,102,812	877,063
PICWAY	0	183,457	2,160	53,582	0	2,160
BECKJORD	30,018	836,000	672,630	114,599	635,030	37,600
STUART	295,838	13,657,727	8,431,980	3,068,440	8,097,682	334,298
ZIMMER	171,330	6,199,746	4,837,939	546,635	4,612,780	225,159
WATERFORD	326,241	11,310,699	10,208,181	281,436	10,186,383	21,799
DARBY	0	384,732	10,808	117,006	600	10,208
LAWRENCEBURG	466,583	15,222,992	14,340,383	169,530	14,319,493	20,890
FOWLER RIDGE II	15,543	0	0	0	0	0
Wyandot	532	0	0	0	0	0
TOTAL	1,824,278	66,093,248	51,483,956	6,701,493	49,954,780	1,529,177
RATES:		30.058	28.221	1.837	27.383	0.838
SYSTEM TOTAL	11,029,927	398,349,741	261,036,324	49,869,845	249,468,260	11,568,065

ACTUAL: March 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

<u>COMPANY</u>	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	109,549,643	55,957,079	3,834,502	9,559,975	4,779,988
KPCO	24,551,653	19,039,324	337,048	2,073,409	1,036,704
I&M	74,424,905	38,590,318	1,375,230	14,422,814	7,211,407
OPCO	123,730,292	85,926,759	4,492,108	17,112,154	8,556,077
CSP	66,093,248	49,954,780	1,529,177	6,701,493	3,350,747
TOTAL	398,349,741	249,468,260	11,568,065	49,869,845	24,934,923

CALCULATION OF MEMBER PRIMARY RATES:

<u>COMPANY</u>	(\$) UNADJUSTED UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	8,614,490	2,176,926	2,176,926	29.662
KPCO	1,373,752	690,018	690,018	29.583
I&M	8,586,637	2,553,674	2,553,674	18.474
OPCO	13,048,185	3,785,031	3,785,031	26.149
CSP	4,879,924	1,824,278	1,824,278	30.058
TOTAL	36,502,988	11,029,927	11,029,927	25.927

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

<u>COMPANY</u>	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, KW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	44,978,074	5,677,000	7.92
KPCO	4,138,577	1,471,000	2.81
I&M	27,247,950	5,414,000	5.03
OPCO	24,755,348	8,440,000	2.93
CSP	11,258,545	4,857,000	2.32
TOTAL	112,378,494	25,859,000	4.35

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: March 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		<u>\$ CHARGE</u>	<u>\$ CREDIT</u>	<u>\$ CHARGE</u>	<u>\$ CREDIT</u>	<u>\$ CHARGE</u>	<u>\$ CREDIT</u>
TRANSMISSION SERVICE (PURCHASES)	APCO	282,731	63,081	264,159	60,204	15,695	0
	KPCO	59,194	13,206	55,305	12,605	3,288	0
	I&M	165,935	37,022	155,036	35,333	9,210	0
	OPCO	149,423	669,716	142,604	625,725	0	37,172
	CSP	161,856	36,114	151,225	34,462	8,979	0
	TOTAL	819,139	819,139	768,329	768,329	37,172	37,172
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	22,442,842	0	22,659,706	216,864	0
	KPCO	0	4,698,679	0	4,744,082	45,403	0
	I&M	0	13,171,668	0	13,298,945	127,277	0
	OPCO	0	15,412,628	0	15,561,558	148,930	0
	CSP	0	12,847,964	0	12,972,113	124,149	0
	East. AEP (Co. 122)	68,573,781	0	69,236,404	0	0	662,623
	TOTAL	68,573,781	68,573,781	69,236,404	69,236,404	662,623	662,623
<hr/>							
THIRD PARTY SALES (2)	APCO	1,908,001	3,514,584	1,907,137	3,913,327	451,157	51,551
	KPCO	399,464	735,820	399,283	819,300	94,455	10,794
	I&M	1,119,803	2,062,705	1,119,294	2,296,726	264,786	30,256
	OPCO	1,310,323	2,413,645	1,309,731	2,687,481	309,830	35,402
	CSP	1,092,286	2,012,016	1,091,791	2,240,286	258,278	29,512
	East. AEP (Co. 122)	10,738,770	5,829,876	11,957,121	5,827,236	157,516	1,378,506
	TOTAL	16,568,646	16,568,646	17,784,357	17,784,357	1,536,022	1,536,022
<hr/>							
GROSS TOTAL	APCO	1,908,001	25,957,426	1,907,137	26,573,033	668,021	51,551
	KPCO	399,464	5,434,499	399,283	5,563,382	139,858	10,794
	I&M	1,119,803	15,234,373	1,119,294	15,595,671	392,063	30,256
	OPCO	1,310,323	17,826,273	1,309,731	18,249,039	458,760	35,402
	CSP	1,092,286	14,859,980	1,091,791	15,212,399	382,427	29,512
	East. AEP (Co. 122)	79,312,551	5,829,876	81,193,525	5,827,236	157,516	2,041,129
	TOTAL	85,142,427	85,142,427	87,020,761	87,020,761	2,198,645	2,198,645
<hr/>							
NET TOTAL	APCO	0	24,049,425	0	24,665,895	616,470	0
	KPCO	0	5,035,035	0	5,164,099	129,064	0
	I&M	0	14,114,570	0	14,476,377	361,807	0
	OPCO	0	16,515,950	0	16,939,308	423,358	0
	CSP	0	13,767,694	0	14,120,608	352,914	0
	East. AEP (Co. 122)	73,482,675	0	75,366,288	0	0	1,883,613
	TOTAL	73,482,675	73,482,675	75,366,288	75,366,288	1,883,613	1,883,613

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

APPENDIX VZ
 Page 2 of 2

ACTUAL: March 2011 AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE

Pwr Code	Customer	CO. AGCT	CO. AGENT	ACTUAL BILL	AMOUNT DUE (TO)/FROM AGENT										NET					
					MLR	ARCCO	RFCO	I&M	OPCCO	I&M	OPCCO	RFCO	ARCCO	CSP						
				863,884	282,731	59,194	165,935	194,167	161,895	863,883	Total	100.00%								
		(5)	4470006 07	7,938	2,598	544	1,525	1,784	1,487	7,938	Total	100.00%								
	DTE Energy Trading, Inc.	(3)	4470066 07	53,008	17,348	3,632	10,182	11,914	9,932	53,008	Total	100.00%								
	Duke Power Company	(3)	4470066 07	18,848	6,169	1,292	3,620	4,236	3,531	18,848	Total	100.00%								
	Energy Power Serv	(2)	4470066 07	87,996	28,799	6,030	15,902	19,778	16,487	87,996	Total	100.00%								
	MISO Retail Midwest Retail	(4)	4470006 07	159,737	52,279	10,945	30,683	35,903	29,927	159,737	Total	100.00%								
	MISO Trading Midwest Trading	(1)	4470006 07	515,015	168,881	35,357	99,116	115,990	96,661	515,015	Total	100.00%								
	MISO Auction Midwest Auction	(1)	4470006 07	20,341	6,457	1,394	3,907	4,572	3,811	20,341	Total	100.00%								
	TYAW TWA Bulk Power Trading										Total	100.00%								

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	Customer	CO. AGCT	CO. AGENT	ACTUAL BILL	AMOUNT DUE (TO)/FROM AGENT										NET					
					MLR	ARCCO	RFCO	I&M	OPCCO	I&M	OPCCO	RFCO	ARCCO	CSP						
				192,745	63,081	13,206	37,022	43,322	36,114	192,745	Total	100.00%								
		(1),(2)	4470066 07	94,475	30,920	6,473	18,147	21,324	17,701	94,475	Total	100.00%								
	City of Lansing	(4),(5)	4470006 07	27,176	8,894	1,862	5,220	6,108	5,092	27,176	Total	100.00%								
	Duke Energy	(4),(5)	4470006 07	29,813	9,757	2,043	5,726	6,701	5,586	29,813	Total	100.00%								
	Village of Salsburg	(1)	4470006 07	14,250	4,664	976	2,737	3,203	2,670	14,250	Total	100.00%								
	Bethel	(1)	4470006 07	2,561	838	175	492	576	480	2,561	Total	100.00%								
	Hammersville	(1)	4470006 07	3,923	1,284	269	753	882	735	3,923	Total	100.00%								
	Ripley	(1)	4470006 07	20,547	6,724	1,408	3,947	4,618	3,850	20,547	Total	100.00%								
	Town of Higginsblom	(1)	4470006 07								Total	100.00%								

Notes: (1) A portion of the DUKE invoice is charged back to CLEBZ (\$6,479.21), Hagersstown (\$20,347.66), Bethel (\$14,260.13), Hammersville (\$2,560.75), Ripley (\$3,923.13)
 (2) The MISO retail invoice is charged back to CLEBZ (\$87,996.24)
 (3) \$0 of the ENTE invoice will be allocated to PSO/SWEPCCO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470006 is passed through to Sebawing Light & Water \$25,343.07, Crosswell 23,707.23
 (5) DTE invoice is passed through to SEBEEZ (\$4,469.92) and CWELZ (\$3,468.42) respectively.

ACTUAL: March 2011

APPENDIX VII

Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
				ALLOCATION BY MLR		
		PURCHASES	SALES	TOTAL COSTS TO BE BOOKED	TOTAL REVENUES TO BE BOOKED	
		ACCT. 4470.010	ACCT. 4470.006	ACCT. 4470.010	ACCT. 4470.006	
ENERGY (1)						
I.	ACTUAL	APCO	343,248	343,370	14,094,619	17,509,114
	THIS MONTH	KPCO	71,827	71,730	2,950,880	3,665,743
		I&M	201,451	201,414	8,272,105	10,276,064
		OPCO	235,809	235,981	9,679,500	12,024,409
		CSP	196,137	196,608	8,068,834	10,023,549
		TOTAL	1,048,472	1,049,102	43,065,938	53,498,879
II.	PREVIOUS ESTIMATE	APCO	344,409	347,236	13,643,770	17,508,241
		KPCO	72,070	72,541	2,856,489	3,665,560
		I&M	202,132	203,682	8,007,502	10,275,552
		OPCO	236,603	238,636	9,369,881	12,023,809
		CSP	196,802	198,822	7,810,734	10,023,050
		TOTAL	1,052,016	1,060,917	41,688,376	53,496,212
III.	ADJUSTMENT (I-II)	APCO	(1,161)	(3,866)	450,849	873
		KPCO	(243)	(811)	94,391	183
		I&M	(681)	(2,268)	264,603	512
		OPCO	(794)	(2,655)	309,619	600
		CSP	(665)	(2,214)	258,100	499
		TOTAL	(3,544)	(11,815)	1,377,562	2,667
EXERCISED OPTIONS & PREMIUMS (2)						
				TOTAL COSTS TO BE BOOKED	TOTAL REVENUES TO BE BOOKED	
		ACCT. 4470.011	ACCT. 4470.007	ACCT. 4470.011	ACCT. 4470.007	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS ESTIMATE	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT (I-II)	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: March 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES	REVENUES	PURCHASES	REVENUES	PURCHASES	REVENUES	PURCHASES	REVENUES
	4210.032	4210.031			4210.032	4210.031		
I. ACTUAL THIS MONTH	APCO	6,068	6,076		267,838	214,606		
	KPCO	1,269	1,271		56,075	44,930		
	I&M	3,560	3,565		157,193	125,952		
	OPCO	4,179	4,184		183,938	147,381		
	CSP	3,499	3,503		153,331	122,857		
	TOTAL	18,575	18,599		818,375	655,726		
II. PREVIOUS ESTIMATE	APCO	6,068	6,068		267,838	214,288		
	KPCO	1,269	1,269		56,075	44,864		
	I&M	3,560	3,560		157,193	125,765		
	OPCO	4,179	4,179		183,938	147,163		
	CSP	3,499	3,499		153,331	122,675		
	TOTAL	18,575	18,575		818,375	654,754		
III. ADJUSTMENT (I-II)	APCO	0	8		0	318		
	KPCO	0	2		0	67		
	I&M	0	5		0	187		
	OPCO	0	5		0	218		
	CSP	0	4		0	182		
	TOTAL	0	24		0	972		

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY CREDIT COMMISSIONS	BROKER'S COMMISSIONS	BROKER'S COMMISSIONS	PURCHASE COSTS	SALES REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	918	148	15	26,563	(24,067)
	KPCO	192	31	3	5,562	(5,039)
	I&M	539	87	9	15,590	(14,126)
	OPCO	630	101	10	18,243	(16,529)
	CSP	525	85	8	15,207	(13,778)
	TOTAL	2,804	452	45	81,165	(73,539)
II. PREVIOUS ESTIMATE	APCO	918	148	14	26,329	(23,821)
	KPCO	192	31	3	5,512	(4,988)
	I&M	539	87	8	15,452	(13,981)
	OPCO	630	101	10	18,082	(16,360)
	CSP	525	85	8	15,072	(13,637)
	TOTAL	2,804	452	43	80,447	(72,787)
III. ADJUSTMENT (I-II)	APCO	0	0	1	234	(246)
	KPCO	0	0	0	50	(51)
	I&M	0	0	1	138	(145)
	OPCO	0	0	0	161	(169)
	CSP	0	0	0	135	(141)
	TOTAL	0	0	2	718	(752)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

PJM NON-ECR ENERGY	PJM NON-ECR PURCHASES - USE		POWER SWAPS		TOTAL SWAPS	
	AWH	\$	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
I. ACTUAL THIS MONTH	ARCO	0	7,447	(374)	(1,795,237)	
	IFCO	0	1,959	(78)	(575,854)	
	IAM	0	4,371	(219)	(1,053,520)	
	OPCO	0	5,114	(257)	(1,232,582)	
	CSP	0	4,553	(214)	(1,027,731)	
	TOTAL	0	22,755	(1,142)	(5,482,182)	
II. PREVIOUS ESTIMATE	ARCO	0	7,449	(374)	(1,794,586)	
	IFCO	0	1,959	(78)	(575,708)	
	IAM	0	4,372	(219)	(1,053,209)	
	OPCO	0	5,115	(257)	(1,232,400)	
	CSP	0	4,264	(214)	(1,027,330)	
	TOTAL	0	22,759	(1,142)	(5,482,182)	
III. ADJUSTMENT (G-II)	ARCO	0	(1)	0	(702)	
	IFCO	0	(0)	0	(47)	
	IAM	0	(1)	0	(42)	
	OPCO	0	(1)	0	(482)	
	CSP	0	(1)	0	(402)	
	TOTAL	0	(4)	0	(2,143)	

PJM NON-ECR PURCHASES-OS
NON-ECR PHYSICAL SALES-OS

PJM NON-ECR ENERGY	PURCHASES		PURCHASES		SALES		MWH		RENEWABLE ENERGY CREDITS		COSTS		COSTS		COSTS	
	Act. 5550.001	To Be Booked	Act. 5550.099	To Be Booked	Act. 4470.112	To Be Booked	Act. 4470.112	To Be Booked	Act. 5570.007	To Be Booked	Act. 5550.023	To Be Booked	Act. 5550.100	To Be Booked	Act. 5550.107	To Be Booked
I. ACTUAL THIS MONTH	ARCO	0	68,259	352	352	70,307	352	34,209	0	319,098	0	2,822,346	0	902,270	0	901,793
	IFCO	0	14,291	74	74	14,719	74	7,162	0	66,807	0	591,728	0	105,196	0	188,901
	IAM	0	40,062	206	206	41,265	206	20,077	0	187,278	0	1,655,773	0	294,999	0	929,260
	OPCO	0	46,877	242	242	48,284	242	23,493	0	217,141	0	1,940,997	0	345,072	0	619,307
	CSP	0	39,077	201	201	40,850	201	19,584	0	182,676	0	1,616,014	0	287,682	0	916,255
	TOTAL	0	208,566	1,075	1,075	214,825	1,075	104,525	0	975,000	0	8,635,858	0	1,935,991	0	2,789,716
II. PREVIOUS ESTIMATE	ARCO	0	68,721	352	352	70,101	352	34,209	0	319,098	0	2,834,933	0	894,942	0	894,942
	IFCO	0	14,387	74	74	14,676	74	7,162	0	66,807	0	593,527	0	106,530	0	187,357
	IAM	0	40,332	206	206	41,143	206	20,077	0	187,278	0	1,653,614	0	295,911	0	925,240
	OPCO	0	47,195	242	242	48,142	242	23,493	0	219,141	0	1,946,894	0	349,757	0	614,603
	CSP	0	39,342	201	201	40,133	201	19,584	0	182,676	0	1,622,930	0	291,566	0	912,333
	TOTAL	0	209,977	1,075	1,075	214,195	1,075	104,525	0	975,000	0	8,662,098	0	1,936,181	0	2,794,484
III. ADJUSTMENT (G-II)	ARCO	0	(462)	0	0	206	0	0	0	0	0	(8,597)	0	(6,837)	0	6,851
	IFCO	0	(96)	0	0	43	0	0	0	0	0	(1,799)	0	(1,431)	0	1,434
	IAM	0	(270)	0	0	122	0	0	0	0	0	(5,041)	0	(4,013)	0	4,020
	OPCO	0	(318)	0	0	142	0	0	0	0	0	(5,896)	0	(4,704)	0	4,704
	CSP	0	(245)	0	0	117	0	0	0	0	0	(4,917)	0	(3,914)	0	3,922
	TOTAL	0	(1,411)	0	0	630	0	0	0	0	0	(24,240)	0	(20,990)	0	20,990

COSTS TO BE BOOKED Act. 5654.008	COSTS TO BE BOOKED Act. 4470.131		COSTS TO BE BOOKED Act. 4470.099		REVENUES TO BE BOOKED Act. 4470.112		REVENUES TO BE BOOKED Act. 4470.170		REVENUES TO BE BOOKED Act. 4470.187		COST TO BE BOOKED Act. 5650.002	Total KJM/MSD Non-ER Energy (Revenue - Cost)
0	10,892	(3,407)	9,733	4,573,807	7,949	180,089	0	0	0	0	0	0
0	2,280	(713)	2,038	978,518	1,664	20,927	0	0	0	0	0	0
0	6,392	(2,000)	5,713	2,743,049	4,665	53,746	0	0	0	0	0	0
0	7,480	(2,340)	6,684	3,209,744	5,489	63,736	0	0	0	0	0	0
0	6,235	(1,950)	5,672	2,675,643	4,850	97,821	0	0	0	0	0	0
0	33,280	(10,410)	29,740	14,280,761	24,287	309,858	0	0	0	0	0	0
0	10,871	(3,407)	9,733	4,631,127	7,949	48,856	0	0	0	0	0	0
0	2,276	(713)	2,038	969,892	1,664	10,229	0	0	0	0	0	0
0	6,390	(2,000)	5,713	2,718,000	4,665	28,676	0	0	0	0	0	0
0	7,466	(2,340)	6,684	3,180,433	5,489	33,853	0	0	0	0	0	0
0	6,233	(1,950)	5,672	2,651,210	4,850	27,970	0	0	0	0	0	0
0	33,210	(10,410)	29,740	14,180,392	24,287	149,285	0	0	0	0	0	0
0	21	0	0	42,660	0	5,223	0	0	0	0	0	0
0	4	0	0	8,936	0	10,728	0	0	0	0	0	0
0	12	0	0	25,049	0	30,070	0	0	0	0	0	0
0	14	0	0	29,311	0	36,183	0	0	0	0	0	0
0	12	0	0	24,433	0	29,330	0	0	0	0	0	0
0	64	0	0	130,409	0	154,544	0	0	0	0	0	0

ACTUAL: March 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	3,414,495	0	3,864,471	449,976	0
	KPCO	0	714,863	0	809,071	94,208	0
	I&M	0	2,003,959	0	2,268,050	264,091	0
	OPCO	0	2,344,909	0	2,653,928	309,019	0
	CSP	0	1,954,715	0	2,212,316	257,601	0
	East. AEP (Co.122)	10,432,941	0	11,807,836	0	0	1,374,895
	TOTAL	10,432,941	10,432,941	11,807,836	11,807,836	1,374,895	1,374,895
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	53,232	0	53,950	0	0	318
	KPCO	11,145	0	11,211	0	0	67
	I&M	31,242	0	31,428	0	0	187
	OPCO	36,557	0	36,775	0	0	218
	CSP	30,474	0	30,656	0	0	182
	East. AEP (Co.122)	0	162,649	0	163,621	972	0
	TOTAL	162,649	162,649	163,621	163,621	972	972
BROKERS' COMMISSIONS (3)	APCO	51,711	0	51,230	0	481	0
	KPCO	10,827	0	10,726	0	101	0
	I&M	30,351	0	30,067	0	284	0
	OPCO	35,513	0	35,183	0	330	0
	CSP	29,603	0	29,327	0	276	0
	East. AEP (Co.122)	0	158,005	0	156,533	0	1,472
	TOTAL	158,005	158,005	156,533	156,533	1,472	1,472
POWER SWAPS	APCO	1,803,058	0	1,802,358	0	700	0
	KPCO	377,492	0	377,345	0	147	0
	I&M	1,058,211	0	1,057,800	0	411	0
	OPCO	1,238,253	0	1,237,772	0	481	0
	CSP	1,032,209	0	1,031,808	0	401	0
	East. AEP (Co.122)	0	5,509,222	0	5,507,083	0	2,140
	TOTAL	5,509,222	5,509,222	5,507,083	5,507,083	2,140	2,140
PJM/MISO NON-ECR ENERGY	APCO	0	100,089	0	48,856	0	51,233
	KPCO	0	20,957	0	10,229	0	10,728
	I&M	0	88,746	0	28,676	0	30,070
	OPCO	0	68,736	0	33,553	0	35,183
	CSP	0	57,301	0	27,970	0	29,330
	East. AEP (Co.122)	305,828	0	149,285	0	156,544	0
	TOTAL	305,828	305,828	149,285	149,285	156,544	156,544
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,908,001	3,514,584	1,907,137	3,913,327	451,157	51,551
	KPCO	399,464	735,820	399,263	819,300	94,455	10,794
	I&M	1,119,803	2,062,705	1,119,294	2,296,726	264,786	30,256
	OPCO	1,310,323	2,413,645	1,309,731	2,687,481	309,830	35,402
	CSP	1,092,286	2,012,016	1,091,791	2,240,286	258,278	29,512
	East. AEP (Co.122)	10,738,770	5,829,876	11,957,121	5,827,236	157,516	1,378,506
	TOTAL	16,568,646	16,568,646	17,784,357	17,784,357	1,536,022	1,536,022

NOTES:

(1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.

(2) Sold in previous period(s) and exercised in:

March 2011

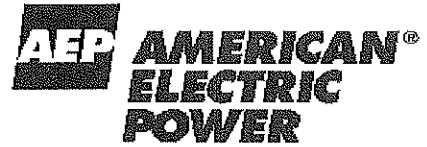
(3) Actual commissions paid in:

March 2011

APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE								PJM CHARGES FOR EAST ZONE SEA	
PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	NP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SEA	SEA
APSCG									
<i>PJM Allocation GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	4,621,718	970,115	2,728,895	3,209,466	2,642,137	14,162,332	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	26,036	5,451	15,280	17,880	14,908	79,552	East Zone SEA	no
Schedule 9 & 10	5614001	379,315	79,414	222,619	260,498	217,149	1,089,991	East Zone SEA	no
Schedule 9 & 10	5618000	1,845	386	1,083	1,267	1,006	5,636	East Zone SEA	no
Schedule 9 & 10	5618001	26,874	5,626	15,772	18,456	15,385	82,114	East Zone SEA	no
Schedule 9 & 10	0767000	27,680	5,795	16,445	19,009	15,846	84,675	East Zone SEA	no
Schedule 9 & 10	5737001	402,269	84,429	236,678	276,945	230,862	1,232,184	East Zone SEA	no
Schedule 9 & 10	5618000	1,567	391	1,064	1,282	1,069	6,704	East Zone SEA	no
Schedule 9 & 10	5618001	27,196	5,694	15,941	18,677	15,569	83,096	East Zone SEA	no
Schedule 9 & 10	5618000	2,832	593	1,662	1,945	1,621	8,654	East Zone SEA	no
Schedule 9 & 10	5618001	41,263	8,639	24,217	28,337	23,622	126,077	East Zone SEA	no
Schedule 9 JMWU	5767000	2,390	500	1,402	1,641	1,368	7,301	East Zone SEA	no
Schedule 9 JMWU	5767001	34,813	7,288	20,432	23,908	19,930	105,379	East Zone SEA	no
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	4	1	2	2	2	11	East Zone SEA	no
Transmission Owner Scheduling System	4470110	1,385	290	814	952	794	4,236	East Zone SEA	no
Power Factor Charges	0550039	(1,149)	(241)	(678)	(789)	(698)	(3,512)	East Zone SEA	no
Other Supporting Facilities Charge	4470107	(5,573)	(1,167)	(3,271)	(3,827)	(3,190)	(17,027)	East Zone SEA	no
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
<i>Balancing Spot Market Energy</i>									
Incremental Explicit Congestion - OSS	4470116	65,747	13,765	35,587	45,182	37,639	200,890	East Zone SEA	N
Implicit Congestion - LSE	4470093							East Zone SEA	N
Inadvertent - OSS	0550039							East Zone SEA	N
Inadvertent - LSE	0550040							East Zone SEA	N
Misc Credits	4470107	(0)	(0)	(0)	(0)	(0)	(0)	East Zone SEA	N
Meter Correction - LSE	4470116	(14,729)	(3,089)	(8,660)	(10,183)	(8,447)	(49,088)	East Zone SEA	N
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECS)	4470124	4	1	2	3	2	12	East Zone SEA	N
Load Reconciliation Spot Market OSS (AUB)	4470115	40	8	23	27	23	121	East Zone SEA	N
Load Reconciliation Congestion OSS (AUB)	4470126	(7)	(1)	(4)	(5)	(4)	(21)	East Zone SEA	N
Load Reconciliation Losses OSS (AUB)	4470209	(2)	(0)	(1)	(1)	(1)	(6)	East Zone SEA	N
Load Reconciliation Inadvertent Interchange OSS (AUB)	0550039	0	0	0	0	0	0	East Zone SEA	N
Load Reconciliation Spot Market LSE (AUB)	4470124	577	121	329	395	380	1,763	East Zone SEA	N
Load Reconciliation Congestion LSE (AUB)	4470093	(102)	(21)	(65)	(70)	(59)	(311)	East Zone SEA	N
Load Reconciliation Losses LSE (AUB)	4470207	(27)	(6)	(16)	(19)	(15)	(82)	East Zone SEA	N
Load Reconciliation Inadvertent Interchange LSE (AUB)	0550040	0	0	0	0	0	1	East Zone SEA	N
Firm Point-to-Point Transmission Service LSE (AUB)	4561005	1	0	1	1	1	3	East Zone SEA	N
Transmission Congestion Target Credit LSE (AUB)	4470101	(67)	(14)	(40)	(46)	(39)	(208)	East Zone SEA	N
Load Reconciliation Spot Market OSS (BCK)	4470118	(10,054)	(2,109)	(5,900)	(6,904)	(5,759)	(30,719)	East Zone SEA	N
Load Reconciliation Congestion OSS (BCK)	4470126	2	4	1	1	1	11	East Zone SEA	N
Load Reconciliation Losses OSS (BCK)	4470209	314	66	184	216	180	959	East Zone SEA	N
Load Reconciliation Inadvertent Interchange OSS (BCK)	4470141	(0)	(1)	(4)	(4)	(3)	(18)	East Zone SEA	N
Other Supporting Facilities reclass (BCK)	4470141	6,931	1,495	4,080	4,774	3,979	21,240	East Zone SEA	N
Other Supporting Facilities reclass (BCK)	4470126	(6,931)	(1,495)	(4,080)	(4,774)	(3,979)	(21,240)	East Zone SEA	N
Load Management Test Failure (BCK)	4470141	(1,004)	(220)	(617)	(722)	(602)	(3,212)	East Zone SEA	N
Firm Point-to-Point Transmission Service OSS (BCK)	4470141	16	3	9	11	9	48	East Zone SEA	N
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141	2	0	1	1	1	4	East Zone SEA	N
Transmission Congestion Target Credit OSS (BCK)	4470174	(3,623)	(759)	(2,126)	(2,488)	(2,074)	(11,071)	East Zone SEA	N
Firm Point-to-Point Transmission Service LSE (SGP)	4561005	312	65	183	214	179	953	East Zone SEA	N
Non-Firm Point-to-Point Transmission Service LSE (SGP)	4561005	35	7	20	24	20	105	East Zone SEA	N
Transmission Congestion Target Credit LSE (SGP)	4470101	(69,327)	(14,814)	(40,689)	(47,610)	(39,689)	(211,820)	East Zone SEA	N
Transmission Congestion Target Credit OSS (SGP)	4470100	(6,050)	(1,287)	(3,550)	(4,105)	(3,454)	(18,487)	East Zone SEA	N
Transmission Congestion Target Credit LSE (SGP)	4470109	(12,122)	(2,588)	(7,318)	(8,529)	(6,940)	(37,059)	East Zone SEA	N
Load Reconciliation Spot Market OSS (SGP)	4470115	(4,064)	(8,597)	(24,101)	(28,201)	(23,508)	(125,472)	East Zone SEA	N
Load Reconciliation Congestion OSS (SGP)	4470126	3,644	763	2,139	2,503	2,086	11,336	East Zone SEA	N
Load Reconciliation Losses OSS (SGP)	4470209	1,423	298	830	977	814	4,347	East Zone SEA	N
Load Reconciliation Inadvertent Interchange OSS (SGP)	0550039	(14)	(7)	(20)	(23)	(20)	(104)	East Zone SEA	N
Load Reconciliation Spot Market LSE (SGP)	4470124	(99,259)	(12,255)	(39,123)	(40,862)	(34,495)	(1,829,604)	East Zone SEA	N
Load Reconciliation Congestion LSE (SGP)	4470093	82,096	11,816	31,362	36,464	30,386	182,236	East Zone SEA	N
Load Reconciliation Losses LSE (SGP)	4470207	20,728	4,340	12,165	14,235	11,866	63,384	East Zone SEA	N
Load Reconciliation Inadvertent Interchange LSE (SGP)	0550040	(497)	(104)	(292)	(342)	(285)	(1,820)	East Zone SEA	N
<i>PJM TEA Charge Reclass (MLR)</i>									
Transmission Enhancement Charge	0690012	(1,284,361)	(262,616)	(736,182)	(861,434)	(718,092)	(3,812,686)	East Zone SEA	N
RTO Start-up Cost Recovery Charge	4561002	(49,999)	(11,832)	(39,002)	(55,743)	(49,615)	(175,292)	East Zone SEA	N
Expansion Cost Recovery Charge	4861003	(30,297)	(7,301)	(24,067)	(34,977)	(32,304)	(108,366)	East Zone SEA	N
Firm/Non-Firm Pt To Pt Transmission Service Credit	4561005	260,461	54,835	182,876	178,856	149,119	798,096	East Zone SEA	N
<i>PJM TEA Charge Reclass (LSP)</i>									
Transmission Enhancement Charge	0690012	1,181,936	226,349	684,814	747,035	626,464	3,468,998	East Zone SEA	N
RTO Start-up Cost Recovery Charge	4561002	61,002	11,946	28,704	40,090	33,598	175,292	East Zone SEA	N
Expansion Cost Recovery Charge	4561003	37,642	7,373	17,712	24,732	20,707	108,366	East Zone SEA	N
Firm/Non-Firm Pt To Pt Transmission Service Credit	4561005	(271,975)	(52,202)	(164,658)	(172,572)	(144,488)	(795,899)	East Zone SEA	N
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		4,919,009	1,011,940	2,870,936	3,323,942	2,773,322	14,689,149		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		9,647,841	1,149,299	3,177,979	3,894,188	3,216,946	17,081,832		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(749,832)	(137,359)	(306,043)	(570,246)	(443,624)	(2,389,693)		
PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE									
<i>PJM CHARGE DESCRIPTION</i>									
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	3,253,676	681,332	1,910,471	2,236,403	1,861,907	9,943,789	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,253,676	681,332	1,910,471	2,236,403	1,861,907	9,943,789		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		3,190,063	659,270	1,876,657	2,195,830	1,828,926	9,767,739		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(57,813)	(12,062)	(33,814)	(40,573)	(32,981)	(176,050)		
<i>CHARGE DESCRIPTION</i>									
<i>**Includes all participants except SGP and BCK</i>									
AP/AUB Emergency Load Response	4470206							East Zone SEA	
Buckeye GL Entries									
Buckeye (BCK)									
Capacity Credit Market	4470099							East Zone SEA	
PJM Service Fee	4470143	(310,916)	(65,094)	(182,476)	(213,622)	(177,992)	(960,000)	East Zone SEA	
Resolving Supply and Voltage Control Credit (Expense)	0550075	33,141	5,938	19,456	22,799	18,972	101,206	No	
Regulation Credit (Expense)	0550078	18,043	3,782	10,601	12,405	10,541	55,181	No	
Spinning Reserve - Credit	0550084							No	
Buckeye Pass-Through	4470141	(4,127,665)	(864,313)	(2,423,415)	(2,836,618)	(2,362,244)	(12,014,281)	No	
Transmission Loss Credit	4470206	(276)	(58)	(162)	(190)	(158)	(844.14)	East Zone SEA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(4,127,389)	(864,371)	(2,423,577)	(2,836,808)	(2,362,302)	(12,014,307)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(5,971,247)	(1,311,557)	(2,331,864)	(2,729,083)	(2,272,747)	(12,136,199)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(6,069,209)	(1,323,829)	(2,365,441)	(2,770,066)	(2,272,805)	(12,272,506)		

PJM CHARGES FOR EAST ZONE SEA



Date April 2011

Subject East Interchange Power Statement and Related Data
April 2011 Actual

Reviewer: David B. Roberts (Bruce)
6/2/2011

Approved Richard Quaintance
6/2/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of April 2011.

NOTE: Revisions were made to Page 8 and Primary 151. These revisions affect Pages 4, 2 and 1.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
April 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: April 2011

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		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	1,016,484	442,943	57,985,950	16,790,911
	BILLING	KPCO	233,785	152,587	11,714,606	4,822,869
	AMOUNT	I&M	371,604	645,199	12,104,175	19,706,323
		OPCO	310,421	1,033,411	11,568,089	61,502,525
		CSP	716,961	375,115	21,253,545	11,803,737
	TOTAL		2,649,255	2,649,255	114,626,364	114,626,365
II.	PREVIOUSLY ESTIMATED	APCO	1,051,846	457,704	58,013,471	16,916,606
	BILLING	KPCO	231,856	151,949	11,500,235	4,673,437
	AMOUNT	I&M	373,176	646,823	11,819,911	19,651,396
		OPCO	311,334	1,051,259	11,235,597	60,907,744
		CSP	703,203	363,680	20,626,579	11,046,607
	TOTAL		2,671,415	2,671,415	113,195,792	113,195,790
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO	(35,362)	(14,761)	(27,521)	(125,695)
		KPCO	1,929	638	214,371	149,432
		I&M	(1,572)	(1,624)	284,264	54,927
		OPCO	(913)	(17,848)	332,492	594,781
		CSP	13,758	11,435	626,966	757,130
	TOTAL		(22,160)	(22,160)	1,430,571	1,430,575
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO			0	13,196
		KPCO			0	2,794
		I&M			0	7,826
		OPCO			31,451	0
		CSP			0	7,635
	TOTAL				31,451	31,451
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO			0	0
		KPCO			0	0
		I&M			0	0
		OPCO			0	0
		CSP			0	0
		West. AEP			0	0
	TOTAL				0	0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			422,634	0
		KPCO			88,318	0
		I&M			244,015	0
		OPCO			288,795	0
		CSP			243,345	0
		East. AEP (Co. 122)			0	1,287,108
	TOTAL				1,287,108	1,287,108
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			321,208	0
		KPCO			67,979	0
		I&M			190,580	0
		OPCO			222,901	0
		CSP			185,835	0
		East. AEP (Co. 122)			0	988,502
	TOTAL				988,502	988,502

ACTUAL: April 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	262,818
	KPCO	0	55,622
	I&M	0	155,933
	OPCO	0	182,377
	CSP	0	152,053
	East. AEP (Co. 122)	808,803	0
	TOTAL	808,803	808,803
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	27,779,862
	KPCO	0	5,878,792
	I&M	0	16,479,714
	OPCO	0	19,271,648
	CSP	0	16,074,497
	East. AEP (Co.122)	85,484,512	0
	TOTAL	85,484,512	85,484,512
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	28,334,291
	KPCO	0	5,996,106
	I&M	0	16,808,586
	OPCO	0	19,656,238
	CSP	0	16,395,279
	East. AEP (Co.122)	87,190,500	0
	TOTAL	87,190,500	87,190,500
XI. ADJUSTMENT FOR RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	554,429	0
	KPCO	117,313	0
	I&M	328,872	0
	OPCO	384,590	0
	CSP	320,783	0
	East. AEP (Co.122)	0	1,705,988
	TOTAL	1,705,988	1,705,988

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: April 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kw	\$/kw	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,266,500)	13.73	31,108,008	0	26,877,942	16,790,911
	BILLING	KPCO	(358,100)	13.73	4,914,969	0	6,799,637	4,822,869
	AMOUNT	I&M	300,400	15.00	0	4,506,000	12,104,175	15,200,323
		OPCO	2,468,700	13.57	0	33,500,259	11,568,089	28,002,266
		CSP	(144,500)	13.73	1,983,281	0	19,270,264	11,803,737
		TOTAL			38,006,258	38,006,259	76,620,106	76,620,106
II.	PREVIOUSLY	APCO			31,030,245	0	26,983,226	16,916,606
	ESTIMATED	KPCO			4,902,683	0	6,597,552	4,673,437
	BILLING	I&M			0	4,710,903	11,819,911	14,940,493
	AMOUNT *	OPCO			0	33,200,348	11,235,597	27,707,396
		CSP			1,978,324	0	18,648,255	11,046,607
		TOTAL			37,911,252	37,911,251	75,284,540	75,284,539
IV.	ADJUSTMENT	APCO			77,763	0	(105,284)	(125,695)
	TO BE BOOKED	KPCO			12,286	0	202,085	149,432
	NEXT MONTH	I&M			0	(204,903)	284,264	259,830
	(I - II + III)	OPCO			0	299,911	332,492	294,870
		CSP			4,957	0	622,009	757,130
		TOTAL			95,006	95,008	1,335,565	1,335,567
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			1,016,484	442,943	57,985,950	16,790,911
	BILLING	KPCO			233,785	152,587	11,714,606	4,822,869
	AMOUNT	I&M			371,604	645,199	12,104,175	19,706,323
		OPCO			310,421	1,033,411	11,568,089	61,502,525
		CSP			716,961	375,115	21,253,545	11,803,737
		TOTAL			2,649,255	2,649,255	114,626,364	114,626,365
II.	PREVIOUSLY	APCO			1,051,846	457,704	58,013,471	16,916,606
	ESTIMATED	KPCO			231,856	151,949	11,500,235	4,673,437
	& ENERGY	I&M			373,176	646,823	11,819,911	19,651,396
	BILLING	OPCO			311,334	1,051,259	11,235,597	60,907,744
	AMOUNT	CSP			703,203	363,680	20,626,579	11,046,607
		TOTAL			2,671,415	2,671,415	113,195,792	113,195,790
IV.	ADJUSTMENT	APCO			(35,362)	(14,761)	(27,521)	(125,695)
	TO BE BOOKED	KPCO			1,929	638	214,371	149,432
	NEXT MONTH	I&M			(1,572)	(1,624)	284,264	54,927
	(I - III)	OPCO			(913)	(17,848)	332,492	594,781
		CSP			13,758	11,435	626,966	757,130
		TOTAL			(22,160)	(22,160)	1,430,571	1,430,575

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: April 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.32497	8,643,500	(2,266,500)
KPCO	1,471,000	0.06877	1,829,100	(358,100)
I&M	5,428,000	0.19278	5,127,600	300,400
OPCO	8,465,000	0.22544	5,996,300	2,468,700
CSP	4,857,000	0.18804	5,001,500	(144,500)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,266,500)	***** + *****	(31,108,008)
KPCO	(358,100)	***** + *****	(4,914,969)
I&M	300,400	10.22 + 4.78	4,506,000
OPCO	2,468,700	10.8 + 2.77	33,500,259
CSP	(144,500)	***** + *****	(1,983,281)

EQUALIZATION CAPACITY RATE: 13.7251

(This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	744,817	780,908	26,574,677	30,045,966
RECOVERY AND MLR	KPCO	158,241	141,252	5,623,721	4,740,299
ALLOCATION FOR ALL	I&M	443,801	235,185	15,764,736	10,610,593
AEP SYSTEM	OPCO	511,846	605,310	18,435,533	19,053,739
DELIVERIES TO	CSP	430,691	526,741	15,377,119	17,325,189
NON-AFFILIATED COS.	AEP	2,289,396	2,289,396	81,775,786	81,775,786
ADJUSTMENT TO	APCO	(340,066)	(340,066)	(13,348,532)	(13,348,532)
PREVENT RECOGNITION	KPCO	(35,193)	(35,193)	(1,372,436)	(1,372,436)
OF SALES BY POOL	I&M	(106,433)	(106,433)	(4,588,329)	(4,588,329)
MEMBERS TO	OPCO	(205,397)	(205,397)	(7,148,778)	(7,148,778)
THEMSELVES	CSP	(158,682)	(158,682)	(5,752,690)	(5,752,690)
(PAGE 7)	AEP	(845,771)	(845,771)	(32,210,765)	(32,210,765)
SUBTOTAL	APCO	404,751	440,842	13,226,145	16,697,434
AEP EXTERNAL	KPCO	123,048	106,059	4,251,285	3,367,863
ENERGY	I&M	337,368	128,752	11,176,407	6,022,264
	OPCO	306,449	399,913	11,286,755	11,904,961
	CSP	272,009	368,059	9,624,429	11,572,498
	AEP	1,443,625	1,443,625	49,565,021	49,565,021
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	611,733	1,548	13,651,797	41,295
ENERGY	KPCO	110,737	46,470	2,548,352	1,448,934
(PAGE 8)	I&M	33,655	513,389	865,972	8,934,507
	OPCO	616	633,378	10,784	16,083,367
	CSP	444,952	6,908	9,645,835	214,637
	AEP	1,201,693	1,201,693	26,722,740	26,722,740
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II+ Page 5)	APCO	1,016,484	442,943	26,877,942	16,790,911
	KPCO	233,785	152,587	6,799,637	4,822,869
	I&M	371,604	645,199	12,104,175	15,200,323
	OPCO	310,421	1,033,411	11,568,089	28,002,266
	CSP	716,961	375,115	19,270,264	11,803,737
	AEP	2,649,255	2,649,255	76,620,106	76,620,106

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: April 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	553	0	52,182
COST RECOVERY	KPCO	0	58	0	6,072
ALLOCATED TO	I&M	581	3,058	61,795	243,552
SPECIAL SERVICE	OPCO	3,356	120	270,549	13,938
CUSTOMERS	CSP	0	148	0	16,602
	AEP	<u>3,937</u>	<u>3,937</u>	<u>332,345</u>	<u>332,345</u>
PREVIOUSLY	APCO	0	597	0	54,672
ESTIMATED	KPCO	0	62	0	6,312
AMOUNT	I&M	582	3,128	61,800	249,612
	OPCO	3,489	120	279,994	13,938
	CSP	0	164	0	17,260
	AEP	<u>4,071</u>	<u>4,071</u>	<u>341,794</u>	<u>341,794</u>
ADJUSTMENT	APCO	0	(44)	0	(2,491)
TO BE BOOKED	KPCO	0	(4)	0	(240)
NEXT MONTH	I&M	(1)	(70)	(5)	(6,061)
	OPCO	(133)	0	(9,444)	0
	CSP	0	(16)	0	(657)
	AEP	<u>(134)</u>	<u>(134)</u>	<u>(9,449)</u>	<u>(9,449)</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: April 2011

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	26,574,677	30,045,966	32,011,647	5,436,970
KPCO	5,623,721	4,740,299	6,774,313	1,150,592
I&M	15,764,736	10,610,593	18,990,105	3,225,369
OPCO	18,435,533	19,053,739	22,207,341	3,771,808
CSP	15,377,119	17,325,189	18,523,168	3,146,049
TOTAL	81,775,786	81,775,786	98,506,575	16,730,789

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	5,436,970	0.32497
KPCO	0	1,150,592	0.06877
I&M	0	3,225,369	0.19278
OPCO	0	3,771,808	0.22544
CSP	0	3,146,049	0.18804
TOTAL	0	16,730,789	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO₂ & NO_x emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043
APCO	0	0	0	0	0	0
KPCO	0	0	0	0	0	0
I&M	0	0	0	0	0	0
OPCO	0	0	0	0	0	0
CSP	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043
PSO	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0
TCC	0	0	0	0	0	0
TNC	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: April 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

				ADJUSTMENT	
	MWh	COST (2) (\$)	MLR (APPENDIX I)	MWh	COST (\$)
APCO	476,564	14,477,595	0.32497	154,869	4,704,784
KPCO	109,458	3,520,421	0.06877	7,527	242,099
I&M	59,399	2,219,246	0.19278	11,451	427,826
OPCO	373,850	11,268,686	0.22544	84,281	2,540,413
CSP	344,706	10,988,616	0.18804	64,819	2,066,299
TOTAL	1,363,977	42,474,563	1.00000	322,947	9,981,421

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

				ADJUSTMENT	
	MWh	COST (\$)	MLR (APPENDIX I)	MWh	COST (\$)
APCO	176,506	10,258,245	0.32497	57,359	3,333,622
KPCO	4,433	96,154	0.06877	305	6,612
I&M	100,101	5,241,254	0.19278	19,297	1,010,409
OPCO	142,460	4,101,281	0.22544	32,116	924,593
CSP	108,591	3,263,931	0.18804	20,419	613,750
TOTAL	532,091	22,960,865	1.00000	129,496	5,888,986

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	127,838	5,310,126
KPCO	27,361	1,123,725
I&M	75,685	3,150,094
OPCO	89,000	3,683,772
CSP	73,444	3,072,641
TOTAL	393,328	16,340,358

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	340,066	13,348,532
KPCO	35,193	1,372,436
I&M	106,433	4,588,329
OPCO	205,397	7,148,778
CSP	158,682	5,752,690
TOTAL	845,771	32,210,765

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

ACTUAL: April 2011

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		PRIMARY ENERGY		
DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	25,136	31.179	783,740
2. I&M	APCO	255,889	17.403	4,453,236
3. OPCO	APCO	327,687	25.393	8,320,956
4. CSP	APCO	3,021	31.071	93,865
5. TOTAL	APCO	611,733	22.317	13,651,797
6. APCO	KPCO	522	26.677	13,925
7. I&M	KPCO	34,577	17.403	601,743
8. OPCO	KPCO	73,523	25.393	1,866,969
9. CSP	KPCO	2,115	31.071	65,715
10. TOTAL	KPCO	110,737	23.013	2,548,352
11. APCO	I&M	169	26.677	4,508
12. KPCO	I&M	189	31.179	5,893
13. OPCO	I&M	31,525	25.393	800,514
14. CSP	I&M	1,772	31.071	55,057
15. TOTAL	I&M	33,655	25.731	865,972
16. APCO	OPCO	7	26.677	186
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	609	17.403	10,598
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	616	17.506	10,784
21. APCO	CSP	850	26.677	22,676
22. KPCO	CSP	21,145	31.179	659,301
23. I&M	CSP	222,314	17.403	3,868,930
24. OPCO	CSP	200,643	25.393	5,094,928
25. TOTAL	CSP	444,952	21.678	9,645,835
26. TOTAL ALL MEMBERS RECEIVED		1,201,693	22.238	26,722,740
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	1,548	26.677	41,295
28. KPCO	1, 12, 17, & 22	46,470	31.179	1,448,934
29. I&M	2, 7, 18, & 23	513,389	17.403	8,934,507
30. OPCO	3, 8, 13, & 24	633,378	25.393	16,083,367
31. CSP	4, 9, 14, & 19	6,908	31.071	214,637
32. TOTAL ALL MEMBERS DELIVERED:		1,201,693	22.238	26,722,740

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: April 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	25,136	28.859	725,400
2. I&M	APCO	255,889	13.717	3,510,029
3. OPCO	APCO	327,687	21.614	7,082,626
4. CSP	APCO	3,021	27.134	81,971
5. TOTAL	APCO	<u>611,733</u>	<u>18.636</u>	<u>11,400,026</u>
6. APCO	KPCO	522	23.431	12,231
7. I&M	KPCO	34,577	13.717	474,292
8. OPCO	KPCO	73,523	21.614	1,589,126
9. CSP	KPCO	2,115	27.134	57,388
10. TOTAL	KPCO	<u>110,737</u>	<u>19.262</u>	<u>2,133,037</u>
11. APCO	I&M	169	23.426	3,959
12. KPCO	I&M	189	28.857	5,454
13. OPCO	I&M	31,525	21.614	681,381
14. CSP	I&M	1,772	27.134	48,081
15. TOTAL	I&M	<u>33,655</u>	<u>21.954</u>	<u>738,875</u>
16. APCO	OPCO	7	23.429	164
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	609	13.716	8,353
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	<u>616</u>	<u>13.826</u>	<u>8,517</u>
21. APCO	CSP	850	23.431	19,916
22. KPCO	CSP	21,145	28.859	610,223
23. I&M	CSP	222,314	13.717	3,049,481
24. OPCO	CSP	200,643	21.614	4,336,697
25. TOTAL	CSP	<u>444,952</u>	<u>18.016</u>	<u>8,016,317</u>
26. TOTAL ALL MEMBERS RECEIVED		1,201,693	18.554	22,296,772
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	1,548	23.431	36,270
28. KPCO	1, 12, 17, & 22	46,470	28.859	1,341,077
29. I&M	2, 7, 18, & 23	513,389	13.717	7,042,155
30. OPCO	3, 8, 13, & 24	633,378	21.614	13,689,830
31. CSP	4, 9, 14, & 19	<u>6,908</u>	<u>27.134</u>	<u>187,440</u>
32. TOTAL ALL MEMBERS DELIVERED:		1,201,693	18.554	22,296,772

ACTUAL: April 2011

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ECONOMY ENERGY

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY CREDIT	
			\$/MWh	(\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL: April 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	56,707	529,343	0.1071	4,467	478.5369
	AMOS 2	54,121	391,125	0.1384	100	13.8373
	AMOS 3	43,247	201,203	0.2149	80	17.1953
	CEREDO1	118	253	0.4664	0	0.0000
	CEREDO2	155	300	0.5167	0	0.0000
	CEREDO3	175	335	0.5224	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	0	0	0.0000	0	0.0000
	CLINCH RIVER 2	514	3,497	0.1470	22	3.2336
	CLINCH RIVER 3	17,222	61,074	0.2820	308	86.8516
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	51,741	91,472	0.5656	642	363.1463
	KANAWHA RIVER 2	0	0	0.0000	0	0.0000
	MOUNTAINEER 1	164,373	793,892	0.2070	154	31.8852
	SPORN 1	10,327	38,940	0.2652	304	80.6217
	SPORN 3	26,821	68,910	0.3892	515	200.4472
	TOTAL	425,521	2,180,344	0.1952	6,592	1,275.7551
KPCO	BIG SANDY 1	49,886	157,890	0.3160	1,249	394.6267
	BIG SANDY 2	59,572	312,889	0.1904	2,510	477.8874
	ROCKPORT 1 (AEG)	0	0	0.0000	0	0.0000
	ROCKPORT 2 (AEG)	4,433	106,290	0.0417	383	15.9736
	TOTAL	113,891	577,069	0.1974	4,142	888.4877
I&M	ROCKPORT 1	0	0	0.0000	0	0.0000
	ROCKPORT 1 (AEG)	0	0	0.0000	0	0.0000
	ROCKPORT 2	14,786	354,511	0.0417	1,276	53.2196
	ROCKPORT 2 (AEG)	10,324	247,941	0.0416	892	37.1419
	TANNERS CREEK 1	0	0	0.0000	(162)	0.0000
	TANNERS CREEK 2	28,538	64,289	0.4439	1,616	717.3452
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	16,075	142,969	0.1124	10,723	1,205.6615
	TOTAL	69,723	809,710	0.0861	14,345	2,013.3682

ACTUAL: April 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS		TOTAL GENERATION	SYSTEM SALES ALLOCATION	SO2 EMISSIONS	SO2 EMISSION EXPENDED FOR SYSTEM SALES	
(MWh)		(MWh)	FACTOR	(In Tons)	(b)	
(1)		(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)	
OPCO	AMOS 3	87,335	406,320	0.2149	160	34.3907
	CARDINAL 1	11,019	388,464	0.0284	478	13.5587
	CARDINAL 2	2,401	2,401	1.0000	18	18.0000
	CARDINAL 3	5,452	5,452	1.0000	1,769	1,769.0000
	GAVIN 1	23,678	917,549	0.0258	1,587	40.9537
	GAVIN 2	12,734	458,744	0.0278	756	20.9854
	KAMMER 1	391	3,708	0.1054	36	3.7961
	KAMMER 2	10,241	53,453	0.1916	488	93.4954
	KAMMER 3	34,538	95,277	0.3625	845	306.3133
	MITCHELL 1	0	0	0.0000	0	0.0000
	MITCHELL 2	101,058	548,022	0.1844	269	49.6049
	MUSKINGUM 1	0	0	0.0000	0	0.0000
	MUSKINGUM 2	0	2,218	0.0000	57	0.0000
	MUSKINGUM 3	5,923	85,790	0.0690	2,231	154.0298
	MUSKINGUM 4	7,616	115,078	0.0662	3,048	201.7203
	MUSKINGUM 5	71,444	400,137	0.1785	2,534	452.4428
	SPORN 2	0	7	0.0000	0	0.0000
	SPORN 4	20	90	0.2222	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
	TOTAL	373,850	3,482,710	0.1073	14,276	3,158,2911
CSP	BECKJORD 6	713	19,403	0.0367	460	16.9036
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	0	0	0.0000	(1)	0.0000
	CONESVILLE 4	29,008	78,882	0.3677	48	17.6515
	CONESVILLE 5	112,670	215,700	0.5223	174	90.8882
	CONESVILLE 6	131,941	239,105	0.5518	190	104.8443
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	28,062	142,833	0.1965	0	0.0000
	LAWRENCEBURG 2	33,053	149,020	0.2218	0	0.0000
	PICWAY 5	0	0	0.0000	0	0.0000
	STUART 1	18,197	81,169	0.2242	55	12.3303
	STUART 2	514	2,169	0.2370	20	4.7395
	STUART 3	16,087	79,148	0.2033	37	7.5203
	STUART 4	13,872	64,604	0.2147	65	13.9570
	WATERFORD	963	6,931	0.1389	1	0.1389
	ZIMMER 1	20,741	172,683	0.1201	2,081	249.9495
	TOTAL	405,821	1,251,647	0.3242	3,130	518.9231

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: April 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
I. AEP EXTERNAL ENERGY (3)			
APCO	4,007	26,446	22,439
KPCO	4,149	391,326	387,177
I&M	1,982	367,158	365,176
OPCO	7,712	688,381	680,669
CSP	2,716	74,408	71,692
AEP	<u>20,566</u>	<u>1,547,719</u>	<u>1,527,153</u>

	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	41,759	0	(41,759)
KPCO	24,672	3,438	(21,234)
I&M	16,994	14,223	(2,771)
OPCO	38,459	686	(37,773)
CSP	101,573	10,365	(91,208)
AEP	<u>223,458</u>	<u>28,712</u>	<u>(194,746)</u>

	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)
APCO	30,065,286	30,045,966
KPCO	4,374,357	4,740,299
I&M	10,248,188	10,610,593
OPCO	18,410,844	19,053,739
CSP	17,344,705	17,325,189
AEP	<u>80,443,380</u>	<u>81,775,786</u>

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	6.00	204.63
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	440.44	29.17
I&M \$/Ton:	182.36	172.48
OPCO \$/Ton:	217.96	3.69
CSP \$/Ton:	143.39	20.71

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 03/31/2011

OPERATING COMPANY PERCENTAGE
 APRIL 2011 REVISED

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32497	0.06877	0.19278	0.22544	0.18804

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168
08/10	21252	04	16	6201	04	14	1310	12	16	4422	10	14	5097	12	16	4222
07/10	21339	26	16	6024	23	16	1245	23	15	4474	23	14	5232	23	16	4364
06/10	20224	22	16	6005	15	16	1205	22	15	4015	23	13	4794	23	15	4205
05/10	18442	27	16	5273	27	15	1110	24	15	3920	26	16	4450	27	16	3689
04/10	15088	29	07	4554	28	07	1036	15	14	3080	29	08	3729	06	15	2689

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23208	7542	1596	4474	5232	4364

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.
 A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.
 I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.
 APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: April 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,440,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,465,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 April 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capability*** as of 12/31/2010 (1)	\$ Installed Cost of Production Plant * as of 12/31/2010 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Cereda	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 April 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	620,879	136,049	274,525	44,641	91,408
SPORN (APCO)	107,850	4,232,456	3,689,979	290,585	3,454,528	235,451
KANAWHA RIVER	91,472	4,293,428	2,769,332	1,115,379	2,499,358	269,974
CLINCH RIVER	64,571	3,979,686	2,718,169	728,504	2,433,037	285,132
AMOS (APCO)	1,122,773	32,319,961	26,380,676	2,833,937	25,066,506	1,314,170
MOUNTAINEER	793,892	25,357,280	21,707,787	1,918,679	20,123,891	1,583,895
CEREDO	888	296,091	58,471	135,116	50,100	8,371
BEECH RIDGE	15,449	0	0	0	0	0
CAMP GROVE	27,285	0	0	0	0	0
FOWLER RIDGE III	31,927	0	0	0	0	0
GRAND RIDGE II	17,203	0	0	0	0	0
GRAND RIDGE III	17,350	0	0	0	0	0
TOTAL	2,290,660	71,099,781	57,460,464	7,296,725	53,672,061	3,788,403
RATES:		26.678	25.085	1.593	23.431	1.654
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	470,779	17,041,230	14,691,046	1,031,651	14,373,238	317,807
ROCKPORT 1 (AEG)	0	590,107	29,719	515,058	99	29,621
ROCKPORT 2 (AEG)	106,290	4,326,588	2,445,798	105,473	2,280,164	165,634
TOTAL	577,069	21,957,925	17,166,563	1,652,181	16,653,501	513,062
RATES:		31.180	29.748	1.432	28.859	0.889
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	207,258	8,366,295	6,345,415	2,361,996	5,463,292	882,123
ROCKPORT 1 (OWNED SHARE)	0	1,967,025	99,064	1,716,859	328	98,736
ROCKPORT 1 (AEG)	0	1,376,917	69,345	1,201,801	230	69,115
ROCKPORT 2 (AEG)	247,941	10,092,563	5,705,273	246,034	5,318,902	386,371
ROCKPORT 2 (LEASED SHARE)	354,511	14,430,548	8,157,514	351,785	7,605,073	552,442
COOK	1,544,848	31,478,785	14,576,612	7,856,831	14,576,612	0
FOWLER RIDGE I	31,434	0	0	0	0	0
FOWLER RIDGE II	17,112	0	0	0	0	0
SUM	2,403,104	67,712,133	34,953,224	13,735,306	32,964,437	1,988,787
COAL CONVERSION	0	0	0	0	0	0
TOTAL	2,403,104	67,712,133	34,953,224	13,735,306	32,964,437	1,988,787
RATES:		17.403	14.545	2.858	13.717	0.828
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	97	1,526,991	120,686	992,673	41,853	78,832
MUSKINGUM	603,223	20,492,147	15,636,382	2,931,378	15,292,394	343,988
KAMMER	152,438	7,377,030	5,385,161	1,492,007	5,051,245	333,917
CARDINAL (OPCO)	400,478	12,268,152	8,101,084	2,686,354	7,378,275	722,808
MITCHELL	548,022	20,177,269	13,282,854	4,832,022	12,982,270	300,584
AMOS (OPCO)	405,218	11,510,332	9,564,460	1,091,504	9,274,971	289,489
GAVIN	1,376,293	38,972,345	27,897,801	3,922,708	25,705,042	2,192,760
FOWLER RIDGE II	17,112	0	0	0	0	0
Wyandot	613	0	0	0	0	0
TOTAL	3,503,494	112,324,266	79,988,428	17,948,646	75,726,050	4,262,378
RATES:		25.393	22.831	2.562	21.614	1.217
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	533,687	19,936,105	15,508,005	1,444,004	14,522,221	985,784
PICWAY	0	109,125	(666)	24,386	0	(666)
BECKJORD	19,403	559,749	403,313	105,603	357,590	45,723
STUART	227,090	9,758,880	6,616,401	2,492,265	6,299,416	316,985
ZIMMER	172,683	6,046,454	4,413,472	785,842	4,076,569	336,903
WATERFORD	6,931	1,809,110	47,227	1,258,312	46,622	605
DARBY	0	344,224	14,014	184,087	18,387	(4,373)
LAWRENCEBURG	291,853	10,147,353	9,145,613	283,609	9,118,724	26,890
FOWLER RIDGE II	17,112	0	0	0	0	0
Wyandot	481	0	0	0	0	0
TOTAL	1,269,240	48,711,000	36,147,379	6,578,108	34,439,529	1,707,850
RATES:		31.071	28.480	2.591	27.134	1.346
SYSTEM TOTAL	10,043,567	321,805,105	225,716,057	47,210,966	213,455,578	12,260,479

ACTUAL: April 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	71,099,781	53,672,061	3,788,403	7,296,725	3,648,363
KPCO	21,957,925	16,653,501	513,062	1,652,181	826,091
I&M	67,712,133	32,964,437	1,988,787	13,735,306	6,867,653
OPCO	112,324,266	75,726,050	4,262,378	17,948,646	8,974,323
CSP	48,711,000	34,439,529	1,707,850	6,578,108	3,289,054
TOTAL	321,805,105	213,455,578	12,260,479	47,210,966	23,605,484

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,436,766	2,290,660	2,290,660	26.677
KPCO	1,339,153	577,069	577,069	31.179
I&M	8,856,440	2,403,104	2,403,104	17.403
OPCO	13,236,701	3,503,494	3,503,494	25.393
CSP	4,996,904	1,269,240	1,269,240	31.071
TOTAL	35,865,963	10,043,567	10,043,567	24.824

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	9,990,954	5,677,000	1.76
KPCO	3,965,272	1,471,000	2.70
I&M	25,891,256	5,414,000	4.78
OPCO	23,361,515	8,440,000	2.77
CSP	9,274,567	4,857,000	1.91
TOTAL	72,483,564	25,859,000	2.80

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: April 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	223,756	43,291	246,442	52,781	0	13,196
	KPCO	47,350	9,163	52,151	11,170	0	2,794
	I&M	132,738	25,681	146,195	31,312	0	7,826
	OPCO	103,185	533,318	125,805	587,389	31,451	0
	CSP	129,474	25,050	142,601	30,542	0	7,635
	TOTAL	636,503	636,503	713,194	713,194	31,451	31,451
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	26,476,680	0	26,580,642	103,962	0
	KPCO	0	5,603,012	0	5,625,000	21,988	0
	I&M	0	15,706,636	0	15,768,281	61,645	0
	OPCO	0	18,367,594	0	18,439,689	72,095	0
	CSP	0	15,320,428	0	15,380,556	60,128	0
	East. AEP (Co. 122)	81,474,350	0	81,794,168	0	0	319,818
	TOTAL	81,474,350	81,474,350	81,794,168	81,794,168	319,818	319,818
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THIRD PARTY SALES (2)	APCO	2,229,148	3,532,330	1,841,728	3,595,377	450,575	109
	KPCO	471,732	747,512	389,746	760,852	95,347	22
	I&M	1,322,383	2,095,460	1,092,558	2,132,863	267,292	64
	OPCO	1,546,413	2,450,467	1,277,655	2,494,204	312,571	75
	CSP	1,289,868	2,043,937	1,065,696	2,080,419	260,716	61
	East. AEP (Co. 122)	10,869,706	6,859,544	11,063,715	5,667,383	332	1,386,502
	TOTAL	17,729,250	17,729,250	16,731,098	16,731,098	1,386,834	1,386,834
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GROSS TOTAL	APCO	2,229,148	30,009,010	1,841,728	30,176,019	554,538	109
	KPCO	471,732	6,350,524	389,746	6,385,852	117,336	22
	I&M	1,322,383	17,802,097	1,092,558	17,901,144	328,937	64
	OPCO	1,546,413	20,818,061	1,277,655	20,933,893	384,666	75
	CSP	1,289,868	17,364,365	1,065,696	17,460,975	320,844	61
	East. AEP (Co. 122)	92,344,056	6,859,544	92,857,883	5,667,383	332	1,706,320
	TOTAL	99,203,600	99,203,600	98,525,266	98,525,266	1,706,652	1,706,652
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NET TOTAL	APCO	0	27,779,862	0	28,334,291	554,429	0
	KPCO	0	5,878,792	0	5,996,106	117,313	0
	I&M	0	16,479,714	0	16,808,586	328,872	0
	OPCO	0	19,271,648	0	19,656,238	384,590	0
	CSP	0	16,074,497	0	16,395,279	320,783	0
	East. AEP (Co. 122)	85,484,512	0	87,190,500	0	0	1,705,988
	TOTAL	85,484,512	85,484,512	87,190,500	87,190,500	1,705,988	1,705,988

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

Pwr Code	ACTUAL BILL	CO. ACCT	Customer Table	AMOUNT DUE (TO)/FROM AGENT											
				MLR 32.497%	KPCO 6.877%	I&M 19.278%	OPCO 22.544%	CSP 18.804%	Total 100.00%	AFCO 233,756	KPCO 47,350	I&M 132,738	OPCO 155,223	CSP 129,474	Total 688,541
CPL	6,729	4470066 07	Progress Energy	(225)	(48)	(133)	(156)	(130)	(692)	225	48	133	(536)	130	(130,219)
DTE	18,011	4470066 07	DTE Energy Trading, Inc.	2,187	463	1,297	1,517	1,265	6,729	(2,187)	(463)	(1,297)	5,212	(1,265)	1,265,330
DUKE2	10,253	4470066 07	Duke Power Company	5,893	1,239	3,472	4,060	3,387	18,011	(5,893)	(1,239)	(3,472)	13,951	(3,387)	3,386,880
ENTE	4,246	4470066 07	Energy Power Serv	3,332	705	1,977	2,311	1,928	10,253	(3,332)	(705)	(1,977)	7,942	(1,928)	1,927,930
MISO Retail	75,888	4470066 07	Midwest Retail	1,380	292	819	957	798	4,246	(1,380)	(292)	(819)	3,289	(798)	798,459
MISO Trading	110,114	4470066 07	Midwest Trading	24,661	5,219	14,630	17,108	14,270	75,888	(24,661)	(5,219)	(14,630)	58,790	(14,270)	14,269,950
MISO Auction	483,460	3550099 07	Midwest Auction	35,784	7,572	21,228	24,824	20,706	110,114	(35,784)	(7,572)	(21,228)	85,290	(20,706)	20,705,827
TVAH	10,552	4470066 07	TVA Bulk Power Trading	147,361	31,184	87,415	102,228	85,269	483,460	(147,361)	(31,184)	(87,415)	351,232	(85,269)	85,268,452
				3,423	724	2,030	2,374	1,981	10,552	(3,423)	(724)	(2,030)	8,158	(1,981)	1,980,467

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

Pwr Code	ACTUAL BILL	CO. ACCT	Customer Table	AMOUNT DUE (TO)/FROM AGENT											
				MLR 32.497%	KPCO 6.877%	I&M 19.278%	OPCO 22.544%	CSP 18.804%	Total 100.00%	AFCO 43,291	KPCO 9,163	I&M 25,681	OPCO 108,185	CSP 25,050	Total 250,550
CLEB2	(92,121)	4470066 07	City of Lebanon	(26,687)	(5,648)	(15,831)	(18,513)	(15,442)	(92,121)	26,687	5,648	15,831	(63,608)	15,442	(15,441,993)
CWEL2	(15,857)	4470066 07	Village of Crosswell	(5,153)	(1,090)	(3,057)	(3,575)	(2,982)	(15,857)	5,153	1,090	3,057	(2,282)	2,982	(2,981,705)
SEBE2	(21,906)	4470066 07	Village of Sebawaing	(7,119)	(1,507)	(4,223)	(4,938)	(4,119)	(21,906)	7,119	1,507	4,223	(6,966)	4,119	(4,119,177)
BEAM2	(2,306)	4470066 07	Bethel	(749)	(159)	(444)	(500)	(434)	(2,306)	749	159	444	(1,786)	434	(433,657)
HAME2	(783)	4470066 07	Hammersville	(254)	(54)	(131)	(177)	(147)	(783)	254	54	151	(606)	147	(605,878)
RPLY	(1,116)	4470066 07	Ripley	(342)	(77)	(215)	(252)	(210)	(1,116)	342	77	215	(864)	210	(863,907)
TOHE2	(9,129)	4470066 07	Town of Hagerstown	(2,967)	(628)	(1,760)	(2,058)	(1,716)	(9,129)	2,967	628	1,760	(7,071)	1,716	(7,070,642)

- Notes: (1) A portion of the DUKE 4470066 invoice is charged back to CLEB2 (\$6,232.93)
 (2) The MISO retail invoice is charged back to CLEB2 (\$75,887.87)
 (3) \$0 of the ENTE invoice will be allocated to PISO/WEPKO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470066 is passed through to Sebawaing Light & Water (\$19,004.06), Crosswell (\$12,029.51), Hagerstown (\$5,533.04), Bethel \$2,267.82, Hammersville \$46.01, Ripley \$138.03
 (5) DTE invoice is passed through to SEBE2 (\$2,901.80) and CWEL2 (\$3,827.25) respectively.

