

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (1)**

**Filing Requirement:**

*Amount and kinds of stock authorized.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (2)**

**Filing Requirement:**

*Amount and kinds of stock issued and outstanding.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (3)**

**Filing Requirement:**

*Terms and preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.*

**Response:**

Please see Volume 2, Section IV.

Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

Filing Requirement  
807KAR5:001 Section 6 (4)

**Filing Requirement:**

*Brief description of each mortgage on property of applicant, giving date of executive, name or mortgagor, name or mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.*

**Response:**

Please see Volume 2, Section IV.



**Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005**

**Filing Requirement  
807KAR5:001 Section 6 (5)**

**Filing Requirement:**

*Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (6)**

**Filing Requirement:**

*Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005**

**Filing Requirement  
807KAR5:001 Section 6 (7)**

**Filing Requirement:**

*Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (8)**

**Filing Requirement:**

*Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 6 (9)**

**Filing Requirement:**

*Detailed income statement and balance sheet.*

**Response:**

Please see Volume 2, Section IV.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(1)**

**Filing Requirement:**

*A statement of the reason the adjustment is required.*

**Response:**

Please see Volume 1, Section II, the Company's Application, page 2, paragraph 6.  
Also see the Company's testimony, Volume 3.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(2)**

**Filing Requirement:**

*A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1).*

**Response:**

Kentucky Power Company confirms that its annual reports, including the annual report for the most recent calendar year, are on file with the Commission.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(3)**

**Filing Requirement:**

*If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or all out-of-state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the Commission in a prior proceeding, the application may state this fact making reference to the style and case number of the proceeding.*

**Response:**

A certified copy of Kentucky Power Company's Articles of Incorporation, as amended, are on file with the Commission in the *Joint Application of Kentucky Power Co., American Electric Power Co., Inc. and Central and South West Corporation Regarding a Proposed Merger*, Case No. 1999-149 as Exhibit 1 and are incorporated by reference herein.



**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(4)**

**Filing Requirement:**

*If the utility is a limited partnership, a certified copy of the limited partnership agreement and all amendments thereto or all out-of-state documents of similar import. If the utility's limited partnership agreement and amendments have already been filed with the Commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding.*

**Response:**

Not applicable as Kentucky Power Company is not a limited partnership.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(5)**

**Filing Requirement:**

*If the utility is incorporated, or is a limited partnership, a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.*

**Response:**

Please see attached.



**Trey Grayson  
Secretary of State**

**Certificate of Existence**

I, Trey Grayson, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

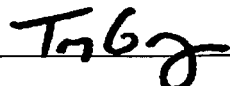
**KENTUCKY POWER COMPANY**

is a corporation duly incorporated and existing under KRS Chapter 271B, whose date of incorporation is July 21, 1919 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 271B.16-220 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 14th day of September, 2005.



  
\_\_\_\_\_  
Trey Grayson  
Secretary of State  
Commonwealth of Kentucky  
Rlong/0028317 - Certificate ID: 20010

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(6)**

**Filing Requirement:**

*A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.*

**Response:**

The legal name of Kentucky Power Company is Kentucky Power Company. Therefore, the filing of a copy of any such certificate as required by this Filing Requirement is not necessary.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(7)**

**Filing Requirement:**

*The proposed tariff in a form which complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.*

**Response:**

Please see Volume 2 , Section III.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(8)**

**Filing Requirement:**

*The utility's proposed tariff changes, identified in compliance with 807KAR 5:011, shown either by:*

- (a) Providing the present and proposed tariffs in comparative form on the same sheet side by side;*
- (b) Providing a copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.*

**Response:**

Please see Volume 2, Section III.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (1)(a)(9)**

**Filing Requirement:**

*A statement that customer notice has been given in compliance with subsections (3) and (4) of this section with a copy of the notice.*

**Response:**

Please see attached Certificate of Notice and a copy of the Notice to the Public.

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

**GENERAL ADJUSTMENTS IN )**  
**ELECTRIC RATES OF ) CASE NO. 2005-00341**  
**KENTUCKY POWER COMPANY )**

**CERTIFICATE OF NOTICE**

Pursuant to the Kentucky Public Service Commission's Regulation 807KAR5:001, Section 10 (1)(a)(9), I hereby certify that I am Errol K. Wagner, Director of Regulatory Services for Kentucky Power Company, a utility furnishing retail electric service within the Commonwealth of Kentucky, which, on or before the 28<sup>th</sup> day of September 2005, filed an application with the Kentucky Public Service Commission for the approval of an adjustment of the electric rates, terms and conditions of Kentucky Power Company, and that Notice to the Public of the issuing of the same is being given in all respects as required by 807KAR5:001, Section 10(3) and (4) and 807KAR5:011, Section 9(2), as follows:

On or before the 28<sup>th</sup> day of September 2005, the Notice was delivered for exhibition and public inspection at the Service Center buildings in the Company's service territory at the following locations:

Ashland Service Center, 12333 Kevin Avenue, Ashland, KY  
Hazard Service Center, 1400 East Main Street, Hazard, KY  
Pikeville Service Center, 3249 N. Mayo Trail, Pikeville, KY



And that the Notice and Application will be kept open to the public inspection at said service centers in conformity with the requirements of 807 KAR 5:001, Section 10(4)(f).

That more than twenty (20) customers will be affected by said change by way of an increase in their bills, and that on the 20th day of September 2005, there was delivered to newspapers of general circulation in the Company's service territory, for publication therein once a week for three consecutive weeks beginning on or during the week of September 25, 2005, a notice of the filing of Kentucky Power Company's Application. A copy of the Notice to Customers is attached hereto. A certificate of publication of said notice will be furnished to the Kentucky Public Service Commission upon completion of same pursuant to 807KAR5:001, Section 10(4)(d).

In addition, Kentucky Power Company will mail a general statement explaining the Application in this case to all Kentucky retail customers during the month of October 2005.

Given under my hand this 23rd day of September 2005.



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Errol K. Wagnier  
Director of Regulatory Services  
Kentucky Power Company  
101A Enterprise Drive  
Frankfort, KY 40602

## Notice to customers of Kentucky Power Company Proposed Changes to its Base Rates

*Please Take Notice* that on or before September 28, 2005 Kentucky Power Company (KPCo) will file with the Kentucky Public Service Commission (the Commission) in Case No. 2005-00341 an Application pursuant to Chapter 278 of the Kentucky Revised Statutes for authorization to adjust the rates it charges its customers for service rendered on and after October 27, 2005. If approved, KPCo will apply the new rates to all customer bills rendered on and after October 27, 2005 to recover costs of providing service to its customers.

### TERMS AND CONDITIONS

#### Reconnection and Disconnect Charges

In cases where the Company has discontinued service as herein provided for, the Company reserves the right to assess a reconnection charge pursuant to 807 KAR 5:006, Section 8 (3)(b), payable in advance, in accordance with the following schedule. However, those Customers qualifying for Winter Hardship Reconnection under 807KAR5:006 Section 15 shall be exempt from the reconnect charges.

- |                                                                                                                                                                                   |                    |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------|
| 1. Reconnect for nonpayment during regular hours.....                                                                                                                             | <del>\$9.00</del>  | \$38.00  |
| 2. Reconnect for nonpayment when work continues into overtime<br>At the end of the day (No "Call Out" required).....                                                              | <del>\$12.00</del> | \$42.00  |
| 3. Reconnect for nonpayment when a "Call Out" is required<br>(A "Call Out" is when an employee must be called in to work<br>on an overtime basis to make the reconnect trip)..... | <del>\$25.00</del> | \$76.00  |
| 4. Reconnect for nonpayment when double time is required<br>(Sunday and Holiday).....                                                                                             | <del>\$31.00</del> | \$100.00 |
| 5. Termination or field trip.....                                                                                                                                                 | <del>\$ 6.00</del> | \$ 23.00 |

#### Returned Check Charge

In cases where a customer pays by check, which is later returned as unpaid by the bank for any reason, the Customer will be charged a fee of ~~\$5.00~~ \$7.00 to cover the handling costs.

#### Meter Test Charge

Where test of a meter is made upon written request of the Customer pursuant to 807 KAR 5:006, Section 18, the Customer will be charged ~~\$10.00~~ \$69.00 if such tests shows that the meter was not more than two percent (2%) fast.

### TARIFF R.S. (Residential Service)

#### RATE. (Tariff Codes 015, 017, 022)

Service Charge.....	\$ 4.25	\$5.50 per month
Energy Charge:		
First 500 KWH per month .....	5.498¢	7.260¢ per KWH
All Over 500 KWH per month.....	4.766¢	6.494¢ per KWH

**STORAGE WATER HEATING PROVISION**

**Tariff Code**

- 012 (a) For Minimum Capacity of 80 gallons, the last 300 KWH of use in any month shall be billed at ~~2.396¢~~ 2.701¢ per KWH.
- 013 (b) For Minimum Capacity of 100 gallons, the last 400 KWH of use in any month shall be billed at ~~2.396¢~~ 2.701¢ per KWH.
- 014 (c) For Minimum Capacity of 120 gallons or greater, the last 500 KWH of use in any month shall be billed at ~~2.396-2.701¢~~ per KWH.

**LOAD MANAGEMENT WATER-HEATING PROVISION** (Tariff Code 011)

For residential customers who install a Company-approved load management water-heating system which consumes electrical energy primarily during off-peak hours specified by the Company and stores hot water for use during on-peak hours, of minimum capacity of 80 gallons, the last 250 KWH of use in any month shall be billed at ~~2.396¢~~ 2.701¢ per KWH.

**SPECIAL TERMS AND CONDITIONS**

Pursuant to 807 KAR 5:041, Section 11, paragraph (5), of Public Service Commission Regulations, the Company will make an extension of 2500-1,000 feet or less to its existing distribution line without charge for a prospective permanent residential customer served under this R.S. Tariff.

**TARIFF R.S. - L.M. - T.O.D.**  
**(Residential Service Load Management Time-of-Day)**

**RATE.** (Tariff Codes 028, 029, 030, 031, 032, 033, 034, 035)

Service Charge.....	\$ 6.75 \$8.00 per month
Energy Charge:	
All KWH used during on-peak billing period.....	7.830¢ 11.764¢ per KWH
All KWH used during off-peak billing period.....	<del>2.396¢</del> 2.701¢ per KWH

**CONSERVATION AND LOAD MANAGEMENT CREDIT.**

For the combination of an approved electric thermal storage space heating system and water heater, both of which are designed to consume electrical energy only between the hours of 9:00P.M. and 7:00A.M. for all days of the week, each residence will be credited ~~0.745¢~~ .745¢ per.KWH for all energy used during the off-peak billing period, for a total of 60 monthly billing periods following the installation and use of these devices in such residence.

**SEPARATE METERING PROVISION**

Customers who use electric thermal storage space heating and water heaters which consume energy only during off-peak hours specified by the Company, or other automatically controlled load management devices such as space and/or water heating equipment that use energy only during off-peak hours specified by the Company, shall have the option of having these approved load management devices separately metered. The service charge for the separate meter shall be ~~\$3.00~~ \$3.00 per month.

**TARIFF R.S. - T.O.D.**  
**(Residential Service Time-of-Day)**

**RATE.** (Tariff Codes 036 and 037)

Service Charge.....	\$ 6.75 \$8.00 per month
Energy Charge:	
All KWH used during on-peak billing period.....	7.830¢ 11.764¢ per KWH
All KWH used during off-peak billing period.....	<del>2.396¢</del> 2.701¢ per KWH

**S.G.S.**  
 (Small General Service)

**RATE.** (Tariff Code 211, 212)  
 Service Charge.....\$ 9.85 \$11.50 per month  
 Energy Charge:  
 First 500 KWH per month..... 6.758¢ 8.761¢ per KWH  
 All Over 500 KWH per month..... 4.114¢ 4.984¢ per KWH

**LOAD MANAGEMENT TIME-OF-DAY PROVISION**

**RATE.** (Tariff Code 225, 226)  
 Service Charge.....\$15.10 \$15.10 per month  
 Energy Charge:  
 All KWH used during on-peak billing period..... 9.533¢ 12.295¢ per KWH  
 All KWH used during off-peak billing period ..... 2.505¢ 2.701¢ per KWH

**OPTIONAL UNMETERED SERVICE PROVISION**

**RATE.** (Tariff Code 204 (Mtrd), 213 (Umr))  
 Customer Charge.....\$ 7.00 \$7.50 per month  
 Energy Charge:  
 First 500 KWH per month..... 6.758¢ 8.761¢ per KWH  
 All Over 500 KWH per month.....4.114¢ 4.984¢ per KWH

**TARIFF M.G.S.**  
 (Medium General Service)

**RATE.**

	<u>Secondary</u>		<u>Service Voltage Primary</u>		<u>Subtransmission</u>	
Tariff Code	215, 216, 218		217, 220		236	
Service Charge per Month	\$ 10.80	\$13.50	\$16.20	\$21.00	\$19.00	\$153.00
Demand Charge per KW	\$ 1.16	\$1.38	\$ 1.16	\$ 1.34	\$ 1.16	\$ 1.32
Energy Charge:						
KWH equal to 200 times KW of monthly billing demand	5.736¢	6.951¢	5.179¢	6.283¢	4.703¢	5.714¢
KWH in excess of 200 times KW of monthly billing demand	4.768¢	5.792¢	4.521¢	5.497¢	4.351¢	5.292¢

**RECREATIONAL LIGHTING SERVICE PROVISIONS**

**RATE.** (Tariff Code 214)  
 Service Charge.....\$10.80 \$13.50 per month  
 Energy Charge.....5.754¢ 6.520¢ per KWH

**MINIMUM CHARGE.**

This tariff is subject to a minimum charge equal to the sum of the service charge plus the demand charge multiplied by 5 KW for the demand portion (5 KW and above) of the rate.

Industrial and coal mining customers contracting for 3-phase service after October 1, 1959 shall contract for capacity sufficient to meet their normal maximum demands in KW, but not less than 10 KW. Monthly billing demand of these customers shall not be less than 60% of contract capacity and the minimum monthly charge shall be ~~\$4.82~~ \$5.75 per KW of monthly billing demand, subject to adjustment as determined under the fuel adjustment clause, system sales clause, demand-side management clause, the environmental surcharge, the net merger savings credit, the state issues stipulation charges, plus the service charge.

**LOAD MANAGEMENT TIME-OF-DAY PROVISION.** (Tariff Codes 223, 224)

**RATE.**

Service Charge .....	\$ 3.00 per month
Energy Charge:	
All KWH used during on-peak billing period .....	<del>8.606¢</del> 11.388¢ per KWH
All KWH used during off-peak billing period .....	<del>3.059¢</del> 2.793¢ per KWH

**TERM OF CONTRACT**

Contracts under this tariff will be required of customers with normal maximum demands of ~~400~~ 500 KW or greater, except for 3-phase service to industrial and coal mining customers as provided elsewhere in this tariff. Contracts under this tariff will be made for an initial period of not less than 1 year and shall remain in effect thereafter until either party shall give at least 6 months' written notice to the other of the intention to terminate the contract. The Company will have the right to make contracts for periods of longer than 1 year and to require contracts for Customer's with normal maximum demands of less than ~~400~~ 500 KW.

**TARIFF M.G.S.-T.O.D.**  
(Medium General Service Time-of-Day)

**RATE.** (Tariff Code 229, 230)

Service Charge .....	\$ <del>11.60</del> \$14.30 per month
Energy Charge:	
All KWH used during on-peak billing period .....	<del>8.606¢</del> 11.388¢ per KWH
All KWH used during off-peak billing period .....	<del>3.059¢</del> 2.793¢ per KWH

**TARIFF L.G.S.**  
(Large General Service)

**RATE.**

	<u>Service Voltage</u>				
	<u>Secondary</u>		<u>Primary</u>		<u>Subtransmission</u>
Tariff Code	240, 242		244, 246		248
Service Charge per Month	\$85.00		\$127.50		\$535.50
Demand Charge per KVA	<del>\$ 2.97</del>	\$ 3.54	\$ 2.97	\$ 3.45	\$ 2.97 \$ 3.37
Energy Charge per KWH	<del>4.078¢</del>	5.107¢	<del>3.419¢</del>	4.374¢	<del>2.890¢</del> 3.274¢
			<u>Transmission</u>		
Tariff Code					
Service Charge per Month			\$535.50		
Demand Charge per KVA			\$ 3.32		
Energy Charge per KWH			2.861¢		

**ADJUSTMENT MODIFYING RATE**

**LOAD MANAGEMENT TIME-OF-DAY PROVISION**

**RATE** (Tariff Code 251)

Service Charge .....	\$81.80	\$81.80	per month
Energy Charge:			
All KWH used during on-peak billing period .....	<del>7.226¢</del>	9.625¢	per KWH
All KWH used during off-peak billing period .....	<del>2.414¢</del>	2.767¢	per KWH

**TARIFF Q.P.  
(Quantity Power)**

**RATE**

	<u>Primary</u>	<u>Service Voltage Subtransmission</u>	<u>Transmission</u>	<u>Secondary</u>
Tariff Code	358	359	360	
Service Charge per Month	\$276.00	\$662.00	\$1353.00	\$276.00
Demand Charge per KW				
Of monthly on-peak billing demand	\$ 9.29 \$ 12.44	\$ 8.51 \$ 9.60	\$ 7.88 \$ 8.13	\$14.27
Of monthly off-peak excess				
Billing demand	\$ 0.90 \$ 3.46	\$ 0.86 \$ 0.93	\$ 0.85 \$ 0.80	\$5.00
Energy Charge per KWH	<del>1.726¢</del> 2.107¢	<del>1.677¢</del> 2.076¢	<del>1.661¢</del> 2.050¢	2.162¢

Reactive Demand Charge for each kilovar of maximum  
Leading or Lagging reactive Demand in Excess of  
50 percent of the KW of monthly metered demand .....\$ 0.57 \$0.72 KVAR

**TARIFF C.I.P. - T.O.D.  
(Commercial and Industrial Power - Time-of-Day)**

**RATE**

	<u>Service Voltage</u>		
	<u>Primary</u>	<u>Subtransmission</u>	<u>Transmission</u>
Tariff Code	370	371	372
Service Charge per Month	\$276.00	\$662.00	\$1353.00
Demand Charge per KW			
On-peak	\$8.60-\$14.78	\$7.89-\$11.68	\$7.34-\$10.11
Off-peak	\$2.02-\$3.84	\$1.23-\$1.03	\$1.05-\$0.89
Energy Charge per Kwh	<del>1.726¢</del> 1.725¢	<del>1.677¢</del> 1.699¢	<del>1.661¢</del> 1.677¢

Reactive Demand Charge for each kilovar of maximum  
Leading or Lagging Reactive Demand in Excess of  
50 percent of the KW of monthly metered demand .....\$ 0.60 \$0.72 KVAR

**MINIMUM DEMAND CHARGE.**

The minimum demand charge shall be equal to the minimum billing demand times the following minimum demand rates:

<u>Primary</u>	<u>Subtransmission</u>	<u>Transmission</u>
<del>\$9.89</del> \$15.85/KW	<del>\$ 8.99</del> \$12.73/KW	<del>\$ 8.22</del> \$11.15/KW

**TARIFF M.W.  
(Municipal Waterworks)**

**RATE.** (Tariff Code 540)

Service Charge .....	\$22.90	\$22.90 per month
Energy Charge:		
All KWH Used Per Month .....	4.658¢	5.677¢ per KWH

**MINIMUM CHARGE.**

This tariff is subject to a minimum monthly charge equal to the sum of the service charge plus ~~\$3.05~~ \$3.65 per KVA as determined from customer's total connected load. The minimum monthly charge shall be subject to adjustments as determined under the Fuel Adjustment Clause.

**TARIFF O.L.  
(Outdoor Lighting)**

**RATE.**

**A. OVERHEAD LIGHTING SERVICE**

Tariff  
Code

1. High Pressure Sodium			
094	100 watts ( 9,500 Lumens) .....	\$ 5.22	\$7.60 per lamp
113	150 watts ( 16,000 Lumens) .....	\$ 6.18	\$ 8.40 per lamp
097	200 watts ( 22,000 Lumens) .....	\$ 7.89	\$10.10 per lamp
098	400 watts ( 50,000 Lumens) .....	\$ 12.75	\$15.35 per lamp
2. Mercury Vapor			
093*	175 watts ( 7,000 Lumens) .....	\$ 5.36	\$ 8.40 per lamp
095*	400 watts ( 20,000 Lumens).....	\$ 8.95	\$14.00 per lamp

**B. POST-TOP LIGHTING SERVICE**

Tariff  
Code

1. High Pressure Sodium			
111	100 watts (9,500 Lumens) .....	\$ 8.99	\$10.80 per lamp
122	150 Watts (16,000 Lumens) .....	\$ 14.69	\$17.65 per lamp
2. Mercury Vapor			
099*	175 watts (7,000 Lumens).....	\$ 6.24	\$9.75 per lamp

**C. FLOOD LIGHTING SERVICE**

<u>Tariff Code</u>			
	1.	High Pressure Sodium	
107		200 watts (22,000 Lumens) .....	<del>\$ 9.17</del> \$11.55 per lamp
109		400 watts (50,000 Lumens) .....	<del>\$12.61</del> \$15.30 per lamp
	2.	Metal Halide	
110		250 watts (20,500 Lumens) .....	<del>\$14.37</del> \$17.25 per lamp
116		400 watts (36,000 Lumens) .....	<del>\$18.81</del> \$22.60 per lamp
131		1000 watts (110,000 Lumens) .....	<del>\$40.37</del> \$48.55 per lamp

\*These lamps are not available for new installations.

**TARIFF O.L. (Cont'd.)  
(Outdoor Lighting)**

**RATE. (Cont'd.)**

Wood pole.....	<del>\$1.80</del>	\$2.30 per month
Overhead Wire span not over 150 feet .....	<del>\$1.00</del>	\$1.30 per month
Underground wire lateral not over 50 feet.....	<del>\$5.35</del>	\$5.35 per month

(Price includes pole riser and connections)

**TARIFF S.L.  
(Street Lighting)**

**RATE. (Tariff Code 528)**

**A. Overhead Service on Existing Distribution Poles**

1.	High Pressure Sodium		
	100 watts ( 9,500 lumens).....	\$ 4.56	\$5.60 per lamp
	150 watts (16,000 lumens).....	<del>5.10</del>	\$6.35 per lamp
	200 watts (22,000 lumens).....	<del>5.93</del>	\$7.80 per lamp
	400 watts (50,000 lumens).....	<del>8.22</del>	11.20 per lamp

**B. Service on New Wood Distribution Poles**

1.	High Pressure Sodium		
	100 watts ( 9,500 lumens).....	\$ 7.19	\$8.95 per lamp
	150 watts (16,000 lumens).....	<del>7.85</del>	\$9.70 per lamp
	200 watts ( 22,000 lumens).....	<del>9.17</del>	11.20 per lamp
	400 watts (50,000 lumens).....	<del>11.47</del>	\$14.55 per lamp



C. Service on New Metal or Concrete Poles

1. High Pressure Sodium		
100 watts ( 9,500 lumens).....	\$ 44.63	\$14.65 per lamp
150 watts (16,000 lumens).....	\$ 15.20	per lamp
200 watts (22,000 lumens).....	\$ 19.20	per lamp
400 watts (50,000 lumens).....	<del>20.02</del>	\$20.00 per lamp

**TARIFF C. A. T. V.**  
(Cable Television Pole Attachment)

**RATES.**

Charge for attachments on a two-user pole .....	<del>\$ 4.97</del>	\$10.63 per pole/year
Charge for attachments on a three-user pole .....	<del>\$ 5.53</del>	\$6.59 per pole/year

**TARIFF COGEN/SPP I**  
(Cogeneration and/or Small Power Production--100 KW or Less)

Monthly Metering Charge

	<u>Single Phase</u>	<u>Polyphase</u>
Standard Measurement	<del>\$5.90</del> \$6.75	<del>\$11.20</del> \$8.45
T.O.D. Measurement	<del>\$15.00</del> \$7.55	<del>\$20.25</del> \$8.85

**MONTHLY CREDITS OR PAYMENTS FOR ENERGY AND CAPACITY DELIVERIES.**

**Energy Credit**

Standard Meter - All KWH .....	1.57 ¢ 2.81¢/KWH
T.O.D. Meter	
On-Peak KWH .....	1.72 ¢ 3.54¢/ KWH
Off-Peak KWH .....	1.45 ¢ 2.29¢/KWH

**Capacity Credit**

- A. \$0.95-\$0.78/KW/month, times the lowest of :
- (1) monthly contract capacity, or
  - (2) current month metered average capacity, i.e., KWH delivered to the Company or produced by COGEN/SPP facilities divided by 730, or
  - (3) lowest average capacity metered during the previous two months if less than monthly contract capacity.
- If T.O.D. energy meters are used,

- B. \$2.10-\$1.87/KW/month, times the lowest of:
- (1) on-peak contract capacity, or
  - (2) current month on-peak metered average capacity, i.e., on-peak KWH delivered to the Company or produced by COGEN/SPP facilities divided by 327, or
  - (3) lowest on-peak average capacity metered during the previous two months, if less than on-peak contract capacity.

**TARIFF COGEN/SPP II  
(Cogeneration and/or Small Power Production—Over 100 KW)**

**MONTHLY CHARGES FOR DELIVERY FROM THE COMPANY TO THE CUSTOMER.**

**ADDITIONAL CHARGES.**

**Monthly Metering Charge**

The additional monthly charge for special metering facilities shall be as follows:

- Option 1 - Where the customer does not sell electricity to the Company, a detent shall be used on the energy meter to prevent reverse rotation. The cost of such meter alteration shall be paid by the customer as part of the Local Facilities Charge.
- Options 2 & 3- Where meters are used to measure the excess or total energy and average on peak capacity purchased by the Company:

	<u>Single Phase</u>		<u>Polyphase</u>	
Standard Measurement	\$5.90	\$6.75	<del>\$11.20</del>	\$8.45
T.O.D. Measurement	\$15.00	\$7.55	<del>\$20.25</del>	\$8.85

**MONTHLY CREDITS OR PAYMENTS FOR ENERGY AND CAPACITY DELIVERIES.**

**Energy Credit**

The following credits or payments from the Company to the customer shall apply for the electrical energy delivered to the Company:

Standard Meter - All KWH .....	1.57 ¢ 2.81¢/KWH
T.O.D. Meter	
On-Peak KWH .....	1.72 ¢ 3.54¢/KWH
Off-Peak KWH .....	1.45 ¢ 2.29¢/KWH

A. \$0.95–0.78/KW/month, times the lowest of:

- (1) monthly contract capacity, or
- (2) current month metered average capacity, i.e., KWH delivered to the Company or produced by COGEN/SPP facilities divided by 730, or
- (3) lowest average capacity metered during the previous two months if less than monthly contract capacity.

If T.O.D. energy meters are used,

B. \$2.10–\$1.87/KW/month, times the lowest of:

- (1) on-peak contract capacity, or
- (2) current month on-peak metered average capacity, i.e., on-peak KWH delivered to the Company or produced by COGEN/SPP facilities divided by 327, or
- (3) lowest on-peak average capacity metered during the previous two months, if less than on-peak contract capacity.

**TARIFF S. S. C.  
(System Sales Clause)**

**RATE.**

3. The base monthly net revenues from system sales are as follows:

<u>Billing Month</u>	<u>Base Net Revenues from System Sales (Total Company Basis)</u>	
January	\$ <del>895,960</del>	\$2,815,074
February	<del>767,802</del>	\$2,365,178
March	<del>893,126</del>	\$1,832,408
April	<del>1,036,738</del>	\$2,862,969
May	<del>1,085,852</del>	\$2,501,869
June	<del>1,324,166</del>	\$3,280,306
July	<del>1,027,403</del>	\$2,994,548
August	<del>1,154,184</del>	\$1,902,637
September	<del>912,736</del>	\$1,756,798
October	<del>731,014</del>	\$1,122,316
November	<del>624,320</del>	\$1,331,388
December	<del>862,035</del>	\$2,142,114

**TARIFF N.U.G.**  
 (Non-Utility Generator)

**STARTUP POWER SERVICE.**

**Monthly Transmission and Distribution Rates**

Tariff Code	Service Voltage	
	<u>Subtransmission</u> 392	<u>Transmission</u> 393
Reservation Charge per kW	\$ 3.25 \$4.59	\$ 2.28 \$2.54
Reactive Demand Charge for each kiloVAR of maximum Leading or Lagging Reactive Demand in Excess of 50% of the kW of monthly metered demand... \$ 0.60-\$0.72per kVAR		

**TARIFF S.I.S.**  
 (State Issues Settlement)

**RATE.**

	<u>All Other</u>	<u>C.I.P.-T.O.D.</u>
Energy Charge per KWH per month	\$0.000824	\$0.000508

**ENVIRONMENTAL SURCHARGE (E.S.)**

**RATE.**

6. The base monthly net cost from environmental compliance is as follows:

<u>Billing Month</u>	<u>Base Net Environmental Costs</u>
JANUARY	\$ 2,531,784
FEBRUARY	3,003,995
MARCH	2,845,066
APRIL	2,095,535
MAY	1,514,859
JUNE	1,913,578
JULY	2,818,212
AUGUST	2,342,883
SEPTEMBER	2,852,305
OCTOBER	2,818,975
NOVEMBER	2,598,522
DECEMBER	1,407,969

\*\*\*\*\*

The Company proposes the changes to KPCo's tariffs contained in this notice. The estimated effect of 1,000 KWH per month would increase a residential customer's bill \$15.40 per month, or approximately 26.4 percent. The estimated effect of 4,084 KWH per month would increase a commercial customer's bill \$35.53 per month, or approximately 14.8 percent. The estimated effect of 2,671,452 KWH per month would increase an industrial customer's bill \$12,508 per month, or approximately 13 percent. The rates contained in this notice are the rates proposed by Kentucky Power Company. However, the Public Service Commission may order changes to the Company's tariffs that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

Any corporation, association, body politic or person may by motion within thirty (30) days after publication or mailing of notice the proposed rate changes request leave to intervene in Case No. 2005-00341. The motion shall be submitted to the Public Service Commission, 221 Sower Boulevard, P. O. Box 615, Frankfort Kentucky 40602-0615, and shall set forth the grounds for the request including the status and interest of the party. The Public Service Commission's phone number is 502-564-3940.

Intervenors may obtain copies of the Application and testimony by contacting Kentucky Power Company at 101 A Enterprise Drive, P. O. Box 5190, Frankfort Kentucky 40602-5190, attention Errol K. Wagner or calling 502-696-7010. A copy of the Application and testimony is available for public inspection at KPCo's district service buildings located at 12333 Kevin Avenue, Ashland, KY 41102 with a phone number of 606-929-1463 or 1400 E. Main St. Hazard, KY 41701 with a phone number of 606-436-1330 or 3249 North Mayo Trail Pikeville, KY 41501 with a phone number of 606-437-3824 or at the Public Service Commission at the address and phone number stated above.

Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

Filing Requirement  
807KARS:001 Section 10 (2)

**Filing Requirement:**

*Notice of Intent. Utilities with gross annual revenues greater than \$1,000,000 shall file with the Commission a written notice of intent to file a rate application at least four (4) weeks prior to filing their application. The notice of intent shall state whether the rate application will be supported by a historical test period or a fully forecasted test period. This notice shall be served upon the Attorney General, Utility Intervention and Rate Division.*

**Response:**

Please see attached *Notice of Intent to File for An Adjustment in Electric Rates*.

COMMONWEALTH OF KENTUCKY

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY AUG 26 2005

PUBLIC SERVICE  
COMMISSION

In The Matter Of:

GENERAL ADJUSTMENT IN )  
ELECTRIC RATES OF ) 2005-00341  
KENTUCKY POWER COMPANY )

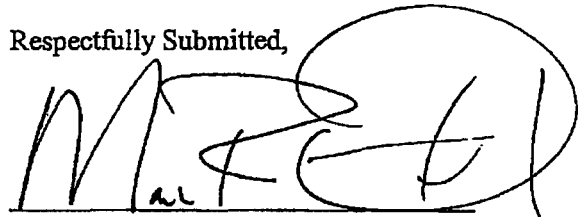
**Notice of Intent to File for An Adjustment of Electric Rates**

Pursuant to 807 KAR 5:001, Section 10(2) Kentucky Power Company provides notice of its intent to file with the Commission an application for a general adjustment of its rates and charges. Kentucky Power Company contemplates filing its application on or after September 26, 2005.

The application will be supported by a historical test year ended June 30, 2005.

A copy of this notice is being served on the Office of the Attorney General, Office of Rate Intervention.

Respectfully Submitted,



Bruce F. Clark  
Mark R. Overstreet  
Judith A. Villines  
STITES & HARBISON  
421 West Main Street  
P.O. Box 634  
Frankfort, Kentucky 40602-0634

Kevin F. Duffy  
American Electric Power Service  
Corporation  
1 Riverside Plaza  
Columbus, Ohio 43215-2373

COUNSEL FOR KENTUCKY POWER  
COMPANY AND AMERICAN  
ELECTRIC POWER, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by United States Postal Service,  
First Class mail, postage prepaid, upon:

Office of the Attorney General  
Office of Rate Intervention  
Suite 200  
1024 Capital Center Drive  
Frankfort, Kentucky 40601

David F. Boehm  
Michael L. Kurtz  
Boehm, Kurtz & Lowry  
2110 CBLD Center  
36 East Seventh Street  
Cincinnati, Ohio 45202

Richard G. Raff  
Public Service Commission of Kentucky  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

Elizabeth E. Blackford  
Assistant Attorney General  
Office of Rate Intervention  
Suite 200  
1024 Capital Center Drive  
Frankfort, Kentucky 40601

on this the 26<sup>th</sup> day of August, 2005.

KE057:KE180:12948:1:FRANKFORT



Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

Filing Requirement  
807KAR5:001 Section 10 (3)

**Filing Requirement:**

*Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information:*

- (a) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rate change will apply;*
- (b) The present rates and the proposed rates for each customer class to which the proposed rates would apply;*
- (c) Electric, gas, water and sewer utilities shall include the effect upon the average bill for each customer class to which the proposed rate change will apply;*
- (d) Local exchange companies shall include the effect upon the average bill for each customer class for the proposed rate change in basic local service;*
- (e) A statement that the rates contained in this notice are the rates proposed by (name of utility); however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice;*
- (f) A statement that any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown;*
- (g) A statement that any person who has been granted intervention by the commission may obtain copies of the rate application and any other filings made by the utility by contacting the utility through a name and address and phone number stated in this notice;*
- (h) A statement that any person may examine the rate application and any other filings made by the utility at the main office of the utility or at the commission's office indicating the addresses and telephone numbers of both the utility and the commission; and*
- (i) The commission may grant a utility with annual gross revenues greater than \$1,000,000, upon written request, permission to use an abbreviated form of published notice of the proposed rates provided the notice includes a coupon which may be used to obtain all of the information required herein.*

**Response:**

Please see the Certificate of Notice and the Notice to Customer under Filing Requirement 807KAR5:001, (10)(1)(a)(9).

Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

**Filing Requirement**  
807KAR5:001 Section 10 (4)(a) and (b)

**Filing Requirement:**

- (a) *Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.*
- (b) *Manner of notification. Applicants with twenty (20) or fewer customers affected by the proposed general rate adjustment shall mail the required typewritten notice to each customer no later than the date the application is filed with the commission.*

**Response:**

- (a) and (b) Not applicable.

Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

Filing Requirement  
807KAR5:001 Section 10 (4)(c)

**Filing Requirement:**

*Manner of notification. Except for sever utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods:*

- 1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission;*
- 2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the commission; or*
- 3. Publishing the notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the commission.*

**Response:**

Kentucky Power has complied with 807KAR5:001, Section 10(4)(c) by delivering to newspapers of general circulation in its service territory a copy of the Notice to the Public for publication once a week for three (3) consecutive weeks in a prominent manner, the first of said publications to be made within seven days (7) of the filing of the application. (A copy of the Notice to the Public is submitted under filing requirement 807KAR5:001, Section 10(1)(a)(9)).

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (4)(d)**

**Filing Requirement:**

*Manner of notification. If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the commission no later than forty-five (45) days of the filed date of the application.*

**Response:**

Kentucky Power Company will comply with 807KAR5:011, Section 10(4)(d) by providing the affidavits within forty-five days (45) of the date of which KPCo filed its application.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (4)(e)**

**Filing Requirement:**

*Manner of notification. If the notice is mailed, a written statement signed by the utility's chief office in the charge of Kentucky operations verifying the notice was mailed shall be filed with the commission no later than thirty (30) days of the filed date of the application.*

**Response:**

Not applicable.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (4)(f)**

**Filing Requirement:**

*Manner of notification. All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.*

**Response:**

Kentucky Power Company will comply with 807KAR5:001, Section 10(4)(f) by posting its Notice to the Public at its service buildings on or before September 28, 2005, and said Notice will remain posted until the Commission has finally determined the utility's rates.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (4)(g)**

**Filing Requirement:**

*Manner of notification. Compliance with this subsection shall constitute compliance with 807KAR5:051, Section 2.*

**Response:**

Response not required.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (5)**

**Filing Requirement:**

*Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300.*

**Response:**

Kentucky Power will comply with 807KAR5:001, Section 10(5) by publishing the Notice of Hearing in the newspapers in the Company's service territory. Kentucky Power Company's advertisement of the Notice of Hearing shall comply with KRS 424.300.



**Filing Requirement**  
**807KAR5:001 Section 10 (6)(a)**

**Filing Requirement:**

*A complete description and quantified explanation for all proposed adjustments, with proper support for any proposed changes in price or activity levels, and any other factors which may affect the adjustment.*

**Response:**

The complete descriptions and quantified explanations for all proposed adjustments, with proper support for any proposed changes in price or activity levels, and any other factors, are provided in Volume 2, Section V Schedules and Workpaper S-4, pages 1 through 41 as well as the Company's testimony.

**Filing Requirement**  
807KAR5:001 Section 10 (6)(b)

**Filing Requirement:**

*If the utility has gross annual revenues greater than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application.*

**Response:**

Please refer to Volume 3 for the testimony and exhibits of the following persons:

- Timothy C. Mosher
- Dennis W. Bethel
- Robert W. Bradish
- Larry C. Foust
- James E. Henderson
- Paul R. Moul
- Everett G. Phillips
- David M. Roush
- Errol K. Wagner
- Ranie K. Wohnhas

Also, please refer to Volume 4 for a copy of the Company's depreciation study.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(c)**

**Filing Requirement:**

*If the utility has gross annual revenues less than \$1,000,000, the prepared testimony of each witness the utility proposes to use to support its application or a statement that the utility does not plan to submit any prepared testimony.*

**Response:**

Not applicable.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(d)**

**Filing Requirement:**

*A statement estimating the effect that the new rates will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease.*

**Response:**

The proposed rates (excluding miscellaneous charges) will increase Kentucky Power Company's annual electric revenues approximately \$64,796,239 or approximately 19.21%. This results in the Company's total annual electric revenues of \$402,139,127.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(e)**

**Filing Requirement:**

*If the utility provides electric, gas, water, or sewer service the effect upon the average bill for each customer classification to which the proposed rate change will apply.*

**Response:**

Please see Volume 1, Section II, the Company's Application, paragraph 10(b).

Kentucky Power Company  
Case No. 2005-00341  
Historical Test Period Ending June 30, 2005

Section II  
Application Exhibit-A  
Page 50 of 352

**Filing Requirement**  
807KARS:001 Section 10 (6)(f)

**Filing Requirement:**

*If the utility is a local exchange company, the effect upon the average bill for each customer class for the proposed rate change in basic local service.*

**Response:**

Not applicable.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(g)**

**Filing Requirement:**

*An analysis of customer's bills in such detail that revenues from the present and proposed rates can be readily determined for each customer class.*

**Response:**

Please refer to Volume 3, testimony and exhibit of Witness David M. Roush.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(h)**

**Filing Requirement:**

*A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.*

**Response:**

Please see Volume 2, Section V, Schedule 1. Also, please see Volume 3 testimony of Witness Errol K. Wagner.



**Filing Requirement**  
**807KAR5:001 Section 10 (6)(i)**  
**Page 1 of 2**

**Filing Requirement:**

*A reconciliation of the rate base and capital used to determine its revenue requirement.*

**Response:**

It is Kentucky Power Company's understanding that the KPSC authorizes utilities operating under its jurisdiction a return on capitalization. Capitalization is a readily determinable number which is audited by the Company's outside independent auditors. Theoretically, the only difference between capitalization and net investment rate base is a company's cash working capital. One primary benefit of authorizing a company a return on capitalization is that it reduces the need and cost of a consultant to perform a study and testify in the case as to the appropriate level of cash working capital. The appropriate level of cash working capital is a number that is difficult to determine. Please see the attached page for reconciliation of the rate base and capital used to determine Kentucky Power's revenue requirement.

**KENTUCKY POWER COMPANY**

Line No.	Description		
1	Total KPSC Jurisdiction Rate Base (Section V, Schedule 1, line 15)		\$ 858,443,760
2	Cash	\$ 247,332	
3	Accounts Receivable Net	73,816,932	
4	Other Property and Investments	5,785,203	
5	Allowance Inventory	2,045,540	
6	Accrued Utility Revenues	14,398,163	
7	Energy Trading Contracts	8,330,131	
8	Other Current Assets	6,500,287	
9	Unamortized Loss Reacquired Debt	990,014	
10	Property Taxes	3,605,186	
11	Other Deferred Debits	170,816,259	
12	Accounts Payable	(55,076,547)	
13	Taxes Accrued	(7,716,825)	
14	Interest Accrued	(6,794,703)	
15	Obligations Under Capital Leases	(3,721,744)	
16	Accumulated Provisions - Misc.	(12,197,961)	
15	Other Current and Accrued Liabilities	(13,268,743)	
16	Regulatory Liabilities	(26,509,682)	
17	Other Deferred Credits	<u>(118,955,276)</u>	42,293,566
18	KPSC Jurisdiction Cash Working Capital (Section V, Schedule 4, line 21)		(49,293,585)
19	Difference *		<u>1,639,209</u>
20	Total KPSC Jurisdiction Capitalization (Section V, Schedule 1, line 17)		<u>\$ 853,082,950</u>

\* Lines 2 through 17 are Total Company amounts. Lines 1 and 20 are KPSC jurisdiction amounts.

**Filing Requirement**  
807KAR5:001 Section 10 (6)(j)

**Filing Requirement:**

*A current chart of accounts if more detailed than the Uniform System of Accounts prescribed by the Commission.*

**Response:**

Please see the attached listing.

Chart of Accounts

Account	Account Description
1010001	Plant In Service
1010005	Impaired Plant - Held For Sale
1010006	Dolet Hills FAS 143 ARO Asset
1011001	Capital Leases
1011006	Prov-Leased Assets
1011010	Capital Leases-In-Kind Serv
1011011	Prov-Leased Assts-In-kind Serv
1020001	Plant Purchd or Sold
1050001	Held For Fut Use
1060001	Const Not Classfcd
1070000	Construction Work In Progress
1070001	CWIP - Project
1070910	Capitalized Softwr Bill Step 1
1070920	Capitalized Softwr Bill Step 2
1080000	Accum Prov for Deprec of Plant
1080001	A/P for Deprec of Pit
1080005	RWIP - Project Detail
1080009	STP Decommissioning Accum Depr
1080010	STP Nucl Accum Decom Contrib
1080011	Cost of Removal Reserve
1080012	Dolet Hills FAS 143 ARO Deprec
1110001	A/P for Amort of Pit
1140001	Plant Acquisition Adj
1150001	Amrtz of Pit Acqt Adj
1210000	Nonutility Property
1210001	Nonutility Property - Owned
1210002	Nonutility Property - Leased
1210003	Nonutility Property - WIP
1210004	Mineral Rights - Owned
1210005	Mineral Rights - Leased
1210006	Coal Land Develop Costs-Leased
1210016	Nonutility Property - CCNC
1220000	Depr & Amort of Nonutil Prop
1220001	Depr&Amrt of Nonuti Prop-Ownd
1220002	Depr&Amrt of Nonuti Prop-Leasd
1220003	Depr&Amrt of Nonuti Prop-WIP
1220004	Depletion - Owned
1220005	Depletion - Leased
1220006	Coal Land Develop Amort-Leased
1230001	Nonconsol Assoc Co-Cost Basis
1230002	Adv Nonconsol Subs-Cost Basis
1231001	Invest In Common Stock of Subs
1231002	Invest In Prem on Subs Stock
1231003	Capital Contributions to Subs
1231004	Currency Translation Adjs
1231005	Invest In Subs Retained Erngs
1231006	Advances to Consol Subs
1231007	Excess Cost - Invest Over Book
1231008	Undistributed Intercompany Inv
1231009	Investment In Central Coal Co

Chart of Accounts

Account	Account Description
1231010	Invest Subsidiary MPIC - OCI
1231011	Subscription Payable - Affil
1231012	Investment Equity Reconcll
1231101	Invest Nonconsol Subs-Equity
1231102	Equity in Erngs Nonconsol Subs
1231103	Adv Nonconsol Subs-Equity
1231104	Subscribed Payable - Equity
1231105	Increase Basis NonconSub Affil
1240000	Other Investments
1240001	Other Investments - Associated
1240002	Oth Investments-Nonassociated
1240005	Spec Allowance Inv NOX
1240006	Other Investments - COLI
1240007	Deferred Compensation Benefits
1240008	Umbrella Trust
1240010	Oth Invest-Nonassociated-Curr
1240013	Cash Surrender Value Life Ins
1240014	Unamt Discount - Coal Reserves
1240015	Termination Fees - Long Term
1240016	Termination Fees - Current
1240017	Termination Fees - Discount
1240019	Other Investments - Goodwill
1240020	Goodwill - Amortization
1240021	Other Investments - License
1240022	License - Amortization
1240024	Investment in CSWI Cap Trust
1240025	Other Property - CWIP
1240026	Other Property - CCNC
1240027	Other Property - RWIP
1240028	Other Property - RETIRE
1240029	Other Property - CPR
1240031	Unreal Gn Fwd Comitmnt-Coal LT
1240032	Unreal Gn Fwd Comitmnt- Pwr LT
1240033	Unreal Gn Fwd Comitmnt-Wthr LT
1240035	Intang Assets - Non-Amortizabl
1240036	Intang - Non Amortizable Amort
1240037	Intang Assets - Amortizable
1240038	Intangible -Amortizable -Amort
1240040	Capital 1 Trust - Other Inv
1240042	Other Invest - Audit Protests
1240043	Provision for Investments
1240044	Spec Allowances Inv SO2
1240045	Provision for Investment
1240046	Trust Preferred Security Insts
1240047	Renewable Obligation Cert
1240092	Oth Inv-Fbr Opt Ln-In Kind Srv
1280002	Decommissioning Trust Funds
1280003	Spent Nuclear Fuel Trust Funds
1280004	Bond Defeasance - Non Current
1310000	Cash

Chart of Accounts

Account	Account Description
1320000	Interest Special Deposits
1320001	Bond Defeasance Interest Curr
1330000	Dividend Special Deposits
1340000	Other Special Deposits
1340001	Paid Loss Deposits
1340003	Oth Sp Dep-INA & Emps Self Ins
1340004	Worker's Comp Adv Premium
1340008	Deposits - Office Space Rental
1340016	Deposits - Housing Rental
1340017	Spec Deposits - Gas Options
1340018	Spec Deposits - Elect Trading
1340019	Sweeny Cash Clearing
1340020	Suspension Act - Bankers Trust
1340021	Sweeny Operations - Mellon
1340022	Eastex - Mellon Bank Account
1340023	Dbt Service Reserve Acct - BT
1340024	Distribution Account - B Trust
1340025	Major Maint & Overhaul Reserve
1340026	Sweeny Construction - Mellon
1340027	Sweeny Operating Acct - BTrst
1340028	Sweeny Proj Completion - BTrst
1340029	Proj Revenue Acct - BnkrTrust
1340030	Sweeny Short Term Cash Invest
1340031	IPP Financing Proceeds
1340032	IPP O&M Reserve
1340033	IPP Debt Service Reserve
1340034	IPP Operating Account
1340035	IPP Non-Routine Maint Reserve
1340036	IPP Distribution Reserve Acct
1340037	IPP Distributable Cash Account
1340038	Mktbl Secur Held for Collaterl
1340040	REP Deposits - TCC Securitztn
1340041	Bond Defeasance Deposits
1340042	TCC Transitr Funding Rsvd Cash
1340043	Special Deposits ABN Amro
1340044	Spec Deposits - SO2 Trading
1350000	Working Funds
1350001	Cash Advances
1350002	Petty Cash
1350003	Cash Advances - Wages
1350004	Cash Adv-Employee Expenses
1360000	Temporary Cash Investments
1360001	Temp Cash Invest Tax Exempt
1360002	Temp Cash Invest Tax Advantage
1361000	Auction Rate Securities-Taxble
1361001	Auction Rate Secs-Tax Exempt
1361002	Auction Rate Secs-Tax Advntage
1410000	Notes Receivable
1410002	P/R Ded - Misc Loan Repayments
1420001	Customer A/R - Electric

Chart of Accounts

Account	Account Description
142000198	Customer A/R - Electric
1420002	Customer A/R - PIP Plan
1420003	Customer A/R - CMP
1420005	Employee Loans - Current
1420006	A/R-Customer Assistance
1420011	A/R - Retail Cust Rents
1420014	Customer A/R-System Sales
142001500	Cust A/R-WV 20% Spec Disc
142001501	Cust A/R-WV 20% Spec Disc
142001502	Cust A/R-WV 20% Spec Disc
142001503	Cust A/R-WV 20% Spec Disc 2003
142001504	Cust A/R-WV 20% Spec Disc
142001505	Cust A/R-WV 20 Pct Spec Disc
142001598	Cust A/R-WV 20% Spec Disc
142001599	Cust A/R-WV 20% Spec Disc
1420016	Customer A/R-Trustee Payments
1420017	State Emergency Relief
1420018	Vendor Warrants
1420019	Transmission Sales Receivable
1420020	Cust A/R - Options & Swaps
1420022	Cust A/R - Factored
1420023	Cust A/R-System Sales - MLR
1420024	Cust A/R-Options & Swaps - MLR
1420025	Home Energy Asst Prg (HEAP)
1420026	Emergency HEAP
1420027	Low Inc Energy Asst Pr (LIEAP)
1420028	Emergency LIEAP
1420029	Low Inc Heat Engy Asst(LIHEAP)
1420030	Emergency LIHEAP
1420031	FEMA Assistance Funds
1420032	Emergency Asst St Fund (EASST)
1420033	Cooling Assistance Prg (COOL)
1420034	Ohio Energy Credit Prg (OEC)
1420035	Customer A/R - Gas
1420036	AEP CREDIT Residual A/R Affil
1420037	AEP CREDIT Contra A/R Affil
1420038	Cust A/R-Contra-Due Providers
1420039	COMM Assistance Program
1420040	LIHAP Assistance Program
1420041	DRAFT Assistance Program
1420042	Cust A/R - Special Contracts
1420043	TCOS Matrix Sales Recievables
1420044	Customer A/R - Estimated
1420045	LITE-UP Assistance Program
1430001	Other Accounts Rec-Regular
1430002	Allowances
1430003	Coal Conversion Services
1430004	Insurance
1430006	Unbilled Accounts Receivable
1430008	Conesville Unit 4 WIP-CG&E

Chart of Accounts

Account	Account Description
1430009	Conesville Unit 4 WIP-DP&L
1430012	CG&E-DP&L - Transmission
1430015	Synfuel and Railcar Subleases
1430018	Survivor Benefit Plan Premiums
1430019	Coal Trading
1430021	SO2 Allowance Trading - MLR
1430022	2001 Employee Biweekly Pay Cnv
1430023	A/R PeopleSoft Billing System
1430024	Stores Exp-AEP Centri Coal Lab
1430031	Acct. Rec. - ARK/CSW PS
1430032	Acct. Rec. - SOWEGA
1430033	A/R - Accrd Int Rec - Thermo
1430034	Acct. Rec. - BP Energy
1430035	Acct. Rec. - LG&E
1430036	Acct. Rec. - Miscellaneous
1430037	Acct. Rec. - Phillips
1430038	Acct. Rec. - Enron
1430039	Acct. Rec. - Entergy
1430040	Acct. Rec. - City of Bryan
1430041	Acct. Rec. - TECO Frontera
1430042	Acct. Rec. - City of Garland
1430043	Acct. Rec. - HPL
1430044	A/R - South TX Electric Coop
1430045	Acct. Rec. - TNP
1430046	Acct. Rec. - TUEC
1430047	Acct. Rec. - Austin
1430048	Acct. Rec. - LCRA
1430049	Acct Rec - Entergy Power Mktg
1430050	Acct. Rec. - SCEM
1430051	A/R - Enron Power Marketing
1430052	A/R - Frontera Misc. Customers
1430053	Acct. Rec. - TXU Electric
1430054	Acct. Rec. - Third Party
1430055	AR Citibank (DECCO Equip Lse)
1430056	Acct Rec - Aquila Energy Mrktg
1430057	Acct Rec - Calpine Power
1430058	Acct Rec - Constellation Power
1430059	AEP CREDIT Residual A/R NonAff
1430060	AEP CREDIT Contra A/R NonAffil
1430064	A/R-Gas Trading-Canadian
1430065	Acct. Rec. - DOW Project
1430066	Acct. Rec. - CLECO
1430067	Acct. Rec. - Eastman
1430068	Acct. Rec. - Polk Power Prtnrs
1430069	Acct. Rec. - Orange Cogen
1430070	Acct. Rec. - CSP
1430071	A/R Non Assoc Co - AEPSC Bills
1430072	Accounts Receivable Fuel Oil
1430073	A/R Power
1430074	Accounts Receivable - Tenaska



Chart of Accounts

Account	Account Description
1430075	Accounts Receivable - Mirant
1430076	Accounts Receivable - OREI
1430077	Oth Acc Rec - Merchandise
1430078	Accounts Receivable - Coral
1430079	Accts Rec - Ark Elec Coop Corp
1430080	Jointly Owned Unit O&M Billing
1430081	Damage Recovery - Third Party
1430082	Acct Rec Gas - AEP Sys Pool
1430083	Damage Recovery Offset Demand
1430084	Accounts Receivable Conoco
1430085	Gas Accruals GDA Transactions
1430086	AR Accrual NYMEX OTC Penults
1430087	PJM AR Accrual
1430088	PJM As Agent AR Accrual
1430089	A/R - Benefits Billing
1440001	Uncoll Accts-Elect Receivables
144000198	Uncoll Accts-Elect Receivables
144000199	Uncoll Accts-Elect Receivables
1440002	Uncoll Accts-Other Receivables
1440003	Uncoll Accts-Power Trading
1450000	Corp Borrow Prg (NR-Assoc)
1450001	Non Corp Borrow Prg NR-Assoc
1450003	Sub Notes Receivable
1460001	A/R Assoc Co - InterUnit G/L
1460002	A/R Assoc Co - Allowances
1460004	A/R Assoc Co - CM Bills
1460006	A/R Assoc Co - Intercompany
1460007	A/R Assoc Co - OAR System
1460008	A/R Assoc Co - AEPSC Bills
1460009	A/R Assoc Co - InterUnit A/P
1460011	A/R Assoc Co - Multi Prmts
1460012	A/R Assoc Co - Transmissn Agmt
1460014	A/R-Assoc-Unvouchered
1460015	A/R Assc Co-Pending Direct Pay
1460019	A/R-Assoc Co-AEPSC-Agent
1460022	Factored A/R - Billed
1460023	Factored A/R - Unbilled
1460024	A/R Assoc Co - System Sales
1460025	Fleet - M4 - A/R
1460028	Factored-A/R Chg off Limit Fee
1460036	A/R Assoc Co - Payroll Ded
1460037	A/R Assoc-Global Borrowing Int
1460040	A/R Assc Co-On Behalf Of Trans
1460041	A/R Assc Co - Non-InterUnit GL
1460042	A/R Assoc Co-Gas Trading
1460043	A/R - CSW DISPATCH TRANSACTION
1460045	A/R Assc Co-Realization Sharng
1460049	A/R Assoc Co - Dividends Recv
1460051	AR TCC Securitization Revenue
1460101	A/R Assc Co - Retail Clawback

Chart of Accounts

Account	Account Description
1469998	A/R Assoc Co - HPL - Trade
1469999	A/R Assoc Co - HPL - Other
1510001	Fuel Stock - Coal
1510002	Fuel Stock - Oil
1510003	Fuel Stock - Gas
1510004	Coal In Transit - Terminal
1510007	Fuel Stock - Coal Mine Fines
1510008	Gas Inventory
1510009	Coal In Transit - Barge
1510010	Chemicals & Gases
1510011	Other Operating Materials
1510012	Belting, Conveyor, & Supplies
1510013	Prep Plant Equipment & Parts
1510014	Other Maintenance Materials
1510015	Coal Inv on Hand exclude Trans
1510016	Coal Inv on Hand Transp
1510017	Lignite Inv on Hand Inc Transp
1510018	Coal Survey Adjustment
1510019	Fuel Stock Coal - Prepays
1510020	Fuel Stock Coal - Intransit
1520000	Fuel Stock Exp Undistributed
1530000	Residuals
1540001	M&S - Regular
1540002	M&S - Loaned/Rented
1540003	Material In Transit
1540004	M&S - Exempt Material
1540005	Material Away for Repairs
1540006	M&S - Lime and Limestone
1540010	Material Sold In Transit-Affil
1540011	LIG Inventory Tracking
1540012	Materials & Supplies - Urea
1540013	Transportation Inventory
1540014	Indus Direct Charge Clearing
1540015	Indus - Direct Charge Non Cat
1540016	MMS - Truck Stock
1540017	M&S Inventory - Consignment
1540018	M&S Inventory - Lease Equip
1540019	M&S Validation Error Correctns
1560000	Other Materials & Supplies
1581000	Allowance Inventory
1581001	NOx Allowance Inventory
1581002	CO2 Allowance Inventory
1581003	SO2 Allowance Inventory - Curr
1581004	NOx Allowance Inventory - Curr
1581005	CO2 Allowance Inventory - Curr
1582000	Allowance Withheld
1630000	Stores Expense Undistributed
1630001	Strs Exp-Canton Centri Wrhse
1630004	Strs Exp-T&D Satellite Storerm
1630005	Stores Exp - Rockport Plant

Chart of Accounts

Account	Account Description
1630006	Stores Exp - Amos Plant
1630007	Stores Exp - Clinch River Plan
1630008	Stores Exp - Glen Lyn Plant
1630009	Stores Exp - Kanawha River Plt
1630010	Stores Exp - Mountaineer Pit
1630011	Stores Exp - Sporn Plant
1630012	Stores Exp - Beckjord Plant
1630013	Stores Exp - Conesville Plant
1630014	Stores Exp - Picway Plant
1630015	Stores Exp - Stuart Plant
1630016	Stores Exp - Zimmer Plant
1630017	Stores Exp - Tanners Creek Plt
1630018	Stores Exp - Cook Nuclear Plan
163001899	Stores Exp - Cook Nuclear Plan
1630019	Stores Exp - Big Sandy Plant
1630020	Stores Exp - Cardinal Plant
1630021	Stores Exp - Gavin Plant
1630022	Stores Exp - Kammer/Mitchell
1630024	Stores Exp - Muskingum River
1630025	Stores Exp - River Trans Div
1630026	Stores Exp - Cook Coal Term
1630028	Stores Exp - Nonregulated Cos
1630029	Stores Exp - Fossil & Hydro
1630031	Stores Exp - T&D General
1630032	Stores Exp - Power Gen General
1630033	Stores Exp - All Busin Units
1630035	Coletto Creek Power Station
1630036	E.S. Joslin Power Station
1630038	La Palma Power Station
1630040	Laredo Power Station
1630042	Victoria Power Station
1630043	Comanche Station
1630044	Northeast Station - 1 & 2
1630045	Northeast Station - 3 & 4
1630046	Riverside Station
1630047	Southwest Station
1630048	Tulsa Power Station
1630049	Weleetka Power Station
1630050	Alliance Railcar Repair Fac
1630053	Arsenal Hill Power Plant
1630054	Central Maintenance Facility
1630055	Flint Creek Power Plant
1630056	Knox Lee Power Plant
1630057	Lieberman Power Plant
1630058	Lone Star Power Plant #1
1630059	Pirkey Power Plant
1630060	Wilkes Power Plant
1630061	Welsh Power Plant
1630062	Fort Phantom Power Station
1630063	Oak Creek Power Station

Chart of Accounts

Account	Account Description
1630064	Oklunion Power Station
1630065	Paint Creek Power Station
1630066	Rio Pecos Power Station
1630069	San Angelo Power Station
1630070	Stores Exp - Houston Pipe Line
1630071	Stores Exp - Conesville Prep
1630072	Stores Exp - LIG Pipeline
1630073	Stores Exp - Central Coal Lab
1630074	Stores Exp - Putnam Coal Trmni
1630075	Stores Exp - Const Mountaineer
1630076	Stores Exp - Const Big Sandy
1630077	Stores Exp - Const Tanners Crk
1630078	Stores Exp-Const Kamer Mitchel
1630079	Stores Exp - Const Musk Unit 5
1630080	Stores Exp - Const GavIn Pit
1630081	Stores Exp - Const Cardinal
1630082	Stores Exp - Const Amos Plant
1630083	Stores Exp - Const Rockport
1630084	Stores Exp - Const Ceredo Pit
1630085	Stores Exp - Const Mone Pit
1630086	Stores Exp - Const East Lake
1630087	Stores Exp - Const Dow Pit
1630088	Stores Exp - Shnst Conesville
1630089	Stores Exp - Shrevprt Chem Lab
1630090	Stores Exp - STP Nuclear Pit
1630091	Stores Exp - Central Mach Shop
1630108	Strs Exp - ACCT-AUP-ADJ
1630109	Strs Exp - ACCT-COUNT-ADJ
1630110	Strs Exp - ACCT-FRT-EXPENSE
1630111	Strs Exp - ACCT-INV-SCRAP
1630112	Strs Exp - PRICE VARIANCE
1630113	Strs Exp - ACCT-REC-INT
1630114	Strs Exp - SCHG-EXP
1630115	Strs Exp - TAX-EXP
1630120	Strs Exp - Kingsville
1630125	Stores - Contract & Labor Svcs
1630135	Strs Exp - Mishawaka Hydro
1630136	Str Exp - Marmet Hydro
1630137	Str Exp - London Hydro
1630138	Str Exp - Winfield Hydro
1630139	Str Exp - Smith Mountain Hydro
1630140	Str Exp - Claytor Hydro
1630141	Str Exp - Byllesby Hydro
1630142	Str Exp - Nlagara Hydro
1630143	Str Exp - Reusens Hydro
1630144	Str Exp - Leesville Hydro
1630145	Str Exp - Buck Hydro
1630146	Str Exp - Berrien Springs Hydr
1630147	Str Exp - Buchanan Hydro
1630148	Str Exp - Constantine Hydro

Chart of Accounts

Account	Account Description
1630149	Str Exp - Elkhart Hydro
1630150	Str Exp - Mottville Hydro
1630151	Str Exp - I&M Hydro Hydro
1630152	Str Exp - Racine Hydro
1630153	Contract & Labor Svcs Clearing
1630154	Stores Exp - South Texas Proj
1630999	Cash Discount Allocation Only
1641001	Gas Storage - Underground
1641002	Gas Storage - Pipeline
1641003	Working Gas Inventory MTM
1641004	Coal Inventory in Transit - UK
1650001	Prepaid Insurance
165000203	Prepaid Taxes
165000204	Prepaid Taxes
165000205	Prepaid Taxes
1650003	Prepaid Rents
1650004	Prepaid Interest
1650005	Prepaid Employee Benefits
1650006	Other Prepayments
1650007	Corporate Owned Life Insurance
1650009	Prepaid Carry Cost-Factored AR
1650010	Prepaid Pension Benefits
1650012	Prepaid Sales/Use Taxes
165001204	Prepaid Sales/Use Taxes
165001205	Prepaid Sales/Use Taxes
1650013	Gavin JMG ST Prepaid Exp - Aff
1710000	Interest&Dividends Receivable
1710002	Int & Div Receivable - Affil
1710003	Interest Under Recovery
1710004	Int & Div Rec Tax Adv Invest
1710005	Int & Div Rec Tax Exempt Inv
1720000	Rents Receivable
1730000	Accrued Utility Revenues
1730002	Acrd Utility Rev-Factored-Assc
1730003	Acrd Utility Rev-West
1730004	Accrd Revenue - ERCOT TCOS
1730005	Accrued Util. Rev. - SECA
1730006	Unbilled LCRA Revenue
1740000	Misc Current & Accrued Assets
174001103	Non-Highway Fuel Tax Credit
174001104	Non-Highway Fuel Tax Credit
174001105	Non-Highway Fuel Tax Credit
1740012	Pension Plan
1740013	Liability Accts Debit Balance
1740019	Trans/Exchange Gas Imbalance
1740020	Advance Royalties - Current
1740027	Unreal Gn Fwd Comitmnt-Coal ST
1740028	Unreal Gn Fwd Comitmnt- Pwr ST
1740029	Unreal Gn Fwd Comitmnt-Wthr ST
1740030	Work Gas Inventory MTM

Chart of Accounts

Account	Account Description
1740034	MGG Phys. Gas Imbalance Asset
1750001	Curr. Unreal Gains - NonAffil
1750002	Long-Term Unreal Gns - Non Aff
1750003	Curr. Unrealized Gains Affil
1750004	Long-Term Unreal Gains - Affil
1750005	Curr Assets - Deferred Futures
1750006	Firm Transmission Rights
1750008	LT Deferred Future Asset
1750009	S/T Option Premium Purchases
1750010	LT Option Premium Purchases
1760001	Curr Unreal Gns - Hedge NonAff
1760002	LT Unreal Gains - Hedge NonAff
1760003	Curr. Unreal Gains - Aff Hedge
1760004	LT Unreal Gains - Affil Hedge
1760010	S/T Asset for Commodity Hedges
1760011	L/T Asset for Commodity Hedges
1760015	Deriv-Hdg-Unreal Gn-CF-Int-L/T
1760017	Deriv-Hdg-Unreal Gn-FV-Int-L/T
1760515	Deriv-Hdg-Unreal Gn-CF-Int-Cur
1760517	Deriv-Hdg-Unreal Gn-FV-Int-Cur
1810001	Unamort Debt Exp - FMB
1810002	Unamort Debt Exp - Inst Pur Cn
1810003	Unamort Debt Exp Notes Payable
1810004	Unamort Debt Exp - Debentures
1810006	Unamort Debt Exp - Sr Unsec Nt
1810103	Unam Debt Exp Notes Pay - Affl
1823000	Other Regulatory Assets
1823007	SFAS 112 Postemployment Benef
1823009	DSM Incentives
1823010	DSM Recovery
1823011	DSM Lost Revenues
1823012	DSM Program Costs
1823021	Cook Refi Outage Levelization
1823022	HRJ 765kV Post Service AFUDC
1823023	VEBA Trust Contributions
1823024	SNF Pre-4/83
1823034	Dumont UHV Test Facility
1823049	SFAS 106 Post Retirement Benef
1823050	Uranium Decommissioning
1823051	Loss Rec Dbt-Rkpt Sale/Lsbk
1823054	HRJ 765kV Depreciation Expense
1823055	Unrized Gain/Loss-SNF Trust Fn
1823060	Net Economic Benefit
1823063	Unrecovered Fuel Cost
182306398	Unrecovered Fuel Cost
182306399	Unrecovered Fuel Cost
1823075	Def Exp Selling Price Varlance
1823077	Unreal Loss on Fwd Commitments
1823078	Deferred Storm Expense
1823079	Def 1999 Cook O&M Restart Exp

Chart of Accounts

Account	Account Description
1823080	Deregulation Consumer Educat
1823081	Deregulation Transition Filing
1823082	Deregulation Implementation
1823083	Transition Regulatory Assets
1823084	WV ENEC Over Recovery
1823085	REG ASSET-SECURITZTN(PUCT SB7)
1823086	SECURITIZED COST TO ACHIEVE
1823087	SECURITIZATN-LEGAL,CONSULT,ETC
1823088	REG ASSET - EXCESS EARNINGS
1823089	RAIL SETTLEMENT-PENDNG RECOVRY
1823090	Amortization-Uranium Decommis
1823091	AMAX COAL CONTRACT BUYOUT
1823092	MIRROR CWIP - FERC
1823093	Carrying Charges-Def OH Dereg
1823094	Dolet Hills Deferred Fuel
1823095	Wholesale Deferred Fuel - TR1
1823096	Wholesale Deferred Fuel - WPC
1823097	Debt Refinancing - Restructur
1823098	Loss on Reaq Dbt due to Restru
1823099	Asset Retirement Obligations
1823100	Extension of Local Facilitles
1823101	Capacity Auction True-Up
1823103	Unrlzd Loss on Fwd Commit -Aff
1823104	AR Transition Costs 01-042-U
1823105	Deferred Merger Cost - AEP/CSW
1823106	Plant Impalrments - Severance
1823107	REG ASSET-OCI-MIN PENSION LIAB
1823108	Reg Asset - Rate Case Expenses
1823109	Recoverable Bond Defeas Cost
1823110	Swepco Texas Fuel Rec Litigati
1823111	Defer Enviro Compliance Costs
1823112	Carry Chg Environ Capital Cost
1823113	Carry Chg Non-Cap Enviro Costs
1823114	Deferred PJM Fees
1823115	Deferred Equity Carrying Chgs
1823116	Dfd Dst Related Vegetation Mgt
1823117	Carrying Charges-Def PJM Fees
1823118	BridgeCo TO Funding
1823119	PJM Integration Payments
1823120	Other PJM Integration
1823121	Carry Chgs-RTO Startup Costs
1823122	Alliance RTO Deferred Expense
1823123	Deferred Debt Carrying Charges
1823124	CarryngChgs Capitalized-Equity
1823125	Carrying Chgs Capitalized-Debt
1823126	Def Equity CC OH RSP Filing Cst
1823127	CC Def OH RSP Filing Cost
1823128	Dfd Accr Dist Rel Veget Mgt
1823135	Capital Environmntl Equity Cst
1823136	Ohio Line Exten - Equity Chgs

Chart of Accounts

Account	Account Description
1823301	SFAS 109 Flow Thru Defd FIT
1823302	SFAS 109 Flow Thru Defrd SIT
1823401	SFAS 109 Excess Deferred FIT
1830000	Prelimin Surv&Investgtn Chrgs
1840001	Bldg Servcs Oper Exp-Clearing
1840002	Accounts Pay Adj - Clearing
1840003	Procurement Card - Clearing
1840004	Undistributed Payroll-Clearing
1840006	Telephone Expense - Clearing
1840007	Transfer of Funds - Clearing
1840019	CMS & CMF - Clearing Activity
1840020	Amos Simulator-Clearing
1840022	Putnam Coal Terminal - Clrng
1840023	Factored Cust Accts Rec-Affil
1840025	Avlation - Clearing
1840026	Oth Accts Rec - Cash Clearing
1840027	Oth Accts Rec - A/R Clearing
1840028	Non T/L Payroll-Clearing
1840029	Transp-Assigned Vehicles
1840030	Transportation-Other
1840031	Affil Transactions-Cash Clrng
1840032	Machine Shop - Non Affiliated
1840033	Alliance Rail Car - OH
1840034	CMS - Job Loaded Overheads
1840040	Undist Labor Fringe Benfit Cir
1840041	Undist Incentive Frg Ben Cir
1840043	Treasury Clearing
1840046	PeopleSoft Treasury Wire Paymt
1840047	Penslon Benefit Clearing
1840049	Simulator Learning Cntr - NAff
1840050	AEP CREDIT Cir Acct - Sale A/R
1840051	Allowances - Clearing
1840052	System Sales Agent Clearing
1840053	STP Clearing Account
1840054	Insurance Clearing
1840055	TCOS Matrix - A/R Clearing
1840056	Stores Energy Delivery Clearng
1850000	Temporary Facilities
1860000	MDD-Internal Billing Only
1860001	Allowances
1860002	Deferred Expenses
186000302	Deferred Property Taxes
186000303	Deferred Property Taxes
186000304	Deferred Property Taxes
186000305	Deferred Property Taxes
186000499	Billings - B Projects
1860005	Unidentified Cash Receipts
1860006	Constructive Marketing Program
1860007	Billings and Deferred Projects
1860011	Automotive Equipment



Chart of Accounts

Account	Account Description
1860016	Supplemental Pension Agree
1860033	Cook Coal Terminal-Oper Exp
1860042	Exp Issue/Reaq Bonds & Stk
1860043	Deferred Railcar Maintenance
1860046	Railroad Cars Subleased
1860056	Capital Stock Expense
1860060	Stock Diff-CSP Acquisition
1860063	Muskingum Fuel Trans Costs
1860064	Real Estate Subsidence
1860071	Ovhd Rate Over/Under Applied
1860072	Deferred Coal Transactions
1860075	SCBS Unbilled Revenues
1860076	Deferred Merger Relocation Exp
1860077	Agency Fees - Factored A/R
186008103	Defd Property Tax - Cap Leases
186008104	Defd Property Tax - Cap Leases
186008105	Defd Property Tax - Cap Leases
1860082	Deferred Recruiting Expenses
1860084	Consolidation Reconciliation
1860085	BridgeCo TO Funding
1860086	Advanced Royalties
1860087	Estimated Barging Bills
1860088	Defd Nuclear Fuel Related Exp
1860089	Reclamation Advance
1860090	Reclamation Adv - Unamort Disc
1860091	BridgeCo RTO Deferred Exp
1860092	Compatible Unit/Wrk 2k Sys Clr
1860093	Time & Labor Undr Reportd Time
1860094	Labor Accruals - Bal Sheet
1860096	PJM Payments
1860097	Decommisioning Work In Process
1860103	P/R Ded - Merchandise Loans
1860104	P/R Ded - Parking Rent
1860105	STP Misc. Deferred Debit
1860107	DSM OVER/UNDERRECOVERY
1860108	RER OVER/UNDERRECOVERY
1860109	DEFERRED ADB MAJOR CONST PROJ
1860110	AEP Branding
1860111	Black Lung Reimbursement
1860114	ABD Major Construction Work
1860116	PJM Integration
1860117	Billings - IPP Projects
1860118	MDD - Advance Coal Payments
1860119	Carrying Chgs - Defd RTO Costs
1860120	CCPC Coal Washing Costs
1860125	SLA Over Under Applied GS
1860126	SLA Over Under Applied HR
1860127	SLA Over Under Applied IT
1860128	SLA Over Under Applied SC
1860129	SLA Over Under Applied TC

Account	Account Description
1860130	SLA Over Under Applied OC
1860131	Reclamation Reserve - Affil
1860132	Gavin JMC LT Prepaid Exp
1860133	Defd Cook Coal Term Lease Exp
1860135	Def Exp Selling Price Variance
1860136	NonTradition Option Premiums
1860137	Dow Transmission Upgrade
1860138	MDD-Railcar Lease Exp
1860139	VA Sales/Use Tax Surcharge
1860140	New IGCC Generation Plant-East
1860141	New Generation Plant-West
1860142	Business Recovery - Capital
1860143	Business Recovery - Expense
1860144	Intangible Asset - Penslons
1860145	Prepaid Pension Expense
1860146	Transition Services HPL/ETP
1860147	New Generation Plant - East
1860148	New Service Territory
1860999	Validation Error Correction
1869999	Assets of Discontinued Ops
1880000	R&D Expenses
1890001	Loss Recqd Debt - FMB
1890002	Loss Rec Debt-Ins Purch Cont
1890003	Loss Rec Debt-Notes Payable
1890004	Loss Rec Debt-Debentures
1890006	Loss Rec Debt-Sen Unsec Notes
1890010	Loss Recqd Debt-PS Sub Man Red
1900005	ADIT Federal - SFAS 133 Affil
1900006	ADIT Federal - SFAS 133 Nonaff
1900007	ADIT FEDERAL-SFAS 115
1900009	ADIT Federal - Pension OCI Naf
1900015	ADIT-Fed-Hdg-CF-Int Rate
1900016	ADIT-Fed-Hdg-CF-For Exchg
1901001	Accum Deferred FIT - Other
1901002	Accum Deferred SIT - Other
1902001	Accum Defd FIT - Oth Inc & Ded
1902002	Accum Defd SIT - Oth Inc & Ded
1902004	Accum Defd FIT - Oth Inc & Ded
1902005	ADIT Other - SFAS 52
1903001	Acc Dfd FIT - FAS109 Flow Thru
1903002	Acc Dfd SIT FAS 109 Flow Thru
1904001	Accum Dfd FIT - FAS 109 Excess
2010001	Common Stock Issued-Affiliated
2010002	Common Stck Issd-Nonaffiliated
2040002	PS Not Subj to Mandatory Redem
2040003	Prfrd Stock Due Within 1 Year
2040004	Trust Preferred Securities
2040005	PS Issued - Assoc Companies
2070001	Premium on Common Stock
2070003	Prem on Pfd Stk n/s/t Mand Red

Chart of Accounts

Account	Account Description
2080000	Donations Recvd from Stckhldrs
2090000	Rdctn Par/Std Value-Cap Stock
2100000	Gain Rslc/Cancl Req Cap Stock
2100001	Loss Req Stock-Trans Reg Asset
2100002	Gain Reacqd Pref Stock-Curr Yr
2100003	Gain Reacqd Pref Stock-Beg Bal
2110000	Miscellaneous Paid-In Capital
2110003	Partner's Capital - Affiliated
2110004	Partner's Capital - Non Affli
2110005	Member's Capital - Affiliated
2110009	MPIC - restricted stock units
2110011	Def. Comp. - Restricted Stock
2140000	Capital Stock Expense
2150000	Appropriated Retained Earnings
2151000	Appr Retnd Erngs-Amrt Rsv,Fed
2160001	Unapprp Retnd Erngs-Unrstrctd
2160002	Unapprp Retnd Erngs-Restrctd
2161001	Unap Undlst Consol Sub Erng
2161002	Unap Undlst Nonconsol Sub Erng
2161003	Retained Erngs Interco Gain
2170000	Reacquired Capital Stock
2190001	OCI - FAS 133
2190002	OCI - FAS 133 - Affli
2190003	OCI - Foreign Currency Adjust
2190004	OCI - Minimum Pension Liab
2190005	OCI - FAS 115
2190010	OCI for Commodity Hedges
2190015	Accum OCI-Hdg-CF-Int Rate
2190016	Accum OCI-Hdg-CF-For Exchg
2210001	First Mortgage Bonds
2210004	Debentures
2210501	FMB - Current Portion
2210504	Debentures - Current Portion
2220001	IPCs - Reaquired
2230000	Advances from Associated Co
2230500	Advances from Assoc Co-Current
2230999	Buckeye Advances to Cardinal
2240002	Installment Purchase Contracts
2240003	Notes
2240005	Other Long Term Debt - Other
2240006	Senior Unsecured Notes
2240007	MTM of LTD - FAS133 FV Hedge
2240008	Mortgage Note Payable Hancock
2240009	N/P - Westdeutsche Landesbank
2240010	PS-Subject to Mand Redemption
2240019	N/P WestLB - Unit #4
2240040	Capital 1 Trust - 8% Debenturs
2240046	Debntnr Trust Pref Secrty Insts
2240103	Notes Payable - Affiliated
2240105	Other LT Debt - Affiliated

Chart of Accounts

Account	Account Description
2240502	Instl Purchase Contracts-Curr
2240503	Notes - Current Portion
2240505	Oth LTD - Other - Current
2240506	Senior Unsecured Notes-Current
2240507	MTM FAS133 FV Hedge - Current
2240510	PS-Subj to Mand Redem-Curr
2240519	N/P WestLB - Unit #4 - Current
2240603	Notes - Affiliated - Current
2240605	Other LTD-Affiliated-Current
2250002	Unamr Prem LT Debt-In Pur Con
2250003	Unamr Prem LTD-Note Pay
2250006	Unamr Prem LTD-Sen Unsec Notes
2250103	Unamr Prem LTD-Notes Pay-Aff
2260001	Unam Disc LTD-Debt-FMB
2260002	Unam Disc LTD-Dr-Inst Pur Cont
2260003	Unam Disc LTD-Dr-Note Pay
2260004	Unam Disc LTD-Dr-Debentures
2260006	Unam Disc LTD-Dr-Sr Unsec Note
2260103	Unam Disc LTD-Dr-Notes Pay-Aff
2270001	Obligatns Undr Cap Lse-Noncurr
2270002	Obl Undr Cap Lse-Noncurr-Affil
2281001	RES FOR CATASTROPHE
2282003	Accm Prv I/D - Worker's Com
2282009	Accm Prv I/D - Jones Act
2282010	Accm Prv I/D - LSHW Act
2283000	Accm Prv for Pensions&Benefits
2283001	Deferred Compensation Plan
2283002	Supplemental Savings Plan
2283003	SFAS 106 Post Retirement Benef
2283004	SFAS 106 - APCo Jurisdictions
2283005	SFAS 112 Postemployment Benef
2283006	SFAS 87 - Pensions
2283007	Perf Share Incentive Plan
2283008	Incentive Plan Adj - Long Term
2283010	UMWA Comb Trust Fut Liab
2283012	Incntv Comp Adj - Defd Awards
2283013	Incentive Comp Deferral Plan
2283014	MICP and SOIP Deferred Awards
2284000	Acc Misc Oper Provisions
2284003	Nuclear Decomm Trust Prov
2284005	Nuclear Decomm - ARO Contra
2284009	Acc Misc Op Prv-Uran Dec As
2284010	Prov-Unreal Gain/Loss-Decom
2284013	Reclamation Reserve
2284015	Perpetual Water Treatment
2284017	Reclamation Res - Preexisting
2284018	SFAS87-Pensions-Sold Coal Cos
2284019	Severance Costs-Sold Coal Cos
2284020	Subsidence Costs - Socco
2284021	Reclamation Res - ARO portion

Chart of Accounts

Account	Account Description
2290002	Acc Prv Rate Refnds-Nonassoc
2290003	Acc Prov For Rate Refund- Fuel
2290004	Accum Prov Qual of Svc Pen- TX
2300001	Asset Retirement Obligations
2310001	Notes
2310002	Commercial Paper
2310003	Mortgage Note Payable Hancock
2310004	N/P - Westdeutsche Landesbank
2310005	Short Term Debt - Affiliated
2320001	Accounts Payable - Regular
2320002	Unvouchered Invoices
2320003	Retention
2320006	Allowance Settlements
2320008	Regular - Refunds
2320011	Uninvoiced Fuel
2320015	Buckeye Delivery Charge
2320019	CG&E - Beckjord Constr
2320020	Unvouchered-Stuart Const CCD
2320021	CG&E-Zimmer Constr
2320023	Inv Not Vouch-M&S-Dayton
2320025	Inv Not Vouch - CCD - O&M
2320034	CCD-A/C Pay Dayton Transmn
2320040	CCD Accts Pay-Cin Trns
2320045	Accts Payable - Bookouts
2320046	Gas Purchases
2320047	Gas Purchases - Transportation
2320049	Elect Trading-Options & Swaps
2320050	Coal Trading
2320052	Accts Payable - Bookouts - MLR
2320053	Elect Trad-Options&Swaps-MLR
2320054	SO2 Allowance Trading - MLR
2320055	ESP Receivables Purchased
2320056	Gas Physicals
2320057	Gas Option Premiums
2320058	Gas Swaps
2320059	Gas Transportation
2320060	Gas Write Offs
2320061	Liquids
2320062	Broker Fees Payable
2320063	STP Accounts Payable
2320064	A/P-Gas Trading-Canadian
2320065	AEP CREDIT Payable to Banks
2320066	A/P - OPEN ACCESS TRANS EXP
2320067	A/P - ERCOT TCOS NON-ASSOCIATED
2320068	A/P - ERCOT TCOS WEATHERFORD
2320069	Producer Payments
2320071	Gas Accruals GDA Trans-Payable
2320072	Accounts Payable Fuel Oil
2320073	AP Power
2320074	A/P - FTL - SWITCH Rentals

Chart of Accounts

Account	Account Description
2320075	Unvouch - Dolet Hillis - Cleco
2320076	Corporate Credit Card Liab
2320077	INDUS Unvouchered Liabilties
2320078	CLECO - Dolet Plant CWIP
2320079	Broker Commisn Spark/Merch Gen
2320080	Non PS Accounts Payable
2320081	AP Accrual NYMEX OTC & Penults
2320082	PJM As Agent Accts.Pay.
2320083	PJM Net AP Accrual
2330000	Corp Borrow Program (NP-Assoc)
2330001	Non Corp Borrow Prg NP-Assoc
2330003	Notes Payable - Sub Note
2330008	Money Pool & Loans Reconcll
2330999	Unbundling Adjustment
2340001	A/P Assoc Co - InterUnit G/L
2340002	Accnts Pay-Assoc-Unvouchrd
2340005	A/P Assoc Co - Allowances
2340006	A/P Assc Co-Pending Direct Pay
2340011	A/P-Assc Co-AEPSC-Agent
2340013	Uninvoiced Fuel - Associated
2340014	A/P - Assoc Co - Regular
2340015	A/P-Assc Co-AEPSC-Trans Agmnt
2340025	A/P Assoc Co - CM Bills
2340027	A/P Assoc Co - Intercompany
2340028	Factored-A/R Chg off Limit Fee
2340029	A/P Assoc Co - AEPSC Bills
2340030	A/P Assoc Co - InterUnit A/P
2340032	A/P Assoc Co - Multi Pmts
2340033	A/P Assoc Co - Factored A/R
2340034	A/P Assoc Co - System Sales
2340035	Fleet - M4 - A/P
2340036	A/P Assoc Co - Payroll Ded
2340037	A/P Assoc-Global Borrowing Int
2340040	A/P Assc Co-On Behalf Of Trans
2340041	A/P Assc Co - Non-InterUnit GL
2340042	A/P Assoc Co-Gas Trading
2340047	A/P -CSW DISPATCH TRANSACTIONS
2340049	A/P Assoc -Realization Sharing
2340050	Acct Rec - Acct Pay Reconcll
2340051	AP TCC Securitization Revenue
2340101	A/P Assc Co. - Retail Clawback
2349998	A/P Assoc Co - HPL - Trade
2349999	A/P Assoc Co - HPL - Other
2350001	Customer Deposits-Active
2350002	Customer Deposits-Unclaimed
2350003	Deposits - Trading Activity
2360001	Federal Income Tax
236000200	State Income Taxes
236000201	State Income Taxes
236000202	State Income Taxes

Chart of Accounts

Account	Account Description
236000203	State Income Taxes
236000204	State Income Taxes
236000205	State Income Taxes
236000295	State Income Taxes
236000296	State Income Taxes
236000297	State Income Taxes
236000298	State Income Taxes
236000299	State Income Taxes
236000300	Local Income Tax
236000301	Local Income Tax
236000302	Local Income Tax
236000303	Local Income Tax
236000304	Local Income Tax
236000305	Local Income Tax
236000397	Local Income Tax
236000398	Local Income Tax
236000399	Local Income Tax
2360004	FICA
2360005	Federal Unemployment Tax
2360006	State Unemployment Tax
2360007	State Sales and Use Taxes
236000702	State Sales and Use Taxes
236000703	State Sales and Use Taxes
236000704	State Sales and Use Taxes
236000705	State Sales and Use Taxes
236000800	Real & Personal Property Taxes
236000801	Real & Personal Property Taxes
236000802	Real & Personal Property Taxes
236000803	Real & Personal Property Taxes
236000804	Real & Personal Property Taxes
236000805	Real & Personal Property Taxes
236000903	Federal Excise Taxes
236000904	Federal Excise Taxes
236000905	Federal Excise Taxes
236001003	State Excise Taxes
236001004	State Excise Taxes
236001005	State Excise Taxes
236001200	State Franchise Taxes
236001201	State Franchise Taxes
236001202	State Franchise Taxes
236001203	State Franchise Taxes
236001204	State Franchise Taxes
236001205	State Franchise Taxes
236001292	State Franchise Taxes
236001293	State Franchise Taxes
236001295	State Franchise Taxes
236001296	State Franchise Taxes
236001297	State Franchise Taxes
236001298	State Franchise Taxes
236001299	State Franchise Taxes

Chart of Accounts

Account	Account Description
236001300	State Business & Occ Taxes
236001303	State Business & Occ Taxes
236001304	State Business & Occ Taxes
236001305	State Business & Occ Taxes
236001399	State Business & Occ Taxes
236001503	Muni Business & Occpation Tax
236001504	Muni Business & Occpation Tax
236001505	Muni Business & Occpation Tax
236001600	State Gross Recelpts Tax
236001603	State Gross Recelpts Tax
236001604	State Gross Recelpts Tax
236001605	State Gross Recelpts Tax
236001704	Municipal License Fees Accrd
236001705	Municipal License Fees Accrd
236001900	State Single Business Taxes
236001901	State Single Business Taxes
236001902	State Single Business Taxes
236001903	State Single Business Taxes
236001904	State Single Business Taxes
236001905	State Single Business Taxes
236001998	State Single Business Taxes
236001999	State Single Business Taxes
236002003	State Public Service Com Tax
236002004	State Public Service Com Tax
236002005	State Public Service Com Tax
236002100	State Foreign Corporation Tax
236002199	State Foreign Corporation Tax
236002200	State License/Registration Tax
236002201	State License/Registration Tax
236002202	State License/Registration Tax
236002203	State License/Registration Tax
236002204	State License/Registration Tax
236002205	State License/Registration Tax
236002297	State License/Registration Tax
236002298	State License/Registration Tax
236002299	State License/Registration Tax
2360023	Employee Payroll Taxes
236002400	State Franchise Tax-Interco
236002499	State Franchise Tax-Interco
236002501	Local Franchise Tax
236002502	Local Franchise Tax
236002503	Local Franchise Tax
236002504	Local Franchise Tax
236002505	Local Franchise Tax
236002701	State Severance Taxes
236002702	State Severance Taxes
236002703	State Severance Taxes
236002704	State Severance Taxes
236002705	State Severance Taxes
236002801	Federal Black Lung Excise Tax



Chart of Accounts

Account	Account Description
236002900	Misc Foreign Tax Payable
236002901	Misc Foreign Tax Payable
236002902	Misc Foreign Tax Payable
236002998	Misc Foreign Tax Payable
236002999	Misc Foreign Tax Payable
236003000	Misc State and Local Taxes
236003001	Misc State and Local Taxes
236003002	Misc State and Local Taxes
236003003	Misc State and Local Taxes
236003004	Misc State and Local Taxes
236003005	Misc State and Local Taxes
236003099	Misc State and Local Taxes
236003105	Local Sales and Use Taxes
236003301	Real/Pers Prop Tax-Cap Leases
236003302	Real/Pers Prop Tax-Cap Leases
236003303	Pers Prop Tax-Cap Leases
236003304	Pers Prop Tax-Cap Leases
236003305	Pers Prop Tax-Cap Leases
2360035	Real Prop Tax-Cap Leases
236003500	Real Prop Tax-Cap Leases
236003501	Real Prop Tax-Cap Leases
236003502	Real Prop Tax-Cap Leases
236003503	Real Prop Tax-Cap Leases
236003504	Real Prop Tax-Cap Leases
236003505	Real Prop Tax-Cap Leases
2360036	Sys Benefit Fund -TX-Pass Thru
236003601	Sys Benefit Fund -TX-Pass Thru
236003602	Sys Benefit Fund -TX-Pass Thru
2360037	FICA - Incentive accrual
2360038	2005 Reorg Payroll Tax Accrual
2370001	Interest Accrued-FMB
2370002	Interest Accrued-Inst Pur Con
2370003	Interest Accrued-Notes Pay
2370004	Interest Accrued-Debentures
2370005	Interest Accrd-Other LT Debt
2370006	Interest Accrd-Sen Unsec Notes
2370007	Interest Accrd-Customer Depsts
2370008	Interest Accrd-Lines of Credit
2370009	Interest Accrued-Other
2370010	Interest Accrued - Affiliated
2370011	Interest Accrd-Short Term Debt
2370012	Interest Accrued - Hancock
2370013	Accrd Int - Westdeutsche LB
2370014	INTEREST ACCR-1999 PCB 4.875%
2370015	INT OVER RECOVERY #2
2370016	Interest Accrued - COLI
2370017	Interest Accrued - IPP
2370018	Accrued Margln Interest
2370019	Int. Accrued WestLB Unit #4
2370040	Capital 1 Trust - Interest Acc

Chart of Accounts

Account	Account Description
2370202	Interest Accrd - IPC Buybacks
2380001	Dividends Decl - Common Stock
2380002	Dividends Decl-Preferred Stock
2380003	Div Decl - Common Stock-Affil
2410001	Federal Income Tax Withheld
2410002	State Income Tax Withheld
2410003	Local Income Tax Withheld
2410004	State Sales Tax Collected
2410005	FICA Tax Withheld
2410006	School District Tax Withheld
2410007	Utility Service Tax Collected
2410008	Franchise Fee Collected
2410010	Utility Services Adj - Refunds
2410011	Utility Services Pending Adj
2410012	Hypothetical Tax
2410014	State Util Consumption Tax
2410015	Local Util Consumption Tax
2410016	Foreign Social Security Tax
2410017	System Benefit Fund Fee
2420000	Misc Current & Accrued Liab
2420001	P/R Ded - Charitable Contribut
2420002	P/R Ded - Medical Insurance
2420003	P/R Ded - Dental Insurance
2420004	P/R Ded - Long Term Care
2420005	P/R Ded - Parking Rent
2420006	P/R Ded - Fitness Dues
2420007	P/R Ded - Savings Plan
2420009	Depend Care/Flex Medical Spend
2420010	P/R Ded - Dependent Life Ins
2420012	P/R Ded - Hyatt Legal Plan
2420013	P/R Ded - LTD Ins Premiums
2420014	P/R Ded - Savings Bonds
2420015	P/R Ded - Union Dues
2420016	P/R Ded-Crt Ordrr/Grnshmt/TX Lv
2420017	P/R Ded - AD&D and OAD&D Ins
2420018	P/R Ded-Reg&Spec Life Ins Prem
2420020	Vacation Pay - This Year
2420021	Vacation Pay - Next Year
2420022	P/R Ded - PAC
2420026	MICP
2420028	ESP - Employer Contrib Accrued
2420029	P/R Ded - HMO
2420044	P/R Withholdings
2420045	Other Employee Benefits
2420047	P/R Ded-Emp PC/Related Eq
2420048	Company Incentive Plan
2420049	P/R Ded - MetPay Insurance
2420051	Non-Productive Payroll
2420053	Perf Share Incentive Plan
2420054	Incentive Plan Adjustments

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Account	Account Description
2420056	Mine Incentive Plan
2420057	Control Payroll Disburse Acct
2420058	Special Deposits Gas Trading
2420059	MINE CLOSING COSTS - FERC
2420067	Current Liab - Jones Act
2420068	Current Liab - LSHW Act
2420070	P/R Ded - Salvation Army
2420071	P/R Ded - Vision Plan
2420072	P/R - Payroll Adjustment
2420073	P/R Ded - Uniforms
242007403	FERC Administrative Charges
242007404	FERC Administrative Charges
242007405	FERC Administrative Charges
242007503	FERC Government Dam Charges
242007504	FERC Government Dam Charges
242007505	FERC Government Dam Charges
2420076	P/R Savings Plan - Incentive
2420501	Accrued Insurance Premiums
2420502	Injuries And Damages
2420503	Worker's Comp Admin Fee
2420504	Accrued Lease Expense
2420506	Est Financing Cost - Bonds
2420509	Annual Listing Fee - NYSE
2420511	Control Cash Disburse Account
2420512	Unclaimed Funds
2420513	Accrued Railcar Leases
2420514	Revenue Refunds Accrued
2420515	Severance Accrual
2420520	Accr Defer Compensation Ben
2420521	Interchange Power - Loop
2420523	Coal Price Adjustments
2420524	Unbilled Accrued Liabilities
2420525	Uranium Decommiss Assessmt
2420526	Spent Nuc Fuel Disposal Costs
2420527	Interchange Power - Nonassoc
2420529	1st Chic-Sharehold Serv-Agent
2420530	RK2 Owner Trust Land Sublease
2420531	Int/Pow Sup Cst Ov/Undrecy Rv
2420532	Adm Liab-Cur-S/Ins-W/C
242053299	Adm Liab-Cur-S/Ins-W/C
2420536	Est Unpd Cst Reaq-PC Bonds
2420537	Other Post Retirement Benefits
242053803	Federal Admin Fee
242053804	Federal Admin Fee
242053805	Federal Admin Fee
242053903	Federal Headwater Assessment
242053904	Federal Headwater Assessment
242053905	Federal Headwater Assessment
2420542	Acc Cash Franchise Req
2420547	Uninvoiced Purchased Power

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Account	Account Description
2420548	Adv-CCD-Cin & Day-O&M
2420551	Unclaimed Dividends
2420552	Storm Damage
2420554	P/R Ded - Stock Purchase Plan
2420556	Neighbor Helping Neighbor
2420560	Unissued Minor Refunds
2420565	Expatriate Housing Allowance
2420568	Prov Est Loss Obsolete M&S
2420569	Self Ins Workers' Comp-Adm
2420572	Breed Plant Closing
2420578	Pfd Stock Tender & Consent
2420587	Rent - J.E. Dolan Eng. Lab
242059103	Muni B&O Tax - Leased Equ
242059104	Muni B&O Tax - Leased Equ
242059105	Muni B&O Tax - Leased Equ
242059203	Sales & Use Tax - Leased Equ
242059204	Sales & Use Tax - Leased Equ
242059205	Sales & Use Tax - Leased Equ
2420595	Reclamation Reserve - Current
2420596	Other Postemployment Benefits
2420597	Est Financing Costs - Notes
2420598	Est Fin Cost - Sen Unsec Notes
2420599	Expatriate Auto Allowance
2420602	Current Liab - GasTrading
2420604	Energy Services ICP
2420605	AEPC Long Term Incentive Plan
2420607	Incentive Plan Payments
2420609	Dereg Transition Costs - PUCO
2420613	Public Liability Claim Deposit
2420618	Accrued Payroll
2420619	Reclamation Res - Preexisting
2420620	Commercial Ops ICP
2420622	Nuclear Incentive Plan
2420623	Energy Delivery Incentive Plan
2420624	Corp & Shrd Srv Incentive Plan
2420627	Indpndnt Pwr Prd Incntive Plan
2420628	Unreal Ls Fwd Comltmnt-Coal LT
2420629	Unreal Ls Fwd Comltmnt- Pwr LT
2420630	Unreal Ls Fwd Comltmnt-Wthr LT
2420635	Fossil and Hydro Gen ICP
2420640	Zimmer SCR - CInergy Cnst Adv
2420641	Zimmer SCR - DP&L Const Advanc
2420643	Accrued Audit Fees
2420644	Reclamation Liability - Affil
2420645	MGC - Phys. Gas Imbalance Liab
2420646	REP Sale Provision - Centrica
2420647	Mutual Energy LLC - InSite
2420648	REP Sale Provision - ADS
2420649	Reclamation Liability - Curr
2420650	P/R Ded - Health Savings Acct

Chart of Accounts

Account	Account Description
2420651	2005 Reorg Severance Accrual
2420652	2005 Reorg Payroll Tax Accrual
2420653	2005 Reorg Misc HR Exp Accrual
2420700	Quality of Service TX
2430001	Oblig Under Cap Leases - Curr
2440001	Curr. Unreal Losses - NonAffil
2440002	LT Unreal Losses - Non Affil
2440003	Curr. Unreal Losses - Affil
2440004	LT Unreal Losses - Affil
2440005	Current Credit Reserve
2440006	Long-Term Credit Reserve
2440007	Curr. Liab. - Deferred Futures
2440008	LT Deferred Future Liability
2440009	S/T Option Premium Receipts
2440010	L/T Option Premium Receipts
2440011	Trading/Optimization Reconcil
2450001	Curr. Unreal Losses - Hedge
2450002	LT Unreal Losses - Hedge
2450003	Curr Unreal Losses - Aff Hedge
2450004	LT Unreal Losses - Affil Hedge
2450010	S/T Liability-Commodity Hedges
2450011	L/T Liability-Commodity Hedges
2450015	Deriv-Hdg-Unreal Ls-CF-Int-L/T
2450017	Deriv-Hdg-Unreal Ls-FV-Int-L/T
2450515	Deriv-Hdg-Unreal Ls-CF-Int-Cur
2450517	Deriv-Hdg-Unreal Ls-FV-Int-Cur
2520000	Customer Adv for Construction
2530000	Other Deferred Credits
2530001	Deferred Revenues
2530004	Allowances
2530005	Def Gain - Sale of Rockport U2
2530007	Energy Services Contingencies
2530008	Property Held in Trust
2530009	MI Gas & Elec Common Stk
2530011	Deferred AEPSC Billings
2530012	Unclalm Chks - Ret to Gen Fd
2530013	Chks Not Used-Ret to Gen Fd
2530015	Expense - Sale Of Real Prop
2530016	Security Deposit
2530020	Rents Billed In Advance
2530021	Unidentified Cash Receipts
2530029	Tran Rev-Coal Reimb In Kind
2530032	Adv Mineral Royal-Ashland Coal
2530038	Discount On Loan
2530044	Neigh Help Neig-Cust Donatons
2530045	Other Post Retirement Benefits
2530050	T.V. Pole Attachments
2530051	Kammer Barge Unloader-Interest
2530052	Options Granted
2530056	Deferred Gain Sale/Leasebacks

Chart of Accounts

Account	Account Description
2530059	Minority Interest
2530060	Deferred Revenues-Affiliated
2530062	Gain on Sale/Leaseback Bldgs
2530064	Deferred Royalties
2530067	IPP - System Upgrade Credits
2530071	CCD Post Ret Ben-Zimm O&M
2530073	CCD Post Ret Ben-CG&E O&M
2530074	CCD Post Ret Ben-DP&L O&M
2530075	CCD Post Ret Ben-DP&L CWIP
2530076	SOP 98-5 Liability
2530077	WT2 Lease
2530078	AEP CREDIT Def Rev - A/R Sales
2530079	CCD - Def Pension OH - Cinergy
2530080	CCD - Def Pension OH Cr - DP&L
2530081	DEFERRED INTEREST O/U RECOVERY
2530082	Carrying Charges-Def OH Dereg
2530085	Unreal Ls Fwd Comitmnt-Coal ST
2530086	Unreal Ls Fwd Comitmnt- Pwr ST
2530087	Unreal Ls Fwd Comitmnt-Wthr ST
2530088	CSI Insurance Premiums
2530089	ABD - Deferrd Revenues
2530090	Deferred Agency Fees - Affil
2530092	Defd Gain - Fiber Optic Leases
2530093	Def Carry Chg - Defd RTO Costs
2530095	Deferred Texas Cap Auction
2530097	DSM RER O/U Recovery
2530099	Est 1 Mo O&M Beckjord/Zimmer
2530100	Est 1 Mo O&M For Stuart
2530101	MACSS Unidentified EDI Cash
2530102	Def Equity CC Cap Enviro Costs
2530103	Df Equity CC NonCap Enviro Cst
2530104	Railroad Cars Subleased-Rev
2530105	Deferred Gain - Sale of HPL
2530135	Def Rev Selling Price Variance
2539999	Liabilities of Discontinued Op
2540000	Other Regulatory Liabilities
2540001	Allowances
2540004	Quality Of Service Enhance
254001101	Over Recovered Fuel Cost
254001103	Over Recovered Fuel Cost
254001104	Over Recovered Fuel Cost
254001105	Over Recovered Fuel Cost
254001197	Over Recovered Fuel Cost
254001198	Over Recovered Fuel Cost
254001199	Over Recovered Fuel Cost
2540021	Deferred Phase-In Revenues
2540047	Unreal Gain on Fwd Commitments
2540048	WV Rate Stabilization Deferral
2540049	WV ENEC Over Recovery
2540050	Def Rev Selling Price Variance

Account	Account Description
2540051	REG LIABILITY - MITIGATION
2540052	EXCESS EARNINGS
2540053	Wholesale Deferred Fuel - TR1
2540054	Wholesale Deferred Fuel - WPC
2540055	Excess Earnings Int Amort
2540056	SFAS 143 ARO-Excess Provision
2540057	Unrldz Gain on Fwd Commit -Aff
2540058	Dolet Hills Mining Buy-Out
254005902	DSM Accrual
254005903	DSM Accrual
254005904	DSM Accrual
2540060	SNF Pre-4/83-Unreal Gain/Loss
2540061	SNF Pre-4/83 - Real Gain/Loss
2540062	SNF Pre-4/83 - DOE Liability
2540063	SNF Pre-4/83 - Contributions
2540064	Cost of Removal Reserve
2540070	OH RSP-Low Inc Cust/Econ Recov
2540083	Transition Regulatory Liab.
2540101	Retail Clawback
2540200	OH DSIT-OH Franch Tax PhaseOut
2543001	SFAS 109 Flow Thru Defd FIT
2543002	FAS 109 Flow Thru Deferred SIT
2544001	SFAS 109 Exces Deferred FIT
2550001	Accum Deferred ITC - Federal
2570001	Unamort Gn Reacq Debt - FMB
2570002	Unamort Gn Reacq Debt-Inst PC
2570003	Unamort Gn Reacq Debt - Notes
2570004	Unamort Gn Reacq Debt-Debentur
2570005	Unamort Gn Reacq Debt - Other
2570006	Unam Gn Rcq Debt-Sn Unsec Note
2811001	Acc Dfd FIT - Accel Amort Prop
2813001	Acc Dfd FIT FAS 109 Flow Thru
2814001	Acc Dfd FIT - FAS 109 Excess
2821001	Accum Defd FIT - Utility Prop
2821002	Acc Dfd SIT - Utility Property
2822001	Accum Defd FIT - Other Prop
2822002	Acc Dfd SIT - Other Property
2823001	Acc Dfrd FIT FAS 109 Flow Thru
2823002	Acc Dfrd SIT FAS 109 Flow Thru
2824001	Acc Dfrd FIT - SFAS 109 Excess
2830005	ADIT Federal - SFAS 133 Affil
2830006	ADIT Federal - SFAS 133 Nonaff
2830015	ADIT-Fed-Hdg-CF-Int Rate
2830016	ADIT-Fed-Hdg-CF-For Exchg
2831001	Accum Deferred FIT - Other
2831002	Accum Deferred SIT - Other
2832001	Accum Dfrd FIT - Oth Inc & Ded
2832002	Acc Dfd SIT - Other Inc & Ded
2832004	Acc Dfrd FIT - Other Inc & Ded
2833001	Acc Dfd FIT FAS 109 Flow Thru

Chart of Accounts

Account	Account Description
2833002	Acc Dfrd SIT FAS 109 Flow Thru
2834001	Acc Defd FIT - SFAS 109 Excess
4010001	Operation Exp - Nonassociated
4010002	Operation Exp - Associated
4010003	Oper Exp - OPCo Affil Coal Cos
4020000	Maintenance Expense
4030001	Depreciation Exp
4030005	Depr Exp - Capital Lease Prod
4030006	STP Nuclear Decommissioning
4030007	STP Nuclear Decom Offset
4031001	Depr - Asset Retirement Oblig
4031002	Depr Exp - Removal Cost
4040001	Amort. of Plant
4050000	Amortization of Other Plant
4050001	Amort of Oth Plant
4060001	Amort of Plt Acq Adj
4073000	Regulatory Debits
4074000	Regulatory Credits
4074001	Regulatory Credits - ARO
408100000	Taxes Other Than Inc Tax, UOI
408100001	Taxes Other Than Inc Tax, UOI
408100002	Taxes Other Than Inc Tax, UOI
408100003	Taxes Other Than Inc Tax, UOI
408100004	Taxes Other Than Inc Tax, UOI
408100005	Taxes Other Than Inc Tax, UOI
4081002	FICA
4081003	Federal Unemployment Tax
408100500	Real & Personal Property Taxes
408100501	Real & Personal Property Taxes
408100502	Real & Personal Property Taxes
408100503	Real & Personal Property Taxes
408100504	Real & Personal Property Taxes
408100505	Real & Personal Property Taxes
408100598	Real & Personal Property Taxes
408100599	Real & Personal Property Taxes
408100601	State Gross Receipts Tax
408100602	State Gross Receipts Tax
408100603	State Gross Receipts Tax
408100604	State Gross Receipts Tax
408100605	State Gross Receipts Tax
408100699	State Gross Receipts Tax
4081007	State Unemployment Tax
408100800	State Franchise Taxes
408100801	State Franchise Taxes
408100802	State Franchise Taxes
408100803	State Franchise Taxes
408100804	State Franchise Taxes
408100805	State Franchise Taxes
408100898	State Franchise Taxes
408100899	State Franchise Taxes



Chart of Accounts

Account	Account Description
408100901	State Single Business Taxes
408100902	State Single Business Taxes
408100903	State Single Business Taxes
408100904	State Single Business Taxes
408100905	State Single Business Taxes
408101000	State Excise Taxes
408101002	State Excise Taxes
408101003	State Excise Taxes
408101004	State Excise Taxes
408101005	State Excise Taxes
408101401	Federal Excise Taxes
408101402	Federal Excise Tax
408101403	Federal Excise Taxes
408101404	Federal Excise Taxes
408101405	Federal Excise Taxes
408101499	Federal Excise Taxes
408101605	Misc State and Local Taxes
408101700	St Lic/Rgstrtion Tax/Fees
408101701	St Lic/Rgstrtion Tax/Fees
408101702	St Lic/Rgstrtion Tax/Fees
408101703	St Lic/Rgstrtion Tax/Fees
408101704	St Lic/Rgstrtion Tax/Fees
408101705	St Lic/Rgstrtion Tax/Fees
408101801	St Publ Serv Comm Tax/Fees
408101802	St Publ Serv Comm Tax/Fees
408101803	St Publ Serv Comm Tax/Fees
408101804	St Publ Serv Comm Tax/Fees
408101805	St Publ Serv Comm Tax/Fees
408101900	State Sales and Use Taxes
408101901	State Sales and Use Taxes
408101902	State Sales and Use Taxes
408101903	State Sales and Use Taxes
408101904	State Sales and Use Taxes
408101905	State Sales and Use Taxes
408101997	State Sales and Use Taxes
408101998	State Sales and Use Taxes
408101999	State Sales and Use Taxes
408102000	State Business & Occ Taxes
408102001	State Business & Occ Taxes
408102002	State Business & Occ Taxes
408102003	State Business & Occ Taxes
408102004	State Business & Occ Taxes
408102005	State Business & Occ Taxes
408102099	State Business & Occ Taxes
408102101	Muni Business & Occpation Tax
408102102	Muni Business & Occpation Tax
408102103	Muni Business & Occpation Tax
408102104	Muni Business & Occpation Tax
408102105	Muni Business & Occpation Tax
408102204	Municipal License Fees