ACTUAL: April 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)	
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>	
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>
ENERGY (1)					
I.	ACTUAL				
	THIS MONTH				
	APCO	386,394	386,470	15,450,794	18,983,124
	KPCO	81,845	81,983	3,269,688	4,017,200
	I&M	229,093	229,152	9,165,784	11,261,244
	OPCO	267,962	267,992	10,718,612	13,169,079
	CSP	223,623	223,557	8,940,419	10,984,356
	TOTAL	1,188,917	1,189,154	47,545,296	58,415,003
II.	PREVIOUS ESTIMATE				
	APCO	387,032	387,948	15,432,326	19,027,703
	KPCO	81,980	82,296	3,265,782	4,026,634
	I&M	229,470	230,032	9,154,827	11,287,690
	OPCO	268,405	269,018	10,705,800	13,200,004
	CSP	223,991	224,412	8,929,733	11,010,152
	TOTAL	1,190,878	1,193,706	47,488,468	58,552,183
III.	ADJUSTMENT (I-II)				
	APCO	(638)	(1,478)	18,468	(44,579)
	KPCO	(135)	(313)	3,906	(9,434)
	I&M	(377)	(880)	10,957	(26,446)
	OPCO	(443)	(1,026)	12,812	(30,926)
	CSP	(368)	(855)	10,686	(25,796)
	TOTAL	(1,961)	(4,552)	56,828	(137,180)
EXERCISED OPTIONS & PREMIUMS (2)					
I.	ACTUAL				
	THIS MONTH				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
II.	PREVIOUS ESTIMATE				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0
III.	ADJUSTMENT (I-II)				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

ACTUAL: April 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE			ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
			PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
			PURCHASES	REVENUES	PURCHASES	REVENUES
			4210.032	4210.031	4210.032	4210.031
I.	ACTUAL	APCO	5,850	5,850	257,909	224,502
	THIS MONTH	KPCO	1,256	1,230	54,579	47,509
		I&M	3,480	3,480	152,998	133,180
		OPCO	4,050	4,050	178,918	155,743
		CSP	3,365	3,391	149,236	129,906
		TOTAL	18,001	18,001	793,638	690,841
II.	PREVIOUS	APCO	5,850	5,850	257,896	224,489
	ESTIMATE	KPCO	1,256	1,230	54,576	47,506
		I&M	3,480	3,480	152,990	133,173
		OPCO	4,050	4,050	178,909	155,734
		CSP	3,364	3,390	149,229	129,898
		TOTAL	18,000	18,000	793,600	690,800
III.	ADJUSTMENT	APCO	0	0	12	13
	(I-II)	KPCO	0	0	3	3
		I&M	0	0	7	8
		OPCO	0	0	9	9
		CSP	1	1	7	8
		TOTAL	1	1	38	41

BROKERS' COMMISSIONS (3)			ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
			RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
			CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
			ACCT. 5570.007	ACCT.4470.143	ACCT.5550.099	ACCT. 4470.010	ACCT. 4470.006
I.	ACTUAL	APCO	0	1,203	24	27,632	(32,450)
	THIS MONTH	KPCO	0	255	5	5,848	(6,868)
		I&M	0	714	14	16,392	(19,251)
		OPCO	0	835	16	19,169	(22,512)
		CSP	0	696	14	15,990	(18,778)
		TOTAL	0	3,703	73	85,031	(99,859)
II.	PREVIOUS	APCO	0	1,166	23	28,043	(32,185)
	ESTIMATE	KPCO	0	247	5	5,935	(6,811)
		I&M	0	692	14	16,636	(19,093)
		OPCO	0	809	16	19,454	(22,328)
		CSP	0	675	13	16,227	(18,624)
		TOTAL	0	3,589	71	86,295	(99,041)
III.	ADJUSTMENT	APCO	0	37	1	(411)	(265)
	(I-II)	KPCO	0	8	0	(87)	(57)
		I&M	0	22	0	(244)	(158)
		OPCO	0	26	0	(285)	(184)
		CSP	0	21	1	(237)	(154)
		TOTAL	0	114	2	(1,264)	(818)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH ALR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

PJM NON-ECR ENERGY	RETAIL NON-ECR PURCHASES - USE		POWER SWAPS		TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE			
AFCC	0	0	6,630	2,139	6,630	2,139	(1,534,606)
IFCC	0	0	1,403	463	1,403	463	(324,783)
I&M	0	0	3,933	1,269	3,933	1,269	(910,365)
OPCC	0	0	4,599	1,484	4,599	1,484	(1,054,586)
CSP	0	0	3,836	1,238	3,836	1,238	(887,581)
TOTAL	0	0	20,407	6,583	20,407	6,583	(4,719,100)
ADJUSTMENT (I-II)	0	0	0	0	0	0	(1,039)
IFCC	0	0	0	0	0	0	(20)
I&M	0	0	0	0	0	0	(616)
OPCC	0	0	0	0	0	0	(720)
CSP	0	0	0	0	0	0	(601)
TOTAL	0	0	0	0	0	0	(3,196)

RTM NON-ECR PURCHASES-OS
NON-ECR PHYSICAL SALES-OS

PJM NON-ECR ENERGY	PURCHASES		SALES		RENEWABLE ENERGY CREDITS		TOTAL NET TO BE BOOKED		TOTAL NET TO BE BOOKED		TOTAL NET TO BE BOOKED	
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACTUAL THIS MONTH	PREVIOUS ESTIMATE
AFCC	58,746	58,746	24	24	52,373	52,373	0	0	316,846	316,846	2,367,049	2,367,049
IFCC	12,432	12,432	5	5	11,083	11,083	0	0	67,081	67,081	504,002	504,002
I&M	34,849	34,849	14	14	31,071	31,071	0	0	187,961	187,961	1,404,436	1,404,436
OPCC	40,794	40,794	17	17	36,334	36,334	0	0	219,804	219,804	1,842,369	1,842,369
CSP	33,993	33,993	14	14	30,301	30,301	0	0	193,339	193,339	1,359,003	1,359,003
TOTAL	180,774	180,774	74	74	161,162	161,162	0	0	975,000	975,000	7,285,178	7,285,178
ADJUSTMENT (I-II)	0	0	0	0	0	0	0	0	0	0	0	0
IFCC	0	0	0	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0	0	0	0
OPCC	0	0	0	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

COSTS	COSTS TO BE BOOKED		COSTS TO BE BOOKED		REVENUES TO BE BOOKED		REVENUES TO BE BOOKED		COST TO BE BOOKED	Total RW/ATSO Non-ER Energy (Revenue - Cost)
	Act. 5514.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 5550.002			
0	1,931	1,654	(3,464)	1,654	3,409,575	7,876	0	0	(595,336)	
0	409	350	(733)	350	721,593	1,667	0	0	(228,944)	
0	1,146	981	(2,055)	981	2,022,642	4,672	0	0	(503,149)	
0	1,140	1,147	(2,403)	1,147	2,365,310	5,164	0	0	(419,894)	
0	1,117	957	(2,005)	957	1,972,910	4,858	0	0	(544,400)	
0	5,943	5,089	(10,860)	5,089	10,191,970	24,237	0	0	(1,811,981)	
0	1,904	1,654	(3,464)	1,654	3,915,509	7,876	0	0	(208,848)	
0	409	350	(733)	350	828,598	1,667	0	0	(64,195)	
0	1,130	981	(2,055)	981	2,322,774	4,672	0	0	(223,891)	
0	1,321	1,147	(2,403)	1,147	2,716,289	5,164	0	0	(144,881)	
0	1,102	957	(2,005)	957	2,255,662	4,858	0	0	(220,844)	
0	5,861	5,089	(10,660)	5,089	12,048,833	24,237	0	0	(642,699)	
0	27	0	0	0	(505,934)	0	0	0	(826,492)	
0	6	0	0	0	(107,065)	0	0	0	(61,788)	
0	16	0	0	0	(300,132)	0	0	0	(220,279)	
0	19	0	0	0	(350,979)	0	0	0	(281,115)	
0	15	0	0	0	(292,753)	0	0	0	(223,854)	
0	82	0	0	0	(1,556,853)	0	0	0	(1,889,303)	

ACTUAL: April 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	3,532,330	0	3,595,377	63,047	0
	KPCO	0	747,512	0	760,852	13,340	0
	I&M	0	2,095,460	0	2,132,863	37,403	0
	OPCO	0	2,450,467	0	2,494,204	43,737	0
	CSP	0	2,043,937	0	2,080,419	36,482	0
	East. AEP (Co.122)	10,869,706	0	11,063,715	0	0	194,009
	TOTAL	10,869,706	10,869,706	11,063,715	11,063,715	194,009	194,009
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	33,406	0	33,407	0	0	1
	KPCO	7,069	0	7,070	0	0	0
	I&M	19,817	0	19,818	0	0	0
	OPCO	23,175	0	23,175	0	0	0
	CSP	19,330	0	19,331	0	0	0
	East. AEP (Co.122)	0	102,798	0	102,800	2	0
	TOTAL	102,798	102,798	102,800	102,800	2	2
BROKERS' COMMISSIONS (3)	APCO	61,309	0	61,417	0	0	108
	KPCO	12,976	0	12,998	0	0	22
	I&M	36,371	0	36,435	0	0	64
	OPCO	42,532	0	42,607	0	0	75
	CSP	35,478	0	35,539	0	0	61
	East. AEP (Co.122)	0	188,666	0	188,996	330	0
	TOTAL	188,666	188,666	188,996	188,996	330	330
POWER SWAPS	APCO	1,539,097	0	1,538,060	0	1,037	0
	KPCO	325,703	0	325,483	0	219	0
	I&M	913,029	0	912,414	0	615	0
	OPCO	1,067,711	0	1,066,991	0	719	0
	CSP	890,580	0	889,980	0	600	0
	East. AEP (Co.122)	0	4,736,119	0	4,732,929	0	3,190
	TOTAL	4,736,119	4,736,119	4,732,929	4,732,929	3,190	3,190
PJM/MISO NON-ECR ENERGY	APCO	595,336	0	208,845	0	386,492	0
	KPCO	125,984	0	44,195	0	81,788	0
	I&M	353,165	0	123,891	0	229,275	0
	OPCO	412,996	0	144,881	0	268,115	0
	CSP	344,480	0	120,846	0	223,634	0
	East. AEP (Co.122)	0	1,831,961	0	642,659	0	1,189,303
	TOTAL	1,831,961	1,831,961	642,659	642,659	1,189,303	1,189,303
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	2,229,148	3,532,330	1,841,728	3,595,377	450,575	109
	KPCO	471,732	747,512	389,746	760,852	95,347	22
	I&M	1,322,383	2,095,460	1,092,558	2,132,863	267,292	64
	OPCO	1,546,413	2,450,467	1,277,655	2,494,204	312,571	75
	CSP	1,289,868	2,043,937	1,065,696	2,080,419	260,716	61
	East. AEP (Co.122)	10,869,706	6,859,544	11,063,715	5,667,383	332	1,386,502
	TOTAL	17,729,250	17,729,250	16,731,098	16,731,098	1,386,834	1,386,834

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: April 2011
 (3) Actual commissions paid in: April 2011

APPENDIX IX

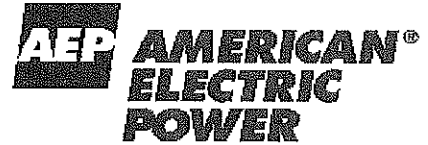
PJM CHARGES TRANSFERRED FROM nMARKET TO AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
AEFSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	5,487,686	1,163,859	3,270,891	3,840,899	3,161,612	16,924,647	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	35,389	7,489	20,994	24,550	20,477	108,899	East Zone SIA	
Schedule 9 & 10	5614001	485,190	102,676	287,826	336,588	280,749	1,493,029	no	
Schedule 9 & 10	5618000	2,514	532	1,491	1,744	1,485	7,736	East Zone SIA	
Schedule 9 & 10	5618001	34,467	7,294	20,446	23,910	19,944	106,061	no	
Schedule 9 & 10	5757000	32,653	6,910	19,371	22,693	18,895	100,481	East Zone SIA	
Schedule 9 & 10	5757001	447,686	94,739	266,578	310,571	259,048	1,377,622	no	
Schedule 9 & 10	5618000	1,692	358	1,004	1,174	979	5,207	East Zone SIA	
Schedule 9 & 10	5618001	23,198	4,909	13,761	16,093	13,423	71,384	no	
Schedule 9 & 10	5618000	2,567	543	1,523	1,781	1,485	7,900	East Zone SIA	
Schedule 9 & 10	5618001	35,196	7,448	20,879	24,417	20,366	108,306	no	
Schedule 9 MAU	5757000	3,234	684	1,919	2,244	1,872	9,993	East Zone SIA	
Schedule 9 MAU	5757001	44,344	9,384	26,306	30,763	25,669	136,455	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	(137)	(29)	(81)	(95)	(79)	(420)	East Zone SIA	
Transmission Owner Scheduling System	4470110	1,281	271	760	888	741	3,941	East Zone SIA	
Power Factor Charges	5550039	(25,188)	(5,330)	(14,942)	(17,474)	(14,575)	(77,509)	East Zone SIA	
Other Supporting Facilities Charge	4470107	3,351	709	1,988	2,324	1,939	10,311	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115							East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	91,420	19,346	54,232	63,420	52,899	281,318	N	
Implicit Congestion - LSE	4470093							N	
Inadvertent - OSS	5550039							N	
Inadvertent - LSE	5550040							East Zone SIA	
Misc Credits	4470107	32	7	19	22	19	99	East Zone SIA	
Meter Correction - LSE	4470116	(5,527)	(1,170)	(3,279)	(3,834)	(3,198)	(17,007)	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (EGR)	4470124	(17)	(4)	(10)	(12)	(10)	(53)	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203	173	37	103	120	100	533	East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470208	13	3	7	9	7	39	N	
Other Supporting Facilities reclass (BCK)	4470141	8,960	1,896	5,315	6,216	5,185	27,573	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470125	(8,960)	(1,896)	(5,315)	(6,216)	(5,185)	(27,573)	N	
Load Management Test Failure (BCK)	4470141	(1,010)	(214)	(599)	(701)	(584)	(3,108)	East Zone SIA	
Day-ahead Operating Reserve (OSS AUC)	4470141	3,601	762	2,136	2,498	2,083	11,080	East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SC6)	4470203	51,042	10,801	30,279	35,409	29,535	157,066	East Zone SIA	
Day-ahead Operating Reserve (OSS SC6)	4470208	3,723	788	2,209	2,583	2,154	11,456	East Zone SIA	
Balancing Operating Reserve (LSE SC6)	4470203	1	0	0	1	0	2	East Zone SIA	
<i>PJM TEA Charge Reclass (MLR)</i>									
Transmission Enhancement Charge	5650012	(1,310,371)	(277,300)	(777,344)	(909,038)	(758,231)	(4,032,284)	N	
RTO Start-up Cost Recovery Charge	4561002	(49,472)	(11,922)	(39,259)	(56,166)	(19,764)	(176,623)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(31,908)	(7,689)	(25,347)	(36,226)	(12,747)	(113,918)	East Zone SIA	
Firm/Non-Firm Pt 10 Pt Transmission Service Credit	4561005	254,543	53,866	151,001	176,583	147,288	783,280	East Zone SIA	
<i>PJM TEA Charge Reclass (12CP)</i>									
Transmission Enhancement Charge	5650012	1,252,724	240,214	718,123	793,546	664,406	3,669,014	No	
RTO Start-up Cost Recovery Charge	4561002	61,465	12,039	28,922	40,385	33,813	176,623	East Zone SIA	
Expansion Cost Recovery Charge	4561003	39,644	7,765	18,654	26,047	21,808	113,918	N	
Firm/Non-Firm Pt 10 Pt Transmission Service Credit	4561005	(267,856)	(51,453)	(151,273)	(170,198)	(142,500)	(783,280)	N	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		6,707,338	1,398,022	3,948,249	4,587,478	3,831,052	20,472,154		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		6,284,704	1,309,704	3,704,233	4,298,663	3,567,722	19,185,046		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	422,634	88,318	244,016	288,795	263,330	1,287,108		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
TOTAL PJM -BUCKEYE NON-ECR FROM INVOICE (1)	Various	3,313,021	701,224	1,966,215	2,300,197	1,916,281	10,196,939	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,313,021	701,224	1,966,215	2,300,197	1,916,281	10,196,939		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		2,991,813	633,245	1,775,635	2,077,496	1,730,446	9,208,436		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	321,208	67,979	190,580	222,701	185,835	988,503		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
<i>PJM Allocations GL Submit Summary</i>									
<i>**Includes all participants except SC6 and BCK</i>									
AEPAUB Emergency Load Response	4470206	598,971	126,761	355,377	415,637	346,841	1,843,286.88	Various	
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470099							East Zone SIA	
PJM Service Fee	4470143	(308,712)	(65,360)	(183,160)	(214,168)	(178,600)	(850,000.00)	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,906	6,967	19,523	22,828	19,037	101,280.75	No	
Regulation Credit (Expense)	5550079	18,483	3,913	10,966	12,823	10,693	56,878.79	No	
Spinning Reserve - Credit	5550084	156	33	93	108	90	480.45	No	
Buckeye Pass-Through	4470141	(5,977,359)	(841,811)	(2,360,316)	(2,761,065)	(2,300,691)	(12,241,241.88)	No	
Transmission Loss Credit	4470208	(110)	(23)	(65)	(76)	(64)	(338.91)	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(5,635,665)	(769,520)	(2,157,881)	(2,829,913)	(2,102,994)	(11,193,873.53)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(5,372,847)	(715,898)	(2,001,648)	(2,941,916)	(1,850,941)	(10,380,670)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(262,818)	(55,622)	(155,933)	(182,377)	(152,053)	(803,803)		



Date **May 2011**

Subject **East Interchange Power Statement and Related Data**
May 2011 Actual

Reviewer: David B. Roberts (Bruce)
6/29/2011

Approved Richard Quaintance
6/29/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of May 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
May 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: May 2011

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			MWh		(\$)	
			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	631,266	308,595	47,196,528	11,525,319
	BILLING	KPCO	144,594	209,350	8,984,607	6,307,196
	AMOUNT	I&M	192,878	701,061	6,590,927	19,017,691
		OPCO	335,845	372,469	10,492,994	44,333,362
		CSP	516,298	229,406	15,390,132	7,471,618
		TOTAL	1,820,881	1,820,881	88,655,189	88,655,187
II.	PREVIOUSLY	APCO	643,311	315,679	47,554,476	11,854,111
	ESTIMATED	KPCO	143,509	208,124	8,980,344	6,209,381
	BILLING	I&M	187,342	702,616	6,158,694	19,691,082
	AMOUNT	OPCO	326,871	366,822	10,303,180	43,716,502
		CSP	507,009	214,801	15,223,193	6,748,811
		TOTAL	1,808,042	1,808,042	88,219,887	88,219,888
III.	ADJUSTMENT	APCO	(12,045)	(7,084)	(357,947)	(328,792)
	TO BE BOOKED	KPCO	1,085	1,226	4,264	97,815
	NEXT MONTH	I&M	5,536	(1,555)	432,233	(673,391)
	(I - II)	OPCO	8,974	5,647	189,814	616,860
		CSP	9,289	14,605	166,939	722,807
		TOTAL	12,839	12,839	435,303	435,300
IV.	ADJUSTMENT FOR TRANSMISSION	APCO			57,936	0
	SERVICE (PURCHASES) TO BE	KPCO			12,261	0
	BOOKED NEXT MONTH	I&M			34,366	0
	(SEE APPENDIX VI)	OPCO			0	138,089
		CSP			33,526	0
		TOTAL			138,089	138,089
V.	ADJUSTMENT TO ALLOCATION OF	APCO			0	0
	TRADING & MARKETING REALIZATION	KPCO			0	0
	TO BE BOOKED NEXT MONTH	I&M			0	0
	(SEE PAGE 6B)	OPCO			0	0
		CSP			0	0
		West. AEP			0	0
		TOTAL			0	0
VI.	ADJUSTMENT FOR PJM CHARGES	APCO			1,067,075	0
	TRANSFERRED FROM	KPCO			227,051	0
	MARKET TO AEE (NON-ECR)	I&M			638,898	0
	TO BE BOOKED NEXT MONTH	OPCO			743,485	0
	(SEE APPENDIX IX)	CSP			620,061	0
		East. AEP (Co. 122)			0	3,296,571
		TOTAL			3,296,571	3,296,571
VII.	ADJUSTMENT FOR PJM CHARGES	APCO			241,985	0
	(NON-ECR) FROM INVOICE	KPCO			51,212	0
	TO BE BOOKED NEXT MONTH	I&M			143,573	0
	(SEE APPENDIX IX)	OPCO			167,920	0
		CSP			140,001	0
		East. AEP (Co. 122)			0	744,691
		TOTAL			744,691	744,691

ACTUAL: May 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	4,397,988	0
	KPCO	930,821	0
	I&M	2,609,817	0
	OPCO	3,052,807	0
	CSP	2,544,109	0
	East. AEP (Co. 122)	0	13,535,542
	TOTAL	13,535,542	13,535,542
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	12,494,470
	KPCO	0	2,644,088
	I&M	0	7,411,999
	OPCO	0	8,667,744
	CSP	0	7,229,746
	East. AEP (Co.122)	38,448,049	0
	TOTAL	38,448,049	38,448,049
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	12,233,919
	KPCO	0	2,588,946
	I&M	0	7,257,436
	OPCO	0	8,486,987
	CSP	0	7,078,981
	East. AEP (Co.122)	37,646,268	0
	TOTAL	37,646,268	37,646,268
XI. ADJUSTMENT FOR RECLASS OF ENERGENCY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	260,551
	KPCO	0	55,143
	I&M	0	154,564
	OPCO	0	180,757
	CSP	0	150,765
	East. AEP (Co.122)	801,780	0
	TOTAL	801,780	801,780

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: May 2011

PAGE (2)

SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,266,500)	13.53	30,662,085	0	16,534,443	11,525,319
	BILLING	KPCO	(358,100)	13.53	4,844,515	0	4,140,092	6,307,196
	AMOUNT	I&M	300,400	14.83	0	4,454,932	6,590,927	14,562,759
		OPCO	2,468,700	13.37	0	33,006,519	10,492,994	11,326,843
		CSP	(144,500)	13.53	1,954,852	0	13,435,280	7,471,618
		TOTAL			37,461,452	37,461,451	51,193,737	51,193,736
II.	PREVIOUSLY	APCO			31,099,607	0	16,454,869	11,854,111
	ESTIMATED	KPCO			4,913,642	0	4,066,702	6,209,381
	BILLING	I&M			0	4,715,050	6,158,694	14,976,032
	AMOUNT *	OPCO			0	33,280,945	10,303,180	10,435,557
		CSP			1,982,746	0	13,240,447	6,748,811
		TOTAL			37,995,995	37,995,995	50,223,892	50,223,893
IV.	ADJUSTMENT	APCO			(437,522)	0	79,575	(328,792)
	TO BE BOOKED	KPCO			(69,127)	0	73,391	97,815
	NEXT MONTH	I&M			0	(260,118)	432,233	(413,273)
	(I - II + III)	OPCO			0	(274,426)	189,814	891,286
		CSP			(27,894)	0	194,833	722,807
		TOTAL			(534,543)	(534,544)	969,846	969,844
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO		631,266	308,595	47,196,528	11,525,319	
	BILLING	KPCO		144,594	209,350	8,984,607	6,307,196	
	AMOUNT	I&M		192,878	701,061	6,590,927	19,017,691	
		OPCO		335,845	372,469	10,492,994	44,333,362	
		CSP		516,298	229,406	15,390,132	7,471,618	
		TOTAL		1,820,881	1,820,881	88,655,189	88,655,187	
II.	PREVIOUSLY	APCO		643,311	315,679	47,554,476	11,854,111	
	ESTIMATED	KPCO		143,509	208,124	8,980,344	6,209,381	
	& ENERGY	I&M		187,342	702,616	6,158,694	19,691,082	
	BILLING	OPCO		326,871	366,822	10,303,180	43,716,502	
	AMOUNT	CSP		507,009	214,801	15,223,193	6,748,811	
		TOTAL		1,808,042	1,808,042	88,219,887	88,219,888	
IV.	ADJUSTMENT	APCO		(12,045)	(7,084)	(357,947)	(328,792)	
	TO BE BOOKED	KPCO		1,085	1,226	4,264	97,815	
	NEXT MONTH	I&M		5,536	(1,555)	432,233	(673,391)	
	(I - II)	OPCO		8,974	5,647	189,814	616,860	
		CSP		9,289	14,605	166,939	722,807	
		TOTAL		12,839	12,839	435,303	435,300	

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: May 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u>	<u>MEMBER LOAD RATIO (APPENDIX I)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>
	(1)	(2)	(3)	(4) = (1) - (3)
APCO	6,377,000	0.32497	8,643,500	(2,266,500)
KPCO	1,471,000	0.06877	1,829,100	(358,100)
I&M	5,428,000	0.19278	5,127,600	300,400
OPCO	8,465,000	0.22544	5,996,300	2,468,700
CSP	4,857,000	0.18804	5,001,500	(144,500)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>	<u>CAPACITY RATE \$/kW *</u>	<u>CREDIT (CHARGE) ** \$</u>
	(1)	(2)	(3)
APCO	(2,266,500)	***** + *****	(30,662,085)
KPCO	(358,100)	***** + *****	(4,844,515)
I&M	300,400	10.22 + 4.61	4,454,932
OPCO	2,468,700	10.8 + 2.57	33,006,519
CSP	(144,500)	***** + *****	(1,954,852)

EQUALIZATION CAPACITY RATE: 13.5284
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

May 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	500,802	579,936	20,220,824	23,998,223
RECOVERY AND MLR	KPCO	107,440	89,284	4,279,121	3,455,345
ALLOCATION FOR ALL	I&M	299,765	210,381	11,995,478	9,728,493
AEP SYSTEM	OPCO	343,610	346,874	14,027,703	13,141,126
DELIVERIES TO	CSP	289,222	314,364	11,700,538	11,900,476
NON-AFFILIATED COS.	AEP	1,540,839	1,540,839	62,223,664	62,223,663
ADJUSTMENT TO	APCO	(283,219)	(283,219)	(12,974,692)	(12,974,692)
PREVENT RECOGNITION	KPCO	(34,123)	(34,123)	(1,748,687)	(1,748,687)
OF SALES BY POOL	I&M	(107,830)	(107,830)	(5,547,275)	(5,547,275)
MEMBERS TO	OPCO	(153,687)	(153,687)	(7,082,688)	(7,082,688)
THEMSELVES	CSP	(125,110)	(125,110)	(5,840,331)	(5,840,331)
(PAGE 7)	AEP	(703,969)	(703,969)	(33,193,672)	(33,193,672)
SUBTOTAL	APCO	217,583	296,717	7,246,132	11,023,531
AEP EXTERNAL	KPCO	73,317	55,161	2,530,434	1,706,659
ENERGY	I&M	191,935	102,551	6,448,203	4,181,218
	OPCO	189,923	193,187	6,945,015	6,058,437
	CSP	164,112	189,254	5,860,207	6,060,145
	AEP	836,870	836,870	29,029,992	29,029,991
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	413,683	11,148	9,288,311	322,711
ENERGY	KPCO	71,277	154,034	1,609,658	4,562,641
(PAGE 8)	I&M	0	598,305	0	10,309,394
	OPCO	145,091	179,023	3,258,102	5,228,546
	CSP	352,186	39,727	7,575,073	1,307,852
	AEP	982,237	982,237	21,731,144	21,731,144
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	631,266	308,595	16,534,443	11,525,319
	KPCO	144,594	209,350	4,140,092	6,307,196
	I&M	192,878	701,061	6,590,927	14,562,759
	OPCO	335,845	372,469	10,492,994	11,326,843
	CSP	516,298	229,406	13,435,280	7,471,618
	AEP	1,820,881	1,820,881	51,193,737	51,193,736

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: May 2011

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SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	730	0	179,077
COST RECOVERY	KPCO	0	155	0	37,896
ALLOCATED TO	I&M	943	205	142,724	72,147
SPECIAL SERVICE	OPCO	831	259	289,877	39,860
CUSTOMERS	CSP	0	425	0	103,621
	AEP	<u>1,774</u>	<u>1,774</u>	<u>432,601</u>	<u>432,601</u>
PREVIOUSLY	APCO	0	328	0	116,022
ESTIMATED	KPCO	0	72	0	24,553
AMOUNT	I&M	0	195	0	68,827
	OPCO	782	0	276,537	0
	CSP	0	187	0	67,135
	AEP	<u>782</u>	<u>782</u>	<u>276,537</u>	<u>276,537</u>
ADJUSTMENT	APCO	0	402	0	63,054
TO BE BOOKED	KPCO	0	83	0	13,344
NEXT MONTH	I&M	943	10	142,724	3,320
	OPCO	49	259	13,340	39,860
	CSP	0	238	0	36,486
	AEP	<u>992</u>	<u>992</u>	<u>156,064</u>	<u>156,064</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: May 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	20,220,824	23,998,223	21,763,310	1,542,486
KPCO	4,279,121	3,455,345	4,605,556	326,435
I&M	11,995,478	9,728,493	12,910,510	915,032
OPCO	14,027,703	13,141,126	15,097,780	1,070,077
CSP	11,700,538	11,900,476	12,593,055	892,517
TOTAL	62,223,664	62,223,663	66,970,212	4,746,548

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	1,542,486	0.32497
KPCO	0	326,435	0.06877
I&M	0	915,032	0.19278
OPCO	0	1,070,077	0.22544
CSP	0	892,517	0.18804
TOTAL	0	4,746,548	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SLA SHARING RATIOS	TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL		PRIOR PERIOD ADJUSTMENTS ACCOUNT NO. 4210.043		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	0	0	4470.144	4210.043	4470.144	4210.043	0
APCO	0	0	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL		PRIOR PERIOD ADJUSTMENTS ACCOUNT NO. 4470.144		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	0	0	4470.144	4470.043	4470.144	4470.043	0
PSO	0	0	0	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: May 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	303,343	9,475,265	0.32497	98,577	3,079,177
KPCO	56,015	1,763,302	0.06877	3,852	121,262
I&M	46,474	1,447,683	0.19278	8,959	279,084
OPCO	200,643	6,499,405	0.22544	45,233	1,465,226
CSP	196,391	6,374,437	0.18804	36,929	1,198,649
TOTAL	802,866	25,560,091	1.00000	193,550	6,143,398

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	136,217	6,855,166	0.32497	44,266	2,227,723
KPCO	3,219	69,391	0.06877	221	4,772
I&M	80,568	3,732,091	0.19278	15,532	719,472
OPCO	48,772	1,322,375	0.22544	10,995	298,116
CSP	36,692	1,089,165	0.18804	6,900	204,807
TOTAL	305,468	13,068,188	1.00000	77,914	3,454,890

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	140,376	7,667,792
KPCO	30,050	1,622,653
I&M	83,339	4,548,719
OPCO	97,459	5,319,346
CSP	81,281	4,436,875
TOTAL	432,505	23,595,384

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	283,219	12,974,692
KPCO	34,123	1,748,687
I&M	107,830	5,547,275
OPCO	153,687	7,082,688
CSP	125,110	5,840,331
TOTAL	703,969	33,193,672

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash" from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: May 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	76,842	27.617	2,122,145
2. I&M	APCO	237,561	14.003	3,326,567
3. OPCO	APCO	94,115	23.834	2,243,136
4. CSP	APCO	5,165	28.283	146,081
5. TOTAL	APCO	<u>413,683</u>	<u>18.947</u>	<u>7,837,929</u>
6. APCO	KPCO	2,820	25.466	71,814
7. I&M	KPCO	42,404	14.003	593,783
8. OPCO	KPCO	16,239	23.834	387,040
9. CSP	KPCO	9,814	28.283	277,569
10. TOTAL	KPCO	<u>71,277</u>	<u>18.662</u>	<u>1,330,206</u>
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	<u>0</u>	<u>0.000</u>	<u>0</u>
16. APCO	OPCO	6,627	25.466	168,763
17. KPCO	OPCO	23,575	27.617	651,070
18. I&M	OPCO	90,141	14.003	1,262,244
19. CSP	OPCO	24,748	28.283	699,947
20. TOTAL	OPCO	<u>145,091</u>	<u>19.174</u>	<u>2,782,024</u>
21. APCO	CSP	1,701	25.466	43,317
22. KPCO	CSP	53,617	27.617	1,480,740
23. I&M	CSP	228,199	14.003	3,195,470
24. OPCO	CSP	68,669	23.834	1,636,657
25. TOTAL	CSP	<u>352,186</u>	<u>18.048</u>	<u>6,356,184</u>
26. TOTAL ALL MEMBERS RECEIVED		982,237	18.637	18,306,343
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	11,148	25.466	283,894
28. KPCO	1, 12, 17, & 22	154,034	27.617	4,253,955
29. I&M	2, 7, 18, & 23	598,305	14.003	8,378,064
30. OPCO	3, 8, 13, & 24	179,023	23.834	4,266,833
31. CSP	4, 9, 14, & 19	<u>39,727</u>	<u>28.283</u>	<u>1,123,597</u>
32. TOTAL ALL MEMBERS DELIVERED:		982,237	18.637	18,306,343

ACTUAL: May 2011

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PRIMARY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	76,842	29.621	2,276,137
2. I&M	APCO	237,561	17.231	4,093,414
3. OPCO	APCO	94,115	29.207	2,748,723
4. CSP	APCO	5,165	32.921	170,037
5. TOTAL	APCO	413,683	22.453	9,288,311
6. APCO	KPCO	2,820	28.948	81,633
7. I&M	KPCO	42,404	17.231	730,663
8. OPCO	KPCO	16,239	29.207	474,276
9. CSP	KPCO	9,814	32.921	323,086
10. TOTAL	KPCO	71,277	22.583	1,609,658
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	6,627	28.948	191,838
17. KPCO	OPCO	23,575	29.621	698,315
18. I&M	OPCO	90,141	17.231	1,553,220
19. CSP	OPCO	24,748	32.921	814,729
20. TOTAL	OPCO	145,091	22.456	3,258,102
21. APCO	CSP	1,701	28.948	49,240
22. KPCO	CSP	53,617	29.621	1,588,189
23. I&M	CSP	228,199	17.231	3,932,097
24. OPCO	CSP	68,669	29.207	2,005,547
25. TOTAL	CSP	352,186	21.509	7,575,073
26. TOTAL ALL MEMBERS RECEIVED		982,237	22.124	21,731,144
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	11,148	28.948	322,711
28. KPCO	1, 12, 17, & 22	154,034	29.621	4,562,641
29. I&M	2, 7, 18, & 23	598,305	17.231	10,309,394
30. OPCO	3, 8, 13, & 24	179,023	29.207	5,228,546
31. CSP	4, 9, 14, & 19	39,727	32.921	1,307,852
32. TOTAL ALL MEMBERS DELIVERED:		982,237	22.124	21,731,144

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

ACTUAL: May 2011

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ECONOMY ENERGY

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY

ACTUAL: May 2011

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0

TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

May 2011

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	27,888	323,214	0.0863	72	6.2124
	AMOS 2	44,500	544,450	0.0817	150	12.2601
	AMOS 3	22,304	127,951	0.1743	60	10.4590
	CEREDO1	204	2,446	0.0834	0	0.0000
	CEREDO2	263	2,550	0.1031	0	0.0000
	CEREDO3	306	2,759	0.1109	0	0.0000
	CEREDO4	203	2,109	0.0963	0	0.0000
	CEREDO5	174	1,835	0.0948	0	0.0000
	CEREDO6	190	1,856	0.1024	0	0.0000
	CLINCH RIVER 1	725	11,357	0.0638	49	3.1280
	CLINCH RIVER 2	16,193	60,510	0.2676	295	78.9446
	CLINCH RIVER 3	11,379	57,715	0.1972	246	48.5010
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	22,796	93,473	0.2439	567	138.2788
	KANAWHA RIVER 2	0	0	0.0000	0	0.0000
	MOUNTAINEER 1	100,185	870,483	0.1151	271	31.1897
	SPORN 1	7,616	54,559	0.1396	404	56.3952
	SPORN 3	12,388	63,823	0.1941	456	88.5093
	TOTAL	267,314	2,221,090	0.1204	2,570	473.8781
KPCO	BIG SANDY 1	22,382	143,531	0.1559	953	148.6093
	BIG SANDY 2	33,633	391,454	0.0859	2,551	219.1772
	ROCKPORT 1 (AEG)	0	0	0.0000	0	0.0000
	ROCKPORT 2 (AEG)	3,219	138,373	0.0233	521	12.1201
	TOTAL	59,234	673,358	0.0880	4,025	379.9066
I&M	ROCKPORT 1	0	0	0.0000	0	0.0000
	ROCKPORT 1 (AEG)	0	0	0.0000	0	0.0000
	ROCKPORT 2	10,713	461,458	0.0232	1,737	40.3270
	ROCKPORT 2 (AEG)	7,492	322,700	0.0232	1,215	28.2040
	TANNERS CREEK 1	5,433	20,853	0.2605	105	27.2549
	TANNERS CREEK 2	30,328	80,807	0.3753	420	157.6844
	TANNERS CREEK 3	0	0	0.0000	0	0.0000
	TANNERS CREEK 4	0	54	0.0000	10	0.0000
	TOTAL	53,966	885,872	0.0609	3,486	253.4703

ACTUAL: May 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	44,748	256,706	0.1743	118	20.5693
	CARDINAL 1	3,329	123,018	0.0271	148	4.0050
	CARDINAL 2	2,104	2,104	1.0000	235	235.0000
	CARDINAL 3	35,042	35,042	1.0000	2,638	2,638.0000
	GAVIN 1	8,251	782,702	0.0105	1,203	12.6817
	GAVIN 2	0	0	0.0000	0	0.0000
	KAMMER 1	0	0	0.0000	0	0.0000
	KAMMER 2	8,777	19,670	0.4462	174	77.6410
	KAMMER 3	2,334	70,810	0.0330	616	20.3043
	MITCHELL 1	0	0	0.0000	0	0.0000
	MITCHELL 2	57,824	433,170	0.1335	186	24.8292
	MUSKINGUM 1	1,671	38,628	0.0433	960	41.5284
	MUSKINGUM 2	0	0	0.0000	(1)	0.0000
	MUSKINGUM 3	2,129	53,326	0.0399	1,511	60.3255
	MUSKINGUM 4	4,447	130,997	0.0339	3,417	115.9981
	MUSKINGUM 5	29,920	407,927	0.0733	2,621	192.2411
	SPORN 2	67	404	0.1658	2	0.3317
	SPORN 4	0	0	0.0000	1	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	200,643	2,354,504	0.0852	13,829
CSP	BECKJORD 6	1,267	12,829	0.0988	627	61.9229
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	0	0	0.0000	0	0.0000
	CONESVILLE 4	19,324	72,129	0.2679	55	14.7350
	CONESVILLE 5	47,732	183,140	0.2606	167	43.5254
	CONESVILLE 6	72,340	246,362	0.2936	223	65.4801
	DARBY 1	3	1,865	0.0016	0	0.0000
	DARBY 2	10	1,603	0.0062	0	0.0000
	DARBY 3	7	1,870	0.0037	0	0.0000
	DARBY 4	3	1,970	0.0015	0	0.0000
	DARBY 5	0	734	0.0000	0	0.0000
	DARBY 6	7	1,407	0.0050	0	0.0000
	LAWRENCEBURG 1	8,887	161,900	0.0549	0	0.0000
	LAWRENCEBURG 2	11,114	105,003	0.1058	0	0.0000
	PICWAY 5	36	1,499	0.0240	27	0.6484
	STUART 1	7,689	69,199	0.1111	71	7.8891
	STUART 2	0	0	0.0000	0	0.0000
	STUART 3	9,247	93,107	0.0993	147	14.5994
	STUART 4	8,880	90,470	0.0982	42	4.1225
	WATERFORD	1,169	20,071	0.0582	0	0.0000
	ZIMMER 1	28,677	185,240	0.1548	1,371	212.2445
		TOTAL	216,392	1,250,398	0.1731	2,730

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: May 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
I. AEP EXTERNAL ENERGY (3)	SO2 COST (\$)	SO2 COST (\$)	\$
	(AS SUPPLIED)	(ADJUSTED)	SO2 ADJUSTMENT
	(1)	(2)	(3)=(2)-(1)
APCO	1,971	9,823	7,852
KPCO	1,735	167,326	165,591
I&M	1,094	(39,607)	(40,701)
OPCO	3,610	726,707	723,097
CSP	1,861	84,710	82,849
AEP	<u>10,272</u>	<u>948,959</u>	<u>938,687</u>
	NOX COST (\$)	NOX COST (\$)	\$
	(AS SUPPLIED)	(ADJUSTED)	NOX ADJUSTMENT
	(4)	(5)	(6)=(5)-(4)
APCO	23,457	263	(23,193)
KPCO	8,821	1,470	(7,351)
I&M	11,528	(424)	(11,952)
OPCO	15,048	633	(14,414)
CSP	45,300	21,774	(23,526)
AEP	<u>104,153</u>	<u>23,717</u>	<u>(80,436)</u>
	SOURCE ALLOCATION	SOURCE ALLOCATION	
	(UNADJUSTED)	(ADJUSTED)	
	(7)	(8)=(7)+(3)+(6)	
APCO	24,013,565	23,998,223	
KPCO	3,297,106	3,455,345	
I&M	9,781,145	9,728,493	
OPCO	12,432,443	13,141,126	
CSP	11,841,153	11,900,476	
AEP	<u>61,365,412</u>	<u>62,223,663</u>	

	<u>SO2</u>	<u>NOX</u>
NOTES: (1) Market Price (\$/Ton):	5.00	175.64
(2) APCO \$/Ton:	20.73	1.97
KPCO \$/Ton:	440.44	29.17
I&M \$/Ton:	-156.26	-6.47
OPCO \$/Ton:	211.04	7.39
CSP \$/Ton:	199.24	84.46

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 04/30/2011

OPERATING COMPANY PERCENTAGE
 MAY 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32497	0.06877	0.19278	0.22544	0.18804

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168
08/10	21252	04	16	6201	04	14	1310	12	16	4422	10	14	5097	12	16	4222
07/10	21339	26	16	6024	23	16	1245	23	15	4474	23	14	5232	23	16	4364
06/10	20224	22	16	6005	15	16	1205	22	15	4015	23	13	4794	23	15	4205
05/10	18442	27	16	5273	27	15	1110	24	15	3920	26	16	4450	27	16	3689

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23208	7542	1596	4474	5232	4364

DATE/TIME	12/14/10 HR 08	12/15/10 HR 09	07/23/10 HR 15	07/23/10 HR 14	07/23/10 HR 16
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Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010. A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: May 2011	SYSTEM PRIMARY CAPACITY	APPENDIX II
STATION		PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY		
Amos		2,032,000
Ceredo		482,000
Clinch River		700,000
Glen Lyn		332,000
Kanawha River		400,000
Mountaineer		1,317,000
Sporn		295,000
Beech Ridge Wind Farm		31,000
Camp Grove Wind Farm		26,000
Fowler Ridge Wind Farm		30,000
Grand Ridge Wind Farm		32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		5,677,000
Smith Mountain (Hydro)		586,000
SEPA Capacity Agreement		4,000
Other Conventional Hydros		82,000
Summersville		28,000
TOTAL MEMBER PRIMARY CAPACITY		6,377,000
KENTUCKY POWER COMPANY		
Big Sandy		1,078,000
Rockport 1 (Purchase from AEG)		198,000
Rockport 2 (Purchase from AEG)		195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		1,471,000
TOTAL MEMBER PRIMARY CAPACITY		1,471,000
INDIANA MICHIGAN POWER COMPANY		
Cook		2,149,000
Rockport 1 (I&M owned)		660,000
Rockport 1 (Purchase from AEG)		461,000
Rockport 2 (I&M leased)		650,000
Rockport 2 (Purchase from AEG)		495,000
Tanners Creek		992,000
Fowler Ridge Wind Farm I		30,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		5,414,000
Others (Hydro)		14,000
TOTAL MEMBER PRIMARY CAPACITY		5,428,000
OHIO POWER COMPANY		
Amos		864,000
Cardinal		592,000
Gavin		2,638,000
Kammer		620,000
Mitchell		1,560,000
Muskingum River		1,417,000
Sporn		732,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		8,440,000
Racine (Hydro)		25,000
TOTAL MEMBER PRIMARY CAPACITY		8,465,000
COLUMBUS SOUTHERN POWER COMPANY		
Beckjord		52,000
Conesville		1,302,000
Darby		473,000
Lawrenceburg		1,155,000
Picway		98,000
Stuart		600,000
Waterford		830,000
Zimmer		330,000
Fowler Ridge Wind Farm II		17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)		4,857,000
TOTAL MEMBER PRIMARY CAPACITY		4,857,000
TOTAL SYSTEM PRIMARY CAPACITY		26,598,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 May 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capacity*** as of 12/31/2010 (1)	\$ Installed Cost of Production Plant * as of 12/31/2010 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 May 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLENLYN	0	805,430	8,869	621,237	0	8,869
SPORN (APCO)	118,382	4,571,269	3,979,632	375,692	3,722,722	256,910
KANAWHA RIVER	93,473	4,742,803	2,838,964	1,649,062	2,551,231	287,733
CLINCH RIVER	129,582	7,075,510	5,581,280	872,468	5,161,201	420,079
AMOS (APCO)	995,754	31,738,729	25,655,508	2,886,895	24,421,115	1,234,393
MOUNTAINEER	870,483	27,278,261	23,244,923	2,015,321	21,755,333	1,489,590
CEREDO	13,555	992,118	797,027	137,660	788,782	8,245
BEECH RIDGE	6,068	0	0	0	0	0
CAMP GROVE	21,438	0	0	0	0	0
FOWLER RIDGE III	19,726	0	0	0	0	0
GRAND RIDGE II	12,459	0	0	0	0	0
GRAND RIDGE III	12,342	0	0	0	0	0
TOTAL	2,293,262	77,204,120	62,106,203	8,558,335	58,400,385	3,705,818
RATES:		28.948	27.082	1.866	25.466	1.616
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	534,985	18,395,230	15,964,879	1,033,597	15,601,149	363,730
ROCKPORT 1 (AEG)	0	499,943	9,065	480,651	95	8,970
ROCKPORT 2 (AEG)	138,373	5,054,732	3,172,351	84,817	2,994,735	177,617
TOTAL	673,358	23,949,905	19,146,295	1,599,065	18,595,978	550,317
RATES:		29.621	28.434	1.187	27.617	0.817
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	101,714	5,232,741	3,686,047	1,916,118	3,135,499	550,549
ROCKPORT 1 (OWNED SHARE)	0	1,666,475	30,217	1,602,171	316	29,901
ROCKPORT 1 (AEG)	0	1,166,533	21,152	1,121,520	221	20,931
ROCKPORT 2 (AEG)	322,700	11,788,153	7,398,248	197,801	6,984,028	414,220
ROCKPORT 2 (LEASED SHARE)	461,458	16,856,949	10,579,426	282,854	9,987,095	592,331
COOK	1,591,060	31,478,785	15,011,787	7,856,831	15,011,787	0
FOWLER RIDGE I	19,619	0	0	0	0	0
FOWLER RIDGE II	11,411	0	0	0	0	0
SUM	2,507,962	68,189,635	36,726,876	12,977,295	35,118,945	1,607,932
COAL CONVERSION	0	0	0	0	0	0
TOTAL	2,507,962	68,189,635	36,726,876	12,977,295	35,118,945	1,607,932
RATES:		17.231	14.644	2.587	14.003	0.641
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	404	1,579,623	354,914	820,886	262,141	92,773
MUSKINGSUM	630,878	23,268,445	17,818,779	3,769,667	17,480,027	338,752
KAMMER	90,480	6,554,325	3,211,799	2,909,569	2,976,600	235,199
CARDINAL (OPCO)	275,009	7,960,072	5,877,992	1,119,216	5,670,183	207,809
MITCHELL	433,170	17,396,168	11,284,301	4,360,961	10,974,093	310,208
AMOS (OPCO)	256,567	8,889,180	7,168,906	1,089,503	6,997,811	171,095
GAVIN	782,702	28,544,137	16,446,901	6,552,302	14,782,262	1,664,639
FOWLER RIDGE II	11,411	0	0	0	0	0
Wyandot	796	0	0	0	0	0
TOTAL	2,481,417	94,191,950	62,163,592	20,622,104	59,143,118	3,020,475
RATES:		29.206	25.051	4.155	23.834	1.217
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	501,631	18,957,941	14,069,245	1,998,536	13,027,102	1,042,143
PICWAY	1,499	322,654	116,395	92,543	109,117	7,278
BECKJORD	12,829	434,917	318,669	77,486	283,929	34,739
STUART	252,776	10,632,099	7,453,578	2,586,726	7,087,922	365,655
ZIMMER	185,240	6,307,462	4,855,659	921,831	4,631,619	224,040
WATERFORD	20,071	3,642,198	909,716	2,130,845	900,548	9,168
DARBY	9,449	1,174,493	650,383	293,649	648,335	2,049
LAWRENCEBURG	267,545	10,152,670	9,059,156	196,454	9,034,885	24,271
FOWLER RIDGE II	11,411	0	0	0	0	0
Wyandot	626	0	0	0	0	0
TOTAL	1,263,077	51,624,434	37,432,801	8,298,070	35,723,456	1,709,345
RATES:		32.921	29.636	3.285	28.283	1.353
SYSTEM TOTAL	9,219,076	315,160,044	217,575,767	52,054,869	206,981,881	10,593,886

ACTUAL: May 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	77,204,120	58,400,385	3,705,818	8,558,335	4,279,168
KPCO	23,949,905	18,595,978	550,317	1,599,065	799,533
I&M	68,189,635	35,118,945	1,607,932	12,977,295	6,488,647
OPCO	94,191,950	59,143,118	3,020,475	20,622,104	10,311,052
CSP	51,624,434	35,723,456	1,709,345	8,298,070	4,149,035
TOTAL	315,160,044	206,981,881	10,593,886	52,054,869	26,027,435

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,984,986	2,293,262	2,293,262	28.948
KPCO	1,349,850	673,358	673,358	29.621
I&M	8,096,579	2,507,962	2,507,962	17.231
OPCO	13,331,527	2,481,417	2,481,417	29.207
CSP	5,858,380	1,263,077	1,263,077	32.921
TOTAL	36,621,321	9,219,076	9,219,076	26.423

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	10,818,749	5,677,000	1.91
KPCO	4,004,076	1,471,000	2.72
I&M	24,974,112	5,414,000	4.61
OPCO	21,717,306	8,440,000	2.57
CSP	10,042,598	4,857,000	2.07
TOTAL	71,556,842	25,859,000	2.77

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: May 2011

APPENDIX VI
 Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	309,495	67,778	247,977	64,196	57,936	0
	KPCO	65,496	14,344	52,477	13,586	12,261	0
	I&M	183,598	40,207	147,106	38,081	34,366	0
	OPCO	161,547	737,675	153,010	591,049	0	138,089
	CSP	179,086	39,218	143,489	37,147	33,526	0
	TOTAL	899,222	899,222	744,059	744,059	138,089	138,089
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	9,734,960	0	9,370,943	0	364,016
	KPCO	0	2,060,126	0	1,983,090	0	77,037
	I&M	0	5,774,998	0	5,559,057	0	215,942
	OPCO	0	6,753,407	0	6,500,876	0	252,531
	CSP	0	5,632,995	0	5,422,361	0	210,634
	East. AEP (Co. 122)	29,956,486	0	28,836,326	0	1,120,159	0
	TOTAL	29,956,486	29,956,486	28,836,326	28,836,326	1,120,159	1,120,159
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THIRD PARTY SALES (2)	APCO	293,995	3,053,506	352,372	3,215,348	166,291	62,826
	KPCO	62,218	646,180	74,572	680,428	35,190	13,295
	I&M	174,406	1,811,407	209,037	1,907,416	98,648	37,270
	OPCO	203,954	2,118,292	244,453	2,230,564	115,359	43,585
	CSP	170,118	1,766,869	203,899	1,860,518	96,223	36,355
	East. AEP (Co. 122)	9,396,253	904,690	9,894,274	1,084,332	193,331	511,710
	TOTAL	10,300,943	10,300,943	10,978,606	10,978,606	705,041	705,041
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GROSS TOTAL	APCO	293,995	12,788,465	352,372	12,586,291	166,291	426,842
	KPCO	62,218	2,706,306	74,572	2,663,518	35,190	90,332
	I&M	174,406	7,586,406	209,037	7,466,473	98,648	253,212
	OPCO	203,954	8,871,698	244,453	8,731,440	115,359	296,116
	CSP	170,118	7,399,864	203,899	7,282,879	96,223	246,989
	East. AEP (Co. 122)	39,352,739	904,690	38,730,600	1,084,332	1,313,490	511,710
	TOTAL	40,257,429	40,257,429	39,814,933	39,814,933	1,825,201	1,825,201
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NET TOTAL	APCO	0	12,494,470	0	12,233,919	0	260,551
	KPCO	0	2,644,088	0	2,588,946	0	55,143
	I&M	0	7,411,999	0	7,257,436	0	154,564
	OPCO	0	8,667,744	0	8,486,987	0	180,757
	CSP	0	7,229,746	0	7,078,981	0	150,765
	East. AEP (Co. 122)	38,448,049	0	37,646,268	0	801,780	0
	TOTAL	38,448,049	38,448,049	37,646,268	37,646,268	801,780	801,780

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

APPENDIX VI
 Page 2 of 2

APR SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE

ACTUAL: May 2011

PMT Code	Customer	CO. ACCT	CO. ASNT	ACTUAL BILL	AMOUNT DUE (TO)/FROM AGENT										NET	
					MLR	APCO	KPCO	I&M	ORCO	CSP	Total	APCO	KPCO	I&M		ORCO
	Totals			928,383	309,495	65,496	183,598	214,706	179,086	992,881	(309,495)	(65,496)	(183,598)	737,675	(179,086)	-
DE012	Duke Energy Ohio	(1)	4470066 07	8,435	2,741	980	1,626	1,902	1,886	8,435	(2,741)	(980)	(1,626)	6,533	(1,586)	-
DE012	Duke Energy Ohio	(6)	4470006 07	12,889	4,188	886	2,465	2,906	2,424	12,889	(4,188)	(886)	(2,465)	9,883	(2,424)	-
DTE	DTE Energy Trading, Inc.	(5)	4470006 07	7,238	2,352	498	1,395	1,632	1,361	7,238	(2,352)	(498)	(1,395)	5,606	(1,361)	-
DJKE2	Duke Power Company		4470066 07	5,319	1,729	366	1,025	1,199	1,000	5,319	(1,729)	(366)	(1,025)	4,120	(1,000)	-
ENTE	Energy Power Sav		4470066 07	6,211	2,019	427	1,197	1,400	1,168	6,211	(2,019)	(427)	(1,197)	4,811	(1,168)	-
MISO Retail	Midwest Retail	(2)	4470066 07	124,223	40,369	8,543	23,947	28,005	23,359	124,223	(40,369)	(8,543)	(23,947)	96,218	(23,359)	-
MISO Trading	Midwest Trading	(4)	4470006 07	165,666	53,836	11,393	31,937	37,348	31,152	165,666	(53,836)	(11,393)	(31,937)	128,318	(31,152)	-
MISO Auction	Midwest Auction		5550099 07	614,349	199,645	42,249	118,454	138,499	115,222	614,349	(199,645)	(42,249)	(118,454)	475,850	(115,222)	-
TYAM	TVA Bulk Power Trading		4470066 07	8,051	2,616	554	1,552	1,815	1,514	8,051	(2,616)	(554)	(1,552)	6,236	(1,514)	-

APR SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

PMT Code	Customer	CO. ACCT	CO. ASNT	ACTUAL BILL	AMOUNT DUE (TO)/FROM AGENT										NET	
					MLR	APCO	KPCO	I&M	ORCO	CSP	Total	APCO	KPCO	I&M		ORCO
	Totals			(208,565)	(67,778)	(14,344)	(40,207)	(47,018)	(39,218)	(208,565)	67,778	14,344	40,207	(61,547)	39,218	-
CLEB2	City of Lebanon	(1),(2)	4470066 07	(132,658)	(43,110)	(9,123)	(25,574)	(29,906)	(24,949)	(132,658)	43,110	9,123	25,574	(102,782)	24,949	-
CWEL2	Village of Crosswell	(4),(5)	4470006 07	(17,503)	(5,688)	(1,204)	(3,374)	(3,946)	(3,291)	(17,503)	5,688	1,204	3,374	(13,557)	3,291	-
SEBE2	Village of Subswelling	(4),(5)	4470006 07	(14,102)	(4,583)	(970)	(2,718)	(3,179)	(2,652)	(14,102)	4,583	970	2,718	(10,923)	2,652	-
BEAM2	Bethel	(4),(5)	4470006 07	(15,879)	(5,160)	(1,092)	(3,041)	(3,580)	(2,986)	(15,879)	5,160	1,092	3,041	(12,299)	2,986	-
HAME2	Hammersville	(4),(5)	4470006 07	(3,096)	(1,006)	(213)	(597)	(693)	(582)	(3,096)	1,006	213	597	(2,398)	582	-
RPLY	Ripley	(4),(5)	4470006 07	(10,456)	(3,398)	(719)	(2,016)	(2,377)	(1,966)	(10,456)	3,398	719	2,016	(5,099)	1,966	-
TOME2	Town of Hugganstown	(4),(5)	4470006 07	(14,871)	(4,833)	(1,023)	(2,867)	(3,362)	(2,796)	(14,871)	4,833	1,023	2,867	(11,819)	2,796	-

Notes: (1) A portion of Duke Ohio 4470066 invoice is charged back to CLEB2 (\$8,435)
 (2) The MISO retail invoice is charged back to CLEB2 (\$124,223)
 (3) \$0 of the ENTE invoice will be allocated to PSO/WEPCO - See Appendix VIII Page 4
 (4) A portion of MISO Trading 4470006 is passed through to Subswelling Light & Water (\$10,604.56), Crosswell (\$13,761.45), Hugganstown (\$9,038.11), Bethel (\$11,105.64), Hammersville (\$2,220.47), Ripley (\$9,048.74),
 (5) DTE invoice is passed through to SEBE2 (\$3,497.09) and CWEL2 (\$3,741.34) respectively.