Chart of Accounts

Account	Account Description
408102205	Municipal License Fees
408102301	Local Privilege/Franchise Tax
408102302	Local Privilege/Franchise Tax
408102303	Local Privilege/Franchise Tax
408102304	Local Privilege/Franchise Tax
408102305	Local Privilege/Franchise Tax
408102601	State Severance Taxes
408102602	State Severance Taxes
408102603	State Severance Taxes
408102604	State Severance Taxes
408102605	State Severance Taxes
408102701	Misc State and Local Taxes
408102702	Misc State and Local Taxes
408102703	Misc State and Local Taxes
408102704	Misc State and Local Taxes
408102705	Misc State and Local Taxes
408102801	State Sales/Use Tax-Cap Leases
408102802	State Sales/Use Tax-Cap Leases
408102803	State Sales/Use Tax-Cap Leases
408102804	State Sales/Use Tax-Cap Leases
408102805	State Sales/Use Tax-Cap Leases
408102900	Real/Pers Prop Tax-Cap Leases
408102901	Real/Pers Prop Tax-Cap Leases
408102902	Real/Pers Prop Tax-Cap Leases
408102903	Pers Prop Tax-Cap Leases
408102904	Real/Pers Prop Tax-Cap Leases
408102905	Real/Pers Prop Tax-Cap Leases
408103001	Muni B&O Tax - Cap Leases
408103002	Muni B&O Tax - Cap Leases
408103003	Muni B&O Tax - Cap Leases
408103004	Muni B&O Tax - Cap Leases
408103005	Muni B&O Tax - Cap Leases
4081031	STP Taxes Other Than Income
4081032	SYSTEM BENEFIT FUND - TEXAS
4081033	Fringe Benefit Loading - FICA
4081034	Fringe Benefit Loading - FUT
4081035	Fringe Benefit Loading - SUT
4081036	Real Prop Tax-Cap Leases
408103601	Real Prop Tax-Cap Leases
408103602	Real Prop Tax-Cap Leases
408103603	Real Prop Tax-Cap Leases
408103604	Real Prop Tax-Cap Leases
408103605	Real Prop Tax-Cap Leases
4081037	State Bus & Occ Taxes - kWh
408103704	State Bus & Occ Taxes - kWh
408103705	State Bus & Occ Taxes - kWh
4081038	Payroll Tax
408200000	Tax Oth Th Inc Taxes, OI&D
408200002	Tax Oth Th Inc Taxes, OI&D
408200004	Tax Oth Th Inc Taxes, OI&D

Account	Account Description
408200005	Tax Oth Th Inc Taxes, OI&D
4082002	FICA
4082003	Federal Unemployment Tax
408200403	Federal Excise Tax
408200404	Federal Excise Tax
408200405	Federal Excise Tax
408200500	Real & Personal Property Taxes
408200501	Real & Personal Property Taxes
408200502	Real & Personal Property Taxes
408200503	Real & Personal Property Taxes
408200504	Real & Personal Property Taxes
408200505	Real & Personal Property Taxes
408200599	Real & Personal Property Taxes
4082007	State Unemployment Tax
408200800	State Franchise Taxes
408200801	State Franchise Taxes
408200802	State Franchise Taxes
408200803	State Franchise Taxes
408200804	State Franchise Taxes
408200805	State Franchise Taxes
408200895	State Franchise Taxes
408200896	State Franchise Taxes
408200898	State Franchise Taxes
408201102	State Single Business Taxes
408201103	State Single Business Taxes
408201104	State Single Business Taxes
408201105	State Single Business Taxes
408201202	State Gross Income Tax
408201203	State Gross Income Tax
408201204	State Gross Income Tax
408201205	State Gross Income Tax
408201300	Foreign Taxes
408201301	Foreign Taxes
408201302	Foreign Taxes
408201303	Foreign Taxes
408201304	Foreign Taxes
408201305	Foreign Taxes
408201400	St Lic/Rgstrtion Tax/Fees
408201401	St Lic/Rgstrtion Tax/Fees
408201402	St Lic/Rgstrtion Tax/Fees
408201403	St Lic/Rgstrtion Tax/Fees
408201404	St Lic/Rgstrtion Tax/Fees
408201405	St Lic/Rgstrtion Tax/Fees
408201501	Muni Business & Occpation Tax
408201502	Muni Business & Occpation Tax
408201503	Muni Business & Occpation Tax
408201504	Muni Business & Occpation Tax
408201505	Muni Business & Occpation Tax
408201601	Misc State and Local Taxes
408201602	Misc State and Local Taxes

Chart of Accounts

Account	Account Description
408201603	Misc State and Local Taxes
408201604	Misc State and Local Taxes
408201605	Misc State and Local Taxes
408201700	Federal Pipeline User Fee
408201701	Federal Pipeline User Fee
408201702	Federal Pipeline User Fee
408201703	Federal Pipeline User Fee
408201704	Federal Pipeline User Fee
408201705	Federal Pipeline User Fee
408201801	State Severance Tax
4082023	Foreign Fringe Benefits Tax
408202404	Sales and Use Tax
408202405	Sales and Use Tax
408202503	WV Special Fuel Tax
408202504	WV Special Fuel Tax
408202505	WV Special Fuel Tax
4091001	Income Taxes, UOI - Federal
409100101	Income Taxes, UOI - Federal
409100199	Cum Eff Acct Chg-Inc Tax UOI-F
409100200	Income Taxes, UOI - State
409100201	Income Taxes, UOI - State
409100202	Income Taxes, UOI - State
409100203	Income Taxes, UOI - State
409100204	Income Taxes, UOI - State
409100205	Income Taxes, UOI - State
409100296	Income Taxes, UOI - State
409100298	Income Taxes, UOI - State
409100299	Income Taxes, UOI - State
409100301	Income Taxes, UOI - Local
409100302	Income Taxes, UOI - Local
409100303	Income Taxes, UOI - Local
409100304	Income Taxes, UOI - Local
409100305	Income Taxes, UOI - Local
4091004	Income Taxes, UOI - Foreign
4092001	Inc Tax, Oth Inc&Ded-Federal
409200199	Cum Eff Acct Chg-Inc Tax, OI&D
409200200	Inc Tax, Oth Inc & Ded - State
409200201	Inc Tax, Oth Inc & Ded - State
409200202	Inc Tax, Oth Inc & Ded - State
409200203	Inc Tax, Oth Inc & Ded - State
409200204	Inc Tax, Oth Inc & Ded - State
409200205	Inc Tax, Oth Inc & Ded - State
409200298	Inc Tax, Oth Inc & Ded - State
409200299	Inc Tax, Oth Inc & Ded - State
409200300	Inc Tax, Oth Inc & Ded - Local
409200301	Inc Tax, Oth Inc & Ded - Local
409200302	Inc Tax, Oth Inc & Ded - Local
409200303	Inc Tax, Oth Inc & Ded - Local
409200304	Inc Tax, Oth Inc & Ded - Local
409200305	Inc Tax, Oth Inc & Ded - Local

Account	Account Description
4092004	Inc Tax, Oth Inc&Ded - Foreign
4092005	FIT, Non-Utility Factoring
4092006	SIT, Non-Utility Factoring
4093001	IT, Extraordinary - Federal
4093002	IT, Extraordinary - State
4101001	Prov Def I/T Util Op Inc-Fed
410100199	Cum Eff Acct Chg-Prov DFIT
4101002	Prov Def I/T Util Op Inc-State
410100299	Cum Eff Acct Chg-Prov DSIT
4101004	Prov Def I/T UOI-Foreign
4102001	Prov Def I/T Oth I&D - Federal
410200199	Cum Eff Acct Chg-Prov DFIT
4102002	Prov Def I/T Oth I&D - State
4102004	Prov Def I/T Oth I&D-Foreign
4111001	Prv Def I/T-Cr Util Op Inc-Fed
411100199	Cum Eff Acct Chg-Prov DFIT UOI
4111002	Prv Def I/T-Cr UtilOpInc-State
411100299	Cum Eff Acct Chg-Prov DSIT UOI
4111005	Accretion Expense
4112001	Prv Def I/T-Cr Oth I&D-Fed
411200199	Cum Eff Acct Chg-Prov DFIT OID
4112002	Prv Def I/T-Cr Oth I&D-State
4112004	Prv Def I/T-Cr Oth I&D-Foreign
4114001	ITC Adj, Utility Oper - Fed
4115001	ITC Adj, Non-Util Oper - Fed
4116000	Gain From Disposition of Plant
411600099	Cum Eff Acct Chg-Gain Disp Pit
4117000	Loss From Disposition of Plant
411700099	Cum Eff Acct Chg-Loss Disp Pit
4118000	Gain Disposition of Allowances
4119000	Loss Disposition of Allowances
4150001	Rev Mrchdsng & Cntr Wk
4160001	Exp Mrchdsng & Cntrct Wrk
4160002	Water Heater - Repairs
4160003	Water Heater-Remove/Reinstall
4160004	Water Heater - Other Expenses
4170001	For ABD Use Only - Rev NonUtil
4170002	Financing Fee Revenues
4170003	Rev from Non-Util Oper Affil
4170004	Rev from Non-Util Oper NonAffil
4170005	LCRA Unbilled Revenue
4171001	Exp of NonUtil Oper - Nonassoc
4171002	Exp of NonUtil Oper - Assoc
4171003	Operating Expense
4171004	Maintenance Expense
4171005	Marine Diesel Fuel
4171006	Outside Services - Other
4171007	Outside Fleeting & Switching
4171008	Outside Towing - Contracts
4171009	Office Supplies & Expense

Chart of Accounts

Account	Account Description
4171010	Donations
4171011	Membership Dues
4171012	Fuel Taxes
4171013	For ABD Use Only - Exp NonUtil
4171014	LCRA Unbilled Expenses
4180001	Non-Operatng Rental Income
4180002	Non-Opratng Rntal Inc-Oper
4180003	Non-Opratng Rntal Inc-Maint
4180004	Non-Opratng Rntal Inc-Rntal
4180005	Non-Opratng Rntal Inc-Depr
4180006	Non-Opratng Rntal Inc-Amrtz
4180007	NonOpr Rent Income-Affiliated
4181001	Equity Erngs of Sub-Consolidat
4181002	Equity Erngs of Sub-Nonconsol
4190001	Interest Inc - Assoc Non CBP
4190002	Int & Dividend Inc - Nonassoc
4190003	Div Noncol Sub (Cost Basis)
4190004	Dividend Income - Associated
4190005	Interest Income - Assoc CBP
4190006	Interest Income Tax Exempt
4190007	Interest Income Tax Advantage
4190008	Dividend Income Tax Exempt
4190009	Dividend Income Tax Advantage
4190010	Capitalized Carrying Charges
4190040	Cap 1 Trust Comm Stock Divdnds
4191000	Allw Oth Fnds Usd Drng Cnstr
4210000	Misc Non-Operating Income
4210001	Misc Non-Operating Inc-Assoc
4210002	Misc Non-Op Inc-NonAsc-Rents
4210003	Misc Non-Op Inc-NonAscRoylty
4210005	Misc Non-Op Inc-NonAsc-Timber
4210006	Misc Non-Op Inc-NonAsc - Allow
4210007	Misc Non-Op Inc - NonAsc - Oth
4210009	Misc Non-Op Exp - NonAssoc
421000999	Cum Eff Acct Chg-M N O E- NA
4210010	Frgn Currency Transaction G/L
4210011	Minority Interest
4210012	Power Trading Gains
4210013	Int Rate Hedge Unrealized Gain
4210014	Oth Derivatives - Unreal Gains
4210015	SOP 98-5 Precommencement Rev
4210016	SOP 98-5 Precomm Overhead Rev
4210017	MTM Power Trading Gain/Losses
4210018	Power Trading Gains - Realized
4210019	BTL MTM Gains/Losses - Aff
4210020	Pwr Trading - Transmisison Exp
4210021	MTM Credit Reserve (B/L)
4210022	PWR Trding Loss\Phys Purchases
4210023	PWR Trding Loss\Real Financial
4210024	Unrealized Income 98-10

Chart of Accounts

Account	Account Description
421002499	Cum Eff Acct Chg-UnRealinc9810
4210025	B/L MTM Assignments
4210026	B/L Affl MTM Assign
4210027	Realized Financial Assignments
4210028	Realized Affil Financial Assgn
4210029	Gain on sale inves-asset Assoc
4210030	Plaquemine - Power Revenues
4210031	Pwr Sales Outside Svc Territry
4210032	Pwr Purch Outside Svc Territry
4210033	Mark to Mkt Out Svc Territory
4210034	Power Opt Sales Prem-Centrica
4210035	Gn/Ls MTM Emissions - Forwards
4210036	Gn/Ls MTM Emissions - Realized
4210037	Plaquemine - Imdemnification
4210038	Speculative Realized SO2
4210039	Carrying Charges
4210040	Dow Power Sales to Pool
4211000	Gain on Dpsition of Property
4211010	Gain on Sale of Equity Investm
4212000	Loss on Dpsition of Property
4212010	Loss on Sale of Equity Investm
4219999	Income from Discontinued Ops
4250000	Miscellaneous Amortization
4261000	Donations
4262000	Life Insurance
4263001	Penalties
4263002	Penalties - Allowances
4263003	Penalties - Quality of Service
4264000	Civic & Political Activities
4265001	Other Deductions - Associated
4265002	Other Deductions - Nonassoc
426500299	Cum Eff Acct Chg-Oth Ded NA
4265003	Special Allowance Losses
4265004	Social & Service Club Dues
4265005	Power Trading Losses
4265006	Shutdown Coal Company Exp
4265007	Regulatory Expenses
4265009	Factored Cust A/R Exp - Affil
4265010	Fact Cust A/R-Bad Debts-Affil
4265011	Int Rate Hedge Unreal Losses
4265012	Oth Derivatives - Unreal Loss
4265013	SOP 98-5 Precommencement Exp
4265020	Long Term Debt Reacqu Losses
4265021	Plaquemine - Operations
4265022	Plaquemine - Maintenance
4265023	Plaquemine - Fuel
4265024	Oth Income & Dedcutions Recon
4265025	Medicare Subsidy
4265026	Plaquemine - Indemnification
4265027	Plaquemine - Op Res - PJM

Chart of Accounts

Account	Account Description
4265028	Plaquemine - Transmission
4265050	Impairments & Related Charges
4265051	Investment Value Losses
4270001	Interest on LTD - FMB
4270002	Int on LTD - Install Pur Contr
4270003	Interest on LTD - Notes
4270004	Int on LTD - Debentures
4270005	Int on LTD - Other LTD
4270006	Int on LTD - Sen Unsec Notes
4270010	Int on LTD - PS Sub to Man Red
4270040	Capital 1 Trust - 8% Debenturs
4270103	Int on LTD - Notes-Affiliated
4270202	Int on LTD - Inst Pur C Contra
4280001	Amrtz Debt Dscnt&Exp-FMB
4280002	Amrtz Debt Dscnt&Exp-Instl Pur
4280003	Amrtz Debt Dscnt&Exp-N/P
4280004	Amrtz Debt Dscnt&Exp-Dbntures
4280006	Amrtz Dscnt&Exp-Sn Unsec Note
4280103	Amrtz Debt Dscnt&Exp-N/P-Aff
4281001	Amrtz Loss Rquired Debt-FMB
4281002	Amrtz Loss Rquired Debt-IPC
4281003	Amrtz Loss Rquired Debt-N/P
4281004	Amrtz Loss Rquired Debt-Dbnt
4281005	Amrtz Loss Rquired Debt-Other
4281006	Amtz Los Rcq Dbt-Sn Unsec Note
4281010	Amrtz Loss Recqd Debt -PSSMR
4290006	Amtz Prem-Cr-Sen Unsec Note
4290103	Amrtz Prem on Debt-Cr-N/P-Aff
4291001	Amrtz Gain Rcqred Debt-Cr-FMB
4291002	Amrtz Gain Rcqred Debt-Cr-IPC
4291003	Amrtz Gain Rcqred Debt-Cr-N/P
4291004	Amrtz Gain Rcqred Debt-Cr-Dbnt
4291005	Amrtz Gain Rcqred Debt-Cr-Othe
4291006	Amrtz Gain Rcqred Debt-Cr-SUN
4300001	Interest Exp - Assoc Non-CBP
4300002	Int to Assoc Co - Refunds
4300003	Int to Assoc Co - CBP
4300005	Interest Expense - Assoc CBP
4310001	Other Interest Expense
4310002	Interest on Customer Deposits
4310004	Rate Case Refunds
4310005	Oth Int Exp - S/T - Notes
4310006	Commercial Paper
4310007	Lines Of Credit
4310009	Deferred Compensation
4310010	Int Exp - Cap Lease Production
431001001	Int Exp - Cap Lease Production
431001002	Int Exp - Cap Lease Production
4310011	Accrued Effective Interest Exp
4310012	SECURITIZATN-REG ASSET PUCTSB7



Chart of Accounts

Account	Account Description
4310013	INT EXPENSE EXCESS EARNINGS
4310014	OTHER INTEREST - FUEL RECOVERY
4310015	INT EXP-MERGER SAV/RATE REDUCT
4310016	Interest Reconciliation
4310017	Mine Reclamation Interest
4320000	Allw Brwed Fnds Used Cnstr-Cr
4340000	Extraordinary Income
4350000	Extraordinary Deductions
4350001	FAS 144 Cum GW Transition Impr
4360000	Apprpriatns of Ret'd Earnings
4370000	Div Decl-PS Not Sub to Man Red
4380001	Div Declrd - Common Stk - Asso
4380002	Div Declrd - Common - NonAssoc
4390000	Adj to Retained Earnings
4400001	Residential Sales-W/Space Htg
4400002	Residential Sales-W/O Space Ht
4400004	Gas Revenues - Affiliated
4400005	Residential Fuel Rev
4400006	Residential O/U Fuel Rev
4400007	Res Dolet Hills O/U Fuel Rev
4400008	Power Revenues - Affiliated
4420001	Commercial Sales
4420002	Industrial Sales (Excl Mines)
4420003	C&I - NonPrice to Beat Revenue
4420004	Ind Sales-NonAffil(incl Mines)
4420005	C&I Sales - Affil Cos
4420006	Sales to Pub Auth - Schools
4420007	Sales to Pub Auth - Ex Schools
4420008	Commercial Sales - Gas
4420009	Industrial Sales - Gas
4420011	OPCo C&I Sales to Aff Coal Cos
4420012	Oth Int Rev - Commercial Sales
4420013	Commercial Fuel Rev
4420014	Commercial O/U Fuel Rev
4420015	Comm Dolet Hills O/U Fuel Rev
4420016	Industrial Fuel Rev
4420017	Industrial O/U Fuel Rev
4420018	Ind Dolet Hills O/U Fuel Rev
4440000	Public Street/Highway Lighting
4440002	Public St & Hwy Light Fuel Rev
4440003	Pb St & Hwy Light O/U Fuel Rev
4440004	Pb St&HwyLt-Dolet O/U Fuel Rev
4450001	Oth Sales Pblc Auth (Inc Sch)
4450002	Oth Sales Pblc Auth (Exc Sch)
4450003	Oth Sales Public Auth-Gas
4450004	Oth Sales Public Auth Fuel Rev
4450005	Oth Sis Pblc Auth O/U Fuel Rev
4450006	OthSisPb Ath-Dolet O/U FuelRev
4470001	Sales for Resale - Assoc Cos
4470002	Sales for Resale - NonAssoc

Account	Account Description
4470003	Sales for Resale - Conv Serv
4470004	Sales for Resale-Nonaff-Ancill
4470005	Sales for Resale-Nonaff-Transm
4470006	Sales for Resale-Bookout Sales
4470007	Sales for Resale-Option Sales
4470008	Sales for Resale - Gas Sales
4470009	Sales for Resale - Coal Sales
4470010	Sales for Resale-Bookout Purch
4470011	Sales for Resale-Option Purch
4470014	Sis Resale-Ancillary Trans-Aff
4470015	Sis Resale-Transmission-Affil
4470016	Sales for Resale - Liquids
4470019	Tier I Steam Revenue
4470020	Tier II Steam Revenue
4470021	Tier III Strm/(Effic. Loss)
4470022	Oth Int Rev-Sale For Resale-NA
4470023	Oth Int Rev-Sale/Resale-CnvSrv
4470024	Fuel Oil Sales
4470025	Sales for Resale - REP
4470026	Sale for Resl - Real from East
4470027	Whsal/Muni/Pb Ath Fuel Rev
4470028	Sale/Resale - NA - Fuel Rev
4470029	Sales/Resale - NA - Capacity
4470030	Sales for Resale - ERCOT
4470031	Sales for Resale - Mitigation
4470032	Capacity Revenue - Affiliated
4470033	Whsal/Muni/Pub Auth Base Rev
4470034	Whsal O/U - Deferred Fuel
4470035	Sis for Rsl - Fuel Rev - Assoc
4470036	Sales for Resale- Fuel - ERCOT
4470037	Capacity Rev - ConnocoPhillips
4470038	Capacity Revenue - TUEC
4470039	Capacity Revenue - Eastman
4470040	Energy Rev - Aquila Energy Mkt
4470041	Energy Rev - BP Energy
4470042	Energy Rev - Calpine Power
4470043	Energy Rev - City of Bryan
4470044	Energy Rev - City of Garland
4470045	Energy Rev - Constellation Pwr
4470046	Energy Revenue - Entergy
4470047	Energy Rev - HL&P NEP
4470048	Energy Revenue - LCRA
4470049	Energy Rev - ConocoPhillips
4470050	Egy Rev - South Tex Elec Coop
4470051	Energy Revenue - TNP
4470052	Energy Revenue - TUEC
4470053	Energy Revenue - Tenaska
4470054	Energy Revenue - Mirant
4470055	Energy Revenue - CLECO
4470056	Energy Revenue - OREI

Account	Account Description
4470057	Energy Revenue - Eastman
4470058	Purchases - Gas
4470059	Purchases - Gas Affiliated
4470060	Purchases - Coal
4470061	Purchases - Coal - Affiliated
4470062	Purchases - Liquids
4470063	Purchases - Fuel Oil
4470064	Purch Pwr PhysTrad - Non Assoc
4470065	Energy Revenue - AECC
4470066	PWR Trding Trans Exp-NonAssoc
4470067	Energy Revenue - Coral
4470068	Curtalment Energy
4470069	Curtalment Prod Tax Credits
4470070	Energy Rev - City Public Srvc
4470071	Energy Rev - Ark Elec Coop Crp
4470072	Sales for Resale - Hedge Trans
4470073	ERCOT RMR Sales
4470074	Sale for Resale-Aff-Trnf Price
4470075	Normal Bookout Sales
4470076	RMR Standby Revenue
4470078	Power Exp Gas Storage - Affil
4470079	Mkt Base Muni Co-Op Fuel Rev
4470080	Mkt Base Muni Co_Op Base Rev
4470081	Financial Spark Gas - Realized
4470082	Financial Electric Realized
4470083	Dedicated Finan Spark-Realzd
4470084	Energy Revenue Conoco
4470087	Sales for Resale-Centrlica Opts
4470088	Pool Sales to Dow Plt- Affil
4470089	PJM Energy Sales Margin
4470090	PJM Spot Energy Purchases
4470091	PJM Explicit Congestion Cost
4470092	PJM Implicit Congestion-OSS
4470093	PJM Implicit Congestion-LSE
4470094	PJM Transm. Loss - OSS
4470095	PJM Ancillary Serv.-Reg
4470096	PJM Ancillary Serv.-Spin
4470097	PJM Ancillary Serv.-Sync
4470098	PJM Oper.Reserve Rev-OSS
4470099	PJM Capacity Cr. Net Sales
4470100	PJM FTR Revenue-OSS
4470101	PJM FTR Revenue-LSE
4470102	PJM AAR Revenue
4470103	PJM Energy Sales Cost
4470104	PJM OATT Ancill.-Reactive
4470105	PJM OATT Ancill.-Black
4470106	PJM Pt2Pt Trans.Purch-NonAff.
4470107	PJM NITS Purch-NonAff.
4470108	PJM Oper.Reserve Rev-LSE
4470109	PJM FTR Revenue-Spec

Chart of Accounts

Account	Account Description
4470110	PJM TO Admin. Exp.-NonAff.
4470111	Buckeye Excess Energy-OSS
4470112	Non-ECR Phys. Sales-OSS
4470113	PJM Non-ECR Purchases-OSS
4470114	PJM Transm. Loss - LSE
4470115	PJM Meter Corrections-OSS
4470116	PJM Meter Corrections-LSE
4470117	Realiz. Sharing-447 Optim
4470118	Realiz. Sharing-PJM OSS
4470119	PJM SECA Transm. Expense
4470120	Sales for Resale-Non-Fuel-Aff
4470121	Sales for Resale-Fuel-Affil
4470122	Energy Rev - CSP/AEP
4470123	Capacity Rev - CSP/AEP
4470124	PJM Incremental Spot-OSS
4470125	PJM Incremental Exp Cong-OSS
4470126	PJM Incremental Imp Cong-OSS
4470127	Sales for Res-Affil Pool Cap.
4470128	Sales for Res-Aff. Pool Energy
4470129	Buckeye Excess Rev OSS NonAff
4470130	Buckeye OSS Revenue - Affil
4470131	Non ECR Purchased Power OSS
4470132	Spark Gas - Realized
4470200	Reg Def - PJM Net Cong OSS
4470201	Reg Def PJM Net Cong LSE
4491001	Prov Rate Refund-Affiliated
4491002	Prov Rate Refund-Nonaffiliated
4491003	Prov Rate Refund - Retail
4500000	Forfeited Discounts
4500001	Late Payment Fees- Affiliated
4510001	Misc Service Rev - Nonaffil
4510002	Misc Service Revenues - ABD
4510003	Misc Service Rev - Affiliated
4510004	Service Rev-Direct Cost-Affil
4510005	Service Rev-Direct Cost-NAC
4510006	Service Rev-Indirect Cost-Affl
4510007	Service Rev-Indirect Cost-NAC
4510011	Sales Allowances
4510012	MscSrvRev - Rating Fee - Assoc
4510013	MscSrvRev-Rev Recognition-Assoc
4510015	Msc Srv Rev - Bad Debt - Assoc
4510016	Msc Srv Rev - Agency Fee-Assoc
4510017	MscSrvRev -Carrying Cost-Assoc
4510018	MscSrvRev-Credt Line Fee-Assoc
4510019	MscSrvRev - Rating Fee - NonAs
4510020	MscSrvRev-Rev Recognition-NonAs
4510022	Msc Srv Rev - Bad Debt - NonAs
4510023	Msc Srv Rev - Agency Fee-NonAs
4510024	MscSrvRev -Carrying Cost-NonAs
4510025	MscSrvRev-Credt Line Fee-NonAs

## Chart of Accounts

Account	Account Description
4510026	Oth Int Rev - Msc Srv Rev - NA
4510027	Oth Int Rev - Msc Srv Rev - Af
4510028	Oth Int Rev-Rent Elec Prop-NAC
4530000	Sales of Water & Water Power
4540001	Rent From Elect Property - Af
4540002	Rent From Elect Property-NAC
4540003	Rent From Elect Prop-ABD-Affil
4540004	Rent From Elect Prop-ABD-Nonaf
4560001	Oth Elect Rev - Affiliated
4560007	Oth Elect Rev - DSM Program
4560010	Oth Elect Rev - Royalties
4560011	Oth Elect Rev -Timber Sales
4560012	Oth Elect Rev - Nonaffiliated
4560013	Oth Elect Rev-Trans-Nonaffil
4560014	Oth Elect Revenues - Ancillary
4560015	Other Electric Revenues - ABD
4560016	Financial Trading Rev-Unreal
4560017	Oth Elect Rev-Trans-Affil
4560018	Power Trading Unreal Gain/Loss
4560019	Commodity Hedge Unreal G/L
4560020	Oth Derivatives Unrealized G/L
4560021	Financial Trading Rev - Affil
4560022	Financial Trading Rev Reserves
4560023	Plant Management Revenues
4560024	Plant Operations Revenues
4560025	Plant Operations O/H Revenues
4560026	Control Cir Acct- Gas Activity
4560027	Financial Trading Rev-Real
4560028	Unbilled Revenue
4560029	Oth Int Rev - Nonaffiliated
4560030	MTM Gains/Losses - Affiliated
4560031	MTM Credit Risk Reserve
4560032	Other Electric Rev - Barging
4560033	Financial Trad Unrealized Coal
4560034	Financial Trad Realized Coal
4560035	Weather Realized Sales
4560036	Weather UnRealized Sales
4560037	Power Realized Sales
4560038	DSM Security Deposit Revenues
4560039	Oth Elec Rev - Conesville Prep
4560040	Unbilled Revenue - Affiliated
4560041	Miscellaneous Revenue-NonAffil
4560042	Oth Electric Rev - Dolet Hills
4560043	Oth Elec Rv-Trn-Aff-Trnf Price
4560044	ERCOT Matrix Revenue - Affil
4560045	ERCOT Matrix Revenue - Non Aff
4560046	Unrealized income of 98-10
456004699	Cum Eff Acct Chg-UnRealinc9810
4560047	Physical Sales - Merchant Gen.
4560048	Physical Purch - Merchant Gen

## Chart of Accounts

Account	Account Description
4560049	Merch Generation Finan -Realzd
4560050	Oth Elec Rev-Coal Trd Rlzd G-L
4560051	Coal Trading Gns & Lss - Aff
4560052	Realized Spark/MGG Transfer
4560053	Coal Assignment Value
4560054	Mark to Mkt Out Svc Territory
4560055	Financial Stimnts Out Svc Terr
4560056	Gross Margin Reconciliation
4560057	TOPAZ QSE Services
4560058	PJM NITS Revenue-NonAff.
4560059	PJM NITS - Affiliate
4560060	PJM Pt2Pt Trans.Rev.-NonAff.
4560061	PJM TO Adm. Serv.-Affiliate
4560062	PJM TO Admin. Rev.-NonAff.
4560063	PJM Pt2Pt Transm. Serv.-Affil.
4560064	Buckeye Admin. Fee Revenue
4560065	PJM Transm Dist/Meter - NonAff
4560066	PJM Transm Dist./Meter-Affil.
4560067	OthElecRev Phys Coal Purch Exp
4560068	SECA Transmission Revenue
4560070	Wires Revenue - Affiliated
4560071	Wires Revenue - NonAffiliated
4560080	SPP - Pt to Pt Trans Serv Rev
4560081	SPP - NITS
4560082	SPP - Dir Assign
4560083	Coal Procurement liquidations
4560084	MTM-Coal Procurement
4560085	PJM Expansion Cost Recov
5000000	Oper Supervision & Engineering
5000025	Oper Supv & Eng Environmental
5010000	Fuel
5010001	Fuel Consumed
5010003	Fuel - Procure Unload & Handle
5010005	Fuel - Deferred
5010009	Fuel Consumed - No Load
5010010	Fuel - Coal Mine Fines
5010011	Fuel Handling - No Load
5010012	Ash Sales Proceeds
5010013	Fuel Survey Activity
5010014	Fuel Burn - Affiliated
5010015	Oth Int Rev - Fuel Consumed
5010016	Coal Consumed-Other thanTransp
5010017	Coal Consumed - Transportation
5010018	Lignite Consumed
5010019	Fuel Oil Consumed
5010020	Natural Gas Consumed
5010021	Gas Transportation Expenses
5010025	Fuel Environmental
5020000	Steam Expenses
5020001	Lime Expense

Chart of Accounts

Account	Account Description
5020002	Urea Expense
5020003	Trona Expense
5020004	Limestone Expense
5020005	Polymer expense
5020025	Steam Exp Environmental
5050000	Electric Expenses
5060000	Misc Steam Power Expenses
5060002	Misc Steam Power Exp-Assoc
5060003	Removal Cost Expense - Steam
5060025	Misc Stm Pwr Exp Environmental
5070000	Rents
5070001	IPP Misc Lease Distrib Costs
5070003	IPP Lease Distribution System
5070004	IPP Rental/Lease Easement
5070005	JMG Gavin Rent Exp - Assoc
5070006	Rents - Associated
5090000	Allowance Consumption SO2
5090001	Allowance Consumption - NOx
5090002	Allowance Expenses
5090003	CO2 Allowance Consumption
5100000	Maint Supv & Engineering
5100025	Maint Supv & Eng Environmental
5110000	Maintenance of Structures
5110025	Maint of Struct Environmental
5120000	Maintenance of Boiler Plant
5120025	Maint of Bir Pit Environmental
5130000	Maintenance of Electric Plant
5130025	Maint Elec Plant Environmental
5140000	Maintenance of Misc Steam Pit
5140025	Maint MiscStmPit Environmental
5550000	Purchased Power
5550001	Purch Pwr-NonTrading-Nonassoc
5550002	Purchased Power - Associated
5550003	Purchased Power - Cogeneration
5550004	Purchased Power-Pool Capacity
5550005	Purchased Power - Pool Energy
5550006	Non-Firm Engy Sis for Rsale-Dr
5550007	Non-Firm Engy Sis for Rsale-Cr
5550008	NF Energy SI/Resl-System Pool
5550009	NF Engy SI/Resl-Interchg Deliv
5550010	Interchange In - Nonassociated
5550011	Interchange Out-Nonassociated
5550014	Purchases - Gas
5550015	Purchases - Coal
5550016	Gas Purchases - Affiliated
5550017	Tmp Emer Curtailable Svc Rider
5550019	Sales/Resale-Coal Purch IntrCo
5550020	Purch Pwr - Cogeneration-Affil
5550021	Oth Int Rev - Purch Power-NA
5550023	Purch Power Capacity -NA

Account	Account Description
5550024	Purchase Power ERCOT
5550025	Dolet Hills Deferred Fuel
5550026	Purchase Power - Fuel - ERCOT
5550027	Purch Pwr-Non-Fuel Portion-Aff
5550028	ERCOT RMR Purchases
5550029	Purch Power-Assoc-Trnsfr Price
5550030	Normal Bookout Purchases
5550031	Purchased Gas Conversion-Affl
5550032	Gas-Conversion-Mone Plant
5550033	Purchased Power - Optimization
5550034	Pool Purch-Optimization-Affl
5550035	PJM Normal Purchases (non-ECR)
5550036	PJM Emer.Energy Purch.
5550037	PJM OATT Capacity Def.
5550038	Buckeye Excess Energy-OSS
5550039	PJM Inadvertent Mtr Res-OSS
5550040	PJM Inadvertent Mtr Res-LSE
5550041	PJM Ancillary Serv.-Sync
5550042	PJM OATT Ancill.-Reactive
5550043	PJM OATT Ancill. - Black
5550044	Realiz. Sharing-555 Optim.
5550045	Realiz. Sharing-PJM OSS PP
5550046	Purch Power-Fuel Portion-Affl
5550047	Purchase Power Wind Energy
5550048	Buckeye Excess Energy-LSE
5560000	Sys Control & Load Dispatching
5560001	Pft Bill Load Disp -Recl Alloc
5560002	PJM Admin.Services-OSS
5560003	PJM Admin.Services-LSE
5560004	Realiz. Sharing-PJM OSS Admin
5560005	Reg Def PJM Admin OSS
5560006	Reg Def PJM Admin LSE
5570000	Other Expenses
5570003	I C Adjustments
5570004	Deferred Fuel
5570005	Oth Pwr Exp - Ancillary Srv Af
5570006	PJM Trans.Mkt Expan. Exp.
5600000	Oper Supervision & Engineering
5610000	Load Dispatching
5620001	Station Expenses - Nonassoc
5620002	Station Expenses - Associated
5630000	Overhead Line Expenses
5630001	Overhead Line Exp - Affiliated
5640000	Underground Line Expenses
5650001	Transmssn Elec by Others-Assoc
5650002	Transmssn Elec by Others-NAC
5650003	AEP Trans Equalization Agmt
5650004	Unplanned Transmission Losses
5650005	Unplanned Transmission Fees
5650006	ERCOT Scheduling Fees



Chart of Accounts

Account	Account Description
5650007	Tran Elec by Oth-Aff-Trn Price
5650008	System Benefit Fund Expense
5650044	ERCOT Matrix Expense - Affil
5650045	ERCOT Matrix Expense - Non Aff
5660000	Misc Transmission Expenses
5670001	Rents - Nonassociated
5670002	Rents - Associated
5680000	Maint Supv & Engineering
5690000	Maintenance of Structures
5700000	Maint of Station Equipment
5710000	Maintenance of Overhead Lines
5720000	Maint of Underground Lines
5730000	Maint of Misc Trnsmssion Pit
5800000	Oper Supervision & Engineering
5810000	Load Dispatching
5820000	Station Expenses
5830000	Overhead Line Expenses
5840000	Underground Line Expenses
5850000	Street Lighting & Signal Sys E
5860000	Meter Expenses
5870000	Customer Installations Exp
5880000	Miscellaneous Distribution Exp
5890001	Rents - Nonassociated
5890002	Rents - Associated
5900000	Maint Supv & Engineering
5910000	Maintenance of Structures
5920000	Maint of Station Equipment
5920005	Maint Sta Trnsfrmrs/Reg-Assoc
5930000	Maintenance of Overhead Lines
5930001	Tree and Brush Control
5940000	Maint of Underground Lines
5950000	Maint of Lne Trnf,Rglators&Dvi
5960000	Maint of Strt Lghtng & Sgnal S
5970000	Maintenance of Meters
5980000	Maint of Misc Distribution Pit
9010000	Supervision - Customer Accts
9020000	Meter Reading Expenses
9020001	Customer Card Reading
9020002	Meter Reading - Regular
9020003	Meter Reading - Large Power
9020004	Read-In & Read-Out Meters
9030000	Cust Records & Collection Exp
9030001	Customer Orders & Inquiries
9030002	Manual Billing
9030003	Postage - Customer Bills
9030004	Cashiering
9030005	Collection Agents Fees & Exp
9030006	Credit & Oth Collection Activi
9030007	Collectors
9030009	Data Processing

## Chart of Accounts

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Account	Account Description
9030013	Factoring
9040000	Uncollectible Accounts
9040002	Uncoll Accts - Pct Income Plan
9040003	Uncoll Accts-Power Trading
9040006	Uncollectible Accounts - Assoc
9040007	Uncoll Accts - Misc Receivable
9050000	Misc Customer Accounts Exp
9070000	Supervision - Customer Service
9070001	Supervision - DSM
9080000	Customer Assistance Expenses
9080001	DSM-Customer Advisory Grp
9080003	DSM Shr - New Swtch Rev&Exp
9080008	Cust Assistnce - M&CS Trning
9080009	Cust Assistance Expense - DSM
9080013	Cust Assistance Exp - RIF Prgm
9090000	Information & Instruct Advrtis
9090005	Deregulation Consumer Educat
9100000	Misc Cust Svc&Informational Ex
9100001	Misc Cust Svc & Info Exp - RCS
9110000	Supervision - Sales Expenses
9110001	Supervision - Residential
9110002	Supervision - Comm & Ind
9120000	Demonstrating & Selling Exp
9120001	Demo & Selling Exp - Res
9120002	Demo & Selling Exp - C & I
9120003	Demo & Selling Exp - Area Dev
9120004	Sales Commission Expense - ABD
9130000	Advertising Expenses
9130001	Advertising Exp - Residential
9130005	Advertising Exp - M&CS - Co-Op
9130006	Advertising Exp-Mktg Research
9130007	Advertising Exp-Heat Pump Mktg
9160000	Miscellaneous Sales Expenses
9160001	Misc Sales Exp - Residential
9160009	CMP - Allow to Cust Non Emp
9160013	CMP - Dealer Devel Program
9160028	Misc Sales Exp - Comm&Ind
9200000	Administrative & Gen Salaries
9200003	Admin & Gen Salaries Trnsfr
9200004	I C Adjustments
9210001	Off Supl & Exp - Nonassociated
9210002	Off Supl & Exp - Associated
9210003	Office Supplies & Exp - Trnsf
9210004	Office Utilites
9210005	Cellular Phones and Pagers
9210006	O&M Reconciliation
9220000	Administrative Exp Trnsf - Cr
9220001	Admin Exp Trnsf to Cnstrction
9220002	Admin Exp Trnsf Const-Mngerial
9220003	Admin Exp Trnsf Non-Utilty Acct

Chart of Accounts

Account	Account Description
9220004	Admin Exp Trnsf to ABD
9220005	Overhead Loadings
9220006	Expenses Billed to Subsidiary
9220007	Expenses Billed to Affil Sub
9220125	SLA Expense Transfers GS
9220126	SLA Expense Transfers HR
9220127	SLA Expense Transfers IT
9220128	SLA Expense Transfers SC
9220129	SLA Expense Transfers TC
9220130	SLA Expense Transfers OC
9230001	Outside Svcs Empl - Nonassoc
9230002	Outside Svcs Empl - Assoc
9230003	AEPSC Billed to Client Co
9230004	AEPGRH - Billed Service Only
9240000	Property Insurance
9250000	Injuries and Damages
9250001	Safety Dinners and Awards
9250002	Emp Accdent Prvntion-Adm Exp
9250003	Emp Accdnt Prvntion-Exp Trnsf
9250004	Injuries to Employees
9250006	Wrkrs Cmpnstn Pre&Sif Ins Prv
9250007	Prsnal Injries&Prop Dmage-Pub
9250008	Political Risk Insurance
9250009	Directors Travel/Accident Ins
9260000	Employee Pensions & Benefits
9260001	Edit & Print Empl Pub-Salaries
9260002	Pension & Group Ins Admin
9260003	Pension Plan
9260004	Group Life Insurance Premiums
9260005	Group Medical Ins Premiums
9260006	Physical Examinations
9260007	Group L-T Disability Ins Prem
9260009	Group Dental Insurance Prem
9260010	Training Administration Exp
9260011	Employee Assistance Program
9260012	Employee Activities
9260014	Educational Assistance Pmts
9260017	Other Empl Benefit Exp Trnsf
9260019	Employee Benefit Exp - COLI
9260020	VEBA Trust Amortization
9260021	Postretirement Benefits - OPEB
9260022	OPEB Exp Transf - Construction
9260023	OPEB Exp Transf - Retirement
9260024	OPEB Exp Transf - Other Accts
9260026	Savings Plan Administration
9260027	Savings Plan Contributions
9260028	Savings Plan Exp Trnsf - Const
9260029	Savings Plan Exp Trnsf - Retir
9260030	Savings Plan Exp Trnsf - Other
9260031	Pension Cost Transf - Const

Chart of Accounts

Account	Account Description
9260032	Pension Cost Transf - Retire
9260033	Pension Cost Transf - Oth Acct
9260034	Group Ins Exp Transf - Constr
9260035	Group Ins Exp Transf - Other
9260036	Deferred Compensation
9260037	Supplemental Pension
9260038	VEBA Amortization - APCo Only
9260039	Emp Benefit - OPEB - APCo
9260040	SFAS 112 Postemployment Benef
9260041	STP Nuclear Fringes
9260050	Frg Ben Loading - Pension
9260051	Frg Ben Loading - Grp Ins
9260052	Frg Ben Loading - Savings
9260053	Frg Ben Loading - OPEB
9260054	Accidental Death & Disability
9260055	IntercoFringeOffset- Don't Use
9260056	Fidelity Stock Option Admin
9260057	Postret Ben Medicare Subsidy
9270000	Franchise Requirements
9280000	Regulatory Commission Exp
928000001	Regulatory Commission Exp
9280001	Regulatory Commission Exp-Adm
9280002	Regulatory Commission Exp-Case
9290000	Duplicate Charges - Credit
9301000	General Advertising Expenses
9301001	Newspaper Advertising Space
9301002	Radio Station Advertising Time
9301003	TV Station Advertising Time
9301004	Newspaper Advertising Prod Exp
9301005	Radio &TV Advertising Prod Exp
9301006	Spec Corporate Comm Info Proj
9301007	Special Adv Space & Prod Exp
9301008	Direct Mail and Handouts
9301009	Fairs, Shows, and Exhibits
9301010	Publicity
9301011	Dedications, Tours, & Openings
9301012	Public Opinion Surveys
9301013	Movies Slide Films & Speeches
9301014	Video Communications
9301015	Other Corporate Comm Exp
9301016	Corporate Comm Exp Transferred
9302000	Misc General Expenses
9302003	Corporate & Fiscal Expenses
9302004	Research, Develop&Demonstr Exp
9302005	Nucl Fac Ins - Repice Engy Cst
9302007	Assoc Business Development Exp
9302009	Misc General Exp - Assoc
9302010	Cost of Goods Sold
9302011	Fiber Optic Franchise Fees
9302012	Fiber Optic Sales Commission

Account	Account Description
9302013	O&M - G&A Allocation
9302014	O&M - Payroll Additive
9302015	AEP CREDIT Loss on Sale of A/R
9302016	Coal Inventory Expense
9302017	SellingPrice Normalization Exp
9310000	Rents
9310001	Rents - Real Property
9310002	Rents - Personal Property
9310003	Rents - Real Property - Assoc
9310004	Rents - Personal Prop - Assoc
9350000	Maintenance of General Plant
9350001	Maint of Structures - Owned
9350002	Maint of Structures - Leased
9350003	Maint of Prprty Held Fture Use
9350004	Maint Rntal Strctrs Inact Coal
9350005	Maint of Lightwave Equipment
9350006	Maint of Carrier Equipment
9350007	Maint of Radio Equip - Owned
9350008	Maint of Radio Equip - Leased
9350009	Maint of Microwave Equipment
9350010	Maintenance of Circuits
9350011	Maint of PABX Boards/Key Equip
9350012	Maint of Data Equipment
9350013	Maint of Cmmncation Eq-Unall
9350014	Maint Supv & Eng-Cmmun Eq
9350015	Maint of Office Furniture & Eq
9350016	Maintenance of Video Equipment
9350017	Maint of Misc General Property
9350018	Maint of Gen Prop-Env Poli Ctr
9350019	Maint of Gen Plant-SCADA Equ
9350021	Power Expenses
9350022	IRU Maintenance Expense
9350023	Site Communications Services

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(k)**

**Filing Requirement:**

*The independent auditor's annual opinion report, with any written communication from the independent auditor to the utility which indicates the existence of a material weakness in the utility's internal controls.*

**Response:**

Please see attached.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of  
Kentucky Power Company:

We have audited the accompanying balance sheets of Kentucky Power Company as of December 31, 2004 and 2003, and the related statements of income, changes in common shareholder's equity and comprehensive income (loss), and cash flows for each of the three years in the period ended December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Kentucky Power Company as of December 31, 2004 and 2003, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the Company adopted EITF 02-3, "Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities," effective January 1, 2003 and FASB Staff Position No. FAS 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug Improvement and Modernization Act of 2003," effective April 1, 2004.

/s/ Deloitte & Touche LLP

Columbus, Ohio  
February 28, 2005

**INDEPENDENT AUDITORS' REPORT**

To the Shareholder and Board of  
Directors of Kentucky Power Company:

We have audited the accompanying balance sheets and statements of capitalization of Kentucky Power Company as of December 31, 2003 and 2002, and the related statements of income, changes in common shareholder's equity and comprehensive income and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Kentucky Power Company as of December 31, 2003 and 2002, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the Company adopted EITF 02-3, "Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities," effective January 1, 2003.

/s/ Deloitte & Touche LLP

Columbus, Ohio  
March 5, 2004



**Filing Requirement**  
807KAR5:001 Section 10 (6)(l)

**Filing Requirement:**

*The most recent Federal Energy Regulatory Commission or Federal Communication Commission audit reports.*

**Response:**

Please see the attached.

American Electric Power  
100 Centre Plaza  
Columbus, OH 43260-2000



November 17, 1997

**Mr. Bryan K. Craig**  
Acting Director, Division of Electric  
and Hydropower Operations  
Office of the Chief Accountant  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

**Peter J. DeMaria**  
Executive Vice President  
Administration and  
Chief Accounting Officer  
614 223 4300

Dear Mr. Craig:

We have reviewed the audit report (copy attached) forwarded to us on October 30, 1997. The report summarizes the Results of the FERC audit staff's examination of the Books and Records of Kentucky Power Company for the period January 1, 1992 through December 31, 1996 in Docket No. FA96-40-000 and FA96-40-001.

Our comments on the three report issues are noted herein. Should you have any questions concerning our comments, please do not hesitate to contact the undersigned or Leonard V. Assante, Controller of AEPSC.

**I. Compliance Exceptions**

**1. Accounting for Settlement Costs**

**Kentucky Power's Response**

We agree with the recommendation that settlement costs on employment litigation be recorded below the line and have revised our accounting procedures accordingly. Attached is a copy of July 9, 1997 memorandum from G. R. Knorr, Assistant Controller of AEPSC, revising our procedures.

November 17, 1997  
Bryan K. Craig  
Page 2  
Kentucky Power Company

2. **Miscellaneous Accounting Misclassification**

**Kentucky Power's Response**

We agree with the recommendation concerning Account 228.3 (Accumulated Provision for Pensions and Benefits) and have revised our accounting procedures accordingly. Attached is a copy of our August 13, 1997 memorandum from G. S. Campbell/H. E. McCoy revising our procedures.

II. **Deferred Matter**


1. **Accounting Classification for Service Company Billings**

**Kentucky Power's Response**

The FERC audit report makes no recommendation on this issue pending further study by the FERC's Office of the Chief Accountant. We reserve our right to respond to this issue when the FERC's study is completed and released for comment.

I would like to take this opportunity to express our support for the new centralized approach to auditing AEP's electric operating subsidiaries. The new approach reduced the total time required to complete the audit of all AEP subsidiaries and reduced the cost to both AEP and the FERC. I would also like to thank Lucretia Smith and the fine staff of auditors that performed an efficient audit while minimizing disruption of our accounting operations.

Respectfully submitted,

  
Peter J. DeMaria  
PJD:bv  
Attachments

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D.C. 20426

In Reply Refer To:  
OCA-DE/HO  
Docket Nos. FA96-40-000  
and FA96-40-001

OCT 30 1997

Kentucky Power Company  
Attention: Mr. Len Assante  
Controller  
1 Riverside Plaza  
Columbus, OH 43215

Ladies and Gentlemen:

The Division of Electric and Hydropower Operations of the Office of the Chief Accountant has examined the books and records of Kentucky Power Company for the period January 1, 1992, through December 31, 1996. The purpose of the examination was to evaluate your Company's compliance with Commission accounting and reporting regulations contained in the Uniform System of Accounts, Annual Report FERC Form No. 1, and the related regulations. The examination included selective tests of the accounting records, review of the internal control structure, and other tests and procedures considered necessary under the circumstances.

The Division of Electric and Hydropower Operations recommended corrective actions on certain findings of noncompliance with the Commission's accounting, financial reporting, and/or related regulations. Part I of the enclosed audit report describes the findings and recommendations. By letter dated August 29, 1997, your Company agreed to adopt the recommended corrective actions in Part I. I hereby approve and direct the recommended corrective actions in Part I.

The issue set forth in Part II on the accounting classification of service company billings is deferred for further study. The issue has been assigned as Docket No. FA96-40-001.

The Kentucky Power Commission did not respond with any objections to the foregoing matters.

Kentucky Power Company

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The Commission delegated authority to act in this matter to the Acting Director, Division of Electric and Hydropower Operations under 18 C.F.R. § 375.303. This letter order constitutes final agency action on the corrective actions approved and directed in this report. Within 30 days of the date of this order, your Company may file a request for rehearing by the Commission under 18 C.F.R. § 385.713.

This letter order is without prejudice to the Commission's right to require hereafter any later adjustments arising from additional information that may come to its attention.

Sincerely,

*Bryan K. Craig*

Bryan K. Craig  
Acting Director,  
Division of Electric  
and Hydropower Operations

Enclosure

Results of the Examination  
of the  
Books and Records  
of

**Kentucky Power Company**  
Docket Nos. FA96-40-000  
and FA96-40-001

For the Period  
1/1/92 through 12/31/96

Conducted by  
Division of Audits  
Office of the Chief Accountant  
Federal Energy Regulatory Commission

Kentucky Power Company

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<b>II. Deferred Matter</b>		
1.	Accounting Classification for Service Company Billings . .	3

**Kentucky Power Company**

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### **I. Compliance Exceptions**

Kentucky Power Company (the Company) agreed to the recommended corrective actions on the following compliance matters:

#### **1. Accounting for Settlement Costs**

The Company used the wrong accounts to record costs to settle employment suits.

#### **Recommendation**

We recommend the Company revise procedures to ensure it records settlement payments in Account 426.5, Other Deductions, consistent with the requirements of the Uniform System of Accounts.

#### **Facts**

During 1995 and 1996, the AEP Service Company paid certain employment settlement costs. It recorded the settlement fees of \$47,500 in Work Order No. 9988 - AEPSC Overheads. The Service Company allocated this work order to all the AEP Service Company Work Orders based on salaries. The Service Company then billed out to the AEP System companies all its costs based upon SEC approved allocations for each individual work order. As a result, the Company recorded these settlement costs in every account charged as a result of the AEP Service Company billing. The effect of these transactions on the individual operating companies was not material.

#### **Discussion of Accounting Requirements**

Accounting Release No. 12, issued February 12, 1980, requires companies to charge expenditures resulting from compromise settlements or consent decrees to Account 426.5.

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#### **2. Miscellaneous Accounting Classification**

The Company classified a transaction in the wrong account. The following indicates the nature of the item misclassified, the account the Company used, and the proper account for such transactions:



**Kentucky Power Company**

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<u>Description</u>	<u>Account Used</u>	<u>Proper Account</u>
Post-Retirement Benefits Other than Pensions - Liability	228.4	228.3

**Recommendation**

We recommend the Company adopt procedures to ensure that it records similar charges in the future consistent with the requirements of the Uniform Systems of Accounts.

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Kentucky Power Company

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## II. Deferred Matter

### 1. Accounting Classification for Service Company Billings

AEPSC is a subsidiary of American Electric Power Corporation (AEP). It provides various services to affiliated AEP subsidiaries, including system planning, engineering, financial, accounting, public affairs, fuel procurement and customer services.

AEPSC is subject to the Public Utility Holding Company Act (PUCHA) which the Securities and Exchange Commission (SEC) administers. AEPSC maintains its accounts based on the SEC's Uniform System of Accounts for mutual service companies.

AEPSC first assigns all costs to various expense and other accounts. Then, it assigns all direct and indirect costs to various billable projects or work orders. 1/ Direct costs include labor and labor fringes, such as payroll taxes and employee benefits. Indirect amounts include overhead amounts not specifically assignable to the work orders, such as administrative and general salaries, miscellaneous general expenses, depreciation, maintenance of general plant, etc.

AEPSC bills interest on working capital loans and income taxes to the various operating companies as separate items apart from the normal fully allocated billable work orders.

AEPSC's invoices rendered to the Company and the other AEP subsidiaries include a cost breakdown for each work order between direct and overhead costs. The subsidiaries use the accounting classifications AEPSC provides to assign costs to its various accounts. Under this procedure, the AEP subsidiaries classified certain AEPSC administrative and general expenses, payroll taxes, etc., to accounts other than those that it would charge if it directly incurred the expenditures. For example, charges for direct labor costs to particular projects and accounts included additional costs related to employment taxes, pensions, other employee benefits, administrative and general expenses, and depreciation and maintenance of the office building owned by AEPSC.

Also, the AEP subsidiaries recorded income taxes and interest costs separately billed by AEPSC in Account 930.2, Miscellaneous General Expenses.

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1/ When AEPSC performs specific work for more than one company within the holding company group, it uses an SEC approved method for assigning the cost among the various members.

Kentucky Power Company

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**Discussion of Accounting Requirements**

General Instruction No. 14, Transactions with Associated Companies, of the Uniform System of Accounts States:

Each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies. The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed herein with respect to such transactions. **Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature.** Nothing herein contained, however, shall be construed as restraining the utility from subdividing accounts for the purpose of recording separately transactions with associated companies. [Emphasis added.]

The Office of the Chief Accountant is currently studying the issue of classification of affiliated company charges on an industry-wide basis. Therefore, the Division of Audits did not make any recommendations on the subject pending completion of the study and any resulting FERC action. The accounting for the classification of affiliated company charges will be resolved in a separate docket, Docket No. FA96-40-001.

Date July 9, 1997

Subject Employment Settlement Costs

From G. R. Knorr

To File

Accounting Release 12 (AR-12) issued by the Office of the Chief Accountant at FERC requires all expenditures related to discriminatory employment practices to be recorded below-the-line as other income deductions. Fines and penalties are to be recorded in Account 426.3, Penalties, and all other costs, including settlement costs paid to the plaintiffs, are to be recorded in Account 426.5, Other deductions.