ACTUAL: May 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>		
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>ENERGY</u>	(1)	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
I.	ACTUAL	APCO	371,579	371,619	15,537,718	18,591,224
	THIS MONTH	KPCO	78,726	78,828	3,288,086	3,934,266
		I&M	220,278	220,319	9,217,352	11,028,759
		OPCO	257,656	257,762	10,778,916	12,897,207
		CSP	215,087	214,888	8,990,719	10,757,587
		TOTAL	1,143,326	1,143,416	47,812,791	57,209,043
II.	PREVIOUS	APCO	370,349	371,857	15,428,360	18,643,708
	ESTIMATE	KPCO	78,465	78,877	3,264,945	3,945,373
		I&M	219,550	220,459	9,152,478	11,059,894
		OPCO	256,803	257,928	10,703,053	12,933,617
		CSP	214,371	215,029	8,927,439	10,787,957
		TOTAL	1,139,538	1,144,150	47,476,275	57,370,549
III.	ADJUSTMENT	APCO	1,230	(238)	109,358	(52,484)
	(I-II)	KPCO	261	(49)	23,141	(11,107)
		I&M	728	(140)	64,874	(31,135)
		OPCO	853	(166)	75,863	(36,410)
		CSP	716	(141)	63,280	(30,370)
		TOTAL	3,788	(734)	336,516	(161,506)
<u>EXERCISED</u>				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
<u>OPTIONS &</u>				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>PREMIUMS</u>		(2)	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: May 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
I. ACTUAL THIS MONTH	APCO	6,042	6,045	270,034	234,789			
	KPCO	1,295	1,271	57,144	49,686			
	I&M	3,594	3,596	160,190	139,283			
	OPCO	4,183	4,185	187,329	162,879			
	CSP	3,478	3,503	156,252	135,858			
	TOTAL	18,592	18,600	830,950	722,495			
II. PREVIOUS ESTIMATE	APCO	6,045	6,045	268,555	234,819			
	KPCO	1,296	1,271	56,832	49,692			
	I&M	3,596	3,596	159,313	139,300			
	OPCO	4,185	4,185	186,304	162,900			
	CSP	3,478	3,503	155,396	135,875			
	TOTAL	18,600	18,600	826,400	722,585			
III. ADJUSTMENT (I-II)	APCO	(3)	0	1,479	(29)			
	KPCO	(1)	0	313	(6)			
	I&M	(2)	0	877	(17)			
	OPCO	(2)	0	1,026	(20)			
	CSP	0	0	856	(17)			
	TOTAL	(8)	0	4,550	(90)			

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	0	1,212	370	29,901	(32,289)
	KPCO	0	256	78	6,329	(6,834)
	I&M	0	719	219	17,738	(19,154)
	OPCO	0	841	256	20,744	(22,400)
	CSP	0	701	214	17,302	(18,683)
	TOTAL	0	3,728	1,137	92,014	(99,360)
II. PREVIOUS ESTIMATE	APCO	0	1,179	368	30,911	(32,041)
	KPCO	0	249	78	6,542	(6,782)
	I&M	0	699	218	18,337	(19,007)
	OPCO	0	818	255	21,444	(22,228)
	CSP	0	682	213	17,887	(18,540)
	TOTAL	0	3,626	1,133	95,121	(98,598)
III. ADJUSTMENT (I-II)	APCO	0	33	2	(1,010)	(248)
	KPCO	0	7	0	(213)	(52)
	I&M	0	20	1	(599)	(147)
	OPCO	0	23	1	(700)	(172)
	CSP	0	19	1	(585)	(143)
	TOTAL	0	102	5	(3,107)	(762)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH A/R ALLOCATIONS OF ARP SYSTEM
OPE-SYSTEM THIRD PARTY

I. ACTUAL THIS MONTH	PJM NON-ECR PURCHASES - L&E		POWER SWAPS		TOTAL NET TO BE BOOKED	
	AWH	\$	AWH	\$	Act. 5550.099	Act. 4470.982
ARCO	0	0	2,247	2,247	2,247	(162,519)
KPCO	0	0	598	476	598	(350,027)
I&M	0	0	1,333	1,333	1,333	(96,191)
OPCO	0	0	1,982	1,569	1,982	(114,825)
CSP	0	0	1,636	1,300	1,636	(95,776)
TOTAL	0	0	8,702	6,913	8,702	(609,336)
PREVIOUS ESTIMATE	0	0	2,942	2,247	2,942	(162,565)
ARCO	0	0	601	476	601	(34,402)
KPCO	0	0	1,686	1,333	1,686	(96,438)
I&M	0	0	1,971	1,569	1,971	(12,779)
OPCO	0	0	1,544	1,300	1,544	(84,057)
CSP	0	0	6,744	6,913	6,744	(300,246)
TOTAL	0	0	(14)	0	(14)	(2,954)
ADJUSTMENT (I-II)	0	0	(3)	0	(3)	(625)
ARCO	0	0	(3)	0	(3)	(1,783)
KPCO	0	0	(3)	0	(3)	(2,050)
I&M	0	0	(3)	0	(3)	(1,709)
OPCO	0	0	(3)	0	(3)	(9,081)
CSP	0	0	(42)	0	(42)	
TOTAL	0	0				

PJM NON-ECR PURCHASES-OSS
NON-ECR PHYSICAL SALES-OSS

I. ACTUAL THIS MONTH	AWR PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	PURCHASES	PURCHASES	PURCHASES	SALES	Act. 5570.007	Act. 5550.023	Act. 5550.023	Act. 5550.023	Act. 5550.100	Act. 5550.107
ARCO	59,049	452	60,286	4470.170	0	0	316,846	2,459,317	454,350	903,600
KPCO	12,436	96	12,789	12,789	0	0	67,031	920,441	96,196	191,219
I&M	35,029	268	35,763	35,763	0	0	187,961	1,468,927	269,549	536,037
OPCO	40,964	314	41,321	41,321	0	0	219,804	1,706,092	315,215	626,851
CSP	34,168	262	34,882	34,882	0	0	183,339	1,423,056	265,921	522,856
TOTAL	181,706	1,392	185,510	185,510	0	0	975,000	7,567,832	1,395,821	2,780,546
PREVIOUS ESTIMATE	58,548	442	61,392	61,392	0	0	316,846	2,502,112	454,358	903,595
KPCO	12,399	94	12,991	12,991	0	0	67,051	529,497	96,151	191,218
I&M	34,730	262	35,419	35,419	0	0	187,961	1,484,514	269,536	536,034
OPCO	40,814	307	42,289	42,289	0	0	219,804	1,735,781	315,200	626,847
CSP	33,677	256	35,526	35,526	0	0	183,339	1,447,618	265,909	522,865
TOTAL	180,155	1,361	185,917	185,917	0	0	975,000	7,599,512	1,395,183	2,780,550
ADJUSTMENT (I-II)	504	10	(1,107)	(1,107)	0	0	0	(42,795)	22	5
KPCO	107	2	(232)	(232)	0	0	0	(9,056)	5	1
I&M	299	6	(695)	(695)	0	0	0	(28,387)	13	3
OPCO	350	7	(748)	(748)	0	0	0	(29,689)	15	4
CSP	291	6	(644)	(644)	0	0	0	(24,763)	13	3
TOTAL	1,591	31	(3,407)	(3,407)	0	0	0	(131,690)	68	15

COSTS TO BE BOOKED	COSTS TO BE BOOKED		COSTS TO BE BOOKED		REVENUES TO BE BOOKED		REVENUES TO BE BOOKED		COST TO BE BOOKED		Total PFM/MSO Non-ECR Energy (Revenue - Cost)
	Act. 4470.131	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 5650.002	Act. 5650.002	Act. 5650.002		
0	15,671	(3,464)	14,958	14,958	4,094,589	7,915	0	0	0	(82,873)	
0	3,316	(733)	3,156	3,156	866,495	1,675	0	0	0	(6,112)	
0	9,297	(2,065)	8,879	8,879	2,425,008	4,695	0	0	0	(7,132)	
0	10,872	(2,403)	10,384	10,384	2,840,821	5,491	0	0	0	(20,938)	
0	9,048	(2,008)	8,561	8,561	2,365,285	4,580	0	0	0	(16,211)	
0	48,224	(10,660)	46,990	46,990	12,592,898	24,357	0	0	0	(80,869)	
0	15,644	(3,464)	14,959	14,959	4,075,239	7,915	0	0	0	(90,977)	
0	3,311	(733)	3,156	3,156	866,400	1,675	0	0	0	(9,254)	
0	9,280	(2,065)	8,974	8,974	2,417,539	4,695	0	0	0	(9,971)	
0	10,862	(2,403)	10,378	10,378	2,827,097	5,491	0	0	0	(8,118)	
0	9,022	(2,005)	8,586	8,586	2,356,088	4,580	0	0	0	(22,444)	
0	48,139	(10,660)	46,033	46,033	12,540,343	24,357	0	0	0	(279,341)	
0	28	0	9	9	19,350	0	0	0	0	42,099	
0	6	0	2	2	4,095	0	0	0	0	13,141	
0	15	0	5	5	11,479	0	0	0	0	36,839	
0	19	0	6	6	13,424	0	0	0	0	43,081	
0	16	0	5	5	11,157	0	0	0	0	35,533	
0	85	0	27	27	55,544	0	0	0	0	191,092	

ACTUAL: May 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
THIRD PARTY SALES (1)	APCO	0	3,053,506	0	3,215,348	161,842	0
	KPCO	0	646,180	0	680,428	34,248	0
	I&M	0	1,811,407	0	1,907,416	96,009	0
	OPCO	0	2,118,292	0	2,230,564	112,272	0
	CSP	0	1,766,869	0	1,860,518	93,649	0
	East. AEP (Co.122)	9,396,253	0	9,894,274	0	0	498,021
	TOTAL	9,396,253	9,396,253	9,894,274	9,894,274	498,021	498,021
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	35,244	0	33,737	0	1,508	0
	KPCO	7,458	0	7,139	0	319	0
	I&M	20,908	0	20,013	0	894	0
	OPCO	24,450	0	23,404	0	1,046	0
	CSP	20,394	0	19,522	0	872	0
	East. AEP (Co.122)	0	108,455	0	103,815	0	4,640
	TOTAL	108,455	108,455	103,815	103,815	4,640	4,640
BROKERS' COMMISSIONS (3)	APCO	63,772	0	64,499	0	0	727
	KPCO	13,497	0	13,651	0	0	154
	I&M	37,830	0	38,261	0	0	431
	OPCO	44,241	0	44,745	0	0	504
	CSP	36,900	0	37,322	0	0	422
	East. AEP (Co.122)	0	196,240	0	198,478	2,239	0
	TOTAL	196,240	196,240	198,478	198,478	2,239	2,239
POWER SWAPS	APCO	166,101	0	163,160	0	2,941	0
	KPCO	35,150	0	34,527	0	622	0
	I&M	98,536	0	96,791	0	1,745	0
	OPCO	115,228	0	113,188	0	2,040	0
	CSP	96,113	0	94,411	0	1,702	0
	East. AEP (Co.122)	0	511,127	0	502,078	0	9,049
	TOTAL	511,127	511,127	502,078	502,078	9,049	9,049
PJM/MISO NON-ECR ENERGY	APCO	28,878	0	90,977	0	0	62,099
	KPCO	6,112	0	19,254	0	0	13,141
	I&M	17,132	0	53,971	0	0	36,839
	OPCO	20,035	0	63,115	0	0	43,081
	CSP	16,711	0	52,644	0	0	35,933
	East. AEP (Co.122)	0	88,869	0	279,961	191,092	0
	TOTAL	88,869	88,869	279,961	279,961	191,092	191,092
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	293,995	3,053,506	352,372	3,215,348	166,291	62,826
	KPCO	62,218	646,180	74,572	680,428	35,190	13,295
	I&M	174,406	1,811,407	209,037	1,907,416	98,648	37,270
	OPCO	203,954	2,118,292	244,453	2,230,564	115,359	43,585
	CSP	170,118	1,766,869	203,899	1,860,518	96,223	36,355
	East. AEP (Co.122)	9,396,253	904,690	9,894,274	1,084,332	193,331	511,710
	TOTAL	10,300,943	10,300,943	10,978,606	10,978,606	705,041	705,041

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: May 2011
 (3) Actual commissions paid in: May 2011

APPENDIX IX

PJM CHARGES TRANSFERRED FROM mMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEFSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	6,292,562	1,333,916	3,748,576	4,399,731	3,627,153	19,401,940	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	37,349	7,904	22,156	25,910	21,612	114,931	East Zone SIA	
Schedule 9 & 10	5614001	512,629	108,482	304,104	355,624	296,627	1,577,466	East Zone SIA	
Schedule 9 & 10	5619000	2,623	555	1,856	1,820	1,518	8,071	East Zone SIA	
Schedule 9 & 10	5618001	36,000	7,618	21,356	24,974	20,831	110,779	no	
Schedule 9 & 10	5757000	33,450	7,079	19,844	23,205	19,356	102,584	East Zone SIA	
Schedule 9 & 10	5757001	499,118	97,156	272,360	318,502	265,663	1,412,802	no	
Schedule 9 & 10	5618000	1,780	377	1,056	1,235	1,030	5,478	East Zone SIA	
Schedule 9 & 10	5618001	24,434	5,171	14,495	16,950	14,138	75,168	no	
Schedule 9 & 10	5618000	2,701	572	1,602	1,874	1,563	8,312	East Zone SIA	
Schedule 9 & 10	5618001	37,072	7,845	21,992	25,718	21,451	114,079	no	
Schedule 9 AMU	5757000	2,207	467	1,309	1,531	1,277	6,791	East Zone SIA	
Schedule 9 AMU	5757001	30,292	6,410	17,970	21,014	17,528	93,214	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	3	1	2	2	1	8	East Zone SIA	
Transmission Owner Scheduling System	4470110	982	208	582	681	568	3,021	East Zone SIA	
Power Factor Charges	5550039	(6,070)	(1,285)	(3,601)	(4,211)	(3,512)	(18,679)	East Zone SIA	
Other Supporting Facilities Charge	4470107	4,643	983	2,754	3,221	2,687	14,287	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115							East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	88,678	18,766	52,606	61,818	51,313	272,881	N	
Implicit Congestion - LSE	4470093							N	
Inadvertent - OSS	5550039							N	
Inadvertent - LSE	5550040							East Zone SIA	
Misc Credits	4470107	(1)	(0)	(1)	(1)	(1)	(3)	East Zone SIA	
Meter Correction - LSE	4470116	4,178	884	2,479	2,899	2,418	12,857	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECC)	4470124	26	6	16	18	15	81	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203	891	180	605	590	492	2,618	East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470098	62	13	37	43	36	191	N	
Other Supporting Facilities Reclass (BCK)	4470141	9,962	2,108	5,909	6,911	5,764	30,654	East Zone SIA	
Other Supporting Facilities Reclass (BCK)	4470126	(9,962)	(2,108)	(5,909)	(6,911)	(5,764)	(30,654)	N	
Load Management Test Failure (BCK)	4470141							East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141	15,204	3,217	9,019	10,547	8,798	46,786	East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SCG)	4470203	231,005	48,885	137,038	160,254	133,668	710,851	East Zone SIA	
Day-ahead Operating Reserve (OSS SCG)	4470098	16,831	3,562	9,984	11,676	9,739	51,791	East Zone SIA	
Balancing Operating Reserve (LSE MGN & OCG)	4470203	57	12	34	40	33	177	East Zone SIA	
RPA Auction Credit (OSS SCG)	4470099	(213,683)	(45,219)	(126,762)	(148,237)	(123,645)	(657,846)	East Zone SIA	
Planning Period Congestion Uplift (LSE SCG)	4470101	(178,694)	(37,815)	(106,005)	(123,964)	(103,399)	(549,877)	East Zone SIA	
Planning Period Congestion Uplift (OSS SCG)	4470100	(2,811)	(695)	(1,668)	(1,950)	(1,627)	(8,650)	East Zone SIA	
Planning Period Congestion Uplift (TDG SCG)	4470109	(14,724)	(3,116)	(8,735)	(10,214)	(8,520)	(45,308)	East Zone SIA	
<i>PJM TEA Charge Reclass (MLR)</i>									
Transmission Enhancement Charge	5650012	(1,302,472)	(276,628)	(772,657)	(903,558)	(753,660)	(4,007,575)	N	
RTO Start-up Cost Recovery Charge	4561002	(60,810)	(12,244)	(40,361)	(57,685)	(20,259)	(181,399)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(31,717)	(7,643)	(25,194)	(36,008)	(12,671)	(119,233)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	281,629	59,598	167,069	195,373	162,961	866,630	East Zone SIA	
<i>PJM TEA Charge Reclass (12CP)</i>									
Transmission Enhancement Charge	5650012	1,244,031	238,511	714,032	787,834	659,624	3,644,033	No	
RTO Start-up Cost Recovery Charge	4561002	63,127	12,364	29,704	41,477	34,727	181,399	East Zone SIA	
Expansion Cost Recovery Charge	4561003	39,405	7,718	18,542	25,891	21,677	113,233	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(296,326)	(56,915)	(167,932)	(188,246)	(157,611)	(866,630)	N	
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ACTUAL)		7,365,623	1,598,003	4,340,263	5,046,078	4,213,560	22,503,627		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ESTIMATED)		6,292,548	1,310,982	3,701,365	4,302,593	3,593,499	19,206,956		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ADJUSTMENT)	(1)	1,067,075	227,051	638,898	743,485	620,061	3,296,671		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	3,821,883	808,912	2,268,099	2,653,242	2,210,713	11,762,849	Various	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,821,883	808,912	2,268,099	2,653,242	2,210,713	11,762,849		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		3,579,898	757,700	2,124,826	2,485,322	2,070,712	11,018,168		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ADJUSTMENT)	(1)	241,985	51,212	143,273	167,920	140,001	744,681		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
<i>PJM Allocations GL Submit Summary</i>									
<i>**Includes all participants except SCG and BCK</i>									
<i>Buckeye GL Entries</i>									
Buckeye (BCK)									
Capacity Credit Market	4470099	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	-	-	-	-	-	-	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	-	-	-	-	-	-	No	
Regulation Credit (Expense)	5550079	7,647	1,618	4,837	5,305	4,425	23,832.61	No	
Spinning Reserve - Credit	5550084	80	17	47	55	46	246.18	No	
Buckeye Pass-Through	4470141	(77,162)	(16,333)	(45,797)	(53,579)	(44,630)	(237,501.01)	No	
Transmission Loss Credit	4470206	(83)	(18)	(49)	(58)	(48)	(258.31)	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		191,111	40,448	118,403	132,447	110,856	688,163.64		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(4,205,877)	(890,373)	(2,496,414)	(2,920,160)	(2,433,894)	(12,947,378)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	4,397,988	930,821	2,609,817	3,052,807	2,544,151	13,935,842		



Date **June 2011**

Subject **East Interchange Power Statement and Related Data
June 2011 Actual**

Reviewer: **David B. Roberts (Bruce)
8/4/2011**

Approved **Richard Quaintance
8/4/2011**

To **See Distribution List**

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of June 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
June 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

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ACTUAL: June 2011

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		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,843,497 191,344 469,009 502,240 974,285 3,980,375	614,463 247,686 1,080,188 1,627,219 410,819 3,980,375	77,202,230 10,647,859 14,525,514 15,793,091 27,739,752 145,908,445	20,265,675 7,033,969 28,171,157 77,101,623 13,336,022 145,908,445
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,877,646 191,066 467,040 512,039 985,174 4,032,965	642,847 246,390 1,086,604 1,638,754 418,370 4,032,965	78,010,429 10,600,862 14,042,782 15,931,287 27,630,379 146,215,739	21,047,573 6,849,812 28,861,537 76,037,386 13,419,431 146,215,738
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	(34,149) 278 1,969 (9,799) (10,889) (52,590)	(28,384) 1,296 (6,416) (11,535) (7,551) (52,590)	(808,199) 46,997 482,732 (138,196) 109,373 (307,293)	(781,898) 184,157 (690,380) 1,064,237 (83,409) (307,293)
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)			APCO KPCO I&M OPCO CSP TOTAL	0 0 0 2,098 0 2,098	879 187 522 0 510 2,098
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)			APCO KPCO I&M OPCO CSP West. AEP TOTAL	0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 20,290 0 0 78,129 98,420	40,825 3,837 0 17,890 15,577 20,290 98,420
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 0 0 0 109,316 109,316	35,528 7,517 21,072 24,638 20,562 0 109,316

ACTUAL: June 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	49,862
	KPCO	0	10,553
	I&M	0	29,584
	OPCO	0	34,600
	CSP	0	28,850
	East. AEP (Co. 122)	153,449	0
	TOTAL	153,449	153,449
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	40,620,917
	KPCO	0	8,596,190
	I&M	0	24,097,321
	OPCO	0	28,179,813
	CSP	0	23,504,806
	East. AEP (Co.122)	124,999,046	0
	TOTAL	124,999,046	124,999,046
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	41,483,653
	KPCO	0	8,778,765
	I&M	0	24,609,119
	OPCO	0	28,778,318
	CSP	0	24,004,023
	East. AEP (Co.122)	127,653,879	0
	TOTAL	127,653,879	127,653,879
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	862,736	0
	KPCO	182,575	0
	I&M	511,799	0
	OPCO	598,506	0
	CSP	499,217	0
	East. AEP (Co.122)	0	2,654,833
	TOTAL	2,654,833	2,654,833

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: June 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,266,500)	13.37	30,296,043	0	46,906,187	20,265,675
	BILLING	KPCO	(358,100)	13.37	4,786,681	0	5,861,178	7,033,969
	AMOUNT	I&M	300,400	13.67	0	4,106,468	14,525,514	24,064,689
		OPCO	2,468,700	13.33	0	32,907,771	15,793,091	44,193,852
		CSP	(144,500)	13.37	1,931,515	0	25,808,237	13,336,022
		TOTAL			37,014,239	37,014,239	108,894,206	108,894,206
II.	PREVIOUSLY	APCO			31,102,943	0	46,907,486	21,047,573
	ESTIMATED	KPCO			4,914,169	0	5,686,693	6,849,812
	BILLING	I&M			0	4,712,998	14,042,782	24,148,539
	AMOUNT *	OPCO			0	33,287,072	15,931,287	42,750,314
		CSP			1,982,958	0	25,647,421	13,419,431
		TOTAL			38,000,070	38,000,070	108,215,669	108,215,668
IV.	ADJUSTMENT	APCO			(806,900)	0	(1,299)	(781,898)
	TO BE BOOKED	KPCO			(127,488)	0	174,485	184,157
	NEXT MONTH	I&M			0	(606,530)	482,732	(83,850)
	(I - II + III)	OPCO			0	(379,301)	(138,196)	1,443,538
		CSP			(51,443)	0	160,816	(83,409)
		TOTAL			(985,831)	(985,831)	678,538	678,538
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
						(7)	(8)	
I.	ACTUAL	APCO		1,843,497	614,463	77,202,230	20,265,675	
	BILLING	KPCO		191,344	247,686	10,647,859	7,033,969	
	AMOUNT	I&M		469,009	1,080,188	14,525,514	28,171,157	
		OPCO		502,240	1,627,219	15,793,091	77,101,623	
		CSP		974,285	410,819	27,739,752	13,336,022	
		TOTAL		3,980,375	3,980,375	145,908,445	145,908,445	
II.	PREVIOUSLY	APCO		1,877,646	642,847	78,010,429	21,047,573	
	ESTIMATED	KPCO		191,066	246,390	10,600,862	6,849,812	
	& ENERGY	I&M		467,040	1,086,604	14,042,782	28,861,537	
	BILLING	OPCO		512,039	1,638,754	15,931,287	76,037,386	
	AMOUNT	CSP		985,174	418,370	27,630,379	13,419,431	
		TOTAL		4,032,965	4,032,965	146,215,739	146,215,738	
IV.	ADJUSTMENT	APCO		(34,149)	(28,384)	(808,199)	(781,898)	
	TO BE BOOKED	KPCO		278	1,296	46,997	184,157	
	NEXT MONTH	I&M		1,969	(6,416)	482,732	(690,380)	
	(I - III)	OPCO		(9,799)	(11,535)	(138,196)	1,064,237	
		CSP		(10,889)	(7,551)	109,373	(83,409)	
		TOTAL		(52,590)	(52,590)	(307,293)	(307,293)	

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: June 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.32497	8,643,500	(2,266,500)
KPCO	1,471,000	0.06877	1,829,100	(358,100)
I&M	5,428,000	0.19278	5,127,600	300,400
OPCO	8,465,000	0.22544	5,996,300	2,468,700
CSP	4,857,000	0.18804	5,001,500	(144,500)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(2,266,500)	***** + *****	(30,296,043)
KPCO	(358,100)	***** + *****	(4,786,681)
I&M	300,400	10.22 + 3.45	4,106,468
OPCO	2,468,700	10.8 + 2.53	32,907,771
CSP	(144,500)	***** + *****	(1,931,515)

EQUALIZATION CAPACITY RATE: 13.3669
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

June 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT**

		MWH		\$	
		RECEIVED FROM POOL (MLR SHARE)	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555 (MLR SHARE)	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	1,079,714	1,069,855	36,085,467	37,641,189
RECOVERY AND MLR	KPCO	230,412	187,513	7,636,390	5,941,710
ALLOCATION FOR ALL	I&M	642,812	500,189	21,406,765	16,736,529
AEP SYSTEM	OPCO	742,975	1,017,270	25,033,411	31,786,677
DELIVERIES TO	CSP	621,478	542,564	20,880,423	18,936,350
NON-AFFILIATED COS.	AEP	3,317,391	3,317,391	111,042,456	111,042,456
ADJUSTMENT TO	APCO	(457,286)	(457,286)	(17,469,420)	(17,469,420)
PREVENT RECOGNITION	KPCO	(45,298)	(45,298)	(1,937,535)	(1,937,535)
OF SALES BY POOL	I&M	(174,467)	(174,467)	(6,941,682)	(6,941,682)
MEMBERS TO	OPCO	(316,790)	(316,790)	(11,334,833)	(11,334,833)
THEMSELVES	CSP	(178,242)	(178,242)	(7,205,935)	(7,205,935)
(PAGE 7)	AEP	(1,172,083)	(1,172,083)	(44,889,405)	(44,889,405)
SUBTOTAL	APCO	622,428	612,569	18,616,047	20,171,769
AEP EXTERNAL	KPCO	185,114	142,215	5,698,855	4,004,175
ENERGY	I&M	468,345	325,722	14,465,083	9,794,847
	OPCO	426,185	700,480	13,698,578	20,451,845
	CSP	443,236	364,322	13,674,488	11,730,415
	AEP	2,145,308	2,145,308	66,153,051	66,153,051
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,221,069	1,239	28,290,140	32,654
ENERGY	KPCO	6,230	105,332	162,323	3,017,236
(PAGE 8)	I&M	0	753,787	0	14,220,193
	OPCO	74,619	926,565	1,974,117	23,725,627
	CSP	531,049	46,044	12,133,749	1,564,619
	AEP	1,832,967	1,832,967	42,560,329	42,560,329
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,843,497	614,463	46,906,187	20,265,675
	KPCO	191,344	247,686	5,861,178	7,033,969
	I&M	469,009	1,080,188	14,525,514	24,064,689
	OPCO	502,240	1,627,219	15,793,091	44,193,852
	CSP	974,285	410,819	25,808,237	13,336,022
	AEP	3,980,375	3,980,375	108,894,206	108,894,206

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: June 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	655	0	61,252
COST RECOVERY	KPCO	0	139	0	12,558
ALLOCATED TO	I&M	664	679	60,431	49,648
SPECIAL SERVICE	OPCO	1,436	174	120,395	16,380
CUSTOMERS	CSP	0	453	0	40,988
	AEP	<u>2,100</u>	<u>2,100</u>	<u>180,826</u>	<u>180,826</u>
PREVIOUSLY	APCO	0	650	0	60,871
ESTIMATED	KPCO	0	141	0	12,488
AMOUNT	I&M	662	771	60,101	56,028
	OPCO	1,435	174	120,060	16,277
	CSP	0	361	0	34,497
	AEP	<u>2,097</u>	<u>2,097</u>	<u>180,160</u>	<u>180,160</u>
ADJUSTMENT	APCO	0	5	0	381
TO BE BOOKED	KPCO	0	(2)	0	70
NEXT MONTH	I&M	2	(92)	330	(6,380)
	OPCO	1	0	336	104
	CSP	0	92	0	6,491
	AEP	<u>3</u>	<u>3</u>	<u>666</u>	<u>666</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.

(1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: June 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) <u>(1)</u>	CREDIT MEMBER (1) COST RECOVERY (\$) <u>(2)</u>	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) <u>(3)</u>	EXCESS OF REVENUE OVER ENERGY COSTS (\$) <u>(4)=(3)-(1)</u>
APCO	36,085,467	37,641,189	49,088,297	13,002,830
KPCO	7,636,390	5,941,710	10,388,058	2,751,668
I&M	21,406,765	16,736,529	29,120,382	7,713,617
OPCO	25,033,411	31,786,677	34,053,850	9,020,439
CSP	20,880,423	18,936,350	28,404,359	7,523,936
TOTAL	<u>111,042,456</u>	<u>111,042,456</u>	<u>151,054,946</u>	<u>40,012,490</u>

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) <u>(5)</u>	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) <u>(6)=(4)-(5)</u>	(MLR) MEMBER LOAD RATIO THIS MONTH <u>(7)</u>
APCO	0	13,002,830	0.32497
KPCO	0	2,751,668	0.06877
I&M	0	7,713,617	0.19278
OPCO	0	9,020,439	0.22544
CSP	0	7,523,936	0.18804
TOTAL	<u>0</u>	<u>40,012,490</u>	<u>1.00000</u>

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043
APCO	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043
PSO	0	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: June 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	728,183	21,196,450	0.32497	236,638	6,888,210
KPCO	114,782	3,492,241	0.06877	7,894	240,161
I&M	224,834	5,905,761	0.19278	43,343	1,138,513
OPCO	757,449	21,992,792	0.22544	170,759	4,958,055
CSP	356,923	11,499,306	0.18804	67,116	2,162,329
TOTAL	2,182,171	64,086,551	1.00000	525,750	15,387,268

II. AEG AND OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	179,287	8,686,324	0.32497	58,263	2,822,795
KPCO	37,936	807,636	0.06877	2,609	55,541
I&M	178,676	6,228,288	0.19278	34,445	1,200,689
OPCO	146,909	4,411,675	0.22544	33,119	994,568
CSP	91,772	2,947,729	0.18804	17,257	554,291
TOTAL	634,580	23,081,652	1.00000	145,693	5,627,884

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	162,385	7,758,415
KPCO	34,795	1,641,833
I&M	96,679	4,602,480
OPCO	112,912	5,382,210
CSP	93,869	4,489,315
TOTAL	500,640	23,874,253

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	457,286	17,469,420
KPCO	45,298	1,937,535
I&M	174,467	6,941,682
OPCO	316,790	11,334,833
CSP	178,242	7,205,935
TOTAL	1,172,083	44,889,405

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash "from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC and AEG purchases allocated to System Sales (shown in II above).

ACTUAL: June 2011

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PRIMARY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	64,698	28.645	1,853,275
2. I&M	APCO	487,481	18.865	9,196,330
3. OPCO	APCO	655,405	25.607	16,782,302
4. CSP	APCO	13,485	33.981	458,233
5. TOTAL	APCO	1,221,069	23.168	28,290,140
6. APCO	KPCO	144	26.356	3,795
7. I&M	KPCO	2,713	18.865	51,180
8. OPCO	KPCO	868	25.607	22,226
9. CSP	KPCO	2,505	33.981	85,122
10. TOTAL	KPCO	6,230	26.055	162,323
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	945	26.356	24,906
17. KPCO	OPCO	10,742	28.645	307,704
18. I&M	OPCO	32,878	18.865	620,243
19. CSP	OPCO	30,054	33.981	1,021,264
20. TOTAL	OPCO	74,619	26.456	1,974,117
21. APCO	CSP	150	26.356	3,953
22. KPCO	CSP	29,892	28.645	856,257
23. I&M	CSP	230,715	18.865	4,352,440
24. OPCO	CSP	270,292	25.607	6,921,099
25. TOTAL	CSP	531,049	22.849	12,133,749
26. TOTAL ALL MEMBERS RECEIVED		1,832,967	23.219	42,560,329
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	1,239	26.356	32,654
28. KPCO	1, 12, 17, & 22	105,332	28.645	3,017,236
29. I&M	2, 7, 18, & 23	753,787	18.865	14,220,193
30. OPCO	3, 8, 13, & 24	926,565	25.607	23,725,627
31. CSP	4, 9, 14, & 19	46,044	33.981	1,564,619
32. TOTAL ALL MEMBERS DELIVERED:		1,832,967	23.219	42,560,329

SOURCE: The ECR computer program calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in the hourly calculations are derived in APPENDIX V.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH PRIMARY ENERGY**

ACTUAL: June 2011

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	64,698	27.168	1,757,715
2. I&M	APCO	487,481	16.348	7,969,339
3. OPCO	APCO	655,405	22.864	14,985,179
4. CSP	APCO	13,485	30.431	410,362
5. TOTAL	APCO	1,221,069	20.574	25,122,595
6. APCO	KPCO	144	23.146	3,333
7. I&M	KPCO	2,713	16.348	44,352
8. OPCO	KPCO	868	22.863	19,845
9. CSP	KPCO	2,505	30.431	76,229
10. TOTAL	KPCO	6,230	23.075	143,759
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	945	23.146	21,873
17. KPCO	OPCO	10,742	27.168	291,838
18. I&M	OPCO	32,878	16.348	537,489
19. CSP	OPCO	30,054	30.431	914,573
20. TOTAL	OPCO	74,619	23.664	1,765,773
21. APCO	CSP	150	23.147	3,472
22. KPCO	CSP	29,892	27.168	812,105
23. I&M	CSP	230,715	16.348	3,771,728
24. OPCO	CSP	270,292	22.864	6,179,956
25. TOTAL	CSP	531,049	20.275	10,767,261
26. TOTAL ALL MEMBERS RECEIVED		1,832,967	20.622	37,799,388
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	1,239	23.147	28,678
28. KPCO	1, 12, 17, & 22	105,332	27.168	2,861,658
29. I&M	2, 7, 18, & 23	753,787	16.348	12,322,908
30. OPCO	3, 8, 13, & 24	926,565	22.864	21,184,980
31. CSP	4, 9, 14, & 19	46,044	30.431	1,401,164
32. TOTAL ALL MEMBERS DELIVERED:		1,832,967	20.622	37,799,388

ACTUAL: June 2011

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ECONOMY ENERGY			RECEIVED ENERGY	
DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

SOURCE: The ECR computer program calculates for each hour of the month the MWh of ECONOMY deliveries and the associated charges and credits based upon an equal sharing of the savings in production expense, then aggregates such hourly data for the month to arrive at the totals reported above.

**ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY**

ACTUAL: June 2011

<u>DELIVERING MEMBER</u>	<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
			<u>\$/MWh</u>	<u>CHARGE (\$)</u>
1. KPCO	APCO	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>SUM OF LINES</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
			<u>\$/MWh</u>	<u>CREDIT (\$)</u>
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

June 2011

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
APCO	AMOS 1	124,884	475,918	0.2624	110	28.8647
	AMOS 2	143,475	498,010	0.2881	127	36.5883
	AMOS 3	46,221	146,717	0.3150	44	13.8616
	CEREDO1	220	832	0.2644	0	0.0000
	CEREDO2	232	871	0.2664	0	0.0000
	CEREDO3	501	1,319	0.3798	0	0.0000
	CEREDO4	392	1,439	0.2724	0	0.0000
	CEREDO5	347	1,025	0.3385	0	0.0000
	CEREDO6	64	622	0.1029	0	0.0000
	CLINCH RIVER 1	14,431	46,061	0.3133	211	66.1067
	CLINCH RIVER 2	18,108	49,908	0.3628	230	83.4503
	CLINCH RIVER 3	2,079	17,696	0.1175	83	9.7512
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	42,741	87,152	0.4904	320	156.9341
	KANAWHA RIVER 2	17,016	33,689	0.5051	239	120.7167
	MOUNTAINEER 1	243,454	826,699	0.2945	273	80.3956
	SPORN 1	8,555	31,318	0.2732	223	60.9159
SPORN 3	19,241	63,759	0.3018	465	140.3263	
TOTAL	681,961	2,283,035	0.2987	2,325	797.9114	
KPCO	BIG SANDY 1	41,486	135,290	0.3066	908	278.4336
	BIG SANDY 2	73,296	466,581	0.1571	3,150	494.8388
	ROCKPORT 1 (AEG)	18,962	88,970	0.2131	303	64.5778
	ROCKPORT 2 (AEG)	18,974	130,901	0.1449	461	66.8216
	TOTAL	152,718	821,742	0.1858	4,822	904.6718
I&M	ROCKPORT 1	63,159	296,387	0.2131	1,010	215.2226
	ROCKPORT 1 (AEG)	44,226	207,482	0.2132	707	150.7059
	ROCKPORT 2	63,267	436,401	0.1450	1,537	222.8378
	ROCKPORT 2 (AEG)	44,194	305,132	0.1448	1,075	155.6704
	TANNERS CREEK 1	17,177	52,930	0.3245	261	84.7005
	TANNERS CREEK 2	16,613	52,624	0.3157	259	81.7643
	TANNERS CREEK 3	5,760	21,492	0.2680	105	28.1407
	TANNERS CREEK 4	58,858	229,001	0.2570	2,118	544.3699
TOTAL	313,254	1,601,449	0.1956	7,072	1,483.4121	

ACTUAL: June 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
(1)		(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)	
OPCO	AMOS 3	93,402	296,481	0.3150	91	28.6682
	CARDINAL 1	58,288	378,889	0.1538	414	63.6894
	CARDINAL 2	43,766	43,766	1.0000	38	38.0000
	CARDINAL 3	67,633	67,633	1.0000	2,310	2,310.0000
	GAVIN 1	76,977	800,538	0.0962	1,599	153.7544
	GAVIN 2	56,095	684,491	0.0820	1,887	154.6423
	KAMMER 1	12,353	55,384	0.2230	530	118.2127
	KAMMER 2	19,230	59,484	0.3233	595	192.3517
	KAMMER 3	13,713	34,880	0.3931	349	137.2086
	MITCHELL 1	64,048	351,862	0.1820	122	22.2072
	MITCHELL 2	102,726	521,462	0.1970	203	39.9902
	MUSKINGUM 1	25,997	83,349	0.3119	2,465	768.8467
	MUSKINGUM 2	15,819	49,346	0.3206	1,343	430.5297
	MUSKINGUM 3	21,947	80,951	0.2711	2,176	589.9454
	MUSKINGUM 4	31,229	116,360	0.2684	3,281	880.5633
	MUSKINGUM 5	54,223	365,773	0.1482	2,143	317.6831
	SPORN 2	3	128	0.0234	0	0.0000
	SPORN 4	0	0	0.0000	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
	TOTAL	757,449	3,990,777	0.1898	19,546	6,246.2929
CSP	BECKJORD 6	6,555	24,338	0.2693	651	175.3351
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	3,326	18,980	0.1752	297	52.0454
	CONESVILLE 4	36,811	122,409	0.3007	81	24.3584
	CONESVILLE 5	79,132	203,446	0.3890	190	73.9021
	CONESVILLE 6	72,811	181,458	0.4013	168	67.4109
	DARBY 1	19	2,384	0.0080	0	0.0000
	DARBY 2	43	2,496	0.0172	0	0.0000
	DARBY 3	31	2,156	0.0144	0	0.0000
	DARBY 4	10	2,025	0.0049	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	4	1,087	0.0037	0	0.0000
	LAWRENCEBURG 1	21,852	114,493	0.1909	0	0.0000
	LAWRENCEBURG 2	26,282	126,958	0.2070	0	0.0000
	PICWAY 5	3,894	6,028	0.6460	107	69.1204
	STUART 1	15,862	76,899	0.2063	33	6.8069
	STUART 2	10,219	43,311	0.2359	89	20.9991
	STUART 3	15,767	77,072	0.2046	(8)	-1.6366
	STUART 4	15,375	73,040	0.2105	50	10.5251
	WATERFORD	35,629	163,678	0.2177	1	0.2177
	ZIMMER 1	61,435	178,347	0.3445	(1,501)	-517.0479
	TOTAL	405,057	1,420,605	0.2851	158	-17.9634

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: June 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
I. AEP EXTERNAL ENERGY (3)	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	4,917	16,541	11,624
KPCO	4,993	253,236	248,243
I&M	8,789	255,636	246,847
OPCO	25,126	1,271,995	1,246,869
CSP	2,647	(3,554)	(6,201)
AEP	<u>46,472</u>	<u>1,793,854</u>	<u>1,747,382</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	57,316	539	(56,777)
KPCO	29,440	4,075	(25,365)
I&M	72,060	80,624	8,564
OPCO	101,336	3,549	(97,787)
CSP	83,158	33,287	(49,871)
AEP	<u>343,309</u>	<u>122,073</u>	<u>(221,236)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	37,686,342	37,641,189	
KPCO	5,718,832	5,941,710	
I&M	16,481,118	16,736,529	
OPCO	30,637,595	31,786,677	
CSP	18,992,422	18,936,350	
AEP	<u>109,516,309</u>	<u>111,042,456</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	6.00	211.35
(2) APCO \$/Ton:	20.73	1.97
KPCO \$/Ton:	279.92	29.17
I&M \$/Ton:	172.33	237.80
OPCO \$/Ton:	203.64	7.45
CSP \$/Ton:	197.87	84.08

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 05/31/2011

OPERATING COMPANY PERCENTAGE
 JUNE 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32497	0.06877	0.19278	0.22544	0.18804

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168
08/10	21252	04	16	6201	04	14	1310	12	16	4422	10	14	5097	12	16	4222
07/10	21339	26	16	6024	23	16	1245	23	15	4474	23	14	5232	23	16	4364
06/10	20224	22	16	6005	15	16	1205	22	15	4015	23	13	4794	23	15	4205

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23208	7542	1596	4474	5232	4364

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.
 A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: June 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,677,000</u>
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	<u>6,377,000</u>
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>1,471,000</u>
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,414,000</u>
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	<u>5,428,000</u>
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>8,440,000</u>
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	<u>8,465,000</u>
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>4,857,000</u>
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 June 2011

APPENDIX III

**MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010**

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Garvin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 June 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	1,079,631	285,642	567,948	144,364	141,278
SPORN (APCO)	95,077	3,960,120	3,245,144	477,760	3,020,401	224,742
KANAWHA RIVER	120,841	4,955,913	3,737,838	889,545	3,389,007	348,831
CLINCH RIVER	113,665	6,483,075	5,125,717	706,879	4,616,294	509,423
AMOS (APCO)	1,121,512	35,228,750	28,985,045	2,412,402	27,737,145	1,247,900
MOUNTAINEER	826,699	20,694,038	16,115,747	2,541,181	14,906,158	1,209,590
CEREDO	6,108	537,036	368,046	56,510	364,673	3,373
BEECH RIDGE	8,334	0	0	0	0	0
CAMP GROVE	15,733	0	0	0	0	0
FOWLER RIDGE III	13,252	0	0	0	0	0
GRAND RIDGE II	9,996	0	0	0	0	0
GRAND RIDGE III	9,380	0	0	0	0	0
TOTAL	2,340,597	72,938,563	57,863,179	7,652,225	54,178,042	3,685,137
RATES:		26.356	24.721	1.635	23.147	1.574
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	601,871	20,209,079	17,971,941	1,047,275	17,679,279	292,662
ROCKPORT 1 (AEG)	88,970	2,235,912	1,945,592	233,421	1,852,888	92,704
ROCKPORT 2 (AEG)	130,901	4,750,258	2,937,628	86,315	2,793,249	144,379
TOTAL	821,742	27,195,249	22,855,162	1,367,010	22,325,417	529,745
RATES:		28.645	27.813	0.832	27.168	0.645
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	356,047	12,472,115	11,513,974	1,329,793	10,576,267	937,708
ROCKPORT 1 (OWNED SHARE)	296,387	7,448,525	6,481,379	777,598	6,172,552	308,827
ROCKPORT 1 (AEG)	207,482	5,214,247	4,537,208	544,347	4,321,018	216,191
ROCKPORT 2 (AEG)	305,132	11,072,916	6,847,651	201,200	6,511,102	336,548
ROCKPORT 2 (LEASED SHARE)	436,401	15,836,529	9,793,537	287,757	9,312,204	481,333
COOK	1,523,302	25,976,484	14,523,900	8,131,800	14,523,900	0
FOWLER RIDGE I	13,125	0	0	0	0	0
FOWLER RIDGE II	7,282	0	0	0	0	0
SUM	3,145,158	78,020,816	53,697,650	11,272,496	51,417,043	2,280,607
COAL CONVERSION	0	0	0	0	0	0
TOTAL	3,145,158	78,020,816	53,697,650	11,272,496	51,417,043	2,280,607
RATES:		18.865	17.073	1.792	16.348	0.725
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	128	1,590,473	271,616	916,202	197,547	74,069
MUSKINGUM	695,779	24,243,516	19,850,926	3,041,250	19,507,514	343,412
KAMMER	149,748	7,554,273	5,589,478	1,461,555	5,240,946	348,532
CARDINAL (OPCO)	532,145	13,280,765	9,783,903	1,479,632	9,116,775	667,128
MITCHELL	873,324	26,104,222	22,384,887	1,573,866	21,649,165	735,722
AMOS (OPCO)	295,614	11,051,442	8,634,647	1,365,896	8,143,338	491,309
GAVIN	1,485,029	40,965,080	29,836,075	4,361,768	28,516,000	1,320,075
FOWLER RIDGE II	7,282	0	0	0	0	0
Wyandot	969	0	0	0	0	0
TOTAL	4,040,018	124,789,771	96,351,531	14,200,169	92,371,284	3,980,247
RATES:		25.606	23.849	1.757	22.864	0.985
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	526,293	21,130,973	15,899,505	2,418,311	14,915,285	984,220
PICWAY	6,028	1,440,099	1,175,896	117,423	1,098,494	77,402
BECKJORD	24,338	738,396	563,192	139,848	514,933	48,259
STUART	270,322	9,994,714	7,682,979	2,429,941	7,296,369	386,610
ZIMMER	178,347	5,934,640	4,941,347	336,273	4,742,964	198,383
WATERFORD	163,678	7,125,533	5,727,052	885,247	5,713,669	13,382
DARBY	10,148	1,038,123	728,883	68,098	724,214	4,669
LAWRENCEBURG	241,451	9,509,442	8,494,198	272,808	8,469,264	24,934
FOWLER RIDGE II	7,282	0	0	0	0	0
Wyandot	762	0	0	0	0	0
TOTAL	1,428,649	56,911,920	45,213,052	6,667,949	43,475,193	1,737,859
RATES:		33.981	31.647	2.334	30.431	1.216
SYSTEM TOTAL	11,776,164	359,856,319	275,980,574	41,159,849	263,766,978	12,213,596

ACTUAL: June 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

<u>COMPANY</u>	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	72,938,563	54,178,042	3,685,137	7,652,225	3,826,113
KPCO	27,195,249	22,325,417	529,745	1,367,010	683,505
I&M	78,020,816	51,417,043	2,280,607	11,272,496	5,636,248
OPCO	124,789,771	92,371,284	3,980,247	14,200,169	7,100,085
CSP	56,911,920	43,475,193	1,737,859	6,667,949	3,333,975
TOTAL	359,856,319	263,766,978	12,213,596	41,159,849	20,579,926

CALCULATION OF MEMBER PRIMARY RATES:

<u>COMPANY</u>	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,511,250	2,340,597	2,340,597	26.356
KPCO	1,213,250	821,742	821,742	28.645
I&M	7,916,855	3,145,158	3,145,158	18.865
OPCO	11,080,332	4,040,018	4,040,018	25.607
CSP	5,071,834	1,428,649	1,428,649	33.981
TOTAL	32,793,522	11,776,164	11,776,164	25.183

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

<u>COMPANY</u>	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	11,249,271	5,677,000	1.98
KPCO	3,656,583	1,471,000	2.49
I&M	18,686,918	5,414,000	3.45
OPCO	21,338,155	8,440,000	2.53
CSP	8,364,893	4,857,000	1.72
TOTAL	63,295,819	25,859,000	2.45

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: June 2011

APPENDIX VI
 Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	72,941	67,155	76,823	70,158	0	879
	KPCO	15,436	14,213	16,257	14,847	0	187
	I&M	43,270	39,838	45,572	41,618	0	522
	OPCO	160,066	173,852	167,221	183,105	2,098	0
	CSP	42,205	38,860	44,453	40,598	0	510
	TOTAL	333,918	333,918	350,326	350,326	2,098	2,098
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NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	39,881,645	0	39,935,135	53,490	0
	KPCO	0	8,439,749	0	8,451,071	11,322	0
	I&M	0	23,658,771	0	23,690,504	31,733	0
	OPCO	0	27,666,962	0	27,704,073	37,111	0
	CSP	0	23,077,042	0	23,107,995	30,953	0
	East. AEP (Co. 122)	122,724,169	0	122,888,778	0	0	164,609
	TOTAL	122,724,169	122,724,169	122,888,778	122,888,778	164,609	164,609
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THIRD PARTY SALES (2)	APCO	1,596,685	2,335,956	1,091,432	2,639,950	824,315	15,069
	KPCO	337,893	494,334	230,969	558,663	174,442	3,189
	I&M	947,196	1,385,745	647,465	1,566,081	489,005	8,939
	OPCO	1,107,664	1,620,514	757,155	1,831,401	571,849	10,453
	CSP	923,907	1,351,672	631,545	1,527,572	476,982	8,719
	East. AEP (Co. 122)	7,188,222	4,913,345	8,123,667	3,358,566	46,369	2,536,593
	TOTAL	12,101,567	12,101,567	11,482,233	11,482,233	2,582,962	2,582,962
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GROSS TOTAL	APCO	1,596,685	42,217,602	1,091,432	42,575,085	877,805	15,069
	KPCO	337,893	8,934,083	230,969	9,009,734	185,764	3,189
	I&M	947,196	25,044,516	647,465	25,256,585	520,738	8,939
	OPCO	1,107,664	29,287,477	757,155	29,535,474	608,959	10,453
	CSP	923,907	24,428,714	631,545	24,635,567	507,936	8,719
	East. AEP (Co. 122)	129,912,391	4,913,345	131,012,445	3,358,566	46,369	2,701,202
	TOTAL	134,825,736	134,825,736	134,371,011	134,371,011	2,747,571	2,747,571
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NET TOTAL	APCO	0	40,620,917	0	41,483,653	862,736	0
	KPCO	0	8,596,190	0	8,778,765	182,575	0
	I&M	0	24,097,321	0	24,609,119	511,799	0
	OPCO	0	28,179,813	0	28,778,318	598,506	0
	CSP	0	23,504,806	0	24,004,023	499,217	0
	East. AEP (Co. 122)	124,999,046	0	127,653,879	0	0	2,654,833
	TOTAL	124,999,046	124,999,046	127,653,879	127,653,879	2,654,833	2,654,833

NOTES: (1) Source is ECR#MLR report, MLR Allocation of System Transactions.
 (2) Source is Appendix VII.

ACTUAL: June 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
		PURCHASES	REVENUES	PURCHASES	REVENUES
		4210.032	4210.031	4210.032	4210.031
ACTUAL	APCO	5,850	5,850	259,207	244,378
THIS MONTH	KPCO	1,256	1,230	54,853	51,715
	I&M	3,480	3,480	153,768	144,971
	OPCO	4,050	4,050	179,818	169,531
	CSP	3,364	3,390	149,987	141,406
	TOTAL	18,000	18,000	797,633	752,002
PREVIOUS	APCO	5,850	5,850	257,896	227,999
ESTIMATE	KPCO	1,256	1,230	54,576	48,249
	I&M	3,480	3,480	152,990	135,255
	OPCO	4,050	4,050	178,909	158,169
	CSP	3,364	3,390	149,229	131,929
	TOTAL	18,000	18,000	793,600	701,600
ADJUSTMENT	APCO	0	0	1,311	16,379
(I-II)	KPCO	0	0	277	3,466
	I&M	0	0	777	9,716
	OPCO	0	0	909	11,363
	CSP	0	0	758	9,478
	TOTAL	0	0	4,033	50,402

BROKERS' COMMISSIONS (3)		ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
		RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
		CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
		ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
ACTUAL	APCO	58	2,373	774	25,161	(27,165)
THIS MONTH	KPCO	12	502	164	5,325	(5,750)
	I&M	35	1,408	459	14,927	(16,115)
	OPCO	41	1,646	537	17,455	(18,845)
	CSP	34	1,373	448	14,559	(15,719)
	TOTAL	180	7,303	2,381	77,428	(83,594)
PREVIOUS	APCO	58	2,300	752	25,185	(26,893)
ESTIMATE	KPCO	12	487	159	5,330	(5,692)
	I&M	35	1,365	446	14,941	(15,954)
	OPCO	41	1,596	522	17,472	(18,657)
	CSP	34	1,331	435	14,573	(15,561)
	TOTAL	180	7,078	2,315	77,501	(82,757)
ADJUSTMENT	APCO	0	73	22	(24)	(272)
(I-II)	KPCO	0	15	5	(5)	(58)
	I&M	0	43	13	(14)	(161)
	OPCO	0	51	15	(17)	(188)
	CSP	0	42	12	(14)	(158)
	TOTAL	0	224	66	(73)	(837)

*May 2011 Adjustments made to accounts 4470.006 (\$14.38), 4470.010 (9.62), & 4470.143 (1.92). The adjustment dollars for each Account were MLR'd.

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH ALR ALLOCATIONS OF ABP SYSTEM
OFF-SYSTEM THIRD PARTY

PJM NON-ECR ENERGY PURCHASES - USE

	MWH	TOTAL COSTS		TOTAL NET	
		TO BE BOOKED	Act. 5550.001	TO BE BOOKED	Act. 4470.143
I. ACTUAL	0	0	0	0	0
THIS MONTH	KCCO	0	0	0	0
I&M	0	0	0	0	0
OPCO	0	0	0	0	0
CSP	0	0	0	0	0
TOTAL	0	0	0	0	0
II. PREVIOUS ESTIMATE	0	0	0	0	0
(I-II)	0	0	0	0	0
I&M	0	0	0	0	0
OPCO	0	0	0	0	0
CSP	0	0	0	0	0
TOTAL	0	0	0	0	0

POWER SWAPS

	TOTAL NET		TOTAL NET	
	TO BE BOOKED	Act. 5550.099	TO BE BOOKED	Act. 4470.082
I. ACTUAL	0	0	0	0
THIS MONTH	KCCO	0	0	0
I&M	0	0	0	0
OPCO	0	0	0	0
CSP	0	0	0	0
TOTAL	0	0	0	0
II. PREVIOUS ESTIMATE	0	0	0	0
(I-II)	0	0	0	0
I&M	0	0	0	0
OPCO	0	0	0	0
CSP	0	0	0	0
TOTAL	0	0	0	0

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TOTAL SWAPS		TOTAL NET	
TO BE BOOKED	Act. 4470.143	TO BE BOOKED	Act. 4470.082
141,875	(90,776)	778,194	
30,024	(19,210)	(64,681)	
84,164	(59,891)	(46,646)	
98,422	(62,974)	(39,864)	
82,094	(52,827)	(450,294)	
436,578	(279,337)	(2,394,671)	
141,875	(90,776)	(773,695)	
30,024	(19,210)	(163,729)	
84,164	(59,891)	(488,979)	
98,422	(62,974)	(936,732)	
82,094	(52,827)	(447,690)	
436,578	(279,337)	(2,390,820)	
0	0	(4,501)	
0	0	(953)	
0	0	(2,670)	
0	0	(9,123)	
0	0	(2,609)	
0	0	(13,951)	

PJM NON-ECR PURCHASES-088
NON-ECR PHYSICAL SALES-055

PJM NON-ECR ENERGY

	PURCHASES		SALES		MWh		PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	Act. 5550.107	Act. 5550.099	Act. 4470.112	Act. 4470.170	Act. 4470.131	Act. 4470.112	Act. 4470.112	Act. 4470.131	Act. 4470.170	Act. 5570.007	Act. 5550.023	Act. 5550.099	Act. 5550.100	Act. 5550.107	Act. 5550.107	
I. ACTUAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
THIS MONTH	KCCO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
II. PREVIOUS ESTIMATE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(I-II)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KCCO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

PURCHASES		SALES		MWh		PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
Act. 5550.107	Act. 5550.099	Act. 4470.112	Act. 4470.170	Act. 4470.131	Act. 4470.112	Act. 4470.131	Act. 4470.112	Act. 4470.131	Act. 4470.170	Act. 5570.007	Act. 5550.023	Act. 5550.099	Act. 5550.100	Act. 5550.107	
115,978	288	288	288	288	288	288	288	288	288	17,711	316,846	6,977,091	161,068	640,790	
24,543	54	54	54	54	54	54	54	54	54	3,748	23,546	1,413,005	34,085	159,595	
66,901	150	150	150	150	150	150	150	150	150	10,507	187,961	3,961,013	96,949	380,109	
80,487	176	176	176	176	176	176	176	176	176	12,286	219,804	4,632,072	111,737	444,808	
67,109	147	147	147	147	147	147	147	147	147	10,248	153,339	3,863,622	93,200	370,763	
356,688	760	760	760	760	760	760	760	760	760	54,500	975,000	20,546,803	495,639	1,971,710	
19,306	288	288	288	288	288	288	288	288	288	17,711	316,846	6,746,286	161,044	640,746	
3,239	54	54	54	54	54	54	54	54	54	3,748	23,546	1,413,005	34,085	135,594	
9,060	150	150	150	150	150	150	150	150	150	10,507	187,961	4,002,060	95,935	380,106	
10,618	179	179	179	179	179	179	179	179	179	12,286	219,804	4,680,073	111,721	444,802	
8,657	149	149	149	149	149	149	149	149	149	10,248	153,339	3,903,660	93,186	370,760	
47,100	794	794	794	794	794	794	794	794	794	54,500	975,000	20,799,726	495,637	1,971,710	
100,672	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	0	0	0	0	4	
21,304	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0	0	0	0	23	
59,721	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	0	0	0	0	5	
69,839	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	0	0	0	0	14	
56,252	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	0	0	0	0	3	
309,748	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	0	0	0	0	16	
										0	0	0	0	2	
										0	0	0	0	71	

(S)	COSTS		COSTS		REVENUES		REVENUES		COST		Total PFM/MSO Non-ECR Body (Revenue - Cost)
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	
	Act. 5614.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 5650.002				
	0	4,926	(221,595)	6,194	7,063,888	11,327	0	0	(916,477)		
	0	1,045	(46,886)	1,302	1,494,857	2,397	0	0	(209,697)		
	0	2,928	(31,432)	3,651	4,190,468	6,719	0	0	(395,796)		
	0	3,424	(393,699)	4,249	4,900,400	7,898	0	0	(957,603)		
	0	2,956	(128,200)	3,551	4,037,434	6,554	0	0	(298,279)		
	0	15,188	(631,772)	19,936	21,737,047	34,954	0	0	(1,596,243)		
	0	5,000	(221,545)	6,143	7,797,547	11,327	0	0	148,917		
	0	1,058	(46,886)	1,304	1,650,113	2,397	0	0	31,524		
	0	2,966	(31,437)	3,656	4,525,692	6,719	0	0	89,370		
	0	3,468	(153,789)	4,279	5,409,368	7,898	0	0	103,941		
	0	2,993	(128,203)	3,566	4,211,957	6,554	0	0	81,198		
	0	15,365	(631,600)	19,964	23,394,666	34,954	0	0	499,397		
	0	(64)	(9)	(9)	(733,659)	0	0	0	(644,448)		
	0	(14)	(2)	(2)	(185,256)	0	0	0	(140,611)		
	0	(38)	(5)	(5)	(435,224)	0	0	0	(394,146)		
	0	(44)	(6)	(6)	(508,958)	0	0	0	(460,344)		
	0	(37)	(5)	(5)	(424,523)	0	0	0	(344,676)		
	0	(97)	(28)	(28)	(2,257,149)	0	0	0	(2,044,640)		

ACTUAL: June 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,335,956	0	2,490,983	155,027	0
	KPCO	0	494,334	0	527,139	32,805	0
	I&M	0	1,385,745	0	1,477,711	91,966	0
	OPCO	0	1,620,514	0	1,728,060	107,546	0
	CSP	0	1,351,672	0	1,441,377	89,705	0
	East. AEP (Co.122)	7,188,222	0	7,665,270	0	0	477,048
	TOTAL	7,188,222	7,188,222	7,665,270	7,665,270	477,048	477,048
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	14,829	0	29,897	0	0	15,069
	KPCO	3,138	0	6,327	0	0	3,189
	I&M	8,797	0	17,736	0	0	8,939
	OPCO	10,287	0	20,740	0	0	10,453
	CSP	8,581	0	17,300	0	0	8,719
	East. AEP (Co.122)	0	45,631	0	92,000	46,369	0
	TOTAL	45,631	45,631	92,000	92,000	46,369	46,369
BROKERS' COMMISSIONS (3)	APCO	55,532	0	55,189	0	343	0
	KPCO	11,754	0	11,680	0	73	0
	I&M	32,944	0	32,741	0	203	0
	OPCO	38,524	0	38,287	0	236	0
	CSP	32,133	0	31,934	0	199	0
	East. AEP (Co.122)	0	170,885	0	169,831	0	1,054
	TOTAL	170,885	170,885	169,831	169,831	1,054	1,054
POWER SWAPS	APCO	1,010,847	0	1,006,346	0	4,501	0
	KPCO	213,914	0	212,962	0	953	0
	I&M	599,659	0	596,989	0	2,670	0
	OPCO	701,250	0	698,128	0	3,123	0
	CSP	584,915	0	582,311	0	2,604	0
	East. AEP (Co.122)	0	3,110,586	0	3,096,735	0	13,851
	TOTAL	3,110,586	3,110,586	3,096,735	3,096,735	13,851	13,851
PJM/MISO NON-ECR ENERGY	APCO	515,477	0	0	148,967	664,445	0
	KPCO	109,087	0	0	31,524	140,611	0
	I&M	305,796	0	0	88,370	394,166	0
	OPCO	357,603	0	0	103,341	460,944	0
	CSP	298,279	0	0	86,195	384,474	0
	East. AEP (Co.122)	0	1,586,243	458,397	0	0	2,044,640
	TOTAL	1,586,243	1,586,243	458,397	458,397	2,044,640	2,044,640
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,596,685	2,335,956	1,091,432	2,639,950	824,315	15,069
	KPCO	337,893	494,334	230,969	558,663	174,442	3,189
	I&M	947,196	1,385,745	647,465	1,566,081	489,005	8,939
	OPCO	1,107,664	1,620,514	757,155	1,831,401	571,849	10,453
	CSP	923,907	1,351,672	631,545	1,527,572	476,982	8,719
	East. AEP (Co.122)	7,188,222	4,913,345	8,123,667	3,358,566	46,369	2,536,593
	TOTAL	12,101,567	12,101,567	11,482,233	11,482,233	2,582,962	2,582,962

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: June 2011
 (3) Actual commissions paid in: June 2011

APPENDIX IX

PJM CHARGES TRANSFERRED FROM mMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	ACCOUNT					AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
		AP AMT	KP AMT	IM AMT	OP AMT	CS AMT			
AEPSC6									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	12,820,811	2,715,268	7,620,917	8,927,726	7,404,976	39,489,798	Various	
<i>PJM Admia Fees</i>									
Schedule 9 A 10	5614000	55,248	11,692	32,774	38,327	31,969	170,009	East Zone SIA	
Schedule 9 A 10	5614001	518,041	109,628	307,314	359,378	299,758	1,594,120	na	
Schedule 9 A 10	5618000	3,932	832	2,332	2,728	2,275	12,099	East Zone SIA	
Schedule 9 A 10	5618001	36,857	7,802	21,870	25,575	21,332	113,446	na	
Schedule 9 A 10	5757000	51,462	10,890	30,528	36,700	29,778	158,359	East Zone SIA	
Schedule 9 A 10	5757001	482,541	102,119	286,255	334,751	279,216	1,484,877	na	
Schedule 9 A 10	5618000	2,699	571	1,601	1,873	1,562	8,307	East Zone SIA	
Schedule 9 A 10	5618001	25,312	5,356	15,015	17,559	14,645	77,889	na	
Schedule 9 A 10	5618000	4,096	867	2,430	2,841	2,370	12,603	East Zone SIA	
Schedule 9 A 10	5618001	38,404	8,127	22,782	26,642	22,222	118,176	na	
Schedule 9 MMU	5757000	3,628	768	2,152	2,517	2,100	11,165	East Zone SIA	
Schedule 9 MMU	5757001	34,022	7,200	20,183	23,602	19,687	104,694	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	3	1	2	2	2	9	East Zone SIA	
Transmission Owner Scheduling System	4470110	819	173	486	568	474	2,520	East Zone SIA	
Power Factor Charges	5550039	(1,592)	(337)	(945)	(1,105)	(921)	(4,900)	East Zone SIA	
Other Supporting Facilities Charge	4470107	4,827	1,022	2,864	3,349	2,793	14,855	East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115	-	-	-	-	-	-	East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	(276,023)	(58,412)	(163,744)	(191,484)	(159,718)	(849,380)	N	
Implicit Congestion - LSE	4470093	-	-	-	-	-	-	N	
Inadvertent - OSS	5550039	-	-	-	-	-	-	N	
Inadvertent - LSE	5550040	-	-	-	-	-	-	East Zone SIA	
Misc Credits	4470107	-	-	-	-	-	-	East Zone SIA	
Meter Correction - LSE	4470116	(158,811)	(33,608)	(94,211)	(110,172)	(91,894)	(488,696)	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECC)	4470124	(17)	(4)	(10)	(12)	(10)	(63)	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203	-	-	-	-	-	-	East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470098	-	-	-	-	-	-	N	
Other Supporting Facilities redclass (BCK)	4470141	17,111	3,621	10,151	11,870	9,901	52,654	East Zone SIA	
Other Supporting Facilities redclass (BCK)	4470126	(17,111)	(3,621)	(10,151)	(11,870)	(9,901)	(52,654)	N	
Load Management Test Failure (BCK)	4470141	-	-	-	-	-	-	East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141	59,739	12,430	34,845	40,748	33,988	180,751	East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141	-	-	-	-	-	-	East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174	-	-	-	-	-	-	East Zone SIA	
Day-ahead Operating Reserve (LSE SC6)	4470203	-	-	-	-	-	-	East Zone SIA	
Day-ahead Operating Reserve (OSS SC6)	4470098	-	-	-	-	-	-	East Zone SIA	
Balancing Operating Reserve (LSE MON 4 OC6)	4470203	-	-	-	-	-	-	East Zone SIA	
RPM Auction Credit (OSS SC6)	4470099	-	-	-	-	-	-	East Zone SIA	
Planning Period Congestion Uplift (LSE SC6)	4470101	-	-	-	-	-	-	East Zone SIA	
Planning Period Congestion Uplift (OSS SC6)	4470100	-	-	-	-	-	-	East Zone SIA	
Planning Period Congestion Uplift (TO6 SC6)	4470109	-	-	-	-	-	-	East Zone SIA	
<i>PJM TEA Charge Reclass (BILR)</i>									
Transmission Enhancement Charge	4561002	(1,040,722)	(220,237)	(617,381)	(721,975)	(602,201)	(3,202,517)	N	
RTO Start-up Cost Recovery Charge	4561003	(48,992)	(11,806)	(38,918)	(58,621)	(19,572)	(174,910)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(31,603)	(7,616)	(25,104)	(35,879)	(12,625)	(112,626)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	249,550	52,810	148,039	173,119	144,399	767,918	East Zone SIA	
<i>PJM TEA Charge Reclass (12CP)</i>									
Transmission Enhancement Charge	4561002	964,826	183,734	584,939	603,861	505,590	2,842,950	No	
RTO Start-up Cost Recovery Charge	4561003	60,859	11,922	28,642	39,993	33,485	174,910	East Zone SIA	
Expansion Cost Recovery Charge	4561003	39,263	7,690	18,475	25,798	21,599	112,826	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(262,562)	(50,428)	(148,503)	(166,783)	(139,641)	(767,918)	N	
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ACTUAL)		13,635,635	2,858,890	8,095,631	9,408,626	7,847,637	41,851,080		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ESTIMATED)		13,676,460	2,872,387	8,075,341	9,421,516	7,863,214	41,908,919		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ADJUSTMENT)	(1)	(40,825)	(13,497)	(20,250)	(17,890)	(15,577)	(57,839)		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	ACCOUNT					AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
		AP AMT	KP AMT	IM AMT	OP AMT	CS AMT			
<i>PJM Allocations GL Submit Summary</i>									
TOTAL PJM -BUCKEYE NON-ECR FROM INVOICE (1)	Various	1,641,119	347,417	974,404	1,140,356	948,884	5,052,150	Various	5,052,150
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		1,641,119	347,417	974,404	1,140,356	948,884	5,052,150		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		1,676,647	354,944	995,476	1,164,994	969,416	5,161,466		
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE (ADJUSTMENT)	(1)	(35,528)	(7,527)	(21,072)	(24,638)	(20,532)	(109,316)		

CHARGE DESCRIPTION	ACCOUNT NO.	ACCOUNT					AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE SIA
		AP AMT	KP AMT	IM AMT	OP AMT	CS AMT			
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SC6 and BCK	Various	373,217	78,988	221,454	299,025	215,909	1,148,501.76	Various	1,148,592
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470098	-	-	-	-	-	-	East Zone SIA	
PJM Service Fee	4470143	(341,219)	(72,209)	(202,419)	(236,712)	(197,442)	(1,050,000.00)	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,907	6,964	19,521	22,828	19,041	101,260.75	No	
Regulation Credit (Expense)	5550079	24,245	5,131	14,383	16,819	14,029	74,606.57	No	
Spinning Reserve - Credit	5550084	301	64	179	209	174	926.79	No	
Buckeye Pass-Through	4470141	(3,194,653)	(676,176)	(1,895,998)	(2,218,083)	(1,847,789)	(8,832,688.31)	No	
Transmission Loss Credit	4470206	(677)	(143)	(401)	(470)	(392)	(2,082.63)	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,105,879)	(657,382)	(1,843,282)	(2,156,383)	(1,796,169)	(9,659,395)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,046,014)	(646,876)	(1,813,698)	(2,121,783)	(1,767,619)	(9,405,940)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(49,862)	(10,503)	(29,584)	(34,600)	(28,850)	(153,449)		



Date July 2011

Subject East Interchange Power Statement and Related Data
July 2011 Actual

Reviewer: David B. Roberts (Bruce)
8/31/2011

Approved Richard Quaintance
8/31/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of July 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
July 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
Commercial Operations
Pool Settlements Group

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ACTUAL: July 2011

PAGE (1)

			MWh		(\$)	
(SOURCE: PAGE 2)			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	2,014,410 232,821 582,090 550,604 1,025,999 4,405,924	736,354 277,205 1,023,557 1,835,773 533,036 4,405,924	83,388,103 12,047,678 18,109,952 17,699,089 29,968,694 161,213,515	24,536,867 7,940,993 28,624,454 82,903,300 17,207,900 161,213,514
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	2,069,569 238,802 599,293 565,561 1,027,458 4,500,683	790,351 282,519 1,041,499 1,853,329 532,985 4,500,683	84,657,681 12,212,714 18,411,206 17,985,204 29,997,318 163,264,123	26,393,081 7,810,699 29,461,647 82,768,418 16,830,279 163,264,123
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	(55,159) (5,981) (17,203) (14,957) (1,459) (94,759)	(53,997) (5,314) (17,942) (17,556) 51 (94,759)	(1,269,578) (165,036) (301,254) (286,115) (28,624) (2,050,608)	(1,856,214) 130,295 (837,192) 134,882 377,622 (2,050,609)
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)			APCO KPCO I&M OPCO CSP TOTAL	0 0 0 20,876 0 20,876	8,807 1,848 5,176 0 5,045 20,876
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)			APCO KPCO I&M OPCO CSP West. AEP TOTAL	0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 0 0 0 8,798,131 8,798,131	2,859,503 603,954 1,704,586 1,979,199 1,650,888 0 8,798,131
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 0 0 0 118,274 118,274	38,448 8,134 22,793 26,640 22,259 0 118,274

ACTUAL: July 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	71,090
	KPCO	0	15,045
	I&M	0	42,185
	OPCO	0	49,347
	CSP	0	41,125
	East. AEP (Co. 122)	218,792	0
	TOTAL	218,792	218,792
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	55,440,515
	KPCO	0	11,732,294
	I&M	0	32,888,644
	OPCO	0	38,460,502
	CSP	0	32,079,988
	East. AEP (Co.122)	170,601,944	0
	TOTAL	170,601,944	170,601,944
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	57,148,860
	KPCO	0	12,093,814
	I&M	0	33,902,071
	OPCO	0	39,645,621
	CSP	0	33,068,498
	East. AEP (Co.122)	175,858,863	0
	TOTAL	175,858,863	175,858,863
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	1,708,345	0
	KPCO	361,520	0
	I&M	1,013,426	0
	OPCO	1,185,119	0
	CSP	988,510	0
	East. AEP (Co.122)	0	5,256,920
	TOTAL	5,256,920	5,256,920

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: July 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kw	\$/kw	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(2,266,500)	13.43	30,448,394	0	52,939,709	24,536,867
	BILLING	KPCO	(358,100)	13.43	4,810,752	0	7,236,926	7,940,993
	AMOUNT	I&M	300,400	13.55	0	4,070,420	18,109,952	24,554,034
		OPCO	2,468,700	13.42	0	33,129,954	17,699,089	49,773,346
		CSP	(144,500)	13.43	1,941,228	0	28,027,466	17,207,900
		TOTAL			37,200,374	37,200,374	124,013,141	124,013,140
II.	PREVIOUSLY	APCO			30,888,016	0	53,769,665	26,393,081
	ESTIMATED	KPCO			4,880,211	0	7,332,503	7,810,699
	BILLING	I&M			0	4,675,253	18,411,206	24,786,394
	AMOUNT *	OPCO			0	33,062,230	17,985,204	49,706,188
		CSP			1,969,256	0	28,028,062	16,830,279
		TOTAL			37,737,483	37,737,483	125,526,640	125,526,640
IV.	ADJUSTMENT	APCO			(439,622)	0	(829,956)	(1,856,214)
	TO BE BOOKED	KPCO			(69,459)	0	(95,577)	130,295
	NEXT MONTH	I&M			0	(604,833)	(301,254)	(232,359)
	(I - II + III)	OPCO			0	67,724	(286,115)	67,158
		CSP			(28,028)	0	(596)	377,622
		TOTAL			(537,109)	(537,109)	(1,513,499)	(1,513,500)
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			2,014,410	736,354	83,388,103	24,536,867
	BILLING	KPCO			232,821	277,205	12,047,678	7,940,993
	AMOUNT	I&M			582,090	1,023,557	18,109,952	28,624,454
		OPCO			550,604	1,835,773	17,699,089	82,903,300
		CSP			1,025,999	533,036	29,968,694	17,207,900
		TOTAL			4,405,924	4,405,924	161,213,515	161,213,514
II.	PREVIOUSLY	APCO			2,069,569	790,351	84,657,681	26,393,081
	ESTIMATED	KPCO			238,802	282,519	12,212,714	7,810,699
	& ENERGY	I&M			599,293	1,041,499	18,411,206	29,461,647
	BILLING	OPCO			565,561	1,853,329	17,985,204	82,768,418
	AMOUNT	CSP			1,027,458	532,985	29,997,318	16,830,279
		TOTAL			4,500,683	4,500,683	163,264,123	163,264,123
IV.	ADJUSTMENT	APCO			(55,159)	(53,997)	(1,269,578)	(1,856,214)
	TO BE BOOKED	KPCO			(5,981)	(5,314)	(165,036)	130,295
	NEXT MONTH	I&M			(17,203)	(17,942)	(301,254)	(837,192)
	(I - II)	OPCO			(14,957)	(17,556)	(286,115)	134,882
		CSP			(1,459)	51	(28,624)	377,622
		TOTAL			(94,759)	(94,759)	(2,050,608)	(2,050,609)

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: July 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u>	<u>MEMBER LOAD RATIO (APPENDIX I)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
	(1)	(2)	(3)	
APCO	6,377,000	0.32497	8,643,500	(2,266,500)
KPCO	1,471,000	0.06877	1,829,100	(358,100)
I&M	5,428,000	0.19278	5,127,600	300,400
OPCO	8,465,000	0.22544	5,996,300	2,468,700
CSP	4,857,000	0.18804	5,001,500	(144,500)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>	<u>CAPACITY RATE \$/kW *</u>	<u>CREDIT (CHARGE) ** \$</u>
	(1)	(2)	(3)
APCO	(2,266,500)	***** + *****	(30,448,394)
KPCO	(358,100)	***** + *****	(4,810,752)
I&M	300,400	10.22 + 3.33	4,070,420
OPCO	2,468,700	10.8 + 2.62	33,129,954
CSP	(144,500)	***** + *****	(1,941,228)

EQUALIZATION CAPACITY RATE: 13.4341
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

July 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	1,281,830	1,239,792	43,646,061	44,709,804
RECOVERY AND MLR	KPCO	271,260	245,497	9,236,359	7,809,082
ALLOCATION FOR ALL	I&M	760,412	583,458	25,891,891	20,322,218
AEP SYSTEM	OPCO	889,238	1,155,368	30,278,389	36,150,191
DELIVERIES TO	CSP	741,715	720,342	25,255,271	25,316,676
NON-AFFILIATED COS.	AEP	3,944,456	3,944,456	134,307,971	134,307,970
ADJUSTMENT TO	APCO	(504,930)	(504,930)	(20,228,528)	(20,228,528)
PREVENT RECOGNITION	KPCO	(46,671)	(46,671)	(2,200,835)	(2,200,835)
OF SALES BY POOL	I&M	(184,863)	(184,863)	(7,960,685)	(7,960,685)
MEMBERS TO	OPCO	(341,687)	(341,687)	(12,686,318)	(12,686,318)
THEMSELVES	CSP	(206,471)	(206,471)	(8,727,264)	(8,727,264)
(PAGE 7)	AEP	(1,284,622)	(1,284,622)	(51,803,630)	(51,803,630)
SUBTOTAL	APCO	776,899	734,861	23,417,533	24,481,276
AEP EXTERNAL	KPCO	224,589	198,826	7,035,524	5,608,247
ENERGY	I&M	575,550	398,595	17,931,206	12,361,533
	OPCO	547,552	813,681	17,592,071	23,463,873
	CSP	535,244	513,870	16,528,007	16,589,412
	AEP	2,659,834	2,659,834	82,504,341	82,504,340
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,237,511	0	29,522,176	0
ENERGY	KPCO	8,231	78,141	201,402	2,324,755
(PAGE 8)	I&M	5,687	624,677	148,387	12,181,354
	OPCO	106	1,021,985	2,261	26,305,890
	CSP	490,755	17,487	11,499,459	561,685
	AEP	1,742,290	1,742,290	41,373,684	41,373,684
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	2,014,410	736,354	52,939,709	24,536,867
	KPCO	232,821	277,205	7,236,926	7,940,993
	I&M	582,090	1,023,557	18,109,952	24,554,034
	OPCO	550,604	1,835,773	17,699,089	49,773,346
	CSP	1,025,999	533,036	28,027,466	17,207,900
	AEP	4,405,924	4,405,924	124,013,141	124,013,140

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the Power Tracker Flow report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Off-System Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Off-System Obligation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: July 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	1,492	0	55,591
COST RECOVERY	KPCO	0	239	0	7,991
ALLOCATED TO	I&M	854	284	30,359	11,147
SPECIAL SERVICE	OPCO	2,946	107	104,757	3,583
CUSTOMERS	CSP	0	1,678	0	56,803
	AEP	<u>3,800</u>	<u>3,800</u>	<u>135,116</u>	<u>135,116</u>
PREVIOUSLY	APCO	0	1,566	0	59,521
ESTIMATED	KPCO	0	217	0	7,033
AMOUNT	I&M	812	319	29,487	12,556
	OPCO	2,728	112	97,983	4,038
	CSP	0	1,327	0	44,321
	AEP	<u>3,540</u>	<u>3,540</u>	<u>127,470</u>	<u>127,470</u>
ADJUSTMENT	APCO	0	(74)	0	(3,930)
TO BE BOOKED	KPCO	0	22	0	958
NEXT MONTH	I&M	42	(35)	872	(1,409)
	OPCO	218	(5)	6,774	(455)
	CSP	0	352	0	12,482
	AEP	<u>260</u>	<u>260</u>	<u>7,646</u>	<u>7,646</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: July 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	43,646,061	44,709,804	65,282,149	21,636,088
KPCO	9,236,359	7,809,082	13,814,978	4,578,619
I&M	25,891,891	20,322,218	38,726,937	12,835,046
OPCO	30,278,389	36,150,191	45,287,897	15,009,508
CSP	25,255,271	25,316,676	37,774,734	12,519,463
TOTAL	134,307,971	134,307,970	200,886,696	66,578,725

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	21,636,088	0.32497
KPCO	0	4,578,619	0.06877
I&M	0	12,835,046	0.19278
OPCO	0	15,009,508	0.22544
CSP	0	12,519,463	0.18804
TOTAL	0	66,578,725	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the Power Tracker report for Sales Tariff Report with Sales Demand & Adjustments.