In the future, whenever such costs are paid by AEP Service Corporation, the expenditures should be classified to the appropriate FERC account (see above) and to Work Order No. 1011, Miscellaneous non-operating expenses. Work Order No. 1011 will transfer the incurred costs to first-tier AEP client companies for recording below-the-line.

  
G. R. Knorr

cc P. J. DeMaria  
L. V. Assante  
T. P. Bowman - Canton  
G. E. Laurey  
F. L. Sagan



Date August 13, 1997

Subject **Reclassification of Benefits Liabilities**

From **Greg Campbell/Hugh McCoy**

To **Tim Bowman** - Canton  
**Jerry Knorr** - Columbus  
**George Laurey** - ~~Columbus~~  
**Maurice McIntyre** - Ft. Wayne  
**Tom Mitchell** - Roanoke

Our practice in accounting for accumulated liabilities for pension benefits recorded under SFAS 87, postretirement benefits (OPEB) recorded under SFAS 106, and postemployment benefits recorded under SFAS 112 has been to record the liabilities to Account 228.4, Accumulated Miscellaneous Operating Provisions. We did not use Account 228.3, Accumulated Provision for Pensions and Benefits, because the description of Account 228.3 seems to exclude benefits funded through an irrevocable trust fund.

Nevertheless, during the course of the recent FERC audit, the FERC Staff informed us that our OPEB liability should be recorded to Account 228.3, rather than 228.4. The Staff also referred us to the FERC's May 7, 1993 OPEB accounting guidance in Docket No. AI93-4-000, which also provides for the use of Account 228.3. Therefore, the accumulated liability for benefits recorded under SFAS 87, 106, and 112 as of July 31, 1997 that is currently recorded in Account 228.4 should be reclassified in August 1997 business to Account 228.3, Accumulated Provision for Pensions and Benefits.

Please contact us if you should have any questions on this matter.

A handwritten signature in cursive script that reads "Hugh McCoy".

Greg Campbell/Hugh McCoy

cc: Len Assante  
Geoff Dean  
Pete DeMaria  
Bill Scott  
Deloitte & Touche

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(m)**

**Filing Requirement:**

*The most recent Federal Energy Regulatory Commission Form 1 (electric), Federal Energy Regulatory Commission Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and Public Service Commission Form T (telephone).*

**Response:**

One hard copy of Kentucky Power Company's most recent FERC Form 1 for year ended December 31, 2004 is attached. The report is also being provided on a attached CD labeled as follows:

Kentucky Power Company FERC Form 1 2004

**Filing Requirement**  
807KAR5:001 Section 10 (6)(n)

**Filing Requirement:**

*A summary of the utility's latest depreciation study with schedules by major plant accounts, except that telecommunications utilities that have adopted the commission's average depreciation rates shall provide a schedule that identifies the current and test period depreciation rates used by major plant accounts. If the required information has been filed in another commission case a reference to that case's number and style will be sufficient.*

**Response:**

Please see Volume 4, Depreciation Study and Volume 3, Witness Henderson's testimony.

Filing Requirement

807KAR5:001 Section 10 (6)(o)  
Page 1 of 2

Filing Requirement:

*A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and workpapers associated with the filing of the utility's application. This list shall include each software, program, or model; what the software, program, or model was used for; identify the supplier of each software, program, or model; a brief description of the software, program, or model; the specifications for the computer hardware and the operating required to run.*

Response:

- The book depreciation studies of transmission, distribution and general plant were prepared using proprietary software developed by Deloitte, Haskins and Sells (now Deloitte Touche) and licensed by D&T to American Electric Power. The depreciation system is Version 5.0 and operates on an IBM compatible operating system. Lotus 123 is required to prepare graphs.
- This software is used to simulate the hourly, AEP related congestion associated with two transmission cases. Supplier: New Energy/Associates Description: PROMOD-TAM is a commercial, chronological production-costing model containing an embedded dc load flow module. The software is used to simulate the hourly, security-constrained commitment and dispatch of generating units to satisfy bus loads within regional transmission areas, the PJM Pool in this case. The model has as inputs generator characteristics and associated fuel costs; hourly, regional load requirements; transmission network characteristics; and flowgates monitored for n-1 and n-2 contingencies. The model produces as output hourly LMPs, bus generation, transmission flows, etc. Operating System: PC.
- The externally developed software used to develop the cost of service program to perform the class cost of service study is called TACOS Gold v5.3.0. The TACOS Gold was developed by Threshold Associates, Inc. The program is a cost allocation program that operates on a Windows Operating System and the MS Office Suite. We used Windows XP and saved the files in Excel 97 format.



**Filing Requirement**  
**807KAR5:001 Section 10 (6)(o)**  
**Page 2 of 2**

- Microsoft Excel 2000 and 2002. These applications were used to prepare spreadsheet documents utilized in this proceeding.
  - Personal or multimedia computer with a 486 or higher processor
  - Microsoft Office XP, Microsoft Windows 2000 or higher operating system
  
- Microsoft Word 2000 and 2002. These applications were the word processors used to prepare the majority of this proceeding.
  - Personal or multimedia computer with a 486 or higher processor
  - Microsoft Office XP, Microsoft Windows 2000 or higher operating system

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(p)**

**Filing Requirement:**

*Prospectuses of the most recent stock or bond offerings.*

**Response:**

Please see the attached pages.

**PROSPECTUS SUPPLEMENT**  
(To prospectus dated June 10, 2003)

**\$75,000,000**

**KENTUCKY POWER COMPANY**

**5.625% Senior Notes, Series D, due 2032**

Interest on the Senior Notes is payable semi-annually on June 1 and December 1 of each year, beginning December 1, 2003. The Senior Notes will mature on December 1, 2032. We may redeem the Senior Notes at our option at any time either as a whole or in part at a redemption price equal to 100% of the principal amount of the Senior Notes being redeemed plus a make-whole premium, together with accrued and unpaid interest to the redemption date. The Senior Notes do not have the benefit of any sinking fund.

The Senior Notes are unsecured and rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding and will be effectively subordinated to all of our secured debt from time to time outstanding, including first mortgage bonds. We currently have no first mortgage bonds outstanding. We will issue the Senior Notes only in registered form in multiples of \$1,000.

	<u>Per Note</u>	<u>Total</u>
Public offering price <sup>(1)</sup> .....	100.000%	\$75,000,000
Underwriting discount .....	0.875%	\$656,250
Proceeds, before expenses, to Kentucky Power Company .....	99.125%	\$74,343,750

<sup>(1)</sup>Plus accrued interest, if any, from June 13, 2003.

**INVESTING IN THESE NOTES INVOLVES RISKS. SEE THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 2 OF THE ACCOMPANYING PROSPECTUS FOR MORE INFORMATION.**

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Senior Notes or determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The Senior Notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about June 13, 2003.

*Joint Book-Running Managers*

**ABN AMRO  
INCORPORATED**

**McDONALD  
INVESTMENTS INC.**

The date of this prospectus supplement is June 10, 2003.

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**You should rely only on the information incorporated by reference or provided in this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus supplement is accurate as of any date other than the date on the front of the document.**

## USE OF PROCEEDS

The Company proposes to use the net proceeds from the sale of the Senior Notes to fund its construction program, to repay short-term indebtedness and for other corporate purposes. Proceeds may be temporarily invested in short-term instruments pending their application to the foregoing purposes.

The Company has estimated that its consolidated construction costs (inclusive of allowance for funds used during construction) for 2003 will be approximately \$72,283,000. At June 1, 2003, the Company had approximately \$116,300,000 of short-term unsecured indebtedness outstanding.

## SUPPLEMENTAL DESCRIPTION OF THE SENIOR NOTES

The following description of the particular terms of the Senior Notes supplements and in certain instances replaces the description of the general terms and provisions of the Senior Notes under "Description of the Notes" in the accompanying Prospectus. We will issue the Senior Notes under an Indenture, dated as of September 1, 1997, between us and Deutsche Bank Trust Company Americas (formerly Bankers Trust Company), as Trustee, as supplemented and amended and as to be further supplemented and amended.

### Principal Amount, Maturity and Interest

The Senior Notes will initially be issued in an aggregate principal amount of \$75,000,000. We may, without consent of the holders of the Senior Notes, issue additional notes having the same ranking, interest rate, maturity and other terms as the Senior Notes. These notes, together with the Senior Notes, will be a single series of notes under the Indenture.

The Senior Notes will mature and become due and payable, together with any accrued and unpaid interest, on December 1, 2032 and will bear interest at the rate of 5.625% per year from June 13, 2003 to but not including December 1, 2032. The Senior Notes are not subject to any sinking fund provision.

Interest on each Senior Note will be payable semi-annually in arrears on each June 1 and December 1 and at redemption, if any, or maturity. The initial interest payment date is December 1, 2003. Each payment of interest shall include interest accrued through the day before such interest payment date. Interest on the Senior Notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

We will pay interest on the Senior Notes (other than interest payable at redemption, if any, or maturity) in immediately available funds to the owners of the Senior Notes as of the Regular Record Date (as defined below) for each interest payment date.

We will pay the principal of the Senior Notes and any premium and interest payable at redemption, if any, or at maturity in immediately available funds at the office of Deutsche Bank Trust Company Americas, Corporate Trust and Agency Services, 60 Wall Street, MSNYC 60-2515, New York, New York 10005.

If any interest payment date, redemption date or the maturity is not a Business Day (as defined below), we will pay all amounts due on the next succeeding Business Day and no additional interest will be paid.

The "Regular Record Date" will be the May 15 or November 15 prior to the relevant interest payment date.

"Business Day" means any day that is not a day on which banking institutions in New York City are authorized or required by law or regulation to close.

#### **Optional Redemption**

We may redeem the Senior Notes at our option at any time, upon no more than 60 and not less than 30 days' notice by mail. We may redeem the Senior Notes either as a whole or in part at a redemption price equal to the greater of (1) 100% of the principal amount of the Senior Notes being redeemed and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Senior Notes being redeemed (excluding the portion of any such interest accrued to the date of redemption) discounted (for purposes of determining present value) to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below) plus 30 basis points, plus, in each case, accrued interest thereon to the date of redemption.

"Treasury Rate" means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Senior Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Senior Notes.

"Comparable Treasury Price" means, with respect to any redemption date, (1) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding such redemption date, as set forth in the daily statistical release (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for U.S. Government Securities" or (2) if such release (or any successor release) is not published or does not contain such prices on such third Business Day, the Reference Treasury Dealer Quotation for

such redemption date.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by us and reasonably acceptable to the Trustee.

"Reference Treasury Dealer" means a primary U.S. Government Securities Dealer selected by us and reasonably acceptable to the Trustee.

"Reference Treasury Dealer Quotation" means, with respect to the Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at or before 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

#### **Limitations on Liens**

So long as any of our Senior Notes issued pursuant to this prospectus supplement are outstanding, we will not create or suffer to be created or to exist any additional mortgage, pledge, security interest, or other lien (collectively "Liens") on any of our utility properties or tangible assets now owned or hereafter acquired to secure any indebtedness for borrowed money ("Secured Debt"), without providing that such Senior Notes will be similarly secured. This restriction does not apply to our subsidiaries, nor will it prevent any of them from creating or permitting to exist Liens on their property or assets to secure any Secured Debt. Further, this restriction on Secured Debt does not apply to our existing first mortgage bonds that have previously been issued under our mortgage indenture or any indenture supplemental thereto; provided that this restriction will apply to future issuances thereunder (other than issuances of refunding first mortgage bonds). In addition, this restriction does not prevent the creation or existence of:

- Liens on property existing at the time of acquisition or construction of such property (or created within one year after completion of such acquisition or construction), whether by purchase, merger, construction or otherwise, or to secure the payment of all or any part of the purchase price or construction cost thereof, including the extension of any Liens to repairs, renewals, replacements, substitutions, betterments, additions, extensions and improvements then or thereafter made on the property subject thereto;
- Financing of our accounts receivable for electric service;
- Any extensions, renewals or replacements (or successive extensions, renewals or replacements), in whole or in part, of liens permitted by the foregoing clauses; and
- The pledge of any bonds or other securities at any time issued under any of the Secured Debt permitted by the above clauses.

In addition to the permitted issuances above, Secured Debt not otherwise so permitted may be issued in an amount that does not exceed 15% of Net Tangible Assets as defined below.

"Net Tangible Assets" means the total of all assets (including revaluations thereof as a result of commercial appraisals, price level restatement or otherwise) appearing on our balance sheet, net of applicable reserves and deductions, but excluding goodwill, trade names, trademarks, patents, unamortized debt discount and all other like intangible assets (which term shall not be construed to include such revaluations), less the aggregate of our current liabilities appearing on such balance sheet. For purposes of this definition, our balance sheet does not include assets and liabilities of our subsidiaries.

This restriction also will not apply to or prevent the creation or existence of leases made, or existing on property acquired, in the ordinary course of business.

### UNDERWRITING

Subject to the terms and conditions of the Underwriting Agreement, we have agreed to sell to each of the underwriters named below and each of the underwriters has severally and not jointly agreed to purchase from us the respective principal amount of Senior Notes set forth opposite its name below:

<u>Underwriter</u>	<u>Principal Amount of Senior Notes</u>
ABN AMRO Incorporated	\$37,500,000
McDonald Investments Inc.	\$37,500,000
	<u>\$75,000,000</u>

In the Underwriting Agreement, the underwriters have agreed to the terms and conditions to purchase all of the Senior Notes offered if any of the Senior Notes are purchased.

The expenses associated with the offer and sale of the Senior Notes are expected to be approximately \$175,000.

The underwriters propose to offer the Senior Notes to the public at the initial public offering price set forth on the cover page of this prospectus supplement and to certain dealers at such price less a concession not in excess of .50% per Senior Note. The underwriters may allow, and such dealers may reallow, a discount not in excess of .25% per Senior Note to certain other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

Prior to this offering, there has been no public market for the Senior Notes. The Senior Notes will not be listed on any securities exchange. Certain underwriters have advised us that they intend to make a market in the Senior Notes. The underwriters will have no obligation to make a market in the Senior Notes, however, and may cease market making activities, if commenced, at any time. There can be no assurance of a secondary market for the Senior Notes, or that the Senior Notes may be resold.



We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or contribute to payments that each underwriter may be required to make in respect thereof.

In connection with the offering, the underwriters may purchase and sell the Senior Notes in the open market. These transactions may include over-allotment and stabilizing transactions and purchases to cover syndicate short positions created in connection with the offering. Stabilizing transactions consist of certain bids or purchases for the purposes of preventing or retarding a decline in the market price of the Senior Notes and syndicate short positions involve the sale by the underwriters of a greater number of Senior Notes than they are required to purchase from us in the offering. The underwriters also may impose a penalty bid, whereby selling concessions allowed to syndicate members or other broker dealers in respect of the securities sold in the offering for their account may be reclaimed by the syndicate if such Senior Notes are repurchased by the syndicate in stabilizing or covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the Senior Notes, which may be higher than the price that might otherwise prevail in the open market; and these activities, if commenced, may be discontinued at any time. These transactions may be effected in the over-the-counter market or otherwise.

Some of the underwriters or their affiliates engage in transactions with, and have performed services for, us and our affiliates in the ordinary course of business.

The underwriters will make securities available for distribution on the Internet through a proprietary Web site and/or a third party system operated by Market Axess Inc., an Internet-based communications technology provider. Market Axess Inc. is providing the system as a conduit for communications between the underwriters and their customers and is not a party to any transactions. Market Axess Inc. will not function as an underwriter or agent of the issuer, nor will Market Axess Inc. act as a broker for any customer of the underwriters. Market Axess Inc., a registered broker-dealer, will receive compensation from the underwriters based on transactions the underwriters conduct through the system. The underwriters will make securities available to their customers through the Internet distributions, whether made through a proprietary or third party system, on the same terms as distributions made through other channels.

PROSPECTUS

KENTUCKY POWER COMPANY

1 Riverside Plaza  
Columbus, Ohio 43215  
614-716-1000

\$375,000,000

UNSECURED NOTES

TERMS OF SALE

A prospectus supplement or pricing supplement will include the final terms for each note. If we decide to list upon issuance any note or notes on a securities exchange, a prospectus supplement or pricing supplement will identify the exchange and state when we expect trading could begin. The following terms may apply to the notes that we may sell at one or more times.

- Mature 9 months to 50 years
- Fixed or floating interest rate
- Remarketing features
- Certificate or book-entry form
- Subject to redemption
- Not convertible, amortized or subject to a sinking fund
- Interest paid on fixed rate notes quarterly or semi-annually
- Interest paid on floating rate notes monthly, quarterly, semi-annually, or annually
- Issued in multiples of a minimum denomination
- Issued with original issue discount

**INVESTING IN THESE NOTES INVOLVES RISKS. SEE THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 2 FOR MORE INFORMATION.**

**The notes have not been approved by the SEC or any state securities commission, nor have these organizations determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is June 10, 2003.

## THE COMPANY

We generate, sell, purchase, transmit and distribute electric power. We serve approximately 174,000 customers in eastern Kentucky. We also sell and transmit power at wholesale to other electric utilities, municipalities, electric cooperatives and non-utility entities engaged in the wholesale power market. Our principal executive offices are located at 1 Riverside Plaza, Columbus, Ohio 43215 (telephone number 614-716-1000). We are a subsidiary of American Electric Power Company, Inc., a public utility holding company, and we are a part of the American Electric Power integrated utility system. The executive offices of American Electric Power Company, Inc. are located at 1 Riverside Plaza, Columbus, Ohio 43215 (telephone number 614-716-1000).

## RISK FACTORS

### RISKS RELATED TO OUR REGULATED BUSINESS AND EVOLVING REGULATION

- The different regional power markets in which we compete or will compete in the future have changing transmission regulatory structures, which could affect our performance in these regions.

Our results are likely to be affected by differences in the market and transmission regulatory structures in various regional power markets. Problems or delays that may arise in the formation and operation of new regional transmission organizations, or "RTOs", may restrict our ability to sell power produced by our generating capacity to certain markets if there is insufficient transmission capacity otherwise available. The rules governing the various regional power markets may also change from time to time which could affect our costs or revenues. Because it remains unclear which companies will be participating in the various regional power markets, or how RTOs will develop or what regions they will cover, we are unable to assess fully the impact that these power markets may have on our business.

Certain AEP subsidiaries, including us, participated in the formation of the Alliance RTO. The Alliance RTO filed with the FERC seeking permission to form and operate. The FERC expressed its opinion that large RTOs will better support competitive, reliable electric service and rejected the Alliance RTO's filing. In May 2002 AEP announced an agreement with the Pennsylvania-New Jersey-Maryland RTO (the "PJM") Interconnection to pursue terms for participation in its RTO. Final agreements are expected to be negotiated. In July 2002 the FERC tentatively approved the decision of certain AEP subsidiaries, including us, to join PJM subject to certain conditions being met. The performance of these conditions is only partially under AEP's control. In October 2002, PJM announced that the referenced AEP subsidiaries and other unaffiliated utilities planned to turn functional control of their transmission lines over to PJM during the first quarter of 2003 and were scheduled to become full members by May 2003. Legislation adopted in a jurisdiction in which one of our affiliates operates and other regulatory considerations have delayed our participation in PJM.

Management is unable to predict the outcome of these transmission regulatory actions and proceedings or their impact on the timing and operation of RTOs, our transmission operations or future results of operations and cash flows.

#### RISKS RELATED TO OUR POWER TRADING AND WHOLESALE BUSINESSES

- We have significantly reduced the scope and scale of our power trading and marketing operations.

In October 2002 AEP announced its plans to reduce the exposure to energy trading markets of its subsidiaries that trade power (including us) and to downsize the trading and wholesale marketing operations conducted on behalf of such subsidiaries. It is expected that in the future our power trading and marketing operations will be limited to risk management around our generation assets and those of our regulated affiliates. Trading and marketing operations that were not limited to risk management around such assets have contributed to our wholesale revenues and earnings in the past. Management is unable to predict the effect this downsizing of our trading operations will have on our future results of operations and cash flows. The following risk factors appearing under this subheading should be read in light of the announcements discussed in this paragraph.

- Our revenues and results of operations are subject to market risks that are beyond our control.

We sell power from our generation facilities into the spot market or other competitive power markets or on a contractual basis. We also enter into contracts to purchase and sell electricity as part of our power marketing and trading operations. With respect to such transactions, we are not guaranteed any rate of return on our capital investments through regulated rates, and our revenues and results of operations are likely to depend, in large part, upon prevailing market prices for power in our regional markets and other competitive markets. These market prices may fluctuate substantially over relatively short periods of time. It is reasonable to expect that trading margins may erode as markets mature and that there may be diminished opportunities for gain should volatility decline. In addition, the Federal Energy Regulatory Commission (the "FERC"), which has jurisdiction over wholesale power rates, as well as independent system operators that oversee some of these markets, may impose price limitations, bidding rules and other mechanisms to address some of the volatility in these markets. Fuel prices may also be volatile, and the price we can obtain for power sales may not change at the same rate as changes in fuel costs. These factors could reduce our margins and therefore diminish our revenues and results of operations.

Volatility in market prices for fuel and power may result from:

- weather conditions;
  - seasonality;
  - power usage;
  - illiquid markets;
  - transmission or transportation constraints or inefficiencies;
  - availability of competitively priced alternative energy sources;
  - demand for energy commodities;
  - natural gas, crude oil and refined products, and coal production levels;
  - natural disasters, wars, embargoes and other catastrophic events; and
  - federal, state and foreign energy and environmental regulation and legislation.
- Our power trading (including fuel procurement and power marketing) and risk management policies cannot eliminate the risk associated with these activities.

Our power trading (including fuel procurement and power marketing) activities expose us to risks of commodity price movements. We attempt to manage our exposure through enforcement of established risk limits and risk management procedures. These risk limits and risk management procedures may not always be followed or may not work as planned and cannot eliminate the risks associated with these activities. As a result, we cannot predict the impact that our power trading and risk management decisions may have on our business, operating results or financial position.

We routinely have open trading positions in the market, within established guidelines, resulting from the management of our trading portfolio. To the extent open trading positions exist, fluctuating commodity prices can improve or diminish our financial results and financial position.

Our power trading and risk management activities, including our power sales agreements with counterparties, rely on projections that depend heavily on judgments and assumptions by management of factors such as the future market prices and demand for power and other energy-related commodities. These factors become more difficult to predict and the calculations become less reliable the further into the future these estimates are made. Even when our policies and procedures are followed and decisions are made based on these estimates, results of operations may be diminished if the judgments and assumptions underlying those calculations prove to be wrong or inaccurate.

- Our financial performance may be adversely affected if we are unable to successfully operate our electric generating facilities.

Our performance depends on the successful operation of our electric generating facilities. Operating electric generating facilities involves many risks, including:

- operator error and breakdown or failure of equipment or processes;
- operating limitations that may be imposed by environmental or other regulatory requirements;
- labor disputes;
- fuel supply interruptions; and
- catastrophic events such as fires, earthquakes, explosions, floods or other similar occurrences.

A decrease or elimination of revenues from power produced by our electric generating facilities or an increase in the cost of operating the facilities would adversely affect our results of operations.

- Parties with whom we have contracts may fail to perform their obligations, which could harm our results of operations.

We are exposed to the risk that counterparties that owe us money or power will breach their obligations. Should the counterparties to these arrangements fail to perform, we may be forced to enter into alternative hedging arrangements or honor underlying commitments at then-current market prices that may exceed our contractual prices, which would cause our financial results to be diminished and we might incur losses. Although our estimates take into account the expected probability of default by a counterparty, our actual exposure to a default by a counterparty may be greater than the estimates predict if defaults by counterparties exceed our estimates.

- We rely on electric transmission facilities that we do not own or control. If these facilities do not provide us with adequate transmission capacity, we may not be able to deliver our wholesale electric power to the purchasers of our power.

We depend on transmission facilities owned and operated by other unaffiliated power companies to deliver the power we sell at wholesale. This dependence exposes us to a variety of risks. If transmission is disrupted, or transmission capacity is inadequate, we may not be able to sell and deliver our wholesale power. If a region's power transmission infrastructure is inadequate, our recovery of wholesale costs and profits may be limited. If restrictive transmission price regulation is imposed, the transmission companies may not have sufficient incentive to invest in expansion of transmission infrastructure.

The FERC has issued electric transmission initiatives that require electric transmission services to be offered unbundled from commodity sales. Although these initiatives are designed to encourage wholesale market transactions for electricity, access to transmission systems may in fact not be available if transmission capacity is insufficient because of physical constraints or because it is contractually unavailable. We also cannot predict whether transmission facilities will be expanded in specific markets to accommodate competitive access to those markets.

- We do not fully hedge against price changes in commodities.

We routinely enter into contracts to purchase and sell electricity as part of our power marketing and trading operations and to procure fuel. In connection with these trading activities, we routinely enter into financial contracts, including futures and options, over-the-counter options, swaps and other derivative contracts. These activities expose us to risks from price movements. If the values of the financial contracts change in a manner we do not anticipate, it could harm our financial position or reduce the financial contribution of our trading operations.

We manage our exposure by establishing risk limits and entering into contracts to offset some of our positions (i.e., to hedge our exposure to demand, market effects of weather and other changes in commodity prices). However, we do not always hedge the entire exposure of our operations from commodity price volatility. To the extent we do not hedge against commodity price volatility, our results of operations and financial position may be improved or diminished based upon our success in the market.

- We are unable to predict the course, results or impact, if any, of current or future energy market investigations.

In February 2002, the FERC issued an order directing its Staff to conduct a fact-finding investigation into whether any entity, including Enron Corp., manipulated short-term prices in electric energy or natural gas markets in the West or otherwise exercised undue influence over wholesale prices in the West, for the period January 1, 2000, forward. In April 2002, AEP furnished certain information to the FERC in response to their related data request.

Pursuant to the FERC's February order, on May 8, 2002, the FERC issued further data requests, including requests for admissions, with respect to certain trading strategies engaged in by Enron Corp. and, allegedly, traders of other companies active in the wholesale electricity and ancillary services markets in the West, particularly California, during the years 2000 and 2001. This data request was issued to AEP as part of a group of over 100 entities designated by the FERC as all sellers of wholesale electricity and/or ancillary services to the California Independent System Operator and/or the California Power Exchange.

The May 8, 2002 FERC data request required senior management to conduct an investigation into AEP's trading activities during 2000 and 2001 and to provide an affidavit as to whether AEP engaged in certain trading practices that the FERC characterized in the data request as being potentially manipulative. AEP's senior management complied with the order and denied its involvement with those trading practices.

On May 21, 2002, the FERC issued a further data request with respect to this matter to AEP and over 100 other market participants requesting information for the years 2000 and 2001 concerning "wash", "round trip" or "sale/buy back" trading in the Western System Coordinating Council ("WSCC"), which involves the sale of an electricity product to another company together with a simultaneous purchase of the same product at the same price (collectively, "wash sales"). Similarly, on May 22, 2002, the FERC issued an additional data request with respect to

this matter to AEP and other market participants requesting similar information for the same period with respect to the sale of natural gas products in the WSCC and Texas. After reviewing its records, AEP responded to the FERC that it did not participate in any "wash sale" transactions involving power or gas in the relevant market. AEP further informed the FERC that certain of its traders did engage in trades on the Intercontinental Exchange, an electronic electricity trading platform owned by a group of electricity trading companies, including AEP, on September 21, 2001, the day on which all brokerage commissions for trades on that exchange were donated to charities for the victims of the September 11, 2001 terrorist attacks, which do not meet the FERC criteria for a "wash sale" but do have certain characteristics in common with such sales.

The Public Utilities Commission of Texas, which has jurisdiction over several of our affiliates, also issued similar data requests to AEP and other power marketers. AEP responded to such data request by the July 2, 2002 response date. We understand that the Securities and Exchange Commission ("SEC") and US Commodity Futures Trading Commission ("CFTC") are also looking into "wash sale" trading practices. The CFTC issued a subpoena to AEP on June 17, 2002 requesting information with respect to these matters and AEP responded to CFTC.

In August 2002, AEP received an informal data request from the SEC asking it to voluntarily provide documents related to "round-trip" or "wash" trades and AEP has provided the requested information to the SEC. In March 2003, we received a subpoena from the SEC. The subpoena seeks additional information and is part of the SEC's formal investigative process. We responded to the subpoena in April 2003. AEP recently completed a review of its trading activities in the United States for the last three years involving sequential trades with the same terms and counterparties. The revenue from such trading is not material to either our financial statements or AEP's. We believe that substantially all these transactions involve economic substance and risk transference and do not constitute "wash sales".

Management is unable to predict the course or outcome of these or any future energy market investigations or their impact, if any, on power commodity trading generally or, more specifically, on our trading operations or future results of operations and cash flows.

- Diminished liquidity in the wholesale power markets could negatively impact our earnings.

The Enron Corp. bankruptcy and enhanced regulatory scrutiny have contributed to more rigorous credit rating review of wholesale power market participants. Credit downgrades of numerous other market participants have significantly reduced such participants' participation in the wholesale power markets. Likewise, numerous market participants have announced material scaling back of or exit from the wholesale power market business. These events are causing a decrease in the number of significant participants in the wholesale power markets, at least temporarily, which has resulted and could continue to result in a decrease in the volume and liquidity in the wholesale power markets. We are unable to predict the impact of such developments on our power marketing and trading business.



- Uncertainty exists regarding FERC proposed security standards.

In July 2002, the FERC published for comment its proposed security standards as part of the Standards for Market Design ("SMD"). These standards are intended to ensure all market participants have a basic security program that effectively protects the electric grid and related market activities and require compliance by January 1, 2004. The impact of these proposed standards is far-reaching and has significant penalties for non-compliance. These standards apply to marketers, transmission owners, and power producers, including us. Compliance with these standards would represent a significant effort that will impact us. Unless the cost can be recovered from customers, results of operations and cash flows would be adversely affected.

- Potential for disruption exists if the delay of a FERC market power mitigation order is lifted.

A FERC order on AEP's triennial market based wholesale power rate authorization update required certain mitigation actions that certain AEP subsidiaries, including us, would need to take for sales/purchases within its control area and required AEP to post information on its website regarding its power systems status. As a result of a request for rehearing filed by AEP and other market participants, FERC issued an order delaying the effective date of the mitigation plan until after a planned technical conference on market power determination. No such conference has been held and management is unable to predict the timing of any further action by the FERC or its affect on future results of our operations and cash flows.

#### RISKS RELATED TO MARKET OR ECONOMIC VOLATILITY

- We are subject to risks associated with a changing economic environment.

In response to the occurrence of several recent events, including the September 11, 2001 terrorist attack on the United States, the ongoing war against terrorism by the United States, and the bankruptcy of Enron Corp., the financial markets have been disrupted in general, and the availability and cost of capital for our business and that of our competitors has been at least temporarily harmed. In addition, following the bankruptcy of Enron Corp., the credit ratings agencies initiated a thorough review of the capital structure and earnings power of energy companies, including us. These events could constrain the capital available to our industry and could limit our access to funding for our operations. Our business is capital intensive, and we are dependent upon our ability to access capital at rates and on terms we determine to be attractive. If our ability to access capital becomes significantly constrained, our interest costs will likely increase and our financial condition could be harmed and future results of operations could be significantly harmed.

The insurance industry has also been disrupted by these events. As a result, the availability of insurance covering risks we and our competitors typically insure against may decrease. In addition, the insurance we are able to obtain may have higher deductibles, higher premiums and more restrictive policy terms.

- A downgrade in our credit rating could negatively affect our ability to access capital and/or to operate our power trading businesses.

Standard & Poor's and Moody's rate our senior, unsecured debt at BBB and Baa2, respectively. If Moody's or Standard & Poor's were to downgrade our long-term rating, particularly below investment grade, our borrowing costs would increase which would diminish our financial results. In addition, we would likely be required to pay a higher interest rate in future financings, and our potential pool of investors and funding sources could decrease.

On February 10, 2003, Moody's downgraded AEP's short-term debt rating to P-3 (with stable outlook) from P-2. On March 7, 2003, Standard & Poor's affirmed AEP's short-term rating of A-2 with stable outlook. As a result of the Moody's downgrade, AEP's access to the commercial paper market may be limited and our short-term debt borrowing costs may increase because we conduct our short-term borrowing through AEP and on the same terms available to AEP.

Our power trading business relies on the investment grade ratings of our senior, unsecured debt. Most of our counterparties require the creditworthiness of an investment grade entity to stand behind transactions. If our rating were to decline below investment grade, our ability to profitably operate our power trading business would be diminished because we would likely have to deposit cash or cash related instruments which would reduce our profits.

- Our operating results may fluctuate on a seasonal and quarterly basis.

Electric power generation is generally a seasonal business. In many parts of the country, demand for power peaks during the hot summer months, with market prices also peaking at that time. In other areas, power demand peaks during the winter. As a result, our overall operating results in the future may fluctuate substantially on a seasonal basis. The pattern of this fluctuation may change depending on the terms of power sale contracts we enter into. In addition, we have historically sold less power, and consequently earned less income, when weather conditions are milder. We expect that unusually mild weather in the future could diminish our results of operations and harm our financial condition.

- Changes in technology may significantly affect our business by making our power plants less competitive.

A key element of our business model is that generating power at central power plants achieves economies of scale and produces power at relatively low cost. There are other technologies that produce power, most notably fuel cells, microturbines, windmills and photovoltaic (solar) cells. It is possible that advances in technology will reduce the cost of alternative methods of producing power to a level that is competitive with that of most central power station electric production. If this were to happen and if these technologies achieved economies of scale, our market share could be eroded, and the value of our power plants could be reduced. Changes in technology could also alter the channels through which retail electric customers buy power, thereby harming our financial results.

- Changes in commodity prices may increase our cost of producing power or decrease the amount we receive from selling power, harming our financial performance.

We are heavily exposed to changes in the price and availability of coal because all of our generating capacity is coal-fired. We have contracts of varying durations for the supply of coal for most of our existing generation capacity, but as these contracts end, we may not be able to purchase coal on terms as favorable as the current contracts.

Changes in the cost of coal and changes in the relationship between such cost and the market price of power will affect our financial results. Since the price we obtain for wholesale power may not change at the same rate as the change in coal costs, we may be unable to pass on the changes in costs to our customers.

In addition, actual power prices and fuel costs will differ from those assumed in financial projections used to initially value our trading and marketing transactions, and those differences may be material. As a result, our financial results may be diminished in the future as those transactions are marked to market.

- At times, demand for power could exceed our supply capacity.

We are currently obligated to supply power to our customers. At peak times, the demand for power required to meet this obligation will exceed our available generation capacity. In the past, we have had little need to purchase power in the market for our retail customers. In the future, we may be required to buy more power on the market. We may not always have the ability to pass these market purchase costs to our customers. However, we are currently protected from an increase in rates in Kentucky because we have an active fuel clause.

#### RISKS RELATED TO ENVIRONMENTAL REGULATION

- Our costs of compliance with environmental laws are significant.

Our operations are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources and health and safety. Compliance with these legal requirements requires us to commit significant capital toward environmental monitoring, installation of pollution control equipment, emission fees and permits at all of our facilities. These expenditures have been significant in the past and we expect that they will increase in the future. Costs of compliance with environmental regulations could harm our industry, our business and our results of operations and financial position, especially if emission and/or discharge limits are tightened, more extensive permitting requirements are imposed, additional substances become regulated and the number and types of assets we operate increase. However, we continue to be protected from erosion of cash flow and profitability by an environmental cost recovery mechanism that provides the opportunity to recover in retail rates both capital and operation and maintenance costs associated with environmental compliance.

- We anticipate that we will incur considerable capital costs for compliance.

All of our generating capacity is coal burning. We plan to install new emissions control equipment and may be required to upgrade existing equipment, purchase emissions allowances or reduce operations. We expect to spend approximately \$176 million (of which \$164 million has been expended as of March 31, 2003) in connection with the installation of emission control equipment at our facilities to comply with the new NOx rule and the Section 126 Rule. Moreover, environmental laws are subject to change, which may materially increase our costs of compliance or accelerate the timing of these capital expenditures. Our compliance strategy, although reasonably based on the information available to us today, may not successfully address the relevant standards and interpretations of the future.

- Governmental authorities may assess penalties on us for failures to comply with environmental laws and regulations.

If we fail to comply with environmental laws and regulations, even if caused by factors beyond our control, that failure may result in the assessment of civil or criminal penalties and fines against us. Recent lawsuits by the EPA and various states filed against us highlight the environmental risks faced by generating facilities, in general, and coal-fired generating facilities, in particular.

Since 1999, we and some of our affiliates have been involved in litigation regarding generating plant emissions under the Clean Air Act. Federal EPA and a number of states alleged that we and eleven unaffiliated utilities modified certain units at coal-fired generating plants in violation of the Clean Air Act. Federal EPA filed complaints against us and some of our affiliated public utility subsidiaries in U.S. District Court for the Southern District of Ohio. A separate lawsuit initiated by certain special interest groups was consolidated with the Federal EPA case. The alleged modification of the generating units occurred over a 20 year period.

If these actions are resolved against us, substantial modifications of our existing coal-fired power plants would be required. In addition, we could be required to invest significantly in additional emission control equipment, accelerate the timing of capital expenditures, pay penalties and/or halt operations. Moreover, our results of operations could be reduced and our financial position could suffer due to the consequent distraction of management and the expense of ongoing litigation.

### PROSPECTUS SUPPLEMENTS

We provide information to you about the notes in as many as three separate documents that progressively provide more detail: (a) this prospectus provides general information some of which may not apply to your notes, (b) the accompanying prospectus supplement provides more specific terms of your notes, and (c) if not in the accompanying prospectus supplement, the pricing supplement will provide the final terms of your notes. It is important for you to consider the information contained in this prospectus, the prospectus supplement and the pricing supplement in making your investment decision.

### RATIO OF EARNINGS TO FIXED CHARGES

The Ratio of Earnings to Fixed Charges for each of the periods indicated is as follows:

<u>Twelve Months Ended</u>	<u>Ratio</u>
December 31, 1998	2.09
December 31, 1999	2.33
December 31, 2000	2.23
December 31, 2001	2.08
December 31, 2002	2.06
March 31, 2003	2.09

For current information on the Ratio of Earnings to Fixed Charges, please see our most recent Form 10-K and 10-Q. See *Where You Can Find More Information*.

### WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement we filed with the SEC. We also file annual, quarterly and special reports and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. You may also examine our SEC filings through the SEC's web site at <http://www.sec.gov>.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until we sell all the notes.

- Annual Report on Form 10-K for the year ended December 31, 2002;
- Quarterly Report on Form 10-Q for the quarter ended March 31, 2003; and
- Current Report on Form 8-K dated May 14, 2003.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Mr. R. Todd Rimmer  
American Electric Power Service Corporation  
1 Riverside Plaza  
Columbus, Ohio 43215  
614-716-1000

You should rely only on the information incorporated by reference or provided in this prospectus or any supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of these notes in any state where the offer is not permitted. You should not assume that the information in this prospectus or any supplement is accurate as of any date other than the date on the front of those documents.

### USE OF PROCEEDS

Unless otherwise stated in a prospectus supplement, the net proceeds from the sale of the notes will be used for general corporate purposes relating to our utility business. These purposes include redeeming or repurchasing outstanding debt and other corporate purposes. If we do not use the net proceeds immediately, we temporarily invest them in short-term, interest-bearing obligations. We have estimated that our consolidated construction costs (inclusive of allowance for funds used during construction) for 2003 will be approximately \$72,283,000. At June 1, 2003, our outstanding short-term debt was approximately \$116,300,000.

### DESCRIPTION OF THE NOTES

#### General

We will issue the notes under the Indenture dated September 1, 1997 (as previously supplemented and amended) entered into between us and the Trustee, Deutsche Bank Trust Company Americas (formerly Bankers Trust Company). This prospectus briefly outlines some provisions of the Indenture. If you would like more information on these provisions, review the Indenture and any supplemental indentures or company orders that we file with the SEC. See *Where You Can Find More Information* on how to locate these documents. You may also review these documents at the Trustee's offices at Four Albany Street, New York, New York.

The Indenture does not limit the amount of notes that may be issued. The Indenture permits us to issue notes in one or more series or tranches upon the approval of our board of directors and as described in one or more company orders or supplemental indentures. Each series of notes may differ as to their terms. The Indenture also gives us the ability to reopen a previous issue of a series of notes and issue additional notes of such series.

The notes are unsecured and will rank equally with all our unsecured unsubordinated debt. Substantially all of our fixed properties and franchises are subject to the lien of our first mortgage bonds issued under and secured by a Mortgage and Deed of Trust, dated as of May 1, 1949, as previously supplemented and amended, between us and Bankers Trust Company, as trustee. For current information on our debt outstanding see our most recent Form 10-K and 10-Q. See *Where You Can Find More Information*.

The notes will be denominated in U.S. dollars and we will pay principal and interest in U.S. dollars. Unless an applicable pricing or prospectus supplement states otherwise, the notes will not be subject to any conversion, amortization, or sinking fund. We expect that the notes will be "book-entry," represented by a permanent global note registered in the name of The

Depository Trust Company, or its nominee. We reserve the right, however, to issue note certificates registered in the name of the noteholders.

In the discussion that follows, whenever we talk about paying principal on the notes, we mean at maturity or redemption. Also, in discussing the time for notices and how the different interest rates are calculated, all times are New York City time and all references to New York mean the City of New York, unless otherwise noted.

The following terms may apply to each note as specified in the applicable pricing or prospectus supplement and the note.

### **Redemptions**

If we issue redeemable notes, we may redeem such notes at our option unless an applicable pricing or prospectus supplement states otherwise. The pricing or prospectus supplement will state the terms of redemption. We may redeem notes in whole or in part by delivering written notice to the noteholders no more than 60, and not less than 30, days prior to redemption. If we do not redeem all the notes of a series at one time, the Trustee selects the notes to be redeemed in a manner it determines to be fair.

### **Remarketed Notes**

If we issue notes with remarketing features, an applicable pricing or prospectus supplement will describe the terms for the notes including: interest rate, remarketing provisions, our right to redeem notes, the holders' right to tender notes, and any other provisions.

### **Book-Entry Notes - Registration, Transfer, and Payment of Interest and Principal**

Unless otherwise stated in a prospectus supplement, book-entry notes of a series will be issued in the form of a global note that the Trustee will deposit with The Depository Trust Company, New York, New York ("DTC"). This means that we will not issue note certificates to each holder. One or more global notes will be issued to DTC who will keep a computerized record of its participants (for example, your broker) whose clients have purchased the notes. The participant will then keep a record of its clients who purchased the notes. Unless it is exchanged in whole or in part for a note certificate, a global note may not be transferred; except that DTC, its nominees, and their successors may transfer a global note as a whole to one another.

Beneficial interests in global notes will be shown on, and transfers of global notes will be made only through, records maintained by DTC and its participants.

DTC has provided us the following information: DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the United States Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Direct Participants") deposit with DTC. DTC also

records the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through computerized records for Direct Participant's accounts. This eliminates the need to exchange note certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

Other organizations such as securities brokers and dealers, banks and trust companies that work through a Direct Participant also use DTC's book-entry system. The rules that apply to DTC and its participants are on file with the SEC.

A number of its Direct Participants and the New York Stock Exchange, Inc., The American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. own DTC.

We will wire principal and interest payments to DTC's nominee. We and the Trustee will treat DTC's nominee as the owner of the global notes for all purposes. Accordingly, we, the Trustee and any paying agent will have no direct responsibility or liability to pay amounts due on the global notes to owners of beneficial interests in the global notes.

It is DTC's current practice, upon receipt of any payment of principal or interest, to credit Direct Participants' accounts on the payment date according to their respective holdings of beneficial interests in the global notes as shown on DTC's records. In addition, it is DTC's current practice to assign any consenting or voting rights to Direct Participants whose accounts are credited with notes on a record date. The customary practices between the participants and owners of beneficial interests will govern payments by participants to owners of beneficial interests in the global notes and voting by participants, as is the case with notes held for the account of customers registered in "street name." However, payments will be the responsibility of the participants and not of DTC, the Trustee or us.

According to DTC, the foregoing information with respect to DTC has been provided to the Industry for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

Notes represented by a global note will be exchangeable for note certificates with the same terms in authorized denominations only if:

- DTC notifies us that it is unwilling or unable to continue as depository or if DTC ceases to be a clearing agency registered under applicable law and a successor depository is not appointed by us within 90 days; or
- we determine not to require all of the notes of a series to be represented by a global note and notify the Trustee of our decision.



### **Note Certificates-Registration, Transfer, and Payment of Interest and Principal**

If we issue note certificates, they will be registered in the name of the noteholder. The notes may be transferred or exchanged, pursuant to administrative procedures in the indenture, without the payment of any service charge (other than any tax or other governmental charge) by contacting the paying agent. Payments on note certificates will be made by check.

### **Original Issue Discount**

We may issue the notes at an original issue discount, bearing no interest or bearing interest at a rate that, at the time of issuance, is below market rate, to be sold at a substantial discount below their stated principal amount. Generally speaking, if the notes are issued at an original issue discount and there is an event of default or acceleration of their maturity, holders will receive an amount less than their principal amount. Tax and other special considerations applicable to original issue discount debt will be described in the prospectus supplement in which we offer those notes.

### **Interest Rate**

The interest rate on the notes will either be fixed or floating. The interest paid will include interest accrued to, but excluding, the date of maturity or redemption. Interest is generally payable to the person in whose name the note is registered at the close of business on the record date before each interest payment date. Interest payable at maturity or redemption, however, will be payable to the person to whom principal is payable.

If we issue a note after a record date but on or prior to the related interest payment date, we will pay the first interest payment on the interest payment date after the next record date. We will pay interest payments by check or wire transfer, at our option.

#### *Fixed Rate Notes*

A pricing or prospectus supplement will designate the record dates, payment dates and the fixed rate of interest payable on a note. We will pay interest monthly, quarterly or semi-annually, and upon maturity or redemption. Unless an applicable pricing or prospectus supplement states otherwise, if any payment date falls on a day that is not a business day, we will pay interest on the next Business Day and no additional interest will be paid. Interest payments will be the amount of interest accrued to, but excluding, each payment date. Interest will be computed using a 360-day year of twelve 30-day months.

#### *Floating Rate Notes: General*

Each floating rate note will have an interest rate formula. The applicable pricing supplement will state the initial interest rate or interest rate formula on each note effective until the first interest reset date. The applicable pricing or prospectus supplement will state the method and dates on which the interest rate will be determined, reset and paid.

## Events of Default

"Event of Default" means any of the following:

- failure to pay for three Business Days the principal of (or premium, if any, on) any note of a series when due and payable;
- failure to pay for 30 days any interest on any note of any series when due and payable;
- failure to perform any other requirements in such notes, or in the Indenture in regard to such notes, for 90 days after notice;
- certain events of bankruptcy or insolvency; or
- any other event of default specified in a series of notes.

An Event of Default for a particular series of notes does not necessarily mean that an Event of Default has occurred for any other series of notes issued under the Indenture. If an Event of Default occurs and continues, the Trustee or the holders of at least 33% of the principal amount of the notes of the series affected may require us to repay the entire principal of the notes of such series immediately ("Repayment Acceleration"). In most instances, the holders of at least a majority in aggregate principal amount of the notes of the affected series may rescind a previously triggered Repayment Acceleration. However, if we cause an Event of Default because we have failed to pay (unaccelerated) principal, premium, if any, or interest, Repayment Acceleration may be rescinded only if we have first cured our default by depositing with the Trustee enough money to pay all (unaccelerated) past due amounts and penalties, if any.

The Trustee must within 90 days after a default occurs, notify the holders of the notes of the series of default unless such default has been cured or waived. We are required to file an annual certificate with the Trustee, signed by an officer, concerning any default by us under any provisions of the Indenture.

Subject to the provisions of the Indenture relating to its duties in case of default, the Trustee shall be under no obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any holders unless such holders offer the Trustee reasonable indemnity. Subject to the provisions for indemnification, the holders of a majority in principal amount of the notes of any series may direct the time, method and place of conducting any proceedings for any remedy available to, or exercising any trust or power conferred on, the Trustee with respect to such notes.

### **Modification of Indenture**

Under the Indenture, our rights and obligations and the rights of the holders of any notes may be changed. Any change affecting the rights of the holders of any series of notes requires the consent of the holders of not less than a majority in aggregate principal amount of the outstanding notes of all series affected by the change, voting as one class. However, we cannot change the terms of payment of principal or interest, or a reduction in the percentage required for changes or a waiver of default, unless the holder consents. We may issue additional series of notes and take other action that does not affect the rights of holders of any series by executing supplemental indentures without the consent of any noteholders.

### **Consolidation, Merger or Sale**

We may merge or consolidate with any corporation or sell substantially all of our assets as an entirety as long as the successor or purchaser expressly assumes the payment of principal, and premium, if any, and interest on the notes.

### **Legal Defeasance**

We will be discharged from our obligations on the notes of any series at any time if:

- we deposit with the Trustee sufficient cash or government securities to pay the principal, interest, any premium and any other sums due to the stated maturity date or a redemption date of the note of the series, and
- we deliver to the Trustee an opinion of counsel stating that the federal income tax obligations of noteholders of that series will not change as a result of our performing the action described above.

If this happens, the noteholders of the series will not be entitled to the benefits of the Indenture except for registration of transfer and exchange of notes and replacement of lost, stolen or mutilated notes.

### **Covenant Defeasance**

We will be discharged from our obligations under any restrictive covenant applicable to the notes of a particular series if we perform both actions described above. See *Legal Defeasance*. If this happens, any later breach of that particular restrictive covenant will not result in Repayment Acceleration. If we cause an Event of Default apart from breaching that restrictive covenant, there may not be sufficient money or government obligations on deposit with the Trustee to pay all amounts due on the notes of that series. In that instance, we would remain liable for such amounts.

### **Governing Law**

The Indenture and notes of all series will be governed by the laws of the State of New York.

### **Concerning the Trustee**

We and our affiliates use or will use some of the banking services of the Trustee in the normal course of business.

## **PLAN OF DISTRIBUTION**

We may sell the notes (a) through agents; (b) through underwriters or dealers; or (c) directly to one or more purchasers.

### **By Agents**

Notes may be sold on a continuing basis through agents designated by us. The agents will agree to use their reasonable efforts to solicit purchases for the period of their appointment.

The Agents will not be obligated to make a market in the notes. We cannot predict the amount of trading or liquidity of the notes.

### **By Underwriters**

If underwriters are used in the sale, the underwriters will acquire the notes for their own account. The underwriters may resell the notes in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the notes will be subject to certain conditions. The underwriters will be obligated to purchase all the notes of the series offered if any of the notes are purchased. Any initial public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time.

### **Direct Sales**

We may also sell notes directly. In this case, no underwriters or agents would be involved.

### **General Information**

Underwriters, dealers, and agents that participate in the distribution of the notes may be underwriters as defined in the Securities Act of 1933 (the "Act"), and any discounts or commissions received by them from us and any profit on the resale of the notes by them may be treated as underwriting discounts and commissions under the Act.

We may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Act.

Underwriters, dealers and agents may engage in transactions with, or perform services for, us or our affiliates in the ordinary course of their businesses.

#### LEGAL OPINIONS

Our counsel, Simpson Thacher & Bartlett LLP, New York, NY, and one of our lawyers will each issue an opinion about the legality of the notes for us. Dewey Ballantine LLP, New York, NY will issue an opinion for the agents or underwriters. From time to time, Dewey Ballantine LLP acts as counsel to our affiliates for some matters.

#### EXPERTS

The financial statements of the Company incorporated in this prospectus by reference from the Company's Current Report on Form 8-K dated May 14, 2003 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report which is incorporated herein by reference (which report expresses an unqualified opinion and includes an explanatory paragraph relating to the realignment of segments for financial reporting purposes).

The financial statement schedule of the Company incorporated by reference in this prospectus from the Company's Annual Report on Form 10-K (as updated by the Company's Current Report on Form 8-K dated May 14, 2003) has been audited by Deloitte & Touche LLP, independent auditors, as stated in their report which is incorporated herein by reference.

The aforementioned reports have been so incorporated in reliance upon such firm given their authority as experts in accounting and auditing.

**\$75,000,000**

**KENTUCKY POWER COMPANY**

**5.625% Senior Notes, Series D, due 2032**

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**PROSPECTUS SUPPLEMENT**

**June 10, 2003**

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*Joint Book-Running Managers*

**ABN AMRO INCORPORATED  
McDONALD INVESTMENTS INC.**

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**Filing Requirement**  
**807KAR5:001 Section 10 (6)(q)**

**Filing Requirement:**

*Annual report to shareholders, or members, and statistical supplements covering the two (2) most recent years from the utility's application filing date.*

**Response:**

The Annual Report to Shareholders for the years ended December 2003 and 2004, respectively, can be found in the Company's FERC Form 10-K in response to Filing Requirement 807KAR5:001, Section (10)(6)(s). One hard copy of each report is provided to the Commission. The requested information is also being provided on a CD labeled as:

Kentucky Power Company 2003 10K  
Kentucky Power Company 2004 10K

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(r)**

**Filing Requirement:**

*The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period.*

**Response:**

The Company's monthly reports of revenues and operating expenses for the months July 2004 through June 2005 are attached.