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0
WESTERN AEP:	0.000% x	0 =	\$0
			\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL	ESTIMATED	ACCOUNT NO.	TO BE BOOKED
				ACCOUNTS	TOTAL	4470.144	NEXT MONTH
APCO	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL	ESTIMATED	ACCOUNT NO.	TO BE BOOKED
				ACCOUNTS	TOTAL	4470.144	NEXT MONTH
PSO	0	0	0	0	0	0	0
SWEPKO	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: July 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	896,089	26,934,494	0.32497	291,202	8,752,902
KPCO	213,509	6,022,408	0.06877	14,683	414,161
I&M	397,457	10,644,655	0.19278	76,622	2,052,077
OPCO	875,337	24,924,885	0.22544	197,336	5,619,066
CSP	583,853	18,938,017	0.18804	109,788	3,561,105
TOTAL	2,966,244	87,464,458	1.00000	689,631	20,399,311

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	192,547	9,332,451	0.32497	62,572	3,032,767
KPCO	0	0	0.06877	0	0
I&M	96,332	4,669,056	0.19278	18,571	900,101
OPCO	175,170	5,368,279	0.22544	39,490	1,210,225
CSP	49,025	1,493,300	0.18804	9,219	280,800
TOTAL	513,073	20,863,086	1.00000	129,852	5,423,893

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	151,156	8,442,859
KPCO	31,988	1,786,674
I&M	89,670	5,008,507
OPCO	104,861	5,857,027
CSP	87,464	4,885,359
TOTAL	465,139	25,980,426

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	504,930	20,228,528
KPCO	46,671	2,200,835
I&M	184,863	7,960,685
OPCO	341,687	12,686,318
CSP	206,471	8,727,264
TOTAL	1,284,622	51,803,630

NOTES:

- (1) The source of the MWh and COST data is the "Unit Cost" Report for Generation and Purchase Power Report for purchases.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ACTUAL: July 2011

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PRIMARY ENERGY		RECEIVED ENERGY	
RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
APCO	1,237,511	23.856	29,522,176
KPCO	8,231	24.467	201,402
I&M	5,687	26.093	148,387
OPCO	106	21.395	2,261
CSP	490,755	23.432	11,499,459
TOTAL ALL MEMBERS RECEIVED	1,742,290	23.747	41,373,684

TOTAL DELIVERED BY MEMBER	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
APCO	0	0.000	0
KPCO	78,141	29.751	2,324,755
I&M	624,677	19.500	12,181,354
OPCO	1,021,985	25.740	26,305,890
CSP	17,487	32.119	561,685
TOTAL ALL MEMBERS DELIVERED:	1,742,290	23.747	41,373,684

SOURCE: Power Tracker calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The used in the hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY **ACTUAL:** July 2011

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	1,237,511	21.482	26,584,313
KPCO	8,231	22.044	181,453
I&M	5,687	23.696	134,754
OPCO	106	19.169	2,025
CSP	490,755	21.059	10,334,580
TOTAL ALL MEMBERS RECEIVED	1,742,290	21.373	37,237,125
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	78,141	28.274	2,209,347
I&M	624,677	17.104	10,684,482
OPCO	1,021,985	23.303	23,815,291
CSP	17,487	30.194	528,005
TOTAL ALL MEMBERS DELIVERED:	1,742,290	21.373	37,237,125

ACTUAL: July 2011

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ECONOMY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

SOURCE: Power Tracker calculates for each hour of the month the MWh of ECONOMY delivered and the associated charges and credits based upon an equal sharing of the savings in expense, then aggregates such hourly data for the month to arrive at the totals reported.

ACCOUNT 151 FUEL COST ASSOCIATED WITH ECONOMY ENERGY ACTUAL: July 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0

TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

July 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	103,477	437,217	0.2367	78	18.4603
	AMOS 2	115,090	500,714	0.2299	135	31.0301
	AMOS 3	92,040	280,887	0.3277	80	26.2141
	CEREDO1	230	454	0.5062	0	0.0000
	CEREDO2	63	137	0.4592	0	0.0000
	CEREDO3	58	131	0.4390	0	0.0000
	CEREDO4	320	570	0.5616	0	0.0000
	CEREDO5	54	129	0.4192	0	0.0000
	CEREDO6	364	697	0.5217	0	0.0000
	CLINCH RIVER 1	22,926	51,047	0.4491	221	99.2538
	CLINCH RIVER 2	37,109	77,233	0.4805	331	159.0372
	CLINCH RIVER 3	21,795	43,991	0.4954	188	93.1431
	GLEN LYN 51	2,843	8,206	0.3465	79	27.3699
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	25,352	60,157	0.4214	442	186.2696
	KANAWHA RIVER 1	53,493	118,272	0.4523	1,098	496.6160
	KANAWHA RIVER 2	52,724	115,135	0.4579	776	355.3532
	MOUNTAINEER 1	271,714	921,946	0.2947	211	62.1855
	SPORN 1	31,479	77,291	0.4073	556	226.4438
	SPORN 3	25,887	60,064	0.4310	433	186.6213
	TOTAL	857,016	2,754,278	0.3112	4,628	1,967.9979
KPCO	BIG SANDY 1	68,174	172,133	0.3961	1,136	449.9145
	BIG SANDY 2	108,116	507,894	0.2129	3,362	715.6728
	ROCKPORT 1 (AEG)	17,702	127,760	0.1386	436	60.4122
	ROCKPORT 2 (AEG)	19,517	111,876	0.1745	382	66.6400
		TOTAL	213,509	919,663	0.2322	5,316
I&M	ROCKPORT 1	58,997	425,759	0.1386	1,457	201.8291
	ROCKPORT 1 (AEG)	41,296	298,000	0.1386	1,019	141.2736
	ROCKPORT 2	65,033	372,844	0.1744	1,270	221.5097
	ROCKPORT 2 (AEG)	45,518	260,966	0.1744	889	155.0513
	TANNERS CREEK 1	21,352	47,872	0.4460	239	106.5992
	TANNERS CREEK 2	23,817	43,876	0.5428	220	119.4235
	TANNERS CREEK 3	50,691	95,976	0.5282	490	258.8001
	TANNERS CREEK 4	90,753	349,334	0.2598	2,546	661.4192
		TOTAL	397,457	1,894,627	0.2098	8,130

ACTUAL: July 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh) (1)	TOTAL GENERATION (MWh) (2)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b) (4)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
OPCO	AMOS 3	184,355	562,613	0.3277	161	52.7558
	CARDINAL 1	39,158	424,523	0.0922	554	51.1012
	CARDINAL 2	11,369	68,151	0.1668	51	8.4322
	CARDINAL 3	23,000	71,612	0.3212	879	282.4369
	GAVIN 1	74,045	850,220	0.0871	1,768	153.9739
	GAVIN 2	76,906	780,260	0.0986	1,458	143.7071
	KAMMER 1	32,907	78,681	0.4182	716	299.4532
	KAMMER 2	29,037	103,232	0.2813	1,043	293.3751
	KAMMER 3	12,211	39,104	0.3123	420	131.1527
	MITCHELL 1	101,715	343,773	0.2959	141	41.7189
	MITCHELL 2	100,241	518,186	0.1934	210	40.6238
	MUSKINGUM 1	22,971	86,921	0.2643	2,648	699.7943
	MUSKINGUM 2	17,609	89,634	0.1965	2,631	516.8702
	MUSKINGUM 3	28,129	109,768	0.2563	3,223	825.9145
	MUSKINGUM 4	24,773	117,945	0.2100	3,509	737.0182
	MUSKINGUM 5	68,105	395,987	0.1720	2,946	506.6734
	SPORN 2	0	0	0.0000	0	0.0000
	SPORN 4	28,807	68,163	0.4226	489	206.6581
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	875,337	4,708,773	0.1859	22,847
CSP	BECKJORD 6	7,749	31,881	0.2431	921	223.8644
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	42	766	0.0552	15	0.8274
	CONESVILLE 4	27,270	130,124	0.2096	89	18.6515
	CONESVILLE 5	114,833	231,104	0.4969	178	88.4465
	CONESVILLE 6	129,496	252,350	0.5132	194	99.5529
	DARBY 1	24	2,196	0.0109	0	0.0000
	DARBY 2	29	2,218	0.0131	0	0.0000
	DARBY 3	39	2,689	0.0145	0	0.0000
	DARBY 4	0	1,356	0.0000	0	0.0000
	DARBY 5	32	932	0.0343	0	0.0000
	DARBY 6	3	1,431	0.0021	0	0.0000
	LAWRENCEBURG 1	40,775	228,375	0.1785	0	0.0000
	LAWRENCEBURG 2	42,224	227,502	0.1856	0	0.0000
	PICWAY 5	16,581	21,784	0.7612	364	277.0631
	STUART 1	19,117	83,372	0.2293	56	12.8409
	STUART 2	21,035	99,100	0.2123	49	10.4010
	STUART 3	22,150	90,438	0.2449	73	17.8788
	STUART 4	23,252	87,026	0.2672	58	15.4967
	WATERFORD	71,129	334,162	0.2129	1	0.2129
	ZIMMER 1	48,073	187,664	0.2562	419	107.3330
		TOTAL	583,853	2,016,470	0.2895	2,417

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: July 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
I. AEP EXTERNAL ENERGY (3)			
APCO	5,105	40,797	35,692
KPCO	3,462	50,361	46,899
I&M	4,973	321,552	316,579
OPCO	12,705	130,582	117,877
CSP	2,329	172,655	170,326
AEP	<u>28,574</u>	<u>715,947</u>	<u>687,373</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	79,036	967	(78,069)
KPCO	31,479	5,703	(25,776)
I&M	71,843	106,113	34,270
OPCO	93,037	4,259	(88,778)
CSP	88,741	45,076	(43,665)
AEP	<u>364,136</u>	<u>162,118</u>	<u>(202,018)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	44,752,181	44,709,804	
KPCO	7,787,959	7,809,082	
I&M	19,971,368	20,322,218	
OPCO	36,121,092	36,150,191	
CSP	25,190,015	25,316,676	
AEP	<u>133,822,615</u>	<u>134,307,970</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	3.00	161.00
(2) APCO \$/Ton:	20.73	1.97
KPCO \$/Ton:	38.96	29.17
I&M \$/Ton:	172.33	237.80
OPCO \$/Ton:	26.16	7.37
CSP \$/Ton:	197.87	81.78

(7) From Power Tracker report "Pool Flow Report - Off-System Allocation"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 06/30/2011

OPERATING COMPANY PERCENTAGE
 JULY 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32497	0.06877	0.19278	0.22544	0.18804

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	<u>APPALACHIAN</u>			<u>KENTUCKY</u>			<u>INDIANA</u>			<u>OHIO</u>			<u>COLUMBUS</u>		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168
08/10	21252	04	16	6201	04	14	1310	12	16	4422	10	14	5097	12	16	4222
07/10	21339	26	16	6024	23	16	1245	23	15	4474	23	14	5232	23	16	4364

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
23208	7542	1596	4474	5232	4364

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.
 A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: July 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,677,000</u>
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	<u>6,377,000</u>
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>1,471,000</u>
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>5,414,000</u>
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	<u>5,428,000</u>
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>8,440,000</u>
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	<u>8,465,000</u>
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	<u>4,857,000</u>
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 July 2011

APPENDIX III

**MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010**

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capability*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 July 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	68,363	4,208,944	3,519,777	288,905	2,988,604	531,174
SPORN (APCO)	137,355	5,335,708	4,623,482	367,274	4,311,108	312,374
KANAWHA RIVER	233,407	7,517,091	6,497,761	478,437	5,977,488	520,272
CLINCH RIVER	172,271	8,965,865	7,366,740	798,941	7,004,078	362,663
AMOS (APCO)	1,218,818	39,424,352	33,031,127	2,900,406	31,452,274	1,578,853
MOUNTAINEER	921,946	26,842,479	22,888,976	1,711,559	21,383,304	1,505,672
CEREDO	2,118	311,146	131,272	52,909	132,323	(1,051)
BEECH RIDGE	3,913	0	0	0	0	0
CAMP GROVE	8,212	0	0	0	0	0
FOWLER RIDGE III	7,998	0	0	0	0	0
GRAND RIDGE II	5,039	0	0	0	0	0
GRAND RIDGE III	4,697	0	0	0	0	0
TOTAL	2,784,137	92,605,585	78,059,135	6,598,431	73,249,179	4,809,956
RATES:		29.222	28.037	1.185	26.309	1.728
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	680,027	23,771,877	21,354,545	1,039,526	20,903,371	451,174
ROCKPORT 1 (AEG)	127,785	3,122,227	2,804,759	210,529	2,678,115	126,644
ROCKPORT 2 (AEG)	111,876	4,310,592	2,538,508	77,848	2,421,815	116,693
TOTAL	919,688	31,204,697	26,697,812	1,327,903	26,003,302	694,510
RATES:		29.751	29.029	0.722	28.274	0.755
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	537,058	17,409,829	16,778,029	1,126,352	15,313,777	1,464,252
ROCKPORT 1 (OWNED SHARE)	425,744	10,402,351	9,344,639	701,423	8,922,699	421,940
ROCKPORT 1 (AEG)	297,990	7,280,881	6,540,560	490,944	6,245,233	295,327
ROCKPORT 2 (AEG)	260,966	10,055,043	5,921,414	181,591	5,649,213	272,202
ROCKPORT 2 (LEASED SHARE)	372,844	14,365,713	8,459,967	259,440	8,071,071	388,896
COOK	1,552,328	25,976,484	14,969,457	8,131,800	14,969,457	0
FOWLER RIDGE I	7,940	0	0	0	0	0
FOWLER RIDGE II	4,631	0	0	0	0	0
SUM	3,459,501	85,490,300	62,014,067	10,891,551	59,171,450	2,842,617
COAL CONVERSION	0	0	0	0	0	0
TOTAL	3,459,501	85,490,300	62,014,067	10,891,551	59,171,450	2,842,617
RATES:		19.500	17.926	1.574	17.104	0.822
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	68,163	3,825,517	2,409,694	694,773	2,194,937	214,756
MUSKINGUM	800,255	25,576,412	22,179,722	1,471,826	21,838,159	341,562
KAMMER	221,017	9,422,280	7,825,167	979,481	7,333,654	491,513
CARDINAL (OPCO)	564,286	14,669,849	11,588,717	1,167,494	10,821,806	766,910
MITCHELL	861,959	27,276,785	22,485,003	2,041,660	21,626,318	858,685
AMOS (OPCO)	562,613	17,819,548	15,562,965	1,215,295	14,974,833	588,132
GAVIN	1,630,480	44,836,978	34,308,764	2,414,792	31,073,772	3,234,992
FOWLER RIDGE II	4,631	0	0	0	0	0
Wyandot	1,088	0	0	0	0	0
TOTAL	4,714,492	143,427,369	116,360,030	9,985,321	109,863,479	6,496,551
RATES:		25.740	24.681	1.059	23.303	1.378
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	614,344	23,312,390	18,400,142	1,597,758	17,291,090	1,109,052
PICWAY	21,784	1,453,747	1,156,669	63,163	1,092,985	63,684
BECKJORD	31,881	876,902	743,740	105,046	676,578	67,162
STUART	359,936	12,308,583	9,842,189	1,396,288	9,527,693	314,496
ZIMMER	187,664	5,987,024	4,719,678	586,698	4,543,985	175,693
WATERFORD	334,162	12,055,059	11,432,730	10,993	11,431,485	1,244
DARBY	10,822	1,047,885	759,937	23,215	763,379	(3,443)
LAWRENCEBURG	455,877	17,047,856	15,768,585	457,586	15,723,467	45,119
FOWLER RIDGE II	4,631	0	0	0	0	0
Wyandot	855	0	0	0	0	0
TOTAL	2,021,956	74,089,446	62,823,670	4,240,747	61,050,662	1,773,008
RATES:		32.120	31.071	1.049	30.194	0.877
SYSTEM TOTAL	13,899,774	426,817,397	345,954,714	33,043,953	329,338,071	16,616,643

ACTUAL: July 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	92,605,585	73,249,179	4,809,956	6,598,431	3,299,216
KPCO	31,204,697	26,003,302	694,510	1,327,903	663,952
I&M	85,490,300	59,171,450	2,842,617	10,891,551	5,445,775
OPCO	143,427,369	109,863,479	6,496,551	9,985,321	4,992,661
CSP	74,089,446	61,050,662	1,773,008	4,240,747	2,120,374
TOTAL	426,817,397	329,338,071	16,616,643	33,043,953	16,521,978

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	8,109,172	2,784,137	2,784,137	29.222
KPCO	1,358,462	919,688	919,688	29.751
I&M	8,288,392	3,459,501	3,459,501	19.500
OPCO	11,489,212	4,714,492	4,714,492	25.740
CSP	3,893,382	2,021,956	2,021,956	32.119
TOTAL	33,138,621	13,899,774	13,899,774	26.078

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	11,247,234	5,677,000	1.98
KPCO	3,842,933	1,471,000	2.61
I&M	18,030,458	5,414,000	3.33
OPCO	22,074,678	8,440,000	2.62
CSP	9,145,402	4,857,000	1.88
TOTAL	64,340,705	25,859,000	2.49

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: July 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	74,247	76,184	74,698	67,828	0	8,807
	KPCO	15,714	16,105	15,809	14,352	0	1,848
	I&M	44,044	45,145	44,311	40,236	0	5,176
	OPCO	181,468	176,968	161,663	178,039	20,876	0
	CSP	42,963	44,034	43,221	39,247	0	5,045
	TOTAL	358,436	358,436	339,702	339,702	20,876	20,876
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	56,813,622	0	58,476,553	1,662,930	0
	KPCO	0	12,022,872	0	12,374,781	351,909	0
	I&M	0	33,703,204	0	34,689,694	986,490	0
	OPCO	0	39,413,063	0	40,566,680	1,153,617	0
	CSP	0	32,874,522	0	33,836,757	962,235	0
	East. AEP (Co. 122)	174,827,284	0	179,944,465	0	0	5,117,181
	TOTAL	174,827,284	174,827,284	179,944,465	179,944,465	5,117,181	5,117,181
<hr/>							
THIRD PARTY SALES (2)	APCO	1,373,107	0	1,327,693	0	202,356	156,942
	KPCO	290,578	0	280,967	0	42,823	33,211
	I&M	814,560	0	787,623	0	120,040	93,103
	OPCO	952,561	0	921,059	0	140,379	108,877
	CSP	794,534	0	768,259	0	117,091	90,816
	East. AEP (Co. 122)	0	4,225,340	0	4,085,601	482,949	622,688
	TOTAL	4,225,340	4,225,340	4,085,601	4,085,601	1,105,637	1,105,637
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GROSS TOTAL	APCO	1,373,107	56,813,622	1,327,693	58,476,553	1,865,287	156,942
	KPCO	290,578	12,022,872	280,967	12,374,781	394,731	33,211
	I&M	814,560	33,703,204	787,623	34,689,694	1,106,530	93,103
	OPCO	952,561	39,413,063	921,059	40,566,680	1,293,996	108,877
	CSP	794,534	32,874,522	768,259	33,836,757	1,079,325	90,816
	East. AEP (Co. 122)	174,827,284	4,225,340	179,944,465	4,085,601	482,949	5,739,869
	TOTAL	179,052,624	179,052,624	184,030,066	184,030,066	6,222,818	6,222,818
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NET TOTAL	APCO	0	55,440,515	0	57,148,860	1,708,345	0
	KPCO	0	11,732,294	0	12,093,814	361,520	0
	I&M	0	32,888,644	0	33,902,071	1,013,426	0
	OPCO	0	38,460,502	0	39,645,621	1,185,119	0
	CSP	0	32,079,988	0	33,068,498	988,510	0
	East. AEP (Co. 122)	170,601,944	0	175,858,863	0	0	5,256,920
	TOTAL	170,601,944	170,601,944	175,858,863	175,858,863	5,256,920	5,256,920

NOTES: (1) Source is Power Tracker reports, Pool Flow and Purchase Power with Demand Charge and Adjustments.
 (2) Source is Appendix VII.

ACTUAL:	Exp Code	Customer	ACCT	AGNT	CO.	ACTUAL BILLS	AMOUNT DUE (TO)/FROM AGENT						NET				
							MLR	APCO	KPCO	I&M	OPCO	CSP		APCO	KPCO	I&M	OPCO
		Accounts Payable				228,475	74,247	15,714	44,044	51,506	42,963	228,474	74,247	(15,714)	(44,044)	176,948	(42,963)
		Progress Energy	4470066	07		3,239	1,053	223	624	730	609	3,239	(1,053)	(223)	(624)	2,509	(609)
		Duke Energy Ohio	4470066	07	(1)	5,336	1,734	367	1,029	1,203	1,003	5,336	(1,734)	(367)	(1,029)	4,133	(1,003)
		Duke Energy Ohio	4470066	07	(5)	13,618	4,425	937	2,626	3,070	2,561	13,618	(4,425)	(937)	(2,626)	10,948	(2,561)
		DTE Energy Trading, Inc.	4470066	07	(5)	8,591	2,824	598	1,676	1,909	1,634	8,591	(2,824)	(598)	(1,676)	6,732	(1,634)
		Energy Power Serv	4470066	07		796	259	58	153	179	180	796	(259)	(58)	(153)	617	(180)
		Midwest Retail	4470066	07	(2)	129,007	41,924	8,872	24,869	29,083	24,259	129,007	(41,924)	(8,872)	(24,869)	99,954	(24,259)
		MISO Trading	4470066	07	(4)	59,846	19,485	4,117	11,541	13,497	11,288	59,846	(19,485)	(4,117)	(11,541)	46,371	(11,288)
		TVA Bulk Power Trading	4470066	07		7,919	2,873	545	1,827	1,785	1,489	7,919	(2,873)	(545)	(1,827)	6,134	(1,489)

AEP SYSTEM MLR ALLOCATION OF PASS-THROUGH RECEIPTS FOR TRANSMISSION SERVICE

ACTUAL:	Exp Code	Customer	ACCT	AGNT	CO.	ACTUAL BILLS	AMOUNT DUE (TO)/FROM AGENT						NET				
							MLR	APCO	KPCO	I&M	OPCO	CSP		APCO	KPCO	I&M	OPCO
		Accounts Receivable				(210,183)	(68,294)	(14,452)	(40,913)	(47,376)	(39,517)	(210,182)	(68,284)	(14,446)	(40,913)	(39,517)	44,034
		City of Lebanon	4470066	07	(1),(2)	(129,007)	(41,923)	(8,872)	(24,870)	(29,083)	(24,259)	(129,007)	(41,923)	(8,872)	(24,870)	(29,083)	24,259
		Village of Creswell	4470066	07	(9),(5)	(17,742)	(5,766)	(1,220)	(3,420)	(4,000)	(3,396)	(17,742)	(5,766)	(1,220)	(3,420)	(4,000)	3,336
		Village of Sawtooth	4470066	07	(4),(5)	(17,087)	(5,553)	(1,176)	(3,294)	(3,852)	(3,213)	(17,087)	(5,553)	(1,176)	(3,294)	(3,852)	3,213
		Bethel	4470066	07	(3),(6)	(5,669)	(5,092)	(1,078)	(3,021)	(3,592)	(2,946)	(5,669)	(5,092)	(1,078)	(3,021)	(3,592)	2,946
		Hammersville	4470066	07	(4),(6)	(2,535)	(824)	(174)	(489)	(571)	(477)	(2,535)	(824)	(174)	(489)	(571)	477
		Ripley	4470066	07	(9),(6)	(10,599)	(3,477)	(736)	(2,062)	(2,412)	(2,012)	(10,599)	(3,477)	(736)	(2,062)	(2,012)	2,012
		Town of Hagerstown	4470066	07	(4),(6)	(17,413)	(5,659)	(1,197)	(3,357)	(3,926)	(3,274)	(17,413)	(5,659)	(1,197)	(3,357)	(3,926)	3,274

MARCH 2011 CORRECTING ENTRY

ACTUAL:	Exp Code	Customer	ACCT	AGNT	CO.	ACTUAL BILLS	AMOUNT DUE (TO)/FROM AGENT						NET				
							MLR	APCO	KPCO	I&M	OPCO	CSP		APCO	KPCO	I&M	OPCO
		Correcting Entry for March 2011				(24,112.42)	(7,890)	(1,653)	(4,632)	(5,420)	(4,517)	(24,112)	(7,890)	(1,653)	(4,632)	(5,420)	4,517
		Bethel	4470066	07	(7)	(6,344)	(2,731)	(672)	(1,663)	(1,878)	(1,563)	(6,344)	(2,731)	(672)	(1,663)	(1,878)	1,563
		Hammersville	4470066	07	(7)	(2,085)	(683)	(145)	(401)	(469)	(390)	(2,085)	(683)	(145)	(401)	(469)	390
		Ripley	4470066	07	(7)	(6,289)	(2,047)	(429)	(1,202)	(1,407)	(1,173)	(6,289)	(2,047)	(429)	(1,202)	(1,407)	1,173
		Town of Hagerstown	4470066	07	(7)	(7,424)	(2,429)	(509)	(1,426)	(1,669)	(1,391)	(7,424)	(2,429)	(509)	(1,426)	(1,669)	1,391

Notes: (1) A portion of Duke Ohio 4470066 invoice is charged back to CLEB2 (\$0)

(2) The MISO retail invoice is charged back to CLEB2 (\$129,007)

(3) \$0 of the ENTE Invoice will be allocated to PSO/SWPCO - See Appendix VIII Page 4

(4) A portion of MISO Trading 4470066 is passed through to Sawtooth, Light & Water (\$12,726.47), Creswell (\$13,411.30), Hagerstown (\$11,017.25), Bethel (\$10,821.81), Hammersville (\$1,454.67), Ripley (\$,205.06).

(5) DTE Invoice is passed through to SEBE2 (\$4,340.17) and CLEVEL (\$4,331.04) respectively.

APCO	KPCO	I&M	OPCO	CSP
1,082,60098	222,75084	624,42791	730,21954	609,07472
1,733,94883	366,93746	1,026,62010	1,202,86672	1,003,32879
4,425,95697	936,49198	2,626,22792	3,069,99331	2,565,67983
2,824,38221	597,69451	1,675,49146	1,959,34638	1,634,29513
298,70037	54,74711	153,47023	179,47093	145,69676
41,923,84779	8,871,84165	24,870,05428	29,083,43727	24,258,95902
19,485,40795	4,117,14437	11,541,44473	13,496,7406	11,287,63889
2,873,46593	844,59681	1,926,64410	1,785,28190	1,489,10755

(41,923,84779)	(8,871,84165)	(24,870,05428)	(29,083,43727)	(24,258,95902)
(5,765,7473)	(1,220,14485)	(3,420,37987)	(3,959,44666)	(3,334,28090)
(5,552,64940)	(1,175,04823)	(3,293,96246)	(3,882,01212)	(3,212,97179)
(5,092,05642)	(1,077,59051)	(3,020,73537)	(3,532,49600)	(2,946,46269)
(823,84120)	(174,34089)	(488,72336)	(571,51971)	(476,70585)
(3,476,95152)	(736,79086)	(2,062,61005)	(2,412,95019)	(2,011,89437)
(5,658,62137)	(1,197,47482)	(3,355,82995)	(3,925,53096)	(3,274,29351)

ACTUAL: July 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
ENERGY (1)						
I.	ACTUAL THIS MONTH	APCO	356,779	355,141	18,762,523	18,447,210
		KPCO	75,521	75,253	3,970,518	3,903,790
		I&M	211,547	210,598	11,130,375	10,943,327
		OPCO	247,447	246,248	13,016,040	12,797,302
		CSP	206,491	205,431	10,856,707	10,674,256
		TOTAL	1,097,785	1,092,671	57,736,164	56,765,885
II.	PREVIOUS ESTIMATE	APCO	357,071	357,647	18,718,549	18,598,533
		KPCO	75,581	75,785	3,961,212	3,935,813
		I&M	211,721	212,084	11,104,291	11,033,095
		OPCO	247,651	247,984	12,985,536	12,902,278
		CSP	206,661	206,879	10,831,262	10,761,817
		TOTAL	1,098,685	1,100,379	57,600,850	57,231,536
III.	ADJUSTMENT (I-II)	APCO	(292)	(2,506)	43,974	(151,323)
		KPCO	(60)	(532)	9,306	(32,023)
		I&M	(174)	(1,486)	26,084	(89,768)
		OPCO	(204)	(1,736)	30,504	(104,976)
		CSP	(170)	(1,448)	25,445	(87,561)
		TOTAL	(900)	(7,708)	135,314	(465,651)
EXERCISED OPTIONS & PREMIUMS (2)						
			<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
					<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
			<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>
I.	ACTUAL THIS MONTH	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS ESTIMATE	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT (I-II)	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: July 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
		PURCHASES	REVENUES	PURCHASES	REVENUES
		4210.032	4210.031	4210.032	4210.031
ACTUAL THIS MONTH	APCO	6,060	6,004	270,050	240,990
	KPCO	1,299	1,262	57,148	50,998
	I&M	3,605	3,572	160,200	142,961
	OPCO	4,196	4,157	187,341	167,181
	CSP	3,486	3,480	156,261	139,446
	TOTAL	18,646	18,475	831,000	741,576
PREVIOUS ESTIMATE	APCO	6,045	6,045	268,555	242,496
	KPCO	1,296	1,271	56,832	51,317
	I&M	3,596	3,596	159,313	143,854
	OPCO	4,185	4,185	186,304	168,226
	CSP	3,478	3,503	155,396	140,317
	TOTAL	18,600	18,600	826,400	746,210
ADJUSTMENT (I-II)	APCO	15	(41)	1,495	(1,506)
	KPCO	3	(9)	316	(319)
	I&M	9	(24)	887	(893)
	OPCO	11	(28)	1,037	(1,045)
	CSP	8	(23)	865	(871)
	TOTAL	46	(125)	4,600	(4,634)

BROKERS' COMMISSIONS (3)		ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
		RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
		CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
		ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
ACTUAL THIS MONTH	APCO	0	663	166	17,386	(16,116)
	KPCO	0	140	35	3,679	(3,411)
	I&M	0	393	98	10,314	(9,561)
	OPCO	0	460	115	12,061	(11,180)
	CSP	0	384	96	10,060	(9,326)
	TOTAL	0	2,040	510	53,501	(49,593)
PREVIOUS ESTIMATE	APCO	0	642	162	17,243	(15,898)
	KPCO	0	136	34	3,649	(3,365)
	I&M	0	381	96	10,230	(9,432)
	OPCO	0	445	112	11,962	(11,029)
	CSP	0	372	93	9,978	(9,199)
	TOTAL	0	1,976	497	53,062	(48,923)
ADJUSTMENT (I-II)	APCO	0	21	4	143	(218)
	KPCO	0	4	1	30	(46)
	I&M	0	12	2	84	(129)
	OPCO	0	15	3	99	(151)
	CSP	0	12	3	82	(127)
	TOTAL	0	64	13	439	(670)

(5)	COSTS		COSTS		REVENUES		REVENUES		COST		Total PFM/MSO Non-ER Energy Revenue - Cost
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	
	Act. 3634.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 5650.002				
0	5,599	(309,602)	5,599	7,589,269	11,327	0	0	(718,582)			
0	1,269	(69,518)	1,276	1,563,802	2,397	0	0	(12,603)			
0	3,588	(183,663)	3,298	4,382,898	6,719	0	0	(63,103)			
0	4,161	(214,779)	3,896	5,129,431	7,588	0	0	(98,393)			
0	3,471	(179,147)	3,217	4,275,133	6,584	0	0	(615,688)			
0	18,469	(952,708)	17,105	22,730,233	34,884	0	0	(2,210,998)			
0	5,972	(309,567)	5,541	7,317,243	11,327	0	0	(875,938)			
0	1,264	(68,511)	1,173	1,548,472	2,397	0	0	(185,214)			
0	3,545	(183,543)	3,287	4,340,764	6,719	0	0	(89,384)			
0	4,143	(214,754)	3,844	5,076,189	7,588	0	0	(697,170)			
0	2,458	(129,126)	3,206	4,254,035	6,584	0	0	(609,444)			
0	18,378	(982,601)	17,081	22,516,673	34,884	0	0	(2,092,288)			
0	27	(30)	18	71,026	(6)	0	0	196,842			
0	5	(7)	3	15,030	(6)	0	0	31,211			
0	15	(20)	11	42,134	0	0	0	93,103			
0	18	(25)	12	49,272	(6)	0	0	103,877			
0	15	(21)	11	41,098	0	0	0	90,518			
0	81	(107)	54	218,560	(1)	0	0	482,949			

ACTUAL: July 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	315,313	0	120,016	0	195,297	0
	KPCO	66,728	0	25,399	0	41,329	0
	I&M	187,048	0	71,196	0	115,852	0
	OPCO	218,738	0	83,258	0	135,480	0
	CSP	182,451	0	69,445	0	113,006	0
	East. AEP (Co.122)	0	970,279	0	369,314	0	600,965
	TOTAL	970,279	970,279	369,314	369,314	600,965	600,965
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	29,060	0	26,059	0	3,001	0
	KPCO	6,150	0	5,515	0	635	0
	I&M	17,239	0	15,459	0	1,780	0
	OPCO	20,160	0	18,078	0	2,082	0
	CSP	16,815	0	15,079	0	1,736	0
	East. AEP (Co.122)	0	89,424	0	80,190	0	9,234
	TOTAL	89,424	89,424	80,190	80,190	9,234	9,234
BROKERS' COMMISSIONS (3)	APCO	34,330	0	33,945	0	385	0
	KPCO	7,265	0	7,184	0	81	0
	I&M	20,366	0	20,139	0	227	0
	OPCO	23,817	0	23,548	0	269	0
	CSP	19,865	0	19,642	0	223	0
	East. AEP (Co.122)	0	105,644	0	104,458	0	1,186
	TOTAL	105,644	105,644	104,458	104,458	1,186	1,186
POWER SWAPS	APCO	276,122	0	272,449	0	3,673	0
	KPCO	58,433	0	57,655	0	778	0
	I&M	163,803	0	161,623	0	2,180	0
	OPCO	191,553	0	189,005	0	2,548	0
	CSP	159,774	0	157,649	0	2,125	0
	East. AEP (Co.122)	0	849,685	0	838,381	0	11,303
	TOTAL	849,685	849,685	838,381	838,381	11,303	11,303
PJM/MISO NON-ECR ENERGY	APCO	718,282	0	875,224	0	0	156,942
	KPCO	152,003	0	185,214	0	0	33,211
	I&M	426,103	0	519,206	0	0	93,103
	OPCO	498,293	0	607,170	0	0	108,877
	CSP	415,628	0	506,444	0	0	90,816
	East. AEP (Co.122)	0	2,210,309	0	2,693,258	482,949	0
	TOTAL	2,210,309	2,210,309	2,693,258	2,693,258	482,949	482,949
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,373,107	0	1,327,693	0	202,356	156,942
	KPCO	290,578	0	280,967	0	42,823	33,211
	I&M	814,560	0	787,623	0	120,040	93,103
	OPCO	952,561	0	921,059	0	140,379	108,877
	CSP	794,534	0	768,259	0	117,091	90,816
	East. AEP (Co.122)	0	4,225,340	0	4,085,601	482,949	622,688
	TOTAL	4,225,340	4,225,340	4,085,601	4,085,601	1,105,637	1,105,637

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: July 2011
 (3) Actual commissions paid in: July 2011

APPENDIX IX

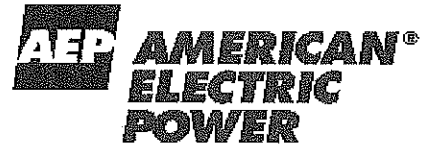
NJM CHARGES TRANSFERRED FROM nMARKET to AEE

NJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	NJM CHARGES
									FOR EAST ZONE SIA
AEPSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	23,085,757	4,887,670	13,710,996	16,049,369	13,344,426	71,077,818	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	60,591	12,822	95,944	42,034	35,060	186,452	East Zone SIA	
Schedule 9 & 10	5614001	542,067	114,712	321,267	376,046	313,661	1,668,053	ne	
Schedule 9 & 10	5618000	4,311	912	2,557	2,990	2,494	13,265	East Zone SIA	
Schedule 9 & 10	5618001	38,544	8,161	22,877	26,783	22,314	118,668	ne	
Schedule 9 & 10	5757000	58,082	12,291	34,454	40,293	33,608	178,730	East Zone SIA	
Schedule 9 & 10	5757001	519,619	109,962	308,250	360,473	300,671	1,598,975	ne	
Schedule 9 & 10	5618000	3,223	682	1,912	2,236	1,865	9,917	East Zone SIA	
Schedule 9 & 10	5618001	28,832	6,101	17,104	20,002	16,683	88,723	ne	
Schedule 9 & 10	5618000	4,890	1,038	2,901	3,392	2,829	15,047	East Zone SIA	
Schedule 9 & 10	5618001	43,745	9,257	25,281	30,347	25,313	134,614	ne	
Schedule 9 MMU	5757000	4,423	936	2,624	3,068	2,589	13,610	East Zone SIA	
Schedule 9 MMU	5757001	39,568	8,373	23,473	27,450	22,896	121,760	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	5	1	3	3	3	15	East Zone SIA	
Transmission Owner Scheduling System	4470110	1,124	238	667	780	651	3,460	East Zone SIA	
Power Factor Charges	5550089	105	22	63	73	61	325	East Zone SIA	
Other Supporting Facilities Charge	4470107	14,461	3,060	8,579	10,032	8,368	44,500	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124							East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115							East Zone SIA	
Incremental Implicit Congestion - OSS	4470126	47,417	10,054	29,129	32,894	27,437	149,912	N	
Implicit Congestion - LSE	4470093							N	
Indovertent - OSS	5550039							N	
Indovertent - LSE	5550040							East Zone SIA	
Misc Credits	4470107	(1)	(0)	(1)	(1)	(1)	(4)	East Zone SIA	
Meter Correction - LSE	4470116	15,045	3,184	8,925	10,437	8,706	46,297	N	
Incremental Implicit Congestion - LSE (Revised of June 2011 Entry)	4470093	275,673	58,338	163,536	191,242	159,515	846,304	East Zone SIA	
Incremental Implicit Congestion - OSS (Corrected June 2011 Entry)	4470126	276,023	58,412	163,744	191,484	159,718	849,380	N	
Misc Credits (Corrected June 2011 Entry)	4470107	(0)					(0)	N	
Meter Correction - LSE (Corrected June 2011 Entry)	4470116	(158,811)	(33,608)	(94,211)	(110,172)	(91,894)	(488,694)	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	1	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470098							N	
Other Supporting Facilities reclass (BCK)	4470141	19,229	4,069	11,407	13,340	11,127	59,172	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470126	(19,229)	(4,069)	(11,407)	(13,340)	(11,127)	(59,172)	N	
Load Management Test Failure (BCK)	4470141							East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141							East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SCG)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS SCG)	4470098							East Zone SIA	
Balancing Operating Reserve (LSE (NON & OCG))	4470039							East Zone SIA	
RPM Auction Credit (OSS SCG)	4470039							East Zone SIA	
Transmission Congestion Target Credit (LSE SCG)	4470101	(2,354,346)	(498,226)	(1,396,654)	(1,633,270)	(1,362,314)	(7,244,810)	East Zone SIA	
Transmission Congestion Target Credit (OSS SCG)	4470100	(261,445)	(65,327)	(185,056)	(181,371)	(151,282)	(804,522)	East Zone SIA	
Transmission Congestion Target Credit (TDG SCG)	4470109	(59,822)	(33,821)	(94,810)	(110,673)	(92,479)	(491,866)	East Zone SIA	
<i>PJM TEA Charge Reclass (NLR)</i>									
Transmission Enhancement Charge	4560012	(1,307,476)	(276,687)	(775,626)	(907,029)	(796,555)	(4,023,372)	N	
RTO Start-up Cost Recovery Charge	4561002	(50,490)	(12,167)	(40,107)	(57,322)	(20,171)	(180,257)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(31,519)	(7,596)	(25,037)	(35,784)	(12,592)	(112,528)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	171,183	78,550	220,195	257,499	214,781	1,142,208	East Zone SIA	
<i>PJM TEA Charge Reclass (L2CP)</i>									
Transmission Enhancement Charge	4560012	1,261,111	241,805	723,360	798,760	668,771	3,693,807	No	
RTO Start-up Cost Recovery Charge	4561002	62,729	12,286	29,517	41,216	34,508	180,257	East Zone SIA	
Expansion Cost Recovery Charge	4561003	39,160	7,670	18,426	25,729	21,542	112,528	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(390,518)	(74,998)	(220,980)	(248,038)	(207,673)	(1,142,208)	N	
TOTAL NJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		22,083,282	4,654,085	13,072,832	15,260,744	12,739,481	67,804,424		
TOTAL NJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		24,942,785	5,238,039	14,777,418	17,239,943	14,384,369	76,602,554		
TOTAL NJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(2,859,603)	(603,954)	(1,704,586)	(1,979,199)	(1,690,888)	(8,798,131)		

NJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

NJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	NJM CHARGES
									FOR EAST ZONE SIA
<i>PJM Allocations GL Submit Summary</i>									
TOTAL NJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	1,217,536	257,781	723,139	846,540	703,740	3,748,736	Various	5,052,150
TOTAL NJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		1,217,536	257,781	723,139	846,540	703,740	3,748,736		
TOTAL NJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		1,295,984	265,915	745,932	873,180	725,999	3,867,010		
TOTAL NJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(88,448)	(8,134)	(22,793)	(26,640)	(22,259)	(118,274)		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	NJM CHARGES
									FOR EAST ZONE SIA
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SC6 and BCK	Various	103,516	21,914	61,462	71,930	59,850	318,673.20	Various	1,148,592
<i>Buckeye GL Entities</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470099							East Zone SIA	
PJM Service Fee	4470143	(341,219)	(72,209)	(202,419)	(236,712)	(197,442)	(1,050,000.00)	East Zone SIA	
Reactive Supply and Voltage Control Credit (Expense)	5550075	32,907	6,964	19,621	22,828	19,041	101,260.75	No	
Regulation Credit (Expense)	5550078	34,904	7,386	20,706	24,214	20,197	107,407.95	No	
Spinning Reserve - Credit	5550084	166	35	98	115	96	509.76	No	
Buckeye Pass-Through	4470141	(3,551,845)	(751,766)	(2,107,907)	(2,465,911)	(2,054,460)	(10,931,830.32)	No	
Transmission Loss Credit	4470208	(223)	(47)	(132)	(159)	(129)	(686.67)	East Zone SIA	
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,721,794)	(787,723)	(2,208,671)	(2,583,650)	(2,152,848)	(11,454,725)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,850,704)	(772,677)	(2,186,886)	(2,534,343)	(2,111,723)	(11,235,933)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(71,090)	(15,045)	(42,185)	(49,347)	(41,125)	(218,792)		



Date August 2011

Subject East Interchange Power Statement and Related Data
August 2011 Actual

Reviewer: Michael L Martin
10/3/2011

Approved Richard Quaintance
10/3/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of August 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
August 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
Commercial Operations
Pool Settlements Group

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ACTUAL: August 2011

PAGE (1)

		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	2,049,499	691,768	77,711,949	23,728,253
	BILLING	KPCO	219,214	193,626	10,608,652	5,228,194
	AMOUNT	I&M	498,745	1,350,259	16,011,848	32,190,025
		OPCO	474,457	1,486,490	15,642,335	73,357,397
		CSP	915,760	435,532	28,789,835	14,260,750
	TOTAL		4,157,675	4,157,675	148,764,619	148,764,620
II.	PREVIOUSLY	APCO	2,022,672	678,765	76,295,596	22,615,494
	ESTIMATED	KPCO	240,655	198,063	10,825,534	5,479,550
	BILLING	I&M	499,677	1,351,793	15,384,203	32,199,476
	AMOUNT	OPCO	474,956	1,491,319	15,053,474	72,461,033
		CSP	910,040	428,060	28,251,327	13,054,579
	TOTAL		4,148,000	4,148,000	145,810,134	145,810,132
III.	ADJUSTMENT	APCO	26,828	13,002	1,416,353	1,112,759
	TO BE BOOKED	KPCO	(21,441)	(4,437)	(216,882)	(251,356)
	NEXT MONTH	I&M	(932)	(1,534)	627,645	(9,451)
	(I - II)	OPCO	(499)	(4,829)	588,861	896,364
		CSP	5,720	7,472	538,508	1,206,172
	TOTAL		9,675	9,675	2,954,485	2,954,488
IV.	ADJUSTMENT FOR TRANSMISSION			APCO	10,322	0
	SERVICE (PURCHASES) TO BE			KPCO	2,183	0
	BOOKED NEXT MONTH			I&M	6,619	0
	(SEE APPENDIX VI)			OPCO	0	25,512
				CSP	6,388	0
	TOTAL				25,512	25,512
V.	ADJUSTMENT TO ALLOCATION OF			APCO	0	0
	TRADING & MARKETING REALIZATION			KPCO	0	0
	TO BE BOOKED NEXT MONTH			I&M	0	0
	(SEE PAGE 6B)			OPCO	0	0
				CSP	0	0
				West. AEP	0	0
	TOTAL				0	0
VI.	ADJUSTMENT FOR PJM CHARGES			APCO	270,160	0
	TRANSFERRED FROM			KPCO	65,436	0
	nMARKET TO AEE (NON-ECR)			I&M	220,482	0
	TO BE BOOKED NEXT MONTH			OPCO	208,015	0
	(SEE APPENDIX IX)			CSP	0	5,396
				East. AEP (Co. 122)	5,396	764,093
	TOTAL				769,488	769,488
VII.	ADJUSTMENT FOR PJM CHARGES			APCO	33,869	0
	(NON-ECR) FROM INVOICE			KPCO	7,167	0
	TO BE BOOKED NEXT MONTH			I&M	21,727	0
	(SEE APPENDIX IX)			OPCO	24,904	0
				CSP	20,963	0
				East. AEP (Co. 122)	0	108,631
	TOTAL				108,631	108,631

ACTUAL: August 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	7,413
	KPCO	0	1,569
	I&M	0	4,757
	OPCO	0	5,454
	CSP	0	4,584
	East. AEP (Co. 122)	23,777	0
	TOTAL	23,777	23,777
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	40,813,878
	KPCO	0	8,636,340
	I&M	0	26,176,026
	OPCO	0	30,000,867
	CSP	0	25,266,354
	East. AEP (Co.122)	130,893,465	0
	TOTAL	130,893,465	130,893,465
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	40,949,113
	KPCO	0	8,664,960
	I&M	0	26,262,765
	OPCO	0	30,100,282
	CSP	0	25,350,079
	East. AEP (Co.122)	131,327,199	0
	TOTAL	131,327,199	131,327,199
XI. ADJUSTMENT FOR RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	135,235	0
	KPCO	28,620	0
	I&M	86,740	0
	OPCO	99,415	0
	CSP	83,725	0
	East. AEP (Co.122)	0	433,734
	TOTAL	433,734	433,734

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: August 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kw	\$/kw	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(1,916,500)	13.60	26,070,502	0	51,641,447	23,728,253
	BILLING	KPCO	(283,900)	13.60	3,861,944	0	6,746,708	5,228,194
	AMOUNT	I&M	108,900	14.76	0	1,607,364	16,011,848	30,582,661
		OPCO	2,368,700	13.55	0	32,095,885	15,642,335	41,261,512
		CSP	(277,200)	13.60	3,770,803	0	25,019,032	14,260,750
	TOTAL				33,703,249	33,703,249	115,061,370	115,061,371
II.	PREVIOUSLY	APCO			25,833,885	0	50,461,711	22,615,494
	ESTIMATED	KPCO			3,826,893	0	6,998,641	5,479,550
	BILLING	I&M			0	1,665,925	15,384,203	30,533,551
	AMOUNT *	OPCO			0	31,731,431	15,053,474	40,729,602
		CSP			3,736,579	0	24,514,748	13,054,579
	TOTAL				33,397,357	33,397,356	112,412,777	112,412,776
IV.	ADJUSTMENT	APCO			236,617	0	1,179,736	1,112,759
	TO BE BOOKED	KPCO			35,051	0	(251,933)	(251,356)
	NEXT MONTH	I&M			0	(58,561)	627,645	49,110
	(I - II + III)	OPCO			0	364,454	588,861	531,910
		CSP			34,224	0	504,284	1,206,172
	TOTAL				305,892	305,893	2,648,593	2,648,595
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				CHARGE	CREDIT			
				FROM POOL	TO POOL	(7)	(8)	
I.	ACTUAL	APCO			2,049,499	691,768	77,711,949	23,728,253
	BILLING	KPCO			219,214	193,626	10,608,652	5,228,194
	AMOUNT	I&M			498,745	1,350,259	16,011,848	32,190,025
		OPCO			474,457	1,486,490	15,642,335	73,357,397
		CSP			915,760	435,532	28,789,835	14,260,750
	TOTAL				4,157,675	4,157,675	148,764,619	148,764,620
II.	PREVIOUSLY	APCO			2,022,672	678,765	76,295,596	22,615,494
	ESTIMATED	KPCO			240,655	198,063	10,825,534	5,479,550
	& ENERGY	I&M			499,677	1,351,793	15,384,203	32,199,476
	BILLING	OPCO			474,956	1,491,319	15,053,474	72,461,033
	AMOUNT	CSP			910,040	428,060	28,251,327	13,054,579
	TOTAL				4,148,000	4,148,000	145,810,134	145,810,132
IV.	ADJUSTMENT	APCO			26,828	13,002	1,416,353	1,112,759
	TO BE BOOKED	KPCO			(21,441)	(4,437)	(216,882)	(251,356)
	NEXT MONTH	I&M			(932)	(1,534)	627,645	(9,451)
	(I - III)	OPCO			(499)	(4,829)	588,861	896,364
		CSP			5,720	7,472	538,508	1,206,172
	TOTAL				9,675	9,675	2,954,485	2,954,488

NOTE:

(*) Previously estimate energy dollars differ from those issued in the December Estimated IPS due to Accounting changes associated with the Primary Energy rates.

ACTUAL: August 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.31181	8,293,500	(1,916,500)
KPCO	1,471,000	0.06598	1,754,900	(283,900)
I&M	5,428,000	0.19998	5,319,100	108,900
OPCO	8,465,000	0.22920	6,096,300	2,368,700
CSP	4,857,000	0.19303	5,134,200	(277,200)
TOTAL	26,598,000	1.00000	26,598,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/KW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,916,500)	***** + *****	(26,070,502)
KPCO	(283,900)	***** + *****	(3,861,944)
I&M	108,900	10.22 + 4.54	1,607,364
OPCO	2,368,700	10.8 + 2.75	32,095,885
CSP	(277,200)	***** + *****	(3,770,803)

EQUALIZATION CAPACITY RATE: 13.6032

(This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

August 2011

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	1,003,981	1,104,138	34,097,866	39,523,931
RECOVERY AND MLR	KPCO	212,446	149,727	7,215,218	4,504,620
ALLOCATION FOR ALL	I&M	643,905	473,307	21,868,738	16,392,511
AEP SYSTEM	OPCO	737,989	908,380	25,064,080	28,673,942
DELIVERIES TO	CSP	621,527	584,296	21,108,723	20,259,623
NON-AFFILIATED COS.	AEP	3,219,847	3,219,847	109,354,625	109,354,626
ADJUSTMENT TO	APCO	(413,236)	(413,236)	(15,827,623)	(15,827,623)
PREVENT RECOGNITION	KPCO	(29,682)	(29,682)	(1,303,435)	(1,303,435)
OF SALES BY POOL	I&M	(146,062)	(146,062)	(5,890,406)	(5,890,406)
MEMBERS TO	OPCO	(264,971)	(264,971)	(9,456,634)	(9,456,634)
THEMSELVES	CSP	(162,841)	(162,841)	(6,454,067)	(6,454,067)
(PAGE 7)	AEP	(1,016,792)	(1,016,792)	(38,932,165)	(38,932,165)
SUBTOTAL	APCO	590,745	690,902	18,270,243	23,696,308
AEP EXTERNAL	KPCO	182,763	120,045	5,911,783	3,201,185
ENERGY	I&M	497,843	327,244	15,978,332	10,502,105
	OPCO	473,018	643,409	15,607,446	19,217,308
	CSP	458,686	421,455	14,654,656	13,805,557
	AEP	2,203,055	2,203,055	70,422,460	70,422,462
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,458,755	0	33,371,204	0
ENERGY	KPCO	36,451	73,581	834,925	2,027,010
(PAGE 8)	I&M	0	1,023,015	0	20,080,556
	OPCO	1,123	842,943	23,931	22,039,128
	CSP	457,074	13,863	10,364,376	447,741
	AEP	1,953,402	1,953,402	44,594,436	44,594,436
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	2,049,499	691,768	51,641,447	23,728,253
	KPCO	219,214	193,626	6,746,708	5,228,194
	I&M	498,745	1,350,259	16,011,848	30,582,661
	OPCO	474,457	1,486,490	15,642,335	41,261,512
	CSP	915,760	435,532	25,019,032	14,260,750
	AEP	4,157,675	4,157,675	115,061,370	115,061,371

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the Power Tracker Flow report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Off-System Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Off-System Obligation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: August 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	866	0	31,945
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	903	0	33,516	0
SPECIAL SERVICE	OPCO	315	138	10,958	5,076
CUSTOMERS	CSP	0	215	0	7,453
	AEP	<u>1,218</u>	<u>1,218</u>	<u>44,474</u>	<u>44,474</u>
PREVIOUSLY	APCO	0	827	0	29,539
ESTIMATED	KPCO	0	74	0	2,499
AMOUNT	I&M	830	0	29,833	0
	OPCO	354	111	12,137	3,950
	CSP	0	173	0	5,982
	AEP	<u>1,185</u>	<u>1,185</u>	<u>41,970</u>	<u>41,970</u>
ADJUSTMENT	APCO	0	39	0	2,406
TO BE BOOKED	KPCO	0	(74)	0	(2,499)
NEXT MONTH	I&M	73	0	3,683	0
	OPCO	(39)	27	(1,179)	1,126
	CSP	0	42	0	1,471
	AEP	<u>33</u>	<u>33</u>	<u>2,504</u>	<u>2,504</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: August 2011

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	34,097,866	39,523,931	43,257,490	9,159,624
KPCO	7,215,218	4,504,620	9,153,424	1,938,206
I&M	21,868,738	16,392,511	27,743,282	5,874,544
OPCO	25,064,080	28,673,942	31,796,981	6,732,901
CSP	21,108,723	20,259,623	26,779,107	5,670,384
TOTAL	109,354,625	109,354,626	138,730,284	29,375,659

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	9,159,624	0.31181
KPCO	0	1,938,206	0.06598
I&M	0	5,874,544	0.19998
OPCO	0	6,732,901	0.22920
CSP	0	5,670,384	0.19303
TOTAL	0	29,375,659	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the Power Tracker report for Sales Tariff Report with Sales Demand & Adjustments.

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

		SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0	\$0
WESTERN AEP:	0.000% x	0 =	\$0	\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

(1)

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP

EASTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043
APCO	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD ADJUSTMENTS	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO. 4470.144	ACCOUNT NO. 4470.043
PSO	0	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: August 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

				ADJUSTMENT	
	MWh	COST (2) (\$)	MLR (APPENDIX I)	MWh	COST (\$)
APCO	812,298	24,681,459	0.31181	253,283	7,695,926
KPCO	128,525	3,427,320	0.06598	8,480	226,135
I&M	313,166	8,248,675	0.19998	62,627	1,649,570
OPCO	656,173	19,200,179	0.22920	150,395	4,400,681
CSP	470,139	15,424,192	0.19303	90,751	2,977,332
TOTAL	2,380,301	70,981,824	1.00000	565,536	16,949,644

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

				ADJUSTMENT	
	MWh	COST (\$)	MLR (APPENDIX I)	MWh	COST (\$)
APCO	191,643	9,751,341	0.31181	59,756	3,040,566
KPCO	0	0	0.06598	0	0
I&M	95,879	4,878,628	0.19998	19,174	975,628
OPCO	178,556	5,731,461	0.22920	40,925	1,313,651
CSP	52,129	1,683,701	0.19303	10,062	325,005
TOTAL	518,207	22,045,131	1.00000	129,917	5,654,850

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	100,197	5,091,131
KPCO	21,202	1,077,300
I&M	64,261	3,265,208
OPCO	73,651	3,742,302
CSP	62,028	3,151,730
TOTAL	321,339	16,327,671

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	413,236	15,827,623
KPCO	29,682	1,303,435
I&M	146,062	5,890,406
OPCO	264,971	9,456,634
CSP	162,841	6,454,067
TOTAL	1,016,792	38,932,165

NOTES:

- (1) The source of the MWh and COST data is the "Unit Cost" Report for Generation and Purchase Power Report for purchases.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ACTUAL: August 2011

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PRIMARY ENERGY		RECEIVED ENERGY	
RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
APCO	1,458,755	22.877	33,371,204
KPCO	36,451	22.906	834,925
I&M	0	0.000	0
OPCO	1,123	21.306	23,931
CSP	457,074	22.676	10,364,376
TOTAL ALL MEMBERS RECEIVED	1,953,402	22.829	44,594,436

TOTAL DELIVERED BY MEMBER		DELIVERED ENERGY	
	MWh	\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	73,581	27.549	2,027,010
I&M	1,023,015	19.629	20,080,556
OPCO	842,943	26.146	22,039,128
CSP	13,863	32.298	447,741
TOTAL ALL MEMBERS DELIVERED:	1,953,402	22.829	44,594,436

SOURCE: Power Tracker calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The used in the hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY ACTUAL: August 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	1,458,755	20.433	29,807,067
KPCO	36,451	20.423	744,423
I&M	0	0.000	0
OPCO	1,123	19.112	21,466
CSP	457,074	20.231	9,247,150
TOTAL ALL MEMBERS RECEIVED	1,953,402	20.385	39,820,105
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	73,581	25.916	1,906,926
I&M	1,023,015	17.284	17,681,505
OPCO	842,943	23.507	19,814,834
CSP	13,863	30.069	416,841
TOTAL ALL MEMBERS DELIVERED:	1,953,402	20.385	39,820,105

ACTUAL: August 2011

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ECONOMY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

SOURCE: Power Tracker calculates for each hour of the month the MWh of ECONOMY delivered and the associated charges and credits based upon an equal sharing of the savings in expense, then aggregates such hourly data for the month to arrive at the totals reported.

ACCOUNT 151 FUEL COST ASSOCIATED WITH ECONOMY ENERGY ACTUAL: August 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0

TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

August 2011

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh) (1)	TOTAL GENERATION (MWh) (2)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b) (4)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
APCO	AMOS 1	129,297	499,477	0.2589	107	27.6985
	AMOS 2	122,317	405,407	0.3017	154	46.4641
	AMOS 3	80,086	249,106	0.3215	77	24.7549
	CEREDO1	187	394	0.4739	0	0.0000
	CEREDO2	183	392	0.4667	0	0.0000
	CEREDO3	189	396	0.4767	0	0.0000
	CEREDO4	168	352	0.4771	0	0.0000
	CEREDO5	167	351	0.4762	0	0.0000
	CEREDO6	168	355	0.4723	0	0.0000
	CLINCH RIVER 1	0	0	0.0000	(1)	0.0000
	CLINCH RIVER 2	24,125	71,731	0.3363	364	122.4221
	CLINCH RIVER 3	14,463	28,399	0.5093	123	62.6433
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	14,825	33,412	0.4437	244	108.2635
	KANAWHA RIVER 1	57,746	118,848	0.4859	813	395.0185
	KANAWHA RIVER 2	56,178	98,995	0.5675	678	384.7544
	MOUNTAINEER 1	229,144	792,960	0.2890	173	49.9922
	SPORN 1	23,725	58,460	0.4058	484	196.4232
	SPORN 3	15,582	49,373	0.3156	395	124.6584
TOTAL	768,548	2,408,408	0.3191	3,611	1,543.0931	
KPCO	BIG SANDY 1	29,099	110,231	0.2640	720	190.0679
	BIG SANDY 2	64,373	388,348	0.1658	2,596	430.3153
	ROCKPORT 1 (AEG)	17,216	141,499	0.1217	477	58.0369
	ROCKPORT 2 (AEG)	17,836	136,951	0.1302	463	60.3010
	TOTAL	128,525	777,029	0.1654	4,256	738.7211
I&M	ROCKPORT 1	57,364	471,575	0.1216	1,594	193.8995
	ROCKPORT 1 (AEG)	40,149	330,072	0.1216	1,116	135.7475
	ROCKPORT 2	59,453	456,519	0.1302	1,538	200.2948
	ROCKPORT 2 (AEG)	41,619	319,572	0.1302	1,077	140.2615
	TANNERS CREEK 1	14,716	32,634	0.4510	151	68.0940
	TANNERS CREEK 2	35,371	74,570	0.4743	360	170.7621
	TANNERS CREEK 3	26,100	72,020	0.3624	342	123.9419
	TANNERS CREEK 4	38,393	335,770	0.1143	2,897	331.2491
	TOTAL	313,166	2,092,732	0.1496	9,075	1,364.2504

ACTUAL: August 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	160,407	498,950	0.3215	154	49,5094
	CARDINAL 1	10,879	190,723	0.0570	287	16,3714
	CARDINAL 2	14,375	88,721	0.1620	311	50,3881
	CARDINAL 3	20,148	86,580	0.2327	2,823	656,9511
	GAVIN 1	60,768	910,773	0.0667	1,799	120,0309
	GAVIN 2	59,617	763,821	0.0781	1,416	110,5200
	KAMMER 1	1,541	4,383	0.3516	46	16,1748
	KAMMER 2	22,118	53,796	0.4111	581	238,8776
	KAMMER 3	31,875	91,549	0.3482	948	330,0645
	MITCHELL 1	116,948	480,092	0.2436	278	67,7195
	MITCHELL 2	48,141	262,816	0.1832	102	18,6836
	MUSKINGUM 1	11,341	79,485	0.1427	2,689	383,6565
	MUSKINGUM 2	17,600	109,684	0.1605	3,730	598,5154
	MUSKINGUM 3	3,148	27,987	0.1125	933	104,9437
	MUSKINGUM 4	5,004	36,321	0.1378	1,218	167,8010
	MUSKINGUM 5	51,878	379,298	0.1368	3,508	479,7981
	SPORN 2	7,776	22,236	0.3497	195	68,1939
	SPORN 4	12,611	30,693	0.4109	247	101,4837
	SPORN 5	0	0	0.0000	0	0,0000
		TOTAL	656,173	4,117,908	0.1593	21,265
CSP	BECKJORD 6	7,305	32,355	0.2258	1,021	230,5070
	CONESVILLE 1	0	0	0.0000	0	0,0000
	CONESVILLE 2	0	0	0.0000	0	0,0000
	CONESVILLE 3	0	0	0.0000	0	0,0000
	CONESVILLE 4	21,718	123,796	0.1754	107	18,7716
	CONESVILLE 5	88,389	187,345	0.4718	134	63,2206
	CONESVILLE 6	107,064	208,480	0.5135	149	76,5186
	DARBY 1	0	0	0.0000	0	0,0000
	DARBY 2	15	713	0.0210	0	0,0000
	DARBY 3	19	1,009	0.0188	0	0,0000
	DARBY 4	11	993	0.0111	0	0,0000
	DARBY 5	0	294	0.0000	0	0,0000
	DARBY 6	8	988	0.0081	0	0,0000
	LAWRENCEBURG 1	19,339	141,995	0.1362	0	0,0000
	LAWRENCEBURG 2	25,936	166,266	0.1560	0	0,0000
	PICWAY 5	11,295	15,469	0.7302	302	220,5098
	STUART 1	18,894	86,828	0.2176	13	2,8289
	STUART 2	19,628	80,089	0.2451	(8)	-1,9607
	STUART 3	23,985	99,794	0.2403	30	7,2104
	STUART 4	27,827	103,267	0.2695	88	23,7130
	WATERFORD	48,467	296,453	0.1635	0	0,0000
	ZIMMER 1	50,239	157,832	0.3183	652	207,5366
		TOTAL	470,139	1,703,966	0.2759	2,488

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: August 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>	<u>SOURCE ALLOCATION</u>	
I. AEP EXTERNAL ENERGY (3)	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	3,784	31,988	28,204
KPCO	1,934	28,781	26,847
I&M	3,407	235,101	231,694
OPCO	7,520	93,645	86,125
CSP	2,032	164,118	162,086
AEP	<u>18,677</u>	<u>553,633</u>	<u>534,956</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	32,446	1,039	(31,407)
KPCO	9,799	3,618	(6,181)
I&M	28,349	85,335	56,985
OPCO	29,116	2,971	(26,146)
CSP	33,562	33,851	289
AEP	<u>133,271</u>	<u>126,813</u>	<u>(6,458)</u>
	<u>SOURCE</u> <u>ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE</u> <u>ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	39,527,133	39,523,931	
KPCO	4,483,953	4,504,620	
I&M	16,103,832	16,392,511	
OPCO	28,613,962	28,673,942	
CSP	20,097,248	20,259,623	
AEP	<u>108,826,128</u>	<u>109,354,626</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	2.84	79.00
(2) APCO \$/Ton:	20.73	2.53
KPCO \$/Ton:	38.96	29.17
I&M \$/Ton:	172.33	237.80
OPCO \$/Ton:	26.16	8.06
CSP \$/Ton:	193.34	79.68

(7) From Power Tracker report "Pool Flow Report - Off-System Allocation"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 07/31/2011

OPERATING COMPANY PERCENTAGE
 AUGUST 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31181	0.06598	0.19998	0.22920	0.19303

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
07/11	22504	22	13	6214	11	15	1240	21	14	4837	22	13	5544	21	16	4669
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168
08/10	21252	04	16	6201	04	14	1310	12	16	4422	10	14	5097	12	16	4222

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
24188	7542	1596	4837	5544	4669

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/23/10 HR 15 07/23/10 HR 14 07/23/10 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.
 A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: August 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	732,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,440,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,465,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,598,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ACTUAL:
 August 2011

APPENDIX III

**MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010**

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 August 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION	TOTAL NET PRODUCTION EXPENSES	FUEL A/C 501	MAINTENANCE	FUEL A/C 151	FUEL A/C 152
	MWh	(\$)	(\$)	(\$)	(\$)	(\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	33,412	2,301,744	1,681,371	322,173	1,287,867	393,505
SPORN (APCO)	107,833	4,633,145	4,011,567	379,178	3,720,532	291,035
KANAWHA RIVER	217,843	7,113,767	6,374,188	433,080	5,860,910	513,278
CLINCH RIVER	100,130	5,402,233	4,421,261	520,628	4,162,320	258,942
AMOS (APCO)	1,153,990	43,437,056	36,536,089	3,449,803	34,756,954	1,779,135
MOUNTAINEER	792,960	25,669,516	21,314,921	2,497,084	19,576,223	1,738,698
CEREDO	2,240	262,617	131,337	104,662	131,116	222
BEECH RIDGE	7,194	0	0	0	0	0
CAMP GROVE	7,152	0	0	0	0	0
FOWLER RIDGE III	8,031	0	0	0	0	0
GRAND RIDGE II	4,207	0	0	0	0	0
GRAND RIDGE III	4,283	0	0	0	0	0
TOTAL	2,439,275	88,820,078	74,470,735	7,706,608	69,495,922	4,974,813
RATES:		32.109	30.529	1.580	28.490	2.039
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	498,579	16,870,903	14,495,883	1,331,570	14,248,074	247,809
ROCKPORT 1 (AEG)	141,499	4,157,931	3,046,524	144,161	2,940,290	106,234
ROCKPORT 2 (AEG)	136,951	4,024,289	3,056,022	139,527	2,949,305	106,716
TOTAL	777,029	25,053,123	20,598,429	1,615,258	20,137,669	460,760
RATES:		27.548	26.509	1.039	25.916	0.593
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	514,994	16,361,689	15,913,629	1,241,459	14,688,458	1,225,171
ROCKPORT 1 (OWNED SHARE)	471,575	13,857,176	10,153,178	480,445	9,799,130	354,048
ROCKPORT 1 (AEG)	330,072	9,699,127	7,106,568	336,281	6,858,757	247,811
ROCKPORT 2 (AEG)	319,572	9,390,585	7,131,156	325,583	6,882,136	249,020
ROCKPORT 2 (LEASED SHARE)	456,519	13,414,757	10,187,088	465,106	9,831,355	355,734
COOK	1,540,854	33,404,925	14,961,543	9,385,912	14,961,543	0
FOWLER RIDGE I	7,967	0	0	0	0	0
FOWLER RIDGE II	4,581	0	0	0	0	0
SUM	3,646,134	96,128,259	65,453,163	12,234,786	63,021,378	2,431,785
COAL CONVERSION	0	0	0	0	0	0
TOTAL	3,646,134	96,128,259	65,453,163	12,234,786	63,021,378	2,431,785
RATES:		19.629	17.951	1.678	17.284	0.667
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	52,929	2,831,064	2,113,869	251,117	1,887,993	225,876
MUSKINGUM	632,775	21,640,963	17,931,518	1,657,064	17,719,300	212,217
KAMMER	149,728	8,031,360	5,635,403	1,670,047	5,324,087	311,316
CARDINAL (OPCO)	366,024	11,313,821	7,999,444	1,609,159	7,505,738	493,706
MITCHELL	742,908	25,000,209	20,143,417	2,225,416	19,480,427	662,990
AMOS (OPCO)	498,950	19,130,513	16,531,622	1,491,350	16,005,878	525,744
GAVIN	1,674,594	43,033,755	31,601,075	2,809,673	29,006,839	2,594,236
FOWLER RIDGE II	4,581	0	0	0	0	0
Wyandot	1,003	0	0	0	0	0
TOTAL	4,123,492	130,981,685	101,956,347	11,713,826	96,930,261	5,026,086
RATES:		26.146	24.726	1.420	23.507	1.219
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	519,621	23,119,944	17,553,705	1,810,459	16,468,902	1,084,803
PICWAY	15,469	886,642	640,747	108,600	588,936	51,811
BECKJORD	32,355	1,009,441	819,650	149,112	780,745	38,906
STUART	369,978	11,842,214	10,516,783	463,351	10,047,581	469,202
ZIMMER	157,832	5,843,087	4,442,559	801,659	4,228,895	213,664
WATERFORD	296,453	9,669,956	9,242,385	247,640	9,243,282	(897)
DARBY	3,997	359,870	290,207	44,187	295,157	(4,950)
LAWRENCEBURG	308,261	11,037,382	9,771,984	234,558	9,744,448	27,536
FOWLER RIDGE II	4,581	0	0	0	0	0
Wyandot	788	0	0	0	0	0
TOTAL	1,709,335	63,768,536	53,278,019	3,859,566	51,397,945	1,880,074
RATES:		32.298	31.169	1.129	30.069	1.100
SYSTEM TOTAL	12,695,265	404,751,681	315,756,693	37,130,044	300,983,175	14,773,518

ACTUAL: August 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	88,820,078	69,495,922	4,974,813	7,706,608	3,853,304
KPCO	25,053,123	20,137,669	460,760	1,615,258	807,629
I&M	96,128,259	63,021,378	2,431,785	12,234,786	6,117,393
OPCO	130,981,685	96,930,261	5,026,086	11,713,826	5,856,913
CSP	63,768,536	51,397,945	1,880,074	3,859,566	1,929,783
TOTAL	404,751,681	300,983,175	14,773,518	37,130,044	18,565,022

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	8,828,117	2,439,275	2,439,275	32.110
KPCO	1,268,389	777,029	777,029	27.549
I&M	8,549,178	3,646,134	3,646,134	19.629
OPCO	10,882,999	4,123,492	4,123,492	26.146
CSP	3,809,857	1,709,335	1,709,335	32.298
TOTAL	33,338,540	12,695,265	12,695,265	26.334

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	10,496,039	5,677,000	1.85
KPCO	3,647,065	1,471,000	2.48
I&M	24,557,703	5,414,000	4.54
OPCO	23,168,425	8,440,000	2.75
CSP	8,560,734	4,857,000	1.76
TOTAL	70,429,966	25,859,000	2.72

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: August 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	41,456	0	31,134	0	10,322	0
	KPCO	8,773	0	6,590	0	2,183	0
	I&M	26,587	0	19,968	0	6,619	0
	OPCO	0	102,480	0	76,968	0	25,512
	CSP	25,664	0	19,276	0	6,388	0
	TOTAL	102,480	102,480	76,968	76,968	25,512	25,512
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	38,140,791	0	38,180,913	40,121	0
	KPCO	0	8,070,714	0	8,079,204	8,490	0
	I&M	0	24,461,677	0	24,487,409	25,732	0
	OPCO	0	28,035,885	0	28,065,377	29,492	0
	CSP	0	23,611,549	0	23,636,386	24,838	0
	East. AEP (Co. 122)	122,320,616	0	122,449,289	0	0	128,673
	TOTAL	122,320,616	122,320,616	122,449,289	122,449,289	128,673	128,673
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THIRD PARTY SALES (2)	APCO	181,932	2,855,019	214,971	2,983,172	130,179	35,066
	KPCO	38,499	604,125	45,489	631,245	27,549	7,420
	I&M	116,711	1,831,060	137,902	1,913,258	83,498	22,490
	OPCO	133,625	2,098,606	157,908	2,192,813	95,696	25,773
	CSP	112,620	1,767,425	133,072	1,846,765	80,594	21,707
	East. AEP (Co. 122)	9,156,235	583,386	9,567,252	689,342	112,455	417,516
	TOTAL	9,739,621	9,739,621	10,256,594	10,256,594	529,971	529,971
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GROSS TOTAL	APCO	181,932	40,995,810	214,971	41,164,084	170,301	35,066
	KPCO	38,499	8,674,839	45,489	8,710,449	36,039	7,420
	I&M	116,711	26,292,737	137,902	26,400,667	109,230	22,490
	OPCO	133,625	30,134,492	157,908	30,258,190	125,187	25,773
	CSP	112,620	25,378,974	133,072	25,483,151	105,432	21,707
	East. AEP (Co. 122)	131,476,851	583,386	132,016,541	689,342	112,455	546,189
	TOTAL	132,060,237	132,060,237	132,705,883	132,705,883	658,644	658,644
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NET TOTAL	APCO	0	40,813,878	0	40,949,113	135,235	0
	KPCO	0	8,636,340	0	8,664,960	28,620	0
	I&M	0	26,176,026	0	26,262,765	86,740	0
	OPCO	0	30,000,867	0	30,100,282	99,415	0
	CSP	0	25,266,354	0	25,350,079	83,725	0
	East. AEP (Co. 122)	130,893,465	0	131,327,199	0	0	433,734
	TOTAL	130,893,465	130,893,465	131,327,199	131,327,199	433,734	433,734

NOTES: (1) Source is Power Tracker reports, Pool Flow and Purchase Power with Demand Charge and Adjustments.
 (2) Source is Appendix VII.

Pur Code	Customer	CO. ACCT	CO. AGNT	ACTUAL BILL	MLR										NET	
					31.81%	5.99%	19.99%	22.92%	19.30%	100.00%	AMOUNT DUE (TO)/FROM AGENT					CSP
					AFCO	KECO	I&M	OPCO	CSP	Total	AFCO	KECO	I&M	OPCO	CSP	
	Totals			136,991	41,456	8,773	26,987	30,471	25,664	132,951	(41,456)	(8,773)	(26,987)	102,480	(25,664)	-
CP&C	Progress Energy	4470066 07		965	301	64	193	221	186	965	(301)	(64)	(193)	744	(186)	-
DECI2	Duke Energy Ohio	4470066 07		19,072	5,947	1,258	3,814	4,371	3,582	19,072	(5,947)	(1,258)	(3,814)	14,701	(3,582)	-
DECI2	Duke Energy Ohio	(1) 4470006 07		13,687	4,259	901	2,731	3,130	2,636	13,687	(4,259)	(901)	(2,731)	10,527	(2,636)	-
DTE	DTE Energy Trading, Inc.	(1) 4470006 07		7,729	2,410	510	1,546	1,771	1,492	7,729	(2,410)	(510)	(1,546)	5,968	(1,492)	-
ENTE	Energy Power Surv	4470066 07		22,244	6,236	1,468	4,448	5,098	4,294	22,244	(6,236)	(1,468)	(4,448)	17,146	(4,294)	-
WISO Retail	Midwest Retail	420020 07		3,013	939	199	602	691	582	3,013	(939)	(199)	(602)	2,322	(582)	-
WISO Trading	Midwest Trading	4470006 07	(1)	59,514	18,257	3,927	11,902	13,640	11,488	59,514	(18,257)	(3,927)	(11,902)	45,874	(11,488)	-
TVAM	TVA Bulk Power Trading	4470066 07		6,787	2,107	446	1,351	1,549	1,304	6,787	(2,107)	(446)	(1,351)	5,208	(1,304)	-

APCO	RPCCO	I&M	OPCO	CSP
300,97460	43,68720	193,03070	221,29530	186,32221
5,946,84032	1,258,37056	3,814,01856	4,371,30240	3,581,46816
4,259,29251	901,06841	2,731,06487	3,130,11335	2,636,19087
2,409,92336	509,94754	1,546,60942	1,771,44954	1,491,89412
6,939,79821	1,467,62977	4,448,26313	5,098,21937	4,293,67033
939,52095	198,80566	602,56374	690,60710	881,62195
18,257,06346	3,928,73438	11,901,61172	13,640,61109	11,487,96935
2,106,99059	448,84859	1,351,32285	1,549,77087	1,304,35969

Notes: (1) The AEP System MLR Allocation of Pass-Through Receipts for Transmission Service section is no longer included on APWT P62 as this activity is reconciled from the Off System spreadsheet.

ACTUAL: August 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
ENERGY (1)						
I.	ACTUAL	APCO	369,453	370,545	16,438,881	18,924,719
	THIS MONTH	KPCO	78,251	78,562	3,478,523	4,004,531
		I&M	237,073	237,787	10,543,116	12,137,408
		OPCO	271,643	272,525	12,083,619	13,910,862
		CSP	228,838	229,450	10,176,704	11,715,592
		TOTAL	1,185,258	1,188,869	52,720,843	60,693,113
II.	PREVIOUS	APCO	370,238	370,747	16,443,894	18,995,899
	ESTIMATE	KPCO	78,418	78,604	3,479,583	4,019,593
		I&M	237,577	237,918	10,546,328	12,183,060
		OPCO	272,221	272,672	12,087,303	13,963,184
		CSP	229,324	229,572	10,179,808	11,759,656
		TOTAL	1,187,779	1,189,513	52,736,918	60,921,392
III.	ADJUSTMENT	APCO	(785)	(202)	(5,013)	(71,180)
	(I-II)	KPCO	(167)	(42)	(1,061)	(15,062)
		I&M	(504)	(131)	(3,213)	(45,652)
		OPCO	(578)	(147)	(3,684)	(52,322)
		CSP	(486)	(122)	(3,104)	(44,064)
		TOTAL	(2,521)	(644)	(16,074)	(228,279)
EXERCISED				TOTAL COSTS	TOTAL REVENUES	
OPTIONS &				TO BE BOOKED	TO BE BOOKED	
PREMIUMS (2)		ACCT. 4470.011	ACCT. 4470.007	ACCT. 4470.011	ACCT. 4470.007	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: August 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
		PURCHASES	REVENUES	PURCHASES	REVENUES
		4210.032	4210.031	4210.032	4210.031
ACTUAL	APCO	5,797	5,797	255,559	232,241
THIS MONTH	KPCO	1,213	1,240	54,077	49,143
	I&M	3,720	3,720	163,904	148,948
	OPCO	4,278	4,278	187,852	170,712
	CSP	3,592	3,565	158,207	143,772
	TOTAL	18,600	18,600	819,600	744,815
PREVIOUS	APCO	5,797	5,797	255,559	198,542
ESTIMATE	KPCO	1,213	1,240	54,077	42,012
	I&M	3,720	3,720	163,904	127,335
	OPCO	4,278	4,278	187,852	145,941
	CSP	3,592	3,565	158,207	122,910
	TOTAL	18,600	18,600	819,600	636,740
ADJUSTMENT	APCO	0	0	0	33,699
(I-II)	KPCO	0	0	0	7,131
	I&M	0	0	0	21,613
	OPCO	0	0	0	24,771
	CSP	0	0	0	20,862
	TOTAL	0	0	0	108,075

BROKERS' COMMISSIONS (3)		ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
		RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
		CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
		ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
ACTUAL	APCO	0	1,279	61	21,102	(23,978)
THIS MONTH	KPCO	0	271	13	4,466	(5,074)
	I&M	0	821	39	13,547	(15,393)
	OPCO	0	937	44	15,463	(17,570)
	CSP	0	791	38	13,060	(14,841)
	TOTAL	0	4,098	194	67,638	(76,856)
PREVIOUS	APCO	0	325	4,954	23,227	(19,280)
ESTIMATE	KPCO	0	69	1,048	4,915	(4,080)
	I&M	0	209	3,180	14,911	(12,377)
	OPCO	0	238	3,630	17,020	(14,128)
	CSP	0	201	3,066	14,375	(11,933)
	TOTAL	0	1,043	15,878	74,448	(61,798)
ADJUSTMENT	APCO	0	953	(4,893)	(2,125)	(4,698)
(I-II)	KPCO	0	202	(1,035)	(449)	(994)
	I&M	0	612	(3,141)	(1,364)	(3,016)
	OPCO	0	699	(3,586)	(1,557)	(3,442)
	CSP	0	590	(3,028)	(1,315)	(2,908)
	TOTAL	0	3,055	(15,683)	(6,810)	(15,058)

APPENDIX VII
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ACTUAL: August 2011

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLK ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

PJM NON-ECR ENERGY	PJM NON-ECR PURCHASES - USE		TOTAL COSTS		TOTAL NET		TOTAL SWAPS	
	AWH	Act. 5550.001	TO BE BOOKED	Act. 5550.001	TO BE BOOKED	Act. 4470.143	TO BE BOOKED	Act. 4470.082
I. ACTUAL THIS MONTH	ARCO	0	0	155,617	0	155,617	50,761	104,856
	KCCO	0	0	32,929	0	32,929	10,740	22,189
	I&M	0	0	59,805	0	59,805	60,398	(2,593)
	ORCO	0	0	114,388	0	114,388	(37,305)	151,693
	CSP	0	0	56,337	0	56,337	(31,417)	87,754
	TOTAL	0	0	499,076	0	499,076	(62,763)	561,839
II. PREVIOUS ESTIMATE	ARCO	0	0	155,617	0	155,617	(49,209)	204,826
	KCCO	0	0	32,929	0	32,929	(10,413)	22,516
	I&M	0	0	59,805	0	59,805	(31,560)	91,365
	ORCO	0	0	114,388	0	114,388	(36,172)	150,560
	CSP	0	0	56,337	0	56,337	(30,453)	86,790
	TOTAL	0	0	499,076	0	499,076	(157,817)	656,893
III. ADJUSTMENT (I-II)	ARCO	0	0	0	0	0	(1,542)	0
	KCCO	0	0	0	0	0	(103)	0
	I&M	0	0	0	0	0	(311)	0
	ORCO	0	0	0	0	0	(989)	0
	CSP	0	0	0	0	0	(356)	0
	TOTAL	0	0	0	0	0	(1,349)	0
	TOTAL	0	0	0	0	0	(985)	0
	TOTAL	0	0	0	0	0	(1,554)	(1,549)

PJM NON-ECR PURCHASES-OSS
 NON-ECR PHYSICAL SALES-OSS

PJM NON-ECR ENERGY	PURCHASES		SALES		RENEWABLE ENERGY CREDITS		TOTAL NET		TOTAL SWAPS	
	Act. 5550.107	Act. 5550.099	Act. 4470.112	Act. 4470.170	Act. 5570.007	Act. 5550.088	Act. 5550.023	Act. 5550.099	Act. 5550.100	Act. 5550.107
I. ACTUAL THIS MONTH	ARCO	0	222	74,459	0	0	304,015	3,534,294	153,427	634,759
	KCCO	0	47	15,770	0	0	64,331	789,032	32,466	134,319
	I&M	0	143	47,794	0	0	194,981	2,330,866	99,401	407,110
	ORCO	0	163	54,776	0	0	233,470	2,671,443	112,779	466,594
	CSP	0	138	46,119	0	0	188,204	2,249,864	94,981	392,941
	TOTAL	0	713	238,958	0	0	975,000	11,685,501	492,093	2,035,750
II. PREVIOUS ESTIMATE	ARCO	0	222	74,454	0	0	304,015	3,644,566	153,436	634,759
	KCCO	0	47	15,795	0	0	64,331	771,203	32,468	134,319
	I&M	0	143	47,752	0	0	194,981	2,337,452	98,407	407,111
	ORCO	0	163	54,759	0	0	233,470	2,675,987	112,785	466,596
	CSP	0	138	46,090	0	0	188,204	2,256,217	94,987	392,943
	TOTAL	0	713	238,750	0	0	975,000	11,686,425	492,093	2,035,757
III. ADJUSTMENT (I-II)	ARCO	0	(0)	65	0	0	0	(10,272)	(9)	(2)
	KCCO	0	(0)	15	0	0	0	(2,171)	(2)	(0)
	I&M	0	0	42	0	0	0	(6,953)	(6)	(1)
	ORCO	0	(0)	47	0	0	0	(7,846)	(7)	(2)
	CSP	0	(0)	39	0	0	0	(6,353)	(6)	(1)
	TOTAL	0	0	208	0	0	0	(32,924)	(30)	(7)

(S)	COSTS		COSTS		REVENUES		REVENUES		COST		Total P/M/MSO	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	Non-ER Energy	(Revenue - Cost)
	Act. 5614.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.167	Act. 5550.002					
0	(1,344)	(237,214)	(1,391)	4,787,169	10,847	0	289,181					
0	(284)	(62,891)	(294)	1,013,086	2,295	0	78,116					
0	(264)	(190,618)	(992)	3,070,581	6,997	0	238,797					
0	(988)	(218,471)	(1,022)	3,819,238	7,973	0	271,343					
0	(832)	(183,594)	(941)	2,563,868	6,715	0	218,268					
0	(4,311)	(953,186)	(4,440)	19,354,443	34,788	0	1,181,945					
0	(1,366)	(297,223)	(1,391)	4,859,507	10,847	0	421,167					
0	(859)	(62,893)	(294)	1,028,372	2,295	0	91,286					
0	(576)	(190,624)	(992)	3,116,912	6,997	0	274,837					
0	(1,004)	(218,477)	(1,022)	3,872,338	7,973	0	316,932					
0	(846)	(183,592)	(941)	3,008,688	6,715	0	258,337					
0	(4,383)	(953,217)	(4,440)	15,586,117	34,788	0	1,181,777					
0	22	9	0	(72,238)	0	0	(61,984)					
0	5	2	0	(16,286)	0	0	(3,119)					
0	14	6	0	(46,330)	0	0	(97,759)					
0	16	7	0	(53,100)	0	0	(84,869)					
0	14	6	0	(44,720)	0	0	(38,379)					
0	71	28	0	(231,674)	0	0	(194,812)					

ACTUAL: August 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,485,838	0	2,552,005	66,167	0
	KPCO	0	526,009	0	540,010	14,001	0
	I&M	0	1,594,293	0	1,636,732	42,439	0
	OPCO	0	1,827,243	0	1,875,881	48,637	0
	CSP	0	1,538,887	0	1,579,848	40,961	0
	East. AEP (Co.122)	7,972,270	0	8,184,474	0	0	212,205
	TOTAL	7,972,270	7,972,270	8,184,474	8,184,474	212,205	212,205
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	23,319	0	57,018	0	0	33,699
	KPCO	4,934	0	12,065	0	0	7,131
	I&M	14,955	0	36,568	0	0	21,613
	OPCO	17,141	0	41,911	0	0	24,771
	CSP	14,436	0	35,298	0	0	20,862
	East. AEP (Co.122)	0	74,785	0	182,860	108,075	0
	TOTAL	74,785	74,785	182,860	182,860	108,075	108,075
BROKERS' COMMISSIONS (3)	APCO	46,419	0	47,786	0	0	1,367
	KPCO	9,823	0	10,112	0	0	289
	I&M	29,800	0	30,677	0	0	877
	OPCO	34,014	0	35,016	0	0	1,002
	CSP	28,730	0	29,575	0	0	845
	East. AEP (Co.122)	0	148,787	0	153,167	4,380	0
	TOTAL	148,787	148,787	153,167	153,167	4,380	4,380
POWER SWAPS	APCO	112,194	0	110,168	0	2,026	0
	KPCO	23,741	0	23,312	0	429	0
	I&M	71,956	0	70,656	0	1,300	0
	OPCO	82,470	0	80,980	0	1,490	0
	CSP	69,454	0	68,200	0	1,254	0
	East. AEP (Co.122)	0	359,815	0	353,316	0	6,499
	TOTAL	359,815	359,815	353,316	353,316	6,499	6,499
PJM/MISO NON-ECR ENERGY	APCO	0	369,181	0	431,167	61,986	0
	KPCO	0	78,116	0	91,236	13,119	0
	I&M	0	236,767	0	276,527	39,759	0
	OPCO	0	271,363	0	316,932	45,569	0
	CSP	0	228,538	0	266,917	38,379	0
	East. AEP (Co.122)	1,183,965	0	1,382,777	0	0	198,812
	TOTAL	1,183,965	1,183,965	1,382,777	1,382,777	198,812	198,812
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	181,932	2,855,019	214,971	2,983,172	130,179	35,066
	KPCO	38,499	604,125	45,489	631,245	27,549	7,420
	I&M	116,711	1,831,060	137,902	1,913,258	83,498	22,490
	OPCO	133,625	2,098,606	157,908	2,192,813	95,696	25,773
	CSP	112,620	1,767,425	133,072	1,846,765	80,594	21,707
	East. AEP (Co.122)	9,156,235	583,386	9,567,252	689,342	112,455	417,516
	TOTAL	9,739,621	9,739,621	10,256,594	10,256,594	529,971	529,971

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: August 2011
- (3) Actual commissions paid in: August 2011

APPENDIX IX

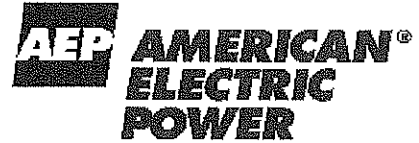
PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSCG									
PJM Allocations & Submit Summary									
Total of PJM Non-ECR MISC Charges	Various	9,352,382	1,981,261	6,009,966	6,905,531	5,772,707	30,021,837	Various	
PJM Admin Fees									
Schedule 9 & 10	5614000	51,697	10,939	33,156	38,000	32,003	165,795	East Zone SIA	
Schedule 9 & 10	5614001	802,808	106,396	322,477	369,596	311,270	1,612,548	no	
Schedule 9 & 10	5618000	3,664	775	2,350	2,694	2,269	11,782	East Zone SIA	
Schedule 9 & 10	5618001	35,641	7,842	22,858	26,198	22,064	114,303	no	
Schedule 9 & 10	5757000	48,941	10,356	31,389	35,975	30,298	156,958	East Zone SIA	
Schedule 9 & 10	5757001	476,010	100,725	305,290	349,898	294,680	1,526,604	no	
Schedule 9 & 10	5618000	2,697	571	1,730	1,982	1,669	8,649	East Zone SIA	
Schedule 9 & 10	5618001	26,229	5,850	16,822	19,280	16,237	84,118	no	
Schedule 9 & 10	5618000	4,092	866	2,624	3,008	2,533	13,122	East Zone SIA	
Schedule 9 & 10	5618001	39,795	8,421	25,923	29,252	24,636	127,627	no	
Schedule 9 NMU	5757000	2,242	474	1,438	1,648	1,388	7,191	East Zone SIA	
Schedule 9 NMU	5757001	21,809	4,615	13,987	16,031	13,501	69,944	N	
PJM Affiliate Entry									
Network Integration Transmission Service Charge	4470107	1	0	1	1	1	4	East Zone SIA	
Transmission Owner Scheduling System	4470110	1,560	330	1,001	1,147	966	5,003	East Zone SIA	
Power Factor Charges	5550039	1,418	300	909	1,042	878	4,547	East Zone SIA	
Other Supporting Facilities Charge	4470107	2,411	510	1,846	1,772	1,492	7,732	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124							East Zone SIA	
Allocation of Generation Activity on PJM Transmission Invoice									
Balancing Spot Market Energy									
Incremental Implicit Congestion - OSS	4470126	23,975	5,073	15,577	17,623	14,842	76,891	East Zone SIA	
Implicit Congestion - LSE	4470093							N	
Inadvertent - OSS	5550039							N	
Inadvertent - LSE	5550040							East Zone SIA	
Misc Credits	4470107	6	1	4	4	3	18	East Zone SIA	
Water Correction - LSE	4470116	830	176	532	610	514	2,642	N	
PJM Invoice Adjustment									
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	0	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470098							N	
Other Supporting Facilities reclass (BCK)	4470141	22,094	4,678	14,170	16,240	13,677	70,886	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470126	(22,094)	(4,678)	(14,170)	(16,240)	(13,677)	(70,886)	N	
Lead Management Test Failures (BCK)	4470141							East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141							East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SCG)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS SCG)	4470098							East Zone SIA	
Balancing Operating Reserve (LSE MGN & OCB)	4470203	90	19	58	66	56	288	East Zone SIA	
RFM Auction Credit (OSS SCG)	4470099							East Zone SIA	
PJM TEA Charge Reclass (MLR)									
Transmission Enhancement Charge	5650012	(1,180,212)	(249,737)	(756,232)	(867,530)	(730,626)	(3,785,036)	N	
RTO Start-up Cost Recovery Charge	4561002	(48,007)	(11,569)	(38,135)	(54,503)	(19,179)	(171,393)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(23,623)	(7,139)	(23,532)	(33,632)	(11,835)	(105,760)	East Zone SIA	
Firm/Non-Firm P1 to P1 Transmission Service Credit	4561005	285,815	60,479	183,308	210,092	176,938	916,632	East Zone SIA	
PJM TEA Charge Reclass (L2CP)									
Transmission Enhancement Charge	5650012	1,147,848	233,420	585,084	777,184	517,280	3,260,817	No	
RTO Start-up Cost Recovery Charge	4561002	60,333	12,269	30,753	40,850	27,189	171,393	East Zone SIA	
Expansion Cost Recovery Charge	4561003	37,229	7,571	18,976	25,207	16,777	105,760	N	
Firm/Non-Firm P1 to P1 Transmission Service Credit	4561005	(272,028)	(58,318)	(138,659)	(198,986)	(199,942)	(864,934)	N	
Firm/Non-Firm P1 to P1 Charges (Auburn)	4560012			8,775			6,775	N	
Transmission Enhancement Charge (Auburn)	4470150	30,467	2,480	10,510			134,456	N	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		10,630,089	2,237,357	6,780,205	7,720,040	4,320,410	33,688,303		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		10,369,929	2,171,921	6,499,724	7,512,025	4,326,606	32,929,606		64,177
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	270,160	65,436	280,482	208,015	(5,196)	758,697		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
PJM Allocations & Submit Summary									
Total PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	2,516,367	532,598	1,614,538	1,891,415	1,556,841	8,071,758	Various	5,062,150
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		2,516,367	532,598	1,614,538	1,891,415	1,556,841	8,071,758		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		2,482,498	526,431	1,592,811	1,826,511	1,530,878	7,963,128		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	33,869	7,167	21,727	24,904	(20,963)	108,631		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	SIA	PJM CHARGES FOR EAST ZONE
PJM Allocations & Submit Summary										
**Includes all participants except SCG and BCK	Various	109,672	23,215	70,380	80,723	67,836	381,825.72	Various		1,148,592
Buckeye GL Entries										
Buckeye (BCK)										
Capacity Credit Market	4470099							East Zone SIA		MAKE SURE THAT
PJM Service Fee	4470143	(327,401)	(69,279)	(209,979)	(240,660)	(202,682)	(1,050,000.00)	East Zone SIA		MAKE SURE THAT
Reactive Supply and Voltage Control Credit (Expense)	5550075	31,574	6,681	20,250	23,209	19,846	101,260.75	No		MAKE SURE THAT
Regulation Credit (Expense)	5550079	21,473	4,944	13,772	15,784	13,293	88,866.44	No		MAKE SURE THAT
Spinning Reserve - Credit	5550084	86	18	55	63	53	275.90	No		MAKE SURE THAT
Buckeye Pass-Through	4470141	(3,941,149)	(707,127)	(2,143,914)	(2,457,682)	(2,067,434)	(10,716,902.94)	East Zone SIA		MAKE SURE THAT
Transmission Loss Credit	4470205	224	47	144	165	139	719.38	East Zone SIA		MAKE SURE THAT
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,809,520)	(741,659)	(2,240,092)	(2,372,397)	(2,169,248)	(11,243,935)			
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,498,107)	(740,330)	(2,244,134)	(2,572,943)	(2,168,463)	(11,220,177)			
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(7,413)	(1,569)	(4,757)	(5,454)	(4,584)	(23,777)			



Date **September 2011**

Subject **East Interchange Power Statement and Related Data
September 2011 Actual**

Reviewer: **Ryan Stock
11/3/2011**

Approved **Richard Quaintance
11/3/2011**

To **See Distribution List**

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of September 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
September 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
Commercial Operations
Pool Settlements Group

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ACTUAL: September 2011

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			MWh		(\$)	
			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	1,493,347	489,660	81,654,329	18,024,130
	BILLING	KPCO	211,606	158,240	12,454,313	4,496,924
	AMOUNT	I&M	414,965	750,110	13,177,354	20,581,168
		OPCO	312,403	1,443,507	10,908,892	89,785,416
		CSP	720,364	311,168	24,690,548	9,997,799
		TOTAL	3,152,685	3,152,685	142,885,437	142,885,438
II.	PREVIOUSLY	APCO	1,456,635	485,254	61,864,219	17,417,357
	ESTIMATED	KPCO	212,592	155,902	9,666,976	4,387,472
	BILLING	I&M	418,517	742,525	12,858,119	20,699,965
	AMOUNT	OPCO	309,697	1,433,476	10,467,418	65,723,639
		CSP	729,154	309,438	22,729,607	9,357,905
		TOTAL	3,126,595	3,126,595	117,586,339	117,586,338
III.	ADJUSTMENT	APCO	36,712	4,406	19,790,110	606,773
	TO BE BOOKED	KPCO	(987)	2,339	2,787,338	109,452
	NEXT MONTH	I&M	(3,552)	7,585	319,235	(118,797)
	(I - II)	OPCO	2,706	10,031	441,474	24,061,777
		CSP	(8,789)	1,730	1,960,941	639,895
		TOTAL	26,090	26,090	25,299,098	25,299,100
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO			17,802	0
		KPCO			3,767	0
		I&M			11,417	0
		OPCO			0	44,008
		CSP			11,022	0
		TOTAL			44,008	44,008
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO			0	0
		KPCO			0	0
		I&M			0	0
		OPCO			0	0
		CSP			0	0
		West. AEP			0	0
		TOTAL			0	0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			0	453,139
		KPCO			0	94,159
		I&M			0	258,886
		OPCO			0	308,510
		CSP			0	194,114
		East. AEP (Co. 122)			1,308,807	0
		TOTAL			1,308,807	1,308,807
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO			33,007	0
		KPCO			6,986	0
		I&M			21,175	0
		OPCO			24,278	0
		CSP			20,422	0
		East. AEP (Co. 122)			0	105,868
		TOTAL			105,868	105,868

ACTUAL: September 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF	APCO	18,653	0
BUCKEYE PASS-THROUGH CHARGES	KPCO	3,946	0
ASSOCIATED WITH PJM	I&M	11,957	0
TO BE BOOKED NEXT MONTH	OPCO	13,696	0
(SEE APPENDIX IX)	CSP	11,557	0
	East. AEP (Co. 122)	0	59,809
	TOTAL	59,809	59,809
IX. ADJUSTMENT FOR BUCKEYE SHARE	APCO	0	0
OF PJM CONGESTION CHARGES	KPCO	0	0
TO BE BOOKED NEXT MONTH	I&M	0	0
(SEE APPENDIX IX)	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH	APCO	0	25,991,526
(SEE APPENDIX VI)	KPCO	0	5,499,890
(Net amounts due System Agent to	I&M	0	16,669,716
effect sharing by MLR in revenues	OPCO	0	19,105,405
and cost of purchases for AEP System	CSP	0	16,090,385
cash-settled transactions)	East. AEP (Co.122)	83,356,921	0
	TOTAL	83,356,921	83,356,921
XIII. ESTIMATED THIS MONTH	APCO	0	25,995,581
(SEE APPENDIX VI)	KPCO	0	5,500,749
	I&M	0	16,672,320
	OPCO	0	19,108,388
	CSP	0	16,092,902
	East. AEP (Co.122)	83,369,941	0
	TOTAL	83,369,941	83,369,941
XI. ADJUSTMENT FOR RECLASS OF ENTERGY	APCO	0	0
SPREADS FOR DIRECT ALLOCATION TO WEST	KPCO	0	0
(SEE APPENDIX VIII, pages 2, 3, & 4)	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	4,055	0
	KPCO	859	0
	I&M	2,604	0
	OPCO	2,983	0
	CSP	2,518	0
	East. AEP (Co.122)	0	13,020
	TOTAL	13,019	13,020

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: September 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(1,780,300)	24.30	43,264,084	0	38,390,245	18,024,130
	BILLING	KPCO	(255,000)	24.30	6,196,900	0	6,257,413	4,496,924
	AMOUNT	I&M	196,300	15.83	0	3,107,429	13,177,354	17,473,739
		OPCO	2,031,900	25.12	0	51,041,328	10,908,892	38,744,088
		CSP	(192,900)	24.30	4,687,773	0	20,002,775	9,997,799
		TOTAL			54,148,757	54,148,757	88,736,680	88,736,681
II.	PREVIOUSLY	APCO			24,429,114	0	37,435,105	17,417,357
	ESTIMATED	KPCO			3,499,087	0	6,167,889	4,387,472
	BILLING	I&M			0	3,001,628	12,858,119	17,698,337
	AMOUNT	OPCO			0	27,573,529	10,467,418	38,150,110
		CSP			2,646,956	0	20,082,651	9,357,905
		TOTAL			30,575,157	30,575,157	87,011,182	87,011,181
IV.	ADJUSTMENT	APCO			18,834,970	0	955,140	606,773
	TO BE BOOKED	KPCO			2,697,813	0	89,525	109,452
	NEXT MONTH	I&M			0	105,801	319,235	(224,598)
	(I - II + III) *	OPCO			0	23,467,799	441,474	593,978
		CSP			2,040,817	0	(79,876)	639,895
		TOTAL			23,573,600	23,573,600	1,725,498	1,725,500
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				CHARGE	CREDIT			
				FROM POOL	TO POOL	(7)	(8)	
I.	ACTUAL	APCO			1,493,347	489,660	81,654,329	18,024,130
	BILLING	KPCO			211,606	158,240	12,454,313	4,496,924
	AMOUNT	I&M			414,965	750,110	13,177,354	20,581,168
		OPCO			312,403	1,443,507	10,908,892	89,785,416
		CSP			720,364	311,168	24,690,548	9,997,799
		TOTAL			3,152,685	3,152,685	142,885,437	142,885,438
II.	PREVIOUSLY	APCO			1,456,635	485,254	61,864,219	17,417,357
	ESTIMATED	KPCO			212,592	155,902	9,666,976	4,387,472
	& ENERGY	I&M			418,517	742,525	12,858,119	20,699,965
	BILLING	OPCO			309,697	1,433,476	10,467,418	65,723,639
	AMOUNT	CSP			729,154	309,438	22,729,607	9,357,905
		TOTAL			3,126,595	3,126,595	117,586,339	117,586,338
IV.	ADJUSTMENT	APCO			36,712	4,406	19,790,110	606,773
	TO BE BOOKED	KPCO			(987)	2,339	2,787,338	109,452
	NEXT MONTH	I&M			(3,552)	7,585	319,235	(118,797)
	(I - III)	OPCO			2,706	10,031	441,474	24,061,777
		CSP			(8,789)	1,730	1,960,941	639,895
		TOTAL			26,090	26,090	25,299,098	25,299,100

NOTE:

(*) The following write-offs have been included in the fixed operating expense and capacity settlement for September 2011: Sporn Unit 5 [OPCo - (\$47,982,912); Muskingum Unit 5 [OPCo-(\$41,840,973); and Ohio Carbon Capture System Feed [OPCo - (\$6,903,153); CSP - (\$2,289,744)]. The CSP write-off does not impact the other members of the pool since CSP was short capacity in September. Refer to email from M. Leskowitz dated 11/02/2011.

ACTUAL: September 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	6,377,000	0.31181	8,157,300	(1,780,300)
KPCO	1,471,000	0.06598	1,726,000	(255,000)
I&M	5,428,000	0.19998	5,231,700	196,300
OPCO	8,028,000	0.22920	5,996,100	2,031,900
CSP	4,857,000	0.19303	5,049,900	(192,900)
TOTAL	26,161,000	1.00000	26,161,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,780,300)	***** +	(43,264,084)
KPCO	(255,000)	***** +	(6,196,900)
I&M	196,300	10.22 +	3,107,429
OPCO	2,031,900	10.8 +	51,041,328
CSP	(192,900)	***** +	(4,687,773)

EQUALIZATION CAPACITY RATE: 24.3016
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

September 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT**

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
I. AEP EXTERNAL ENERGY	(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)	
ENERGY COST	APCO	802,444	877,225	27,819,111	33,103,445
RECOVERY AND MLR	KPCO	169,800	120,285	5,886,613	3,751,920
ALLOCATION FOR ALL	I&M	514,649	319,969	17,841,845	12,183,867
AEP SYSTEM	OPCO	589,847	802,946	20,448,800	24,610,332
DELIVERIES TO	CSP	496,763	453,078	17,221,779	15,568,585
NON-AFFILIATED COS.	AEP	2,573,503	2,573,503	89,218,148	89,218,149
ADJUSTMENT TO	APCO	(388,077)	(388,077)	(15,103,994)	(15,103,994)
PREVENT RECOGNITION	KPCO	(40,834)	(40,834)	(1,620,899)	(1,620,899)
OF SALES BY POOL	I&M	(149,391)	(149,391)	(6,001,856)	(6,001,856)
MEMBERS TO	OPCO	(278,343)	(278,343)	(9,577,714)	(9,577,714)
THEMSELVES	CSP	(170,610)	(170,610)	(6,476,521)	(6,476,521)
(PAGE 7)	AEP	(1,027,255)	(1,027,255)	(38,780,983)	(38,780,983)
SUBTOTAL	APCO	414,368	489,149	12,715,117	17,999,451
AEP EXTERNAL	KPCO	128,966	79,451	4,265,714	2,131,021
ENERGY	I&M	365,258	170,578	11,839,989	6,182,011
	OPCO	311,503	524,603	10,871,086	15,032,618
	CSP	326,153	282,467	10,745,258	9,092,065
	AEP	1,546,248	1,546,248	50,437,165	50,437,165
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,078,980	0	25,675,128	0
ENERGY	KPCO	82,640	78,738	1,991,699	2,362,695
(PAGE 8)	I&M	49,175	579,467	1,311,672	11,286,928
	OPCO	412	918,738	10,979	23,703,635
	CSP	394,211	28,476	9,257,517	893,736
	AEP	1,605,418	1,605,418	38,246,995	38,246,995
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,493,347	489,660	38,390,245	18,024,130
	KPCO	211,606	158,240	6,257,413	4,496,924
	I&M	414,965	750,110	13,177,354	17,473,739
	OPCO	312,403	1,443,507	10,908,892	38,744,088
	CSP	720,364	311,168	20,002,775	9,997,799
	AEP	3,152,685	3,152,685	88,736,680	88,736,681

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the Power Tracker Flow report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Off-System Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Off-System Obligation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: September 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	511	0	24,679
COST RECOVERY	KPCO	0	51	0	3,208
ALLOCATED TO	I&M	532	65	25,693	4,800
SPECIAL SERVICE	OPCO	487	166	26,828	7,835
CUSTOMERS	CSP	0	225	0	11,999
	AEP	<u>1,019</u>	<u>1,019</u>	<u>52,521</u>	<u>52,521</u>
PREVIOUSLY	APCO	0	505	0	24,276
ESTIMATED	KPCO	0	51	0	3,208
AMOUNT	I&M	538	65	25,616	4,800
	OPCO	475	169	26,378	7,783
	CSP	0	224	0	11,926
	AEP	<u>1,014</u>	<u>1,014</u>	<u>51,994</u>	<u>51,994</u>
ADJUSTMENT	APCO	0	7	0	403
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	(7)	0	77	0
	OPCO	12	(2)	449	51
	CSP	0	1	0	72
	AEP	<u>5</u>	<u>5</u>	<u>526</u>	<u>526</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: September 2011

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) <u>(1)</u>	CREDIT MEMBER (1) COST RECOVERY (\$) <u>(2)</u>	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) <u>(3)</u>	EXCESS OF REVENUE OVER ENERGY COSTS (\$) <u>(4)=(3)-(1)</u>
APCO	27,819,111	33,103,445	32,502,043	4,682,932
KPCO	5,886,613	3,751,920	6,877,537	990,924
I&M	17,841,845	12,183,867	20,845,254	3,003,409
OPCO	20,448,800	24,610,332	23,891,050	3,442,250
CSP	17,221,779	15,568,585	20,120,809	2,899,030
TOTAL	89,218,148	89,218,149	104,236,691	15,018,543

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) <u>(5)</u>	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) <u>(6)=(4)-(5)</u>	(MLR) MEMBER LOAD RATIO THIS MONTH <u>(7)</u>
APCO	57,522	4,625,410	0.31181
KPCO	12,172	978,752	0.06598
I&M	36,892	2,966,517	0.19998
OPCO	42,282	3,399,968	0.22920
CSP	35,610	2,863,420	0.19303
TOTAL	184,477	14,834,066	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the Power Tracker report for Sales Tariff Report with Sales Demand & Adjustments.

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x 0 =	\$0
WESTERN AEP:	0.000% x 0 =	\$0
		\$0

REALIZATION TO BE SHARED:	\$0
LESS EASTERN AEP REALIZATION SHARE:	\$0
WESTERN REALIZATION SHARE:	\$0
LESS AMOUNT ALREADY BOOKED ON WEST	\$0
TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP:	\$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	4210.043	4470.144	4210.043	4470.144	4210.043	4470.144	4210.043
APCO	0	0	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

WESTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL		PRIOR PERIOD ADJUSTMENTS		ADJUSTMENT TO BE BOOKED NEXT MONTH	
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.
4470.144	4210.043	4210.044	4210.043	4470.144	4210.043	4470.144	4210.043	4470.144	4210.043
PSO	0	0	0	0	0	0	0	0	0
SWPECO	0	0	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: September 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	555,989	17,105,329	0.31181	173,363	5,333,613
KPCO	85,064	2,281,558	0.06598	5,613	150,537
I&M	135,776	3,199,865	0.19998	27,152	639,909
OPCO	547,953	15,190,478	0.22920	125,591	3,481,658
CSP	312,014	10,030,899	0.19303	60,228	1,936,264
TOTAL	1,636,796	47,808,129	1.00000	391,947	11,541,981

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	154,786	9,049,441	0.31181	48,264	2,821,706
KPCO	0	0	0.06598	0	0
I&M	77,440	4,527,455	0.19998	15,486	905,400
OPCO	132,642	4,312,140	0.22920	30,401	988,342
CSP	38,020	1,236,018	0.19303	7,339	238,589
TOTAL	402,888	19,125,055	1.00000	101,490	4,954,037

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	166,450	6,948,675
KPCO	35,221	1,470,362
I&M	106,753	4,456,547
OPCO	122,351	5,107,714
CSP	103,043	4,301,668
TOTAL	533,818	22,284,965

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	388,077	15,103,994
KPCO	40,834	1,620,899
I&M	149,391	6,001,856
OPCO	278,343	9,577,714
CSP	170,610	6,476,521
TOTAL	1,027,255	38,780,983

NOTES:

- (1) The source of the MWh and COST data is the "Unit Cost" Report for Generation and Purchase Power Report for purchases.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ACTUAL: September 2011

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PRIMARY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	1,078,980	23.796	25,675,128
KPCO	82,640	24.101	1,991,699
I&M	49,175	26.674	1,311,672
OPCO	412	26.639	10,979
CSP	394,211	23.484	9,257,517
TOTAL ALL MEMBERS RECEIVED	1,605,418	23.824	38,246,995

TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	78,738	30.007	2,362,695
I&M	579,467	19.478	11,286,928
OPCO	918,738	25.800	23,703,635
CSP	28,476	31.387	893,736
TOTAL ALL MEMBERS DELIVERED:	1,605,418	23.824	38,246,995

SOURCE: Power Tracker calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The used in the hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY **ACTUAL:** September 2011

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	1,078,980	20.685	22,318,388
KPCO	82,640	20.960	1,732,173
I&M	49,175	23.621	1,161,566
OPCO	412	23.633	9,740
CSP	394,211	20.372	8,030,923
TOTAL ALL MEMBERS RECEIVED	1,605,418	20.713	33,252,790
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	78,738	28.086	2,211,439
I&M	579,467	16.151	9,359,012
OPCO	918,738	22.746	20,897,778
CSP	28,476	27.552	784,561
TOTAL ALL MEMBERS DELIVERED:	1,605,418	20.713	33,252,790

ACTUAL: September 2011

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ECONOMY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

SOURCE: Power Tracker calculates for each hour of the month the MWh of ECONOMY delivered and the associated charges and credits based upon an equal sharing of the savings in expense, then aggregates such hourly data for the month to arrive at the totals reported.

ACCOUNT 151 FUEL COST ASSOCIATED
 WITH ECONOMY ENERGY

ACTUAL:

September 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

September 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
APCO	AMOS 1	71,852	373,198	0.1925	58	11.1667
	AMOS 2	68,405	244,898	0.2793	341	95.2488
	AMOS 3	38,523	227,288	0.1695	44	7.4576
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	9,060	42,956	0.2109	207	43.6588
	CLINCH RIVER 2	9,458	42,370	0.2232	208	46.4318
	CLINCH RIVER 3	40	1,014	0.0392	6	0.2351
	GLEN LYN 51	5,120	13,500	0.3793	135	51.1992
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	19,321	39,539	0.4887	296	144.6458
	KANAWHA RIVER 1	43,817	107,569	0.4073	722	294.0960
	KANAWHA RIVER 2	25,647	45,015	0.5697	303	172.6326
	MOUNTAINEER 1	230,543	789,370	0.2921	119	34.7550
	SPORN 1	0	0	0.0000	1	0.0000
SPORN 3	5,098	42,758	0.1192	316	37.6733	
	TOTAL	526,883	1,969,475	0.2675	2,756	939.2007
KPCO	BIG SANDY 1	32,361	149,400	0.2166	969	209.8911
	BIG SANDY 2	30,730	210,100	0.1463	1,368	200.0898
	ROCKPORT 1 (AEG)	9,754	103,672	0.0941	352	33.1195
	ROCKPORT 2 (AEG)	12,218	132,624	0.0921	447	41.1812
		TOTAL	85,064	595,796	0.1428	3,136
I&M	ROCKPORT 1	32,509	345,505	0.0941	1,172	110.2754
	ROCKPORT 1 (AEG)	22,753	241,828	0.0941	820	77.1528
	ROCKPORT 2	40,716	442,042	0.0921	1,495	137.7039
	ROCKPORT 2 (AEG)	28,496	309,412	0.0921	1,046	96.3344
	TANNERS CREEK 1	0	0	0.0000	0	0.0000
	TANNERS CREEK 2	8,011	29,544	0.2712	167	45.2848
	TANNERS CREEK 3	3,276	27,217	0.1204	143	17.2143
	TANNERS CREEK 4	13	32,358	0.0004	305	0.1225
	TOTAL	135,776	1,427,906	0.0951	5,148	484.0881

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS		TOTAL GENERATION	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons)	SO2 EMISSION EXPENDED FOR SYSTEM SALES	
(MWh)		(MWh)	(3)=(1)/(2)	(b)	(5)=(3)*(4)	
(1)		(2)		(4)		
OPCO	AMOS 3	77,159	455,248	0.1695	87	14.7454
	CARDINAL 1	10,037	117,175	0.0857	195	16.7040
	CARDINAL 2	2,089	17,599	0.1187	218	25.8751
	CARDINAL 3	2,276	15,670	0.1453	955	138.7195
	GAVIN 1	79,152	744,452	0.1063	1,387	147.4689
	GAVIN 2	75,073	905,251	0.0829	1,185	98.2728
	KAMMER 1	0	0	0.0000	0	0.0000
	KAMMER 2	14,713	62,536	0.2353	606	142.5747
	KAMMER 3	22,437	98,833	0.2270	957	217.2549
	MITCHELL 1	107,504	502,701	0.2139	372	79.5532
	MITCHELL 2	105,727	533,402	0.1982	319	63.2298
	MUSKINGUM 1	1,575	22,225	0.0709	742	52.5944
	MUSKINGUM 2	11,248	91,251	0.1233	3,071	378.5413
	MUSKINGUM 3	5,786	40,903	0.1415	1,364	192.9492
	MUSKINGUM 4	24,574	132,872	0.1849	4,460	824.8618
	MUSKINGUM 5	7,322	40,138	0.1824	278	50.7130
	SPORN 2	1,281	23,153	0.0553	181	10.0141
	SPORN 4	0	0	0.0000	0	0.0000
	SPORN 5	0	0	0.0000	0	0.0000
	TOTAL	547,953	3,803,409	0.1441	16,377	2,454.0721
CSP	BECKJORD 6	1,318	23,243	0.0567	628	35.5975
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	0	0	0.0000	0	0.0000
	CONESVILLE 4	2,774	12,734	0.2178	12	2.6141
	CONESVILLE 5	68,623	193,541	0.3546	161	57.0850
	CONESVILLE 6	70,077	191,439	0.3661	156	57.1045
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	10,549	104,857	0.1006	0	0.0000
	LAWRENCEBURG 2	10,481	82,735	0.1267	0	0.0000
	PICWAY 5	10,194	13,650	0.7468	278	207.6134
	STUART 1	20,562	98,118	0.2096	45	9.4306
	STUART 2	15,585	88,289	0.1765	26	4.5896
	STUART 3	12,625	65,640	0.1923	95	18.2715
	STUART 4	16,041	63,383	0.2531	35	8.8576
	WATERFORD	15,786	102,447	0.1541	0	0.0000
	ZIMMER 1	57,399	216,538	0.2651	159	42.1473
	TOTAL	312,014	1,256,614	0.2483	1,595	443.3111

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: September 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
I. AEP EXTERNAL ENERGY (3)			
APCO	1,976	142,561	140,585
KPCO	1,083	18,868	17,785
I&M	1,142	83,423	82,281
OPCO	5,489	64,199	58,710
CSP	1,002	61,323	60,321
AEP	<u>10,692</u>	<u>370,374</u>	<u>359,682</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	21,811	750	(21,061)
KPCO	8,201	2,789	(5,413)
I&M	12,659	33,602	20,943
OPCO	25,954	2,693	(23,262)
CSP	25,201	23,406	(1,795)
AEP	<u>93,826</u>	<u>63,239</u>	<u>(30,588)</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	32,983,921	33,103,445	
KPCO	3,739,547	3,751,920	
I&M	12,080,643	12,183,867	
OPCO	24,574,884	24,610,332	
CSP	15,510,059	15,568,585	
AEP	<u>88,889,054</u>	<u>89,218,149</u>	
	<u>SO2</u>	<u>NOX</u>	
NOTES: (1) Market Price (\$/Ton):	2.60	85.79	
(2) APCO \$/Ton:	151.79	2.95	
KPCO \$/Ton:	38.96	29.17	
I&M \$/Ton:	172.33	227.72	
OPCO \$/Ton:	26.16	8.90	
CSP \$/Ton:	138.33	79.68	

(7) From Power Tracker report "Pool Flow Report - Off-System Allocation"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 08/31/2011

OPERATING COMPANY PERCENTAGE
 SEPTEMBER 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31181	0.06598	0.19998	0.22920	0.19303

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
08/11	20951	01	16	6023	02	15	1230	02	16	4517	02	14	4991	02	17	4190
07/11	22504	22	13	6214	11	15	1240	21	14	4837	22	13	5544	21	16	4669
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823
09/10	20149	02	16	5858	02	16	1191	01	13	3938	01	15	4994	02	16	4168

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
24188	7542	1596	4837	5544	4669

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/21/11 HR 14 07/22/11 HR 13 07/21/11 HR 16

Notes:

OP Peak load for Sep 2010 was restated from 4989 MW to 4993 MW due to a correction of a CSP to OP intraconnection set up in CEAS.

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010.
 A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: September 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	295,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,003,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,028,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,161,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

(1) NOTE: Effective September 1, 2011 Sporn 5 has been removed from System Primary Capacity per the AEP East Operating Committee. Refer to email from K. Pearce dated 9/28/2011

ACTUAL:
 September 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 September 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION	TOTAL NET PRODUCTION EXPENSES	FUEL A/C 501	MAINTENANCE	FUEL A/C 151	FUEL A/C 152
	MWh	(\$)	(\$)	(\$)	(\$)	(\$)
APPALACHIAN POWER COMPANY						
GLENLYN	53,039	3,692,997	3,199,815	210,705	2,642,939	556,876
SPORN (APCO)	42,758	2,632,745	1,549,079	635,504	1,402,662	146,417
KANAWHA RIVER	152,584	5,570,170	4,635,266	484,066	4,022,581	612,684
CLINCH RIVER	86,340	5,466,212	4,039,664	587,139	3,787,374	252,290
AMOS (APCO)	845,384	31,924,577	25,887,836	2,501,404	24,564,303	1,323,533
MOUNTAINEER	789,370	25,827,157	20,701,671	2,592,985	19,103,595	1,598,077
CEREDO	0	338,409	(7,055)	62,449	(7,286)	232
BEECH RIDGE	6,654	0	0	0	0	0
CAMP GROVE	14,177	0	0	0	0	0
FOWLER RIDGE III	15,810	0	0	0	0	0
GRAND RIDGE II	7,999	0	0	0	0	0
GRAND RIDGE III	7,366	0	0	0	0	0
TOTAL	2,021,481	75,452,267	60,006,276	7,074,252	55,516,168	4,490,108
RATES:		31.434	29.684	1.750	27.463	2.221
KENTUCKY POWER COMPANY						
BIG SANDY	359,500	13,726,760	11,921,916	724,064	11,667,547	254,369
ROCKPORT 1 (AEG)	103,672	2,677,714	2,310,460	174,848	2,164,621	145,839
ROCKPORT 2 (AEG)	132,624	5,001,983	3,151,222	90,443	2,901,413	249,809
TOTAL	595,796	21,406,458	17,383,598	989,355	16,733,581	650,018
RATES:		30.007	29.177	0.830	28.086	1.091
INDIANA MICHIGAN POWER COMPANY						
TANNERS CREEK TOTAL	89,119	4,340,411	2,863,776	1,547,161	2,631,323	232,453
ROCKPORT 1 (OWNED SHARE)	345,505	8,923,950	7,700,012	582,711	7,213,977	486,035
ROCKPORT 1 (AEG)	241,828	6,246,106	5,389,440	407,855	5,049,251	340,189
ROCKPORT 2 (AEG)	309,412	11,669,634	7,351,806	211,004	6,769,000	582,806
ROCKPORT 2 (LEASED SHARE)	442,042	16,671,844	10,503,171	301,451	9,670,544	832,627
COOK	1,160,312	33,404,925	10,855,388	9,385,912	10,855,388	0
FOWLER RIDGE I	15,588	0	0	0	0	0
FOWLER RIDGE II	8,463	0	0	0	0	0
SUM	2,612,269	81,256,870	44,663,593	12,436,094	42,189,484	2,474,109
COAL CONVERSION	0	0	0	0	0	0
TOTAL	2,612,269	81,256,870	44,663,593	12,436,094	42,189,484	2,474,109
RATES:		19.478	17.098	2.380	16.151	0.947
OHIO POWER COMPANY						
SPORN (OPCO)	23,153	3,921,798	926,910	350,386	816,953	109,957
MUSKINGUM	327,389	66,455,895	8,032,398	2,954,115	7,860,358	172,040
KAMMER	161,369	14,174,819	5,948,448	2,189,179	5,698,609	249,839
CARDINAL (OPCO)	150,445	6,903,422	3,088,150	1,949,315	2,806,421	281,729
MITCHELL	1,036,103	44,407,008	26,764,486	1,258,907	25,783,662	980,824
AMOS (OPCO)	455,248	15,958,995	13,919,418	1,240,549	13,482,838	436,580
GAVIN	1,649,703	67,398,755	33,180,889	3,058,382	30,269,446	2,911,443
FOWLER RIDGE II	8,463	0	0	0	0	0
Wyandot	611	0	0	0	0	0
TOTAL	3,812,484	219,220,692	91,860,700	13,000,833	86,718,287	5,142,412
RATES:		25.800	24.095	1.705	22.746	1.349
COLUMBUS SOUTHERN POWER COMPANY						
CONESVILLE	397,714	18,360,133	12,104,981	2,008,153	11,104,402	1,000,579
PICWAY	13,650	1,050,375	686,198	102,555	637,644	48,554
BECKJORD	23,243	501,604	353,707	121,461	315,545	38,162
STUART	315,430	12,199,032	9,282,809	1,674,528	8,505,204	777,605
ZIMMER	216,538	7,199,991	5,655,296	837,203	5,371,559	283,737
WATERFORD	102,447	4,885,033	3,142,676	195,589	3,134,459	8,217
DARBY	0	942,754	84,830	83,598	84,230	599
LAWRENCEBURG	187,592	6,976,029	5,741,076	313,516	5,714,130	26,945
FOWLER RIDGE II	8,463	0	0	0	0	0
Wyandot	430	0	0	0	0	0
TOTAL	1,265,507	52,114,951	37,051,573	5,336,603	34,867,175	2,184,398
RATES:		31.386	29.278	2.108	27.552	1.726
SYSTEM TOTAL	10,307,537	449,451,238	250,965,740	38,837,137	236,024,695	14,941,045

(1) NOTE: The following write-offs have been included in the fixed operating expense for September 2011: Sport Unit 5 (OPCo - (\$47,982,912)); Muskingum Unit 5 (OPCo - (\$41,840,973)); and Ohio Carbon System Feed (OPCo - (\$6,903,153); CSP - (\$2,289,744)). The CSP write-off does not impact the other members of the pool since CSP was short capacity in September. Refer to email from M. Leskowitz dated 11/02/2011.

ACTUAL: September 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	75,452,267	55,516,168	4,490,108	7,074,252	3,537,126
KPCO	21,406,458	16,733,581	650,018	989,355	494,678
I&M	81,256,870	42,189,484	2,474,109	12,436,094	6,218,047
OPCO	219,220,692	86,718,287	5,142,412	13,000,833	6,500,417
CSP	52,114,951	34,867,175	2,184,398	5,336,603	2,668,302
TOTAL	449,451,238	236,024,695	14,941,045	38,837,137	19,418,570

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	8,027,234	2,021,481	2,021,481	31.434
KPCO	1,144,696	595,796	595,796	30.007
I&M	8,692,156	2,612,269	2,612,269	19.478
OPCO	11,642,829	3,812,484	3,812,484	25.800
CSP	4,852,700	1,265,507	1,265,507	31.387
TOTAL	34,359,615	10,307,537	10,307,537	26.232

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	11,908,865	5,677,000	2.10
KPCO	3,528,181	1,471,000	2.40
I&M	30,375,230	5,414,000	5.61
OPCO	120,859,575	8,440,000	14.32
CSP	12,395,076	4,857,000	2.55
TOTAL	179,066,928	25,859,000	6.92

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

NOTE: Expenses associated with the write-off of Sporn Unit 5 have been included in the OPCo's fixed operating expense for September 2011. Therefore, 437,000 kW of primary capacity for Sporn 5 has also been included in OPCo's member primary capacity, which is the denominator in the calculation of the member's primary capacity fixed operating rate. Refer to email from K Pearce dated 11/02/2011.

ACTUAL: September 2011

APPENDIX VI
 Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION	APCO	48,929	0	31,127	0	17,802	0
SERVICE	KPCO	10,355	0	6,588	0	3,767	0
(PURCHASES)	I&M	31,381	0	19,964	0	11,417	0
	OPCO	0	120,956	0	76,948	0	44,008
	CSP	30,291	0	19,269	0	11,022	0
	TOTAL	120,956	120,956	76,948	76,948	44,008	44,008
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NET AMOUNT DUE	APCO	0	24,916,753	0	24,886,066	0	30,687
FOR ALL SYSTEM	KPCO	0	5,272,465	0	5,265,972	0	6,493
TRANSACTIONS	I&M	0	15,980,412	0	15,960,731	0	19,681
(EXCEPT TRANS.	OPCO	0	18,315,384	0	18,292,827	0	22,557
SERVICE) (1)	CSP	0	15,425,037	0	15,406,040	0	18,997
	East. AEP (Co. 122)	79,910,052	0	79,811,636	0	98,416	0
	TOTAL	79,910,052	79,910,052	79,811,636	79,811,636	98,416	98,416
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THIRD PARTY	APCO	2,108,367	3,183,140	2,104,913	3,214,427	274,650	239,908
SALES (2)	KPCO	446,137	673,561	445,406	680,184	58,119	50,766
	I&M	1,352,206	2,041,510	1,349,991	2,061,581	176,148	153,862
	OPCO	1,549,784	2,339,805	1,547,245	2,362,807	201,887	176,347
	CSP	1,305,209	1,970,556	1,303,070	1,989,933	170,028	148,513
	East. AEP (Co. 122)	10,208,573	6,761,703	10,308,931	6,750,626	769,396	880,832
	TOTAL	16,970,276	16,970,276	17,059,557	17,059,557	1,650,228	1,650,228
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GROSS TOTAL	APCO	2,108,367	28,099,893	2,104,913	28,100,493	274,650	270,595
	KPCO	446,137	5,946,026	445,406	5,946,155	58,119	57,259
	I&M	1,352,206	18,021,922	1,349,991	18,022,312	176,148	173,544
	OPCO	1,549,784	20,655,189	1,547,245	20,655,634	201,887	198,904
	CSP	1,305,209	17,395,594	1,303,070	17,395,973	170,028	167,510
	East. AEP (Co. 122)	90,118,625	6,761,703	90,120,567	6,750,626	867,812	880,832
	TOTAL	96,880,328	96,880,328	96,871,193	96,871,193	1,748,644	1,748,644
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NET TOTAL	APCO	0	25,991,526	0	25,995,581	4,055	0
	KPCO	0	5,499,890	0	5,500,749	859	0
	I&M	0	16,669,716	0	16,672,320	2,604	0
	OPCO	0	19,105,405	0	19,108,388	2,983	0
	CSP	0	16,090,385	0	16,092,902	2,518	0
	East. AEP (Co. 122)	83,356,921	0	83,369,941	0	0	13,020
	TOTAL	83,356,921	83,356,921	83,369,941	83,369,941	13,019	13,020

NOTES: (1) Source is Power Tracker reports, Pool Flow and Purchase Power with Demand Charge and Adjustments.
 (2) Source is Appendix VII.