**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - JUNE 2005**



**AMERICAN  
ELECTRIC  
POWER**

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

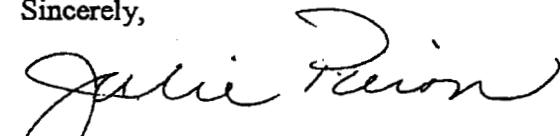
July 29, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed June 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

  
Julie Pierson  
Administrator - Regulated Accounting

JP/lck

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

KYP CORP CONDENSED  
Comparative Income Statement  
June 30, 2005

GLR11005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	June 30, 2005	June 30, 2005	June 30, 2005	June 30, 2006
OPERATING REVENUES				
SALES TO NON AFFILIATES	39,891,009.82	109,294,027.71	224,953,956.33	430,307,579.60
SALES TO AFFILIATES	4,722,188.79	13,007,756.19	25,196,488.28	47,801,661.52
GROSS OPERATING REVENUES	41,613,208.61	122,301,783.90	250,150,444.61	478,109,241.12
TOTAL OPERATING REVENUES, NET	41,613,208.61	122,301,783.90	250,150,444.61	478,109,241.12
OPERATING EXPENSES				
OPERATIONS				
FUEL	8,871,984.72	30,691,571.88	56,583,966.72	111,921,498.97
PURCHASED POWER NON AFFIL	874,097.86	1,786,715.44	3,909,687.44	6,566,774.72
PURCHASE POWER AFFILIATED	15,518,409.79	49,010,044.04	85,746,885.42	162,143,098.58
OTHER OPERATION	5,796,468.41	15,417,827.85	29,977,399.52	57,845,886.34
MAINTENANCE	3,288,022.39	8,482,360.01	14,398,042.15	29,660,987.69
TOTAL OPER/MAINT EXPENSES	34,128,861.17	99,387,520.02	192,817,951.25	368,128,246.30
DEPRECIATION AND AMORTIZATION	3,752,418.81	11,224,518.78	22,377,025.38	44,459,756.57
TAXES OTHER THAN INCOME TAXES	758,282.09	2,219,301.24	4,844,089.90	9,065,838.71
STATE, LOCAL & FOREIGN INCOME TAXES	(262,512.00)	37,788.00	430,080.00	(539,882.00)
FEDERAL INCOME TAXES	183,261.36	242,132.50	3,857,317.48	6,286,328.81
TOTAL OPERATING EXPENSES	38,559,431.44	113,111,260.55	223,826,444.01	427,382,388.39
NET OPERATING INCOME	3,054,777.18	9,190,523.35	26,324,000.60	50,726,852.73
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME				
INC TAXES APPL TO OTH INC&DED	(321,721.03)	316,454.21	489,825.87	775,423.87
NET OTHER INCOME AND DEDUCTIONS	217,268.50	164,404.78	(208,918.38)	20,820.87
INCOME BEFORE INTEREST CHARGES	(72,169.42)	323,133.31	544,726.88	658,220.04
INTEREST CHARGES	2,982,607.75	9,513,865.65	26,768,728.26	51,393,192.75
INTEREST ON LONG-TERM DEBT				
INT SHORT TERM DEBT - AFFIL	2,157,749.14	6,543,387.78	13,353,511.08	26,747,049.04
INT SHORT TERM DEBT - NON-AFFL	(8,851.79)	(5,321.78)	(39,528.26)	(33,677.97)
AMORT OF DEBT DISC, PREM & EXP	64,050.41	80,128.25	212,942.53	382,128.36
NET INTEREST CHARGES	92,388.03	277,188.09	587,278.08	1,141,654.26
AMORT LOSS ON REACQUIRED DEBT	5,615.77	16,847.35	30,894.54	64,365.74
OTHER INTEREST EXPENSE	78,150.34	226,673.88	449,421.17	819,234.48
TOTAL INTEREST CHARGES	2,389,108.96	7,138,884.55	14,594,318.12	29,120,771.89
AFUDC BORROWED FUNDS - CR	(90,138.89)	(70,569.43)	(158,159.40)	(293,815.72)
NET INTEREST CHARGES	2,358,971.07	7,068,315.12	14,436,158.72	28,826,956.17
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	623,836.68	2,445,350.63	12,330,687.84	22,556,236.59
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR COMM STK	623,836.68	2,445,350.63	12,330,687.84	22,556,236.59

Kentucky Power Company  
 Balance Sheet - Assets  
 June 30, 2006

DESCRIPTION	MONTH END BALANCES	
	June 30, 2005	DECEMBER BALANCES December 31, 2004
<b>GLR1500S</b>		
<b>ELECTRIC UTILITY PLANT</b>		
PRODUCTION	466,370,012.32	462,640,781.30
TRANSMISSION	387,909,766.76	385,666,627.94
DISTRIBUTION	446,448,969.31	438,766,381.36
GENERAL	59,475,282.15	57,929,260.63
CONSTRUCTION WORK IN PROGRESS	19,336,201.36	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,379,540,231.90	1,361,547,483.12
LESS ACCUM PRV-DEPR, DEPL, AMORT	(443,489,455.56)	(426,686,943.86)
NET ELECTRIC UTILITY PLANT	936,050,766.34	934,860,539.26
<b>OTHER PROPERTY AND INVESTMENT</b>		
LT ENERGY TRADING CONTRACTS	39,128,817.95	19,067,031.56
NET NONUTILITY PROPERTY	5,434,496.08	5,438,331.05
TOTAL OTHER INVESTMENTS	350,706.46	421,723.58
<b>TOTAL OTHER PROP AND INVSTMNTS</b>	<b>44,914,020.49</b>	<b>24,927,086.19</b>
<b>CURRENT AND ACCRUED ASSETS</b>		
CASH AND CASH EQUIVALENTS	247,332.39	132,300.72
ADVANCES TO AFFILIATES	12,646,962.08	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	14,286,761.91	16,388,055.58
ACCOUNTS RECEIVABLE - MISC	9,704,583.42	5,836,437.53
A/P FOR UNCOLLECTIBLE ACCOUNTS	(1,658.89)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	18,314,390.32	23,045,902.11
FUEL STOCK	10,663,233.01	6,550,571.42
MATERIALS & SUPPLIES	8,102,531.79	9,385,328.76
ACCRUED UTILITY REVENUES	2,619,904.38	7,340,252.26
ENERGY TRADING CONT CURR ASSET	21,979,626.84	19,845,328.64
PREPAYMENTS	661,934.17	819,381.37
OTHER CURRENT ASSETS	6,500,286.56	4,003,080.40
TOTAL CURRENT ASSETS	105,725,887.97	109,439,713.14
<b>REGULATORY ASSETS</b>		
TOTAL REGULATORY ASSETS	130,922,645.05	124,993,760.27
<b>DEFERRED CHARGES</b>		
TOTAL DEFERRED CHARGES	60,936,846.16	66,892,429.67
<b>TOTAL ASSETS</b>	<b>1,278,550,166.02</b>	<b>1,261,113,528.53</b>

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
June 30, 2005

DESCRIPTION	MONTH END BALANCES	
	June 30, 2005	DECEMBER BALANCES December 31, 2004
<b>GLR1700S</b>		
<b>CAPITALIZATION</b>		
COMMON STOCK		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
PAID-IN CAPITAL	198,018,633.84	199,975,030.34
RETAINED EARNINGS	82,865,847.49	70,555,278.85
COMMON SHAREHOLDERS' EQUITY	331,334,481.33	320,980,310.29
LT DEBT (LESS AMT DUE IN 1 YR)		
LONG-TERM DEBT LESS AMT DUE 1 YR	447,716,121.52	508,310,302.15
TOTAL CAPITALIZATION	779,070,602.85	829,290,612.44
OTHER NONCURRENT LIABILITIES		
OBLIGATIONS UNDER CAP LEASE	2,365,772.27	2,801,940.69
ACCUMULATED PROVISIONS - MISC	12,187,960.65	17,729,189.84
TOTAL OTH NONCURRENT LIAB'S	14,563,732.92	20,531,130.53
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR		
ADVANCES FROM AFFILIATES	40,000,000.00	0.00
AP - GENERAL	0.00	0.00
AP-ASSOC. COS.	30,311,098.72	20,090,482.71
CUSTOMER DEPOSITS	24,765,448.01	24,699,024.48
TAXES ACCRUED	16,304,626.71	12,308,487.42
INTEREST ACCRUED	7,716,824.90	9,248,178.82
DIVIDENDS DECLARED	6,784,703.36	6,754,332.86
OBLIG UNDER CAP LEASES- CURR	0.00	0.00
ENERGY TRADING CONT CURR LIAB	1,355,971.72	1,560,883.37
OTHR CURR & ACCRUED LIAB	23,562,022.15	17,205,428.18
TOTAL CURRENT LIABILITIES	7,505,401.82	9,036,464.73
DEF CREDITS & REGULATORY LIAB	158,316,097.18	101,093,402.58
DEFERRED INCOME TAXES	284,235,437.50	267,046,684.78
DEF INVESTMENT TAX CREDITS	6,137,470.02	6,721,725.00
REGULATORY LIABILITIES	26,509,682.38	22,209,994.15
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	29,218,281.52	13,484,349.55
CUSTOMER ADVANCES FOR CONSTR	56,784.35	58,871.18
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	444,067.31	675,458.35
TOTAL OTHER DEFERRED CREDITS	29,717,143.18	14,219,779.08
TOTAL DEF CREDITS & REG LIAB'S	326,599,733.08	310,196,382.99
TOTAL CAPITAL & LIABILITIES	1,278,550,166.02	1,261,113,828.53

Kentucky Power Company  
 Statement of Retained Earnings  
 June 30, 2006

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		June 30, 2005	DECEMBER BALANCES December 31, 2004
	BALANCE AT BEGINNING OF YEAR	70,555,279.95	64,150,582.93
	NET INCOME (LOSS)	12,330,567.54	25,904,691.56
	TOTAL	82,885,847.49	80,055,274.49
4380001	DEDUCTIONS:		
	Div Declrd - Common SIK - Asso	0.00	(19,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	82,885,847.49	70,555,279.95
<b>(A) REPRESENTS THE FOLLOWING -</b>			
2150000	BALANCE AT END OF PERIOD		
2151000	Appropriated Retained Earnings	0.00	0.00
	Appr Retnd Erngs - Amrt Rev, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	12,330,567.54	6,404,697.02
	TOTAL UNAPPR RETND ERNGS	82,885,847.49	70,555,279.95
216.1	Unapprp Undistribtd Sub-Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	82,885,847.49	70,555,279.95

Kentucky Power Company  
Deferred ( )  
June 30, 2005

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		June 30, 2005	December 30, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	27,138,669.02	12,348,284.56
2440004	LT Unreal Losses - Affil	1,723,675.00	777,254.00
2440010	LT Option Premium Receipts	8,423.50	0.00
2450002	LT Unreal Losses - Hedga	0.00	358,810.99
2450011	LT Liability-Commodity Hedges	189,634.00	0.00
2450017	Deriv-Hdg-Unreal Ls-FV-Int-LT	155,890.00	0.00
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>29,216,291.52</b>	<b>13,484,349.55</b>
<b>CUSTOMR ADVANCES FOR CONSTRUCTN</b>			
2520000	Customer Adv for Construction	56,784.35	59,971.16
	<b>TOTAL CUST ADVANCES FOR CONSTR</b>	<b>56,784.35</b>	<b>59,971.16</b>
<b>DEFRD GAIN ON SALE/LEASEBACK</b>			
	<b>TOTAL DEF GAIN ON SALE/LEASEBACK</b>	<b>0.00</b>	<b>0.00</b>
<b>DEFRD GAIN ON DISP OF UTIL PLT</b>			
	<b>TOTAL DEF GAINS-DISP UTIL PLT</b>	<b>0.00</b>	<b>0.00</b>
<b>OTHER DEFERRED CREDITS</b>			
2530000	Other Deferred Credits	0.00	0.00
2530001	Deferred Revenues	218,388.52	207,366.88
2530004	Allowances	0.00	598.08
2530021	Unidentified Cash Receipts	688.31	6,669.21
2530050	T.V. Pole Attachments	36,769.15	67,773.84
2530092	Defrd Gain - Fiber Optic Leases	188,221.33	189,238.45
2530093	Def Carry Chg - Defrd RTO Costs	0.00	203,811.89
2530101	MACSS Unidentified EDI Cash	0.00	0.00
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>444,067.31</b>	<b>675,458.35</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2811001	Acc Dfd FIT - Accel Amort Prop	21,376,600.70	19,258,200.70
2821001	Accum Dfd FIT - Utility Prop	110,227,605.04	110,357,019.84
2823001	Acc Dfd FIT FAS 109 Flow Thru	51,622,563.22	50,919,107.73
2824001	Acc Dfd FIT - SFAS 109 Excess	(1,781,584.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	14,170.00	1,326,444.72
2830015	ADIT-Fed-Hdg-CF-Int Rate	108,520.44	0.00
2831001	Accum Deferred FIT - Other	14,120,023.34	14,201,796.23
2832001	Accum Dfd FIT - Oth Inc & Ded	2,491,784.92	2,152,005.45
2833001	Acc Dfd FIT FAS 109 Flow Thru	37,715,763.84	38,652,630.11
2833002	Acc Dfd SIT FAS 109 Flow Thru	28,340,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>284,235,437.50</b>	<b>267,046,884.78</b>
<b>ACCUM DEFDRD INVEST TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,137,470.02	6,721,725.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,137,470.02</b>	<b>6,721,725.00</b>
<b>REGULATORY LIAB'S</b>			
	<b>TOTAL DEFDRD CREDITS &amp; REG LIAB</b>	<b>26,609,682.38</b>	<b>22,209,994.15</b>
	<b>TOTAL DEFDRD CREDITS &amp; REG LIAB</b>	<b>326,599,733.08</b>	<b>310,188,382.99</b>

Kentucky Power Company  
Operating Revenues  
June 30, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED June 30, 2005	THREE MONTHS ENDED June 30, 2005	YEAR TO DATE June 30, 2005
<b>SALES OF ELECTRICITY</b>				
<b>RETAIL SALES</b>				
4400001	Residential Sales-W/Space Htg	6,231,990.91	16,216,340.05	45,565,260.88
4400002	Residential Sales-W/O Space Htg	3,657,940.58	9,870,148.43	22,261,348.50
4420001	Commercial Sales	9,789,931.18	24,186,488.48	67,816,807.38
4420002	Industrial Sales (Excl Mines)	4,978,878.68	14,472,907.77	28,502,348.94
4420004	Ind Sales-NonAffil(Incl Mines)	5,698,905.05	16,662,194.83	35,708,492.11
4420006	Sales to Pub Auth - Schools	4,215,648.98	12,778,923.50	24,503,422.32
4420007	Sales to Pub Auth - Ex Schools	707,698.45	2,403,963.49	5,093,628.68
	COMMERCIAL & INDUSTRIAL SALES	817,124.17	4,028,318.78	9,353,817.52
		16,418,168.33	50,711,653.13	195,316,806.64
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00
4440000	Public Street/Highway Lighting Public & Other Sales	76,717.45 76,717.45	240,112.78 240,112.78	487,046.99 487,046.99
	<b>TOTAL RETAIL SALES</b>	26,284,804.97	77,138,164.39	166,739,864.21
<b>SALES FOR RESELL</b>				
4470002	Sales for Resale - Non-Assoc	2,632,760.13	7,232,763.46	16,503,448.40
4470004	Sales for Resale-Nonaff-Andil	2,439.36	7,118.71	14,953.81
4470006	Sales for Resale-Nonaff-Tranm	70,052.86	210,443.86	417,613.34
4470007	Sales for Resale-Bookout Sales	24,646,626.92	76,610,393.08	181,544,225.78
4470010	Sales for Resale-Bookout Purch	242,423.90	615,452.45	2,135,941.17
4470011	Sales for Resale-Option Purch	(23,900,328.43)	(74,659,167.86)	(199,694,062.90)
4470012	Sales for Resale - Real from East	(67,720.12)	(198,860.11)	(603,650.13)
4470027	Wholesale/Wholesale Fuel Rev	(926,231.00)	(865,394.00)	(1,405,773.00)
4470028	Wholesale/Wholesale Fuel Rev	130,621.00	348,701.59	768,063.55
4470033	Wholesale - NA - Fuel Rev	1,352,408.43	4,474,046.41	15,096,150.39
4470064	Purch Pwr Phys/Trad - Non Assoc	146,960.94	392,568.73	661,085.28
4470066	Wholesale/Pub Auth Base Rev	(647,025.76)	(1,768,325.56)	(8,592,594.66)
4470072	PWR Trading Trans Exp-Non-Assoc	(56,183.00)	(64,798.00)	(133,814.16)
4470073	Sales for Resale - Hedge Trans	(161,799.00)	(78,109.00)	(645,178.00)
4470082	Financial Spark Gas - Realized	423,301.02	(78,109.00)	(1,442,612.00)
4470089	Financial Electric Realized	(717,648.27)	(602,137.73)	(3,032,776.77)
4470090	PJM Energy Sales Margn	1,114,214.09	2,620,021.28	(870,455.52)
4470091	PJM Spot Energy Purchases	(1,109,730.96)	(4,429,819.92)	(3,239,294.01)
4470092	PJM Implicit Congestion Cost	(24,543.16)	(35,124.37)	(12,355,062.20)
4470093	PJM Implicit Congestion-LSE	47,899.48	(72,070.58)	(26,067.69)
4470094	PJM Tramm. Loss - OSS	(714,526.10)	(1,873,762.57)	(470,554.73)
4470096	PJM Ancillary Serv.-Reg	(3,255.36)	(1,387.77)	(3,270,908.77)
4470098	PJM Ancillary Serv.-Spk	116,364.30	341,683.03	480,450.15
4470099	PJM Oper-Reserve Rev-OSS	130,067.71	223,642.97	1,067.09
4470100	PJM Capacity Cz. Nat Sales	1,654.10	4,800,450.15	352,781.87
4470101	PJM FTR Revenue-OSS	0.00	75.47	165.02
4470102	PJM FTR Revenue-LSE	165,719.64	348,173.24	317,737.97
4470103	PJM Energy Sales Cost	1,486,781.14	2,345,364.78	3,669,398.50
4470104	PJM OAT Andl-Receive	4,629,648.38	13,258,974.01	25,827,812.52
4470106	PJM PDPI Trans-Purch-NonAff.	8,136.55	(10,219.00)	0.00
4470107	PJM NITS Purch-NonAff.	368.02	(17,274.25)	36,421.73
4470108	PJM Oper-Reserve Rev-LSE	(976,062.12)	2,899.03	4,727.30
4470109	PJM FTR Revenue-Spec	2,282.46	(500,306.82)	(890,246.95)
4470110	Non-ECR Phys. Sales-OSS	(1,005.34)	2,282.46	2,282.46
4470111	PJM Tramm. Loss - LSE	351,998.93	6,128.89	(27,903.76)
4470112	PJM Meter Corrections-OSS	(21,938.35)	28,266.10	1,868,055.20
4470113	Realiz. Sharing-47 Opkin	(10,554.72)	(69,528.81)	(22,491.33)
4470114	Realiz. Sharing-PJM OSS	(75,944.58)	(537,960.00)	(149,054.78)
4470115	PJM SECA Tramm. Expense	90,314.00	1,674,092.00	1,674,092.00
4470116	PJM Incremental Spot-OSS	(157,730.12)	(439,868.12)	18,694.00
4470117	PJM Incremental Exp Cong-OSS	24.21	(458.40)	(887,458.12)
4470118		(1,748.38)	(10,953.69)	(45,778.30)
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Kentucky Power - Party  
Operating Revenues  
June 30, 2006

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED June 30, 2006	THREE MONTHS ENDED June 30, 2006	YEAR TO DATE June 30, 2006	TWELVE MONTHS ENDED 2006
GLR11105					
4470126	PJM Incremental Imp Cong-OSS	(192,247.63)	(192,810.72)	(190,575.98)	(190,575.98)
4470131	Non ECR Purchased Power-OSS	(403,928.52)	(1,288,208.45)	(1,259,206.45)	(1,259,206.45)
4470132	Spark Cats - Realized	(17,488.86)	(653,590.20)	584,222.48	584,222.48
	<b>SALES FOR RESALE-NONAFFILIATED</b>	<b>8,763,871.84</b>	<b>24,944,848.83</b>	<b>46,646,627.28</b>	<b>78,181,287.28</b>
4470001	Sales for Resale - Assoc Cos	258,512.27	703,308.05	874,050.87	1,340,585.82
4470014	Site Resale-Auxiliary Trans-Aff	0.00	0.00	0.00	6,950.51
4470015	Site Resale-Transmission-Aff	0.00	0.00	0.00	0.00
4470035	Site for Ret - Fuel Rev - At506	244,851.21	791,956.00	1,478,653.69	75,508.50
4470086	Sales for Resale-AIR Pool	0.00	0.00	0.00	3,321,878.90
4470088	Pool Sales to Dew Plt- AIR	819.20	2,563.81	4,835.04	18,846,528.85
4470128	Sales for Res-Aff. Pool Energy	4,213,110.00	11,434,019.00	22,685,802.00	71,175.18
	<b>SALES FOR RESALE-AFFILIATED CO</b>	<b>4,888,182.88</b>	<b>12,931,846.88</b>	<b>25,044,161.88</b>	<b>22,685,902.00</b>
	<b>TOTAL SALES FOR RESALE</b>	<b>13,480,864.82</b>	<b>38,978,695.48</b>	<b>70,891,776.88</b>	<b>125,809,827.83</b>
	<b>TOTAL SALES OF ELECTRICITY</b>	<b>38,786,388.48</b>	<b>114,114,849.88</b>	<b>237,331,043.08</b>	<b>463,714,323.18</b>
	<b>TOTAL SLS OF ELECT AFT RFD PROV</b>	<b>38,768,369.48</b>	<b>114,114,849.88</b>	<b>237,331,043.08</b>	<b>463,714,323.18</b>
	<b>OTHER OPERATING REVENUE</b>				
4560007	Oh Elect Rev - DSM Program	50,099.97	224,048.85	(2,882,459.50)	(2,068,487.40)
4560012	Oh Elect Rev - Nonaffiliated	14,812.43	14,812.43	14,812.43	14,812.43
4560013	Oh Elect Rev-Trans-Normal	4,888.36	11,728.35	21,850.35	2,885,153.43
4560015	Other Electric Revenues - ABD	0.00	0.00	0.00	284,008.55
4560018	Financial Trading Rev-Urinal	228,190.70	430,709.78	777,876.51	2,188,343.39
4560041	Miscellaneous Revenue-NonAff	0.02	0.02	0.02	0.03
4560049	Merchant Generation Finan -Realized	0.00	0.00	8,282.87	42,771.18
4560058	Oh Elect Rev-Coal Trd Rctd G-L	(161,876.71)	(1,081,359.19)	1,278,824.74	143,281.10
4560059	PJM NTS Revenue-NonAff	(1,583.41)	18,969.18	85,177.98	2,478,386.82
4560060	PJM P2P Trans.Rev-NonAff	236,725.82	754,125.12	1,406,954.25	2,412,596.85
4560062	PJM TO Admtn. Rev. NonAff.	110,098.83	320,841.67	737,721.60	1,448,788.41
4560064	Buckeye Admtn. Fee Revenue	17,316.04	47,458.78	123,877.85	182,784.38
4560067	OnElectricity Coal Purch Exp	10,063.38	25,889.82	95,289.69	86,221.17
4560068	SECA Transmission Revenue	0.00	0.00	0.00	(2,391,284.24)
	<b>OTHER ELECTRIC REVENUES</b>	<b>883,499.85</b>	<b>2,919,334.78</b>	<b>5,490,223.27</b>	<b>8,304,127.51</b>
		<b>1,399,266.08</b>	<b>3,887,340.69</b>	<b>7,133,217.77</b>	<b>13,938,464.48</b>
4540001	Rent From Elect Property - AI	25,306.11	75,919.33	151,836.86	353,340.86
4540002	Rent From Elect Property-NAC	231,560.88	728,409.19	1,325,480.14	2,802,948.04
4540004	Rent From Elect Prop-ABD-Nonaf	12,008.20	17,884.40	38,270.40	82,202.40
	<b>RENT FROM ELEC PROPERTY</b>	<b>268,875.19</b>	<b>822,212.92</b>	<b>1,516,587.40</b>	<b>3,038,481.40</b>
4500000	Forfeited Discounts	84,163.38	345,384.41	812,403.55	1,478,286.58
4510001	Misc Service Rev - Normal	9,698.81	24,604.88	58,771.84	260,273.56
	<b>MISC REVENUES</b>	<b>94,160.19</b>	<b>369,989.29</b>	<b>871,175.39</b>	<b>1,738,560.14</b>
4118000	Gain Disposition of Allowances	1,068,829.85	3,307,341.12	3,306,421.50	5,698,887.00
4119000	Loss Disposition of Allowances	0.00	0.00	(8,001.15)	(8,377.00)
	<b>GAIN (LOSS) DISPOS ALLOWANCES</b>	<b>1,068,829.85</b>	<b>3,307,341.12</b>	<b>3,298,420.35</b>	<b>5,690,509.99</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>2,847,833.12</b>	<b>8,185,943.02</b>	<b>12,818,400.81</b>	<b>24,395,037.93</b>
	<b>GROSS OPERATING REVENUES</b>	<b>41,813,208.61</b>	<b>122,301,732.90</b>	<b>258,160,443.69</b>	<b>478,105,351.11</b>
	<b>NET OPERATING REVENUES</b>	<b>41,813,208.61</b>	<b>122,301,732.90</b>	<b>258,160,443.69</b>	<b>478,105,351.11</b>



Kentucky Power Company  
Taxes Applicable To Operating Income  
June 30, 2005

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED June 30, 2005	THREE MONTHS ENDED June 30, 2005	YEAR TO DATE June 30, 2005	TWELVE MONTHS ENDED June 30, 2005
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	173,566.74	588,910.83	1,224,281.03	2,171,663.07
4081003	Federal Unemployment Tax	44.65	574.82	25,231.83	25,964.00
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100503	Real & Personal Property Taxes	0.00	0.00	(1,990.43)	(1,990.43)
408100504	Real & Personal Property Taxes	0.00	(74,764.62)	(74,764.62)	3,352,470.02
4081007	State Unemployment Tax	586,293.00	1,759,469.11	3,518,348.11	3,519,233.07
408100802	State Franchise Taxes	27.97	431.23	19,992.05	20,389.11
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00
408100804	State Franchise Taxes	0.00	0.00	0.00	13,933.00
408100805	State Franchise Taxes	0.00	0.00	0.00	53,880.00
408101702	St LicRgstrtion Tax/Fees	7,800.00	23,400.00	46,800.00	46,800.00
408101703	St LicRgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101704	St LicRgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101705	St LicRgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	60.00	375.00
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	50.00
408101904	State Sales and Use Taxes	42,029.86	126,099.86	252,204.86	504,414.86
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	157.40	214.19
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	354.78
408102905	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	89,747.65
4081033	Fringe Benefit Loading - FICA	14,576.00	43,728.00	87,456.00	87,458.00
4081034	Fringe Benefit Loading - FUT	(67,583.43)	(246,124.26)	(450,224.50)	(812,852.85)
4081035	Fringe Benefit Loading - SUT	(671.38)	(3,246.27)	(5,615.57)	(12,361.58)
408103604	Real Prop Tax-Cap Leases	(517.32)	(1,925.46)	(3,332.27)	(5,355.48)
408103605	Real Prop Tax-Cap Leases	0.00	0.00	0.00	6,058.29
		916.00	2,748.00	5,496.00	5,498.00
		756,282.09	2,219,301.24	4,644,089.90	9,065,938.71
<b>TOTAL OTHER TAXES-FED &amp; STATE</b>					
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
409100200	Income Taxes, UOI - State	0.00	0.00	42,337.00	42,337.00
409100201	Income Taxes, UOI - State	0.00	0.00	62,635.00	62,635.00
409100202	Income Taxes, UOI - State	0.00	0.00	46,320.00	46,320.00
409100203	Income Taxes, UOI - State	0.00	0.00	0.00	(1,202,807.00)
409100204	Income Taxes, UOI - State	0.00	0.00	0.00	232,865.00
409100205	Income Taxes, UOI - State	(262,512.00)	37,788.00	268,928.00	268,928.00
409100299	Income Taxes, UOI - State	(262,512.00)	37,788.00	9,840.00	9,840.00
				430,060.00	(539,892.00)
<b>FEDERAL INCOME TAXES</b>					
4091001	Income Taxes, UOI - Federal	(846,569.61)	(1,468,981.61)	2,375,862.43	(4,344,491.94)
4101001	Priv Def /IT Util Op Inc-Fed	2,354,189.66	6,170,412.48	12,747,373.08	8,361,634.38
4111001	ITC Adj. Utility Oper - Fed	(1,226,982.86)	(4,167,170.88)	(10,681,663.05)	3,484,062.35
4114001	TOTAL FEDERAL INCOME TAXES	(97,375.83)	(292,127.49)	(584,254.98)	(1,232,875.98)
		183,261.36	242,132.50	3,857,317.48	6,268,328.81
<b>TOTAL TAXES APPLIC TO OPER INC</b>					
		677,031.45	2,499,221.74	8,931,467.38	14,794,385.52

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
June 30, 2006

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
		June 30, 2006	June 30, 2005	June 30, 2005	June 30, 2005
	TAXES OTHER THAN INC TAX				
408201404	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	0.00	0.00
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oth Inc&Ded-Federal	52,550.39	666,258.33	(207,097.76)	1,184,826.85
4102001	Prov Def I/T Oth I&D - Federal	175,724.50	333,377.80	1,403,175.17	(10,175,159.58)
4112001	P/V Def I/T-Cr Oth I&D-Fed	(260,558.00)	(842,910.44)	(987,159.05)	8,869,511.86
4115001	ITC-Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(32,283.11)	156,725.69	208,918.36	(20,820.87)
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(32,283.11)	156,725.69	208,918.36	(20,820.87)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - June, 2005

GLR7210V

	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
UTILITY PLANT						
101108 GENERATION	464,497,613.28	5,982,062.42	(996,165.42)	0.00	(186,729.00)	469,296,761.28
TOTAL PRODUCTION	484,497,613.28	5,982,062.42	(996,165.42)	0.00	(186,729.00)	489,296,761.28
101106 TRANSMISSION	384,291,767.19	2,758,922.36	(281,348.76)	0.00	287,845.00	387,057,285.77
101108 DISTRIBUTION	476,149,970.30	11,260,787.97	(2,728,451.93)	0.00	(101,216.00)	486,582,090.24
TOTAL (ACCOUNTS 101 & 106)	1,326,938,350.75	20,001,772.65	(4,003,966.13)	0.00	0.00	1,342,936,157.27
1011001 CAPITAL LEASES	11,201,881.49	0.00	0.00	(796,827.21)	0.00	10,405,054.27
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,232.23	20,001,772.65	(4,003,966.13)	(796,827.21)	0.00	1,363,341,211.54
1050001 PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	16,544,491.89					
107000X ADDITIONS		22,783,542.13				
107000X TRANSFERS		(20,001,772.65)				
107000X END. BAL.		2,781,769.48				
TOTAL ELECTRIC UTILITY PLANT	1,361,547,483.12	22,783,542.13	(4,003,966.13)	(796,827.21)	0.00	1,379,540,231.90
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	996,378.00	0.00	0.00	0.00	0.00	996,378.00
1210002 NONUTILITY PROPERTY-LEASED	4,584,674.41	0.00	(500.11)	0.00	0.00	4,584,074.30
1240025-29 OTHER INVESTMENTS	5,890,952.41	0.00	(600.11)	0.00	0.00	5,890,452.30
TOTAL NONUTILITY PLANT	11,472,004.82	0.00	(1,100.22)	0.00	0.00	11,470,904.60

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - June, 2006

GLR7410V

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
NUCLEAR						
1080001/11 OTHER						
1080009/10 DECOMMISSIONING COSTS						
TOTAL NUCLEAR						
1080001/11 PRODUCTION	167,844,173.79	8,502,403.87	(834,427.82)	(411,417.73)	(118,234.45)	175,081,487.46
1080001/11 TRANSMISSION	112,713,887.35	3,284,832.13	(281,348.78)	(115,207.83)	168,489.27	115,751,252.14
1080001/11 DISTRIBUTION	131,818,737.52	8,108,051.31	(2,551,147.09)	(867,042.08)	(50,254.82)	136,758,344.88
RETIREMENT WORK IN PROGRESS	(987,013.27)	0.00	0.00	(986,285.91)	1,083,687.52	(891,631.56)
TOTAL (108X accounts)	411,489,886.40	19,875,087.11	(3,666,923.69)	(2,091,953.53)	1,093,687.62	425,889,466.91
NUCLEAR						
1110001 PRODUCTION	2,357,841.52	870,084.00	(161,737.80)	0.00	0.00	3,066,187.92
1110001 TRANSMISSION	351,520.85	128,846.91	0.00	0.00	0.00	480,367.76
1110001 DISTRIBUTION	5,849,038.68	1,088,422.86	(175,304.84)	0.00	0.00	6,580,156.68
TOTAL (111X accounts)	8,358,401.05	2,086,333.77	(337,042.64)	0.00	0.00	10,106,692.36
CAPITAL LEASES	8,838,957.43	0.00	0.00	0.00	(155,847.14)	8,683,310.29
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	425,685,843.35	21,960,420.88	(4,003,966.13)	(2,091,953.53)	938,020.48	443,489,466.66
NONUTILITY PLANT						
1220001 Depr&Amrt of Nonutil Prop-Ownd						
1220003 Depr&Amrt of Nonutil Prop-WIP	154,928.27	3,334.86	0.00	0.00	0.00	158,263.13
1240027 Other Property - RWIP	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
1240028 Other Property - RETIRE	0.00	0.00	0.00	(500.11)	500.11	0.00
TOTAL NONUTILITY PLANT	152,621.36	3,334.86	(500.11)	500.11	0.00	156,956.22

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - MAY 2005**



**AMERICAN  
ELECTRIC  
POWER**

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

June 22, 2005

JUN 23 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed May 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure

Cc: Errol Wagner (w/pages)  
Kathy Potts



Kentucky Power Company  
Comparative Income Statement  
May 31, 2006

GLR11005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	May 31, 2006	May 31, 2006	May 31, 2006	May 31, 2005
OPERATING REVENUES				
SALES TO NON AFFILIATES	37,351,948.55	110,118,557.11	188,062,945.51	428,005,674.25
SALES TO AFFILIATES	3,066,440.10	13,469,447.92	20,474,289.47	47,791,606.13
GROSS OPERATING REVENUES	40,418,388.65	123,588,005.03	208,537,234.98	475,797,280.37
TOTAL OPERATING REVENUES, NET	40,418,388.65	123,588,005.03	208,537,234.98	475,797,280.37
OPERATING EXPENSES				
OPERATIONS				
FUEL	9,982,508.75	31,808,637.51	49,711,982.00	112,547,651.27
PURCHASED POWER NON AFFIL	506,587.23	2,082,977.03	3,235,569.58	5,997,422.82
PURCHASE POWER AFFILIATED	14,311,026.58	41,876,127.29	70,230,475.63	158,252,379.52
OTHER OPERATION	4,925,996.94	15,409,380.94	24,180,923.11	56,328,292.02
MAINTENANCE	2,717,426.39	7,423,464.11	11,130,019.76	30,768,599.08
TOTAL OPERA/MAINT EXPENSES	32,463,545.89	98,610,586.88	158,488,970.07	383,892,344.72
DEPRECIATION AND AMORTIZATION	3,739,856.92	11,201,219.01	18,624,606.57	44,351,020.13
TAXES OTHER THAN INCOME TAXES	874,662.73	2,338,149.65	3,887,807.81	9,081,028.63
STATE, LOCAL & FOREIGN INCOME TAXES	4,160.00	83,872.00	692,572.00	(245,500.00)
FEDERAL INCOME TAXES	190,813.15	761,923.97	3,674,056.12	6,826,953.45
TOTAL OPERATING EXPENSES	37,083,038.69	112,985,751.51	185,368,012.58	423,905,846.83
NET OPERATING INCOME	3,335,349.95	10,592,253.52	23,169,222.41	51,891,433.55
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	329,658.28	452,846.46	811,646.60	954,052.00
OTHER INCOME DEDUCTIONS	(18,809.15)	176,115.23	46,450.97	(626,716.59)
INC TAXES APPL TO OTH INC&DED	(99,978.65)	(185,572.21)	(241,201.47)	145,162.76
NET OTHR INCOME AND DEDUCTIONS	211,070.48	443,389.48	616,896.10	472,498.17
INCOME BEFORE INTEREST CHARGES	3,566,420.43	11,035,643.00	23,786,118.51	52,363,931.72
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,173,695.92	6,658,028.44	11,195,761.92	26,816,514.27
INT SHORT TERM DEBT - AFFIL	1,574.95	(2,727.04)	(32,677.53)	(21,359.60)
INT SHORT TERM DEBT - NON-AFFL	8,583.32	133,066.80	148,892.12	374,386.06
AMORT OF DEBT DISC, PREM & EXP	92,396.03	277,188.08	494,882.05	1,141,654.28
AMORT LOSS ON REACQUIRED DEBT	5,615.80	16,847.38	25,078.77	64,385.17
OTHER INTEREST EXPENSE	73,168.32	240,588.67	373,270.83	804,308.78
TOTAL INTEREST CHARGES	2,355,034.34	7,322,991.34	12,205,208.16	29,179,899.94
AFUDC BORROWED FUNDS - CR	(26,393.13)	(67,336.16)	(126,020.51)	(282,288.62)
NET INTEREST CHARGES	2,328,641.21	7,255,655.18	12,079,187.65	28,897,611.32
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	1,237,779.23	3,779,987.81	11,706,930.85	23,466,320.40
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	1,237,779.23	3,779,987.81	11,706,930.85	23,466,320.40

Kentucky Power Company  
Balance Sheet - Assets  
May 31, 2005

DESCRIPTION	MONTH END BALANCES		DECEMBER BALANCES	
	May 31, 2005	December 31, 2004	May 31, 2005	December 31, 2004
GLR1500S				
ELECTRIC UTILITY PLANT				
PRODUCTION	465,862,576.16	462,840,781.30		
TRANSMISSION	387,859,764.49	385,666,627.94		
DISTRIBUTION	445,402,770.09	438,766,381.36		
GENERAL	59,473,878.18	57,929,260.63		
CONSTRUCTION WORK IN PROGRESS	15,510,124.92	16,544,431.89		
TOTAL ELECTRIC UTILITY PLANT	1,374,109,113.84	1,361,547,483.12		
LESS ACCUM PRV-DEPR,DEPL,AMORT	(440,776,552.98)	(426,686,943.86)		
NET ELECTRIC UTILITY PLANT	933,332,560.85	934,860,539.26		
OTHER PROPERTY AND INVESTMENT				
LT ENERGY TRADING CONTRACTS	30,653,890.34	19,067,031.56		
NET NONUTILITY PROPERTY	5,435,051.89	5,438,331.05		
TOTAL OTHER INVESTMENTS	350,875.98	421,723.58		
TOTAL OTHER PROP AND INVSTMNTS	36,439,818.21	24,927,086.19		
CURRENT AND ACCRUED ASSETS				
CASH AND CASH EQUIVALENTS	366,809.49	132,300.72		
ADVANCES TO AFFILIATES	12,296,222.40	16,126,733.17		
ACCOUNTS RECEIVABLE-CUSTOMERS	17,279,946.74	16,388,055.58		
ACCOUNTS RECEIVABLE - MISC	9,086,569.26	5,836,437.53		
AP FOR UNCOLLECTIBLE ACCOUNTS	(27,581.62)	(33,658.81)		
ACCOUNTS RECEIVABLE- ASSOC COS	22,508,792.57	23,045,902.11		
FUEL STOCK	10,274,568.15	6,550,571.42		
MATERIALS & SUPPLIES	8,258,522.79	9,385,328.76		
ACCRUED UTILITY REVENUES	3,129,202.35	7,340,252.26		
ENERGY TRADING CONT CURR ASSET	18,960,072.67	19,845,328.64		
PREPAYMENTS	795,107.15	819,381.37		
OTHER CURRENT ASSETS	5,205,178.32	4,003,080.40		
TOTAL CURRENT ASSETS	108,133,410.26	109,439,713.14		
REGULATORY ASSETS				
TOTAL REGULATORY ASSETS	125,405,896.12	124,993,760.27		
DEFERRED CHARGES				
TOTAL DEFERRED CHARGES	61,836,074.00	66,892,429.67		
TOTAL ASSETS	1,265,147,759.44	1,261,113,528.53		

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
May 31, 2005

DESCRIPTION	MONTH END BALANCES	
	May 31, 2005	December 31, 2004
GLR1700S		
<b>CAPITALIZATION</b>		
<b>COMMON STOCK</b>		
Authorized: 2,000,000 Shares		
Outstanding: 1,008,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
PAID-IN CAPITAL		
RETAINED EARNINGS	198,565,189.62	198,975,030.34
COMMON SHAREHOLDERS' EQUITY	82,262,210.80	70,555,278.95
	331,277,380.42	320,980,310.29
LT DEBT (LESS AMT DUE IN 1 YR)		
LONG-TERM DEBT LESS AMT DUE 1 YR	487,380,681.34	508,310,302.15
<b>TOTAL CAPITALIZATION</b>	818,668,061.78	829,290,612.44
<b>OTHER NONCURRENT LIABILITIES</b>		
OBLIGATIONS UNDER CAP LEASE	2,457,500.73	2,801,940.69
ACCUMULATED PROVISIONS - MISC	14,871,195.44	17,729,189.84
<b>TOTAL OTH NONCURRENT LIAB'S</b>	17,428,696.17	20,531,130.53
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	0.00
A/P - GENERAL	27,110,692.46	20,080,482.71
A/P- ASSOC. COS.	23,823,545.48	24,899,024.46
CUSTOMER DEPOSITS	14,167,203.80	12,308,487.42
TAXES ACCRUED	11,074,962.98	9,248,178.82
INTEREST ACCRUED	8,485,755.15	6,754,332.86
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,403,828.78	1,560,983.37
ENERGY TRADING CONT CURR LIAB	17,838,089.40	17,205,428.19
OTHR CURR & ACCRUED LIAB	7,303,005.37	9,036,484.73
<b>TOTAL CURRENT LIABILITIES</b>	111,317,084.42	101,093,402.56
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	263,247,183.17	267,046,884.78
DEF INVESTMENT TAX CREDITS	6,234,945.85	6,721,725.00
REGULATORY LIABILITIES	25,840,503.01	22,208,994.15
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	21,771,991.18	13,484,349.55
CUSTOMER ADVANCES FOR CONSTR	56,941.45	59,971.16
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	482,472.43	675,458.35
<b>TOTAL OTHER DEFERRED CREDITS</b>	22,311,405.06	14,219,779.06
<b>TOTAL DEF CREDITS &amp; REG LIAB'S</b>	317,733,937.09	310,198,382.99
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	1,265,147,759.44	1,261,113,628.63

Kentucky Power Company  
 Statement of Retained Earnings  
 May 31, 2005

GLR1710S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES		
		May 31, 2005	DECEMBER BALANCES December 31, 2004	
	BALANCE AT BEGINNING OF YEAR	70,555,279.95	64,150,582.93	
	NET INCOME (LOSS)	11,706,930.85	25,904,691.56	
	TOTAL	82,262,210.80	90,055,274.49	
	DEDUCTIONS:			
4380001	Div Declrd - Common Stk - Asso	0.00	(19,499,994.54)	
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)	
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00	
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)	
	BALANCE AT END OF PERIOD (A)	82,262,210.80	70,555,279.95	
	<b>(A) REPRESENTS THE FOLLOWING -</b>			
	BALANCE AT END OF PERIOD			
2150000	Appropriated Retained Earnings	0.00	0.00	
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00	
	TOTAL APPR RETND ERNGS	0.00	0.00	
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93	
2160002	Unapprp Retained Earnings Restr	0.00	0.00	
	Net Income Transferred	11,706,930.85	6,404,697.02	
	TOTAL UNAPPR RETND ERNGS	82,262,210.80	70,555,279.95	
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00	
	Equity Erngs of Subsidiary Co	0.00	0.00	
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00	
	TOTAL RETAINED EARNINGS	82,262,210.80	70,555,279.95	

Kentucky Power Company  
Deferred Credits  
May 31, 2005

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		May 31, 2005	December 31, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	19,590,373.18	12,348,284.56
2440004	LT Unreal Losses - Affil	1,508,771.00	777,254.00
2440010	LT Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	672,847.00	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>21,771,991.18</b>	<b>13,484,349.55</b>
<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
2520000	Customer Adv for Construction	56,941.45	59,971.16
	<b>TOTAL CUSTOMER ADVANCES FOR CONSTRUCTION</b>	<b>56,941.45</b>	<b>59,971.16</b>
<b>DEFERRED GAIN ON SALE/LEASEBACK</b>			
	<b>TOTAL DEFERRED GAIN ON SALE/LEASEBACK</b>	<b>0.00</b>	<b>0.00</b>
<b>DEFERRED GAIN ON DISPOSITION OF UTIL PLANT</b>			
	<b>TOTAL DEFERRED GAINS-DISP UTIL PLANT</b>	<b>0.00</b>	<b>0.00</b>
<b>OTHER DEFERRED CREDITS</b>			
2530001	Deferred Revenues	219,524.89	207,366.88
2530004	Allowances	0.00	598.08
2530021	Unidentified Cash Receipts	0.00	6,689.21
2530050	T.V. Pole Attachments	74,556.89	67,773.84
2530092	Defrd Gain - Fiber Optic Leases	188,390.85	189,238.45
2530093	Def Carry Chg - Defrd RTO Costs	0.00	203,811.89
2530101	MACSS Unidentified EDI Cash	0.00	0.00
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>482,472.43</b>	<b>675,456.35</b>
<b>ACCUMULATED DEFERRED INCOME TAXES</b>			
2811001	Acc Dfrd FIT - Accel Amort Prop	21,025,200.70	19,268,200.70
2821001	Accum Dfrd FIT - Utility Prop	110,247,610.72	110,357,019.84
2823001	Acc Dfrd FIT FAS 109 Flow Thru	51,575,381.79	50,919,107.73
2824001	Acc Dfrd FIT - SFAS 109 Excess	(1,806,215.00)	(1,929,320.00)
2830008	ADIT Federal - SFAS 133 Nonaff	139,739.17	1,326,444.72
2831001	Accum Dfrd FIT - Other	13,612,704.43	14,201,796.23
2832001	Accum Dfrd FIT - Oth Inc & Ded	2,742,352.87	2,152,005.45
2833001	Acc Dfrd FIT FAS 109 Flow Thru	37,607,408.48	38,652,630.11
2833002	Acc Dfrd SIT FAS 109 Flow Thru	28,103,000.00	32,099,000.00
	<b>TOTAL ACCUMULATED DEFERRED INCOME TAX-CREDIT</b>	<b>263,247,183.17</b>	<b>267,046,864.78</b>
<b>ACCUMULATED DEFERRED INVESTMENT TAX CREDITS</b>			
2550001	Accum Dfrd ITC - Federal	6,234,845.85	6,721,725.00
	<b>TOTAL ACCUMULATED DEFERRED INVESTMENT TAX CREDIT</b>	<b>6,234,845.85</b>	<b>6,721,725.00</b>
<b>REGULATORY LIABILITIES</b>			
	<b>TOTAL DEFERRED CREDITS &amp; REGULATORY LIABILITIES</b>	<b>25,940,503.01</b>	<b>22,209,994.15</b>
	<b>TOTAL DEFERRED CREDITS &amp; REGULATORY LIABILITIES</b>	<b>317,733,937.09</b>	<b>310,188,382.99</b>

Kentucky Power Company  
Operating Revenues  
May 31, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED May 31, 2005	THREE MONTHS ENDED May 31, 2005	YEAR TO DATE May 31, 2005
<b>SALES OF ELECTRICITY</b>				
<b>RETAIL SALES</b>				
4400001	Residential Sales-W/Space Htg	4,971,839.82	20,894,190.77	48,333,270.27
4400002	Residential Sales-W/O Space Htg	3,121,373.11	10,712,883.17	16,893,405.82
	Residential Sales	8,093,212.93	31,607,073.94	59,026,676.19
4420001	Commercial Sales	4,830,185.37	14,604,816.99	23,523,470.26
4420002	Industrial Sales (Excl Mines)	6,874,555.56	18,309,003.04	30,009,887.06
4420004	Ind Sales-NonAffil(Incl Mines)	4,391,438.42	12,600,379.84	20,287,772.34
4420006	Sales to Pub Auth - Schools	850,878.96	2,672,653.84	4,385,828.24
4420007	Sales to Pub Auth - Ex Schools	790,877.60	2,395,066.30	3,811,195.81
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	17,749,033.91	60,785,920.11	82,018,063.51
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	81,959.43	246,291.56	410,328.54
	Public & Other Sales	81,959.43	246,291.56	410,328.54
	<b>TOTAL RETAIL SALES</b>	28,923,308.07	82,439,295.61	141,465,059.24
<b>SALES FOR RESALE</b>				
4470002	Sales for Resale - NonAssoc	2,533,384.71	6,150,162.00	13,870,898.27
4470004	Sales for Resale-NonAff-Ancill	2,122.66	7,393.48	12,514.53
4470005	Sales for Resale-NonAff-Transm	70,416.47	210,248.51	347,560.46
4470006	Sales for Resale-Bookout Sales	24,182,398.29	65,500,874.23	166,695,695.84
4470007	Sales for Resale-Option Sales	186,514.28	410,357.09	1,893,517.27
4470010	Sales for Resale-Bookout Purch	(23,956,842.90)	(85,491,254.53)	(165,753,734.47)
4470011	Sales for Resale-Option Purch	(64,641.36)	(202,057.27)	(615,830.01)
4470028	Sale for Resl - Reel from East	(143,547.00)	(687,378.00)	(879,544.00)
4470027	Wholesale/Int'l Pub Auth Fuel Rev	108,928.96	373,811.90	637,442.54
4470028	Sale/Resale - NA - Fuel Rev	1,377,989.31	6,872,028.27	13,763,741.96
4470033	Wholesale/Int'l Pub Auth Base Rev	126,867.93	411,624.01	734,484.34
4470054	Purch Pwr Phys Trad - Non Assoc	(471,112.41)	(2,345,985.50)	(5,945,568.80)
4470068	PWR Trading Trans Exp-NonAssoc	(31,006.00)	(77,817.00)	(87,831.19)
4470072	Sales for Resale - Hedge Trans	233,625.00	(537,844.00)	(383,377.00)
4470081	Financial Spark Gas - Realized	(78,498.97)	(1,274,527.07)	(1,028,828.28)
4470082	Financial Electric Realized	268,027.36	281,045.97	280,362.95
4470085	Purchased Power - Dow - Assoc	0.00	0.00	644,754.52
4470089	PJM Energy Sales Margin	444,240.80	2,143,785.13	2,125,079.12
4470090	PJM Spot Energy Purchases	(844,224.53)	(6,159,285.64)	(11,245,331.24)
4470091	PJM Explicit Congestion Cost	7,058.25	(17,084.21)	(9,514.53)
4470092	PJM Implicit Congestion-OSS	(128,338.99)	(186,385.04)	(518,164.21)
4470094	PJM Implicit Congestion-LSE	(659,362.75)	(1,104,975.50)	(2,593,383.67)
4470095	PJM Transm. Loss - OSS	873.71	(1,342.41)	(7,265.45)
4470096	PJM Ancillary Serv-Reg	278,794.22	246,334.05	384,185.85
4470098	PJM Ancillary Serv-Spin	(581.22)	2,185.73	222,714.16
4470098	PJM Oper Reserve Rev-OSS	36,823.13	98,671.55	129.99
4470100	PJM Capacity Cr. Nat Sales	21.80	19.59	155.02
4470101	PJM FTR Revenue-OSS	107,945.21	357,589.30	132,018.13
4470103	PJM FTR Revenue-LSE	501,850.80	785,239.99	2,071,617.36
4470104	PJM Energy Sales Cost	4,070,264.15	13,538,068.72	21,288,164.14
4470106	PJM OATT Ancill.-Reactive	0.00	(10,218.50)	0.00
4470107	PJM P2P1 Trans.Purch-NonAff.	(13,924.06)	(15,663.64)	30,285.18
4470108	PJM NITS Purch-NonAff.	108.18	1,468.30	4,341.28
4470110	PJM Oper Reserve Rev-LSE	11,874.99	(254,804.40)	(514,164.63)
4470112	Non-ECR Phys. Sales-OSS	(816.91)	(5,898.75)	(28,898.44)
4470114	PJM Transm. Loss - LSE	218,728.21	1,190,666.56	1,516,058.27
4470115	PJM Meter Corrections-OSS	7,078.88	4,068.94	(27,632.56)
4470116	PJM Meter Corrections-LSE	(360.93)	672.18	(98,407.29)
4470117	Realiz. Sharing-447 Dellin	(2,410.76)	3,632.72	(8,816.32)
4470118	Realiz. Sharing-PJM OSS	225,717.00	804,078.00	(73,110.21)
4470119	PJM SECA Transm. Expense	(9,728.00)	(39,980.00)	1,623,778.00
		(141,094.00)	(423,252.00)	10,970.00
				(829,728.00)

Kentucky Power Company  
Operating Revenues  
May 31, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED May 31, 2005	THREE MONTHS ENDED May 31, 2005	YEAR TO DATE May 31, 2005	TWELVE MONTHS ENDED May 31, 2005
4470124	PJM Incremental Spot-OSS	(483.74)	(9,478.44)	(18,972.87)	(18,972.87)
4470125	PJM Incremental Exp Comp-OSS	(7,686.14)	26,966.35	(44,026.94)	(44,026.94)
4470126	PJM Incremental Imp Comp-OSS	5,068.31	(9,308.48)	(8,328.35)	(8,328.35)
4470131	Non ECR Purchased Power OSS	(97,562.56)	(855,278.93)	(855,278.93)	(855,278.93)
4470132	Spark Gas - Realized	(328,343.07)	601,721.34	601,721.34	601,721.34
	SALES FOR REBALE-NONAFFILIATED	8,025,747.83	22,284,144.60	36,782,855.44	78,164,849.73
4470001	Sales for Resale - Assoc Cos	239,932.79	534,575.68	635,548.60	1,162,272.04
4470014	Sis Resale-Ancillary Trans-Aff	0.00	0.00	0.00	9,246.05
4470015	Sis Resale-Transmission-Affil	0.00	0.00	0.00	100,479.20
4470035	Sis for Rst - Fuel Rev - Assoc	265,351.25	709,877.32	1,235,202.48	3,395,762.11
4470088	Sales for Resale-Affil Pool	0.00	0.00	0.00	24,217,878.85
4470089	Pool Sales to Dow Pll-Affil	186.89	1,944.61	4,215.84	70,555.98
4470128	Sales for Res-Aff, Pool Energy	2,615,854.00	12,147,132.00	18,472,792.00	18,472,792.00
	SALES FOR REBALE-AFFILIATED CO	3,041,133.88	13,353,628.89	20,347,766.92	47,425,987.23
	TOTAL SALES FOR REBALE	11,066,881.82	35,857,674.19	67,110,614.36	125,584,836.95
	TOTAL SALES OF ELECTRICITY	36,890,187.89	118,096,969.80	199,866,673.60	462,978,392.26
	TOTAL \$LS OF ELECT AFT RFD PROV	36,890,187.89	118,096,969.80	199,866,673.60	462,978,392.26
	OTHER OPERATING REVENUE	46,894.68	(3,256,944.04)	(2,912,559.47)	(2,000,846.41)
4560007	Oh Elect Rev - DSM Program	3,432.00	10,368.00	16,968.00	3,726,458.01
4560013	Oh Elect Rev-Trans-Nonaffil	0.00	0.00	0.00	342,729.98
4560014	Other Electric Revenues - Ancillary	175,359.49	394,416.30	549,665.81	2,045,226.23
4560015	Financial Trading Rev-Urraal	0.01	0.00	0.00	0.01
4560041	Miscellaneous Revenues-NonAffil	0.00	0.00	0.00	42,771.18
4560049	Merch Generation Finan - Retard	(163,336.23)	787,869.60	1,441,500.45	88,835.98
4560050	Oh Elec Rev-Coal Trd Rld G-L	0.00	66,741.40	86,741.40	5,266,878.30
4560058	PJM NITS Revenue-NonAff	0.00	757,376.83	1,167,228.43	2,172,871.13
4560060	PJM PJEP Trans.Rev.-NonAff	243,451.95	368,851.79	627,622.77	1,338,688.58
4560062	PJM TO Admin. Rev.-NonAff	104,341.39	48,291.52	106,561.61	165,468.32
4560084	Buckeye Admin. Fee Revenue	21,161.23	27,808.05	48,208.30	78,157.78
4560087	OhElecRev Phys Coal Purch Exp	8,256.63	0.00	0.00	(5,125,866.24)
4560088	SECA Transmission Revenue	1,073,320.91	2,676,085.82	4,596,723.62	5,420,627.86
	OTHER ELECTRIC REVENUES	1,514,886.06	2,102,665.57	5,737,861.69	13,561,889.72
4540001	Rent From Elect Property - Af	26,306.11	76,918.33	128,630.55	381,618.80
4540002	Rent From Elect Property-NAC	213,467.46	697,028.64	1,093,899.45	2,690,902.50
4540004	Rent From Elect Prop-ASD-Nonaf	3,108.20	17,304.20	28,284.20	81,402.20
	RENT FROM ELEC PROPERTY	241,881.77	790,311.17	1,246,814.20	3,033,923.60
4500000	Forfeited Discounts	103,108.89	352,860.19	728,240.17	1,508,305.16
4510001	Misc Service Rev - Nonaffil	10,568.31	27,220.95	48,774.83	258,404.14
	MISC REVENUES	113,677.10	380,101.14	777,015.00	1,766,709.30
4118000	Gain Disposition of Allowances	1,557,753.93	2,217,857.35	2,218,891.65	4,465,742.04
4118000	Loss Disposition of Allowances	0.00	0.00	(9,001.15)	(9,386.54)
	GAIN (LOSS) DISPOS ALLOWANCES	1,557,753.93	2,217,857.35	2,209,890.50	4,456,355.60
	TOTAL OTHER OPERATING REVENUE	3,428,200.76	5,491,033.23	9,971,661.39	22,818,888.11
	GROSS OPERATING REVENUES	40,418,388.65	123,688,003.03	208,637,234.98	476,787,280.37
	NET OPERATING REVENUES	40,418,388.65	123,688,003.03	208,637,234.98	476,787,280.37