Pur Code	Customer	ACCT	CO	AGNY	BILL	ACTUAL	MLR										AMOUNT DUE (TO)/FROM AGENT									
							APCO	RFCO	T&M	OPCO	GSP	Total	APCO	RFCO	T&M	OPCO	GSP	NET								
	Totals				166,920		31,381	10,395	31,381	35,965	30,291	166,921	(48,929)	(10,395)	(31,381)	120,956	(30,291)	-								
CPIC	Progress Energy	4470066 07			219		58	15	44	50	42	219	(69)	(15)	(44)	169	(42)									
DEOIZ	Duke Energy Ohio	4470066 07			7,732		2,411	510	1,846	1,772	1,493	7,732	(2,411)	(810)	(1,846)	5,960	(1,493)									
DEOIZ	Duke Energy Ohio	(1) 4470066 07			13,561		4,228	895	2,712	3,108	2,618	13,561	(4,228)	(895)	(2,712)	10,453	(2,618)									
DTE	DTE Energy/Trading, Inc.	(1) 4470066 07			5,068		1,977	334	1,012	1,169	976	5,068	(1,977)	(334)	(1,012)	3,899	(976)									
ENTE	Entergy Power Serv	4470066 07			51,302		15,997	3,385	10,259	11,798	9,903	51,302	(15,997)	(3,385)	(10,259)	39,544	(9,903)									
MISO Retail	Midwest Retail	(1) 4470066 07			3,989		1,244	263	798	914	770	3,989	(1,244)	(263)	(798)	3,075	(770)									
MISO Trading	Midwest Trading	(1) 4470066 07			56,701		17,680	3,741	11,339	12,996	10,945	56,701	(17,680)	(3,741)	(11,339)	43,705	(10,945)									
MISO Auction	Midwest Auction	5950099 07			(1,699)		(930)	(112)	(340)	(389)	(328)	(1,699)	530	112	340	(1,310)	328									
TVA	TVA Bulk Power Trading	4470066 07			20,058		6,254	1,324	4,011	4,957	3,872	20,058	(6,254)	(1,324)	(4,011)	15,461	(3,872)									

APCO	RFCO	T&M	OPCO	GSP
66,220,91	14,438,76	50,146,67	43,753,62	50,146,67
2,410,796,43	510,132,29	1,772,087,30	1,546,159,37	1,492,434,61
4,228,368,10	894,736,31	3,108,117,02	2,711,872,79	2,617,523,78
1,977,032,08	333,705,07	1,159,217,96	1,011,432,85	976,282,04
15,996,333,19	3,384,876,61	11,798,315,97	10,252,251,97	9,903,736,27
1,243,838,15	263,200,16	797,738,22	914,295,43	770,014,04
17,679,867,09	3,741,116,80	11,339,039,98	12,995,816,48	10,944,949,83
(529,640,47)	(112,073,63)	(339,666,03)	(399,319,12)	(327,880,76)
6,254,254,33	1,323,488,82	4,597,300,48	4,011,204,84	3,871,801,83

Notes: (1) The AEP System MLR Allocation of Pass-Through Receipts for Transmission Service section is no longer included an APPVZ P62 as this activity is recorded from the Off System spreadsheet.

ACTUAL: September 2011

APPENDIX VII

Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>		
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>ENERGY</u>	(1)	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
I.	ACTUAL	APCO	279,992	287,372	10,939,373	13,749,616
	THIS MONTH	KPCO	59,311	60,889	2,314,807	2,909,463
		I&M	179,683	184,408	7,015,993	8,818,345
		OPCO	205,871	211,420	8,041,131	10,106,835
		CSP	173,456	177,890	6,772,167	8,511,878
		TOTAL	898,313	921,979	35,083,470	44,096,136
II.	PREVIOUS	APCO	284,712	287,241	11,181,138	13,751,472
	ESTIMATE	KPCO	60,309	60,861	2,365,965	2,909,855
		I&M	182,709	184,325	7,171,045	8,819,535
		OPCO	209,339	211,321	8,218,842	10,108,199
		CSP	176,381	177,812	6,921,829	8,513,027
		TOTAL	913,450	921,560	35,858,819	44,102,088
III.	ADJUSTMENT	APCO	(4,720)	131	(241,765)	(1,856)
	(I-II)	KPCO	(998)	28	(51,158)	(392)
		I&M	(3,026)	83	(155,052)	(1,190)
		OPCO	(3,468)	99	(177,711)	(1,364)
		CSP	(2,925)	78	(149,662)	(1,149)
		TOTAL	(15,137)	419	(775,349)	(5,952)
<u>EXERCISED</u>				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
<u>OPTIONS &</u>				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>PREMIUMS</u>				<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
(2)		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: September 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE	ALLOCATION BY MLR (MWh)				ALLOCATION BY MLR (\$)			
	PHYSICAL BOOKOUT		GAIN		PHYSICAL BOOKOUT		GAIN	
	PURCHASES		REVENUES		PURCHASES		REVENUES	
	4210.032		4210.031		4210.032		4210.031	
ACTUAL	APCO	5,627	5,625			249,635	209,257	
THIS MONTH	KPCO	1,178	1,203			52,824	44,279	
	I&M	3,611	3,609			160,104	134,207	
	OPCO	4,153	4,151			183,498	153,817	
	CSP	3,484	3,459			154,540	129,543	
	TOTAL	18,053	18,047			800,601	671,104	
PREVIOUS	APCO	5,625	5,625			248,997	209,257	
ESTIMATE	KPCO	1,178	1,203			52,688	44,279	
	I&M	3,609	3,609			159,694	134,207	
	OPCO	4,151	4,151			183,028	153,817	
	CSP	3,484	3,459			154,145	129,543	
	TOTAL	18,047	18,047			798,552	671,104	
ADJUSTMENT	APCO	2	0			639	0	
(I-II)	KPCO	0	0			135	0	
	I&M	2	0			410	0	
	OPCO	2	0			470	0	
	CSP	0	0			395	0	
	TOTAL	6	0			2,048	0	

BROKERS' COMMISSIONS (3)	ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)		
	RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES	
	CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES	
	ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006	
ACTUAL	APCO	44	216	0	16,084	(22,906)
THIS MONTH	KPCO	9	46	0	3,403	(4,847)
	I&M	29	139	0	10,316	(14,691)
	OPCO	33	159	0	11,823	(16,838)
	CSP	28	134	0	9,956	(14,179)
	TOTAL	143	693	0	51,582	(73,461)
PREVIOUS	APCO	44	208	0	16,176	(22,575)
ESTIMATE	KPCO	9	44	0	3,423	(4,777)
	I&M	29	133	0	10,375	(14,479)
	OPCO	33	153	0	11,891	(16,595)
	CSP	28	129	0	10,013	(13,974)
	TOTAL	143	666	0	51,878	(72,400)
ADJUSTMENT	APCO	0	8	0	(92)	(331)
(I-II)	KPCO	0	2	0	(20)	(70)
	I&M	0	5	0	(59)	(212)
	OPCO	0	6	0	(68)	(243)
	CSP	0	5	0	(57)	(205)
	TOTAL	0	27	0	(296)	(1,061)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH A/R ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

	PJM NON-EGR PURCHASES - USE		POWER SWAPS		TOTAL NET	
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACT. 5550.001	ACT. 4470.143	ACT. 4470.143	ACT. 4470.088
I. ACTUAL THIS MONTH	ARCO	ARCO	230,331	(9,819)	(9,819)	(1,788,589)
	RCO	RCO	48,739	(2,078)	(2,078)	(378,471)
	I&M	I&M	147,723	(6,897)	(6,897)	(1,457,115)
	OPCO	OPCO	169,308	(7,317)	(7,317)	(1,314,763)
	CSP	CSP	142,889	(6,078)	(6,078)	(1,107,249)
TOTAL			738,690	(31,489)	(31,489)	(5,725,730)
II. PREVIOUS ESTIMATE	ARCO	ARCO	230,331	(10,499)	(10,499)	(1,785,540)
	RCO	RCO	48,739	(2,422)	(2,422)	(377,783)
	I&M	I&M	147,723	(5,794)	(5,794)	(1,146,031)
	OPCO	OPCO	169,308	(7,718)	(7,718)	(1,312,338)
	CSP	CSP	142,889	(6,499)	(6,499)	(1,105,237)
TOTAL			738,690	(39,672)	(39,672)	(5,725,730)
III. ADJUSTMENT (E-I)	ARCO	ARCO	0	681	681	(3,249)
	RCO	RCO	0	144	144	(680)
	I&M	I&M	0	436	436	(2,084)
	OPCO	OPCO	0	500	500	(2,388)
	CSP	CSP	0	421	421	(2,011)
TOTAL			0	2,183	2,183	(10,460)

PJM NON-EGR PURCHASES-OSS
NON-EGR PHYSICAL SALES-OSS

	PJM NON-EGR PURCHASES - USE		POWER SWAPS		TOTAL NET		TOTAL NET	
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	ACT. 5550.107	ACT. 4470.112	ACT. 5570.007	ACT. 5550.023	ACT. 5550.100	ACT. 5550.107
I. ACTUAL THIS MONTH	ARCO	ARCO	85,951	81,378	1,871	304,015	3,706,719	193,794
	RCO	RCO	18,187	17,221	396	64,331	784,395	41,007
	I&M	I&M	95,125	92,189	1,800	194,981	2,377,312	124,890
	OPCO	OPCO	63,179	59,820	1,375	223,470	2,724,674	142,461
	CSP	CSP	53,209	50,378	1,188	188,204	2,294,693	119,871
TOTAL			275,651	250,984	6,000	975,000	11,887,754	621,514
II. PREVIOUS ESTIMATE	ARCO	ARCO	86,027	81,694	1,871	304,015	3,475,301	140,944
	RCO	RCO	18,204	17,288	396	64,331	735,284	29,824
	I&M	I&M	95,174	92,393	1,800	194,981	2,228,891	90,396
	OPCO	OPCO	63,235	60,092	1,375	223,470	2,554,544	103,603
	CSP	CSP	53,256	50,874	1,188	188,204	2,181,429	87,283
TOTAL			275,896	248,001	6,000	975,000	11,145,569	452,020
III. ADJUSTMENT (E-II)	ARCO	ARCO	0	(318)	0	0	231,418	52,850
	RCO	RCO	0	(67)	0	0	48,971	11,183
	I&M	I&M	0	(204)	0	0	148,422	33,895
	OPCO	OPCO	0	(232)	0	0	170,110	38,646
	CSP	CSP	0	(196)	0	0	143,264	32,717
TOTAL			0	(1,017)	0	0	742,185	159,454

(S)	COSTS		COSTS		REVENUES		REVENUES		COST		Total PMA/MSO	
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	Non-ESR Entry	Revenue - Cost
	Act. 5614.008	Act. 4470.131	Act. 4470.089	Act. 4470.112	Act. 4470.170	Act. 4470.157	Act. 5650.002					
0	0	0	(285,643)	0	1,593,941	11,731	0	372,896				
0	0	2	(60,443)	0	972,093	2,482	0	78,805				
0	0	7	(183,198)	0	2,946,334	7,523	0	239,186				
0	0	8	(209,866)	0	3,976,836	8,623	0	274,101				
0	0	7	(176,831)	0	2,842,918	7,662	0	260,846				
0	0	36	(916,081)	0	14,733,142	37,621	0	1,199,898				
0	0	0	(285,652)	0	4,633,704	11,731	0	644,092				
0	0	0	(60,448)	0	980,507	2,482	0	126,424				
0	0	0	(183,203)	0	2,971,836	7,523	0	413,691				
0	0	0	(209,872)	0	3,406,065	8,623	0	473,480				
0	0	0	(176,837)	0	2,868,954	7,662	0	388,738				
0	0	0	(916,110)	0	14,860,656	37,621	0	2,048,648				
0	0	11	9	0	(39,763)	0	0	(271,198)				
0	0	2	2	0	(8,414)	0	0	(67,388)				
0	0	7	6	0	(29,902)	0	0	(172,345)				
0	0	8	7	0	(29,229)	0	0	(109,949)				
0	0	7	6	0	(24,616)	0	0	(167,889)				
0	0	35	29	0	(127,826)	0	0	(849,729)				

ACTUAL: September 2011

APPENDIX VII
 Page 4 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,810,242	0	2,570,334	0	239,908
	KPCO	0	594,656	0	543,890	0	50,766
	I&M	0	1,802,352	0	1,648,490	0	153,862
	OPCO	0	2,065,704	0	1,889,357	0	176,347
	CSP	0	1,739,711	0	1,591,198	0	148,513
	East. AEP (Co.122)	9,012,665	0	8,243,269	0	769,396	0
	TOTAL	9,012,665	9,012,665	8,243,269	8,243,269	769,396	769,396
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	40,378	0	39,740	0	639	0
	KPCO	8,544	0	8,409	0	135	0
	I&M	25,897	0	25,487	0	410	0
	OPCO	29,681	0	29,211	0	470	0
	CSP	24,997	0	24,601	0	395	0
	East. AEP (Co.122)	0	129,497	0	127,449	0	2,048
	TOTAL	129,497	129,497	127,449	127,449	2,048	2,048
BROKERS' COMMISSIONS (3)	APCO	39,250	0	39,003	0	247	0
	KPCO	8,305	0	8,253	0	52	0
	I&M	25,174	0	25,016	0	158	0
	OPCO	28,852	0	28,671	0	181	0
	CSP	24,296	0	24,143	0	153	0
	East. AEP (Co.122)	0	125,878	0	125,086	0	792
	TOTAL	125,878	125,878	125,086	125,086	792	792
POWER SWAPS	APCO	2,028,738	0	2,026,170	0	2,568	0
	KPCO	429,287	0	428,744	0	543	0
	I&M	1,301,136	0	1,299,488	0	1,647	0
	OPCO	1,491,251	0	1,489,363	0	1,888	0
	CSP	1,255,916	0	1,254,326	0	1,590	0
	East. AEP (Co.122)	0	6,506,328	0	6,498,091	0	8,237
	TOTAL	6,506,328	6,506,328	6,498,091	6,498,091	8,237	8,237
PJM/MISO NON-ECR ENERGY	APCO	0	372,898	0	644,093	271,196	0
	KPCO	0	78,905	0	136,294	57,388	0
	I&M	0	239,158	0	413,091	173,933	0
	OPCO	0	274,101	0	473,450	199,349	0
	CSP	0	230,846	0	398,735	167,889	0
	East. AEP (Co.122)	1,195,908	0	2,065,662	0	0	869,755
	TOTAL	1,195,908	1,195,908	2,065,662	2,065,662	869,755	869,755
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	2,108,367	3,183,140	2,104,913	3,214,427	274,650	239,908
	KPCO	446,137	673,561	445,406	680,184	58,119	50,766
	I&M	1,352,206	2,041,510	1,349,991	2,061,581	176,148	153,862
	OPCO	1,549,784	2,339,805	1,547,245	2,362,807	201,887	176,347
	CSP	1,305,209	1,970,556	1,303,070	1,989,933	170,028	148,513
	East. AEP (Co.122)	10,208,573	6,761,703	10,308,931	6,750,626	769,396	880,832
	TOTAL	16,970,276	16,970,276	17,059,557	17,059,557	1,650,228	1,650,228

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: September 2011
- (3) Actual commissions paid in: September 2011

APPENDIX IX

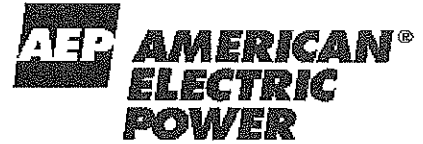
PJM CHARGES TRANSFERRED FROM rMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES
									FOR EAST ZONE
AEP509									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	4,652,059	986,625	2,995,238	3,449,982	2,863,227	14,947,131	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	40,588	8,582	26,012	29,813	25,108	130,074	East Zone SIA	
Schedule 9 & 10	5614001	429,247	90,830	275,299	315,524	265,731	1,376,631	no	
Schedule 9 & 10	5618000	2,882	610	1,848	2,118	1,784	5,242	East Zone SIA	
Schedule 9 & 10	5618001	30,498	6,454	19,560	22,418	18,860	97,811	no	
Schedule 9 & 10	5757000	38,504	8,148	24,604	28,303	23,836	123,485	East Zone SIA	
Schedule 9 & 10	5757001	407,503	86,229	261,353	299,541	252,270	1,306,896	no	
Schedule 9 & 10	5618000	2,106	446	1,351	1,548	1,304	6,755	East Zone SIA	
Schedule 9 & 10	5618001	22,291	4,717	14,296	16,385	13,799	71,488	no	
Schedule 9 & 10	5618000	3,196	676	2,050	2,349	1,978	10,249	East Zone SIA	
Schedule 9 & 10	5618001	33,820	7,187	21,691	24,860	20,937	108,465	no	
Schedule 9 NNU	5757000	1,711	362	1,097	1,258	1,059	5,487	East Zone SIA	
Schedule 9 NNU	5757001	19,107	3,832	11,613	13,310	11,210	58,071	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	5,904	1,249	3,787	4,340	3,655	18,935	East Zone SIA	
Transmission Owner Scheduling System	4470110	871	184	559	640	539	2,794	East Zone SIA	
Power Factor Charges	5580039	1,626	344	1,043	1,195	1,006	5,214	East Zone SIA	
Other Supporting Facilities Charge	4470107	1,181	250	758	868	731	3,780	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124							East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470115							East Zone SIA	
Incremental Implicit Congestion - OSS	4470126							N	
Implicit Congestion - LSE	4470093	(23,160)	(4,901)	(14,854)	(17,024)	(14,337)	(74,276)	N	
Indivertent - OSS	5580039							N	
Indivertent - LSE	5580040							East Zone SIA	
Misc Credits - LSE	4470107	(2)	(0)	(1)	(1)	(1)	(6)	East Zone SIA	
Misc Credits - OSS	4470116	(7,173)	(1,519)	(4,600)	(5,272)	(4,440)	(23,063)	N	
Misc Credits - LSE	4470093	(215,573)	(88,338)	(163,516)	(191,242)	(159,519)	(848,304)	N	
Incremental Implicit Congestion - LSE (Corrected of Revised of June 2011 Entry)	4470093							N	
Incremental Implicit Congestion - OSS (Corrected July Correction of June 2011 Entry)	4470126	276,923	58,412	(63,744)	191,484	159,718	849,380	N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	0	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470198							N	
Other Supporting Facilities reclass (BCK)	4470141	19,588	4,145	12,563	14,399	12,126	62,821	East Zone SIA	
Other Supporting Facilities reclass (BCK)	4470126	(19,588)	(4,145)	(12,563)	(14,399)	(12,126)	(62,821)	N	
Load Management Test Failure (BCK)	4470141							East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141							East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SC6)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS SC6)	4470098							East Zone SIA	
Balancing Operating Reserve (LSE MON & OCG)	4470203	26	5	17	19	16	83	East Zone SIA	
RPM Auction Credit (OSS SC6)	4470099							East Zone SIA	
Balancing Operating Reserve (LSE)	4470202	198,767	42,000	127,480	146,106	123,049	637,463	East Zone SIA	
Balancing Operating Reserve (LSE)	4470202	(181,725)	(38,454)	(116,950)	(133,980)	(112,499)	(582,808)	East Zone SIA	
Balancing Operating Reserve (OSS)	4470098	1,436,716	304,014	921,441	1,056,077	889,418	4,607,666	East Zone SIA	
Balancing Operating Reserve (OSS)	4470098	(1,313,535)	(277,948)	(842,438)	(965,531)	(813,161)	(4,212,613)	East Zone SIA	
Balancing Operating Reserve (LSE - KAMMER)	4470202	(140,223)	(29,672)	(89,933)	(103,073)	(86,807)	(449,708)	East Zone SIA	
<i>PJM TEA Charge Reclass (MIA)</i>									
Transmission Enhancement Charge	5650012	(1,010,638)	(213,884)	(648,175)	(742,883)	(625,649)	(3,241,200)	N	
RTO Start-up Cost Recovery Charge	4561002	(46,578)	(11,225)	(37,000)	(52,880)	(18,608)	(166,290)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(29,699)	(7,187)	(23,892)	(33,719)	(11,865)	(106,031)	East Zone SIA	
Firm/Non Firm Pt to Pt Transmission Service Credit	4561005	233,578	49,426	149,806	171,695	144,600	749,104	East Zone SIA	
<i>PJM TEA Charge Reclass (ICP)</i>									
Transmission Enhancement Charge	5650012	954,982	194,200	486,776	643,564	440,042	2,719,564	No	
RTO Start-up Cost Recovery Charge	4561002	58,393	11,875	29,764	39,351	26,907	166,290	East Zone SIA	
Expansion Cost Recovery Charge	4561003	37,283	7,572	18,979	25,092	17,187	105,031	No	
Firm/Non Firm Pt to Pt Transmission Service Credit	4561005	(248,250)	(50,483)	(126,539)	(167,295)	(114,390)	(706,958)	N	
Firm/Non Firm Pt to Pt Charges (Auburn)	4560012			9,143			9,143	N	
Transmission Enhancement Charge (Auburn)	4470150	31,771	2,586	103,854			140,210	N	
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ACTUAL)		5,642,898	1,183,254	3,608,034	4,075,340	3,346,690	17,856,255		
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ESTIMATED)		6,096,037	1,277,452	3,866,919	4,383,850	3,540,804	19,165,062		64,177
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ADJUSTMENT)	(1)	(453,139)	(94,198)	(258,886)	(308,510)	(194,114)	(1,308,807)		

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES
									FOR EAST ZONE
<i>PJM Allocations GL Submit Summary</i>									
TOTAL PJM - BUCKEYE NON-ECR FROM INVOICE (0)	Various	2,628,551	556,335	1,686,474	1,933,845	1,626,307	8,431,512	Various	5,052,150
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		2,628,551	556,335	1,686,474	1,933,845	1,626,307	8,431,512		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		2,695,544	569,349	1,665,299	1,909,567	1,605,865	8,325,644		
TOTAL PJM CHARGES TRANSFERRED FROM rMARKET TO AEE (ADJUSTMENT)	(1)	33,007	6,986	21,175	24,278	20,442	105,868		

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SC6 and BCK	Various	206,770	43,761	132,652	152,094	127,946	663,222.13	Various	1,148,592
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470088							East Zone SIA	MAKE SURE THAT
PJM Service Fee	4470143	(327,401)	(69,279)	(209,979)	(240,660)	(202,682)	(1,050,000.00)	East Zone SIA	MAKE SURE THAT
Reactive Supply and Voltage Control Credit (Expense)	5580076	31,574	6,681	20,250	23,209	19,546	101,260.75	No	MAKE SURE THAT
Regulation Credit (Expense)	5580079	15,552	3,291	9,974	11,431	9,627	49,875.05	No	MAKE SURE THAT
Spinning Reserve - Credit	5580084	303	64	194	223	187	970.77	No	MAKE SURE THAT
Buckeye Pass-Through	4470141	(3,148,145)	(666,283)	(2,019,718)	(2,315,780)	(1,947,970)	(10,097,850.06)	No	MAKE SURE THAT
Transmission Loss Credit	4470206	1,022	216	656	751	633	3,278.55	East Zone SIA	MAKE SURE THAT
TOTAL OFFSET OF PASS-THROUGH CHARGES (0)		(3,220,325)	(681,549)	(2,065,971)	(2,368,742)	(1,992,715)	(10,329,268)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,238,978)	(689,495)	(2,077,928)	(2,382,428)	(2,004,269)	(10,389,097)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	18,653	3,946	11,957	13,696	11,557	59,809		



Date **October 2011**

Subject **East Interchange Power Statement and Related Data
October 2011 Actual**

Reviewer: **Ryan Stock
11/30/2011**

Approved **Richard Quaintance
11/30/2011**

To **See Distribution List**

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of October 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
October 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
Commercial Operations
Pool Settlements Group

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ACTUAL: October 2011

PAGE (1)

		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
(SOURCE: PAGE 2)						
I.	ACTUAL BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,471,162 123,596 174,878 294,022 215,745 2,279,402	233,347 204,836 834,660 580,044 426,514 2,279,402	64,782,691 7,703,942 6,627,491 10,166,840 10,288,238 99,569,201	10,791,598 6,002,291 24,198,972 44,185,769 14,390,572 99,569,202
II.	PREVIOUSLY ESTIMATED BILLING AMOUNT	APCO KPCO I&M OPCO CSP TOTAL	1,450,876 121,437 171,567 292,912 216,668 2,253,460	213,999 202,783 828,850 578,569 429,259 2,253,460	62,775,052 7,448,571 6,277,050 9,819,822 10,128,482 96,448,977	10,026,107 5,972,859 23,756,585 43,232,650 13,460,774 96,448,977
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO KPCO I&M OPCO CSP TOTAL	20,286 2,158 3,311 1,110 (923) 25,941	19,348 2,053 5,810 1,476 (2,745) 25,941	2,007,639 255,371 350,441 347,018 159,756 3,120,223	765,491 29,432 442,387 953,118 929,797 3,120,225
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)			APCO KPCO I&M OPCO CSP TOTAL	0 0 0 28,604 0 28,604	11,569 2,449 7,422 0 7,164 28,604
V.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)			APCO KPCO I&M OPCO CSP West. AEP TOTAL	0 0 0 0 0 0 0	0 0 0 0 0 0 0
VI.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM MARKET TO AEE (NON-ECR) TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	91,227 20,285 69,304 96,325 141,423 0 418,564	0 0 0 0 0 418,564 418,564
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)			APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL	0 0 0 0 0 492,876 492,876	153,690 32,520 98,561 112,954 95,151 0 492,876

ACTUAL: October 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	10,174	0
	KPCO	2,027	0
	I&M	5,866	0
	OPCO	5,752	0
	CSP	7,245	0
	East. AEP (Co. 122)	0	31,064
	TOTAL	31,064	31,064
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	9,297,499
	KPCO	0	1,967,382
	I&M	0	5,962,973
	OPCO	0	6,834,255
	CSP	0	5,755,742
	East. AEP (Co.122)	29,817,851	0
	TOTAL	29,817,851	29,817,851
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	9,229,083
	KPCO	0	1,952,906
	I&M	0	5,919,094
	OPCO	0	6,783,960
	CSP	0	5,713,384
	East. AEP (Co.122)	29,598,427	0
	TOTAL	29,598,427	29,598,427
XI. ADJUSTMENT FOR RECLASS OF ENERGENCY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	0	68,416
	KPCO	0	14,477
	I&M	0	43,879
	OPCO	0	50,294
	CSP	0	42,357
	East. AEP (Co.122)	219,424	0
	TOTAL	219,424	219,424

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: October 2011

PAGE (2)

SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE	CREDIT	CHARGE	CREDIT	
		kW	\$/kW	A/C 555 (1)	A/C 447 (2)	A/C 555 (3)	A/C 447 (4)	
I.	ACTUAL	APCO	(1,780,300)	14.02	24,953,117	0	39,829,574	10,791,598
	BILLING	KPCO	(255,000)	14.02	3,574,142	0	4,129,800	6,002,291
	AMOUNT	I&M	196,300	15.53	0	3,048,539	6,627,491	21,150,433
		OPCO	2,031,900	13.87	0	28,182,453	10,166,840	16,003,316
		CSP	(192,900)	14.02	2,703,733	0	7,584,505	14,390,572
		TOTAL			31,230,992	31,230,992	68,338,209	68,338,210
II.	PREVIOUSLY	APCO			24,484,632	0	38,290,420	10,026,107
	ESTIMATED	KPCO			3,507,039	0	3,941,532	5,972,859
	BILLING	I&M			0	3,002,533	6,277,050	20,754,052
	AMOUNT	OPCO			0	27,642,109	9,819,822	15,590,541
		CSP			2,652,972	0	7,475,510	13,460,774
		TOTAL			30,644,643	30,644,642	65,804,334	65,804,335
IV.	ADJUSTMENT	APCO			468,485	0	1,539,154	765,491
	TO BE BOOKED	KPCO			67,103	0	188,268	29,432
	NEXT MONTH	I&M			0	46,006	350,441	396,381
	(I - II + III)	OPCO			0	540,344	347,018	412,774
		CSP			50,761	0	108,995	929,797
		TOTAL			586,349	586,350	2,533,874	2,533,875
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				CHARGE	CHARGE	CHARGE	CREDIT	
				FROM POOL	TO POOL	(7)	(8)	
I.	ACTUAL	APCO		1,471,162	233,347	64,782,691	10,791,598	
	BILLING	KPCO		123,596	204,836	7,703,942	6,002,291	
	AMOUNT	I&M		174,878	834,660	6,627,491	24,198,972	
		OPCO		294,022	580,044	10,166,840	44,185,769	
		CSP		215,745	426,514	10,288,238	14,390,572	
		TOTAL		2,279,402	2,279,402	99,569,201	99,569,202	
II.	PREVIOUSLY	APCO		1,450,876	213,999	62,775,052	10,026,107	
	ESTIMATED	KPCO		121,437	202,783	7,448,571	5,972,859	
	& ENERGY	I&M		171,567	828,850	6,277,050	23,756,585	
	BILLING	OPCO		292,912	578,569	9,819,822	43,232,650	
	AMOUNT	CSP		216,668	429,259	10,128,482	13,460,774	
		TOTAL		2,253,460	2,253,460	96,448,977	96,448,977	
IV.	ADJUSTMENT	APCO		20,286	19,348	2,007,639	765,491	
	TO BE BOOKED	KPCO		2,158	2,053	255,371	29,432	
	NEXT MONTH	I&M		3,311	5,810	350,441	442,387	
	(I - III)	OPCO		1,110	1,476	347,018	953,118	
		CSP		(923)	(2,745)	159,756	929,797	
		TOTAL		25,941	25,941	3,120,223	3,120,225	

ACTUAL: October 2011

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u>	<u>MEMBER LOAD RATIO (APPENDIX I)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>
	(1)	(2)	(3)	(4) = (1) - (3)
APCO	6,377,000	0.31181	8,157,300	(1,780,300)
KPCO	1,471,000	0.06598	1,726,000	(255,000)
I&M	5,428,000	0.19998	5,231,700	196,300
OPCO	8,028,000	0.22920	5,996,100	2,031,900
CSP	4,857,000	0.19303	5,049,900	(192,900)
TOTAL	26,161,000	1.00000	26,161,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u>	<u>CAPACITY RATE \$/kW *</u>	<u>CREDIT (CHARGE) ** \$</u>
	(1)	(2)	(3)
APCO	(1,780,300)	***** + *****	(24,953,117)
KPCO	(255,000)	***** + *****	(3,574,142)
I&M	196,300	10.22 + 5.31	3,048,539
OPCO	2,031,900	10.8 + 3.07	28,182,453
CSP	(192,900)	***** + *****	(2,703,733)

EQUALIZATION CAPACITY RATE: 14.0162
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED	DELIVERED	CHARGE MEMBER	CREDIT MEMBER
		FROM POOL	TO POOL	A/C 555	A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	440,313	482,759	17,338,977	21,126,057
RECOVERY AND MLR	KPCO	93,172	76,476	3,668,983	2,478,646
ALLOCATION FOR ALL	I&M	282,395	220,741	11,120,389	10,065,666
AEP SYSTEM	OPCO	323,657	305,403	12,745,241	10,111,214
DELIVERIES TO	CSP	272,581	326,739	10,733,917	11,825,926
NON-AFFILIATED COS.	AEP	1,412,118	1,412,118	55,607,507	55,607,508
ADJUSTMENT TO	APCO	(249,532)	(249,532)	(10,338,566)	(10,338,566)
PREVENT RECOGNITION	KPCO	(33,478)	(33,478)	(1,240,864)	(1,240,864)
OF SALES BY POOL	I&M	(117,958)	(117,958)	(4,809,754)	(4,809,754)
MEMBERS TO	OPCO	(151,508)	(151,508)	(5,405,893)	(5,405,893)
THEMSELVES	CSP	(134,938)	(134,938)	(5,005,835)	(5,005,835)
(PAGE 7)	AEP	(687,416)	(687,416)	(26,800,912)	(26,800,912)
SUBTOTAL	APCO	190,780	233,227	7,000,411	10,787,491
AEP EXTERNAL	KPCO	59,693	42,998	2,428,119	1,237,782
ENERGY	I&M	164,437	102,783	6,310,635	5,255,912
	OPCO	172,149	153,895	7,339,348	4,705,321
	CSP	137,643	191,800	5,728,082	6,820,091
	AEP	724,702	724,702	28,806,595	28,806,596
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,280,381	0	32,829,163	0
ENERGY	KPCO	63,902	161,839	1,701,681	4,764,509
(PAGE 8)	I&M	10,163	731,877	307,332	15,894,521
	OPCO	121,873	426,106	2,827,492	11,296,495
	CSP	78,102	234,600	1,856,423	7,566,564
	AEP	1,554,422	1,554,422	39,522,090	39,522,090
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,471,162	233,347	39,829,574	10,791,598
	KPCO	123,596	204,836	4,129,800	6,002,291
	I&M	174,878	834,660	6,627,491	21,150,433
	OPCO	294,022	580,044	10,166,840	16,003,316
	CSP	215,745	426,514	7,584,505	14,390,572
	AEP	2,279,402	2,279,402	68,338,209	68,338,210

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the Power Tracker Flow report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Off-System Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Off-System Obligation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: October 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	120	0	4,107
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	277	0	9,524	0
SPECIAL SERVICE	OPCO	0	43	0	1,500
CUSTOMERS	CSP	0	114	0	3,917
	AEP	<u>277</u>	<u>277</u>	<u>9,524</u>	<u>9,524</u>
PREVIOUSLY	APCO	0	144	0	4,788
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	308	0	10,262	0
	OPCO	0	62	0	2,067
	CSP	0	102	0	3,408
	AEP	<u>308</u>	<u>308</u>	<u>10,262</u>	<u>10,262</u>
ADJUSTMENT	APCO	0	(24)	0	(681)
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	(31)	0	(738)	0
	OPCO	0	(19)	0	(567)
	CSP	0	12	0	509
	AEP	<u>(31)</u>	<u>(31)</u>	<u>(738)</u>	<u>(738)</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: October 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	17,338,977	21,126,057	18,208,845	869,868
KPCO	3,668,983	2,478,646	3,853,050	184,067
I&M	11,120,389	10,065,666	11,678,281	557,892
OPCO	12,745,241	10,111,214	13,384,649	639,408
CSP	10,733,917	11,825,926	11,272,420	538,503
TOTAL	55,607,507	55,607,508	58,397,245	2,789,738

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	869,868	0.31181
KPCO	0	184,067	0.06598
I&M	0	557,892	0.19998
OPCO	0	639,408	0.22920
CSP	0	538,503	0.19303
TOTAL	0	2,789,738	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO₂ & NO_x emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the Power Tracker report for Sales Tariff Report with Sales Demand & Adjustments.

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

		SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0	\$0
WESTERN AEP:	0.000% x	0 =	\$0	\$0
REALIZATION TO BE SHARED:				\$0
LESS EASTERN AEP REALIZATION SHARE:				\$0
WESTERN REALIZATION SHARE:				\$0
LESS AMOUNT ALREADY BOOKED ON WEST				\$0
TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP:				\$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES					WESTERN AEP JOURNAL ENTRIES					
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD	ADJUSTMENT	ACCOUNT NO.	ACCOUNT NO.	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO.	TO BE BOOKED	4470.144	4470.043	TO BE BOOKED
						4470.144	NEXT MONTH			NEXT MONTH
APCO	0	0	0	0	0	0	0	0	0	0
KPCO	0	0	0	0	0	0	0	0	0	0
I&M	0	0	0	0	0	0	0	0	0	0
OPCO	0	0	0	0	0	0	0	0	0	0
CSP	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0
WESTERN AEP JOURNAL ENTRIES					WESTERN AEP JOURNAL ENTRIES					
ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL	PREVIOUS	PRIOR PERIOD <td>ADJUSTMENT</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ADJUSTMENT</td>	ADJUSTMENT	ACCOUNT NO.	ACCOUNT NO.	ADJUSTMENT
4470.144	4210.043	4210.044	4210.043	TOTAL OF ALL ACCOUNTS	ESTIMATED TOTAL	ACCOUNT NO.	TO BE BOOKED	4470.144	4470.043	TO BE BOOKED
						4470.144	NEXT MONTH			NEXT MONTH
PSO	0	0	0	0	0	0	0	0	0	0
SWERCO	0	0	0	0	0	0	0	0	0	0
TCC	0	0	0	0	0	0	0	0	0	0
TNC	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: October 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	225,603	6,954,103	0.31181	70,345	2,168,359
KPCO	46,035	1,325,220	0.06598	3,037	87,438
I&M	72,587	2,233,255	0.19998	14,516	446,606
OPCO	121,583	3,532,691	0.22920	27,867	809,693
CSP	215,301	7,714,312	0.19303	41,560	1,489,094
TOTAL	681,108	21,759,580	1.00000	157,325	5,001,190

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	113,296	8,721,061	0.31181	35,327	2,719,314
KPCO	0	0	0.06598	0	0
I&M	55,889	4,336,470	0.19998	11,177	867,207
OPCO	78,074	2,571,773	0.22920	17,895	589,450
CSP	22,379	737,169	0.19303	4,320	142,296
TOTAL	269,638	16,366,473	1.00000	68,719	4,318,267

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	143,860	5,450,893
KPCO	30,441	1,153,426
I&M	92,265	3,495,941
OPCO	105,746	4,006,750
CSP	89,058	3,374,445
TOTAL	461,372	17,481,455

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	249,532	10,338,566
KPCO	33,478	1,240,864
I&M	117,958	4,809,754
OPCO	151,508	5,405,893
CSP	134,938	5,005,835
TOTAL	687,416	26,800,912

NOTES:

- (1) The source of the MWh and COST data is the "Unit Cost" Report for Generation and Purchase Power Report for purchases.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ACTUAL: October 2011

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PRIMARY ENERGY

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	1,280,381	25.640	32,829,163
KPCO	63,902	26.629	1,701,681
I&M	10,163	30.240	307,332
OPCO	121,873	23.200	2,827,492
CSP	78,102	23.769	1,856,423
TOTAL ALL MEMBERS RECEIVED	1,554,422	25.426	39,522,090

<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	161,839	29.439	4,764,509
I&M	731,877	21.718	15,894,521
OPCO	426,106	26.511	11,296,495
CSP	234,600	32.252	7,566,564
TOTAL ALL MEMBERS DELIVERED:	1,554,422	25.426	39,522,090

SOURCE: Power Tracker calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The used in the hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY ACTUAL: October 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	1,280,381	21.567	27,613,631
KPCO	63,902	22.209	1,419,201
I&M	10,163	25.992	264,158
OPCO	121,873	19.575	2,385,712
CSP	78,102	19.900	1,554,251
TOTAL ALL MEMBERS RECEIVED	1,554,422	21.382	33,236,954
TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	161,839	27.794	4,498,140
I&M	731,877	17.631	12,903,722
OPCO	426,106	21.524	9,171,505
CSP	234,600	28.404	6,663,587
TOTAL ALL MEMBERS DELIVERED:	1,554,422	21.382	33,236,954

ACTUAL: October 2011

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ECONOMY ENERGY

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

SOURCE: Power Tracker calculates for each hour of the month the MWh of ECONOMY delivered and the associated charges and credits based upon an equal sharing of the savings in expense, then aggregates such hourly data for the month to arrive at the totals reported.

ACCOUNT 151 FUEL COST ASSOCIATED WITH ECONOMY ENERGY **ACTUAL:** **October 2011**

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0

<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

October 2011

PAGE (10-1)

		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	49,146	388,041	0.1267	57	7.2192
	AMOS 2	73,297	455,681	0.1609	85	13.6724
	AMOS 3	287	838	0.3420	0	0.0000
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	0	0	0.0000	(1)	0.0000
	CLINCH RIVER 2	1,885	24,520	0.0769	114	8.7646
	CLINCH RIVER 3	5,791	54,672	0.1059	252	26.6923
	GLEN LYN 51	267	6,795	0.0393	69	2.7113
	GLEN LYN 52	0	0	0.0000	0	0.0000
	GLEN LYN 6	577	13,186	0.0438	114	4.9885
	KANAWHA RIVER 1	21,047	116,669	0.1804	728	131.3311
	KANAWHA RIVER 2	1,522	9,335	0.1630	52	8.4766
	MOUNTAINEER 1	51,620	209,898	0.2459	17	4.1808
	SPORN 1	8,294	55,679	0.1490	446	66.4366
	SPORN 3	0	0	0.0000	0	0.0000
	TOTAL	213,733	1,335,314	0.1601	1,933	274.4734
KPCO	BIG SANDY 1	28,377	169,705	0.1672	1,123	187.7784
	BIG SANDY 2	15,484	250,934	0.0617	1,741	107.4273
	ROCKPORT 1 (AEG)	772	103,543	0.0075	377	2.8097
	ROCKPORT 2 (AEG)	1,403	139,233	0.0101	522	5.2585
		TOTAL	46,035	663,415	0.0694	3,763
I&M	ROCKPORT 1	2,576	345,084	0.0075	1,254	9.3571
	ROCKPORT 1 (AEG)	1,803	241,529	0.0075	877	6.5493
	ROCKPORT 2	4,674	464,080	0.0101	1,736	17.4843
	ROCKPORT 2 (AEG)	3,271	324,848	0.0101	1,215	12.2360
	TANNERS CREEK 1	0	0	0.0000	0	0.0000
	TANNERS CREEK 2	16,434	53,178	0.3090	230	71.0776
	TANNERS CREEK 3	27,233	93,018	0.2928	400	117.1064
	TANNERS CREEK 4	16,597	165,206	0.1005	1,156	116.1328
		TOTAL	72,587	1,686,943	0.0430	6,868

ACTUAL: October 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)		TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)	
(1)		(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)	
OPCO	AMOS 3	574	1,680	0.3415	1	0.3415
	CARDINAL 1	0	0	0.0000	(1)	0.0000
	CARDINAL 2	62	543	0.1148	234	26.8708
	CARDINAL 3	0	0	0.0000	0	0.0000
	GAVIN 1	13,892	848,333	0.0164	1,430	23.4174
	GAVIN 2	14,436	951,831	0.0152	1,620	24.5705
	KAMMER 1	316	1,105	0.2860	8	2.2878
	KAMMER 2	17,965	126,516	0.1420	1,199	170.2516
	KAMMER 3	32	135	0.2370	0	0.0000
	MITCHELL 1	27,532	204,362	0.1347	109	14.6849
	MITCHELL 2	33,989	538,823	0.0631	192	12.1114
	MUSKINGUM 1	656	56,147	0.0117	1,574	18.3831
	MUSKINGUM 2	132	43,336	0.0031	1,457	4.4478
	MUSKINGUM 3	0	0	0.0000	0	0.0000
	MUSKINGUM 4	0	4,432	0.0000	141	0.0000
	MUSKINGUM 5	0	0	0.0000	0	0.0000
	SPORN 2	11,789	53,622	0.2199	432	94.9767
	SPORN 4	207	2,110	0.0980	16	1.5675
	SPORN 5	0	0	0.0000	0	0.0000
	TOTAL	121,583	2,832,975	0.0429	8,412	393.9110
CSP	BECKJORD 6	8,513	21,315	0.3994	608	242.8265
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	1,522	15,737	0.0967	338	32.6828
	CONESVILLE 4	38,187	134,888	0.2831	99	28.0271
	CONESVILLE 5	2,461	48,606	0.0506	39	1.9746
	CONESVILLE 6	68,336	215,047	0.3178	170	54.0215
	DARBY 1	6	152	0.0395	0	0.0000
	DARBY 2	7	153	0.0458	0	0.0000
	DARBY 3	4	135	0.0296	0	0.0000
	DARBY 4	3	134	0.0224	0	0.0000
	DARBY 5	15	143	0.1049	0	0.0000
	DARBY 6	10	116	0.0862	0	0.0000
	LAWRENCEBURG 1	0	56,431	0.0000	0	0.0000
	LAWRENCEBURG 2	9,717	199,247	0.0488	0	0.0000
	PICWAY 5	8,056	10,943	0.7362	199	146.5065
	STUART 1	14,706	89,887	0.1636	38	6.2171
	STUART 2	13,753	87,075	0.1579	29	4.5804
	STUART 3	11,299	97,355	0.1161	64	7.4280
	STUART 4	9,956	79,229	0.1257	56	7.0371
	WATERFORD	28,749	461,261	0.0623	0	0.0000
	ZIMMER 1	0	22,466	0.0000	13	0.0000
	TOTAL	215,301	1,540,320	0.1398	1,653	531.3016

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: October 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
I. AEP EXTERNAL ENERGY (3)	SO2 COST (\$) (AS SUPPLIED) (1)	SO2 COST (\$) (ADJUSTED) (2)	\$ SO2 ADJUSTMENT (3)=(2)-(1)
APCO	213	5,690	5,477
KPCO	243	11,816	11,573
I&M	277	60,306	60,029
OPCO	301	10,305	10,004
CSP	416	102,106	101,690
AEP	<u>1,450</u>	<u>190,223</u>	<u>188,773</u>
	NOX COST (\$) (AS SUPPLIED) (4)	NOX COST (\$) (ADJUSTED) (5)	\$ NOX ADJUSTMENT (6)=(5)-(4)
APCO	4,212	0	(4,212)
KPCO	3,091	23,162	20,071
I&M	4,155	24,729	20,573
OPCO	3,752	1,958	(1,795)
CSP	11,225	50,523	39,298
AEP	<u>26,436</u>	<u>100,371</u>	<u>73,935</u>
	SOURCE ALLOCATION (UNADJUSTED) (7)	SOURCE ALLOCATION (ADJUSTED) (8)=(7)+(3)+(6)	
APCO	21,124,793	21,126,057	
KPCO	2,447,002	2,478,646	
I&M	9,985,063	10,065,666	
OPCO	10,103,004	10,111,214	
CSP	11,684,938	11,825,926	
AEP	<u>55,344,800</u>	<u>55,607,508</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	0.90	50.64
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	38.96	379.45
I&M \$/Ton:	172.33	301.36
OPCO \$/Ton:	26.16	26.42
CSP \$/Ton:	192.18	227.93

(7) From Power Tracker report "Pool Flow Report - Off-System Allocation"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 09/30/2011

OPERATING COMPANY PERCENTAGE
 OCTOBER 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31181	0.06598	0.19998	0.22920	0.19303

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	<u>APPALACHIAN</u>			<u>KENTUCKY</u>			<u>INDIANA</u>			<u>OHIO</u>			<u>COLUMBUS</u>		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
09/11	20624	02	15	5681	02	16	1087	02	16	4441	02	16	4993	02	16	4422
08/11	20951	01	16	6023	02	15	1230	02	16	4517	02	14	4991	02	17	4190
07/11	22504	22	13	6214	11	15	1240	21	14	4837	22	13	5544	21	16	4669
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864
10/10	15219	22	08	4543	22	08	997	20	07	3170	12	14	3686	11	15	2823

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
24188	7542	1596	4837	5544	4669

<u>DATE/TIME</u>	<u>12/14/10 HR 08</u>	<u>12/15/10 HR 09</u>	<u>07/21/11 HR 14</u>	<u>07/22/11 HR 13</u>	<u>07/21/11 HR 16</u>

Notes:

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010. A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: October 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	295,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,003,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,028,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,161,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

(1) NOTE: Effective September 1, 2011 Sporn 5 has been removed from System Primary Capacity per the AEP East Operating Committee. Refer to email from K. Pearce dated 9/28/2011

ACTUAL:
 October 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	kW Capability*** as of 12/31/2010 (1)	\$ Installed Cost of Production Plant * as of 12/31/2010 (2)	Member Weighted Average Investment Cost \$/kW (3)=(2)/(1)	Member Primary Capacity Investment Rate** \$/kW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 October 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
 GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
APPALACHIAN POWER COMPANY						
GLEN LYN	19,981	2,022,714	1,058,340	758,862	823,590	234,751
SPORN (APCO)	55,679	3,428,401	1,971,362	1,176,126	1,746,084	225,278
KANAWHA RIVER	126,004	4,392,675	3,498,309	630,649	3,124,774	373,535
CLINCH RIVER	79,192	5,476,530	3,919,708	1,016,356	3,650,976	268,732
AMOS (APCO)	844,560	31,638,758	24,392,227	5,055,708	23,150,957	1,241,270
MOUNTAINEER	209,898	13,708,047	7,071,857	5,593,774	6,079,748	992,109
CEREDO	0	70,952	823	69,671	359	464
BEECH RIDGE	10,733	0	0	0	0	0
CAMP GROVE	16,533	0	0	0	0	0
FOWLER RIDGE III	19,064	0	0	0	0	0
GRAND RIDGE II	9,526	0	0	0	0	0
GRAND RIDGE III	9,308	0	0	0	0	0
TOTAL	1,400,478	60,738,077	41,912,626	14,301,146	38,576,488	3,336,139
RATES:		35.033	29.927	5.106	27.545	2.382
KENTUCKY POWER COMPANY						
BIG SANDY	420,639	15,244,456	13,521,300	896,473	13,210,076	311,224
ROCKPORT 1 (AEG)	103,543	2,784,461	2,331,304	197,166	2,248,231	83,072
ROCKPORT 2 (AEG)	139,233	4,903,906	3,087,090	87,971	2,980,841	106,250
TOTAL	663,415	22,932,823	18,939,693	1,181,610	18,439,148	500,545
RATES:		29.439	28.548	0.891	27.794	0.754
INDIANA MICHIGAN POWER COMPANY						
TANNERS CREEK TOTAL	311,402	13,126,241	10,193,101	1,928,389	9,431,192	761,909
ROCKPORT 1 (OWNED SHARE)	345,084	9,279,940	7,769,676	657,107	7,492,816	276,860
ROCKPORT 1 (AEG)	241,529	6,495,157	5,438,102	459,918	5,244,324	193,778
ROCKPORT 2 (AEG)	324,848	11,441,427	7,202,567	205,248	6,954,674	247,893
ROCKPORT 2 (LEASED SHARE)	464,080	16,345,298	10,289,635	293,218	9,935,493	354,142
COOK	920,396	29,343,675	7,432,150	14,342,717	7,432,150	0
FOWLER RIDGE I	19,140	0	0	0	0	0
FOWLER RIDGE II	10,414	0	0	0	0	0
SUM	2,636,893	86,031,737	48,325,232	17,886,597	46,490,649	1,834,583
COAL CONVERSION	0	0	0	0	0	0
TOTAL	2,636,893	86,031,737	48,325,232	17,886,597	46,490,649	1,834,583
RATES:		21.719	18.327	3.392	17.631	0.696
OHIO POWER COMPANY						
SPORN (OPCO)	55,732	2,722,132	2,012,175	400,409	1,779,142	233,033
MUSKINGUM	103,915	9,481,676	2,435,594	5,163,445	2,464,108	(28,514)
KAMMER	127,756	9,016,599	4,737,223	3,885,739	4,431,300	305,922
CARDINAL (OPCO)	543	4,501,240	(80,231)	2,220,061	(19,578)	(60,653)
MITCHELL	743,185	22,932,445	19,290,738	1,906,523	18,903,576	387,162
AMOS (OPCO)	1,680	6,269,891	46,578	4,863,658	9,078	37,500
GAVIN	1,800,164	46,370,104	35,774,849	3,919,173	33,647,008	2,127,841
FOWLER RIDGE II	10,414	0	0	0	0	0
Wyandot	604	0	0	0	0	0
TOTAL	2,843,993	101,294,087	64,216,926	22,359,008	61,214,634	3,002,292
RATES:		26.511	22.580	3.931	21.524	1.056
COLUMBUS SOUTHERN POWER COMPANY						
CONESVILLE	414,278	23,474,189	14,818,809	5,785,953	13,705,869	1,112,941
PICWAY	10,943	678,190	491,080	64,786	451,110	39,970
BECKFORD	21,315	972,976	808,441	129,956	486,949	321,492
STUART	353,546	12,712,530	10,267,759	1,094,699	10,155,245	112,514
ZIMMER	22,466	1,413,945	74,873	666,225	326,263	(251,389)
WATERFORD	461,261	13,078,651	12,322,211	321,713	12,293,081	29,130
DARBY	833	290,386	77,021	107,089	65,130	11,892
LAWRENCEBURG	255,678	8,609,472	6,609,851	949,493	6,576,441	33,410
FOWLER RIDGE II	10,414	0	0	0	0	0
Wyandot	475	0	0	0	0	0
TOTAL	1,551,209	61,230,339	45,470,046	9,119,914	44,060,086	1,409,960
RATES:		32.253	29.313	2.940	28.404	0.909
SYSTEM TOTAL	9,095,988	332,227,063	218,864,524	64,848,275	208,781,005	10,083,519

ACTUAL: October 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	60,738,077	38,576,488	3,336,139	14,301,146	7,150,573
KPCO	22,932,823	18,439,148	500,545	1,181,610	590,805
I&M	86,031,737	46,490,649	1,834,583	17,886,597	8,943,298
OPCO	101,294,087	61,214,634	3,002,292	22,359,008	11,179,504
CSP	61,230,339	44,060,086	1,409,960	9,119,914	4,559,957
TOTAL	332,227,063	208,781,005	10,083,519	64,848,275	32,424,137

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	10,486,712	1,400,478	1,400,478	35.033
KPCO	1,091,350	663,415	663,415	29.439
I&M	10,777,881	2,636,893	2,636,893	21.718
OPCO	14,181,796	2,843,993	2,843,993	26.511
CSP	5,969,917	1,551,209	1,551,209	32.252
TOTAL	42,507,656	9,095,988	9,095,988	27.627

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	11,674,878	5,677,000	2.06
KPCO	3,402,325	1,471,000	2.31
I&M	28,763,207	5,414,000	5.31
OPCO	25,897,657	8,440,000	3.07
CSP	11,200,336	4,857,000	2.31
TOTAL	80,938,402	25,859,000	3.13

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: October 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	32,204	0	43,773	0	0	11,569
	KPCO	6,815	0	9,264	0	0	2,449
	I&M	20,652	0	28,074	0	0	7,422
	OPCO	0	79,606	0	108,210	28,604	0
	CSP	19,935	0	27,099	0	0	7,164
	TOTAL	79,606	79,606	108,210	108,210	28,604	28,604
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	7,925,724	0	7,813,913	0	111,810
	KPCO	0	1,677,109	0	1,653,449	0	23,659
	I&M	0	5,083,180	0	5,011,470	0	71,710
	OPCO	0	5,825,907	0	5,743,719	0	82,188
	CSP	0	4,906,522	0	4,837,304	0	69,218
	East. AEP (Co. 122)	25,418,440	0	25,059,855	0	358,585	0
	TOTAL	25,418,440	25,418,440	25,059,855	25,059,855	358,585	358,585
THIRD PARTY SALES (2)	APCO	1,207,694	2,579,469	1,209,208	2,624,377	44,908	1,514
	KPCO	255,551	545,825	255,871	555,327	9,503	320
	I&M	774,557	1,654,350	775,528	1,683,152	28,802	971
	OPCO	887,731	1,896,079	888,844	1,929,085	33,006	1,113
	CSP	747,637	1,596,857	748,574	1,624,654	27,798	937
	East. AEP (Co. 122)	8,272,579	3,873,169	8,416,596	3,878,024	4,856	144,017
	TOTAL	12,145,748	12,145,748	12,294,620	12,294,620	148,872	148,872
GROSS TOTAL	APCO	1,207,694	10,505,193	1,209,208	10,438,291	44,908	113,325
	KPCO	255,551	2,222,933	255,871	2,208,777	9,503	23,979
	I&M	774,557	6,737,530	775,528	6,694,622	28,802	72,681
	OPCO	887,731	7,721,985	888,844	7,672,804	33,006	83,301
	CSP	747,637	6,503,378	748,574	6,461,958	27,798	70,155
	East. AEP (Co. 122)	33,691,020	3,873,169	33,476,451	3,878,024	363,441	144,017
	TOTAL	37,564,189	37,564,189	37,354,476	37,354,476	507,457	507,457
NET TOTAL	APCO	0	9,297,499	0	9,229,083	0	68,416
	KPCO	0	1,967,382	0	1,952,906	0	14,477
	I&M	0	5,962,973	0	5,919,094	0	43,879
	OPCO	0	6,834,255	0	6,783,960	0	50,294
	CSP	0	5,755,742	0	5,713,384	0	42,357
	East. AEP (Co. 122)	29,817,851	0	29,598,427	0	219,424	0
	TOTAL	29,817,851	29,817,851	29,598,427	29,598,427	219,424	219,424

NOTES: (1) Source is Power Tracker reports, Pool Flow and Purchase Power with Demand Charge and Adjustments.
 (2) Source is Appendix VII.

Pwr Code	Customer	ACCT	CO. AGMT	ACTUAL BILL	MLR										AMOUNT DUE (TO)/FROM AGENT										NET
					APCC	RPCC	I&M	OPCC	CSP	Total	APCC	RPCC	I&M	OPCC	CSP	Total	APCC	RPCC	I&M	OPCC	CSP	Total			
				103,279	32,204	6,819	20,652	23,672	19,935	103,278	(32,204)	(6,815)	(20,652)	79,606	(19,935)	-									
PLC	Progress Energy	4470066	07	6,073	1,894	401	1,214	1,392	1,172	6,073	(1,894)	(401)	(1,214)	4,681	(1,172)	-	400,6964	1,214,7954	1,391,93160	1,172,2719					
DECI2	Culpe Energy Oils	4470006	07	10,205	3,182	673	2,041	2,339	1,970	10,205	(3,182)	(673)	(2,041)	7,866	(1,970)	-	673,34701	2,040,85989	2,339,05934	1,969,93292					
DTE	DTE Energy Trading, Inc.	4470006	07	11,548	3,601	762	2,509	2,647	2,229	11,548	(3,601)	(762)	(2,509)	9,901	(2,229)	-	761,93902	2,509,37504	2,646,80848	2,229,11623					
ENPC	East KY Power Co-Op	4470066	07	425	133	28	80	97	82	425	(133)	(28)	(80)	328	(82)	-	132,82237	84,99350	97,41229	82,03968					
ENYE	Energy Power Serv	4470066	07	4,042	1,260	267	808	927	780	4,042	(1,260)	(267)	(808)	3,115	(780)	-	286,04216	808,31916	926,42640	780,22726					
MISO Retail	Mihwest Retail	4470066	07	4,721	1,472	312	944	1,082	911	4,721	(1,472)	(312)	(944)	3,639	(911)	-	311,48630	944,08958	1,082,03486	911,27919					
MISO Trading	Mihwest Trading	4470006	07	39,845	12,424	2,629	7,968	9,133	7,691	39,845	(12,424)	(2,629)	(7,968)	30,712	(7,691)	-	2,628,98564	7,968,24110	9,132,51752	7,691,31703					
TYAM	TVA Bulk Power Trading	4470066	07	26,419	8,238	1,743	5,283	6,085	5,100	26,419	(8,238)	(1,743)	(5,283)	20,364	(5,100)	-	1,743,4080	5,283,31762	6,085,28752	5,099,70397					

Notes: (1) The REP System MLR Allocation of Pass-Through Receipts for Transmission Service section is no longer included on APPVT P&Z as this activity is recorded from the Off System spreadsheet.

ACTUAL: October 2011

APPENDIX VII
 Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>		
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>ENERGY</u>	(1)	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
I.	<u>ACTUAL</u>	APCO	237,134	236,802	9,090,756	11,395,352
	<u>THIS MONTH</u>	KPCO	50,230	50,181	1,923,631	2,411,293
		I&M	152,198	151,950	5,830,373	7,308,432
		OPCO	174,369	174,199	6,682,274	8,376,302
		CSP	146,939	146,529	5,627,748	7,054,439
		<u>TOTAL</u>	<u>760,870</u>	<u>759,661</u>	<u>29,154,783</u>	<u>36,545,818</u>
II.	<u>PREVIOUS</u>	APCO	235,964	236,710	9,063,569	11,378,945
	<u>ESTIMATE</u>	KPCO	49,983	50,162	1,917,879	2,407,821
		I&M	151,448	151,890	5,812,937	7,297,910
		OPCO	173,512	174,130	6,662,292	8,364,242
		CSP	146,214	146,473	5,610,918	7,044,282
		<u>TOTAL</u>	<u>757,121</u>	<u>759,365</u>	<u>29,067,595</u>	<u>36,493,200</u>
III.	<u>ADJUSTMENT</u>	APCO	1,170	92	27,187	16,407
	<u>(I-II)</u>	KPCO	247	19	5,752	3,472
		I&M	750	60	17,436	10,522
		OPCO	857	69	19,982	12,060
		CSP	725	56	16,830	10,157
		<u>TOTAL</u>	<u>3,749</u>	<u>296</u>	<u>87,188</u>	<u>52,618</u>
<u>EXERCISED</u>				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
<u>OPTIONS &</u>				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>PREMIUMS</u>				<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
(2)		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
I.	<u>ACTUAL</u>	APCO	0	0	0	0
	<u>THIS MONTH</u>	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		<u>TOTAL</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
II.	<u>PREVIOUS</u>	APCO	0	0	0	0
	<u>ESTIMATE</u>	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		<u>TOTAL</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
III.	<u>ADJUSTMENT</u>	APCO	0	0	0	0
	<u>(I-II)</u>	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		<u>TOTAL</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

ACTUAL: October 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
		PURCHASES	REVENUES	PURCHASES	REVENUES
		4210.032	4210.031	4210.032	4210.031
ACTUAL	APCO	5,797	5,797	256,620	209,187
THIS MONTH	KPCO	1,214	1,240	54,302	44,265
	I&M	3,720	3,720	164,584	134,163
	OPCO	4,278	4,278	188,632	153,766
	CSP	3,591	3,565	158,864	129,499
	TOTAL	18,600	18,600	823,000	670,880
PREVIOUS	APCO	5,797	5,797	256,620	209,187
ESTIMATE	KPCO	1,214	1,240	54,302	44,265
	I&M	3,720	3,720	164,584	134,163
	OPCO	4,278	4,278	188,632	153,766
	CSP	3,591	3,565	158,864	129,499
	TOTAL	18,600	18,600	823,000	670,880
ADJUSTMENT	APCO	0	0	0	0
(I-II)	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

BROKERS' COMMISSIONS (3)		ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
		RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
		CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
		ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
ACTUAL	APCO	0	60	0	22,587	(21,558)
THIS MONTH	KPCO	0	13	0	4,779	(4,561)
	I&M	0	39	0	14,486	(13,827)
	OPCO	0	44	0	16,603	(15,847)
	CSP	0	37	0	13,983	(13,346)
	TOTAL	0	193	0	72,438	(69,139)
PREVIOUS	APCO	0	60	0	22,761	(21,412)
ESTIMATE	KPCO	0	13	0	4,816	(4,530)
	I&M	0	39	0	14,598	(13,733)
	OPCO	0	44	0	16,731	(15,739)
	CSP	0	37	0	14,091	(13,255)
	TOTAL	0	193	0	72,997	(68,669)
ADJUSTMENT	APCO	0	0	0	(174)	(146)
(I-II)	KPCO	0	0	0	(37)	(31)
	I&M	0	0	0	(112)	(94)
	OPCO	0	0	0	(128)	(108)
	CSP	0	0	0	(108)	(91)
	TOTAL	0	0	0	(559)	(470)

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH ALR ALLOCATIONS OF AEP SYSTEM
 OFF-SYSTEM THIRD PARTY

	PJM NON-ECR ENERGY		PJM NON-ECR PURCHASES - LSE		POWER SWAPS		TOTAL SWAPS	
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	AWH PURCHASES	AWH PURCHASES	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED	TOTAL NET TO BE BOOKED
I. ACTUAL THIS MONTH	0	0	0	0	162,513	162,513	5,461	167,974
ARCO	0	0	0	0	34,368	34,368	1,156	35,524
BPCC	0	0	0	0	104,228	104,228	3,802	108,030
IAM	0	0	0	0	119,457	119,457	4,014	123,471
OPCO	0	0	0	0	100,606	100,606	3,381	103,987
CSP	0	0	0	0	321,193	321,193	17,814	339,007
TOTAL	0	0	0	0	546,198	546,198	24,568	570,766
II. PREVIOUS ESTIMATE	0	0	0	0	162,513	162,513	3,688	166,201
ARCO	0	0	0	0	34,368	34,368	781	35,149
BPCC	0	0	0	0	104,228	104,228	2,366	106,594
IAM	0	0	0	0	119,457	119,457	2,711	122,168
OPCO	0	0	0	0	100,606	100,606	2,284	102,890
CSP	0	0	0	0	321,193	321,193	11,850	333,043
TOTAL	0	0	0	0	546,198	546,198	20,800	567,001
III. ADJUSTMENT (G-II)	0	0	0	0	0	0	1,773	1,773
ARCO	0	0	0	0	0	0	378	378
BPCC	0	0	0	0	0	0	0	0
IAM	0	0	0	0	0	0	1,137	1,137
OPCO	0	0	0	0	0	0	1,303	1,303
CSP	0	0	0	0	0	0	1,097	1,097
TOTAL	0	0	0	0	0	0	5,485	5,485

PJM NON-ECR PURCHASES-OSB
 NON-ECR PHYSICAL SALES-OSB

	PJM NON-ECR ENERGY		MWH PURCHASES		SALES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
	ACTUAL THIS MONTH	PREVIOUS ESTIMATE	PURCHASES	PURCHASES	SALES	SALES	ENERGY CREDITS	ENERGY CREDITS	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED
I. ACTUAL THIS MONTH	0	0	0	0	4470.170	4470.112	0	0	304,015	3,707,716	190,709	322,823	190,709	322,823
ARCO	0	0	0	0	17,370	17,370	0	0	64,331	784,566	40,323	68,847	40,323	68,847
BPCC	0	0	0	0	52,846	52,846	0	0	194,951	2,377,990	122,217	206,852	122,217	206,852
IAM	0	0	0	0	60,341	60,341	0	0	228,470	2,729,402	140,075	237,076	140,075	237,076
OPCO	0	0	0	0	20,219	20,219	0	0	88,204	2,295,307	117,959	259,653	117,959	259,653
CSP	0	0	0	0	263,267	263,267	0	0	976,000	11,890,941	611,146	1,094,360	611,146	1,094,360
TOTAL	0	0	0	0	4470.170	4470.112	0	0	304,015	3,707,716	190,709	322,823	190,709	322,823
II. PREVIOUS ESTIMATE	0	0	0	0	80,457	80,457	0	0	304,015	3,706,916	40,385	68,259	40,385	68,259
ARCO	0	0	0	0	17,379	17,379	0	0	64,331	784,311	40,385	68,259	40,385	68,259
BPCC	0	0	0	0	52,676	52,676	0	0	194,951	2,377,181	122,312	206,859	122,312	206,859
IAM	0	0	0	0	60,372	60,372	0	0	228,470	2,724,822	140,183	237,119	140,183	237,119
OPCO	0	0	0	0	50,845	50,845	0	0	188,204	2,294,957	118,061	199,699	118,061	199,699
CSP	0	0	0	0	243,404	243,404	0	0	976,000	11,887,097	611,620	1,094,548	611,620	1,094,548
TOTAL	0	0	0	0	256,246	256,246	0	0	304,015	3,706,916	190,709	322,823	190,709	322,823
III. ADJUSTMENT (G-II)	0	0	0	0	0	0	0	0	0	1,200	1,200	0	0	
ARCO	0	0	0	0	0	0	0	0	0	295	295	0	0	
BPCC	0	0	0	0	0	0	0	0	0	0	0	0	0	
IAM	0	0	0	0	0	0	0	0	0	770	770	0	0	
OPCO	0	0	0	0	0	0	0	0	0	880	880	0	0	
CSP	0	0	0	0	0	0	0	0	0	740	740	0	0	
TOTAL	0	0	0	0	0	0	0	0	0	3,844	3,844	0	0	

(8)	COSTS		COSTS		REVENUES		REVENUES		COST		Total FIN/MSO New-ER Energy (Revenue - Cost)
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	
	Act. 564,008	Act. 4470,131	Act. 4470,099	Act. 4470,112	Act. 4470,170	Act. 4470,167	Act. 5650,002	Act. 5650,002	Act. 5650,002	Act. 5650,002	
0	4,617	(295,165)	5,333	5,333	14,822,833	10,985	0	0	0	0	54,973
0	977	(62,466)	1,129	1,129	930,696	2,324	0	0	0	0	86,263
0	2,961	(169,698)	3,420	3,420	2,881,498	7,045	0	0	0	0	74,391
0	3,394	(216,958)	3,960	3,960	3,302,515	8,074	0	0	0	0	282,691
0	2,898	(382,720)	3,302	3,302	2,781,346	6,800	0	0	0	0	170,184
0	14,808	(946,986)	17,104	17,104	14,408,879	35,229	0	0	0	0	881,844
0	4,625	(295,164)	5,333	5,333	4,582,966	10,985	0	0	0	0	389,901
0	979	(62,458)	1,129	1,129	957,709	2,324	0	0	0	0	63,395
0	2,966	(169,704)	3,420	3,420	2,902,738	7,045	0	0	0	0	184,179
0	3,400	(216,944)	3,920	3,920	3,326,870	8,074	0	0	0	0	227,139
0	2,863	(382,720)	3,302	3,302	2,801,858	6,800	0	0	0	0	191,290
0	14,833	(946,815)	17,104	17,104	14,815,141	35,229	0	0	0	0	990,991
0	(8)	9	0	0	(93,133)	0	0	0	0	0	(4,128)
0	(2)	2	0	0	(7,011)	0	0	0	0	0	(7,423)
0	(5)	6	0	0	(21,260)	0	0	0	0	0	(23,888)
0	(6)	7	0	0	(24,355)	0	0	0	0	0	(26,984)
0	(5)	6	0	0	(20,512)	0	0	0	0	0	(21,125)
0	(25)	29	0	0	(106,261)	0	0	0	0	0	(109,447)

ACTUAL: October 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,304,596	0	2,315,376	10,780	0
	KPCO	0	487,662	0	489,942	2,280	0
	I&M	0	1,478,059	0	1,484,973	6,914	0
	OPCO	0	1,694,028	0	1,701,950	7,922	0
	CSP	0	1,426,691	0	1,433,364	6,673	0
	East. AEP (Co.122)	7,391,035	0	7,425,605	0	0	34,570
	TOTAL	7,391,035	7,391,035	7,425,605	7,425,605	34,570	34,570
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	47,432	0	47,432	0	0	0
	KPCO	10,037	0	10,037	0	0	0
	I&M	30,421	0	30,421	0	0	0
	OPCO	34,866	0	34,866	0	0	0
	CSP	29,364	0	29,364	0	0	0
	East. AEP (Co.122)	0	152,120	0	152,120	0	0
	TOTAL	152,120	152,120	152,120	152,120	0	0
BROKERS' COMMISSIONS (3)	APCO	44,205	0	44,233	0	0	28
	KPCO	9,353	0	9,359	0	0	5
	I&M	28,352	0	28,370	0	0	18
	OPCO	32,494	0	32,514	0	0	20
	CSP	27,366	0	27,383	0	0	17
	East. AEP (Co.122)	0	141,770	0	141,859	89	0
	TOTAL	141,770	141,770	141,859	141,859	89	89
POWER SWAPS	APCO	1,116,056	0	1,117,542	0	0	1,486
	KPCO	236,161	0	236,476	0	0	315
	I&M	715,784	0	716,738	0	0	953
	OPCO	820,371	0	821,464	0	0	1,093
	CSP	690,906	0	691,826	0	0	920
	East. AEP (Co.122)	0	3,579,279	0	3,584,046	4,767	0
	TOTAL	3,579,279	3,579,279	3,584,046	3,584,046	4,767	4,767
PJM/MISO NON-ECR ENERGY	APCO	0	274,873	0	309,001	34,128	0
	KPCO	0	58,163	0	65,385	7,222	0
	I&M	0	176,291	0	198,179	21,888	0
	OPCO	0	202,051	0	227,135	25,084	0
	CSP	0	170,166	0	191,290	21,125	0
	East. AEP (Co.122)	881,544	0	990,991	0	0	109,447
	TOTAL	881,544	881,544	990,991	990,991	109,447	109,447
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,207,694	2,579,469	1,209,208	2,624,377	44,908	1,514
	KPCO	255,551	545,825	255,871	555,327	9,503	320
	I&M	774,557	1,654,350	775,528	1,683,152	28,802	971
	OPCO	887,731	1,896,079	888,844	1,929,085	33,006	1,113
	CSP	747,637	1,596,857	748,574	1,624,654	27,798	937
	East. AEP (Co.122)	8,272,579	3,873,169	8,416,596	3,878,024	4,856	144,017
	TOTAL	12,145,748	12,145,748	12,294,620	12,294,620	148,872	148,872

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
- (2) Sold in previous period(s) and exercised in: October 2011
- (3) Actual commissions paid in: October 2011

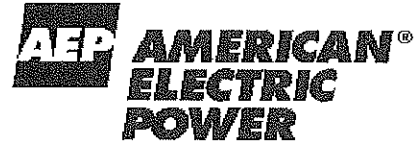
APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
AEPSCG									
<i>PJM Allocations GL Submit Summary</i>									
Total of PJM Non-ECR MISC Charges	Various	2,669,966	567,351	1,723,914	1,993,117	1,635,725	8,569,472	Various	
<i>PJM Admin Fees</i>									
Schedule 9 & 10	5614000	28,289	5,985	18,143	20,794	17,513	90,724	East Zone SIA	
Schedule 9 & 10	5614001	304,638	64,462	195,380	223,928	188,590	976,998	no	
Schedule 9 & 10	5618000	1,977	418	1,268	1,493	1,224	6,340	East Zone SIA	
Schedule 9 & 10	5618001	21,290	4,505	13,654	15,649	13,180	68,279	no	
Schedule 9 & 10	5757000	29,398	6,348	19,239	22,090	18,571	96,206	East Zone SIA	
Schedule 9 & 10	5757001	323,943	68,357	207,185	237,457	199,984	1,036,026	no	
Schedule 9 & 10	5618000	2,071	438	1,328	1,522	1,282	6,542	East Zone SIA	
Schedule 9 & 10	5618001	22,301	4,719	14,303	16,393	13,806	71,522	no	
Schedule 9 & 10	5618000	3,142	665	2,015	2,310	1,945	10,077	East Zone SIA	
Schedule 9 & 10	5618001	33,836	7,160	21,701	24,872	20,947	108,516	no	
Schedule 9 MMU	5757000	1,569	332	1,006	1,153	971	5,031	East Zone SIA	
Schedule 9 MMU	5757001	16,893	3,575	10,834	12,417	10,458	54,177	N	
<i>PJM Affiliate Entry</i>									
Network Integration Transmission Service Charge	4470107	7,294	1,543	4,678	5,362	4,516	23,993	East Zone SIA	
Transmission Owner Scheduling, System	4470110	688	146	441	506	426	2,207	East Zone SIA	
Power Factor Charges	5550039	2,487	526	1,595	1,828	1,539	7,975	East Zone SIA	
Other Supporting Facilities Charge	4470107	(1,251)	(265)	(802)	(920)	(774)	(4,012)	East Zone SIA	
Invoice Adjustment - Spot Energy Sales	4470124							East Zone SIA	
<i>Allocation of Generation Activity on PJM Transmission Invoice</i>									
Balancing Spot Market Energy	4470116							East Zone SIA	
Incremental Implicit Congestion - OSS	4470126							N	
Implicit Congestion - LSE	4470093	23,221	4,914	14,893	17,069	14,375	74,471	N	
Inadvertent - OSS	5550039							N	
Inadvertent - LSE	5550040							East Zone SIA	
Misc Credits	4470107	(0)		(0)	(0)	(0)	(0)	East Zone SIA	
Meter Connection - LSE	4470116	18,817	3,982	12,068	13,832	11,649	60,348	N	
Incremental Implicit Congestion - LSE (Correction of Revised of June 2011 Entry)	4470093							N	
Incremental Implicit Congestion - OSS (Corrected July Correction of June 2011 Entry)	4470126							N	
<i>PJM Invoice Adjustment</i>									
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	1	East Zone SIA	
Day-ahead Operating Reserve (LSE AUB)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS AUB)	4470098							N	
Other Supporting Facilities Reclass (BCK)	4470141	18,938	4,007	12,146	13,921	11,724	60,736	East Zone SIA	
Other Supporting Facilities Reclass (BCK)	4470126	(18,938)	(4,007)	(12,146)	(13,921)	(11,724)	(60,736)	N	
Load Management - Test Failure (BCK)	4470141							East Zone SIA	
Day-ahead Operating Reserve (OSS BCK)	4470141							East Zone SIA	
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470174							East Zone SIA	
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA	
Day-ahead Operating Reserve (LSE SCG)	4470203							East Zone SIA	
Day-ahead Operating Reserve (OSS SCG)	4470098							East Zone SIA	
Balancing Operating Reserve (LSE MON & OCG)	4470203							East Zone SIA	
Transmission Enhancement ADJ (OSS MON, OCG & PWP)	5650012	(415)	(88)	(265)	(305)	(257)	(1,333)	East Zone SIA	
RPM Auction Credit (OSS SCG)	4470099							East Zone SIA	
Balancing Operating Reserve (LSE)	4470202	240,179	50,823	154,039	176,546	148,686	770,272	East Zone SIA	
Balancing Operating Reserve (LSE)	4470202	(237,201)	(50,193)	(152,130)	(174,356)	(146,843)	(760,724)	East Zone SIA	
Balancing Operating Reserve (OSS)	4470098	908,614	192,308	582,870	668,036	566,613	2,914,640	East Zone SIA	
Balancing Operating Reserve (OSS)	4470098	(897,549)	(189,924)	(575,645)	(659,755)	(595,639)	(2,878,512)	East Zone SIA	
<i>PJM TEA Charge Reclass (MLR)</i>									
Transmission Enhancement Charge	5650012	(1,011,497)	(214,036)	(648,726)	(743,514)	(626,160)	(3,243,953)	N	
RTO Start-up Cost Recovery Charge	4561002	(47,780)	(11,514)	(37,955)	(54,245)	(19,088)	(170,582)	East Zone SIA	
Expansion Cost Recovery Charge	4561003	(29,483)	(7,105)	(23,420)	(33,473)	(11,779)	(105,260)	East Zone SIA	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	242,598	51,385	155,291	178,325	150,184	778,032	East Zone SIA	
<i>PJM TEA Charge Reclass (L2CP)</i>									
Transmission Enhancement Charge	5650012	997,314	194,674	487,964	645,135	441,117	2,726,204	No	
RTO Start-up Cost Recovery Charge	4561002	59,901	12,181	30,533	40,367	27,601	170,582	East Zone SIA	
Expansion Cost Recovery Charge	4561003	36,962	7,916	18,840	24,909	17,032	105,260	N	
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(257,724)	(52,409)	(131,368)	(173,681)	(118,756)	(733,938)	N	
Firm/Non-Firm Pt to Pt Charges (Auburn)	4560012				8,934		8,934	N	
Transmission Enhancement Charge (Auburn)	4470150	31,041	2,527	103,421			136,988	N	
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ACTUAL)		1,490,784	720,042	2,224,392	2,494,310	2,015,798	10,508,327		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ESTIMATED)		3,399,357	707,757	2,157,088	2,397,985	1,874,375	10,536,745		2,415,082
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	91,227	20,285	69,304	96,328	(141,423)	(410,566)		2,415,102 (20)

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SIA	PJM CHARGES FOR EAST ZONE
									SIA
<i>PJM Allocations GL Submit Summary</i>									
Total PJM-BUCKEYE NON-ECR FROM INVOICE (1)	Various	2,852,387	603,700	1,830,044	2,099,411	1,764,859	9,149,400	Various	5,052,150
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		2,852,387	603,700	1,830,044	2,099,411	1,764,859	9,149,400		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		3,106,077	636,220	1,928,605	2,211,365	1,860,010	9,642,272		
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (ADJUSTMENT)	(1)	(123,690)	(32,520)	(98,561)	(112,954)	(95,151)	(492,872)		
<i>CHARGE DESCRIPTION</i>									
<i>PJM Allocations GL Submit Summary</i>									
**Includes all participants except SCG and BCK	Various	238,558	50,488	153,042	175,462	147,624	785,174.80	Various	1,148,592
<i>Buckeye GL Entries</i>									
<i>Buckeye (BCK)</i>									
Capacity Credit Market	4470099							East Zone SIA	
PJM Service Fee	4470143	(327,401)	(69,279)	(209,979)	(240,640)	(202,682)	(1,050,000.00)	East Zone SIA	MAKE SURE THAT
Reactive Supply and Voltage Control Credit (Expense)	5550075	31,574	6,681	20,250	23,209	19,946	101,260.75	No	MAKE SURE THAT
Regulation Credit (Expense)	5550079	18,805	3,979	12,061	13,823	11,642	60,309.45	No	MAKE SURE THAT
Spinning Reserve - Credit	5550084							No	MAKE SURE THAT
Buckeye Pass-Through	4470141	(3,190,108)	(675,163)	(2,046,643)	(2,346,658)	(1,375,930)	(10,232,502.21)	No	MAKE SURE THAT
Transmission Loss Credit	4470206	(2,766)	(585)	(1,774)	(2,033)	(1,712)	(8,869.89)	East Zone SIA	MAKE SURE THAT
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(3,231,317)	(685,979)	(2,073,043)	(2,376,857)	(1,999,512)	(10,364,627)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(3,241,511)	(685,916)	(2,076,909)	(2,382,409)	(2,006,757)	(10,325,692)		
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	10,174	2,027	5,866	5,752	7,245	31,064		



Date November 2011

Subject East Interchange Power Statement and Related Data
November 2011 Actual

Reviewer: Ryan Stock
1/4/2012

Approved Richard Quaintance
1/4/2012

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of November 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

ACTUAL
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
November 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
Commercial Operations
Pool Settlements Group

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ACTUAL: November 2011

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			MWh		(\$)	
			MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
(SOURCE: PAGE 2)						
I.	ACTUAL	APCO	807,974	144,586	44,615,982	7,550,799
	BILLING	KPCO	132,121	177,164	7,150,220	6,328,543
	AMOUNT	I&M	99,117	1,427,346	4,261,876	33,485,171
		OPCO	612,640	91,994	15,600,052	31,744,602
		CSP	296,130	106,889	11,243,694	3,762,709
		TOTAL	1,947,980	1,947,980	82,871,825	82,871,824
II.	PREVIOUSLY	APCO	809,876	147,459	42,536,143	7,659,701
	ESTIMATED	KPCO	114,402	159,470	6,521,668	4,646,921
	BILLING	I&M	74,943	1,404,488	3,191,484	31,836,188
	AMOUNT	OPCO	611,137	89,227	14,805,066	30,414,258
		CSP	289,213	98,928	10,523,829	3,021,121
		TOTAL	1,899,571	1,899,571	77,578,189	77,578,188
III.	ADJUSTMENT	APCO	(1,902)	(2,873)	2,079,839	(108,901)
	TO BE BOOKED	KPCO	17,719	17,694	628,552	1,681,622
	NEXT MONTH	I&M	24,174	22,858	1,070,392	1,648,983
	(I - II)	OPCO	1,502	2,768	794,986	1,330,344
		CSP	6,917	7,962	719,865	741,588
		TOTAL	48,409	48,409	5,293,635	5,293,636
IV.	ADJUSTMENT FOR TRANSMISSION	APCO			5,820	0
	SERVICE (PURCHASES) TO BE	KPCO			1,229	0
	BOOKED NEXT MONTH	I&M			3,734	0
	(SEE APPENDIX VI)	OPCO			0	14,385
		CSP			3,602	0
		TOTAL			14,385	14,385
V.	ADJUSTMENT TO ALLOCATION OF	APCO			0	0
	TRADING & MARKETING REALIZATION	KPCO			0	0
	TO BE BOOKED NEXT MONTH	I&M			0	0
	(SEE PAGE 6B)	OPCO			0	0
		CSP			0	0
		West. AEP			0	0
		TOTAL			0	0
VI.	ADJUSTMENT FOR PJM CHARGES	APCO			53,675	0
	TRANSFERRED FROM	KPCO			29,741	0
	MARKET TO AEE (NON-ECR)	I&M			102,366	0
	TO BE BOOKED NEXT MONTH	OPCO			107,857	0
	(SEE APPENDIX IX)	CSP			101,641	0
		East. AEP (Co. 122)			0	395,279
		TOTAL			395,279	395,279
VII.	ADJUSTMENT FOR PJM CHARGES	APCO			22,789	0
	(NON-ECR) FROM INVOICE	KPCO			4,824	0
	TO BE BOOKED NEXT MONTH	I&M			14,620	0
	(SEE APPENDIX IX)	OPCO			16,761	0
		CSP			14,106	0
		East. AEP (Co. 122)			0	73,101
		TOTAL			73,101	73,101

ACTUAL: November 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
VIII. ADJUSTMENT FOR OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	18,421
	KPCO	0	3,899
	I&M	0	11,818
	OPCO	0	13,550
	CSP	0	11,401
	East. AEP (Co. 122)	59,089	0
	TOTAL	59,089	59,089
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX IX)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
X. ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	2,158,087
	KPCO	0	456,656
	I&M	0	1,384,093
	OPCO	0	1,586,330
	CSP	0	1,335,990
	East. AEP (Co.122)	6,921,156	0
	TOTAL	6,921,156	6,921,156
XIII. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	2,238,076
	KPCO	0	473,611
	I&M	0	1,435,482
	OPCO	0	1,645,229
	CSP	0	1,385,593
	East. AEP (Co.122)	7,177,991	0
	TOTAL	7,177,991	7,177,991
XI. ADJUSTMENT FOR RECLASS OF ENTERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 28)	0	0
	TOTAL	0	0
XIV. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	79,989	0
	KPCO	16,956	0
	I&M	51,389	0
	OPCO	58,900	0
	CSP	49,602	0
	East. AEP (Co.122)	0	256,835
	TOTAL	256,835	256,835

NOTE: This statement provides amounts to be booked in accounts 555 and 447 and the settlement through the System Pool Account Agent.

ACTUAL: November 2011

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SYSTEM ACCOUNT
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE	CREDIT	CHARGE	CREDIT	
		kW	\$/kW	A/C 555 (1)	A/C 447 (2)	A/C 555 (3)	A/C 447 (4)	
I.	ACTUAL	APCO	(1,780,300)	14.43	25,687,112	0	18,928,870	7,550,799
	BILLING	KPCO	(255,000)	14.43	3,679,275	0	3,470,945	6,328,543
	AMOUNT	I&M	196,300	16.38	0	3,215,394	4,261,876	30,269,777
		OPCO	2,031,900	14.24	0	28,934,256	15,600,052	2,810,346
		CSP	(192,900)	14.43	2,783,263	0	8,460,431	3,762,709
		TOTAL			32,149,650	32,149,650	50,722,175	50,722,174
II.	PREVIOUSLY	APCO			24,586,220	0	17,949,923	7,659,701
	ESTIMATED	KPCO			3,521,590	0	3,000,078	4,646,921
	BILLING	I&M			0	3,002,533	3,191,484	28,833,655
	AMOUNT	OPCO			0	27,769,256	14,805,066	2,645,002
		CSP			2,663,979	0	7,859,850	3,021,121
		TOTAL			30,771,789	30,771,789	46,806,400	46,806,399
IV.	ADJUSTMENT	APCO			1,100,892	0	978,947	(108,901)
	TO BE BOOKED	KPCO			157,685	0	470,867	1,681,622
	NEXT MONTH	I&M			0	212,861	1,070,392	1,436,122
	(I - II + III)	OPCO			0	1,165,000	794,986	165,344
		CSP			119,284	0	600,581	741,588
		TOTAL			1,377,861	1,377,861	3,915,774	3,915,775
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE	CREDIT	
				(7)	(8)			
I.	ACTUAL	APCO			807,974	144,586	44,615,982	7,550,799
	BILLING	KPCO			132,121	177,164	7,150,220	6,328,543
	AMOUNT	I&M			99,117	1,427,346	4,261,876	33,485,171
		OPCO			612,640	91,994	15,600,052	31,744,602
		CSP			296,130	106,889	11,243,694	3,762,709
		TOTAL			1,947,980	1,947,980	82,871,825	82,871,824
II.	PREVIOUSLY	APCO			809,876	147,459	42,536,143	7,659,701
	ESTIMATED	KPCO			114,402	159,470	6,521,668	4,646,921
	& ENERGY	I&M			74,943	1,404,488	3,191,484	31,836,188
	BILLING	OPCO			611,137	89,227	14,805,066	30,414,258
	AMOUNT	CSP			289,213	98,928	10,523,829	3,021,121
		TOTAL			1,899,571	1,899,571	77,578,189	77,578,188
IV.	ADJUSTMENT	APCO			(1,902)	(2,873)	2,079,839	(108,901)
	TO BE BOOKED	KPCO			17,719	17,694	628,552	1,681,622
	NEXT MONTH	I&M			24,174	22,858	1,070,392	1,648,983
	(I - III)	OPCO			1,502	2,768	794,986	1,330,344
		CSP			6,917	7,962	719,865	741,588
		TOTAL			48,409	48,409	5,293,635	5,293,636

ACTUAL: November 2011

PAGE (3)

**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) KW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II)</u> (1)	<u>MEMBER LOAD RATIO (APPENDIX I)</u> (2)	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2)</u> (3)	<u>SURPLUS (DEFICIT) CAPACITY KW</u> (4) = (1) - (3)
APCO	6,377,000	0.31181	8,157,300	(1,780,300)
KPCO	1,471,000	0.06598	1,726,000	(255,000)
I&M	5,428,000	0.19998	5,231,700	196,300
OPCO	8,028,000	0.22920	5,996,100	2,031,900
CSP	4,857,000	0.19303	5,049,900	(192,900)
TOTAL	26,161,000	1.00000	26,161,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW</u> (1)	<u>CAPACITY RATE \$/KW *</u> (2)	<u>CREDIT (CHARGE) ** \$</u> (3)
APCO	(1,780,300)	***** + *****	(25,687,112)
KPCO	(255,000)	***** + *****	(3,679,275)
I&M	196,300	10.22 + 6.16	3,215,394
OPCO	2,031,900	10.8 + 3.44	28,934,256
CSP	(192,900)	***** + *****	(2,783,263)

EQUALIZATION CAPACITY RATE: 14.4285
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	345,416	367,159	14,331,203	16,951,349
RECOVERY AND MLR	KPCO	73,091	155,736	3,032,529	6,118,276
ALLOCATION FOR ALL	I&M	221,533	181,096	9,191,347	8,526,260
AEP SYSTEM	OPCO	253,903	221,338	10,534,337	7,638,540
DELIVERIES TO	CSP	213,834	182,448	8,871,916	6,726,905
NON-AFFILIATED COS.	AEP	1,107,778	1,107,777	45,961,332	45,961,331
ADJUSTMENT TO	APCO	(230,699)	(230,699)	(9,661,636)	(9,661,636)
PREVENT RECOGNITION	KPCO	(43,651)	(43,651)	(1,660,440)	(1,660,440)
OF SALES BY POOL	I&M	(122,861)	(122,861)	(4,967,728)	(4,967,728)
MEMBERS TO	OPCO	(146,410)	(146,410)	(5,353,543)	(5,353,543)
THEMSELVES	CSP	(119,580)	(119,580)	(4,475,110)	(4,475,110)
(PAGE 7)	AEP	(663,201)	(663,201)	(26,118,457)	(26,118,457)
SUBTOTAL	APCO	114,717	136,460	4,669,567	7,289,713
AEP EXTERNAL	KPCO	29,440	112,085	1,372,089	4,457,836
ENERGY	I&M	98,672	58,235	4,223,619	3,558,533
	OPCO	107,493	74,928	5,180,794	2,284,998
	CSP	94,254	62,868	4,396,806	2,251,795
	AEP	444,577	444,576	19,842,875	19,842,875
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	693,257	7,686	14,259,303	224,257
ENERGY	KPCO	102,681	65,058	2,098,856	1,869,373
(PAGE 8)	I&M	0	1,369,098	0	26,710,396
	OPCO	505,002	17,049	10,411,299	523,851
	CSP	201,875	43,924	4,063,626	1,505,207
	AEP	1,502,814	1,502,814	30,833,084	30,833,084
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	807,974	144,586	18,928,870	7,550,799
	KPCO	132,121	177,164	3,470,945	6,328,543
	I&M	99,117	1,427,346	4,261,876	30,269,777
	OPCO	612,640	91,994	15,600,052	2,810,346
	CSP	296,130	106,889	8,460,431	3,762,709
	AEP	1,947,980	1,947,980	50,722,175	50,722,174

NOTE: (*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the Power Tracke Flow report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Off-System Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Off-System Obligation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

ACTUAL: November 2011

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	441	0	36,829
COST RECOVERY	KPCO	0	21	0	1,333
ALLOCATED TO	I&M	445	14	38,257	848
SPECIAL SERVICE	OPCO	145	17	7,959	1,498
CUSTOMERS	CSP	0	97	0	5,707
	AEP	<u>589</u>	<u>589</u>	<u>46,216</u>	<u>46,216</u>
PREVIOUSLY	APCO	0	546	0	46,850
ESTIMATED	KPCO	0	17	0	901
AMOUNT	I&M	480	11	42,890	331
	OPCO	152	10	8,342	512
	CSP	0	49	0	2,637
	AEP	<u>633</u>	<u>633</u>	<u>51,232</u>	<u>51,232</u>
ADJUSTMENT	APCO	0	(105)	0	(10,021)
TO BE BOOKED	KPCO	0	4	0	432
NEXT MONTH	I&M	(36)	3	(4,633)	517
	OPCO	(8)	7	(383)	986
	CSP	0	48	0	3,070
	AEP	<u>(43)</u>	<u>(43)</u>	<u>(5,016)</u>	<u>(5,016)</u>

NOTES: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.
 (1) Adjustment from August 2005 for buy-through allocation error in ECR

ACTUAL: November 2011

PAGE (6)

**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	14,331,203	16,951,349	14,363,113	31,910
KPCO	3,032,529	6,118,276	3,039,281	6,752
I&M	9,191,347	8,526,260	9,211,812	20,465
OPCO	10,534,337	7,638,540	10,557,793	23,456
CSP	8,871,916	6,726,905	8,891,670	19,754
TOTAL	45,961,332	45,961,331	46,063,669	102,337

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	0	31,910	0.31181
KPCO	0	6,752	0.06598
I&M	0	20,465	0.19998
OPCO	0	23,456	0.22920
CSP	0	19,754	0.19303
TOTAL	0	102,337	1.00000

NOTES:

- (1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO2 & NOX emission allowances used in dispatch versus operating companies inventory costs (see page 11).
- (2) The total of the credits reported in the Power Tracker report for Sales Tariff Report with Sales Demand & Adjustments.

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

		SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0	\$0
WESTERN AEP:	0.000% x	0 =	\$0	\$0
				\$0
REALIZATION TO BE SHARED:				\$0
LESS EASTERN AEP REALIZATION SHARE:				\$0
WESTERN REALIZATION SHARE:				\$0
LESS AMOUNT ALREADY BOOKED ON WEST				\$0
TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP:				\$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP (1)

EASTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS ACCOUNT NO. 4210.043	ADJUSTMENT TO BE BOOKED NEXT MONTH
ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	TOTAL OF ALL ACCOUNTS		4470.144	4210.043
APCO	0	0	0	0	0	0
XPCCO	0	0	0	0	0	0
I&M	0	0	0	0	0	0
OPCO	0	0	0	0	0	0
CSP	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0
WESTERN AEP JOURNAL ENTRIES		ACTUAL		PREVIOUS ESTIMATED TOTAL	PRIOR PERIOD ADJUSTMENTS ACCOUNT NO. 4470.144	ADJUSTMENT TO BE BOOKED NEXT MONTH
ACCOUNT NO. 4470.144	ACCOUNT NO. 4210.043	ACCOUNT NO. 4210.044	TOTAL OF ALL ACCOUNTS		4470.144	4470.043
PSO	0	0	0	0	0	0
SWPECO	0	0	0	0	0	0
TCC	0	0	0	0	0	0
TNC	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 7.

ACTUAL: November 2011

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2)	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	81,908	2,487,092	0.31181	25,540	775,500
KPCO	120,003	4,772,741	0.06598	7,918	314,905
I&M	13,042	354,075	0.19998	2,608	70,808
OPCO	50,874	1,572,553	0.22920	11,660	360,429
CSP	64,626	2,391,463	0.19303	12,475	461,624
TOTAL	330,453	11,577,925	1.00000	60,201	1,983,266

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST	MLR	ADJUSTMENT	
		(\$)	(APPENDIX I)	MWh	COST (\$)
APCO	116,381	8,105,495	0.31181	36,289	2,527,374
KPCO	0	0	0.06598	0	0
I&M	59,748	4,093,979	0.19998	11,948	818,714
OPCO	46,335	1,391,896	0.22920	10,620	319,023
CSP	13,281	398,969	0.19303	2,564	77,013
TOTAL	235,745	13,990,339	1.00000	61,421	3,742,124

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	168,870	6,358,762
KPCO	35,733	1,345,535
I&M	108,305	4,078,206
OPCO	124,130	4,674,091
CSP	104,541	3,936,473
TOTAL	541,579	20,393,067

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	230,699	9,661,636
KPCO	43,651	1,660,440
I&M	122,861	4,967,728
OPCO	146,410	5,353,543
CSP	119,580	4,475,110
TOTAL	663,201	26,118,457

NOTES:

- (1) The source of the MWh and COST data is the "Unit Cost" Report for Generation and Purchase Power Report for purchases.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ACTUAL: November 2011

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PRIMARY ENERGY		RECEIVED ENERGY	
RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
APCO	693,257	20.569	14,259,303
KPCO	102,681	20.441	2,098,856
I&M	0	0.000	0
OPCO	505,002	20.616	10,411,299
CSP	201,875	20.129	4,063,626
TOTAL ALL MEMBERS RECEIVED	1,502,814	20.517	30,833,084

TOTAL DELIVERED BY MEMBER	MWh	\$/MWh	DELIVERED ENERGY CREDIT (\$)
APCO	7,686	29.179	224,257
KPCO	65,058	28.733	1,869,373
I&M	1,369,098	19.506	26,710,396
OPCO	17,049	30.727	523,851
CSP	43,924	34.294	1,505,207
TOTAL ALL MEMBERS DELIVERED:	1,502,814	20.517	30,833,084

SOURCE: Power Tracker calculates Primary energy deliveries and associated charges for each hour of the month and aggregates such MWh and Charges for the month as reported above. The used in the hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY **ACTUAL:** November 2011

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	693,257	16.778	11,631,704
KPCO	102,681	16.496	1,693,768
I&M	0	0.000	0
OPCO	505,002	16.833	8,500,766
CSP	201,875	16.444	3,319,701
TOTAL ALL MEMBERS RECEIVED	1,502,814	16.733	25,145,938
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	7,686	25.132	193,154
KPCO	65,058	27.179	1,768,208
I&M	1,369,098	15.774	21,599,720
OPCO	17,049	23.861	406,809
CSP	43,924	26.817	1,178,048
TOTAL ALL MEMBERS DELIVERED:	1,502,814	16.733	25,145,938

ACTUAL: November 2011

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ECONOMY ENERGY

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

SOURCE: Power Tracker calculates for each hour of the month the MWh of ECONOMY delivered and the associated charges and credits based upon an equal sharing of the savings in expense, then aggregates such hourly data for the month to arrive at the totals reported.

ACCOUNT 151 FUEL COST ASSOCIATED WITH ECONOMY ENERGY **ACTUAL:** November 2011

<u>RECEIVING MEMBER</u>	<u>MWh</u>	<u>RECEIVED ENERGY</u>	
		<u>\$/MWh</u>	<u>CHARGE (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS RECEIVED	0	0.000	0
<u>TOTAL DELIVERED BY MEMBER</u>	<u>MWh</u>	<u>DELIVERED ENERGY</u>	
		<u>\$/MWh</u>	<u>CREDIT (\$)</u>
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
TOTAL ALL MEMBERS DELIVERED:	0	0.000	0

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AEP SYSTEM
 ALLOWANCES CONSUMED FOR SALES
 TO NON-AFFILIATED SYSTEMS (a)

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (b)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	10,019	465,091	0.0215	51	1.0987
	AMOS 2	16,320	285,020	0.0573	53	3.0348
	AMOS 3	0	0	0.0000	1	0.0000
	CEREDO1	0	0	0.0000	0	0.0000
	CEREDO2	0	0	0.0000	0	0.0000
	CEREDO3	0	0	0.0000	0	0.0000
	CEREDO4	0	0	0.0000	0	0.0000
	CEREDO5	0	0	0.0000	0	0.0000
	CEREDO6	0	0	0.0000	0	0.0000
	CLINCH RIVER 1	0	0	0.0000	0	0.0000
	CLINCH RIVER 2	0	0	0.0000	0	0.0000
	CLINCH RIVER 3	5,512	53,915	0.1022	249	25.4565
	GLEN LYN 51	0	0	0.0000	0	0.0000
	GLEN LYN 52	0	0	0.0000	1	0.0000
	GLEN LYN 6	0	0	0.0000	0	0.0000
	KANAWHA RIVER 1	0	0	0.0000	0	0.0000
	KANAWHA RIVER 2	5,145	86,124	0.0597	507	30.2881
	MOUNTAINEER 1	34,966	875,517	0.0399	151	6.0306
	SPORN 1	710	11,756	0.0604	77	4.6525
	SPORN 3	0	0	0.0000	0	0.0000
	TOTAL	72,673	1,777,423	0.0409	1,090	70.5612
KPCO	BIG SANDY 1	56,619	158,773	0.3566	1,117	398.3247
	BIG SANDY 2	62,418	248,780	0.2509	1,663	417.2432
	ROCKPORT 1 (AEG)	430	112,976	0.0038	424	1.6141
	ROCKPORT 2 (AEG)	536	98,443	0.0054	363	1.9746
		TOTAL	120,003	618,972	0.1939	3,567
I&M	ROCKPORT 1	1,433	376,528	0.0038	1,414	5.3812
	ROCKPORT 1 (AEG)	1,002	263,549	0.0038	990	3.7627
	ROCKPORT 2	1,784	328,110	0.0054	1,212	6.5898
	ROCKPORT 2 (AEG)	1,249	229,659	0.0054	848	4.6133
	TANNERS CREEK 1	244	10,972	0.0222	55	1.2217
	TANNERS CREEK 2	3,026	32,093	0.0943	136	12.8248
	TANNERS CREEK 3	2,049	74,448	0.0275	349	9.6063
	TANNERS CREEK 4	2,255	318,912	0.0071	2,187	15.4631
	TOTAL	13,042	1,634,271	0.0080	7,191	59.4629

ACTUAL: November 2011

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		AEP SYSTEM ALLOWANCES CONSUMED FOR SALES TO NON-AFFILIATED SYSTEMS (a)				
		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	SO2 EMISSIONS (In Tons) (b)	SO2 EMISSION EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)
OPCO	AMOS 3	0	0	0.0000	0	0.0000
	CARDINAL 1	0	0	0.0000	1	0.0000
	CARDINAL 2	0	0	0.0000	0	0.0000
	CARDINAL 3	0	0	0.0000	4	0.0000
	GAVIN 1	4,841	156,562	0.0309	562	17.3760
	GAVIN 2	13,185	917,434	0.0144	1,561	22.4341
	KAMMER 1	10,604	131,436	0.0807	1,145	92.3740
	KAMMER 2	491	14,176	0.0347	121	4.1928
	KAMMER 3	0	0	0.0000	1	0.0000
	MITCHELL 1	7,327	468,399	0.0156	430	6.7262
	MITCHELL 2	3,295	203,559	0.0162	119	1.9263
	MUSKINGUM 1	1	71,918	0.0000	2,097	0.0292
	MUSKINGUM 2	0	0	0.0000	3	0.0000
	MUSKINGUM 3	22	35,124	0.0006	1,068	0.6689
	MUSKINGUM 4	0	0	0.0000	1	0.0000
	MUSKINGUM 5	3,380	92,902	0.0364	834	30.3451
	SPORN 2	4,713	54,608	0.0863	384	33.1429
	SPORN 4	3,015	23,192	0.1300	158	20.5371
	SPORN 5	0	0	0.0000	0	0.0000
		TOTAL	50,874	2,169,310	0.0235	8,489
CSP	BECKJORD 6	941	16,609	0.0567	371	21.0253
	CONESVILLE 1	0	0	0.0000	0	0.0000
	CONESVILLE 2	0	0	0.0000	0	0.0000
	CONESVILLE 3	615	22,476	0.0274	502	13.7350
	CONESVILLE 4	17,853	71,456	0.2498	52	12.9917
	CONESVILLE 5	4,219	26,372	0.1600	56	8.9587
	CONESVILLE 6	5,141	34,247	0.1501	26	3.9030
	DARBY 1	0	0	0.0000	0	0.0000
	DARBY 2	0	0	0.0000	0	0.0000
	DARBY 3	0	0	0.0000	0	0.0000
	DARBY 4	0	0	0.0000	0	0.0000
	DARBY 5	0	0	0.0000	0	0.0000
	DARBY 6	0	0	0.0000	0	0.0000
	LAWRENCEBURG 1	2,163	230,019	0.0094	0	0.0000
	LAWRENCEBURG 2	1,375	107,571	0.0128	0	0.0000
	PICWAY 5	0	0	0.0000	(6)	0.0000
	STUART 1	6,422	86,332	0.0744	16	1.1902
	STUART 2	6,502	81,638	0.0796	24	1.9114
	STUART 3	3,536	64,151	0.0551	2	0.1102
	STUART 4	5,754	80,195	0.0718	75	5.3813
	WATERFORD	1,041	139,025	0.0075	1	0.0075
	ZIMMER 1	9,065	47,791	0.1897	104	19.7269
		TOTAL	64,626	1,007,882	0.0641	1,223

NOTES: (a) As per Section 4.3 and Appendix E of the Interim Allowance Agreement.
 (b) From Continuous Emission Monitoring System monthly data.

ACTUAL: November 2011

PAGE (11)

**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
 DIFFERENTIAL OF EMISSION ALLOWANCES**

	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
I. AEP EXTERNAL ENERGY (3)	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u> (1)	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u> (2)	<u>\$</u> <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	55	1,463	1,408
KPCO	671	31,914	31,243
I&M	47	10,247	10,200
OPCO	203	6,010	5,807
CSP	70	17,599	17,529
AEP	<u>1,045</u>	<u>67,233</u>	<u>66,188</u>
	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u> (4)	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u> (5)	<u>\$</u> <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	1,275	0	(1,275)
KPCO	7,217	45,239	38,022
I&M	710	3,863	3,152
OPCO	2,170	1,132	(1,038)
CSP	4,875	21,941	17,066
AEP	<u>16,247</u>	<u>72,175</u>	<u>55,927</u>
	<u>SOURCE ALLOCATION</u> <u>(UNADJUSTED)</u> (7)	<u>SOURCE ALLOCATION</u> <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	16,951,216	16,951,349	
KPCO	6,049,011	6,118,276	
I&M	8,512,908	8,526,260	
OPCO	7,633,771	7,638,540	
CSP	6,692,310	6,726,905	
AEP	<u>45,839,216</u>	<u>45,961,331</u>	

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	0.90	50.64
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	38.96	317.44
I&M \$/Ton:	172.33	275.37
OPCO \$/Ton:	26.16	26.42
CSP \$/Ton:	197.87	227.93

(7) From Power Tracker report "Pool Flow Report - Off-System Allocation"

APPENDICES

SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 10/31/2011

OPERATING COMPANY PERCENTAGE
 NOVEMBER 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31181	0.06598	0.19998	0.22920	0.19303

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	<u>APPALACHIAN</u>			<u>KENTUCKY</u>			<u>INDIANA</u>			<u>OHIO</u>			<u>COLUMBUS</u>		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
10/11	15961	31	07	5000	31	09	1002	20	12	3249	31	09	3920	20	19	2790
09/11	20624	02	15	5681	02	16	1087	02	16	4441	02	16	4993	02	16	4422
08/11	20951	01	16	6023	02	15	1230	02	16	4517	02	14	4991	02	17	4190
07/11	22504	22	13	6214	11	15	1240	21	14	4837	22	13	5544	21	16	4669
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564
11/10	17407	29	08	5836	29	08	1208	24	14	3503	29	09	3996	24	18	2864

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
24188	7542	1596	4837	5544	4669

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/21/11 HR 14 07/22/11 HR 13 07/21/11 HR 16

Notes:

Due to the initialization of an AP to KP intraconnection, the AP and KP Peak loads were restated for Oct 2010 and Nov 2010.

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010. A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.

I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.

APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ACTUAL: November 2011

APPENDIX II

SYSTEM PRIMARY CAPACITY

STATION	PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	295,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,003,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,028,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,161,000

SOURCE: kW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

(1) NOTE: Effective September 1, 2011 Sporn 5 has been removed from System Primary Capacity per the AEP East Operating Committee. Refer to email from K. Pearce dated 9/28/2011

ACTUAL:
 November 2011

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity*** as of <u>12/31/2010</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2010</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate** <u>\$/kW/Month</u> (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

ACTUAL:
 November 2011

APPENDIX IV

PRODUCTION EXPENSES INCURRED
GENERATION STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	0	1,210,028	24,362	824,927	0	24,362
SPORN (APCO)	11,756	1,951,057	483,254	1,084,699	402,672	80,582
KANAWHA RIVER	86,124	3,548,334	2,619,989	459,775	2,347,887	272,102
CLINCH RIVER	53,915	4,605,334	2,845,369	921,913	2,603,990	241,379
AMOS (APCO)	750,111	30,018,767	22,371,472	4,685,124	21,318,746	1,052,726
MOUNTAINEER	875,517	26,245,662	22,136,184	1,406,752	20,814,900	1,321,284
CEREDO	0	194,289	756	(73,599)	478	278
BEECH RIDGE	17,000	0	0	0	0	0
CAMP GROVE	26,253	0	0	0	0	0
FOWLER RIDGE III	34,216	0	0	0	0	0
GRAND RIDGE II	17,955	0	0	0	0	0
GRAND RIDGE III	16,756	0	0	0	0	0
TOTAL	1,889,603	67,773,471	50,481,387	9,309,591	47,488,673	2,992,714
RATES:		29.179	26.716	2.463	25.132	1.584
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	407,553	14,641,275	12,598,007	631,935	12,301,261	296,745
ROCKPORT 1 (AEG)	112,976	2,773,557	2,459,331	213,605	2,366,223	93,108
ROCKPORT 2 (AEG)	98,443	4,241,689	2,239,379	131,111	2,155,310	84,069
TOTAL	618,972	21,656,522	17,296,717	976,651	16,822,794	473,922
RATES:		28.734	27.945	0.789	27.179	0.766
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK TOTAL	436,425	15,541,885	12,421,628	1,959,411	11,529,869	891,758
ROCKPORT 1 (OWNED SHARE)	376,528	9,243,750	8,196,495	711,907	7,886,181	310,313
ROCKPORT 1 (AEG)	263,549	6,470,119	5,737,098	498,296	5,519,896	217,202
ROCKPORT 2 (AEG)	229,659	9,895,495	5,224,277	305,871	5,028,152	196,125
ROCKPORT 2 (LEASED SHARE)	328,110	14,137,529	7,463,837	436,992	7,183,637	280,200
COOK	1,500,922	40,250,710	13,148,372	16,096,975	13,148,372	0
FOWLER RIDGE I	34,294	0	0	0	0	0
FOWLER RIDGE II	19,024	0	0	0	0	0
SUM	3,188,511	95,539,487	52,191,706	20,009,453	50,296,108	1,895,599
COAL CONVERSION	0	0	0	0	0	0
TOTAL	3,188,511	95,539,487	52,191,706	20,009,453	50,296,108	1,895,599
RATES:		19.507	16.369	3.138	15.774	0.595
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	77,800	3,317,793	2,738,778	329,973	2,483,303	255,475
MUSKINGUM	199,944	15,767,065	6,562,763	3,809,236	6,423,521	139,242
KAMMER	145,612	9,316,780	5,186,097	3,760,597	4,869,581	316,516
CARDINAL (OPCO)	0	3,652,903	649,257	1,476,080	426,274	222,983
MITCHELL	671,958	20,486,277	17,692,904	1,255,731	17,086,796	606,108
AMOS (OPCO)	0	8,161,609	57,109	6,802,289	0	57,109
GAVIN	1,073,996	35,552,605	22,786,709	5,728,941	20,938,090	1,848,619
FOWLER RIDGE II	19,024	0	0	0	0	0
Wyandot	474	0	0	0	0	0
TOTAL	2,188,808	96,255,002	55,673,618	23,162,847	52,227,566	3,446,052
RATES:		30.726	25.435	5.291	23.861	1.574
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	154,551	16,327,679	6,779,088	7,789,997	6,146,128	632,960
PICWAY	0	150,516	1,506	38,111	0	1,506
BECKJORD	16,609	519,565	430,878	47,243	363,292	67,587
STUART	312,316	9,083,669	8,528,234	252,123	7,884,770	643,464
ZIMMER	47,791	3,056,186	1,743,457	1,064,188	1,443,320	300,137
WATERFORD	139,025	5,898,806	3,399,877	2,020,910	3,399,877	0
DARBY	0	354,079	4,169	187,602	234	3,935
LAWRENCEBURG	337,590	10,197,884	8,384,724	514,709	8,310,521	74,203
FOWLER RIDGE II	19,024	0	0	0	0	0
Wyandot	373	0	0	0	0	0
TOTAL	1,027,279	45,588,384	29,271,934	11,914,883	27,548,140	1,723,794
RATES:		34.294	28.495	5.799	26.817	1.678
SYSTEM TOTAL	8,913,173	326,812,866	204,915,362	65,373,425	194,383,281	10,532,081

ACTUAL: November 2011

APPENDIX V

**CALCULATION OF
 PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES**

PRODUCTION EXPENSES OF GENERATION (EXCLUDING HYDRO) PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	67,773,471	47,488,673	2,992,714	9,309,591	4,654,796
KPCO	21,656,522	16,822,794	473,922	976,651	488,326
I&M	95,539,487	50,296,108	1,895,599	20,009,453	10,004,726
OPCO	96,255,002	52,227,566	3,446,052	23,162,847	11,581,424
CSP	45,588,384	27,548,140	1,723,794	11,914,883	5,957,442
TOTAL	326,812,866	194,383,281	10,532,081	65,373,425	32,686,714

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8) +(3)/(7)
APCO	7,647,510	1,889,603	1,889,603	29.179
KPCO	962,248	618,972	618,972	28.733
I&M	11,900,325	3,188,511	3,188,511	19.506
OPCO	15,027,476	2,188,808	2,188,808	30.727
CSP	7,681,236	1,027,279	1,027,279	34.294
TOTAL	43,218,795	8,913,173	8,913,173	26.658

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF GENERATION MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	12,637,288	5,677,000	2.23
KPCO	3,871,479	1,471,000	2.63
I&M	33,343,055	5,414,000	6.16
OPCO	28,999,960	8,440,000	3.44
CSP	10,359,008	4,857,000	2.13
TOTAL	89,210,790	25,859,000	3.45

NOTE: * Adjusted to exclude allocation of fuel costs (Acct. 151) associated with coal conversion services.

ACTUAL: November 2011

APPENDIX VI

Page 1 of 2

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		<u>\$ CHARGE</u>	<u>\$ CREDIT</u>	<u>\$ CHARGE</u>	<u>\$ CREDIT</u>	<u>\$ CHARGE</u>	<u>\$ CREDIT</u>
TRANSMISSION SERVICE (PURCHASES)	APCO	39,929	0	34,109	0	5,820	0
	KPCO	8,449	0	7,220	0	1,229	0
	I&M	25,610	0	21,876	0	3,734	0
	OPCO	0	98,706	0	84,321	0	14,385
	CSP	24,718	0	21,116	0	3,602	0
	TOTAL	98,706	98,706	84,321	84,321	14,385	14,385
<hr/>							
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	917,036	0	918,518	1,482	0
	KPCO	0	194,048	0	194,361	314	0
	I&M	0	588,143	0	589,093	950	0
	OPCO	0	674,079	0	675,168	1,089	0
	CSP	0	567,703	0	568,620	917	0
	East. AEP (Co. 122)	2,941,008	0	2,945,761	0	0	4,753
	TOTAL	2,941,008	2,941,008	2,945,761	2,945,761	4,753	4,753
<hr/>							
THIRD PARTY SALES (2)	APCO	1,748,646	2,989,697	1,760,705	3,080,263	90,661	12,154
	KPCO	370,019	632,626	372,570	651,820	19,214	2,572
	I&M	1,121,498	1,917,447	1,129,232	1,975,621	58,234	7,795
	OPCO	1,285,365	2,197,616	1,294,230	2,264,291	66,744	8,934
	CSP	1,082,520	1,850,808	1,089,986	1,906,959	56,209	7,524
	East. AEP (Co. 122)	9,588,195	5,608,047	9,878,953	5,646,723	38,980	291,062
	TOTAL	15,196,242	15,196,242	15,525,676	15,525,676	330,042	330,042
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GROSS TOTAL	APCO	1,748,646	3,906,733	1,760,705	3,998,781	92,143	12,154
	KPCO	370,019	826,674	372,570	846,182	19,528	2,572
	I&M	1,121,498	2,505,590	1,129,232	2,564,714	59,184	7,795
	OPCO	1,285,365	2,871,695	1,294,230	2,939,459	67,834	8,934
	CSP	1,082,520	2,418,510	1,089,986	2,475,579	57,127	7,524
	East. AEP (Co. 122)	12,529,203	5,608,047	12,824,714	5,646,723	38,980	295,815
	TOTAL	18,137,250	18,137,250	18,471,437	18,471,437	334,795	334,795
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NET TOTAL	APCO	0	2,158,087	0	2,238,076	79,989	0
	KPCO	0	456,656	0	473,611	16,956	0
	I&M	0	1,384,093	0	1,435,482	51,389	0
	OPCO	0	1,586,330	0	1,645,229	58,900	0
	CSP	0	1,335,990	0	1,385,593	49,602	0
	East. AEP (Co. 122)	6,921,156	0	7,177,991	0	0	256,835
	TOTAL	6,921,156	6,921,156	7,177,991	7,177,991	256,835	256,835

NOTES: (1) Source is Power Tracker reports, Pool Flow and Purchase Power with Demand Charge and Adjustments.
 (2) Source is Appendix VII.

Proc Code	Customer	ACCT	CO. AGENT	ACTUAL BILL	MUR						AMOUNT DUE (TO)/FROM AGENT						NET
					ARCO	KFCO	I&M	CFPC	CSP	Total	ARCO	KFCO	I&M	CFPC	CSP	Total	
				128,054	39,979	8,449	25,610	29,349	24,718	128,054	(39,939)	(8,449)	(25,610)	98,706	(24,718)	-	
DECI2	Duke Energy Ohio	4470066 07		4,413	1,376	291	883	1,011	862	4,413	(1,376)	(291)	(883)	3,602	(862)	-	
DECI2	Duke Energy Ohio	4470006 07	(1)	11,367	3,846	760	2,273	2,605	2,194	11,367	(3,846)	(760)	(2,273)	9,762	(2,194)	-	
DTE	DTE Energy Trading, Inc.	4470006 07	(1)	13,365	4,167	862	2,673	3,063	2,980	13,365	(4,167)	(862)	(2,673)	10,302	(2,580)	-	
ERPC	East NY Power Co-Op	4470066 07		425	133	28	85	97	82	425	(133)	(28)	(85)	328	(82)	-	
ENTE	Energy Power Serv	4470066 07		20,802	6,393	1,353	4,100	4,699	3,957	20,802	(6,393)	(1,353)	(4,100)	15,803	(3,957)	-	
MISO Trading	Midwest Trading	4470006 07	(1)	50,683	15,803	3,344	10,136	11,617	9,783	50,683	(15,803)	(3,344)	(10,136)	39,066	(9,783)	-	
TVAM	TVA Bulk Power Trading	4470066 07		27,300	8,512	1,801	5,440	6,287	5,270	27,300	(8,512)	(1,801)	(5,440)	21,043	(5,270)	-	
					1,376	291	883	1,011	862	4,413	(1,376)	(291)	(883)	3,602	(862)	-	
					3,846	760	2,273	2,605	2,194	11,367	(3,846)	(760)	(2,273)	9,762	(2,194)	-	
					4,167	862	2,673	3,063	2,980	13,365	(4,167)	(862)	(2,673)	10,302	(2,580)	-	
					133	28	85	97	82	425	(133)	(28)	(85)	328	(82)	-	
					6,393	1,353	4,100	4,699	3,957	20,802	(6,393)	(1,353)	(4,100)	15,803	(3,957)	-	
					15,803	3,344	10,136	11,617	9,783	50,683	(15,803)	(3,344)	(10,136)	39,066	(9,783)	-	
					8,512	1,801	5,440	6,287	5,270	27,300	(8,512)	(1,801)	(5,440)	21,043	(5,270)	-	

Notes: (1) The SEP System MUR Allocation of Pass-Through Receipts for Transmission Service section is no longer included on APPVE P62 as this activity is recorded from the CFF System spreadsheet.

AFCCO	KFCO	I&M	CFCCO	CSP
1,376,05183	291,17700	882,53374	1,011,48481	851,86262
3,846,34739	749,59532	2,273,17466	2,605,31669	2,194,17394
4,167,36248	861,82732	2,672,74670	3,063,27404	2,579,85946
132,82237	28,04216	84,99350	97,41229	82,03968
6,393,74109	1,352,72440	4,099,99796	4,699,05767	3,957,50878
15,803,39668	3,344,03333	10,135,49238	11,616,43688	9,783,24877
8,512,31946	1,801,23421	5,459,39401	6,287,09124	5,269,66109

ACTUAL: November 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

		MWh		(\$)		
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>		
				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>ENERGY (1)</u>		<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	
I.	ACTUAL	APCO	309,161	310,689	11,800,854	14,283,902
	THIS MONTH	KPCO	65,456	65,788	2,497,100	3,022,519
		I&M	198,391	199,379	7,568,503	9,161,011
		OPCO	227,303	228,571	8,674,374	10,499,569
		CSP	191,548	192,326	7,305,474	8,842,634
		TOTAL	991,859	996,753	37,846,304	45,809,635
II.	PREVIOUS	APCO	312,218	311,176	11,749,153	14,300,728
	ESTIMATE	KPCO	66,105	65,891	2,486,153	3,026,080
		I&M	200,352	199,694	7,535,322	9,171,802
		OPCO	229,553	228,931	8,636,342	10,511,937
		CSP	193,440	192,627	7,273,446	8,853,050
		TOTAL	1,001,669	998,319	37,680,415	45,863,597
III.	ADJUSTMENT	APCO	(3,057)	(487)	51,701	(16,826)
	(I-II)	KPCO	(649)	(103)	10,947	(3,561)
		I&M	(1,962)	(315)	33,181	(10,791)
		OPCO	(2,250)	(360)	38,032	(12,368)
		CSP	(1,893)	(301)	32,028	(10,416)
		TOTAL	(9,810)	(1,566)	165,889	(53,962)
<u>EXERCISED</u>				<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>	
<u>OPTIONS &</u>				<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>	
<u>PREMIUMS (2)</u>		<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	
I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ACTUAL: November 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)	
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN
		PURCHASES	REVENUES	PURCHASES	REVENUES
		4210.032	4210.031	4210.032	4210.031
ACTUAL THIS MONTH	APCO	5,618	5,618	248,895	189,109
	KPCO	1,176	1,201	52,667	40,016
	I&M	3,605	3,605	159,629	121,285
	OPCO	4,145	4,145	182,953	139,007
	CSP	3,481	3,456	154,081	117,070
	TOTAL	18,025	18,025	798,225	606,488
PREVIOUS ESTIMATE	APCO	5,618	5,618	248,895	189,109
	KPCO	1,176	1,201	52,667	40,016
	I&M	3,605	3,605	159,629	121,285
	OPCO	4,145	4,145	182,953	139,007
	CSP	3,481	3,456	154,081	117,070
	TOTAL	18,025	18,025	798,225	606,488
ADJUSTMENT (I-II)	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

BROKERS' COMMISSIONS (3)		ALLOCATION BY MLR (\$)			ALLOCATION BY MLR (\$)	
		RENEWABLE ENERGY	BROKER'S	BROKER'S	PURCHASE	SALES
		CREDIT COMMISSIONS	COMMISSIONS	COMMISSIONS	COSTS	REVENUES
		ACCT. 5570.007	ACCT. 4470.143	ACCT. 5550.099	ACCT. 4470.010	ACCT. 4470.006
ACTUAL THIS MONTH	APCO	0	0	32	14,782	(21,199)
	KPCO	0	0	7	3,128	(4,486)
	I&M	0	0	20	9,481	(13,596)
	OPCO	0	0	23	10,866	(15,583)
	CSP	0	0	20	9,151	(13,123)
	TOTAL	0	0	102	47,408	(67,987)
PREVIOUS ESTIMATE	APCO	0	0	32	14,892	(20,994)
	KPCO	0	0	7	3,151	(4,442)
	I&M	0	0	20	9,552	(13,465)
	OPCO	0	0	23	10,947	(15,432)
	CSP	0	0	20	9,219	(12,996)
	TOTAL	0	0	102	47,761	(67,329)
ADJUSTMENT (I-II)	APCO	0	0	0	(110)	(205)
	KPCO	0	0	0	(23)	(43)
	I&M	0	0	0	(71)	(131)
	OPCO	0	0	0	(81)	(151)
	CSP	0	0	0	(68)	(127)
	TOTAL	0	0	0	(353)	(657)

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH ALR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM, THIRD PARTY

RTM NON-ECR ENERGY		RTM NON-ECR PURCHASES - USE		POWER SWAPS		TOTAL SWAPS	
		AMWH	\$				
		TOTAL COSTS	TOTAL COSTS	TOTAL NET	TOTAL NET	TOTAL NET	TOTAL NET
		TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED
		Act. 5550.001	Act. 5550.001	Act. 4470.143	Act. 4470.082	Act. 5550.100	Act. 5550.107
I.	ACTUAL THIS MONTH	APCO	0	13,753	(1,479,667)	0	0
		RPCC	0	2,910	(313,102)	0	0
		TXM	0	39,556	(948,987)	0	0
		OPCC	0	119,890	(8,820)	0	0
		CSP	0	137,608	(1,087,148)	0	0
		TOTAL	0	316,056	(3,167,000)	0	0
			0	599,569	(4,746,940)	0	0
II.	PREVIOUS ESTIMATE	APCO	0	3,216	(4,461,284)	0	0
		RPCC	0	681	(313,444)	0	0
		TXM	0	119,590	(990,024)	0	0
		OPCC	0	2,062	(2,364)	0	0
		CSP	0	137,408	(1,089,837)	0	0
		TOTAL	0	152,723	(3,177,007)	0	0
			0	599,569	(4,750,597)	0	0
III.	ADJUSTMENT (I-III)	APCO	0	10,537	1,617	0	0
		RPCC	0	2,230	342	0	0
		TXM	0	6,758	1,037	0	0
		OPCC	0	7,745	1,189	0	0
		CSP	0	6,623	1,001	0	0
		TOTAL	0	33,793	5,187	0	0

RTM NON-ECR PURCHASES-CSS
NON-ECR PHYSICAL SALES-CSS

RTM NON-ECR ENERGY		MWH		SALES		PURCHASES		RENEWABLE ENERGY CREDITS		COSTS TO BE BOOKED		COSTS TO BE BOOKED	
		PURCHASES	PURCHASES	SALES	SALES	PURCHASES	PURCHASES	ENERGY CREDITS	ENERGY CREDITS	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED
		Act. 5550.107	Act. 5550.099	Act. 4470.112	Act. 4470.170	Act. 4470.131	Act. 4470.131	Act. 5570.007	Act. 5550.086	Act. 5550.099	Act. 5550.100	Act. 5550.107	Act. 5550.107
I.	ACTUAL THIS MONTH	APCO	0	80,784	78,389	0	0	0	0	3,447,448	181,359	312,844	312,844
		RPCC	0	17,094	16,588	0	0	0	0	729,492	36,370	66,174	66,174
		TXM	0	51,811	50,279	0	0	0	0	2,211,059	116,295	200,568	200,568
		OPCC	0	59,382	57,622	0	0	0	0	2,854,090	132,288	229,573	229,573
		CSP	0	50,011	48,556	0	0	0	0	2,134,187	112,254	193,957	193,957
		TOTAL	0	259,982	251,400	0	0	0	0	11,056,245	582,586	1,002,938	1,002,938
II.	PREVIOUS ESTIMATE	APCO	0	80,845	78,391	0	0	0	0	3,438,292	181,593	312,844	312,844
		RPCC	0	17,107	16,631	0	0	0	0	727,533	36,456	66,198	66,198
		TXM	0	51,850	50,404	0	0	0	0	2,205,091	116,455	200,643	200,643
		OPCC	0	59,426	57,769	0	0	0	0	2,827,286	132,482	229,599	229,599
		CSP	0	50,048	48,661	0	0	0	0	2,128,466	112,417	193,670	193,670
		TOTAL	0	259,276	252,345	0	0	0	0	11,056,458	582,384	1,003,314	1,003,314
III.	ADJUSTMENT (I-III)	APCO	0	(60)	(202)	0	0	0	0	9,155	(644)	(118)	(118)
		RPCC	0	(13)	(43)	0	0	0	0	1,959	(65)	(26)	(26)
		TXM	0	(39)	(129)	0	0	0	0	5,988	(170)	(78)	(78)
		OPCC	0	(44)	(147)	0	0	0	0	6,804	(194)	(84)	(84)
		CSP	0	(37)	(123)	0	0	0	0	5,731	(164)	(73)	(73)
		TOTAL	0	(394)	(146)	0	0	0	0	29,587	(646)	(376)	(376)

(5)	COSTS		COSTS		REVENUES		REVENUES		COST		Total RFA/ALSO Net-EQ Entry (Revenue - Cost)
	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	TO BE BOOKED	
Act. 5614.008	Act. 4470.131	Act. 4470.099	Act. 4470.112	Act. 4470.170	Act. 4470.137	Act. 5650.002					
0	1,532	(285,643)	0	4,455,366	11,659	0	806,449				
0	324	(60,445)	0	945,981	2,473	0	107,206				
0	982	(183,198)	0	2,895,100	7,496	0	324,338				
0	1,126	(209,966)	0	3,275,710	6,592	0	372,422				
0	948	(176,831)	0	2,759,771	7,236	0	311,841				
0	4,912	(916,061)	0	14,231,923	37,486	0	1,224,364				
0	0	(285,652)	0	4,468,092	11,659	0	828,688				
0	0	(60,445)	0	945,463	2,473	0	111,893				
0	0	(183,203)	0	2,865,620	7,496	0	339,140				
0	0	(209,972)	0	3,294,329	6,592	0	388,696				
0	0	(176,837)	0	2,766,030	7,236	0	327,285				
0	0	(916,110)	0	14,325,333	37,486	0	1,498,376				
0	1,532	9	0	(11,726)	0	0	(21,039)				
0	324	2	0	(2,481)	0	0	(4,816)				
0	982	6	0	(7,560)	0	0	(14,200)				
0	1,126	7	0	(6,619)	0	0	(14,275)				
0	948	6	0	(7,259)	0	0	(13,707)				
0	4,912	29	0	(37,505)	0	0	(70,968)				

ACTUAL: November 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT	AMOUNT DUE TO AGENT	AMOUNT DUE FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,483,048	0	2,551,575	68,527	0
	KPCO	0	525,419	0	539,927	14,508	0
	I&M	0	1,592,508	0	1,636,480	43,972	0
	OPCO	0	1,825,195	0	1,875,595	50,400	0
	CSP	0	1,537,160	0	1,579,604	42,444	0
	East. AEP (Co.122)	7,963,331	0	8,183,182	0	0	219,851
	TOTAL	7,963,331	7,963,331	8,183,182	8,183,182	219,851	219,851
EXERCISED OPTIONS & PREMIUMS (2)	APCO	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
BELOW THE LINE	APCO	59,786	0	59,786	0	0	0
	KPCO	12,651	0	12,651	0	0	0
	I&M	38,344	0	38,344	0	0	0
	OPCO	43,946	0	43,946	0	0	0
	CSP	37,011	0	37,011	0	0	0
	East. AEP (Co.122)	0	191,738	0	191,738	0	0
	TOTAL	191,738	191,738	191,738	191,738	0	0
BROKERS' COMMISSIONS (3)	APCO	36,013	0	35,918	0	95	0
	KPCO	7,620	0	7,600	0	20	0
	I&M	23,098	0	23,037	0	61	0
	OPCO	26,472	0	26,402	0	70	0
	CSP	22,293	0	22,235	0	58	0
	East. AEP (Co.122)	0	115,497	0	115,193	0	304
	TOTAL	115,497	115,497	115,193	115,193	304	304
POWER SWAPS	APCO	1,652,847	0	1,665,001	0	0	12,154
	KPCO	349,748	0	352,320	0	0	2,572
	I&M	1,060,056	0	1,067,852	0	0	7,795
	OPCO	1,214,947	0	1,223,881	0	0	8,934
	CSP	1,023,215	0	1,030,739	0	0	7,524
	East. AEP (Co.122)	0	5,300,813	0	5,339,793	38,980	0
	TOTAL	5,300,813	5,300,813	5,339,793	5,339,793	38,980	38,980
PJM/MISO NON-ECR ENERGY	APCO	0	506,649	0	528,688	22,039	0
	KPCO	0	107,208	0	111,893	4,686	0
	I&M	0	324,939	0	339,140	14,201	0
	OPCO	0	372,421	0	388,695	16,275	0
	CSP	0	313,647	0	327,355	13,707	0
	East. AEP (Co.122)	1,624,864	0	1,695,772	0	0	70,908
	TOTAL	1,624,864	1,624,864	1,695,772	1,695,772	70,908	70,908
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & PJM NON-ECR ENERGY	APCO	1,748,646	2,989,697	1,760,705	3,080,263	90,661	12,154
	KPCO	370,019	632,626	372,570	651,820	19,214	2,572
	I&M	1,121,498	1,917,447	1,129,232	1,975,621	58,234	7,795
	OPCO	1,285,365	2,197,616	1,294,230	2,264,291	66,744	8,934
	CSP	1,082,520	1,850,808	1,089,986	1,906,959	56,209	7,524
	East. AEP (Co.122)	9,588,195	5,608,047	9,878,953	5,646,723	38,980	291,062
	TOTAL	15,196,242	15,196,242	15,525,676	15,525,676	330,042	330,042