Kentucky Power Company  
Operating Expenses - Functional  
May 31, 2005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL	9,882,508.75	31,808,637.51	48,711,982.00	112,547,851.27
Operation - Other Than Fuel	1,204,034.84	3,276,465.23	4,899,055.40	12,304,891.37
Steam Power Operation	11,196,543.40	35,085,102.74	54,611,037.40	124,852,342.64
Steam Power Maintenance	1,243,162.94	3,181,121.48	4,608,357.12	11,724,381.93
<b>TOTAL STEAM POWER GENERATION</b>	<b>12,439,706.34</b>	<b>38,266,224.22</b>	<b>59,220,394.52</b>	<b>138,576,724.57</b>
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>	14,917,613.61	43,988,104.32	73,486,045.21	164,249,802.34
System Control & load Dispatch	281,247.31	962,829.94	1,608,681.88	2,551,987.74
Other Expenses	435,114.20	1,258,337.58	1,909,887.01	3,567,208.32
<b>TOTAL OTHER POWER SUPPLY EXPS</b>	<b>15,533,975.32</b>	<b>48,191,271.84</b>	<b>76,982,614.10</b>	<b>170,389,998.40</b>
<b>TOTAL POWER PROD EXPS-OPER</b>	<b>26,730,518.72</b>	<b>81,276,374.58</b>	<b>131,593,651.50</b>	<b>295,221,341.04</b>
<b>TOTAL POWER PROD EXPS-MAINT</b>	<b>1,243,162.94</b>	<b>3,181,121.48</b>	<b>4,609,357.12</b>	<b>11,724,381.93</b>
<b>TOTAL POWER PROD EXPENSES</b>	<b>27,973,681.66</b>	<b>84,457,496.06</b>	<b>136,203,008.62</b>	<b>306,945,722.97</b>
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(14,027.18)	(22,178.35)	(286,437.97)	(2,156,834.02)
Transmission - Maintenance	356,578.40	754,053.48	1,029,102.56	2,418,722.88
<b>TOTAL TRANSMISSION EXPENSES</b>	<b>342,551.22</b>	<b>731,875.13</b>	<b>762,664.59</b>	<b>282,888.87</b>
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	572,295.25	1,684,629.73	2,728,300.78	6,488,123.78
DISTRIBUTION - MAINTENANCE	1,002,721.88	3,033,722.08	4,740,839.29	14,962,742.88
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>1,575,017.22</b>	<b>4,698,351.81</b>	<b>7,469,140.08</b>	<b>21,450,866.65</b>
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	<b>432,342.54</b>	<b>2,034,771.98</b>	<b>3,228,159.20</b>	<b>8,644,133.46</b>
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	<b>99,769.73</b>	<b>394,822.22</b>	<b>671,292.87</b>	<b>1,354,145.68</b>
<b>TOTAL SALES EXPENSES</b>	<b>41.97</b>	<b>282.18</b>	<b>458.12</b>	<b>6,257.03</b>
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,682,109.02	5,155,600.09	6,178,076.36	20,875,557.32
Admin & General - Maintenance	114,963.07	454,567.08	750,720.79	1,659,751.39
<b>TOTAL ADMIN &amp; GENERAL EXPS</b>	<b>1,807,072.08</b>	<b>5,610,167.15</b>	<b>8,928,797.15</b>	<b>22,535,308.70</b>
<b>TOTAL FACTORED ACCTS REC EXPS</b>	<b>223,174.96</b>	<b>683,156.84</b>	<b>1,227,976.95</b>	<b>2,714,196.38</b>
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(316.50)	(527.50)	(1,177.03)
<b>TOTAL (GAIN) LOSS</b>	<b>(105.50)</b>	<b>(316.50)</b>	<b>(527.50)</b>	<b>(1,177.03)</b>
<b>TOTAL OPERATION EXPENSES</b>	<b>29,736,119.50</b>	<b>91,187,122.77</b>	<b>147,358,950.32</b>	<b>333,125,745.64</b>
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>2,717,426.39</b>	<b>7,423,484.11</b>	<b>11,130,918.78</b>	<b>30,766,589.08</b>
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	<b>32,453,545.89</b>	<b>98,610,606.88</b>	<b>158,489,869.10</b>	<b>363,892,334.72</b>



Kentucky Power Company  
Taxes Applicable To Operating Income  
May 31, 2005

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005	May 31, 2005
<b>OTHER TAXES-FEDERAL &amp; STATE</b>									
4081002	FICA	180,026.79	714,731.11	1,050,714.29	2,180,019.86				
4081003	Federal Unemployment Tax	172.51	1,884.43	25,187.18	25,954.38				
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
408100503	Real & Personal Property Taxes	0.00	(1,890.43)	(1,890.43)	(1,890.43)				
408100504	Real & Personal Property Taxes	(74,764.62)	(74,764.62)	(74,764.62)	(74,764.62)				
4081007	Real & Personal Property Taxes	586,293.00	1,759,468.11	2,932,055.11	3,823,070.02				
408100802	State Unemployment Tax	146.08	4,738.93	18,984.09	20,406.24				
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00				
408100804	State Franchise Taxes	0.00	0.00	0.00	0.00				
408100805	State Franchise Taxes	0.00	0.00	0.00	0.00				
408101000	State Franchise Taxes	7,800.00	23,400.00	39,000.00	59,880.00				
408101000	State Excise Taxes	0.00	0.00	0.00	0.00				
408101702	St Lic/Rgstn/Tax/Fees	0.00	0.00	0.00	0.00				
408101703	St Lic/Rgstn/Tax/Fees	0.00	0.00	0.00	0.00				
408101704	St Lic/Rgstn/Tax/Fees	0.00	0.00	0.00	0.00				
408101705	St Lic/Rgstn/Tax/Fees	0.00	0.00	0.00	0.00				
408101802	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00				
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00				
408101804	St Publ Serv Comm Tax/Fees	42,035.00	126,105.00	210,175.00	43,968.80				
408101904	State Sales and Use Taxes	0.00	0.00	157.40	214.19				
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102905	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
4081033	Fringe Benefit Loading - FICA	14,578.00	43,728.00	72,880.00	104,323.65				
4081034	Fringe Benefit Loading - FUT	(80,915.37)	(256,551.65)	(382,641.08)	(72,880.00)				
4081035	Fringe Benefit Loading - SUT	(1,016.52)	(3,230.72)	(4,744.19)	(790,950.10)				
408103604	Real Prop Tax-Cap Leases	(804.15)	(1,915.52)	(2,814.86)	(5,087.21)				
408103605	Real Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>674,682.73</b>	<b>2,338,149.65</b>	<b>3,887,807.81</b>	<b>9,081,028.53</b>				
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>									
408100200	Income Taxes, UOI - State	0.00	42,337.00	42,337.00	42,337.00				
408100201	Income Taxes, UOI - State	0.00	62,635.00	62,635.00	62,635.00				
408100202	Income Taxes, UOI - State	0.00	46,320.00	46,320.00	46,320.00				
408100203	Income Taxes, UOI - State	0.00	0.00	0.00	0.00				
408100204	Income Taxes, UOI - State	0.00	0.00	0.00	0.00				
408100205	Income Taxes, UOI - State	4,180.00	(77,260.00)	531,440.00	264,735.00				
408100289	Income Taxes, UOI - State	0.00	9,840.00	9,840.00	9,840.00				
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>4,180.00</b>	<b>83,872.00</b>	<b>692,972.00</b>	<b>(245,500.00)</b>				
<b>FEDERAL INCOME TAXES</b>									
4091001	Income Taxes, UOI - Federal	(152,365.16)	1,228,695.51	3,222,432.04	(2,425,314.33)				
4101001	Prov Def I/T U/Ir Op Inc-Fed	1,777,917.96	5,833,530.75	10,383,183.42	13,722,740.72				
4111001	Prv Def I/T-Cr U/Ir Op Inc-Fed	(1,337,363.82)	(6,008,174.80)	(9,454,680.19)	(3,237,567.79)				
4114001	ITC Adj, Utility Oper - Fed	(97,375.83)	(282,127.49)	(486,879.15)	(1,232,905.15)				
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>190,813.15</b>	<b>761,923.97</b>	<b>3,674,056.12</b>	<b>6,826,953.45</b>				
<b>TOTAL TAXES APPLIC TO OPER INC</b>									
		<b>869,635.88</b>	<b>3,183,945.62</b>	<b>8,254,435.93</b>	<b>15,562,481.98</b>				

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
May 31, 2005

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED May 31, 2005	THREE MONTHS ENDED May 31, 2005	YEAR TO DATE May 31, 2005	TWELVE MONTHS ENDED May 31, 2005
<b>TAXES OTHER THAN INC TAX</b>					
408201404	St Lic/Registration Tax/Fees	0.00	0.00	0.00	275.00
	<b>TOTAL TAXES OTHER THAN INC TAX</b>	0.00	0.00	0.00	275.00
<b>FEDERAL INC TAXES - OI&amp;D</b>					
4092001	Inc Tax, Oth Inc&Ded-Federal	187,640.81	248,039.58	(259,648.15)	958,126.46
4102001	Prov Def I/T Oth I&D - Federal	92,289.05	534,167.17	1,227,450.87	(8,744,072.08)
4112001	Priv Def I/T-Cr Oth I&D-Fed	(179,951.21)	(596,634.54)	(726,601.05)	7,640,782.86
411200199	Cum Eff Acct Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Utill Oper - Fed	0.00	0.00	0.00	0.00
	<b>TOTAL FEDERAL INC TAXES - OI&amp;D</b>	99,978.65	185,572.21	241,201.47	(145,162.76)
<b>STATE INC TAXES - OI&amp;D</b>					
	<b>TOTAL STATE INC TAXES - OI&amp;D</b>				
<b>LOCAL INC TAXES - OI&amp;D</b>					
	<b>TOTAL LOCAL INC TAXES - OI&amp;D</b>				
<b>FOREIGN INC TAXES - OI&amp;D</b>					
	<b>TOTAL FOREIGN INC TAXES - OI&amp;D</b>				
	<b>TOTAL TAXES APPLICABLE TO OI&amp;D</b>	99,978.65	185,572.21	241,201.47	(144,887.76)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - May 2008

GLR7210V

UTILITY PLANT	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/108 GENERATION	484,487,813.28	5,311,087.16	(932,172.07)	0.00	(186,729.00)	488,689,799.35
TOTAL PRODUCTION	484,487,813.28	5,311,087.16	(932,172.07)	0.00		488,689,799.35
101/108 TRANSMISSION	384,291,767.19	2,606,894.03	(202,115.45)	0.00	287,845.00	386,984,490.77
101/108 DISTRIBUTION	478,148,970.30	9,453,324.87	(2,116,904.98)	0.00	(101,218.00)	485,384,174.21
TOTAL (ACCOUNTS 101 & 106)	1,328,838,350.75	17,371,306.06	(3,251,192.48)	0.00	0.00	1,341,058,464.33
1011001 CAPITAL LEASES	11,201,881.49	0.00	0.00	(524,175.89)	0.00	10,677,705.59
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,232.23	17,371,306.06	(3,251,192.48)	(524,175.89)	0.00	1,351,735,169.92
1050001 PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	16,544,431.89					
107000X ADDITIONS		16,338,999.09				
107000X TRANSFERS		(17,371,306.09)				
107000X END. BAL.		(1,034,306.97)				
TOTAL ELECTRIC UTILITY PLANT	1,361,547,483.12	16,338,999.09	(3,251,192.48)	(524,175.89)	0.00	1,374,108,113.84
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	898,378.00	0.00	0.00	0.00	0.00	898,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-29 OTHER INVESTMENTS	4,594,574.41	0.00	(500.11)	0.00	0.00	4,594,074.30
TOTAL NONUTILITY PLANT	5,590,952.41	0.00	(500.11)	0.00	0.00	5,590,452.30

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - May, 2005

GLR7410V

06/12/05 14:34

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
<b>NUCLEAR</b>						
1080001/11 OTHER					0.00	
1080009/10 DECOMMISSIONING COSTS					0.00	
<b>TOTAL NUCLEAR</b>						
1080001/11 PRODUCTION	167,844,173.79	7,080,508.18	(770,434.47)	(354,180.68)		173,780,832.37
1080001/11 TRANSMISSION	112,713,687.35	2,716,023.08	(202,115.45)	(110,376.31)	(119,234.45)	115,288,107.92
1080001/11 DISTRIBUTION	131,818,737.52	6,747,701.21	(1,841,600.12)	(461,950.98)	(50,254.82)	136,112,632.83
RETIREMENT WORK IN PROGRESS	(987,013.27)	0.00	0.00	(914,304.84)	927,107.95	(974,210.16)
<b>TOTAL (108X accounts)</b>	<b>411,488,686.40</b>	<b>16,546,232.46</b>	<b>(2,814,160.04)</b>	<b>(1,841,412.79)</b>	<b>927,107.95</b>	<b>424,207,362.97</b>
<b>NUCLEAR</b>						
1110001 PRODUCTION	2,357,841.52	721,841.23	(161,737.60)	0.00	0.00	2,917,945.15
1110001 TRANSMISSION	351,520.85	105,655.54	0.00	0.00	0.00	457,176.39
1110001 DISTRIBUTION	5,649,038.68	903,959.57	(175,304.84)	0.00	0.00	6,377,693.39
<b>TOTAL (111X accounts)</b>	<b>8,358,401.03</b>	<b>1,731,456.34</b>	<b>(337,042.44)</b>	<b>0.00</b>	<b>0.00</b>	<b>9,752,814.93</b>
1011006 CAPITAL LEASES	6,838,857.43	0.00	0.00	0.00	(22,562.35)	6,816,275.08
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL ACCUM DEPR &amp; AMORT.</b>	<b>426,686,943.86</b>	<b>18,277,689.79</b>	<b>(3,251,192.48)</b>	<b>(1,841,412.79)</b>	<b>904,625.80</b>	<b>440,775,652.88</b>
<b>NONUTILITY PLANT</b>						
1220001 Depr&Amrt of Nonutil Prop-Ownd						
1220003 Depr&Amrt of Nonutil Prop-Wip	154,928.27	2,779.05	0.00	0.00	0.00	157,707.32
1240027 Other Property - RWIP	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
1240028 Other Property - RETIRE	0.00	0.00	0.00	(500.11)	500.11	0.00
<b>TOTAL NONUTILITY PLANT</b>	<b>152,621.36</b>	<b>2,779.05</b>	<b>(500.11)</b>	<b>500.11</b>	<b>500.11</b>	<b>155,400.41</b>

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - APRIL 2005**



**AMERICAN  
ELECTRIC  
POWER**

MAY 31 2005

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

May 27, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed April 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
April 30, 2005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005
OPERATING REVENUES				
SALES TO NON AFFILIATES	35,051,069.34	107,419,195.39	150,710,996.97	422,449,068.73
SALES TO AFFILIATES	5,219,126.30	14,130,569.43	17,407,849.37	48,307,304.25
GROSS OPERATING REVENUES	40,270,195.64	121,549,764.82	168,118,846.34	470,756,372.98
TOTAL OPERATING REVENUES, NET	40,270,195.64	121,549,764.82	168,118,846.34	470,756,372.98
OPERATING EXPENSES				
OPERATIONS				
FUEL	11,827,078.40	39,128,866.50	39,719,473.25	111,308,856.93
PURCHASED POWER NON AFFIL	605,030.35	2,105,995.52	2,728,982.35	5,829,955.25
PURCHASE POWER AFFILIATED	13,180,608.47	40,102,956.28	55,919,449.05	153,803,139.40
OTHER OPERATION	4,695,364.50	15,468,552.09	19,254,928.17	58,248,218.08
MAINTENANCE	2,496,911.23	6,712,710.81	8,412,593.37	30,736,716.52
TOTAL OPERAINT EXPENSES	32,804,992.96	94,518,110.99	126,036,424.18	357,827,986.18
DEPRECIATION AND AMORTIZATION	3,732,243.06	11,183,056.58	14,664,749.85	44,246,148.41
TAXES OTHER THAN INCOME TAXES	786,358.42	2,419,147.99	3,213,145.08	9,238,658.00
STATE, LOCAL & FOREIGN INCOME TAXES	288,140.00	278,332.00	686,412.00	(184,530.00)
FEDERAL INCOME TAXES	(131,942.01)	1,401,973.35	3,483,242.97	7,185,834.30
TOTAL OPERATING EXPENSES	37,489,790.42	109,800,620.92	148,304,973.88	418,024,096.88
NET OPERATING INCOME	2,780,405.22	11,749,163.90	19,813,872.46	52,732,276.09
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME				
OTHER INCOME DEDUCTIONS	307,516.96	300,788.58	481,988.32	896,579.19
INC TAXES APPL TO OTH INC&DED	(89,030.15)	111,372.87	65,060.12	(735,506.88)
NET OTHR INCOME AND DEDUCTIONS	184,232.25	308,072.72	405,825.62	185,304.41
INCOME BEFORE INTEREST CHARGES	2,964,837.47	12,057,236.62	20,219,698.07	53,128,652.81
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,211,922.72	6,753,198.15	9,022,068.00	26,948,728.56
INT SHORT TERM DEBT - AFFIL	(45.00)	(5,204.82)	(34,252.48)	213,953.50
INT SHORT TERM DEBT - NON-AFFL	7,495.52	192,395.84	140,308.80	378,985.67
AMORT OF DEBT DISC. PREM & EXP	92,386.03	310,088.99	402,466.02	1,141,654.26
AMORT LOSS ON REACQUIRED DEBT	5,615.78	13,847.77	19,462.97	64,384.57
OTHER INTEREST EXPENSE	77,355.21	280,933.17	300,102.62	780,627.61
TOTAL INTEREST CHARGES	2,384,740.26	7,435,259.90	9,850,173.83	29,529,334.17
AFUDC BORROWED FUNDS - CR	(14,037.41)	(71,065.48)	(99,627.38)	(284,666.47)
NET INTEREST CHARGES	2,380,702.85	7,364,194.42	9,750,546.45	29,244,667.70
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	583,934.62	4,693,042.20	10,469,151.63	23,883,985.12
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	583,934.62	4,693,042.20	10,469,151.63	23,883,985.12

Kentucky Power Company  
Balance Sheet - Assets  
April 30, 2005

DESCRIPTION	MONTH END BALANCES	
	April 30, 2005	DECEMBER BALANCES December 31, 2004
GLR1500S		
ELECTRIC UTILITY PLANT		
PRODUCTION	465,531,008.45	462,640,781.30
TRANSMISSION	386,721,251.56	385,666,627.94
DISTRIBUTION	443,988,100.28	438,766,381.36
GENERAL	59,283,486.89	57,929,260.63
CONSTRUCTION WORK IN PROGRESS	15,186,458.54	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,370,680,303.80	1,361,547,483.12
LESS ACCUM PRV-DEPR,DEPL,AMORT	(438,295,558.74)	(426,686,943.86)
NET ELECTRIC UTILITY PLANT	932,384,744.06	934,860,539.26
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	29,749,516.15	19,067,031.58
NET NONUTILITY PROPERTY	5,436,107.81	5,438,331.05
TOTAL OTHER INVESTMENTS	351,045.50	421,723.58
TOTAL OTHER PROP AND INVSTMNTS	35,536,669.46	24,927,086.19
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	403,697.88	132,300.72
ADVANCES TO AFFILIATES	9,941,314.52	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	17,989,197.65	16,386,055.58
ACCOUNTS RECEIVABLE - MISC	5,573,958.03	5,836,437.53
AP FOR UNCOLLECTIBLE ACCOUNTS	(219,546.62)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	18,750,409.45	23,045,902.11
FUEL	7,151,231.41	6,550,571.42
MATERIALS & SUPPLIES	8,608,888.65	9,385,328.76
ACCRUED UTILITY REVENUES	4,045,047.62	7,340,252.26
ENERGY TRADING CONT CURR ASSET	21,766,574.53	19,845,328.84
PREPAYMENTS	933,516.05	819,381.37
OTHER CURRENT ASSETS	5,529,693.40	4,003,080.40
TOTAL CURRENT ASSETS	100,473,982.58	109,439,713.14
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	125,508,582.54	124,993,760.27
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	63,787,423.55	66,992,429.67
TOTAL ASSETS	1,267,701,402.16	1,281,113,528.53



Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
April 30, 2005

GLR:700S	DESCRIPTION	MONTH END BALANCES	
		April 30, 2005	DECEMBER BALANCES April 30, 2005
	<b>CAPITALIZATION</b>		
	COMMON STOCK		
	Authorized: 2,000,000 Shares		
	Outstanding: 1,009,000 Shares		
	COMMON STOCK	50,450,000.00	50,450,000.00
	PAID-IN CAPITAL	197,568,847.40	199,975,030.34
	RETAINED EARNINGS	61,024,431.56	70,555,279.95
	COMMON SHAREHOLDERS' EQUITY	329,043,278.98	320,980,310.29
	LT DEBT (LESS AMT DUE IN 1 YR)		
	LONG-TERM DEBT LESS AMT DUE 1 YR	487,382,827.16	508,310,302.15
	TOTAL CAPITALIZATION	816,426,106.14	829,290,612.44
	OTHER NONCURRENT LIABILITIES		
	OBLIGATIONS UNDER CAP LEASE	2,532,825.18	2,801,940.69
	ACCUMULATED PROVISIONS - MISC	14,842,017.04	17,729,189.84
	TOTAL OTH NONCURRENT LIAB'S	17,374,942.22	20,531,130.53
	<b>CURRENT LIABILITIES</b>		
	LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
	ADVANCES FROM AFFILIATES	0.00	0.00
	A/P - GENERAL	20,640,203.68	20,080,482.71
	A/P- ASSOC. COS.	21,080,088.95	24,899,024.46
	CUSTOMER DEPOSITS	14,542,916.23	12,308,487.42
	TAXES ACCRUED	11,223,786.90	9,248,178.82
	INTEREST ACCRUED	8,292,145.00	6,754,332.86
	DIVIDENDS DECLARED	0.00	0.00
	OBLIG UNDER CAP LEASES- CURR	1,433,887.23	1,560,983.37
	ENERGY TRADING CONT CURR LIAB	22,456,431.05	17,205,428.19
	OTHR CURR & ACCRUED LIAB	6,989,491.16	8,036,484.73
	TOTAL CURRENT LIABILITIES	106,658,910.20	101,093,402.56
	<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
	DEFERRED INCOME TAXES	263,588,049.46	267,046,984.78
	DEF INVESTMENT TAX CREDITS	6,332,221.68	6,721,725.00
	REGULATORY LIABILITIES	28,258,229.38	22,208,994.15
	DEFERRED CREDITS		
	LT ENERGY TRADING CONTRACTS	20,477,067.20	13,484,349.55
	CUSTOMER ADVANCES FOR CONSTR	59,308.56	59,871.16
	DEF GAINS ON SALE/LEASEBACK	0.00	0.00
	DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
	OTHER DEFERRED CREDITS	528,586.31	675,458.35
	TOTAL OTHER DEFERRED CREDITS	21,082,943.09	14,219,779.08
	TOTAL DEF CREDITS & REG LIAB'S	317,241,443.81	310,198,382.99
	<b>TOTAL CAPITAL &amp; LIABILITIES</b>	<b>1,257,701,402.16</b>	<b>1,261,113,528.63</b>

Kentucky Power Company  
Statement of Retained Earnings  
April 30, 2005

GLR1710S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES		DECEMBER BALANCES December 31, 2004
		April 30, 2005		
	BALANCE AT BEGINNING OF YEAR	70,555,279.95		64,150,582.93
	NET INCOME (LOSS)	10,469,151.63		25,904,691.56
	TOTAL	81,024,431.58		90,055,274.49
	DEDUCTIONS:			
4380001	Div Declrd - Common Stk - Asso	0.00		(19,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00		(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00		0.00
	TOTAL DEDUCTIONS	0.00		(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	81,024,431.58		70,555,279.95
	----- (A) REPRESENTS THE FOLLOWING -			
	BALANCE AT END OF PERIOD			
2150000	Appropriated Retained Earnings	0.00		0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00		0.00
	TOTAL APPR RETND ERNGS	0.00		0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95		64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00		0.00
	Net Income Transferred	10,469,151.63		6,404,697.02
	TOTAL UNAPPR RETND ERNGS	81,024,431.58		70,555,279.95
216.1	Unapprp Undistribtd Sub Erngs	0.00		0.00
	Equity Erngs of Subsidiary Co	0.00		0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00		0.00
	TOTAL RETAINED EARNINGS	81,024,431.58		70,555,279.95

Kentucky Power Company  
Deferred Credits  
April 30, 2005

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		April 30, 2005	December 31, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	18,273,886.20	12,348,284.56
2440004	LT Unreal Losses - Affil	1,298,189.00	777,254.00
2440010	L/T Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	904,962.00	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>20,477,067.20</b>	<b>13,484,349.55</b>
<b>CUSTOMR ADVANCES FOR CONSTRUCTN</b>			
2520000	Customer Adv for Construction	59,306.58	59,971.16
	<b>TOTAL CUST ADVANCES FOR CONSTR</b>	<b>59,306.58</b>	<b>59,971.16</b>
<b>DEFRD GAIN ON SALE/LEASEBACK</b>			
	<b>TOTAL DEF GAIN ON SALE/LEASEBACK</b>	<b>0.00</b>	<b>0.00</b>
<b>DEFRD GAIN ON DISP OF UTIL PLT</b>			
	<b>TOTAL DEF GAINS-DISP UTIL PLT</b>	<b>0.00</b>	<b>0.00</b>
<b>OTHER DEFERRED CREDITS</b>			
2530001	Deferred Revenues	220,660.86	207,366.88
2530004	Allowances	0.00	598.08
2530021	Unidentified Cash Receipts	5,004.01	6,669.21
2530050	T.V. Pole Attachments	112,344.07	67,773.84
2530092	Defrd Gain - Fiber Optic Leases	188,580.37	189,238.45
2530093	Def Carry Chg - Defrd RTO Costs	0.00	203,811.89
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>526,589.31</b>	<b>675,458.35</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2811001	Acc Dfd FIT - Accel Amort Prop	20,873,800.70	19,268,200.70
2821001	Accum Dfd FIT - Utility Prop	110,268,927.43	110,357,019.84
2823001	Acc Dfd FIT FAS 109 Flow Thru	51,511,728.27	50,919,107.73
2824001	Acc Dfd FIT - SFAS 109 Excess	(1,830,836.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	488,610.90	1,326,444.72
2831001	Accum Deferred FIT - Other	14,145,808.54	14,201,796.23
2832001	Accum Dfd FIT - Oth Inc & Ded	2,653,879.28	2,162,005.45
2833001	Acc Dfd FIT FAS 109 Flow Thru	37,573,132.36	38,652,630.11
2833002	Acc Dfd SIT FAS 109 Flow Thru	28,103,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>263,588,049.48</b>	<b>267,048,884.78</b>
<b>ACCUM DEFDRD INVEST TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,332,221.68	6,721,725.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,332,221.68</b>	<b>6,721,725.00</b>
<b>REGULATORY LIAB'S</b>			
	<b>TOTAL DEFDRD CREDITS &amp; REG LIAB</b>	<b>26,258,229.36</b>	<b>22,208,994.15</b>
		<b>317,241,443.61</b>	<b>310,198,382.99</b>

Kentucky Power Company  
Operating Revenues  
April 30, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED April 30, 2005	THREE MONTHS ENDED April 30, 2005	YEAR TO DATE April 30, 2005
<b>SALES OF ELECTRICITY</b>				
<b>RETAIL SALES</b>				
4400001	Residential Sales-W/Space Htg	6,012,409.82	24,044,062.11	36,361,330.65
4400002	Residential Sales-W/O Space Htg	3,290,634.74	10,983,099.48	15,572,032.81
	Residential Sales	9,303,044.56	35,027,161.57	51,933,363.46
4420001	Commercial Sales	4,663,837.72	13,858,278.48	18,693,284.89
4420002	Industrial Sales (Excl Mines)	6,088,834.22	16,548,845.88	23,135,131.80
4420004	Ind Sales-NonMtl(Ind Mines)	4,171,838.10	11,965,591.80	16,696,336.92
4420005	Sales to Pub Auth - Schools	836,368.08	2,043,468.87	3,526,048.28
4420007	Sales to Pub Auth - Ex Schools	785,468.77	2,360,103.47	3,020,218.01
	COMMERCIAL & INDUSTRIAL SALES	18,546,312.89	47,304,288.62	64,270,018.60
	SALES - AFFILIATED	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	81,435.80	240,240.75	328,370.11
	Public & Other Sales	81,435.80	240,240.75	328,370.11
	<b>TOTAL RETAIL SALES</b>	<b>25,930,843.38</b>	<b>82,571,691.54</b>	<b>115,831,763.17</b>
<b>SALES FOR RESALE</b>				
4470002	Sales for Resale - NonAssoc	2,066,638.64	8,501,980.77	11,337,301.56
4470004	Sales for Resale-NonMtl-Andrl	2,557.87	7,702.85	10,391.87
4470005	Sales for Resale-NonMtl-Transm	89,972.85	209,863.53	277,142.01
4470006	Sales for Resale-Bookout Sales	27,379,464.87	104,761,878.34	142,513,297.55
4470007	Sales for Resale-Option Sales	186,514.27	1,023,368.28	1,707,002.98
4470010	Sales for Resale-Bookout Purch	(26,701,966.53)	(105,229,012.08)	(141,798,991.57)
4470011	Sales for Resale-Option Purch	(66,619.00)	(198,949.33)	(551,168.65)
4470028	Sale for Retail - Retail from Enst	(215,610.00)	(835,524.00)	(735,897.00)
4470027	Wholesale/Wholesale Fuel Rev	109,153.82	398,350.14	328,616.58
4470028	Sales/Resale - NA - Fuel Rev	1,763,648.87	8,543,725.76	12,305,752.65
4470033	Wholesale/Wholesale Fuel Rev	119,120.16	428,513.67	807,916.71
4470064	Purch Pwr Phys/Trad - Non Assoc	(650,187.36)	(3,559,925.11)	(5,474,456.39)
4470068	PWR Trading Transp Expt-NonAssoc	(27,806.00)	(55,474.19)	(96,623.19)
4470072	Sales for Resale - Hedge Trans	(150,935.00)	(405,007.00)	(817,002.00)
4470081	Financial Spark Gas - Realized	1,079,012.77	(941,080.32)	(948,328.31)
4470082	Financial Electric Realized	(23,515.64)	(197,784.50)	(8,064.43)
4470085	Purchased Power - Dow - Assoc	0.00	0.00	0.00
4470089	PJM Energy Sales Margin	1,081,566.80	1,627,704.82	1,686,538.52
4470090	PJM Spot Energy Purchases	(2,475,064.43)	(7,591,514.93)	(10,401,106.71)
4470091	PJM Expendt Compogation Cost	(17,636.46)	(34,286.31)	(10,372.78)
4470092	PJM Impcdt Compogation-CSS	6,856.93	(130,589.85)	(391,825.23)
4470093	PJM Impcdt Compogation-LSE	(289,853.72)	(918,798.74)	(1,908,000.82)
4470094	PJM Transm. Loss - OSS	943.88	387.87	(6,139.16)
4470095	PJM Ancillary Serv.-Reg	(51,375.49)	20,904.22	87,381.63
4470098	PJM Ancillary Serv.-Spk	(322.08)	444.49	594.21
4470099	PJM Oper. Reserve Rev-OSS	50,682.13	121,437.72	183,791.03
4470100	PJM Capacity Cr. Net Sales	83.67	375.70	1,082.31
4470101	PJM FTR Revenue-OSS	32,508.19	(11,087.80)	24,072.92
4470103	PJM FTR Revenue-LSE	347,232.85	998,662.56	1,570,266.56
4470104	PJM Energy Sales Cost	4,539,081.48	12,866,161.41	17,227,889.88
4470105	PJM O&M Andrl-Reactve	(10,219.50)	(12,188.48)	0.00
4470106	PJM O&M Andrl-Black	0.00	(1.16)	0.00
4470107	PJM P2P1 Trans.Purch-NonMtl	(11,488.74)	(74,787.55)	44,209.24
4470108	PJM NITS Purch-NonMtl	2,404.83	3,306.76	4,233.10
4470109	PJM Oper. Reserve Rev-LSE	(136,069.69)	(391,420.50)	(528,039.82)
4470110	PJM TO Admin. Exp.-NonMtl	9,950.94	(22,913.28)	(26,082.53)
4470112	Non-ECB Phys. Sales-OSS	843,087.82	1,117,490.78	1,287,330.08
4470114	PJM Transm. Loss - LSE	43,124.57	10,973.83	(34,712.44)
4470115	PJM Meter Corrections-OSS	1,067.70	588.40	(1,576.66)
4470116	PJM Meter Corrections-LSE	6,828.53	3,700.55	(70,898.45)
	<b>TOTAL SALES</b>	<b>1,014,526.77</b>	<b>1,014,526.77</b>	<b>328,998,768.87</b>
	<b>OPERATING REVENUES</b>	<b>1,014,526.77</b>	<b>1,014,526.77</b>	<b>3,289,998,768.87</b>

Kentucky Power Company  
Operating Revenues  
April 30, 2006

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			TWELVE MONTHS ENDED April 30, 2006
		ONE MONTH ENDED April 30, 2006	THREE MONTHS ENDED April 30, 2006	YEAR TO DATE April 30, 2006	
GLR11103					
4470117	Realz Sharing-447 Opin	(914,021.00)	1,253,186.00	1,398,081.00	1,398,081.00
4470118	Realz Sharing-PJM OSS	(17,134.00)	3,522.00	20,698.00	20,698.00
4470119	PJM SECA Transm. Expense	(141,084.00)	(423,252.00)	(668,644.00)	(668,644.00)
4470124	PJM Incremental Spoil-OSS	0.13	(86,178.34)	(18,488.13)	(18,488.13)
4470125	PJM Incremental Exp Cong-OSS	(1,288.08)	(14,668.18)	(36,340.60)	(36,340.60)
4470126	PJM Incremental Exp Cong-OSS	(16,931.40)	(50,481.19)	(13,388.68)	(13,388.68)
4470131	Non ECR Purchased Power OSS	(757,717.37)	(757,717.37)	(757,717.37)	(757,717.37)
4470132	Spork Gas - Realized	(147,738.27)	930,084.41	930,084.41	930,084.41
	SALES FOR RESALE-NONAFFILIATED	7,235,428.88	20,869,714.21	28,737,197.81	28,737,197.81
4470001	Sales for Resale - Assoc Cos	224,862.89	355,213.02	385,616.81	385,616.81
4470014	Sis Resale-Auxiliary Trans-AT	0.00	0.00	0.00	0.00
4470015	Sis Resale-Transmission-Aff	0.00	0.00	0.00	0.00
4470035	Sis for Rel. - Fuel Rev. - Assoc	261,953.54	701,433.19	949,851.23	949,851.23
4470088	Sites for Resale-Aff Pool	0.00	(2,963,133.00)	0.00	0.00
4470088	Pool Sales to Dow Pl. - Aff	1,748.68	4,019.89	4,019.89	4,019.89
4470128	Sites for Res-Aff. Pool Energy	4,705,255.00	13,897,139.00	15,957,138.00	15,957,138.00
	SALES FOR RESALE-AFFILIATED CO	6,193,826.19	14,084,871.10	17,308,824.93	17,308,824.93
	TOTAL SALES FOR RESALE	12,429,249.16	34,924,385.31	46,045,732.64	46,045,732.64
	TOTAL SALES OF ELECTRICITY	38,359,292.60	117,496,077.25	161,876,488.71	161,876,488.71
	TOTAL SLS OF ELECT APT RFD PROV	38,359,292.60	117,496,077.25	161,876,488.71	161,876,488.71
	OTHER OPERATING REVENUE				
4560007	Ohn Elect Rev - DSM Program	125,085.20	(3,133,677.84)	(2,991,444.15)	(1,932,618.24)
4560013	Ohn Elect Rev-Trans-NonAff	3,408.00	10,104.00	13,536.00	4,500,161.06
4560015	Other Electric Revenues - ABD	0.00	0.00	0.00	405,201.21
4560016	Financial Trading Rev-Urreal	27,185.80	329,738.14	374,332.32	2,054,043.03
4560041	Miscellaneous Revenue-NonAff	(0.01)	(0.01)	(0.01)	(0.01)
4560048	Merch Generation Finan -Reabid	(756,147.25)	0.00	8,282.87	42,771.16
4560050	Ohn Elec Rev-Coal Trd Road G-L	20,592.58	1,111,109.88	1,604,636.68	(193,348.81)
4560058	PJM NTS Revenue-NonAff	270,947.36	86,741.40	86,741.40	5,286,903.90
4560080	PJM P2PI Trans-Rev-NonAff	108,201.45	735,280.83	923,776.48	1,929,419.18
4560082	PJM TO Admin. Rev.-NonAff	8,981.52	314,642.55	523,281.38	1,234,348.18
4560084	Stuckeys Admin. Fee Revenue	6,548.90	58,168.05	85,400.28	144,307.09
4560087	OhnElectRev Phys Coal Purch Exp	0.00	29,300.57	40,948.67	67,801.15
4560088	SECA Transmission Revenue	582,514.20	2,634,811.17	3,523,402.71	(5,125,866.24)
	OTHER ELECTRIC REVENUES	777,218.58	2,176,446.53	4,233,083.63	4,347,308.95
4540001	Rent From Elec Property - A	25,308.11	75,818.33	101,224.44	369,898.64
4540002	Rent From Elec Property-VAC	283,381.04	682,120.42	880,431.69	2,582,618.75
4540004	Rent From Elec Prop-ABD-Nonaf	2,850.00	20,608.00	23,158.00	84,744.00
	RENT FROM ELEC PROPERTY	311,517.15	779,546.75	1,004,814.13	3,037,261.39
4500000	Forfeited Discounts	158,091.34	419,872.67	825,130.48	1,488,397.31
4510001	Misc Service Rev - NonAff	4,018.78	27,105.70	38,185.62	280,764.48
	MISC REVENUES	162,110.10	447,078.37	863,316.09	1,789,161.77
4110000	Gain/Disposition of Allowances	660,057.34	860,000.95	861,137.72	3,255,668.05
4119000	Loss/Disposition of Allowances	0.00	(9,001.15)	(9,001.15)	(9,387.08)
	GAIN (LOSS) DISPOS ALLOWANCES	660,057.34	851,000.80	852,136.57	3,246,270.97
	TOTAL OTHER OPERATING REVENUE	1,810,903.14	4,063,707.67	6,543,360.83	20,873,034.80
	GROSS OPERATING REVENUES	40,270,198.64	121,549,784.82	168,119,848.34	470,766,372.98
	NET OPERATING REVENUES	40,270,198.64	121,549,784.82	168,119,848.34	470,766,372.98

Kentucky Power Company  
Operating Expenses - Functional  
April 30, 2005

DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005	April 30, 2005
<b>POWER PRODUCTION EXPENSES</b>								
STEAM POWER GENERATION								
FUEL								
Operation - Other Than Fuel	11,827,078.40	30,128,896.50	39,719,473.25	111,308,958.93				
Steam Power Operation	785,274.14	3,103,087.77	3,895,020.75	12,182,220.45				
Steam Power Maintenance	12,622,362.54	33,228,984.27	43,414,494.00	123,471,177.38				
TOTAL STEAM POWER GENERATION	1,128,153.41	2,496,868.50	3,366,194.18	11,934,443.21				
	13,751,608.95	35,726,852.77	46,780,688.18	135,405,620.99				
OTHER POWER SUPPLY EXPENSES								
PURCHASED POWER								
System Control & Load Dispatch	13,765,638.82	42,208,951.80	58,648,431.40	159,233,084.85				
Other Expenses	348,628.28	1,000,383.84	1,325,434.57	2,292,290.89				
TOTAL OTHER POWER SUPPLY EXPS	449,115.30	1,198,657.04	1,474,772.81	3,581,712.63				
	14,683,382.40	44,407,992.78	61,448,638.78	185,107,097.86				
TOTAL POWER PROD EXPS-OPER	27,205,734.94	77,637,977.05	104,863,132.78	288,678,275.34				
TOTAL POWER PROD EXPS-MAINT	1,129,153.41	2,496,868.50	3,366,194.18	11,934,443.21				
	28,334,888.35	80,134,845.55	108,229,326.96	300,612,718.55				
TRANSMISSION EXPENSES								
Transmission - Operation	(130,761.89)	(72,889.23)	(252,410.79)	(2,415,009.11)				
Transmission - Maintenance	197,805.82	580,614.36	672,524.15	2,155,478.36				
TOTAL TRANSMISSION EXPENSES	66,823.73	517,726.12	420,113.37	(289,630.76)				
DISTRIBUTION EXPENSES								
DISTRIBUTION - OPERATION	284,759.80	1,732,892.19	2,158,005.54	6,441,508.19				
DISTRIBUTION - MAINTENANCE	1,037,529.49	3,110,231.15	3,738,117.31	14,995,723.76				
TOTAL DISTRIBUTION EXPENSES	1,322,289.28	4,843,123.34	6,894,122.85	21,437,231.95				
TOTAL CUSTOMER ACCT EXPENSES	969,835.15	2,195,642.35	2,795,818.55	8,952,496.88				
TOTAL CUST SERV&INFO EXPENSES	139,859.81	441,374.47	571,523.14	1,340,690.79				
TOTAL SALES EXPENSES	137.50	379.35	418.15	6,741.52				
ADMINISTRATIVE & GENERAL EXPS								
Admin & General - Operations	1,623,408.85	5,169,277.96	6,483,967.34	21,180,743.40				
Admin & General - Maintenance	132,622.72	514,986.60	635,757.72	1,651,071.19				
TOTAL ADMIN & GENERAL EXPS	1,756,031.57	5,683,274.56	7,119,725.06	22,831,814.59				
TOTAL FACTORED ACCTS REC EXPS	215,233.27	702,052.75	1,004,801.99	2,896,986.87				
(GAIN) LOSS								
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(316.50)	(422.00)	(1,164.32)				
TOTAL (GAIN) LOSS	(105.50)	(316.50)	(422.00)	(1,164.32)				
TOTAL OPERATION EXPENSES	30,308,084.73	87,805,400.39	117,622,830.82	326,791,269.65				
TOTAL MAINTENANCE EXPENSES	2,498,911.23	6,712,710.51	8,412,693.37	30,736,716.52				
TOTAL OPERATION & MAINT EXPS	32,804,992.96	94,518,110.99	126,035,424.18	357,527,986.18				

Kentucky Power Company  
Taxes Applicable To Operating Income  
April 30, 2006

GLR1705 ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED April 30, 2005	THREE MONTHS ENDED April 30, 2006	YEAR TO DATE April 30, 2005	TWELVE MONTHS ENDED April 30, 2005
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	235,317.30	701,823.71	870,887.50	2,152,702.08
4081003	Federal Unemployment Tax	357.86	9,327.38	25,014.87	25,811.23
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	(1,890.43)	(1,890.43)	94,730.84
408100503	Real & Personal Property Taxes	0.00	0.00	0.00	4,568,434.64
408100504	Real & Personal Property Taxes	586,883.11	1,758,489.11	2,345,762.11	2,346,847.07
4081007	State Unemployment Tax	257.17	9,772.73	19,818.00	20,275.11
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00
408100803	State Franchise Taxes	0.00	0.00	0.00	13,833.00
408100804	State Franchise Taxes	0.00	0.00	0.00	66,080.00
408100805	State Franchise Taxes	7,800.00	23,400.00	31,200.00	31,200.00
408101000	State Excise Taxes	0.00	0.00	0.00	0.00
408101702	Sl Lic/Registration Tax/Fees	0.00	0.00	0.00	0.00
408101703	Sl Lic/Registration Tax/Fees	0.00	0.00	0.00	0.00
408101704	Sl Lic/Registration Tax/Fees	0.00	0.00	0.00	0.00
408101705	Sl Lic/Registration Tax/Fees	0.00	0.00	0.00	0.00
408101802	Sl Publ Serv Comm Tax/Fees	0.00	0.00	0.00	375.00
408101803	Sl Publ Serv Comm Tax/Fees	0.00	0.00	0.00	50.00
408101804	Sl Publ Serv Comm Tax/Fees	0.00	0.00	0.00	50.00
408101804	Sl Publ Serv Comm Tax/Fees	42,035.00	128,105.00	169,140.00	87,838.80
408102902	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	420,350.00
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	157.40	214.18
408102904	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102905	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	7,842.17
4081033	Fringe Benefit Loading - FICA	14,576.00	43,728.00	58,304.00	118,899.65
4081034	Fringe Benefit Loading - FUTA	(97,025.47)	(248,123.89)	(301,725.71)	(788,241.92)
4081035	Fringe Benefit Loading - SUT	(1,356.37)	(3,083.33)	(3,726.67)	(12,638.36)
408103804	Real Prop Tax-Cap Leases	(803.88)	(1,828.28)	(2,210.78)	(4,803.58)
408103805	Real Prop Tax-Cap Leases	918.00	2,748.00	3,664.00	7,890.29
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>788,358.42</b>	<b>2,419,147.99</b>	<b>3,213,145.88</b>	<b>9,239,658.00</b>
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
408100200	Income Taxes, LOI - State	0.00	42,337.00	42,337.00	42,337.00
408100201	Income Taxes, LOI - State	0.00	62,635.00	62,635.00	62,635.00
408100202	Income Taxes, LOI - State	0.00	46,320.00	46,320.00	46,320.00
408100203	Income Taxes, LOI - State	0.00	0.00	0.00	(1,202,807.00)
408100204	Income Taxes, LOI - State	0.00	0.00	0.00	329,855.00
408100205	Income Taxes, LOI - State	298,140.00	117,200.00	527,280.00	627,280.00
408100299	Income Taxes, LOI - State	0.00	9,840.00	9,840.00	9,840.00
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>298,140.00</b>	<b>276,332.00</b>	<b>688,412.00</b>	<b>(184,530.00)</b>
<b>FEDERAL INCOME TAXES</b>					
4081001	Income Taxes, LOI - Federal	(470,048.64)	1,091,775.22	3,374,797.20	(2,858,028.17)
4110001	Priv Def I/T-Cr-UI Op Inc-Fed	2,036,304.86	6,198,189.14	8,615,285.46	20,867,208.78
4111001	ITC Adj. Utility Oper - Fed	(1,602,824.20)	(5,585,873.52)	(8,117,318.37)	(9,880,408.87)
4114001	TOTAL FEDERAL INCOME TAXES	(67,375.85)	1,401,973.35	3,483,242.97	(1,232,934.32)
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>882,554.41</b>	<b>4,099,453.34</b>	<b>7,384,800.85</b>	<b>16,250,862.30</b>

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
April 30, 2005

GLR12105

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED April 30, 2005	THREE MONTHS ENDED April 30, 2005	YEAR TO DATE April 30, 2005	TWELVE MONTHS ENDED April 30, 2005
	<b>TAXES OTHER THAN INC TAX</b>				
408201404	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	275.00
	<b>TOTAL TAXES OTHER THAN INC TAX</b>	0.00	0.00	0.00	275.00
	<b>FEDERAL INC TAXES - OI&amp;D</b>				
4092001	Inc Tax, Oth Inc&Ded-Federal	426,087.13	(405,921.44)	(447,288.96)	906,932.65
4102001	Prov Def I/T Oth I&D - Federal	65,364.25	928,338.92	1,135,161.62	(7,279,322.13)
4112001	Prv Def I/T-Cr Oth I&D-Fed	(402,401.23)	(418,318.77)	(546,649.84)	6,177,085.07
411200199	Cum Eff Acct Chg-Prov DF/IT OI&D	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	<b>TOTAL FEDERAL INC TAXES - OI&amp;D</b>	89,030.15	104,098.71	141,222.82	(195,304.41)
	<b>STATE INC TAXES - OI&amp;D</b>				
	<b>TOTAL STATE INC TAXES - OI&amp;D</b>				
	<b>LOCAL INC TAXES - OI&amp;D</b>				
	<b>TOTAL LOCAL INC TAXES - OI&amp;D</b>				
	<b>FOREIGN INC TAXES - OI&amp;D</b>				
	<b>TOTAL FOREIGN INC TAXES - OI&amp;D</b>				
	<b>TOTAL TAXES APPLICABLE TO OI&amp;D</b>	89,030.15	104,098.71	141,222.82	(195,029.41)



KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - April, 2005

GLR7210V

UTILITY PLANT	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101106 GENERATION	464,497,613.26	4,843,174.48	(931,113.25)	0.00	(186,729.00)	468,222,845.48
TOTAL PRODUCTION	464,497,613.26	4,843,174.48	(931,113.25)	0.00		468,222,845.48
101106 TRANSMISSION	384,291,767.19	1,347,488.81	(172,442.24)	0.00	287,845.00	385,754,768.76
101106 DISTRIBUTION	476,146,970.30	7,071,842.37	(1,274,022.88)	0.00	(101,216.00)	485,845,573.98
TOTAL (ACCOUNTS 101 & 106)	1,326,938,350.76	13,262,516.66	(2,377,578.18)	0.00	0.00	1,337,823,289.23
1011001 CAPITAL LEASES	11,201,881.48	0.00	0.00	(384,142.55)	0.00	10,817,736.93
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,232.23	13,262,516.66	(2,377,578.18)	(384,142.55)	0.00	1,348,641,028.18
1050001 PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	16,544,431.69	11,904,541.41				15,188,456.84
107000X ADDITIONS		(13,262,516.86)				
107000X TRANSFERS		(1,357,875.25)				
107000X END. BAL.						
TOTAL ELECTRIC UTILITY PLANT	1,381,547,483.12	11,904,541.41	(2,377,578.18)	(384,142.55)	0.00	1,370,690,303.80
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	996,378.00	0.00	0.00	0.00	0.00	996,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-29 OTHER INVESTMENTS	4,594,574.41	0.00	0.00	0.00	0.00	4,594,574.41
TOTAL NONUTILITY PLANT	5,590,952.41	0.00	0.00	0.00	0.00	5,590,952.41

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - April, 2006

GLR7410V

	06/12/05 09:12								
	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE			
<b>UTILITY PLANT</b>									
NUCLEAR									
1080001/11 OTHER DECOMMISSIONING COSTS					0.00				
					0.00				
-TOTAL NUCLEAR									
1080001/11 PRODUCTION	167,944,173.78	5,659,681.33	(769,375.65)	(348,501.05)		172,366,743.99			
1080001/11 TRANSMISSION	112,713,687.35	2,173,038.37	(172,442.24)	(104,343.25)	(119,234.45)	114,779,427.46			
1080001/11 DISTRIBUTION	131,819,737.52	5,391,561.64	(1,098,717.85)	(320,098.04)	(50,287.92)	135,741,195.35			
1080005 RETIREMENT WORK IN PROGRESS	(987,013.27)	0.00	0.00	772,942.36	(832,821.93)	(846,892.84)			
TOTAL (108X accounts)	411,489,586.40	13,224,279.34	(2,040,535.74)	0.00	(632,856.03)	422,040,473.97			
NUCLEAR									
1110001 PRODUCTION	2,357,841.52	575,682.68	(161,737.60)	0.00	0.00	2,771,786.60			
1110001 TRANSMISSION	351,520.85	83,984.31	0.00	0.00	0.00	435,505.16			
1110001 DISTRIBUTION	5,849,038.68	723,285.53	(175,304.84)	0.00	0.00	6,196,968.35			
TOTAL (111X accounts)	8,356,401.03	1,382,952.52	(337,042.44)	0.00	0.00	9,404,261.11			
CAPITAL LEASES									
1011006 CAPITAL LEASES	6,898,957.43	0.00	0.00	0.00	11,667.23	6,950,624.66			
ACQUISITION ADJUSTMENT AMORT									
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00			
TOTAL ACCUM DEPR & AMORT.	426,686,943.86	14,607,161.86	(2,377,578.18)	0.00	(620,987.80)	438,295,659.74			
<b>NONUTILITY PLANT</b>									
NONUTILITY PLANT									
1220001 Depr&Amrt of Nonutil Prop-Ownd	154,928.27	2,223.24	0.00	0.00	0.00	157,151.51			
1220003 Depr&Amrt of Nonutil Prop-Wip	(2,308.91)	0.00	0.00	0.00	0.00	(2,308.91)			
TOTAL NONUTILITY PLANT	152,619.36	2,223.24	0.00	0.00	0.00	154,844.60			

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - MARCH 2005**



**AMERICAN  
ELECTRIC  
POWER**

MAY - 5 2005

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

May 2, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed REVISED March 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

All reports have been marked REVISED under the page number, please disregard the March reports sent earlier.