NOTES:

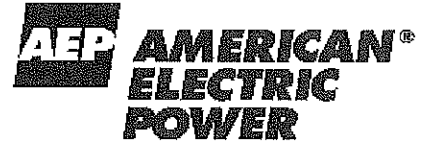
- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: November 2011
 (3) Actual commissions paid in: November 2011

APPENDIX IX

PJM CHARGES TRANSFERRED FROM nMARKET to AEE										PJM CHARGES FOR EAST ZONE	
PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	XP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SEA	SIA	SEA	SIA
AEPSCS											
PJM Allocations GL Submit Summary											
Total of PJM Non-ECR MISC Charges	Various	2,685,894	554,411	1,715,483	1,983,014	1,628,809	8,548,110	Various			
PJM Admin Fees											
Schedule 9 & 10	5614000	29,728	6,290	19,056	21,852	15,403	95,339	East Zone SIA			
Schedule 9 & 10	5614001	385,476	70,968	215,399	246,996	207,691	1,075,959	no			
Schedule 9 & 10	5618000	2,054	439	1,317	1,910	1,271	6,986	East Zone SIA			
Schedule 9 & 10	5618001	23,176	4,904	14,864	17,036	14,347	74,327	no			
Schedule 9 & 10	5757000	25,992	6,346	19,236	22,046	18,567	96,188	East Zone SIA			
Schedule 9 & 10	5757001	28,466	71,620	217,075	248,793	209,531	1,088,489	no			
Schedule 9 & 10	5618000	2,050	429	1,289	1,477	1,244	6,446	East Zone SIA			
Schedule 9 & 10	5618001	22,481	4,799	14,547	16,672	14,041	72,740	no			
Schedule 9 & 10	5618000	3,049	646	1,956	2,242	1,868	9,769	East Zone SIA			
Schedule 9 & 10	5618001	34,413	7,282	22,071	25,295	21,304	101,364	no			
Schedule 9 MANU	5757000	1,458	311	942	1,079	909	4,709	East Zone SIA			
Schedule 9 MANU	5757001	16,870	3,006	10,627	12,180	10,258	63,140	N			
PJM Affiliate Entry											
Network Integration Transmission Service Charge	4470107	627	133	402	461	386	2,011	East Zone SIA			
Transmission Owner Scheduling System	4470110	725	151	466	534	459	2,330	East Zone SIA			
Power Factor Charge	4470121	1,731	264	1,110	1,272	1,072	5,552	East Zone SIA			
Other Supporting Facilities Charge	4470107	1,253	265	804	921	776	4,019	East Zone SIA			
Invoice Adjustment - Spot Energy Sales	4470124							East Zone SIA			
Allocation of Generation Activity on PJM Transmission Invoice											
Balancing Spot Market Energy	4470119							East Zone SIA			
Incremental Taplift Congestion - OSS	4470126	33,477	7,084	21,471	24,608	20,724	107,364	N			
Taplift Congestion - LSE	4470099							N			
Indispatch - OSS	5950039							N			
Indispatch - LSE	5950040							East Zone SIA			
Misc Credits	4470107	(13)	(3)	(5)	(9)	(9)	(41)	East Zone SIA			
Meter Correction - LSE	4470116	(27,283)	(5,773)	(17,498)	(20,695)	(16,890)	(87,900)	N			
Incremental Taplift Congestion - LSE (Correction of Reversal of June 2011 Entry)	4470093							N			
Incremental Taplift Congestion - OSS (Corrected July Contractive of June 2011 Entry)	4470126							N			
PJM Invoice Adjustment											
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	0	East Zone SIA			
Metered Energy Correction (Basket) dedicated APCO	4470103	(177,708)					(177,708)	East Zone SIA			
Metered Energy Correction (Basket) MLR	4470101	(75,994)	(16,081)	(48,739)	(55,861)	(47,049)	(243,720)	N			
Day-ahead Operating Reserve (LSE AUB)	4470103							East Zone SIA			
Day-ahead Operating Reserve (OSS AUB)	4470098							N			
Other Supporting Facilities (BCK)	4470141	10,709	2,266	6,868	7,872	6,629	34,344	East Zone SIA			
Other Supporting Facilities (BCK)	4470126	(10,709)	(2,266)	(6,868)	(7,872)	(6,629)	(34,344)	East Zone SIA			
Load Management Test Failure (BCK)	4470141							East Zone SIA			
Day-ahead Operating Reserve (OSS BCK)	4470141							East Zone SIA			
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141	(16)	(3)	(10)	(12)	(10)	(52)	East Zone SIA			
Transmission Congestion Target Credit OSS (BCK)	4470174							East Zone SIA			
CRS Capacity Charge (LSE AUC)	4470099				(97,883)	(3,84,739)	(4,142,593)	East Zone SIA			
CRS Capacity Charge (LSE AUC)	4470127				(367,225)	(848,613)	(1,215,838)	East Zone SIA			
Day-ahead Operating Reserve (LSE SCG)	4470203							East Zone SIA			
Day-ahead Operating Reserve (OSS SCG)	4470098							East Zone SIA			
Balancing Operating Reserve (LSE MON & OCG)	4470203							East Zone SIA			
Synchronized Reserve ADJ (OSS MON, OCG & NIP)	5950083	(995)	(84)	(293)	(290)	(244)	(1,266)	East Zone SIA			
PJM Annual Membership Fee (LSE AEPSCS)	4470103	1,482	303	919	1,051	887	4,993	East Zone SIA			
PJM Annual Membership Fee (OSS AEPSCS)	4470098	127	27	81	93	79	407	East Zone SIA			
PJM Auction Credit (OSS SCG)	4470099							East Zone SIA			
Balancing Operating Reserve (LSE)	4470202	275,001	68,101	176,373	202,143	170,243	881,951	East Zone SIA			
Balancing Operating Reserve (LSE)	4470202	(272,173)	(97,893)	(174,569)	(200,064)	(168,492)	(872,882)	East Zone SIA			
Balancing Operating Reserve (OSS)	4470098	1,000,404	211,689	641,611	735,360	619,313	3,208,378	East Zone SIA			
Balancing Operating Reserve (OSS)	4470098	(990,116)	(209,012)	(635,013)	(727,798)	(612,344)	(3,179,364)	East Zone SIA			
Balancing Operating Reserve (LSE - KAMMHC)	4470202	(15,116)	(2,775)	(8,412)	(9,441)	(8,180)	(42,864)	East Zone SIA			
Dresden Test Energy Reclaim											
Dresden Spot Market Energy	4470141	26,451	5,997	16,964	19,443	16,376	84,831	East Zone SIA			
Dresden Spot Market Energy	4470174	(84,831)					(84,831)	East Zone SIA			
Dresden Transmission Congestion	4561005	(103)	(22)	(65)	(76)	(64)	(331)	East Zone SIA			
Dresden Transmission Congestion	4561005	331					331	East Zone SIA			
Dresden Transmission Loss	4470101	(825)	(69)	(289)	(239)	(202)	(1,645)	East Zone SIA			
Dresden Transmission Loss	4470100	1,045					1,045	East Zone SIA			
PJM TEA Charge Reclaim (MLR)											
Transmission Enhancement Charge	4560012	(1,066,469)	(225,668)	(683,982)	(783,922)	(660,211)	(3,420,282)	N			
RTO Start-up Cost Recovery Charge	4561002	(45,978)	(11,080)	(36,523)	(82,199)	(18,369)	(164,147)	East Zone SIA			
Expansion Cost Recovery Charge	4561003	(29,317)	(7,065)	(23,288)	(33,283)	(11,712)	(104,660)	East Zone SIA			
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	226,407	47,309	149,207	166,424	140,160	726,007	East Zone SIA			
PJM TEA Charge Reclaim (L2P)											
Transmission Enhancement Charge	4560012	(1,032,326)	(209,928)	(626,199)	(679,085)	(456,444)	(2,904,187)	N			
RTO Start-up Cost Recovery Charge	4561002	(88,348)	(11,869)	(29,741)	(38,383)	(25,810)	(164,147)	East Zone SIA			
Expansion Cost Recovery Charge	4561003	(37,204)	(7,864)	(18,964)	(24,474)	(16,457)	(104,660)	N			
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(243,726)	(49,563)	(124,232)	(160,328)	(107,811)	(680,460)	N			
Firm/Non-Firm Pt to Pt Charges (Auburn)	4560012			9,099			9,099	N			
Transmission Enhancement Charge (Auburn)	4470180	31,608	2,572	109,301			139,479	N			
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET to AEE (ACTUAL)		3,195,910	720,322	2,395,550	1,125,190	(2,068,364)	5,169,407				
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET to AEE (ESTIMATED)		3,143,249	600,982	2,093,183	1,017,938	(2,170,000)	4,774,328				
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET to AEE (ADJUSTMENT)	(1)	(53,670)	(29,741)	(102,368)	(107,857)	(101,641)	(395,279)				

PJM NON-ECR CHARGES FROM INVOICE - COUNTERPARTY BUCKEYE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	XP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL	SEA	SIA	PJM CHARGES FOR EAST ZONE	
PJM Allocations GL Submit Summary											
Total PJM -BUCKEYE NON-ECR FROM INVOICE (1)	Various	3,029,139	641,100	1,943,399	2,228,304	1,874,299	9,716,234	Various		5,052,150	
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)		3,029,139	641,100	1,943,399	2,228,304	(1,674,299)	9,716,234				
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)		3,006,350	516,276	1,928,773	2,211,843	(1,869,192)	9,548,124				
TOTAL PJM CHARGES TRANSFERRED FROM nMARKET to AEE (ADJUSTMENT)	(1)	(22,789)	(4,824)	(14,626)	(16,761)	(14,106)	(73,101)				
CHARGE DESCRIPTION											
PJM Allocations GL Submit Summary											
Includes all participants except SCE and BCK	Various	471,708	99,822	302,571	346,838	291,958	1,512,895	Various		1,148,992	
Buckeye GL Entries											
Buckeye (BCK)	4470099							East Zone SIA		MAKE SURE THAT	
Capacity Credit Market	4470143	(327,401)	(69,279)	(209,979)	(240,660)	(202,682)	(1,050,000)	East Zone SIA		MAKE SURE THAT	
PJM Service Fee	5550075	31,574	6,681	20,250	23,209	19,516	101,280	N		MAKE SURE THAT	
Residual Supply and Voltage Control Credit (Expense)	5550078	19,185	4,033	12,253	14,080	11,808	61,431	N		MAKE SURE THAT	
Regulation Credit (Expense)	5550064							N		MAKE SURE THAT	
Spinning Reserve - Credit	4470141	(3,183,856)	(663,259)	(2,010,553)	(2,305,277)	(1,939,120)	(10,082,089)	N		MAKE SURE THAT	
Buckeye Pass-Through	4470206	(3)	(1)	(2)	(2)	(2)	(9,48)	East Zone SIA		MAKE SURE THAT	
Transmission Loss Credit											
TOTAL OFFSET OF PASS-THROUGH CHARGES (1)		(2,926,823)	(621,982)	(1,887,428)	(2,118,811)	(1,816,460)	(9,426,911)				
TOTAL OFFSET OF PASS-THROUGH CHARGES (ESTIMATED)		(2,920,402)	(616,682)	(1,873,611)	(2,146,263)	(1,807,044)	(9,367,403)				
TOTAL OFFSET OF PASS-THROUGH CHARGES (ADJUSTMENT)	(1)	(18,421)	(3,899)	(11,818)	(13,500)	(11,401)	(59,089)				



Date December 2011

Subject East Interchange Power Statement and Related Data
December 2011 Estimate

Reviewer: Ryan Stock
1/6/2011

Approved Richard Quaintance
1/6/2011

To See Distribution List

Enclosed is the East Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating estimate data for the month of December 2011.

NOTE: Effective November 2010 Actual Cycle the SIA Sharing calculations will be performed outside of the Interchange Power Statement by Accounting. Please contact Craig Adelman at 614-583-7756 or Audinet 8-220-7756 if further information is needed.

Estimate
INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
December 2011

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO SEPTEMBER 2006 BUSINESS

Pursuant to the Interconnection Agreement, dated July 6, 1951,

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:
AEP Energy Services
Wholesale Commercial Accounting Group

ESTIMATED: December 2011

PAGE (1)

		MWh		(\$)		
		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
I.	(SOURCE: PAGE 2) ESTIMATED THIS MONTH	APCO KPCO I&M OPCO CSP TOTAL	1,531,685 89,038 171,389 377,163 204,081 2,373,357	255,509 129,204 1,356,510 336,459 295,676 2,373,357	58,037,515 6,349,041 6,122,770 10,958,049 9,610,270 91,077,645	11,329,779 3,586,331 30,649,969 36,938,775 8,572,790 91,077,645
II.	ADJUSTMENT FROM LAST MONTH	APCO KPCO I&M OPCO CSP TOTAL	(1,902) 17,719 24,174 1,502 6,917 48,409	(2,873) 17,694 22,858 2,768 7,962 48,409	2,079,839 628,552 1,070,392 794,986 719,865 5,293,635	(108,901) 1,681,622 1,648,983 1,330,344 741,588 5,293,636
III.	TOTAL TO BE BOOKED THIS MONTH (I + II)	APCO KPCO I&M OPCO CSP TOTAL	1,529,783 106,757 195,563 378,665 210,998 2,421,766	252,636 146,898 1,379,368 339,226 303,638 2,421,766	60,117,354 6,977,594 7,193,162 11,753,035 10,330,135 96,371,281	11,220,878 5,267,953 32,298,952 38,269,120 9,314,378 96,371,281
IV.	ESTIMATED THIS MONTH FOR TRANSMISSION SERVICE (PURCHASES) (SEE APPENDIX VI)	APCO KPCO I&M OPCO CSP TOTAL			41,179 8,715 26,412 0 25,492 101,798	0 0 0 101,798 0 101,798
V.	ADJUSTMENT FOR PJM CHARGES TRANSFERRED FROM nMARKET TO AEE (NON-ECR) (FROM PRIOR MONTH ACTUAL IPS, PG 1, ITEM VI)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			53,675 29,741 102,366 107,857 101,641 0 395,279	0 0 0 0 0 395,279 395,279
VI.	ESTIMATED ALLOCATION OF PJM NON-ECR CHARGES (SEE APPENDIX IX)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			3,820,615 796,328 2,416,725 589,945 0 2,211,646 9,835,259	0 0 0 0 2,211,646 7,623,613 9,835,259
VII.	ADJUSTMENT FOR PJM CHARGES (NON-ECR) FROM INVOICE (FROM PRIOR MONTH ACTUAL IPS, PG 1, ITEM VII)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			22,789 4,824 14,620 16,761 14,106 0 73,101	0 0 0 0 0 73,101 73,101
VIII.	ESTIMATED ALLOCATION OF PJM NON-ECR CHARGES COUNTERPARTY BUCKEYE (SEE APPENDIX IX)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			3,093,314 654,675 1,984,528 2,275,418 1,914,055 0 9,921,990	0 0 0 0 0 9,921,990 9,921,990
IX.	ADJUSTMENT FOR OFFSET OF PASS-THROUGH CHARGES ASSOCIATED WITH PJM (FROM PRIOR MONTH ACTUAL IPS, PG 1, ITEM VIII)	APCO KPCO I&M OPCO CSP East. AEP (Co. 122) TOTAL			0 0 0 0 0 59,089 59,089	18,421 3,899 11,818 13,550 11,401 0 59,089

ESTIMATED: December 2011

PAGE (1A)

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
X.	ESTIMATED ALLOCATION OF	APCO	3,206,251
	OFFSET OF PASS-THROUGH	KPCO	678,565
	CHARGES ASSOCIATED WITH PJM	I&M	2,056,922
	(SEE APPENDIX IX)	OPCO	2,358,333
		CSP	1,984,027
		East. AEP (Co. 122)	0
		TOTAL	10,284,099
XI.	ADJUSTMENT FOR BUCKEYE SHARE	APCO	0
	OF PJM CONGESTION CHARGES	KPCO	0
	(FROM PRIOR MONTH ACTUAL IPS, PG 1, ITEM IX)	I&M	0
		OPCO	0
		CSP	0
		East. AEP (Co. 122)	0
		TOTAL	0
XII.	ESTIMATED ALLOCATION OF	APCO	0
	BUCKEYE SHARE OF PJM	KPCO	0
	CONGESTION CHARGES	I&M	0
	(SEE APPENDIX IX)	OPCO	0
		CSP	0
		East. AEP (Co. 122)	0
		TOTAL	0
XIII.	ADJUSTMENT FROM LAST MONTH	APCO	5,820
	FOR TRANSMISSION SERVICE	KPCO	1,229
	(PURCHASES)	I&M	3,734
	(SEE APPENDIX VI)	OPCO	0
		CSP	3,602
		TOTAL	14,385
	XIV.	ADJUSTMENT TO ALLOCATION OF	APCO
TRADING & MARKETING REALIZATION		KPCO	0
(FROM PRIOR MONTH ACTUAL IPS, PG 1, ITEM V)		I&M	0
		OPCO	0
		CSP	0
		West. AEP	0
		TOTAL	0
XV.	ESTIMATED ALLOCATION OF	APCO	0
	TRADING AND MARKETING	KPCO	0
	REALIZATION THIS MONTH	I&M	0
	(FROM PAGE 6B)	OPCO	0
		CSP	0
		West. AEP	0
		TOTAL	0
XVI.	NET OF ABOVE CHARGES/CREDITS	APCO	52,709,196
	(SETTLEMENTS EXCLUDING EAST. AEP	KPCO	2,522,688
	COMPANY 122)	I&M	22,626,145
		OPCO	26,014,170
		CSP	1,132,420
		East. AEP (Co. 122)	5,459,149
		West. AEP	0
	TOTAL	55,231,883	
		55,231,884	

ESTIMATED: December 2011

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		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
XVII. ESTIMATED THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO	0	11,372,658
	KPCO	0	2,406,492
	I&M	0	7,293,882
	OPCO	0	8,359,625
	CSP	0	7,040,395
	East. AEP (Co. 122)	36,473,051	0
	TOTAL	36,473,051	36,473,051
XVIII. ADJUSTMENT FROM LAST MONTH (SEE APPENDIX VI)	APCO	79,989	0
	KPCO	16,956	0
	I&M	51,389	0
	OPCO	58,900	0
	CSP	49,602	0
	East. AEP (Co. 122)	0	256,835
	TOTAL	256,835	256,835
XIX. RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (SEE APPENDIX VIII, pages 2, 3, & 4)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
XX. ADJUSTMENT FOR RECLASS OF ENERGY SPREADS FOR DIRECT ALLOCATION TO WEST (FROM PRIOR MONTH'S ACTUAL IPS PG 1A, SECTION XI)	APCO	0	0
	KPCO	0	0
	I&M	0	0
	OPCO	0	0
	CSP	0	0
	East. AEP (Co. 122)	0	0
	TOTAL	0	0
XXI. NET AMOUNT DUE TO/FROM SYSTEM AGENT	APCO	0	11,292,670
	KPCO	0	2,389,536
	I&M	0	7,242,492
	OPCO	0	8,300,725
	CSP	0	6,990,792
	East. AEP (Co. 122)	36,216,216	0
	TOTAL	36,216,216	36,216,216

ESTIMATED: December 2011 SYSTEM ACCOUNT PAGE (2)
 RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

		CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)		
		SURPLUS/ (DEFICIT)	RATE	CHARGE A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kW	\$/kW	(1)	(2)	(3)	(4)	
I.	ESTIMATED	APCO	(1,780,300)	13.82	24,598,568	0	33,438,947	11,329,779
	THIS MONTH	KPCO	(255,000)	13.82	3,523,358	0	2,825,683	3,586,331
		I&M	196,300	15.37	0	3,017,987	6,122,770	27,631,982
		OPCO	2,031,900	13.67	0	27,769,256	10,958,049	9,169,519
		CSP	(192,900)	13.82	2,665,317	0	6,944,953	8,572,790
		TOTAL			30,787,243	30,787,243	60,290,402	60,290,402
II.	ADJUSTMENT	APCO			1,100,892	0	978,947	(108,901)
	FROM LAST MONTH *	KPCO			157,685	0	470,867	1,681,622
		I&M			0	212,861	1,070,392	1,436,122
		OPCO			0	1,165,000	794,986	165,344
		CSP			119,284	0	600,581	741,588
		TOTAL			1,377,861	1,377,861	3,915,774	3,915,775
III.	TOTAL	APCO			25,699,460	0	34,417,894	11,220,878
	TO BE BOOKED THIS MONTH (I + II)	KPCO			3,681,043	0	3,296,551	5,267,953
		I&M			0	3,230,848	7,193,162	29,068,104
		OPCO			0	28,934,256	11,753,035	9,334,864
		CSP			2,784,601	0	7,545,534	9,314,378
		TOTAL			32,165,104	32,165,104	64,206,177	64,206,177
				ENERGY MWh		\$ TOTAL OF ALL ABOVE		
				(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)	
				FROM POOL	TO POOL	CHARGE (7)	CREDIT (8)	
I.	ESTIMATED	APCO			1,531,685	255,509	58,037,515	11,329,779
	THIS MONTH	KPCO			89,038	129,204	6,349,041	3,586,331
		I&M			171,389	1,356,510	6,122,770	30,649,969
		OPCO			377,163	336,459	10,958,049	36,938,775
		CSP			204,081	295,676	9,610,270	8,572,790
		TOTAL			2,373,357	2,373,357	91,077,645	91,077,645
II.	ADJUSTMENT	APCO			(1,902)	(2,873)	2,079,839	(108,901)
	FROM LAST MONTH *	KPCO			17,719	17,694	628,552	1,681,622
		I&M			24,174	22,858	1,070,392	1,648,983
		OPCO			1,502	2,768	794,986	1,330,344
		CSP			6,917	7,962	719,865	741,588
		TOTAL			48,409	48,409	5,293,635	5,293,636
III.	TOTAL	APCO			1,529,783	252,636	60,117,354	11,220,878
	TO BE BOOKED THIS MONTH (I + II)	KPCO			106,757	146,898	6,977,594	5,267,953
		I&M			195,563	1,379,368	7,193,162	32,298,952
		OPCO			378,665	339,226	11,753,035	38,269,120
		CSP			210,998	303,638	10,330,135	9,314,378
		TOTAL			2,421,766	2,421,766	96,371,281	96,371,281

NOTE:

(*) Adjustment Data from page 2 in "Interchange Power Statement and Related Data" for the prior month, previously distributed.

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**CALCULATION OF MEMBER PRIMARY CAPACITY
 SURPLUS/(DEFICIT) kW AND \$ SETTLEMENT**

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY kW (APPENDIX II)</u> (1)	<u>MEMBER LOAD RATIO (APPENDIX I)</u> (2)	<u>PRIMARY CAPACITY kW RESERVATION (SYS. KW) * (2)</u> (3)	<u>SURPLUS (DEFICIT) CAPACITY kW</u> (4) = (1) - (3)
APCO	6,377,000	0.31181	8,157,300	(1,780,300)
KPCO	1,471,000	0.06598	1,726,000	(255,000)
I&M	5,428,000	0.19998	5,231,700	196,300
OPCO	8,028,000	0.22920	5,996,100	2,031,900
CSP	4,857,000	0.19303	5,049,900	(192,900)
TOTAL	26,161,000	1.00000	26,161,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY kW</u> (1)		<u>CAPACITY RATE \$/kW *</u> (2)		<u>CREDIT (CHARGE) ** \$</u> (3)
APCO	(1,780,300)	*****	+	*****	(24,598,568)
KPCO	(255,000)	*****	+	*****	(3,523,358)
I&M	196,300	10.22	+	5.15	3,017,987
OPCO	2,031,900	10.80	+	2.87	27,769,256
CSP	(192,900)	*****	+	*****	(2,665,317)

EQUALIZATION CAPACITY RATE: 13.8171
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

* The sum of the Member's Primary Capacity Investment Rate (Appendix III) and the Member's Capacity Fixed Operating Rate (Appendix IV & V) applicable to Members having a Member Primary Capacity Surplus.

** Credits should be recorded in Account 447, Sales for Resale.
 Charges should be recorded in Account 555, Purchased Power.

OPCO	2,031,900	91.19%
I&M	196,300	8.81%
Total	2,228,200	100.00%

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SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL (MLR SHARE)	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555 (MLR SHARE)	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP EXTERNAL ENERGY *					
ENERGY COST	APCO	478,383	556,731	17,578,164	22,940,471
RECOVERY AND MLR	KPCO	101,227	82,928	3,719,596	2,635,807
ALLOCATION FOR ALL	I&M	306,812	222,904	11,273,792	10,028,114
AEP SYSTEM	OPCO	351,641	402,456	12,921,058	12,346,153
DELIVERIES TO	CSP	296,149	269,193	10,881,989	8,424,053
NON-AFFILIATED COS.	AEP	1,534,212	1,534,212	56,374,599	56,374,599
ADJUSTMENT TO	APCO	(305,629)	(305,629)	(11,842,536)	(11,842,536)
PREVENT RECOGNITION	KPCO	(43,391)	(43,391)	(1,520,681)	(1,520,681)
OF SALES BY POOL	I&M	(143,018)	(143,018)	(5,501,753)	(5,501,753)
MEMBERS TO	OPCO	(200,947)	(200,947)	(6,690,575)	(6,690,575)
THEMSELVES	CSP	(147,808)	(147,808)	(5,030,233)	(5,030,233)
(PAGE 7)	AEP	(840,793)	(840,793)	(30,585,778)	(30,585,778)
SUBTOTAL	APCO	172,754	251,102	5,735,628	11,097,935
AEP EXTERNAL	KPCO	57,836	39,537	2,198,915	1,115,126
ENERGY	I&M	163,794	79,886	5,772,039	4,526,361
	OPCO	150,694	201,509	6,230,483	5,655,578
	CSP	148,341	121,385	5,851,756	3,393,820
	AEP	693,419	693,419	25,788,821	25,788,821
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,358,931	0	27,703,319	0
ENERGY	KPCO	31,202	89,353	626,768	2,458,557
(PAGE 8)	I&M	0	1,276,624	0	23,105,621
	OPCO	226,469	133,315	4,727,566	3,454,195
	CSP	55,740	173,050	1,093,197	5,132,477
	AEP	1,672,342	1,672,342	34,150,850	34,150,850
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,531,685	255,509	33,438,947	11,329,779
	KPCO	89,038	129,204	2,825,683	3,586,331
	I&M	171,389	1,356,510	6,122,770	27,631,982
	OPCO	377,163	336,459	10,958,049	9,169,519
	CSP	204,081	295,676	6,944,953	8,572,790
	AEP	2,373,357	2,373,357	60,290,402	60,290,402

NOTE:

(*) Source of data is "Summary - System Account Settlement for AEP System Deliveries" in the ECR#MLR report. The MWh and \$ CREDIT AMOUNTS labeled "As Supplied" correspond to the MWh and COST columns associated with the "Total All Source Allocation". The MWh and \$ CHARGE AMOUNTS labeled "MLR SHARE" correspond to the MWh and COST columns associated with the "Total All MLR Allocation". Not included are any demand charge portions of purchased power out-of-pocket costs allocated to AEP System deliveries (such demand costs would have no net effect in the System Account because they are incurred and allocated in identical MLR proportion, thus netting zero). Also, see NOTE (1), page 6.

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**SYSTEM ACCOUNT
 RECONCILIATION OF INTERRUPTIBLE CUSTOMERS
 BUY-THROUGH ALLOCATION OR INTERNAL CUSTOMERS IN GENERAL
 WHEREBY POOL ENERGY IS SPECIFICALLY ALLOCATED**

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 447	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	0	4,407	0	231,844
COST RECOVERY	KPCO	0	314	0	12,648
ALLOCATED TO	I&M	7,596	0	350,731	0
SPECIAL SERVICE	OPCO	0	1,635	0	59,746
CUSTOMERS	CSP	0	1,241	0	46,493
	AEP	<u>7,596</u>	<u>7,596</u>	<u>350,731</u>	<u>350,731</u>

NOTE: (*) Figures on this page are carried on to "Total System Account Energy", Item III, page 4.

ESTIMATED: December 2011

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**AEP SYSTEM DELIVERIES TO OTHER COMPANIES
 RECONCILIATION OF SYSTEM ACCOUNT COST EQUALIZATION
 TOTAL AND NET REVENUES**

**Cost Equalization for AEP System Deliveries
 in the System Account (Page 4, Item 1)**

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	17,578,164	22,940,471	19,169,012	1,590,848
KPCO	3,719,596	2,635,807	4,056,225	336,629
I&M	11,273,792	10,028,114	12,294,086	1,020,294
OPCO	12,921,058	12,346,153	14,090,432	1,169,374
CSP	10,881,989	8,424,053	11,866,824	984,835
TOTAL	56,374,599	56,374,599	61,476,580	5,101,981

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	780	1,590,069	0.31181
KPCO	165	336,464	0.06598
I&M	500	1,019,795	0.19998
OPCO	573	1,168,801	0.22920
CSP	483	984,353	0.19303
TOTAL	2,500	5,099,481	1.00000

NOTES:

(1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of SO₂ & NO_x emission allowances used in dispatch versus operating companies inventory costs. (See page 10)

(2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

ALLOCATION OF REALIZATION SHARING BY EASTERN AEP OPERATING COMPANIES AND ACCOUNT NUMBERS

	SIA SHARING RATIOS		TOTAL SHARE
EASTERN AEP:	100.000% x	0 =	\$0
WESTERN AEP:	0.000% x	0 =	\$0
			\$0

REALIZATION TO BE SHARED: \$0
 LESS EASTERN AEP REALIZATION SHARE: \$0
 WESTERN REALIZATION SHARE: \$0
 LESS AMOUNT ALREADY BOOKED ON WEST \$0

TOTAL DOLLAR TRANSFER FROM WESTERN AEP TO EASTERN AEP: \$0

TRANSFER OF FUNDS BETWEEN EASTERN AEP AND WESTERN AEP

(1)

EASTERN AEP JOURNAL ENTRIES

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL
	4470.144	4210.043	4210.044	ACCOUNTS
APCO	0	0	0	0
KPCO	0	0	0	0
I&M	0	0	0	0
OPCO	0	0	0	0
CSP	0	0	0	0
TOTAL	0	0	0	0

WESTERN AEP JOURNAL ENTRIES

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL
	4470.144	4210.043	4210.044	ACCOUNTS
PSO	0	0	0	0
SWEPKO	0	0	0	0
TCC	0	0	0	0
TNC	0	0	0	0
TOTAL	0	0	0	0

NOTE: (1) Details of the realization sharing by account numbers is shown in Appendix VIII, page 6.

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**CALCULATION OF ADJUSTMENT TO PREVENT RECOGNITION OF SALES
 BY POOL MEMBERS TO THEMSELVES**

I. GENERATION SUPPLIED TO THE POOL FOR SYSTEM SALES (1)

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	212,105	6,421,044	0.31181	66,136	2,002,146
KPCO	42,330	1,193,899	0.06598	2,793	78,773
I&M	23,425	802,267	0.19998	4,685	160,437
OPCO	159,862	4,452,805	0.22920	36,640	1,020,583
CSP	121,309	3,378,834	0.19303	23,416	652,216
TOTAL	559,031	16,248,850	1.00000	133,670	3,914,155

II. OVEC PURCHASES SUPPLIED FOR SYSTEM SALES (1)

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	152,768	9,705,222	0.31181	47,635	3,026,185
KPCO	0	0	0.06598	0	0
I&M	76,430	4,855,542	0.19998	15,284	971,011
OPCO	101,566	2,884,478	0.22920	23,279	661,122
CSP	29,113	826,799	0.19303	5,620	159,597
TOTAL	359,877	18,272,041	1.00000	91,818	4,817,915

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	191,858	6,814,205
KPCO	40,598	1,441,908
I&M	123,049	4,370,305
OPCO	141,028	5,008,870
CSP	118,772	4,218,420
TOTAL	615,305	21,853,708

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	305,629	11,842,536
KPCO	43,391	1,520,681
I&M	143,018	5,501,753
OPCO	200,947	6,690,575
CSP	147,808	5,030,233
TOTAL	840,793	30,585,778

NOTES:

- (1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash" from the ECR#MLR report.
- (2) See Note (1), page 6.
- (3) Excludes OVEC purchases allocated to System Sales (shown in II above).

ESTIMATED: December 2011

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PRIMARY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	1,358,931	20.386	27,703,319
KPCO	31,202	20.087	626,768
I&M	0	0.000	0
OPCO	226,469	20.875	4,727,566
CSP	55,740	19.612	1,093,197
TOTAL ALL MEMBERS RECEIVED	1,672,342	20.421	34,150,850

DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	89,353	27.515	2,458,557
I&M	1,276,624	18.099	23,105,621
OPCO	133,315	25.910	3,454,195
CSP	173,050	29.659	5,132,477
TOTAL ALL MEMBERS DELIVERED:	1,672,342	20.421	34,150,850

SOURCE:

The ECR computer program calculates Primary energy deliveries and associated charges for each month and aggregates such MWh and Charges for the month as reported above. The \$/mWh used in hourly calculations are derived in APPENDIX V.

ACCOUNT 151 FUEL COST ASSOCIATED WITH PRIMARY ENERGY ESTIMATED: December 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	1,358,931	17.480	23,754,639
KPCO	31,202	17.153	535,219
I&M	0	0.000	0
OPCO	226,469	18.044	4,086,353
CSP	55,740	16.717	931,828
TOTAL ALL MEMBERS RECEIVED	1,672,342	17.525	29,308,039

DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	89,353	25.833	2,308,265
I&M	1,276,624	15.222	19,432,773
OPCO	133,315	22.201	2,959,730
CSP	173,050	26.624	4,607,272
TOTAL ALL MEMBERS DELIVERED:	1,672,342	17.525	29,308,039

ESTIMATED: December 2011

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ECONOMY ENERGY

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
	0	0.000	0

TOTAL DELIVERED BY MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
	0	0.000	0

ACCOUNT 151 FUEL COST ASSOCIATED WITH ECONOMY ENERGY ESTIMATED: December 2011

RECEIVING MEMBER	MWh	RECEIVED ENERGY	
		\$/MWh	CHARGE (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
	0	0.000	0

DELIVERING MEMBER	MWh	DELIVERED ENERGY	
		\$/MWh	CREDIT (\$)
APCO	0	0.000	0
KPCO	0	0.000	0
I&M	0	0.000	0
OPCO	0	0.000	0
CSP	0	0.000	0
	0	0.000	0

ESTIMATED: December 2011

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**SYSTEM ACCOUNT
 SUMMARY OF ENERGY SETTLEMENT
 ADJUSTMENT TO ACCOUNT FOR
 MARKET PRICE (1) vs. INVENTORY COST (2)
DIFFERENTIAL OF EMISSION ALLOWANCES**

I. AEP EXTERNAL ENERGY	<u>ACCOUNT 509</u>		<u>SOURCE ALLOCATION</u>
	<u>SO2 COST (\$)</u> <u>(AS SUPPLIED)</u>	<u>SO2 COST (\$)</u> <u>(ADJUSTED)</u>	<u>\$</u> <u>SO2 ADJUSTMENT</u>
	(1)	(2)	(3)=(2)-(1)
APCO	66	1,671	1,605
KPCO	204	50,216	50,012
I&M	72	29,593	29,521
OPCO	287	50,438	50,151
CSP	101	24,286	24,185
AEP	<u>730</u>	<u>156,204</u>	<u>155,474</u>

	<u>NOX COST (\$)</u> <u>(AS SUPPLIED)</u>	<u>NOX COST (\$)</u> <u>(ADJUSTED)</u>	<u>\$</u> <u>NOX ADJUSTMENT</u>
	(4)	(5)	(6)=(5)-(4)
APCO	1,847	0	(1,847)
KPCO	2,169	20,424	18,255
I&M	1,014	8,869	7,855
OPCO	2,521	2,323	(198)
CSP	3,962	51,826	47,864
AEP	<u>11,513</u>	<u>83,442</u>	<u>71,929</u>

	<u>SOURCE</u> <u>ALLOCATION</u> <u>(UNADJUSTED)</u>	<u>SOURCE</u> <u>ALLOCATION</u> <u>(ADJUSTED)</u>
	(7)	(8)=(7)+(3)+(6)
APCO	22,940,713	22,940,471
KPCO	2,567,541	2,635,807
I&M	9,990,738	10,028,114
OPCO	12,296,200	12,346,153
CSP	8,352,004	8,424,053
AEP	<u>56,147,196</u>	<u>56,374,599</u>

NOTES:	<u>SO2</u>	<u>NOX</u>
(1) Market Price (\$/Ton):	0.82	37.67
(2) APCO \$/Ton:	20.73	0.00
KPCO \$/Ton:	201.37	381.67
I&M \$/Ton:	336.99	308.69
OPCO \$/Ton:	144.07	31.62
CSP \$/Ton:	197.97	525.66

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

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SUPPORTING COST AND OPERATING DATA

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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 11/30/2011

OPERATING COMPANY PERCENTAGE
 DECEMBER 2011

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31181	0.06598	0.19998	0.22920	0.19303

Internal (MLR) MLR MONTHLY MAXIMUM
 60-MINUTE INTEGRATED MEGAWATT DEMAND
 EXCLUDE AEP SYSTEM SALES

MO/YR	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
11/11	17791	18	08	5801	18	09	1216	29	18	3619	30	20	4151	17	19	3004
10/11	15961	31	07	5000	31	09	1002	20	12	3249	31	09	3920	20	19	2790
09/11	20621	02	15	5678	02	16	1087	02	16	4441	02	16	4993	02	16	4422
08/11	20951	01	16	6023	02	15	1230	02	16	4517	02	14	4991	02	17	4190
07/11	22504	22	13	6214	11	15	1240	21	14	4837	22	13	5544	21	16	4669
06/11	20931	09	14	5994	08	15	1189	07	15	4417	08	16	5022	08	17	4309
05/11	20299	31	16	5820	31	14	1208	31	14	3931	31	16	5071	31	16	4269
04/11	16320	06	07	5280	01	07	1114	19	12	3207	01	08	3992	01	07	2727
03/11	17606	29	07	5676	02	08	1171	15	07	3457	03	09	4289	01	08	3013
02/11	20727	11	08	7248	11	09	1522	10	08	3783	10	09	4658	10	08	3516
01/11	20420	14	08	7138	14	09	1445	31	21	3764	24	08	4679	21	19	3394
12/10	21130	14	08	7542	15	09	1596	13	20	3785	14	19	4643	13	19	3564

Internal (MLR) MAXIMUM 60-MINUTE
 INTEGRATED MW DEMAND EXPERIENCED
 DURING PRECEDING 12-MONTHS
 EXCLUDE AEP SYSTEM SALES

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
24188	7542	1596	4837	5544	4669

DATE/TIME 12/14/10 HR 08 12/15/10 HR 09 07/21/11 HR 14 07/22/11 HR 13 07/21/11 HR 16

Notes:

January 2011 MLR Report reflects the restatement of OP and CSP loads to include CRES customers beginning January 2010. A transposition error for CSP Peak load for December 2010 was corrected from 3546 MW to 3564 MW.

OP Peak load was restated for Jan 2011 to correct the Meeker delivery point.
 I&M Peak loads for Jan 2011 were restated to correctly include City of Dowagiac and IMPA Firm Schedule.
 APCO Peak load for Jan 2011 was restated due to a single hour meter error for the KAM-MT tie.

AP & OP loads were restated back to April 2010 to correct for the Culloden - Gavin meter error.

ESTIMATED: December 2011

SYSTEM PRIMARY CAPACITY

APPENDIX II

STATION	PRIMARY CAPACITY kW
APPALACHIAN POWER COMPANY	
Amos	2,032,000
Ceredo	482,000
Clinch River	700,000
Glen Lyn	332,000
Kanawha River	400,000
Mountaineer	1,317,000
Sporn	295,000
Beech Ridge Wind Farm	31,000
Camp Grove Wind Farm	26,000
Fowler Ridge Wind Farm	30,000
Grand Ridge Wind Farm	32,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,677,000
Smith Mountain (Hydro)	586,000
SEPA Capacity Agreement	4,000
Other Conventional Hydros	82,000
Summersville	28,000
TOTAL MEMBER PRIMARY CAPACITY	6,377,000
KENTUCKY POWER COMPANY	
Big Sandy	1,078,000
Rockport 1 (Purchase from AEG)	198,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	1,471,000
TOTAL MEMBER PRIMARY CAPACITY	1,471,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,149,000
Rockport 1 (I&M owned)	660,000
Rockport 1 (Purchase from AEG)	461,000
Rockport 2 (I&M leased)	650,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	992,000
Fowler Ridge Wind Farm I	30,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	5,414,000
Others (Hydro)	14,000
TOTAL MEMBER PRIMARY CAPACITY	5,428,000
OHIO POWER COMPANY	
Amos	864,000
Cardinal	592,000
Gavin	2,638,000
Kammer	620,000
Mitchell	1,560,000
Muskingum River	1,417,000
Sporn	(1) 295,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	8,003,000
Racine (Hydro)	25,000
TOTAL MEMBER PRIMARY CAPACITY	8,028,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	52,000
Conesville	1,302,000
Darby	473,000
Lawrenceburg	1,155,000
Picway	98,000
Stuart	600,000
Waterford	830,000
Zimmer	330,000
Fowler Ridge Wind Farm II	17,000
TOTAL MEMBER PRIMARY CAPACITY (EXCLUDING HYDRO)	4,857,000
TOTAL MEMBER PRIMARY CAPACITY	4,857,000
TOTAL SYSTEM PRIMARY CAPACITY	26,161,000

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

ESTIMATED: December 2011

APPENDIX III

**MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
 AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
 YEAR 2010**

Generating Stations Other than Hydro Classified as Part of Member Primary Capacity	KW Capability *** as of 12/31/2010 (1)	\$ Installed Cost of Production Plant * as of 12/31/2010 (2)	Member Weighted Average Investment Cost \$/KW (3)=(2)/(1)	Member Primary Capacity Investment Rate ** \$/KW/Month (4)=(3)*.0137
APPALACHIAN POWER COMPANY				
Amos	2,032,000	1,843,949,750		
Ceredo	482,000	203,942,846		
Clinch River	700,000	380,409,642		
Glen Lyn	332,000	153,173,635		
Kanawha River	400,000	189,057,414		
Mountaineer	1,317,000	1,483,140,454		
Sporn	295,000	136,396,987		
Beech Ridge Wind Farm	31,000	0		
Camp Grove Wind Farm	26,000	0		
Fowler Ridge Wind Farm	30,000	0		
Grand Ridge Wind Farm	32,000	0		
Appalachian Total	5,677,000	4,390,070,729	773.31	10.59
KENTUCKY POWER COMPANY				
Big Sandy	1,078,000	541,717,697		
Rockport 1 Purchased from AEG	198,000	194,615,581		
Rockport 2 Purchased from AEG	195,000	27,871,069		
Kentucky Total	1,471,000	764,204,347	519.51	7.12
INDIANA MICHIGAN POWER COMPANY				
Cook	2,149,000	2,156,722,258		
Rockport 1 Ownership Share	660,000	642,682,376		
Rockport 1 Purchased from AEG	461,000	454,103,023		
Rockport 2 Leased Shared	650,000	94,446,174		
Rockport 2 Purchased from AEG	455,000	65,032,494		
Tanners Creek	992,000	627,474,713		
Fowler Ridge Wind Farm I	30,000	0		
Fowler Ridge Wind Farm II	17,000	0		
Indiana Total	5,414,000	4,040,461,038	746.30	10.22
OHIO POWER COMPANY				
Amos	864,000	958,061,802		
Cardinal	592,000	705,214,993		
Gavin	2,638,000	1,915,181,845		
Kammer	620,000	347,509,392		
Mitchell	1,560,000	1,696,600,623		
Muskingum River	1,417,000	661,767,857		
Sporn	732,000	370,614,270		
Fowler Ridge Wind Farm II	17,000	0		
Ohio Total	8,440,000	6,654,950,782	788.50	10.80
COLUMBUS SOUTHERN POWER COMPANY				
Beckjord	52,000	18,853,281		
Conesville	1,302,000	985,668,025		
Darby	473,000	190,593,625		
Lawrenceburg Purchased from AEG	1,155,000	695,943,226		
Picway	98,000	43,943,727		
Stuart	600,000	505,864,601		
Waterford	830,000	212,852,299		
Zimmer	330,000	770,838,999		
Fowler Ridge Wind Farm II	17,000	0		
Columbus Total	4,857,000	3,424,557,783	705.08	9.66

* SOURCE: Line 17 of Schedule entitled "Steam-Electric Generating Plant Statistics (Large Plants)" in the FERC Form No. 1 for the year ending 12/31/2009. Effective November 2009 this number excludes Asset Recovery Obligation Cost 31700, 32600, & 34700 and above (FERC Form 1 Line 16)

** SOURCE: Member Weighted Average Investment Cost multiplied by Monthly Carrying Charge Factor from Interconnection Agreement, Article 6.212.

*** SOURCE: Interchange Power Statement, Appendix II

ESTIMATED: December 2011

APPENDIX IV & V

**ESTIMATED PRODUCTION EXPENSES
 USED TO DERIVE PRIMARY ENERGY COSTS
 AND FIXED OPERATING RATES**

<u>COMPANY</u>	FUEL <u>ACCT. 151</u> (mills/kWh)	Handling <u>ACCT. 152</u> (mills/kWh)	ONE-HALF MAINTENANCE EXPENSE <u>*ACCT. 528-532</u> (mills/kWh)	PRIMARY ENERGY RATE (mills/kWh)
APCO	26.127	2.094	2.465	30.686
KPCO	25.833	0.701	0.981	27.515
I&M*	15.222	0.605	2.272	18.099
OPCO	22.201	1.386	2.323	25.910
CSP	26.624	1.076	1.959	29.659

<u>COMPANY</u>	AVERAGE FIXED OPERATING COST (\$)	PRIMARY STEAM CAPACITY (MW)	FIXED OPERATING RATE (\$/kW/mo.)
APCO	15,198,638	5,677	2.68
KPCO	4,036,602	1,471	2.74
I&M	27,905,699	5,414	5.15
OPCO	22,941,762	8,003	2.87
CSP	9,535,074	4,857	1.96

ESTIMATED: December 2011

APPENDIX VI
 Page 1 of 2

**SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR
 ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES**

		CURRENT MONTH ESTIMATED		ADJUSTMENT PRECEDING MONTH	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (1) (PURCHASES)	APCO	41,179	0	5,820	0
	KPCO	8,715	0	1,229	0
	I&M	26,412	0	3,734	0
	OPCO	0	101,798	0	14,385
	CSP	25,492	0	3,602	0
	TOTAL		101,798	101,798	14,385
<hr/>					
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANSMISSION SERVICE) (2)	APCO	0	9,790,122	1,482	0
	KPCO	0	2,071,621	314	0
	I&M	0	6,278,916	950	0
	OPCO	0	7,196,357	1,089	0
	CSP	0	6,060,701	917	0
	East. AEP (Co. 122)	31,397,718	0	0	4,753
TOTAL		31,397,718	31,397,718	4,753	4,753
<hr/>					
OFF-SYSTEM THIRD PARTY (3) See note (4)	APCO	1,758,624	3,341,160	90,661	12,154
	KPCO	372,130	707,001	19,214	2,572
	I&M	1,127,898	2,142,864	58,234	7,795
	OPCO	1,292,699	2,455,967	66,744	8,934
	CSP	1,088,699	2,068,392	56,209	7,524
	East. AEP (Co. 122)	10,715,384	5,640,051	38,980	291,062
TOTAL		16,355,435	16,355,435	330,042	330,042
<hr/>					
GROSS TOTAL	APCO	1,758,624	13,131,283	92,143	12,154
	KPCO	372,130	2,778,622	19,528	2,572
	I&M	1,127,898	8,421,779	59,184	7,795
	OPCO	1,292,699	9,652,324	67,834	8,934
	CSP	1,088,699	8,129,094	57,127	7,524
	East. AEP (Co. 122)	42,113,102	5,640,051	38,980	295,815
TOTAL		47,753,153	47,753,153	334,795	334,795
<hr/>					
NET TOTAL	APCO	0	11,372,658	79,989	0
	KPCO	0	2,406,492	16,956	0
	I&M	0	7,293,882	51,389	0
	OPCO	0	8,359,625	58,900	0
	CSP	0	7,040,395	49,602	0
	East. AEP (Co. 122)	36,473,051	0	0	256,835
TOTAL		36,473,051	36,473,051	256,835	256,835

SOURCE: (1) See Appendix VI, page 2 of 2.
 (2) ECR#MLR report, MLR Allocation of System Transactions.
 (3) See Appendix VII.

AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE TO BE RECORDED IN ACCOUNT 4470.066 (POWER TRADING TRANSMISSION EXPENSE - NON ASSOCIATED - ABOVE).

Pwr Code	Customer	ACCT	CO. AGENT	ACTUAL BILL	MLR						AMOUNT DUE (TO)/FROM AGENT						NET
					APCO	KPCO	I&M	OPCO	GSP	Total	APCO	KPCO	I&M	OPCO	GSP		
	Totals			132,065	41,179	8,715	26,412	30,268	29,492	132,066	100.00%	(41,179)	(8,715)	(26,412)	101,798	(25,492)	-
DEO12	Duke Energy Ohio	(1)	4470006 07	11,367	3,545	750	2,273	2,605	2,194	11,367		(3,545)	(750)	(2,273)	8,762	(2,194)	
DTET	DTE Energy Trading, Inc.	(1)	4470006 07	13,365	4,167	882	2,673	3,063	2,580	13,365		(4,167)	(882)	(2,673)	10,302	(2,580)	
DUKE2	Duke Power Company		4470066 07	4,413	1,376	291	883	1,011	852	4,413		(1,376)	(291)	(883)	3,402	(852)	
EKPC	East KY Power Co-Op		4470066 07	238	74	16	48	54	46	238		(74)	(16)	(48)	184	(46)	
ENTE	Entergy Power-Serv		4470066 07	20,502	6,393	1,353	4,100	4,699	3,957	20,502		(6,393)	(1,353)	(4,100)	15,803	(3,957)	
MISO	MISO Trading	(1)	4470006 07	54,880	17,112	3,621	10,975	12,579	10,593	54,880		(17,112)	(3,621)	(10,975)	42,301	(10,593)	
TVAM	TVA Bulk Power Trading		4470066 07	27,300	8,512	1,801	5,460	6,257	5,270	27,300		(8,512)	(1,801)	(5,460)	21,043	(5,270)	

Notes: (1) The AEP System MLR Allocation of Pass-Trough Receipts for Transmission Service section is no longer included on APPVT P62 as this activity is recorded from the Off System spreadsheet.

ESTIMATED: December 2011

APPENDIX VII

Page 1 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

			MWh		(\$)	
<u>ENERGY</u>			<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>	
					<u>TOTAL COSTS</u>	<u>TOTAL REVENUES</u>
					<u>TO BE BOOKED</u>	<u>TO BE BOOKED</u>
			<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>	<u>ACCT. 4470.010</u>	<u>ACCT. 4470.006</u>
I.	ESTIMATED	APCO	289,141	293,268	11,180,538	13,784,325
	THIS MONTH	KPCO	61,220	62,112	2,365,838	2,916,807
		I&M	185,572	188,151	7,170,660	8,840,606
		OPCO	212,623	215,690	8,218,398	10,132,348
		CSP	179,165	181,634	6,921,454	8,533,364
		TOTAL	927,721	940,855	35,856,888	44,207,450
II.	ADJUSTMENT	APCO	(3,057)	(487)	51,701	(16,826)
	FROM	KPCO	(649)	(103)	10,947	(3,561)
	LAST MONTH	I&M	(1,962)	(315)	33,181	(10,791)
		OPCO	(2,250)	(360)	38,032	(12,368)
		CSP	(1,893)	(301)	32,028	(10,416)
		TOTAL	(9,810)	(1,566)	165,889	(53,962)
III.	TOTAL	APCO	286,084	292,781	11,232,239	13,767,499
	TO BE BOOKED	KPCO	60,571	62,009	2,376,785	2,913,246
	THIS MONTH	I&M	183,610	187,836	7,203,841	8,829,815
	(I + II)	OPCO	210,373	215,330	8,256,430	10,119,980
		CSP	177,272	181,333	6,953,482	8,522,948
		TOTAL	917,911	939,289	36,022,777	44,153,488

EXERCISED OPTIONS

			<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>	<u>ACCT. 4470.011</u>	<u>ACCT. 4470.007</u>
I.	ESTIMATED	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	ADJUSTMENT	APCO	0	0	0	0
	FROM	KPCO	0	0	0	0
	LAST MONTH	I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	TOTAL	APCO	0	0	0	0
	TO BE BOOKED	KPCO	0	0	0	0
	THIS MONTH	I&M	0	0	0	0
	(I + II)	OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

ESTIMATED: December 2011

APPENDIX VII
 Page 2 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
OFF-SYSTEM THIRD PARTY

BELOW THE LINE		ALLOCATION BY MLR (MWh)		ALLOCATION BY MLR (\$)		
		PHYSICAL BOOKOUT	GAIN	PHYSICAL BOOKOUT	GAIN	
		PURCHASES	REVENUES	PURCHASES	REVENUES	
		4210.032	4210.031	4210.032	4210.031	
ESTIMATED	APCO	5,797	5,797	256,620	197,443	
THIS MONTH	KPCO	1,214	1,240	54,302	41,780	
	I&M	3,720	3,720	164,584	126,630	
	OPCO	4,278	4,278	188,632	145,133	
	CSP	3,591	3,565	158,864	122,229	
	TOTAL	18,600	18,600	823,000	633,215	
ADJUSTMENT	APCO	0	0	0	0	
FROM	KPCO	0	0	0	0	
LAST MONTH	I&M	0	0	0	0	
	OPCO	0	0	0	0	
	CSP	0	0	0	0	
	TOTAL	0	0	0	0	
TOTAL	APCO	5,797	5,797	256,620	197,443	
TO BE BOOKED	KPCO	1,214	1,240	54,302	41,780	
THIS MONTH	I&M	3,720	3,720	164,584	126,630	
(I + II)	OPCO	4,278	4,278	188,632	145,133	
	CSP	3,591	3,565	158,864	122,229	
	TOTAL	18,600	18,600	823,000	633,215	
<u>POWER</u>		<u>RENEWABLE ENERGY</u>	<u>BROKER'S</u>	<u>BROKER'S</u>	<u>PURCHASE</u>	
<u>BROKERS'</u>		<u>CREDIT COMMISSIONS</u>	<u>COMMISSIONS</u>	<u>COMMISSIONS</u>	<u>SALES</u>	
<u>COMMISSIONS</u>		<u>ACCT. 5570.007</u>	<u>ACCT. 4470.143</u>	<u>ACCT. 5550.099</u>	<u>COSTS</u>	
					<u>ACCT. 4470.010</u>	
					<u>ACCT. 4470.006</u>	
ESTIMATED	APCO	0	0	0	23,877	(27,373)
THIS MONTH	KPCO	0	0	0	5,052	(5,792)
	I&M	0	0	0	15,314	(17,556)
	OPCO	0	0	0	17,551	(20,121)
	CSP	0	0	0	14,781	(16,945)
	TOTAL	0	0	0	76,576	(87,787)
ADJUSTMENT	APCO	0	0	0	(110)	(205)
FROM	KPCO	0	0	0	(23)	(43)
LAST MONTH	I&M	0	0	0	(71)	(131)
	OPCO	0	0	0	(81)	(151)
	CSP	0	0	0	(68)	(127)
	TOTAL	0	0	0	(353)	(657)
TOTAL	APCO	0	0	0	23,767	(27,578)
TO BE BOOKED	KPCO	0	0	0	5,029	(5,836)
THIS MONTH	I&M	0	0	0	15,243	(17,687)
(I + II)	OPCO	0	0	0	17,470	(20,272)
	CSP	0	0	0	14,713	(17,072)
	TOTAL	0	0	0	76,223	(88,445)

*Note the highlighted adjustments do not match the adjustments from Appendix VII PG 2 from the August Actual due to a formula error in the August IPS. They have been adjusted to include the correct amount.

ESTIMATED: December 2011

APPENDIX VII
 Page 3 of 4

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH ALR ALLOCATIONS OF AEP SYSTEM
 DEF-SYSTEM-THIRD PARTY

PJM NON-ECR PURCHASES - LISE

POWER SCHEDULES	MWH	PURCHASES	TOTAL NET TO BE BOOKED	TOTAL NET	TOTAL NET	TOTAL NET	TOTAL SWAPS		TOTAL NET
							TO BE BOOKED	TO BE BOOKED	
I. ESTIMATED THIS MONTH	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0
II. ADJUSTMENT FROM LAST MONTH	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0
III. TOTAL TO BE BOOKED THIS MONTH (I + II)	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0

PJM/MISO NON-ECR PURCHASES-OGS
 NON-ECR PHYSICAL SALES-OGS

PJM/MISO NON-ECR ENERGY	MWH	PURCHASES	TOTAL NET TO BE BOOKED	TOTAL NET	TOTAL NET	TOTAL NET	TOTAL SWAPS		TOTAL NET
							TO BE BOOKED	TO BE BOOKED	
I. ESTIMATED THIS MONTH	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0
II. ADJUSTMENT FROM LAST MONTH	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0
III. TOTAL TO BE BOOKED THIS MONTH (I + II)	APCO	0	0	0	0	0	0	0	0
	KPCO	0	0	0	0	0	0	0	0
	IAM	0	0	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0	0	0
	CSP	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0

ESTIMATED: December 2011

ESTIMATED: December 2011

APPENDIX VII
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SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
 WITH MLR ALLOCATIONS OF AEP SYSTEM
BOOKOUTS AND OPTIONS

		CURRENT MONTH ESTIMATED		ADJUSTMENT PRECEDING MONTH	
		AMOUNT DUE	AMOUNT DUE	AMOUNT DUE	AMOUNT DUE
		TO AGENT	FROM AGENT	TO AGENT	FROM AGENT
		\$ CHARGE	\$ CREDIT	\$ CHARGE	\$ CREDIT
ENERGY	APCO	0	2,603,787	68,527	0
	KPCO	0	550,969	14,508	0
	I&M	0	1,669,946	43,972	0
	OPCO	0	1,913,950	50,400	0
	CSP	0	1,611,910	42,444	0
	East. AEP (Co. 122)	8,350,562	0	0	219,851
	TOTAL	8,350,562	8,350,562	219,851	219,851
EXERCISED OPTIONS	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	East. AEP (Co. 122)	0	0	0	0
	TOTAL	0	0	0	0
BELOW THE LINE	APCO	59,177	0	0	0
	KPCO	12,522	0	0	0
	I&M	37,953	0	0	0
	OPCO	43,499	0	0	0
	CSP	36,634	0	0	0
	East. AEP (Co. 122)	0	189,785	0	0
	TOTAL	189,785	189,785	0	0
BROKERS' COMMISSIONS	APCO	51,250	0	95	0
	KPCO	10,845	0	20	0
	I&M	32,870	0	61	0
	OPCO	37,672	0	70	0
	CSP	31,726	0	58	0
	East. AEP (Co. 122)	0	164,363	0	304
	TOTAL	164,363	164,363	304	304
POWER SWAPS	APCO	1,648,197	0	0	12,154
	KPCO	348,764	0	0	2,572
	I&M	1,057,074	0	0	7,795
	OPCO	1,211,528	0	0	8,934
	CSP	1,020,339	0	0	7,524
	East. AEP (Co. 122)	0	5,285,902	38,980	0
	TOTAL	5,285,902	5,285,902	38,980	38,980
PJM/MISO NON-ECR ENERGY	APCO	0	737,373	22,039	0
	KPCO	0	156,032	4,686	0
	I&M	0	472,918	14,201	0
	OPCO	0	542,017	16,275	0
	CSP	0	456,482	13,707	0
	East. AEP (Co. 122)	2,364,822	0	0	70,908
	TOTAL	2,364,822	2,364,822	70,908	70,908
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, POWER SWAPS, & PJM NON-ECR ENERGY	APCO	1,758,624	3,341,160	90,661	12,154
	KPCO	372,130	707,001	19,214	2,572
	I&M	1,127,898	2,142,864	58,234	7,795
	OPCO	1,292,699	2,455,967	66,744	8,934
	CSP	1,088,699	2,068,392	56,209	7,524
	East. AEP (Co. 122)	10,715,384	5,640,051	38,980	291,062
	TOTAL	16,355,435	16,355,435	330,042	330,042

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
 (2) Sold in previous period(s) and exercised in: December 2011
 (3) Actual commissions paid in: December 2011

ESTIMATED:
 December 2011

PJM CHARGES TRANSFERRED FROM mMARKET TO AEE

PJM CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL
ALLOCATION OF PJM Non-ECR CHARGES							
<i>PJM Allocations GL Submit Summary</i>							
SCG							
<i>PJM Invoice Adjustment</i>							
Spot Energy Sales (ECR)	4470124	0	0	0	0	0	1
Other Supporting Facilities reclass (BCK)	4470141	-	-	-	-	-	-
Other Supporting Facilities reclass (BCK)	4470126	-	-	-	-	-	-
Load Management Test Failure (BCK)	4470141	-	-	-	-	-	-
Day-ahead Operating Reserve (OSS BCK)	4470141	-	-	-	-	-	-
Non-Firm Point-to-Point Transmission Service OSS (BCK)	4470141	-	-	-	-	-	-
Transmission Congestion Target Credit OSS (BCK)	4470174	-	-	-	-	-	-
CRS Capacity Charge (CSP & OP)	4470099	-	-	-	(1,696,326)	(3,452,003)	(5,148,329)
CRS Capacity Charge (BU 390)	4470217	-	-	-	(414,976)	(927,549)	(1,342,525)
Day-ahead Operating Reserve (LSE SCG)	4470203	30,916	6,542	19,828	22,725	19,139	99,149
Day-ahead Operating Reserve (OSS SCG)	4470098	2,740	580	1,757	2,014	1,696	8,786
Transmission Enhancement ADJ estimate (OSS SCG)	5650012	-	-	-	-	-	-
Spot Market Reconciliation Charges (BCK)	4470115	(31,938)	(6,758)	(20,484)	(23,477)	(19,772)	(102,429)
Spot Market Reconciliation Charges (OSS SCG)	4470115	(646,080)	(136,713)	(414,365)	(474,909)	(399,964)	(2,072,031)
Balancing Operating Reserve (LSE)	4470202	207,794	43,970	133,269	152,742	128,638	666,413
Balancing Operating Reserve (LSE)	4470202	(201,870)	(42,716)	(129,470)	(148,387)	(124,970)	(647,414)
Balancing Operating Reserve (OSS)	4470098	1,928,642	408,107	1,236,939	1,417,673	1,193,951	6,185,311
Balancing Operating Reserve (OSS)	4470098	(1,873,660)	(396,472)	(1,201,676)	(1,377,258)	(1,159,913)	(6,008,980)
Balancing Operating Reserve (LSE - KAMMER)	4470203	(60,906)	(12,888)	(39,062)	(44,770)	(37,704)	(195,330)
PJM Admin Fees							
PJM Admin Fees - Schedule 9 & 10 - LSE	5614000	27,075	5,729	17,365	19,902	16,761	86,831
PJM Admin Fees - Schedule 9 & 10 - OSS	5614001	309,540	64,653	195,959	224,591	189,149	979,893
PJM Admin Fees - Schedule 9 & 10 - LSE	5618000	1,844	390	1,183	1,356	1,142	5,914
PJM Admin Fees - Schedule 9 & 10 - OSS	5618001	20,811	4,404	13,347	15,297	12,883	66,742
PJM Admin Fees - Schedule 9 & 10 - LSE	5757000	28,284	5,985	18,140	20,791	17,510	90,710
PJM Admin Fees - Schedule 9 & 10 - OSS	5757001	319,189	67,541	204,713	234,624	197,598	1,023,666
PJM Admin Fees - Schedule 9 & 10 - LSE	5618000	2,239	474	1,436	1,646	1,386	7,181
PJM Admin Fees - Schedule 9 & 10 - OSS	5618001	25,269	5,347	16,207	18,575	15,643	81,041
PJM Admin Fees - Schedule 9 & 10 - LSE	5618000	3,397	719	2,179	2,497	2,103	10,896
PJM Admin Fees - Schedule 9 & 10 - OSS	5618001	38,340	8,113	24,589	28,182	23,735	122,958
Schedule 9 MMU - OSS	5757000	2,797	592	1,794	2,056	1,731	8,970
Schedule 9 MMU - LSE	5757001	31,563	6,679	20,243	23,201	19,540	101,226
Allocation of Generation Activity on PJM Transmission Invoice							
Balancing Transmission Implicit Congestion Charge - OSS	4470126	36,090	7,637	23,147	26,529	22,342	115,745
Balancing Transmission Implicit Congestion Charge - LSE	4470093	-	-	-	-	-	-
PJM TEA Charge Reclass (MLR)							
Transmission Enhancement Charge	5650012	(1,134,237)	(240,008)	(727,445)	(833,736)	(702,164)	(3,637,590)
RTO Start-up Cost Recovery Charge	4561002	(44,859)	(10,810)	(35,634)	(50,929)	(17,921)	(160,154)
Expansion Cost Recovery Charge	4561003	(27,681)	(6,671)	(21,988)	(31,426)	(11,058)	(98,825)
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	219,498	46,447	140,776	161,349	135,883	703,949
PJM TEA Charge Reclass (I2CP)							
Transmission Enhancement Charge	5650012	1,114,594	226,658	568,133	723,023	485,790	3,118,198
RTO Start-up Cost Recovery Charge	4561002	57,247	11,641	29,180	37,135	24,951	160,154
Expansion Cost Recovery Charge	4561003	35,325	7,183	18,006	22,915	15,396	98,825
Firm/Non-Firm Pt to Pt Transmission Service Credit	4561005	(236,813)	(48,157)	(120,709)	(153,618)	(103,214)	(662,510)
Firm/Non-Firm Pt to Pt Transmission Service Credit (Auburn)	4470150	31,605	2,572	(05,301)	-	-	139,479
Transmission Enhancement Charge (Auburn)	4560012	-	-	9,099	-	-	9,099
TOTAL PJM CHARGES TRANSFERRED FROM mMARKET TO AEE		3,820,618	796,328	2,416,725	589,945	(2,211,646)	5,411,967

PJM Allocations GL Submit Summary

TOTAL PJM-BUCKEYE NON-ECR FROM INVOICE	Various	3,093,314	654,676	1,984,528	2,275,418	1,914,055	9,921,990
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Note:

(1) The results shown on this appendix are tabulated for system settlement on IPS, page 1, items VI and VIII.

CHARGE DESCRIPTION	ACCOUNT NO.	AP AMT	KP AMT	IM AMT	OP AMT	CS AMT	AEP AMT TOTAL
<i>PJM Allocations GL Submit Summary</i>							
<i>Includes all participants except SCG and BCK</i>							
Buckeye GL Entries							
Buckeye (BCK)							
Capacity Credit Market	4470099	-	-	-	-	-	-
PJM Service Fee	4470143	(327,401)	(69,279)	(209,979)	(240,660)	(202,682)	(1,050,000.00)
Reactive Supply and Voltage Control Credit (Expense)	5560075	31,574	6,681	20,250	23,209	19,546	101,280.75
Regulation Credit (Expense)	5550079	10,615	2,246	6,808	7,802	6,571	34,041.65
Spinning Reserve - Credit	5550084	43	9	27	31	26	137.89
Buckeye Pass-Through	4470141	(3,196,182)	(676,442)	(2,050,504)	(2,351,034)	(1,977,736)	(10,251,900.58)
Transmission Loss Credit	4470206	-	-	-	-	-	-
TOTAL OFFSET OF PASS-THROUGH CHARGES		(3,206,231)	(678,965)	(2,056,922)	(2,358,333)	(1,984,027)	(10,284,058.75)