Sincerely,

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure  
Cc: Errol Wagner (w/pages)

Kentucky Power Company  
Comparative Income Statement  
March 31, 2006

DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
	March 31, 2005	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005	March 31, 2006
GLR1100S								
OPERATING REVENUES								
SALES TO NON AFFILIATES	37,715,539.22	116,659,927.63	116,659,927.63	116,659,927.63	116,659,927.63	416,394,248.95		
SALES TO AFFILIATES	5,183,881.52	12,188,723.07	12,188,723.07	12,188,723.07	12,188,723.07	47,166,330.78		
GROSS OPERATING REVENUES	42,899,420.74	127,848,650.70	127,848,650.70	127,848,650.70	127,848,650.70	462,560,580.73		
TOTAL OPERATING REVENUES, NET	42,899,420.74	127,848,650.70	127,848,650.70	127,848,650.70	127,848,650.70	462,560,580.73		
OPERATING EXPENSES								
OPERATIONS								
FUEL	9,989,050.35	27,892,394.84	27,892,394.84	27,892,394.84	27,892,394.84	108,454,822.30		
PURCHASED POWER NON AFFIL	981,369.49	2,123,952.00	2,123,952.00	2,123,952.00	2,123,952.00	5,142,123.41		
PURCHASE POWER AFFILIATED	14,384,492.24	42,738,840.58	42,738,840.58	42,738,840.58	42,738,840.58	150,578,363.83		
OTHER OPERATION	5,788,019.60	14,559,561.67	14,559,561.67	14,559,561.67	14,559,561.67	56,926,709.88		
MAINTENANCE	2,209,128.49	5,815,082.14	5,815,082.14	5,815,082.14	5,815,082.14	31,382,472.21		
TOTAL OPER/MAINT EXPENSES	33,352,048.04	93,230,431.23	93,230,431.23	93,230,431.23	93,230,431.23	349,494,491.63		
DEPRECIATION AND AMORTIZATION	3,729,119.03	11,152,506.59	11,152,506.59	11,152,506.59	11,152,506.59	44,140,458.14		
TAXES OTHER THAN INCOME TAXES	875,130.50	2,424,788.67	2,424,788.67	2,424,788.67	2,424,788.67	9,241,268.00		
STATE, LOCAL & FOREIGN INCOME TAXES	(218,428.00)	392,272.00	392,272.00	392,272.00	392,272.00	(824,190.00)		
FEDERAL INCOME TAXES	703,052.83	3,815,184.98	3,815,184.98	3,815,184.98	3,815,184.98	7,367,524.31		
TOTAL OPERATING EXPENSES	38,442,922.39	110,815,183.46	110,815,183.46	110,815,183.46	110,815,183.46	409,419,542.09		
NET OPERATING INCOME	4,456,498.35	17,033,467.24	17,033,467.24	17,033,467.24	17,033,467.24	53,141,038.64		
OTHER INCOME AND DEDUCTIONS								
OTHER INCOME	(184,328.78)	174,471.36	174,471.36	174,471.36	174,471.36	1,132,782.42		
OTHER INCOME DEDUCTIONS	228,978.94	99,314.68	99,314.68	99,314.68	99,314.68	(786,938.46)		
INC TAXES APPL TO OTH INC&DED	3,436.58	(52,192.67)	(52,192.67)	(52,192.67)	(52,192.67)	144,639.58		
NET OTHR INCOME AND DEDUCTIONS	48,086.75	221,593.37	221,593.37	221,593.37	221,593.37	508,483.52		
INCOME BEFORE INTEREST CHARGES	4,604,585.10	17,255,060.60	17,255,060.60	17,255,060.60	17,255,060.60	53,649,522.17		
INTEREST CHARGES								
INTEREST ON LONG-TERM DEBT	2,272,408.80	6,810,143.28	6,810,143.28	6,810,143.28	6,810,143.28	27,042,718.06		
INT SHORT TERM DEBT - AFFIL	(4,266.99)	(34,207.46)	(34,207.46)	(34,207.46)	(34,207.46)	213,998.50		
INT SHORT TERM DEBT - NON-AFFL	118,986.96	132,813.28	132,813.28	132,813.28	132,813.28	434,550.76		
AMORT OF DEBT DISC, PREM & EXP	92,396.03	310,089.99	310,089.99	310,089.99	310,089.99	1,141,654.26		
AMORT LOSS ON REACQUIRED DEBT	5,615.80	13,847.19	13,847.19	13,847.19	13,847.19	64,383.98		
OTHER INTEREST EXPENSE	80,085.15	222,747.31	222,747.31	222,747.31	222,747.31	863,609.82		
TOTAL INTEREST CHARGES	2,573,216.75	7,466,433.57	7,466,433.57	7,466,433.57	7,466,433.57	29,761,113.39		
AFUDC BORROWED FUNDS - CR	(26,905.62)	(85,589.97)	(85,589.97)	(85,589.97)	(85,589.97)	(290,518.15)		
NET INTEREST CHARGES	2,546,311.13	7,380,843.60	7,380,843.60	7,380,843.60	7,380,843.60	29,470,597.24		
NET EXTRAORDINARY ITEMS								
NET INCOME BEFORE PREF DIV	1,958,273.97	9,885,217.00	9,885,217.00	9,885,217.00	9,885,217.00	24,176,924.93		
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00	0.00	0.00		
NET INCOME - EARN FOR CMMN STK	1,958,273.97	9,885,217.00	9,885,217.00	9,885,217.00	9,885,217.00	24,176,924.93		

N.M. = Not Meaningful

Kentucky Power Company  
Balance Sheet - Assets  
March 31, 2005

DESCRIPTION	04/27/05 18:24	
	MONTH END BALANCES March 31, 2005	DECEMBER BALANCES December 31, 2004
GLR1500S		
ELECTRIC UTILITY PLANT		
PRODUCTION	484,636,707.01	462,640,781.30
TRANSMISSION	385,911,998.80	385,666,627.94
DISTRIBUTION	442,925,064.86	438,766,381.36
GENERAL	58,979,355.54	57,929,260.63
CONSTRUCTION WORK IN PROGRESS	14,701,652.01	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,367,154,778.22	1,361,547,483.12
LESS ACCUM PRV-DEPR, DEPL, AMORT	(435,797,619.80)	(426,686,943.86)
NET ELECTRIC UTILITY PLANT	931,357,158.42	934,860,539.26
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	34,581,471.97	19,067,031.56
NET NONUTILITY PROPERTY	5,436,663.62	5,438,331.05
TOTAL OTHER INVESTMENTS	351,215.02	421,723.58
TOTAL OTHER PROP AND INVSTMNTS	40,369,350.61	24,927,086.19
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	3,594,288.93	132,300.72
ADVANCES TO AFFILIATES	24,734,460.69	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	20,476,619.93	16,388,055.58
ACCOUNTS RECEIVABLE - MISC	4,306,156.95	5,836,437.53
A/P FOR UNCOLLECTIBLE ACCOUNTS	(9,074.95)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	23,231,380.43	23,045,902.11
FUEL	8,111,350.40	6,550,571.42
MATERIALS & SUPPLIES	8,697,901.68	9,385,328.76
ACCRUED UTILITY REVENUES	5,703,282.63	7,340,252.26
ENERGY TRADING CONT CURR ASSET	30,336,529.04	19,845,328.64
PREPAYMENTS	1,059,827.29	819,381.37
OTHER CURRENT ASSETS	5,995,009.82	4,003,080.40
TOTAL CURRENT ASSETS	136,239,732.84	109,438,713.14
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	130,144,698.79	124,993,760.27
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	63,217,689.09	66,892,429.67
TOTAL ASSETS	1,301,328,629.75	1,261,113,528.53

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
March 31, 2005

GLR1700S	DESCRIPTION	04/27/05 18:24	
		MONTH END BALANCES March 31, 2005	DECEMBER BALANCES December 31, 2004
	<b>CAPITALIZATION</b>		
	<b>COMMON STOCK</b>		
	Authorized: 2,000,000 Shares		
	Outstanding: 1,009,000 Shares		
	COMMON STOCK	50,450,000.00	50,450,000.00
	PAID-IN CAPITAL	197,347,840.18	199,975,030.34
	RETAINED EARNINGS	60,440,486.96	70,555,279.95
	COMMON SHAREHOLDERS' EQUITY	328,238,137.14	320,980,310.29
	LT DEBT (LESS AMT DUE IN 1 YR)		
	LONG-TERM DEBT LESS AMT DUE 1 YR	507,374,972.98	508,310,302.15
	TOTAL CAPITALIZATION	835,613,110.12	829,290,612.44
	<b>OTHER NONCURRENT LIABILITIES</b>		
	OBLIGATIONS UNDER CAP LEASE	2,576,727.72	2,801,940.69
	ACCUMULATED PROVISIONS - MISC	14,713,900.07	17,729,189.84
	TOTAL OTH NONCURRENT LIAB'S	17,290,627.79	20,531,130.53
	<b>CURRENT LIABILITIES</b>		
	LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
	ADVANCES FROM AFFILIATES	0.00	0.00
	AP - GENERAL	23,974,855.62	20,080,482.71
	AP- ASSOC. COS.	21,075,457.14	24,899,024.46
	CUSTOMER DEPOSITS	15,709,365.52	12,308,487.42
	TAXES ACCRUED	11,661,759.33	8,248,178.82
	INTEREST ACCRUED	8,992,347.75	6,754,332.86
	DIVIDENDS DECLARED	0.00	0.00
	OBLIG UNDER CAP LEASES- CURR	1,458,147.30	1,560,983.37
	ENERGY TRADING CONT CURR LIAB	32,868,329.58	17,205,428.19
	OTHR CURR & ACCRUED LIAB	8,303,872.45	9,036,484.73
	TOTAL CURRENT LIABILITIES	124,044,134.68	101,093,402.56
	<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
	DEFERRED INCOME TAXES	263,064,457.03	267,046,884.78
	DEF INVESTMENT TAX CREDITS	6,428,587.51	6,721,725.00
	REGULATORY LIABILITIES	29,297,728.19	22,208,984.15
	DEFERRED CREDITS		
	LT ENERGY TRADING CONTRACTS	25,119,544.97	13,484,349.55
	CUSTOMER ADVANCES FOR CONSTR	58,428.09	59,971.16
	DEF GAINS ON SALE/LEASEBACK	0.00	0.00
	DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
	OTHER DEFERRED CREDITS	421,003.38	675,458.35
	TOTAL OTHER DEFERRED CREDITS	25,588,974.44	14,219,779.08
	TOTAL DEF CREDITS & REG LIAB'S	324,380,757.17	310,198,382.99
	<b>TOTAL CAPITAL &amp; LIABILITIES</b>	<b>1,301,328,629.76</b>	<b>1,261,113,528.63</b>

Kentucky Power Company  
Statement of Retained Earnings  
March 31, 2005

GLR1710S ACCOUNT NUMBER	DESCRIPTION	04/27/05 18:25	
		MONTH END BALANCES March 31, 2005	DECEMBER BALANCES December 31, 2004
	BALANCE AT BEGINNING OF YEAR	70,555,279.95	64,150,582.93
	NET INCOME (LOSS)	9,885,217.00	25,904,691.56
	TOTAL	80,440,496.96	90,055,274.49
	DEDUCTIONS:		
4380001	Div Declrd - Common Stk - Asso	0.00	(19,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	80,440,496.96	70,555,279.95
	(A) REPRESENTS THE FOLLOWING -		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	9,885,217.00	6,404,697.02
	TOTAL UNAPPR RETND ERNGS	80,440,496.96	70,555,279.95
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	80,440,496.96	70,555,279.95



Kentucky Power Company  
Deferred Credits  
March 31, 2005

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		March 31, 2005	December 31, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	22,802,218.97	12,348,284.56
2440004	LT Unreal Losses - Affil	1,364,033.00	777,254.00
2440010	L/T Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	983,293.00	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>25,119,544.97</b>	<b>13,484,349.55</b>
<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
2520000	Customer Adv for Construction	58,426.09	59,971.16
	<b>TOTAL CUST ADVANCES FOR CONSTR</b>	<b>58,426.09</b>	<b>59,971.16</b>
<b>OTHER DEFERRED CREDITS</b>			
2530001	Deferred Revenues	221,797.06	207,366.88
2530004	Allowances	0.00	588.08
2530021	Unidentified Cash Receipts	7,302.08	6,869.21
2530044	Neigh Help Neig-Cust Donations	119.70	0.00
2530050	T.V. Pole Attachments	3,054.65	67,773.84
2530092	Defrd Gain - Fiber Optic Leases	188,729.89	189,238.45
2530093	Def Carry Chg - Defrd RTO Costs	0.00	203,811.89
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>421,003.38</b>	<b>675,458.35</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2811001	Acc Dfd FIT - Accel Amort Prop	20,322,400.70	19,268,200.70
2821001	Accum Dfd FIT - Utility Prop	110,294,568.64	110,357,019.84
2823001	Acc Dfrd FIT FAS 109 Flow Thru	51,458,954.94	50,919,107.73
2824001	Acc Dfrd FIT - SFAS 109 Excess	(1,855,457.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	657,833.63	1,326,444.72
2831001	Accum Deferred FIT - Other	13,848,302.83	14,201,796.23
2832001	Accum Dfd FIT - Oth Inc & Ded	2,680,136.21	2,152,005.46
2833001	Acc Dfd FIT FAS 108 Flow Thru	37,544,717.08	38,652,630.11
2833002	Acc Dfrd SIT FAS 108 Flow Thru	28,103,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>263,054,457.03</b>	<b>267,046,884.78</b>
<b>ACCUM DEFERRED INVEST TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,429,597.51	6,721,725.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,429,597.51</b>	<b>6,721,725.00</b>
<b>REGULATORY LIAB'S</b>			
		29,297,728.19	22,209,994.15
	<b>TOTAL DEFERD CREDITS &amp; REG LIAB</b>	<b>324,380,757.17</b>	<b>310,198,382.99</b>

Kentucky Power Company  
Operating Revenues  
March 31, 2005

GLR11103 ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			YEAR TO DATE March 31, 2005	TWELVE MONTHS ENDED March 31, 2005
		ONE MONTH ENDED March 31, 2005	THREE MONTHS ENDED March 31, 2005			
<b>SALES OF ELECTRICITY</b>						
<b>RETAIL SALES</b>						
4400001	Residential Sales-W/Space Hg	9,709,841.33	29,346,920.65	29,346,920.65	84,400,387.54	
4400002	Residential Sales-W/O Space H	4,300,666.32	12,291,198.07	12,291,198.07	45,591,811.01	
	Residential Sales	14,010,507.65	41,638,118.72	41,638,118.72	129,992,198.55	
4420001	Commercial Sales	5,110,793.90	14,029,447.17	14,029,447.17	57,143,381.33	
4420002	Industrial Sales (Excl Mines)	5,345,613.26	17,046,297.28	17,046,297.28	68,363,788.18	
4420004	Ind Sales-NonMfr/Ind Mines)	4,237,104.42	11,724,498.82	11,724,498.82	46,006,287.94	
4420005	Sales to Pub Auth - Schools	876,388.80	2,689,883.20	2,689,883.20	10,005,288.48	
4420007	Sales to Pub Auth - Ex Schools	622,622.83	2,234,752.24	2,234,752.24	9,198,541.83	
	COMMERCIAL & INDUSTRIAL SALES	18,482,623.31	47,724,668.71	47,724,668.71	190,737,265.87	
4440000	SALES - AFFILIATED	0.00	0.00	0.00	0.00	
	Public Street/Highway Lighting	82,898.23	246,934.21	246,934.21	1,013,904.45	
	Public & Other Sales	82,898.23	246,934.21	246,934.21	1,013,904.45	
	<b>TOTAL RETAIL SALES</b>	<b>30,585,946.19</b>	<b>89,601,709.82</b>	<b>89,601,709.82</b>	<b>321,743,488.87</b>	
<b>SALES FOR RESALE</b>						
4470002	Sales for Resale - NonAssoc	3,550,138.65	9,270,662.92	9,270,662.92	25,373,604.10	
4470004	Sales for Resale-NonMfr-Transm	2,713.15	7,634.20	7,634.20	441,816.07	
4470005	Sales for Resale-Bookout Sales	89,859.49	207,169.46	207,169.46	5,461,236.32	
4470007	Sales for Resale-Bookout Sales	33,739,011.07	114,833,832.68	114,833,832.68	435,214,111.78	
4470010	Sales for Resale-Option Purch	37,328.54	1,520,488.72	1,520,488.72	5,994,823.06	
4470011	Sales for Resale-Option Purch	(34,832,416.00)	(115,084,884.94)	(115,084,884.94)	(428,400,865.03)	
4470028	Sales for Resale - Real Iron East	(70,797.28)	(484,570.02)	(484,570.02)	(7,234,365.22)	
4470027	Wholesale/Wholesale Fuel Rev	(38,215.00)	(520,381.00)	(520,381.00)	(520,381.00)	
4470028	Sales/Resale - NA - Fuel Rev	156,831.32	419,381.98	419,381.98	1,391,968.43	
4470033	Wholesale/Wholesale Auth Basis Rev	3,530,390.29	10,822,103.88	10,822,103.88	52,118,288.72	
4470034	Purch Pwr Phys/Trans - Non Assoc	185,838.22	488,486.55	488,486.55	1,780,809.09	
4470036	Purch Pwr Phys/Trans - Non Assoc	(1,224,685.71)	(4,824,269.01)	(4,824,269.01)	(21,783,167.89)	
4470072	Sales for Resale - Hedge Trans	(18,202.00)	(39,018.19)	(39,018.19)	(658,248.19)	
4470081	Financial Spark Gas - Realized	(420,634.00)	(488,067.00)	(488,067.00)	(1,857,872.00)	
4470082	Financial Electric Realized	(1,195,238.19)	(950,539.40)	(950,539.40)	(3,416,123.69)	
4470089	PJM Energy Sales Margin	15,634.43	14,851.41	14,851.41	400,024.11	
4470090	PJM Spot Energy Purchases	837,978.73	619,272.72	619,272.72	887,158.07	
4470091	PJM Explicit Congestion Cost	(2,839,179.69)	(7,925,242.28)	(7,925,242.28)	(15,589,735.05)	
4470092	PJM Implicit Congestion-LSE	(6,483.00)	7,099.68	7,099.68	(127,213.55)	
4470093	PJM Implicit Congestion-LSE	(6,483.00)	(398,484.15)	(398,484.15)	(722,347.59)	
4470094	PJM Transm. Loss - OSS	(145,739.03)	(1,606,147.20)	(1,606,147.20)	(2,923,845.66)	
4470095	PJM Ancillary Serv.-Reg	(3,200.00)	(9,123.04)	(9,123.04)	(23,872.88)	
4470096	PJM Ancillary Serv.-Spin	20,815.32	136,767.12	136,767.12	288,537.99	
4470098	PJM Capacity Cr. Net Sales	2,899.03	926.29	926.29	2,113.90	
4470099	PJM Oper. Reserve Rev-OSS	5,068.29	129,138.90	129,138.90	171,891.54	
4470100	PJM FTR Revenue-OSS	(65.88)	79.55	79.55	1,008.64	
4470101	PJM FTR Revenue-OSS	197,135.90	(28,435.27)	(28,435.27)	52,207.16	
4470102	PJM Energy Sales Cost	(83,343.68)	1,223,033.71	1,223,033.71	1,942,508.33	
4470104	PJM OATT Ancill.-Reserve	4,808,743.09	12,668,838.61	12,668,838.61	23,416,139.42	
4470105	PJM PQR Trans Purch-NonMfr	0.00	10,219.50	10,219.50	10,219.50	
4470107	PJM NITS Purch-NonMfr	9,747.18	55,685.98	55,685.98	(371,628.04)	
4470108	PJM Oper. Reserve Rev-LSE	(1,046.71)	1,828.27	1,828.27	582.51	
4470110	PJM TO Admin. Exp.-NonMfr	(130,875.70)	(369,940.13)	(369,940.13)	(493,815.83)	
4470112	Non-ECR Phys. Sales-OSS	(14,853.78)	(36,033.47)	(36,033.47)	(48,582.73)	
4470114	PJM Transm. Loss - LSE	128,840.33	454,242.24	454,242.24	1,587,270.94	
4470115	PJM Meter Corrections-OSS	(46,135.51)	(77,837.01)	(77,837.01)	(146,811.74)	
4470116	PJM Meter Corrections-LSE	(34.59)	(12,643.38)	(12,643.38)	(9,622.09)	
4470117	Realiz. Sharing-447 Optin	(2,783.06)	(79,525.98)	(79,525.98)	(60,798.83)	
4470118	Realiz. Sharing-PJM OSS	1,392,383.00	2,212,082.00	2,212,082.00	2,212,082.00	
4470119	PJM SECA Transm. Expense	(13,118.00)	37,832.00	37,832.00	37,832.00	
4470124	PJM Incremental Spol-OSS	(141,084.00)	(547,560.00)	(547,560.00)	(547,560.00)	
4470125	PJM Incremental Exp Cong-OSS	(7,992.89)	(18,486.28)	(18,486.28)	(18,486.28)	
4470126	PJM Incremental Exp Cong-OSS	33,930.67	(35,082.72)	(35,082.72)	(35,082.72)	
4470128	PJM Incremental Imp Cong-OSS	1,256.61	2,234.74	2,234.74	2,234.74	

Kentucky Power Company  
Operating Revenues  
March 31, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED March 31, 2005	THREE MONTHS ENDED March 31, 2005	YEAR TO DATE March 31, 2005	TWELVE MONTHS ENDED March 31, 2005
SALES FOR RESALE-NONAFFILIATED		7,002,897.81	21,501,678.65	21,501,678.65	73,836,060.47
4470001	Sales for Resale - Assoc Cos	69,778.88	170,752.82	170,752.82	(4,241,334.40)
4470014	Sis Resale-Auxiliary Trans-Aff	0.00	0.00	0.00	13,846.13
4470015	Sis Resale-Transmission-Aff	0.00	0.00	0.00	150,420.80
4470035	Sis for Rsl - Fuel Rev - Assoc	167,572.53	687,897.89	687,897.89	3,630,706.45
4470086	Sales for Resale-Aff Pool	0.00	0.00	0.00	35,914,022.85
4470088	Pool Sales to Dow Plc. Aff	0.00	2,271.23	2,271.23	68,811.37
4470128	Sales for Rts-Aff. Pool Energy	4,926,223.00	11,251,863.00	11,251,863.00	11,251,863.00
	SALES FOR RESALE-AFFILIATED CO	5,169,576.41	12,112,804.74	12,112,804.74	48,788,186.00
	TOTAL SALES FOR RESALE	12,161,543.22	33,614,483.39	33,614,483.39	120,624,246.46
	TOTAL SALES OF ELECTRICITY	42,747,488.41	123,216,193.21	123,216,193.21	442,367,705.03
	TOTAL SLS OF ELECT AFT RFD PROV	42,747,488.41	123,216,193.21	123,216,193.21	442,367,705.03
OTHER OPERATING REVENUE		(3,432,953.82)	(3,086,508.35)	(3,086,508.35)	(1,840,869.43)
4560007	Oil Elect Rev - DSM Program	3,528.00	10,128.00	10,128.00	5,222,009.89
4560013	Oil Elect Rev-Trans-NonAff	0.00	0.00	0.00	467,998.27
4560014	Other Electric Revenues - Ancillary	191,897.21	347,168.72	347,168.72	2,073,719.91
4560015	Other Electric Revenues - ABD	0.00	0.00	0.00	0.01
4560016	Financial Trading Rev-Unreal	0.00	0.00	0.00	42,771.10
4560048	Miscellaneous Revenues-NonAff	8,282.87	8,282.87	8,282.87	364,613.13
4560049	Merch Generation Finan - Resold	1,707,353.28	2,360,983.93	2,360,983.93	5,246,371.31
4560050	Oil Elec Rev-Coal Trd Rptd G-L	66,208.81	66,208.81	66,208.81	1,698,471.83
4560058	Oil Elec Rev-Coal Trd Rptd G-L	242,977.53	652,829.13	652,829.13	1,128,148.74
4560060	PJM NTS Revenue-NonAff	159,308.95	417,078.93	417,078.93	135,325.57
4560062	PJM PJM Trans Rev-NonAff	19,148.77	78,418.78	78,418.78	59,351.25
4560064	Buckeye Admin. Fee Revenue	10,801.52	32,399.77	32,399.77	(5,125,806.24)
4560067	OilElecRev Phys Coal Purch Exp	0.00	0.00	0.00	3,394,782.75
4560068	SECA Transmission Revenue	842,250.71	2,560,888.51	2,560,888.51	12,716,814.17
	OTHER ELECTRIC REVENUES	(189,419.04)	3,445,877.88	3,445,877.88	378,174.78
4540001	Rent From Elect Property - A/	25,306.11	75,918.33	75,918.33	2,564,340.88
4540002	Rent From Elect Property-NAC	200,200.14	697,070.95	697,070.95	64,544.00
4540004	Rent From Elect Prop-ABD-NonAff	11,406.00	20,308.00	20,308.00	3,027,959.86
	RENT FROM ELEC PROPERTY	238,912.25	693,297.28	693,297.28	1,449,851.40
4500000	Forfeited Discounts	91,879.18	487,038.14	487,038.14	269,288.49
4510001	Misc Service Rev - NonAff	12,612.88	34,166.78	34,166.78	1,719,138.89
	MISC REVENUES	104,292.04	801,205.90	801,205.90	2,739,282.08
4118000	Gain Disposition of Allowances	148.08	1,090.38	1,090.38	(9,400.09)
4118000	Loss Disposition of Allowances	0.00	(8,001.15)	(8,001.15)	2,729,881.98
	GAIN (LOSS) DISPOS ALLOWANCES	148.08	(7,920.77)	(7,920.77)	20,192,878.70
	TOTAL OTHER OPERATING REVENUE	181,931.33	4,832,457.49	4,832,457.49	462,580,680.73
	GROSS OPERATING REVENUES	42,899,420.74	127,848,650.70	127,848,650.70	482,980,580.73
	NET OPERATING REVENUES	42,899,420.74	127,848,650.70	127,848,650.70	482,980,580.73

Kentucky Power Company  
Operating Expenses - Functional  
March 31, 2005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	March 31, 2005	March 31, 2005	March 31, 2005	2005
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	9,989,050.35	27,892,394.84	27,892,394.84	106,454,822.30
Steam Power Operation	1,277,156.45	2,899,746.62	2,899,746.62	12,398,612.46
Steam Power Maintenance	11,266,206.80	30,792,141.46	30,792,141.46	118,854,434.76
TOTAL STEAM POWER GENERATION	808,805.13	2,237,040.77	2,237,040.77	12,063,216.08
	12,075,011.93	33,029,182.23	33,029,182.23	130,917,660.84
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	15,365,851.69	44,862,792.58	44,862,792.58	155,720,487.24
Other Expenses	332,954.35	976,806.29	976,806.29	1,971,289.56
TOTAL OTHER POWER SUPPLY EXPS	375,108.08	1,025,657.51	1,025,657.51	3,355,558.40
	16,073,914.12	46,865,256.38	46,865,256.38	161,047,336.20
<b>TOTAL POWER PROD EXPS-OPER</b>	27,340,120.92	77,657,397.84	77,657,397.84	279,901,770.96
<b>TOTAL POWER PROD EXPS-MAINT</b>	888,805.13	2,237,040.77	2,237,040.77	12,063,216.08
<b>TOTAL POWER PROD EXPENSES</b>	28,148,926.05	79,894,438.61	79,894,438.61	291,964,987.04
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	122,630.73	(121,628.89)	(121,628.89)	(2,600,206.23)
Transmission - Maintenance	199,869.47	474,918.53	474,918.53	2,159,760.74
TOTAL TRANSMISSION EXPENSES	322,500.20	353,289.64	353,289.64	(440,445.49)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	807,574.69	1,871,245.74	1,871,245.74	6,579,243.65
DISTRIBUTION - MAINTENANCE	993,470.61	2,700,587.83	2,700,587.83	15,501,737.37
TOTAL DISTRIBUTION EXPENSES	1,801,045.31	4,571,833.57	4,571,833.57	22,080,981.01
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	632,694.29	1,825,981.51	1,825,981.51	9,783,123.66
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	155,192.67	431,663.33	431,663.33	1,322,107.33
<b>TOTAL SALES EXPENSES</b>	82.71	278.65	278.65	9,848.73
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,840,082.43	4,860,558.70	4,860,558.70	21,415,308.66
Admin & General - Maintenance	208,981.28	503,135.00	503,135.00	1,667,758.03
TOTAL ADMIN & GENERAL EXPS	2,047,063.71	5,363,693.70	5,363,693.70	23,083,066.68
<b>TOTAL FACTORED ACCTS REC EXPS</b>	244,748.61	789,568.72	789,568.72	2,692,874.27
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(316.50)	(316.50)	(1,151.61)
<b>TOTAL (GAIN) LOSS</b>	(105.50)	(316.50)	(316.50)	(1,161.61)
<b>TOTAL OPERATION EXPENSES</b>	31,142,921.55	87,314,748.09	87,314,748.09	318,102,019.42
<b>TOTAL MAINTENANCE EXPENSES</b>	2,209,126.49	5,915,882.14	5,915,882.14	31,392,472.21
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	33,352,048.04	93,230,431.23	93,230,431.23	349,494,491.63

Kentucky Power Company  
Taxes Applicable To Operating Income  
March 31, 2005

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2006	March 31, 2006
<b>OTHER TAXES-FEDERAL &amp; STATE</b>									
4081002	FICA	298,387.02	635,370.20	635,370.20	635,370.20	2,143,420.35			
4081003	Federal Unemployment Tax	1,154.28	24,657.01	24,657.01	24,657.01	25,556.82			
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100502	Real & Personal Property Taxes	(1,990.43)	(1,990.43)	(1,990.43)	(1,990.43)	84,730.84			
408100503	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100504	Real & Personal Property Taxes	586,283.00	1,758,879.00	1,758,879.00	1,758,879.00	5,138,034.84			
408100599	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	1,759,763.96			
4081007	State Unemployment Tax	4,333.67	19,560.83	19,560.83	19,560.83	23,226.11			
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100804	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100805	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100806	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408101000	State Exclsa Taxes	7,800.00	23,400.00	23,400.00	23,400.00	72,180.00			
408101702	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101703	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101704	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101705	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101802	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101803	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101804	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101903	St Lic/Rgrstron Tax/Fees	42,035.00	126,105.00	126,105.00	126,105.00	375,000.00			
408101904	St Lic/Rgrstron Tax/Fees	0.00	0.00	0.00	0.00	50.00			
408102702	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
408102802	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
408102902	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
408102903	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
408102904	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
408102905	Misc State and Local Taxes	0.00	0.00	0.00	0.00	0.00			
4081033	Fringe Benefit Loading - FICA	14,576.00	43,728.00	43,728.00	43,728.00	133,475.65			
4081034	Fringe Benefit Loading - FICA	(78,010.81)	(204,100.24)	(204,100.24)	(204,100.24)	(744,235.53)			
4081035	Fringe Benefit Loading - SU	(855.83)	(2,369.30)	(2,369.30)	(2,369.30)	(7,813.93)			
408103604	Real Prop Tax-Cap Leases	(507.38)	(1,406.81)	(1,406.81)	(1,406.81)	(4,403.13)			
408103605	Real Prop Tax-Cap Leases	916.00	2,748.00	2,748.00	2,748.00	8,806.29			
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>875,130.50</b>	<b>2,424,788.67</b>	<b>2,424,788.67</b>	<b>2,424,788.67</b>	<b>9,241,258.00</b>			
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>									
409100200	Income Taxes, UOI - State	42,337.00	42,337.00	42,337.00	42,337.00	42,337.00			
409100201	Income Taxes, UOI - State	62,635.00	62,635.00	62,635.00	62,635.00	62,635.00			
409100202	Income Taxes, UOI - State	46,320.00	46,320.00	46,320.00	46,320.00	46,320.00			
409100203	Income Taxes, UOI - State	0.00	0.00	0.00	0.00	0.00			
409100204	Income Taxes, UOI - State	0.00	0.00	0.00	0.00	0.00			
409100205	Income Taxes, UOI - State	(377,560.00)	231,140.00	231,140.00	231,140.00	(13,655.00)			
409100289	Income Taxes, UOI - State	(216,428.00)	9,840.00	9,840.00	9,840.00	231,140.00			
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>1,851,107.51</b>	<b>3,844,844.04</b>	<b>3,844,844.04</b>	<b>3,844,844.04</b>	<b>(3,267,289.33)</b>			
<b>FEDERAL INCOME TAXES</b>									
4091001	Income Taxes, UOI - Federal	2,017,307.93	6,576,960.60	6,576,960.60	6,576,960.60	28,189,931.90			
4111001	Priv Def UT Util Op Inc-Fed	(3,057,886.78)	(6,514,492.17)	(6,514,492.17)	(6,514,492.17)	(16,322,154.77)			
4114001	ITC-Adj, Utility Oper - Fed	(97,375.83)	(292,127.49)	(292,127.49)	(292,127.49)	(732,963.49)			
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>703,062.83</b>	<b>3,615,184.98</b>	<b>3,615,184.98</b>	<b>3,615,184.98</b>	<b>7,367,624.31</b>			
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>1,361,765.33</b>	<b>6,432,246.65</b>	<b>6,432,246.65</b>	<b>6,432,246.65</b>	<b>16,784,692.31</b>			

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
March 31, 2005

GLR1210S

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED March 31, 2005	THREE MONTHS ENDED March 31, 2005	YEAR TO DATE March 31, 2005	TWELVE MONTHS ENDED March 31, 2005
	TAXES OTHER THAN INC TAX				
408201404	St Lic/Registration Tax/Fees	0.00	0.00	0.00	275.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	0.00	275.00
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oth Inc&Ded-Federal	(365,668.36)	(873,356.09)	(873,356.09)	1,402,901.52
4102001	Prov Def I/T Oth I&D - Federal	376,513.87	1,069,797.37	1,069,797.37	(5,421,991.38)
4112001	Prv Def I/T-Cr Oth I&D-Fed	(14,282.10)	(144,248.61)	(144,248.61)	3,874,450.30
411200199	Cum Eff Acct Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(3,436.59)	52,192.67	52,192.67	(144,639.56)
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(3,436.59)	52,192.67	52,192.67	(144,364.56)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - March, 2005

GLR2710V

UTILITY PLANT	04/11/05 08:53	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/108 GENERATION		464,497,813.28	3,243,981.15	(384,541.43)	0.00	0.00	467,357,082.98
TOTAL PRODUCTION		464,497,813.28	3,243,981.15	(384,541.43)	0.00	0.00	467,357,082.98
101/108 TRANSMISSION		384,291,787.19	453,338.59	(167,277.88)	0.00	101,216.00	384,878,043.90
101/108 DISTRIBUTION		478,148,970.30	5,578,505.68	(843,582.20)	0.00	(101,216.00)	482,782,697.78
TOTAL (ACCOUNTS 101 & 106)		1,328,938,569.76	9,276,835.42	(1,395,381.51)	0.00	0.00	1,334,818,004.66
101/100 CAPITAL LEASES		11,201,861.48	0.00	0.00	(430,378.93)	0.00	10,771,502.45
102 ELECTRIC PLT PURCHASED OR SOLD		0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE		1,338,140,332.23	9,276,835.42	(1,395,381.51)	(430,378.93)	0.00	1,345,590,307.21
1060001 PLANT HELD FOR FUTURE USE		6,982,819.00	0.00	0.00	0.00	0.00	6,982,819.00
107000X CONSTRUCTION WORK IN PROGRESS:							
107000X BEG. BAL.		16,544,431.89	7,433,055.54				
107000X ADDITIONS			(8,275,835.42)				
107000X TRANSFERS			(1,842,778.88)				
107000X END. BAL.							
TOTAL ELECTRIC UTILITY PLANT		1,381,647,483.12	7,433,055.54	(1,395,381.51)	(430,378.93)	0.00	1,367,184,778.22
NONUTILITY PLANT							
1210001 NONUTILITY PROPERTY-OWNED		986,376.00	0.00	0.00	0.00	0.00	986,376.00
1210002 NONUTILITY PROPERTY-LEASED		0.00	0.00	0.00	0.00	0.00	0.00
1240025-28 OTHER INVESTMENTS		4,584,574.41	0.00	0.00	0.00	0.00	4,584,574.41
TOTAL NONUTILITY PLANT		5,569,952.41	0.00	0.00	0.00	0.00	5,569,952.41

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - March, 2005

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
1080001/11 NUCLEAR	167,944,173.79	4,241,615.14	(384,541.43)	(158,310.00)	0.00	171,845,137.50
1080009/10 OTHER DECOMMISSIONING COSTS	112,713,687.35	1,629,610.85	(187,277.88)	(17,399.55)	0.00	114,208,675.59
	131,818,737.52	4,038,470.51	(668,257.36)	38,669.70	(50,082.19)	135,177,558.18
	(987,013.27)	0.00	0.00	135,039.85	(335,972.21)	(1,167,945.63)
TOTAL (108X accounts)	411,489,585.40	9,909,696.50	(1,220,076.67)	0.00	(336,779.58)	419,843,825.66
1110001 NUCLEAR PRODUCTION	2,357,841.52	428,938.70	0.00	0.00	0.00	2,786,778.22
1110001 TRANSMISSION	351,520.85	62,524.86	0.00	0.00	0.00	414,045.71
1110001 DISTRIBUTION	5,648,038.66	542,930.73	(175,304.84)	0.00	0.00	6,016,664.55
TOTAL (111X accounts)	8,356,401.03	1,034,392.29	(175,304.84)	0.00	0.00	9,217,488.48
1011006 CAPITAL LEASES	6,838,957.43	0.00	0.00	0.00	(102,451.76)	6,736,505.67
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	426,668,943.86	10,944,288.79	(1,395,381.51)	0.00	(438,231.34)	436,797,619.80
NONUTILITY PLANT						
1220001 Depr&Amrt of Nonutil Prop-Owind	154,928.27	1,667.43	0.00	0.00	0.00	156,595.70
1220003 Depr&Amrt of Nonutil Prop-WIP	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
TOTAL NONUTILITY PLANT	152,621.36	1,667.43	0.00	0.00	0.00	154,288.79





American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

April 25, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed March 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

A handwritten signature in cursive script that reads "Andrea M. Wallace".

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

76 1

Kentucky Power Company  
Comparative Income Statement  
March 31, 2005

GLR1100S

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005
OPERATING REVENUES				
SALES TO NON AFFILIATES	36,637,736.64	114,682,124.95	114,582,124.95	414,316,447.27
SALES TO AFFILIATES	6,183,881.62	12,186,723.07	12,186,723.07	47,166,330.78
GROSS OPERATING REVENUES	41,821,618.06	126,770,848.02	126,770,848.02	461,482,778.05
TOTAL OPERATING REVENUES, NET	41,821,618.06	126,770,848.02	126,770,848.02	461,482,778.05
OPERATING EXPENSES				
OPERATIONS				
FUEL	9,989,060.35	27,892,394.84	27,892,394.84	106,454,822.30
PURCHASED POWER NON AFFIL	981,359.45	2,123,952.00	2,123,952.00	5,142,123.41
PURCHASE POWER AFFILIATED	14,384,492.24	42,738,840.58	42,738,840.58	150,578,363.83
OTHER OPERATION	5,788,019.50	14,559,561.67	14,559,561.67	55,928,709.88
MAINTENANCE	2,209,126.49	5,915,682.14	5,915,682.14	31,392,472.21
TOTAL OPER/MAINT EXPENSES	33,362,048.04	93,230,431.23	93,230,431.23	349,494,491.63
DEPRECIATION AND AMORTIZATION	3,729,119.03	11,152,508.58	11,152,508.58	44,140,458.14
TAXES OTHER THAN INCOME TAXES	875,130.50	2,424,788.67	2,424,788.67	9,241,258.00
STATE, LOCAL & FOREIGN INCOME TAXES	(216,428.00)	392,272.00	392,272.00	(824,190.00)
FEDERAL INCOME TAXES	325,821.83	3,237,853.98	3,237,853.98	6,890,293.31
TOTAL OPERATING EXPENSES	38,065,691.39	110,437,952.46	110,437,952.46	409,042,311.09
NET OPERATING INCOME	3,755,926.67	16,332,895.56	16,332,895.56	52,440,466.96
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	(184,328.78)	174,471.36	174,471.36	1,132,782.42
OTHER INCOME DEDUCTIONS	228,978.94	99,314.68	99,314.68	(768,938.46)
INC TAXES APPL TO OTH INC&DED	3,436.59	(52,192.87)	(52,192.87)	144,639.56
NET OTHR INCOME AND DEDUCTIONS	48,086.75	221,593.17	221,593.17	608,483.62
INCOME BEFORE INTEREST CHARGES	3,804,013.42	16,554,488.92	16,554,488.92	52,848,950.49
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,272,409.80	6,810,143.28	6,810,143.28	27,042,716.08
INT SHORT TERM DEBT - AFFIL	(4,256.99)	(34,207.48)	(34,207.48)	213,998.50
INT SHORT TERM DEBT - NON-AFFL	116,888.96	132,813.28	132,813.28	434,550.76
AMORT OF DEBT DISC, PREM & EXP	92,399.03	310,089.99	310,089.99	1,141,654.26
AMORT LOSS ON REACQUIRED DEBT	5,615.80	13,847.19	13,847.19	64,383.99
OTHER INTEREST EXPENSE	90,065.15	222,747.31	222,747.31	863,809.82
TOTAL INTEREST CHARGES	2,573,216.75	7,455,433.67	7,455,433.67	29,761,113.39
AFUDC BORROWED FUNDS - CR	(26,905.62)	(85,589.97)	(85,589.97)	(290,516.15)
NET INTEREST CHARGES	2,546,311.13	7,369,843.60	7,369,843.60	28,470,697.24
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	1,257,702.29	9,184,645.32	9,184,645.32	23,478,363.25
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	1,257,702.29	9,184,645.32	9,184,645.32	23,478,363.25

N.M. = Not Meaningful

Kentucky Power Company  
 Balance Sheet - Assets  
 March 31, 2004

DESCRIPTION	MONTH END BALANCES	
	March 31, 2005	December 31, 2004
GLR1500S		04/12/05 11:15
ELECTRIC UTILITY PLANT		
PRODUCTION	464,636,707.01	462,640,781.30
TRANSMISSION	385,911,998.80	385,666,627.94
DISTRIBUTION	442,925,064.86	438,766,361.36
GENERAL	58,979,355.54	57,929,260.63
CONSTRUCTION WORK IN PROGRESS	14,701,652.01	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,367,154,778.22	1,381,547,483.12
LESS ACCUM PRV-DEPR,DEPL,AMORT	(435,797,619.80)	(426,686,943.86)
NET ELECTRIC UTILITY PLANT	931,357,158.42	934,860,539.26
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	34,581,471.87	19,067,031.56
NET NONUTILITY PROPERTY	5,436,663.62	5,438,331.05
TOTAL OTHER INVESTMENTS	351,215.02	421,723.58
TOTAL OTHER PROP AND INVSTMNTS	40,369,350.61	24,927,086.19
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	3,594,288.93	132,300.72
ADVANCES TO AFFILIATES	24,734,460.69	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	20,476,619.93	16,388,055.58
ACCOUNTS RECEIVABLE - MISC	4,306,156.95	5,836,437.53
A/P FOR UNCOLLECTIBLE ACCOUNTS	(9,074.95)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	22,153,577.75	23,045,902.11
FUEL	8,111,350.40	6,550,571.42
MATERIALS & SUPPLIES	8,697,901.68	9,385,328.76
ACCRUED UTILITY REVENUES	5,703,282.63	7,340,252.26
ENERGY TRADING CONT CURR ASSET	30,338,529.04	19,845,328.64
PREPAYMENTS	1,059,827.29	819,381.37
OTHER CURRENT ASSETS	5,995,009.82	4,003,080.40
TOTAL CURRENT ASSETS	135,161,930.16	109,439,713.14
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	130,144,698.79	124,993,760.27
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	63,217,689.09	66,892,429.67
TOTAL ASSETS	1,300,250,827.07	1,261,113,528.53

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
March 31, 2005

GLR1700S	DESCRIPTION	MONTH-END BALANCES	
		March 31, 2005	December 31, 2004
	CAPITALIZATION		
	COMMON STOCK		
	Authorized: 2,000,000 Shares		
	Outstanding: 1,009,000 Shares		
	COMMON STOCK	50,450,000.00	50,450,000.00
	PAID-IN CAPITAL		
	RETAINED EARNINGS	197,347,640.18	199,975,030.34
	COMMON SHAREHOLDERS' EQUITY	79,739,925.28	70,555,278.95
		327,537,566.46	320,980,310.29
	LT DEBT (LESS AMT DUE IN 1 YR)		
	LONG-TERM DEBT LESS AMT DUE 1 YR	507,374,972.98	508,310,302.15
	TOTAL CAPITALIZATION	834,912,539.44	829,290,612.44
	OTHER NONCURRENT LIABILITIES		
	OBLIGATIONS UNDER CAP LEASE	2,576,727.72	2,801,940.69
	ACCUMULATED PROVISIONS - MISC	14,713,900.07	17,729,189.84
	TOTAL OTH NONCURRENT LIAB'S	17,290,627.79	20,531,130.53
	CURRENT LIABILITIES		
	LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
	ADVANCES FROM AFFILIATES	0.00	0.00
	A/P - GENERAL	23,974,955.62	20,080,482.71
	A/P - ASSOC. COS.	21,075,457.14	24,898,024.46
	CUSTOMER DEPOSITS	16,709,365.52	12,308,467.42
	TAXES ACCRUED	11,284,528.33	9,248,178.82
	INTEREST ACCRUED	8,992,347.75	6,754,332.86
	DIVIDENDS DECLARED	0.00	0.00
	OBLIG UNDER CAP LEASES- CURR	1,458,147.30	1,560,983.37
	ENERGY TRADING CONT CURR LIAB	32,888,329.58	17,205,428.18
	OTHR CURR & ACCRUED LIAB	6,303,872.45	9,036,484.73
	TOTAL CURRENT LIABILITIES	123,566,903.68	101,093,402.66
	DEF CREDITS & REGULATORY LIAB		
	DEFERRED INCOME TAXES	263,054,457.03	267,046,884.78
	DEF INVESTMENT TAX CREDITS	6,429,597.51	6,721,725.00
	REGULATORY LIABILITIES	29,297,728.19	22,209,994.15
	DEFERRED CREDITS		
	LT ENERGY TRADING CONTRACTS	25,119,644.97	13,484,349.55
	CUSTOMER ADVANCES FOR CONSTR	58,426.09	59,971.16
	DEF GAINS ON SALE/LEASEBACK	0.00	0.00
	DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
	OTHER DEFERRED CREDITS	421,003.36	675,458.35
	TOTAL OTHER DEFERRED CREDITS	25,596,974.44	14,219,779.06
	TOTAL DEF CREDITS & REG LIAB'S	324,380,767.17	310,198,382.99
	TOTAL CAPITAL & LIABILITIES	1,300,250,827.07	1,261,113,528.53

Kentucky Power Company  
Statement of Retained Earnings  
March 31, 2005

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		March 31, 2005	December 31, 2004
GLR1710S			
	BALANCE AT BEGINNING OF YEAR	70,555,279.96	64,150,582.93
	NET INCOME (LOSS)	9,184,645.32	25,904,691.56
	TOTAL	79,739,925.28	90,055,274.49
	DEDUCTIONS:		
4380001	Div Declrd - Common Stk - Asso	0.00	(18,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	79,739,925.28	70,555,279.95
	(A) REPRESENTS THE FOLLOWING -		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	9,184,645.32	6,404,697.02
	TOTAL UNAPPR RETND ERNGS	79,739,925.28	70,555,279.95
216.1	Unapprp Undlstrbuidd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	79,739,925.28	70,555,279.95

'e 5

Kentucky Power Company  
Deferred Credits  
March 31, 2005

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		March 31, 2005	December 31, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	22,802,218.97	12,348,284.56
2440004	LT Unreal Losses - Affil	1,354,033.00	777,254.00
2440010	LT Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	963,293.00	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>25,119,544.97</b>	<b>13,484,349.55</b>
<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
2520000	Customer Adv for Construction	58,426.09	59,971.16
	<b>TOTAL CUSTOMER ADVANCES FOR CONSTRUCTION</b>	<b>58,426.09</b>	<b>59,971.16</b>
<b>OTHER DEFERRED CREDITS</b>			
2530001	Deferred Revenues	221,797.06	207,366.88
2530004	Allowances	0.00	598.08
2530021	Unidentified Cash Receipts	7,302.08	6,669.21
2530044	Neigh Help Neig-Cust Donations	119.70	0.00
2530050	T.V. Pole Attachments	3,054.65	67,773.84
2530092	Defid Gain - Fiber Optic Leases	188,729.89	189,238.45
2530093	Def Carry Chg - Defid RTO Costs	0.00	203,811.89
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>421,003.38</b>	<b>675,458.35</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2811001	Acc Dfd FIT - Accel Amort Prop	20,322,400.70	19,268,200.70
2821001	Accum Defid FIT - Utility Prop	110,294,568.64	110,357,019.84
2823001	Acc Dfd FIT FAS 109 Flow Thru	51,458,954.94	50,919,107.73
2824001	Acc Dfd FIT - SFAS 109 Excess	(1,855,457.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	657,833.63	1,326,444.72
2831001	Accum Deferred FIT - Other	13,848,302.83	14,201,796.23
2832001	Accum Dfd FIT - Oth Inc & Ded	2,680,136.21	2,152,005.45
2833001	Acc Dfd FIT FAS 109 Flow Thru	37,544,717.08	38,652,630.11
2833002	Acc Dfd SIT FAS 109 Flow Thru	28,103,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INCOME TAX-CREDIT</b>	<b>253,054,457.03</b>	<b>267,046,884.78</b>
<b>ACCUM DEFERRED INVESTMENT TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,429,597.51	6,721,725.00
	<b>TOTAL ACCUM DEF INVESTMENT TAX CREDIT</b>	<b>6,429,597.51</b>	<b>6,721,725.00</b>
<b>REGULATORY LIABILITIES</b>			
		29,297,728.19	22,209,994.15
	<b>TOTAL DEFERRED CREDITS &amp; REGULATORY LIABILITIES</b>	<b>324,380,767.17</b>	<b>310,198,382.99</b>

Kentucky Power Company  
Operating Revenues  
March 31, 2006

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED 2005	THREE MONTHS ENDED 2005	YEAR TO DATE 2005	TWELVE MONTHS ENDED 2005
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Htg	9,709,841.33	29,348,920.83	28,348,920.83	84,400,387.54
4400002	Residential Sales-W/O Space Htg	4,300,665.32	12,291,198.07	12,291,198.07	46,591,911.01
	Residential Sales	14,010,506.65	41,640,118.90	40,640,118.90	129,992,298.55
4420001	Commercial Sales	5,110,793.90	14,029,447.17	14,029,447.17	57,143,361.33
4420002	Industrial Sales (Excl Mines)	5,345,613.28	17,046,297.28	17,046,297.28	68,363,786.18
4420004	Ind Sales-NonAff(Inc'l Mines)	4,237,104.42	11,724,498.82	11,724,498.82	46,028,297.94
4420006	Sales to Pub Auth - Schools	976,388.80	2,669,663.20	2,669,663.20	10,005,298.49
4420007	Sales to Pub Auth - Ex Schools	822,622.83	2,234,752.24	2,234,752.24	9,198,541.83
	COMMERCIAL & INDUSTRIAL SALES	16,492,623.31	47,724,656.71	47,724,656.71	190,737,286.57
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	82,896.23	246,934.21	246,934.21	1,013,904.45
	Public & Other Sales	82,896.23	246,934.21	246,934.21	1,013,904.45
	<b>TOTAL RETAIL SALES</b>	30,665,844.19	89,601,769.82	89,601,769.82	331,743,468.57
<b>SALES FOR RESALE</b>					
4470002	Sales for Resale - NonAssoc	3,550,138.65	9,270,682.92	9,270,682.92	25,373,604.10
4470004	Sales for Resale-Nonaff-Ancill	2,713.15	7,634.20	7,634.20	441,816.07
4470005	Sales for Resale-Nonaff-Termin	69,858.48	207,169.46	207,169.46	5,451,235.32
4470006	Sales for Resale-Bookout Sales	33,739,011.07	114,933,632.69	114,933,632.69	435,214,111.79
4470007	Sales for Resale-Option Purch	37,328.54	1,520,488.72	1,520,488.72	5,994,523.06
4470010	Sales for Resale-Option Purch	(34,832,415.00)	(115,094,894.94)	(115,094,894.94)	(428,400,665.03)
4470011	Sales for Resal - Real from East	(70,797.26)	(484,570.02)	(484,570.02)	(7,234,365.22)
4470026	Wholesale/Wholesale	(839,215.00)	(520,381.00)	(520,381.00)	(620,381.00)
4470028	Wholesale/Wholesale	155,831.32	419,381.86	419,381.86	1,391,968.43
4470033	Wholesale/Wholesale	3,530,390.29	10,622,103.98	10,622,103.98	52,116,298.72
4470054	Wholesale/Wholesale	165,636.22	498,496.55	498,496.55	1,760,809.09
4470058	Purch Pwr Phys/Trade - Non Assoc	(1,224,865.71)	(4,824,269.01)	(4,824,269.01)	(21,763,167.80)
4470068	Purch Pwr Phys/Trade - Non Assoc	(19,202.00)	(39,016.18)	(39,016.18)	(558,248.19)
4470072	Sales for Resale - Hedge Trans	(420,634.00)	(666,067.00)	(666,067.00)	(1,857,972.00)
4470081	Financial Speck Gas - Realized	(2,274,040.87)	(2,028,342.06)	(2,028,342.06)	(4,493,832.34)
4470089	Financial Speck Gas - Realized	15,834.43	14,851.41	14,851.41	400,024.11
4470098	PJM Energy Sales Margin	837,979.73	619,272.72	619,272.72	887,158.07
4470099	PJM Spot Energy Purchases	(2,839,179.68)	(7,925,242.28)	(7,925,242.28)	(15,598,735.05)
4470099	PJM Explicit Congestion Cost	(6,483.00)	7,066.66	7,066.66	(127,213.59)
4470099	PJM Implicit Congestion-OSS	(66,704.88)	(388,484.15)	(388,484.15)	(722,347.59)
4470099	PJM Implicit Congestion-LSE	(145,739.03)	(1,806,147.20)	(1,806,147.20)	(2,923,845.56)
4470094	PJM Transm. Loss - OSS	20,915.32	138,767.12	138,767.12	(23,972.28)
4470095	PJM Ancillary Serv.-Reg	2,999.03	826.28	826.28	288,937.89
4470098	PJM Oper. Reserve Rev-OSS	5,096.29	129,138.90	129,138.90	2,113.90
4470100	PJM Capacity Cz. Net Sales	(65.86)	79.55	79.55	171,591.54
4470101	PJM FTR Revenue-OSS	187,135.90	(28,435.27)	(28,435.27)	1,003.64
4470101	PJM Energy Sales Cost	(83,343.66)	1,223,033.71	1,223,033.71	52,207.18
4470104	PJM QATT Ancill-Reserve	4,908,743.08	12,668,838.51	12,668,838.51	1,942,508.33
4470106	PJM P2PI Trans Purch-NonAff	0.00	10,219.50	10,219.50	23,416,139.42
4470107	PJM NTS Purch-NonAff	9,747.16	55,695.98	55,695.98	10,219.50
4470108	PJM Oper. Reserve Rev-LSE	(1,046.71)	1,828.27	1,828.27	(371,628.04)
4470110	PJM TO Adm. Exp-NonAff	(130,578.70)	(389,940.13)	(389,940.13)	(488,815.83)
4470112	Non-ECR Phys. Sales-OSS	(14,833.78)	(36,033.47)	(36,033.47)	(46,592.79)
4470114	PJM Transm. Loss - LSE	128,840.53	454,242.24	454,242.24	1,567,270.84
4470115	PJM Meter Corrections-OSS	(46,135.51)	(77,837.01)	(77,837.01)	(149,811.74)
4470116	PJM Meter Corrections-LSE	(34.59)	(12,643.38)	(12,643.38)	(9,622.09)
4470117	Realiz. Sharing-447 OptIn	(2,783.05)	(79,525.89)	(79,525.89)	(66,798.63)
4470118	Realiz. Sharing-PJM OSS	1,392,383.00	2,212,082.00	2,212,082.00	2,212,082.00
	<b>TOTAL SALES</b>	113,118.00	37,832.00	37,832.00	37,832.00

Kentucky Power Company  
Operating Revenues  
March 31, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			TWELVE MONTHS ENDED 2005
		ONE MONTH ENDED 2005	THREE MONTHS ENDED 2005	YEAR TO DATE 2005	
GLR11103					
4470119	PJM SECA Transm. Expense	(141,084.00)	(547,560.00)	(547,560.00)	(547,560.00)
4470124	PJM Incremental Spot-OSS	(7,982.83)	(18,488.26)	(18,488.26)	(18,488.26)
4470125	PJM Incremental Exp Cong-OSS	35,930.67	(35,082.72)	(35,082.72)	(35,082.72)
4470126	PJM Incremental Imp Cong-OSS	1,256.61	2,234.74	2,234.74	2,234.74
	<b>SALES FOR RESALE-NONAFFILIATED</b>	<b>5,925,166.43</b>	<b>20,423,876.97</b>	<b>20,423,876.97</b>	<b>77,799,257.78</b>
4470001	Sales for Resale - Assoc Cos	69,778.88	170,752.82	170,752.82	(4,241,334.40)
4470014	Sls Resale-Ancillary Trans-Aff	0.00	0.00	0.00	13,846.13
4470015	Sls Resale-Transmission-Affil	0.00	0.00	0.00	190,420.60
4470035	Sls for Ref - Fuel Rev - Assoc	162,572.53	687,897.88	687,897.88	3,630,708.45
4470088	Sales for Resale-Affil Pool	0.00	0.00	0.00	35,914,022.85
4470088	Pool Sales to Dow Pl. Affil	0.00	2,271.23	2,271.23	68,611.37
4470128	Sales for Res-Aff. Pool Energy	4,926,223.00	11,251,883.00	11,251,883.00	11,251,883.00
	<b>SALES FOR RESALE-AFFILIATED CO</b>	<b>5,168,876.41</b>	<b>12,112,804.74</b>	<b>12,112,804.74</b>	<b>46,789,156.00</b>
	<b>TOTAL SALES FOR RESALE</b>	<b>11,093,740.64</b>	<b>32,536,680.71</b>	<b>32,536,680.71</b>	<b>119,548,413.78</b>
	<b>TOTAL SALES OF ELECTRICITY</b>	<b>41,669,686.73</b>	<b>122,138,390.63</b>	<b>122,138,390.63</b>	<b>441,289,802.36</b>
	<b>TOTAL SLS OF ELECT APT RFD PROV</b>	<b>41,669,686.73</b>	<b>122,138,390.63</b>	<b>122,138,390.63</b>	<b>441,289,802.36</b>
	<b>OTHER OPERATING REVENUE</b>				
4560007	Oh Elec Rev - DSM Program	(3,432,893.92)	(3,086,509.35)	(3,086,509.35)	(1,940,889.43)
4560013	Oh Elec Rev-Trans-Nonaffil	3,528.00	10,128.00	10,128.00	5,222,008.89
4560014	Oh Elec Revenues - Ancillary	0.00	0.00	0.00	487,996.27
4560015	Other Electric Revenues - ABD	191,897.21	347,168.72	347,168.72	2,073,719.91
4560016	Financial Trading Rev-Urval	0.00	0.00	0.00	0.01
4560041	Miscellaneous Revenue-NonAffil	0.00	8,282.87	8,282.87	42,771.18
4560048	Merch Generation Finan-Retail	1,707,353.28	2,360,983.93	2,360,983.93	364,613.13
4560050	Oh Elec Rev-Coal Trd Rzd G-L	66,208.81	68,208.81	68,208.81	5,246,371.31
4560058	PJM MTS Revenue-NonAff.	242,977.63	652,828.13	652,828.13	1,658,471.83
4560060	PJM P2PI Trans. Rev. NonAff.	199,308.95	417,078.93	417,078.93	1,128,146.74
4560062	PJM TO Admin. Rev.-NonAff.	19,148.77	78,418.76	78,418.76	135,325.57
4560084	Buckeye Admin. Fee Revenue	10,801.52	32,399.77	32,399.77	98,351.25
4560087	OhElecRev Phys Coal Purch Exp	842,250.71	0.00	0.00	(5,125,666.24)
4560088	SECA Transmission Revenue	(189,419.04)	2,560,888.51	2,560,888.51	3,384,792.75
	<b>OTHER ELECTRIC REVENUES</b>	<b>(189,419.04)</b>	<b>3,445,877.08</b>	<b>3,445,877.08</b>	<b>12,716,614.17</b>
4540001	Rent From Elect Property - AJ	25,306.11	75,918.33	75,918.33	378,174.78
4540002	Rent From Elect Property-AJAC	200,200.14	597,070.95	597,070.95	2,564,340.88
4540004	Rent From Elect Prop-ABD-Nonaff	11,408.00	20,306.00	20,306.00	84,544.00
	<b>RENT FROM ELEC PROPERTY</b>	<b>239,912.25</b>	<b>693,285.28</b>	<b>693,285.28</b>	<b>3,027,059.66</b>
4500000	Forfeited Discounts	91,878.18	487,039.14	487,039.14	1,449,851.40
4510001	Misc Service Rev - Nonaffil	104,292.04	34,166.76	34,166.76	289,288.49
	<b>MISC REVENUES</b>	<b>196,170.22</b>	<b>528,205.90</b>	<b>528,205.90</b>	<b>1,719,139.89</b>
4118000	Gain Disposition of Allowances	146.08	1,000.38	1,000.38	2,739,262.06
4119000	Loss Disposition of Allowances	0.00	(8,001.15)	(8,001.15)	(9,400.08)
	<b>(GAIN) LOSS DISPOS ALLOWANCES</b>	<b>146.08</b>	<b>(6,999.77)</b>	<b>(6,999.77)</b>	<b>2,729,861.98</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>161,931.33</b>	<b>4,632,487.49</b>	<b>4,632,487.49</b>	<b>20,192,875.78</b>
	<b>GROSS OPERATING REVENUES</b>	<b>41,821,618.06</b>	<b>128,770,848.02</b>	<b>128,770,848.02</b>	<b>481,482,778.05</b>
	<b>NET OPERATING REVENUES</b>	<b>41,821,618.06</b>	<b>128,770,848.02</b>	<b>128,770,848.02</b>	<b>481,482,778.05</b>



Kentucky Power Company  
Operating Expenses - Functional  
March 31, 2005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
<b>FUEL</b>				
Operation - Other Than Fuel	9,989,050.35	27,892,394.84	27,892,394.84	106,454,822.30
Steam Power Operation	1,277,156.45	2,899,746.62	2,899,746.62	12,399,612.46
Steam Power Maintenance	11,266,206.80	30,792,141.46	30,792,141.46	118,864,434.76
TOTAL STEAM POWER GENERATION	808,805.13	2,237,040.77	2,237,040.77	12,063,216.08
	12,075,011.93	33,029,182.23	33,029,182.23	130,917,650.84
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	15,365,851.69	44,862,792.58	44,862,792.58	155,720,487.24
Other Expenses	332,954.35	976,806.29	976,806.29	1,971,289.56
TOTAL OTHER POWER SUPPLY EXPS	375,108.08	1,025,857.51	1,025,857.51	3,355,559.40
	16,073,914.12	46,885,256.38	46,885,256.38	161,047,336.20
<b>TOTAL POWER PROD EXPS-OPER</b>	27,340,120.92	77,657,397.84	77,657,397.84	279,901,770.96
<b>TOTAL POWER PROD EXPS-MAINT</b>	808,805.13	2,237,040.77	2,237,040.77	12,063,216.08
<b>TOTAL POWER PROD EXPENSES</b>	28,148,926.05	79,894,438.61	79,894,438.61	291,964,987.04
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	122,630.73	(121,628.89)	(121,628.89)	(2,600,206.23)
Transmission - Maintenance	199,869.47	474,918.53	474,918.53	2,159,760.74
TOTAL TRANSMISSION EXPENSES	322,500.20	353,289.64	353,289.64	(440,445.49)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	807,574.69	1,871,245.74	1,871,245.74	6,579,243.65
DISTRIBUTION - MAINTENANCE	993,470.61	2,700,587.83	2,700,587.83	15,501,737.37
TOTAL DISTRIBUTION EXPENSES	1,801,045.31	4,571,833.57	4,571,833.57	22,080,981.01
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	632,594.29	1,825,981.51	1,825,981.51	8,783,123.66
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	155,192.67	431,863.33	431,863.33	1,322,107.33
<b>TOTAL SALES EXPENSES</b>	82.71	278.65	278.65	8,848.73
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,840,082.43	4,860,558.70	4,860,558.70	21,415,308.66
Admin & General - Maintenance	206,981.28	503,135.00	503,135.00	1,567,758.03
TOTAL ADMIN & GENERAL EXPS	2,047,063.71	5,363,693.70	5,363,693.70	23,083,066.68
<b>TOTAL FACTORED ACCTS REC EXPS</b>	244,746.61	789,568.72	789,568.72	2,692,974.27
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(316.50)	(316.50)	(1,151.61)
TOTAL (GAIN) LOSS	(105.50)	(316.50)	(316.50)	(1,151.61)
<b>TOTAL OPERATION EXPENSES</b>	31,142,921.55	87,314,749.09	87,314,749.09	318,102,019.42
<b>TOTAL MAINTENANCE EXPENSES</b>	2,209,126.49	5,915,682.14	5,915,682.14	31,392,472.21
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	33,352,048.04	93,230,431.23	93,230,431.23	349,494,491.63

Kentucky Power Company  
Taxes Applicable To Operating Income  
March 31, 2005

GLR1170S ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005	March 31, 2005
<b>OTHER TAXES-FEDERAL &amp; STATE</b>									
<b>FICA</b>									
4081002	Federal Unemployment Tax	299,387.02	835,370.20	835,370.20	835,370.20	2,143,420.35			
4081003	Real & Personal Property Taxes	1,154.26	24,857.01	24,857.01	24,857.01	25,558.82			
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100502	Real & Personal Property Taxes	(1,990.43)	(1,990.43)	(1,990.43)	(1,990.43)	94,730.64			
408100503	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	0.00			
408100504	Real & Personal Property Taxes	586,293.00	1,758,878.00	1,758,878.00	1,758,878.00	5,139,034.64			
408100599	Real & Personal Property Taxes	0.00	0.00	0.00	0.00	1,759,763.98			
4081007	State Unemployment Tax	4,333.67	19,580.63	19,580.63	19,580.63	23,226.11			
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00	0.00			
408100804	State Franchise Taxes	0.00	0.00	0.00	0.00	13,933.00			
408100805	State Franchise Taxes	0.00	0.00	0.00	0.00	72,180.00			
408101000	State Excise Taxes	7,800.00	23,400.00	23,400.00	23,400.00	23,400.00			
408101702	St Lic/Regstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101703	St Lic/Regstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101704	St Lic/Regstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101705	St Lic/Regstron Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101802	St Publ Serv Comm Tax/Fees	0.00	50.00	50.00	50.00	376.00			
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00	50.00			
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00	0.00			
408101805	St Publ Serv Comm Tax/Fees	42,035.00	126,105.00	126,105.00	126,105.00	131,910.80			
408101904	State Sales and Use Taxes	0.00	0.00	0.00	0.00	378,315.00			
408102702	Misc State and Local Taxes	157.40	157.40	157.40	157.40	214.18			
408102902	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	0.00	0.00			
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00	0.00			
408102904	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	0.00	0.00			
408102905	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	0.00	0.00			
4081033	Fringe Benefit Loading - FICA	14,576.00	43,728.00	43,728.00	43,728.00	7,842.17			
4081034	Fringe Benefit Loading - FUT	(78,010.81)	(204,100.24)	(204,100.24)	(204,100.24)	133,475.65			
4081035	Fringe Benefit Loading - SUT	(855.83)	(2,388.30)	(2,388.30)	(2,388.30)	43,728.00			
408103604	Real Prop Tax-Cap Leases	(607.38)	(1,406.81)	(1,406.81)	(1,406.81)	(12,613.95)			
408103605	Real Prop Tax-Cap Leases	916.00	2,748.00	2,748.00	2,748.00	(4,403.19)			
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>876,130.60</b>	<b>2,424,788.67</b>	<b>2,424,788.67</b>	<b>2,424,788.67</b>	<b>9,241,258.00</b>			
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>									
408100200	Income Taxes, UOI - State	42,337.00	42,337.00	42,337.00	42,337.00	42,337.00			
408100201	Income Taxes, UOI - State	62,635.00	62,635.00	62,635.00	62,635.00	62,635.00			
408100202	Income Taxes, UOI - State	46,320.00	46,320.00	46,320.00	46,320.00	46,320.00			
408100203	Income Taxes, UOI - State	0.00	0.00	0.00	0.00	0.00			
408100204	Income Taxes, UOI - State	0.00	0.00	0.00	0.00	0.00			
408100205	Income Taxes, UOI - State	(377,560.00)	231,140.00	231,140.00	231,140.00	(13,865.00)			
408100299	Income Taxes, UOI - State	9,840.00	9,840.00	9,840.00	9,840.00	231,140.00			
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>(216,428.00)</b>	<b>392,272.00</b>	<b>392,272.00</b>	<b>392,272.00</b>	<b>(824,190.00)</b>			
<b>FEDERAL INCOME TAXES</b>									
4091001	Income Taxes, UOI - Federal	1,473,876.51	3,467,613.04	3,467,613.04	3,467,613.04	(3,644,520.33)			
4101001	Prov Del UT Util Op Inc-Fed	2,017,307.93	6,576,960.60	6,576,960.60	6,576,960.60	28,189,631.90			
4111001	Prv Del WT-Cr Util Op Inc-Fed	(3,087,988.78)	(6,514,492.17)	(6,514,492.17)	(6,514,492.17)	(16,322,164.77)			
4114001	ITC Adj. Utility Oper - Fed	(87,375.63)	(292,127.49)	(292,127.49)	(292,127.49)	(1,232,963.48)			
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>325,821.83</b>	<b>3,237,953.98</b>	<b>3,237,953.98</b>	<b>3,237,953.98</b>	<b>6,590,293.31</b>			
<b>TOTAL TAXES APPLIC TO OPER INC</b>									
		<b>984,524.33</b>	<b>6,055,014.65</b>	<b>6,055,014.65</b>	<b>6,055,014.65</b>	<b>15,407,361.31</b>			

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
March 31, 2005

GLR12105

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED March 31, 2005	THREE MONTHS ENDED March 31, 2005	YEAR TO DATE March 31, 2005	TWELVE MONTHS ENDED March 31, 2005
	TAXES OTHER THAN INC TAX				
408201404	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	275.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	0.00	275.00
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oth Inc&Dad-Federal	(365,668.36)	(873,356.09)	(873,356.09)	1,402,901.52
4102001	Prov Def I/T Oth I&D - Federal	376,513.87	1,069,797.37	1,069,797.37	(5,421,991.38)
4112001	Piv Def I/T-Cr Oth I&D-Fed	(14,282.10)	(144,248.61)	(144,248.61)	3,874,450.30
411200199	Cum Eff Acct Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(3,436.59)	52,192.67	52,192.67	(144,639.56)
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(3,436.59)	52,192.67	52,192.67	(144,364.56)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - March, 2006

GLR7210V

UTILITY PLANT	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/106 GENERATION	484,487,613.28	3,243,991.15	(384,641.43)	0.00	0.00	487,357,062.88
TOTAL PRODUCTION	484,487,613.28	3,243,991.15	(384,641.43)	0.00	0.00	487,357,062.88
101/106 TRANSMISSION	384,281,767.19	453,338.59	(187,277.86)	0.00	101,216.00	384,878,043.90
101/106 DISTRIBUTION	478,146,870.30	5,578,505.88	(843,562.20)	0.00	(101,216.00)	482,782,897.78
TOTAL (ACCOUNTS 101 & 106)	1,328,899,350.75	8,275,835.42	(1,396,381.51)	0.00	0.00	1,334,818,804.86
1011001 CAPITAL LEASES	11,201,881.49	0.00	0.00	(430,378.93)	0.00	10,771,502.55
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,332.23	8,275,835.42	(1,396,381.51)	(430,378.93)	0.00	1,345,890,207.21
1050001 PLANT HELD FOR FUTURE USE	6,882,619.00	0.00	0.00	0.00	0.00	6,882,619.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	16,544,431.88					
107000X ADDITIONS		7,433,055.54				
107000X TRANSFERS		(9,275,835.42)				
107000X END. BAL.		(1,842,778.88)				
TOTAL ELECTRIC UTILITY PLANT	1,351,547,483.12	7,433,055.54	(1,396,381.51)	(430,378.93)	0.00	1,387,154,778.22
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	988,378.00	0.00	0.00	0.00	0.00	988,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-29 OTHER INVESTMENTS	4,584,674.41	0.00	0.00	0.00	0.00	4,584,674.41
TOTAL NONUTILITY PLANT	5,580,822.41	0.00	0.00	0.00	0.00	5,580,822.41

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - March, 2005

GLR7410V

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REIM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
04/1/05 06:51						
NUCLEAR						
1080001/11 OTHER					0.00	
1080009/10 DECOMMISSIONING COSTS					0.00	
TOTAL NUCLEAR						
1080001/11 PRODUCTION	187,944,173.79	4,241,815.14	(384,541.43)	(156,310.00)	0.00	
1080001/11 TRANSMISSION	112,713,687.35	1,829,810.85	(167,277.86)	(17,399.55)	0.00	171,845,137.50
1080001/11 DISTRIBUTION	131,818,737.52	4,039,470.51	(688,257.36)	38,889.70	50,254.82	114,208,875.59
1080005 RETIREMENT WORK IN PROGRESS	(987,013.27)	0.00	0.00	135,039.85	(335,872.21)	135,177,558.18
TOTAL (108X accounts)	411,489,586.40	9,909,896.50	(1,220,076.67)	0.00	(335,778.68)	419,843,625.65
NUCLEAR						
1110001 PRODUCTION	2,357,841.52	428,936.70	0.00	0.00	0.00	
1110001 TRANSMISSION	351,520.85	82,524.86	0.00	0.00	0.00	2,786,778.22
1110001 DISTRIBUTION	5,849,038.68	542,830.73	(175,304.84)	0.00	0.00	414,046.71
TOTAL (111X accounts)	8,358,401.03	1,034,392.29	(175,304.84)	0.00	0.00	6,016,684.55
1011008 CAPITAL LEASES	6,839,957.43	0.00	0.00	0.00	0.00	9,217,488.48
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	(102,451.76)	6,736,505.67
TOTAL ACCUM DEPR & AMORT.	428,686,943.86	10,944,288.79	(1,395,381.51)	0.00	0.00	435,737,619.80
NONUTILITY PLANT						
1220001 Depr&Amrt of Nonutil Prop-Ownd						
1220003 Depr&Amrt of Nonutil Prop-Wip	154,928.27	1,667.43	0.00	0.00	0.00	156,595.70
TOTAL NONUTILITY PLANT	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
	152,621.35	1,667.43	0.00	0.00	0.00	154,288.79

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - FEBRUARY 2005**



**AMERICAN<sup>®</sup>  
ELECTRIC  
POWER**

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

March 23, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed February 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure

Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
February 28, 2005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005
GLR1100S				
OPERATING REVENUES			77,952,455.26	411,936,489.21
SALES TO NON AFFILIATES	34,561,162.45	121,752,698.01	7,004,841.65	43,725,392.98
SALES TO AFFILIATES	3,727,581.51	10,440,406.84	84,957,296.81	455,660,862.19
GROSS OPERATING REVENUES	38,388,734.06	132,193,004.85	84,957,296.81	455,660,862.19
TOTAL OPERATING REVENUES, NET	38,388,734.06	132,193,004.85	84,957,296.81	455,660,862.19
OPERATING EXPENSES				
OPERATIONS				
FUEL	8,310,767.74	28,386,244.89	17,903,344.49	100,777,649.01
PURCHASED POWER NON AFFIL	519,605.72	3,410,464.18	1,142,592.65	9,389,353.59
PURCHASE POWER AFFILIATED	12,637,855.57	42,774,861.18	28,354,348.34	147,843,933.86
OTHER OPERATION	4,894,733.70	12,467,066.85	8,779,809.02	52,290,868.70
MAINTENANCE	2,006,672.89	7,081,593.66	3,706,555.85	32,798,185.75
TOTAL OPERAMT EXPENSES	28,369,635.62	94,120,220.56	59,886,450.04	343,093,790.91
DEPRECIATION AND AMORTIZATION	3,721,894.49	11,122,143.68	7,423,387.56	44,031,805.78
TAXES OTHER THAN INCOME TAXES	755,661.08	2,273,934.81	1,549,858.17	9,203,328.45
STATE, LOCAL & FOREIGN INCOME TAXES	198,820.00	(57,702.00)	608,700.00	(359,512.00)
FEDERAL INCOME TAXES	830,862.53	5,795,315.03	2,912,132.15	7,115,473.48
TOTAL OPERATING EXPENSES	33,976,473.72	112,693,911.88	72,380,327.92	403,084,986.63
NET OPERATING INCOME	4,512,260.34	19,499,092.98	12,576,968.89	52,575,875.56
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME				
OTHER INCOME DEDUCTIONS	177,810.38	141,541.07	358,800.14	1,994,140.16
INC TAXES APPL TO OTH INC	(89,351.51)	411,820.21	(128,964.28)	(1,084,313.15)
NET OTHR INCOME AND DEDUCTIONS	(18,505.15)	33,840.38	(55,628.28)	(61,833.03)
INCOME BEFORE INTEREST CHARGES	75,753.72	587,201.64	173,509.62	847,993.98
INTEREST CHARGES	4,588,014.06	20,086,294.61	12,750,475.51	53,423,869.54
INTEREST ON LONG-TERM DEBT				
INT SHORT TERM DEBT - AFFIL	2,288,665.63	8,773,545.78	4,537,733.48	27,076,216.48
INT SHORT TERM DEBT - NON-AFFL	(902.83)	(30,265.71)	(29,950.49)	219,778.84
AMORT OF DEBT DISC, PREM & EXP	7,813.16	85,034.47	15,826.32	332,095.87
AMORT LOSS ON REACQUIRED DEBT	125,297.93	310,089.99	217,693.98	1,141,654.26
OTHER INTEREST EXPENSE	2,616.19	13,848.59	8,231.39	64,383.39
TOTAL INTEREST CHARGES	83,512.81	194,099.78	132,662.16	822,111.48
AFUDC BORROWED FUNDS - CR	2,467,302.89	7,346,350.91	4,882,216.82	29,666,238.30
NET INTEREST CHARGES	(30,122.45)	(86,009.97)	(58,694.35)	(280,864.44)
NET EXTRAORDINARY ITEMS	2,437,180.44	7,260,340.94	4,823,532.47	29,375,383.86
NET INCOME BEFORE PREF DIV				
PREF STK DIVIDEND REQUIREMENT	2,150,833.62	12,825,953.67	7,926,943.04	24,048,485.68
NET INCOME - EARN FOR CMMIN STK	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMIN STK	2,150,833.62	12,825,953.67	7,926,943.04	24,048,485.68

N.M. = Not Meaningful



Kentucky Power Company  
Balance Sheet - Assets  
February 28, 2005

DESCRIPTION	MONTH END BALANCES	
	February 28, 2005	December 31, 2004
GLR1500S		03/10/05 18:42
ELECTRIC UTILITY PLANT		
PRODUCTION	464,882,995.38	462,640,781.30
TRANSMISSION	385,826,061.50	385,666,627.94
DISTRIBUTION	441,836,403.01	438,766,381.36
GENERAL	58,992,978.85	57,929,260.63
CONSTRUCTION WORK IN PROGRESS	12,729,607.24	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,364,168,045.98	1,361,547,483.12
LESS ACCUM PRV-DEPR,DEPL,AMORT	(433,014,209.26)	(426,686,943.86)
NET ELECTRIC UTILITY PLANT	931,153,836.72	934,860,539.26
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	29,025,463.00	19,067,031.58
NET NONUTILITY PROPERTY	5,437,219.43	5,438,331.05
TOTAL OTHER INVESTMENTS	421,384.54	421,723.58
TOTAL OTHER PROP AND INVSTMNTS	34,884,066.97	24,927,086.19
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	589,519.91	132,300.72
ADVANCES TO AFFILIATES	29,651,817.37	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	19,929,637.86	16,388,055.58
ACCOUNTS RECEIVABLE - MISC	5,225,165.86	5,836,437.53
A/P FOR UNCOLLECTIBLE ACCOUNTS	(21,748.59)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	21,879,124.52	23,045,902.11
FUEL	8,912,788.47	6,550,571.42
MATERIALS & SUPPLIES	8,958,678.37	9,385,328.76
ACCRUED UTILITY REVENUES	3,462,892.94	7,340,252.26
ENERGY TRADING CONT CURR ASSET	24,714,431.54	19,845,328.64
PREPAYMENTS	1,028,871.32	819,381.37
OTHER CURRENT ASSETS	4,367,317.12	2,921,802.39
TOTAL CURRENT ASSETS	128,698,496.69	108,358,435.13
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	130,219,473.20	124,993,760.27
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	65,572,368.22	67,973,707.68
TOTAL ASSETS	1,290,528,241.80	1,261,113,528.53

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
February 28, 2006

GLR1700S	DESCRIPTION	MONTH END BALANCES	
		February 28, 2006	December 31, 2004
		03/10/05 18:42	
	CAPITALIZATION		
	COMMON STOCK		
	Authorized: 2,000,000 Shares		
	Outstanding: 1,009,000 Shares		
	COMMON STOCK	50,450,000.00	50,450,000.00
	PAID-IN CAPITAL		
	RETAINED EARNINGS	198,235,918.83	189,975,030.34
	COMMON SHAREHOLDERS' EQUITY	78,482,222.99	70,555,278.95
		327,168,141.82	320,980,310.29
	LT DEBT (LESS AMT DUE IN 1 YR)		
	LONG-TERM DEBT LESS AMT DUE 1 YR	508,328,008.79	508,310,302.15
	TOTAL CAPITALIZATION	835,494,161.81	829,290,612.44
	OTHER NONCURRENT LIABILITIES	2,689,637.88	2,801,940.88
	OBLIGATIONS UNDER CAP LEASE		
	ACCUMULATED PROVISIONS - MISC	17,784,807.31	17,729,169.84
	TOTAL OTH NONCURRENT LIAB'S	20,484,445.19	20,531,130.53
	CURRENT LIABILITIES		
	LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
	ADVANCES FROM AFFILIATES	0.00	0.00
	AP - GENERAL	25,432,442.13	20,080,482.71
	AP- ASSOC. COS.	22,178,412.03	24,899,024.46
	CUSTOMER DEPOSITS	14,397,639.24	12,308,487.42
	TAXES ACCRUED	11,281,186.20	9,248,178.82
	INTEREST ACCRUED	7,067,587.39	6,754,332.86
	DIVIDENDS DECLARED	0.00	0.00
	OBLIG UNDER CAP LEASES- CURR	1,530,512.11	1,580,983.37
	ENERGY TRADING CONT CURR LIAB	25,057,535.02	17,205,428.19
	OTHER CURR & ACCRUED LIAB	7,972,988.88	9,036,484.73
	TOTAL CURRENT LIABILITIES	114,918,303.00	101,093,402.56
	DEF CREDITS & REGULATORY LIAB		
	DEFERRED INCOME TAXES	288,463,470.04	287,046,884.78
	DEF INVESTMENT TAX CREDITS	6,526,873.34	6,721,725.00
	REGULATORY LIABILITIES	24,387,578.80	22,208,994.15
	DEFERRED CREDITS		
	LT ENERGY TRADING CONTRACTS	19,777,529.99	13,484,349.55
	CUSTOMER ADVANCES FOR CONSTR	58,883.72	59,971.18
	DEF GAINS ON SALE/LEASEBACK	0.00	0.00
	DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
	OTHER DEFERRED CREDITS	415,905.31	875,466.35
	TOTAL OTHER DEFERRED CREDITS	20,253,319.02	14,219,778.06
	TOTAL DEF CREDITS & REG LIAB'S	319,631,342.00	310,198,382.99
	TOTAL CAPITAL & LIABILITIES	1,290,528,241.80	1,261,113,628.53

Kentucky Power Company  
Statement of Retained Earnings  
February 28, 2005

GLR1710S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		February 28, 2005	December 31, 2004
	BALANCE AT BEGINNING OF YEAR	70,555,279.95	64,150,582.93
	NET INCOME (LOSS)	7,926,943.04	25,904,691.56
	TOTAL	78,482,222.99	90,055,274.49
	DEDUCTIONS:		
4380001	Div Declrd - Common Stk - Asso	0.00	(19,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	78,482,222.99	70,555,279.95
	(A) REPRESENTS THE FOLLOWING -		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	7,926,943.04	6,404,697.02
	TOTAL UNAPPR RETND ERNGS	78,482,222.99	70,555,279.95
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	78,482,222.99	70,555,279.95

Kentucky Power Company  
Deferred Credits  
February 28, 2005

GLR18605 ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		February 28, 2005	December 31, 2004
	<b>ENERGY TRADING CONTRACTS</b>		
2440002	LT Unreal Losses - Non Affil	18,281,050.00	12,348,284.56
2440004	LT Unreal Losses - Affil	1,106,498.00	777,254.00
2440010	LT Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	389,981.99	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>19,777,529.99</b>	<b>13,484,349.55</b>
	<b>CUSTOMR ADVANCES FOR CONSTRUCTN</b>		
2520000	Customer Adv for Construction	59,883.72	59,971.16
	<b>TOTAL CUST ADVANCES FOR CONSTR</b>	<b>59,883.72</b>	<b>59,971.16</b>
	<b>OTHER DEFERRED CREDITS</b>		
2530001	Deferred Revenues	222,933.22	207,366.88
2530004	Allowances	0.00	598.08
2530021	Unidentified Cash Receipts	0.00	6,669.21
2530050	T.V. Pole Attachments	4,072.68	67,773.84
2530092	Defd Gain - Fiber Optic Leases	188,899.41	189,238.45
2530093	Def Carry Chg - Defd RTO Costs	0.00	203,811.89
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>415,905.31</b>	<b>676,458.35</b>
	<b>ACCUM DEFERRED INCOME TAXES</b>		
2811001	Acc Dfd FIT - Accel Amort Prop	19,971,000.70	19,268,200.70
2821001	Accum Defd FIT - Utility Prop	110,315,705.97	110,357,019.84
2823001	Acc Dfrd FIT FAS 109 Flow Thru	51,412,178.48	50,919,107.73
2824001	Acc Dfrd FIT - SFAS 109 Excess	(1,880,078.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	628,418.21	1,326,444.72
2831001	Accum Deferred FIT - Other	14,553,555.68	14,201,796.23
2832001	Accum Dfrd FIT - Oth Inc & Ded	2,445,559.24	2,152,005.45
2833001	Acc Dfd FIT FAS 109 Flow Thru	38,918,129.76	38,652,630.11
2833002	Acc Dfrd SIT FAS 109 Flow Thru	32,099,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>268,463,470.04</b>	<b>267,046,884.78</b>
	<b>ACCUM DEFERD INVEST TAX CREDITS</b>		
2550001	Accum Deferred ITC - Federal	6,526,973.34	6,721,725.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,526,973.34</b>	<b>6,721,725.00</b>
	<b>REGULATORY LIAB'S</b>	<b>24,387,678.60</b>	<b>22,209,994.15</b>
	<b>TOTAL DEFERD CREDITS &amp; REG LIAB</b>	<b>319,631,342.00</b>	<b>310,198,382.99</b>

Kentucky Power Company  
Operating Revenues  
February 28, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED February 28, 2005	THREE MONTHS ENDED February 28, 2005	YEAR TO DATE February 28, 2005	TWELVE MONTHS ENDED February 28, 2005
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Htg	8,321,810.88	31,282,581.81	19,638,076.60	81,586,416.64
4400002	Residential Sales-W/O Space Htg	3,381,378.40	13,113,288.50	7,980,512.75	44,697,018.29
	Residential Sales	11,713,390.38	44,375,871.41	27,618,622.25	128,283,434.93
4420001	Commercial Sales	4,081,647.87	14,385,020.47	8,918,663.27	56,297,899.42
4420002	Industrial Sales (Excl Mines)	5,114,389.51	18,388,433.73	11,700,884.02	67,879,408.91
4420004	Ind Sales-NonAffil(Incl Mines)	3,588,648.28	11,781,717.06	7,487,392.40	45,507,086.21
4420008	Sales to Pub Auth - Schools	831,693.99	2,759,349.38	1,713,274.40	9,817,311.45
4420007	Sales to Pub Auth - Ex Schools	652,014.77	2,359,521.49	1,412,129.31	8,066,555.83
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	14,266,603.42	48,682,042.11	31,232,133.40	188,568,239.82
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	75,908.62	257,188.07	164,037.88	1,012,344.38
	Public & Other Sales	75,908.62	257,188.07	164,037.88	1,012,344.38
	<b>TOTAL RETAIL SALES</b>	26,055,702.40	94,315,101.89	59,015,763.83	315,864,019.13
	<b>SALES FOR RESALE</b>				
4470002	Sales for Resale - NonAssoc	2,885,203.48	7,378,945.21	5,720,524.27	22,817,928.85
4470004	Sales for Resale-NonAff-Andill	2,432.03	7,560.48	5,121.05	606,014.96
4470005	Sales for Resale-NonAff-Transm	70,052.49	201,576.40	137,310.87	8,184,724.89
4470006	Sales for Resale-Bookout Sales	43,443,603.40	118,935,185.83	81,184,821.81	444,078,862.81
4470007	Sales for Resale-Option Sales	799,855.45	2,132,932.86	1,483,180.18	8,327,608.00
4470010	Sales for Resale-Bookout Purch	(43,884,800.45)	(115,782,447.33)	(80,262,479.94)	(435,879,888.19)
4470011	Sales for Resale-Option Purch	(61,573.42)	(1,138,612.52)	(413,772.74)	(7,734,858.41)
4470027	Whseal/Muni/Pb Auh Fuel Rev	(281,883.00)	(182,166.00)	(182,166.00)	(182,166.00)
4470028	Whseal/Muni/Pb Auh Fuel Rev	124,285.20	431,648.65	263,530.84	1,328,208.31
4470033	Whseal/Muni/Pb Auh Fuel Rev	143,757.28	8,958,142.83	7,081,713.89	53,856,857.58
4470064	Purch Pwr PhysTrad - Non Assoc	3,249,886.74	502,942.53	322,860.33	1,726,155.28
4470066	PWR Trding Trans Exp-NonAssoc	(1,985,052.02)	(4,982,865.71)	(3,595,583.30)	(23,787,387.57)
4470072	Financial Spark Gas - Realized	(8,683.19)	(29,154.19)	(19,814.19)	(600,276.19)
4470081	Financial Spark Gas - Realized	166,582.00	(331,803.00)	(45,433.00)	(1,482,031.00)
4470082	Financial Spark Gas - Realized	253,947.78	(840,881.90)	245,888.79	(2,587,774.10)
4470089	PJM Energy Sales Margin	(189,803.09)	76,008.03	(883.02)	334,805.08
4470090	PJM Spot Energy Purchases	(71,840.81)	489,938.86	(18,707.01)	249,178.34
4470091	PJM Explic Congestion Cost	(2,276,470.82)	(6,942,658.81)	(5,088,082.60)	(12,760,555.37)
4470092	PJM Implic Congestion-OSS	(10,173.85)	(120,583.06)	13,549.66	(120,730.55)
4470093	PJM Implic Congestion-OSS	(70,563.80)	(490,214.89)	(331,778.17)	(855,842.61)
4470094	PJM Transm. Loss - OSS	(474,175.98)	(2,350,231.19)	(1,480,406.17)	(2,778,108.53)
4470095	PJM Ancillary Serv.-Reg	2,583.79	148,910.42	(5,923.04)	(20,772.28)
4470096	PJM Ancillary Serv.-Sync	51,384.38	(2,322.46)	117,851.80	268,022.87
4470097	PJM Ancillary Serv.-Sync	(2,322.46)	17,784.52	(2,172.74)	(885.13)
4470098	PJM Oper/Reserve Rev-OSS	0.00	17,784.52	0.00	0.00
4470099	PJM Capacity Cr. Nel Sales	59,689.30	173,234.60	124,042.81	186,495.25
4470100	PJM FTR Revenue-OSS	377.91	539.04	135.43	1,084.52
4470101	PJM FTR Revenue-OSS	(280,701.89)	(144,828.74)	(225,571.17)	(144,828.74)
4470103	PJM Energy Sales Cost	732,773.37	1,769,382.78	1,508,377.37	2,025,852.98
4470104	PJM OATT Ancill.-Reschive	3,388,356.84	12,514,477.73	7,780,085.42	18,407,388.33
4470105	PJM PIZPL Trans.Purch-NonAff.	(1,968.88)	25,063.20	10,218.50	10,218.50
4470106	PJM PIZPL Trans.Purch-NonAff.	(1.18)	504.43	0.00	0.00
4470107	PJM NITS Purch-NonAff.	(73,017.97)	78,485.85	45,846.82	(381,376.20)
		1,848.84	30,808.22	2,874.98	1,829.22

Kentucky Power Company  
Operating Revenues  
February 28, 2005

GLR11105

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES				TWELVE MONTHS ENDED February 28, 2005
		ONE MONTH ENDED February 28, 2005	THREE MONTHS ENDED February 28, 2005	YEAR TO DATE February 28, 2005	February 28, 2005	
4470108	PJM Oper. Reserve Rev-LSE	(124,741.11)	(469,311.91)	(259,360.43)	(366,236.13)	
4470110	PJM TO Admin. Exp.-NonAff.	0.00	(19,897.86)	(21,199.89)	0.00	
4470111	Buckeye Excess Energy-OSS	145,562.41	539,779.88	325,401.71	1,458,430.41	
4470112	Non-ECR Phys. Sales-OSS	13,864.77	435,227.05	(31,701.50)	(103,476.23)	
4470114	PJM Transm. Loss - LSE	(444.71)	(9,587.50)	(12,608.79)	(9,587.50)	
4470115	PJM Meter Corrections-OSS	(2,342.93)	(84,015.58)	(76,742.93)	(84,015.58)	
4470116	PJM Meter Corrections-LSE	674,824.00	819,699.00	819,699.00	819,699.00	
4470118	Realiz. Shading-447 Optin	33,774.00	50,950.00	50,950.00	50,950.00	
4470119	PJM SECA Transm. Expense	(141,084.00)	(409,476.00)	(409,476.00)	(409,476.00)	
4470124	PJM Incremental Spot-OSS	(88,185.94)	(10,498.43)	(10,498.43)	(10,498.43)	
4470125	PJM Incremental Exp Cong-OSS	(49,341.67)	(71,013.29)	(71,013.29)	(71,013.29)	
4470126	PJM Incremental Imp Cong-OSS	(38,100.36)	978.13	978.13	978.13	
	SALES FOR RESALE-NONAFFILIATED	6,631,317.44	19,468,057.64	14,498,710.84	70,749,092.15	
4470001	Sales for Resale - Assoc Cos	80,570.15	259,279.03	100,972.94	(3,008,990.70)	
4470014	Sls Resale-Auxiliary Trans-Aff	0.00	0.00	0.00	16,144.67	
4470016	Sls Resale-Transmission-Aff	0.00	0.00	0.00	175,391.30	
4470035	Sls for Rsl - Fuel Rev - Assoc	278,907.12	754,348.31	525,325.16	3,849,100.77	
4470088	Pool Sales to Dow Plt- Affil	(2,963,133.00)	3,014,652.00	0.00	35,914,022.85	
4470088	Pool Sales to Dow Plt- Affil	2,271.23	2,271.23	2,271.23	68,611.37	
4470128	Sales for Res-Aff. Pool Energy	6,325,860.00	6,325,860.00	6,325,860.00	6,325,860.00	
	SALES FOR RESALE-AFFILIATED CO	3,702,275.60	10,356,210.67	6,954,223.33	43,338,940.26	
	TOTAL SALES FOR RESALE	10,333,682.94	29,824,268.11	21,452,940.17	114,088,032.40	
	TOTAL SALES OF ELECTRICITY	36,389,295.34	124,139,369.70	80,468,703.80	429,952,051.53	
	TOTAL SLS OF ELECT AFT RFD PROV	36,389,295.34	124,139,369.70	80,468,703.80	429,952,051.53	
	OTHER OPERATING REVENUE					
4560007	Oil Elect Rev - DSM Program	174,150.78	501,989.98	346,364.57	1,665,930.80	
4560012	Oil Elect Rev - Nonaffiliated	0.00	0.00	0.00	0.00	
4560013	Oil Elect Rev-Trans-Nonaffil	3,188.00	10,080.00	6,600.00	5,918,465.57	
4560014	Oil Elect Revenues - Ancillary	0.00	0.00	0.00	522,584.68	
4560015	Other Electric Revenues - ABD	110,675.33	508,003.43	155,268.51	2,427,841.69	
4560016	Financial Trading Rev-Uncert	0.00	0.01	0.00	0.01	
4560049	Miscellaneous Revenue-NonAffil	0.00	41,506.04	6,282.87	42,771.16	
4560050	Oil Elec Rev-Coal Trd Rlzd G-L	159,903.66	899,137.41	653,630.65	73,981.16	
4560058	PJM NITS Revenue-NonAff	0.00	1,183,206.24	0.00	5,180,162.50	
4560060	PJM P2Pl Trans. Rev.-NonAff.	221,355.85	648,785.75	409,851.50	1,415,494.20	
4560082	PJM TO Admin. Rev.-NonAff.	48,132.15	375,280.31	257,770.88	968,837.79	
4560084	Buckeye Admin. Fee Revenue	30,035.76	67,148.00	57,269.99	118,178.80	
4560088	SECA Transmission Revenue	10,178.15	31,725.80	21,588.25	48,549.73	
	OTHER ELECTRIC REVENUES	830,048.26	2,542,542.04	1,716,637.80	2,542,542.04	
		1,588,647.14	6,811,406.92	3,635,286.12	20,813,136.35	
4540001	Rent From Elect Property - Aff	25,308.11	84,196.27	50,612.22	366,452.72	
4540002	Rent From Elect Property-NAC	198,559.24	608,177.56	396,870.61	2,595,142.68	
4540004	Rent From Elect Prop-ABD-Nonaff	6,250.00	20,106.00	8,900.00	79,688.00	
	RENT FROM ELEC PROPERTY	230,115.35	712,479.83	466,383.03	3,041,283.40	
4600000	Forfeited Discounts	170,202.17	469,436.71	375,359.88	1,455,308.51	
4510001	Misc Service Rev - Nonaffil	10,474.08	30,311.60	21,553.88	279,080.40	
	MISC REVENUES	180,676.23	529,750.31	396,913.66	1,734,388.91	
	TOTAL OTHER OPERATING REVENUE	1,999,438.72	6,053,935.16	4,488,593.01	25,708,810.68	
	GROSS OPERATING REVENUES	38,388,734.86	132,193,004.86	84,957,296.81	485,660,862.19	
	NET OPERATING REVENUES	38,388,734.86	132,193,004.86	84,957,296.81	455,660,862.19	

Kentucky Power Company  
Operating Expenses - Functional  
February 28, 2006

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	February 28, 2006	February 28, 2006	February 28, 2006	February 28, 2006
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	8,310,767.74	28,386,244.89	17,803,344.49	100,777,648.01
Steam Power Operation	1,030,657.18	2,841,627.04	1,022,580.17	11,887,432.80
Steam Power Maintenance	9,341,424.92	31,027,871.93	19,825,934.86	112,676,081.61
TOTAL STEAM POWER GENERATION	558,909.97	3,121,578.93	1,428,235.85	13,041,953.34
	9,900,334.89	34,149,461.86	20,954,170.31	125,717,034.96
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & Load Dispatch	13,057,461.29	45,002,109.12	29,496,940.89	152,101,421.21
Other Expenses	318,801.31	943,417.01	843,851.94	1,858,104.77
TOTAL OTHER POWER SUPPLY EXPS	374,433.66	749,614.11	850,548.43	3,714,506.70
	13,760,696.26	46,695,140.24	30,791,342.26	157,474,032.68
<b>TOTAL POWER PROD EXPS-OPER</b>	23,092,121.18	77,723,012.17	60,317,276.92	270,148,114.30
<b>TOTAL POWER PROD EXPS-MAINT</b>	588,909.97	3,121,578.93	1,428,235.85	13,041,953.34
<b>TOTAL POWER PROD EXPENSES</b>	23,651,031.15	80,844,592.10	61,745,512.67	283,191,067.64
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(64,738.07)	(383,910.50)	(244,259.62)	(3,070,642.88)
Transmission - Maintenance	193,138.27	440,553.30	275,048.06	2,105,475.21
TOTAL TRANSMISSION EXPENSES	128,401.20	56,642.80	30,788.44	(965,167.67)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	640,557.70	1,674,982.00	1,063,871.05	6,408,654.04
DISTRIBUTION - MAINTENANCE	1,079,231.05	3,055,725.70	1,707,117.21	16,067,112.08
TOTAL DISTRIBUTION EXPENSES	1,719,788.75	4,730,707.70	2,770,988.26	22,485,766.12
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	693,212.90	1,927,311.43	1,193,387.32	8,838,389.12
<b>TOTAL CUSTY SERV&amp;INFO EXPENSES</b>	146,321.98	396,610.06	276,470.66	1,326,440.99
<b>TOTAL SALES EXPENSES</b>	189.14	1,245.18	195.94	10,087.17
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Adminis & General - Operations	1,704,786.89	5,089,878.37	3,020,476.27	21,702,174.38
Admin & General - Maintenance	175,392.80	483,734.73	296,153.72	1,593,645.12
TOTAL ADMIN & GENERAL EXPS	1,880,179.49	5,583,413.10	3,316,629.99	23,295,819.48
<b>TOTAL FACTORED ACCTS REC EXPS</b>	242,080.88	806,168.68	644,820.11	2,679,880.64
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(303.79)	(211.00)	(1,138.90)
GAINS FROM DISP OF ALLOWANCES	(435.53)	(1,388,275.00)	(834.30)	(2,883,442.03)
LOSSES FROM DISP. OF ALLOWANCE	9,001.15	9,001.15	9,001.15	9,452.11
TOTAL (GAIN) LOSS	8,460.12	(1,379,577.64)	7,855.85	(2,875,128.82)
<b>TOTAL OPERATION EXPENSES</b>	26,362,862.73	85,865,420.66	55,179,894.39	308,168,738.92
<b>TOTAL MAINTENANCE EXPENSES</b>	2,006,672.89	7,081,893.66	3,708,566.66	32,798,166.76
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	28,369,535.62	92,937,014.32	58,888,461.04	337,967,924.67

Kentucky Power Company  
Taxes Applicable To Operating Income  
February 28, 2005

GLR11705 ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005	February 28, 2005
<b>OTHER TAXES-FEDERAL &amp; STATE</b>									
	FICA	168,919.39	466,686.50	335,983.18	2,094,888.17				
4081002	Federal Unemployment Tax	6,815.46	23,799.15	23,502.75	25,194.85				
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	86,721.07				
408100503	Real & Personal Property Taxes	0.00	670,600.00	0.00	5,709,634.64				
408100504	Real & Personal Property Taxes	585,293.00	1,172,586.00	1,172,586.00	1,173,470.96				
408100599	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
4081007	State Unemployment Tax	5,181.88	15,390.49	15,227.16	19,332.78				
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00				
408100803	State Franchise Taxes	0.00	13,933.00	0.00	13,933.00				
408100804	State Franchise Taxes	0.00	11,780.00	0.00	78,280.00				
408100805	State Franchise Taxes	7,800.00	15,600.00	15,600.00	15,600.00				
408101000	State Excise Taxes	0.00	0.00	0.00	0.00				
408101702	St Lic/Registion Tax/Fees	0.00	0.00	0.00	0.00				
408101703	St Lic/Registion Tax/Fees	0.00	0.00	0.00	0.00				
408101704	St Lic/Registion Tax/Fees	0.00	0.00	0.00	0.00				
408101705	St Lic/Registion Tax/Fees	0.00	50.00	50.00	375.00				
408101802	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	50.00				
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00				
408101804	St Publ Serv Comm Tax/Fees	42,035.00	126,105.00	84,070.00	175,862.80				
408101801	State Sales and Use Taxes	0.00	0.00	0.00	336,280.00				
408101903	State Sales and Use Taxes	0.00	0.00	0.00	0.00				
408101904	State Sales and Use Taxes	0.00	157.40	157.40	214.19				
408102702	Misc State and Local Taxes	0.00	0.00	0.00	0.00				
408102902	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102903	Real/Prop Tax-Cap Leases	0.00	0.00	0.00	7,842.19				
408102904	Real/Prop Tax-Cap Leases	0.00	14,564.00	0.00	148,051.65				
408102905	Real/Prop Tax-Cap Leases	14,576.00	29,152.00	29,152.00	28,152.00				
4081033	Fringe Benefit Loading - FICA	(73,487.81)	(185,377.54)	(126,088.43)	(715,839.20)				
4081034	Fringe Benefit Loading - FUT	(871.12)	(2,565.67)	(1,513.47)	(13,094.99)				
4081035	Fringe Benefit Loading - SUT	(516.93)	(1,253.72)	(898.43)	(4,185.06)				
408103604	Real Prop Tax-Cap Leases	916.00	918.00	0.00	9,722.29				
408103605	Real Prop Tax-Cap Leases	916.00	1,832.00	1,832.00	1,832.00				
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>766,661.08</b>	<b>2,273,934.61</b>	<b>1,649,668.17</b>	<b>9,203,328.45</b>				
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>									
408100202	Income Taxes, UOI - State	0.00	0.00	0.00	0.00				
408100203	Income Taxes, UOI - State	0.00	(1,202,807.00)	0.00	(1,202,807.00)				
408100204	Income Taxes, UOI - State	0.00	36,405.00	0.00	234,595.00				
408100205	Income Taxes, UOI - State	188,620.00	608,700.00	608,700.00	608,700.00				
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>188,620.00</b>	<b>(567,702.00)</b>	<b>608,700.00</b>	<b>(368,612.00)</b>				
<b>FEDERAL INCOME TAXES</b>									
4081001	Income Taxes, UOI - Federal	(289,285.45)	(2,301,455.35)	1,993,736.53	(6,498,134.84)				
41101001	Priv Def/IT Util Op Inc-Fed	2,142,586.35	29,968,071.08	4,569,852.87	36,219,933.97				
4111001	Priv Def/IT-Cr Util Op Inc-Fed	(925,062.54)	(21,574,953.04)	(3,446,505.39)	(21,373,332.99)				
4114001	ITC Adj. Utility Oper - Fed	(97,375.83)	(356,347.66)	(194,751.55)	(1,232,992.66)				
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>830,862.63</b>	<b>5,735,316.03</b>	<b>2,912,132.16</b>	<b>7,115,473.48</b>				
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>1,796,143.61</b>	<b>7,461,547.64</b>	<b>5,070,490.32</b>	<b>16,959,289.83</b>				



KYP CORP CONSOLIDATED  
Taxes Applicable to Other Income & Deductions  
February 28, 2005

GLR1210S ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED February 28, 2005	THREE MONTHS ENDED February 28, 2005	YEAR TO DATE February 28, 2005	TWELVE MONTHS ENDED February 28, 2005
408201404	TAXES OTHER THAN INC TAX St Lic/Rgstrion Tax/Fees	0.00 0.00	0.00 0.00	0.00 0.00	275.00 275.00
	TOTAL TAXES OTHER THAN INC TAX				
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oth Inc&Ded-Federal	(466,320.21)	(808,158.75)	(507,687.73)	2,034,068.88
4102001	Prov Def I/T Oth I&D - Federal	486,460.80	1,174,659.50	693,283.50	(2,895,797.25)
4112001	Pvt Def I/T-Cr Oth I&D-Fed	(1,635.44)	(400,341.11)	(129,966.51)	923,561.40
411200199	Cum Eff Acct Chg-Prov DF/T OID	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	18,505.15	(33,840.36)	55,629.26	61,833.03
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	18,505.15	(33,840.36)	55,629.26	62,108.03

KENTUCKY POWER COMPANY  
 DETAIL OF ELECTRIC UTILITY PROPERTY  
 YEAR TO DATE - February, 2005

GLR7210V

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03/11/05 06:4

	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
<b>UTILITY PLANT</b>						
101/106 GENERATION	484,487,613.28	3,081,873.98	(378,822.48)	0.00	0.00	487,179,664.7
TOTAL PRODUCTION	484,487,613.28	3,081,873.98	(378,822.48)	0.00	0.00	487,179,664.7
101/106 TRANSMISSION	384,291,767.19	351,386.33	(161,780.87)	0.00	101,216.00	384,582,598.8
101/106 DISTRIBUTION	478,148,970.30	3,885,744.33	(394,011.26)	0.00	(101,216.00)	481,548,487.3
TOTAL (ACCOUNTS 101 & 106)	1,326,938,350.75	7,309,014.62	(935,614.42)	0.00	0.00	1,333,311,750.9
1011001 CAPITAL LEASES	11,201,881.49	0.00	0.00	61,987.31	0.00	11,263,868.7
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.0
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.0
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,232.23	7,309,014.62	(935,614.42)	61,987.31	0.00	1,344,575,619.7
1050001 PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.0
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	16,544,431.99					
107000X ADDITIONS		3,494,189.97				
107000X TRANSFERS		(7,309,014.62)				
107000X END. BAL.		(3,814,824.65)				
TOTAL ELECTRIC UTILITY PLANT	1,361,547,483.12	3,494,189.37	(935,614.42)	61,987.31	0.00	1,364,188,045.9
<b>NONUTILITY PLANT</b>						
1210001 NONUTILITY PROPERTY-OWNED	986,378.00	0.00	0.00	0.00	0.00	986,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-28 OTHER INVESTMENTS	4,584,574.41	0.00	0.00	0.00	0.00	4,584,574.41
TOTAL NONUTILITY PLANT	5,580,952.41	0.00	0.00	0.00	0.00	5,580,952.41

KENTUCKY POWER COMPANY  
 ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
 YEAR TO DATE - February, 2006

GLR7410V

03/11/05 06:41

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
<b>NUCLEAR</b>						
1080001/11 OTHER					0.00	
1080009/10 DECOMMISSIONING COSTS					0.00	
<b>TOTAL NUCLEAR</b>						
1080001/11 PRODUCTION	167,944,173.79	2,823,949.77	(379,822.49)	(96,887.77)	0.00	170,291,413.30
1080001/11 TRANSMISSION	112,713,687.35	1,086,299.00	(161,760.67)	(17,236.82)	0.00	113,871,223.68
1080001/11 DISTRIBUTION	131,818,737.52	2,689,311.80	(384,011.26)	30,201.96	50,254.82	134,093,985.20
1080005 RETIREMENT WORK IN PROGRESS	(987,013.27)	0.00	0.00	83,922.63	(218,327.40)	(1,119,418.04)
<b>TOTAL (108X accounts)</b>	<b>411,489,585.40</b>	<b>6,599,560.57</b>	<b>(935,614.42)</b>	<b>0.00</b>	<b>(218,327.40)</b>	<b>416,937,204.15</b>
<b>NUCLEAR</b>						
1110001 PRODUCTION	2,357,841.52	283,235.13	0.00	0.00	0.00	2,641,076.65
1110001 TRANSMISSION	351,520.85	41,240.54	0.00	0.00	0.00	392,761.39
1110001 DISTRIBUTION	5,849,038.88	360,482.89	0.00	0.00	0.00	6,009,521.55
<b>TOTAL (111X accounts)</b>	<b>8,358,401.03</b>	<b>684,958.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9,043,359.59</b>
1011008 CAPITAL LEASES	6,838,957.43	0.00	0.00	0.00	194,688.09	7,033,645.52
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL ACCUM DEPR &amp; AMORT.</b>	<b>426,686,943.86</b>	<b>7,284,519.13</b>	<b>(935,614.42)</b>	<b>0.00</b>	<b>(21,639.31)</b>	<b>433,014,209.26</b>
<b>NONUTILITY PLANT</b>						
1220001 Depr&Amrt of Nonutil Prop-Ownd	154,928.27	1,111.82	0.00	0.00	0.00	156,038.89
1220003 Depr&Amrt of Nonutil Prop-W/P	(2,308.91)	0.00	0.00	0.00	0.00	(2,308.91)
<b>TOTAL NONUTILITY PLANT</b>	<b>152,619.36</b>	<b>1,111.82</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>163,732.98</b>

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - JANUARY 2005**



American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

February 23, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed January 2005 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

A handwritten signature in cursive script that reads "Andrea M. Wallace".

Andrea M. Wallace  
Administrator - Regulated Accounting

AMW/jp

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
January 31, 2005

GLR1100S

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005
OPERATING REVENUES				
SALES TO NON AFFILIATES	43,291,302.81	118,843,956.56	43,291,302.81	412,631,648.62
SALES TO AFFILIATES	3,277,259.94	9,449,713.32	3,277,259.94	42,312,477.37
GROSS OPERATING REVENUES	46,568,562.75	128,293,669.88	46,568,562.75	454,944,125.99
TOTAL OPERATING REVENUES, NET	46,568,562.75	128,293,669.88	46,568,562.75	454,944,125.99
OPERATING EXPENSES				
OPERATIONS				
FUEL	9,592,578.75	27,393,335.84	9,592,578.75	100,856,698.12
PURCHASED POWER NON AFFIL	622,986.83	2,107,802.96	622,986.83	8,961,575.49
PURCHASE POWER AFFILIATED	15,816,492.77	43,324,615.30	15,816,492.77	145,172,389.22
OTHER OPERATION	3,784,875.31	12,298,442.42	3,784,875.31	51,764,930.08
MAINTENANCE	1,699,892.76	7,660,340.04	1,699,892.76	33,078,144.17
TOTAL OPER/MAINT EXPENSES	31,516,814.42	92,782,536.37	31,516,814.42	339,833,738.06
DEPRECIATION AND AMORTIZATION	3,701,693.07	11,086,220.28	3,701,693.07	43,947,427.98
TAXES OTHER THAN INCOME TAXES	793,997.09	2,233,198.19	793,997.09	9,186,822.70
STATE, LOCAL & FOREIGN INCOME TAXES	410,080.00	(883,032.00)	410,080.00	(397,082.00)
FEDERAL INCOME TAXES	2,081,269.62	4,986,345.58	2,081,269.62	8,079,443.95
TOTAL OPERATING EXPENSES	38,503,854.20	110,224,666.42	38,503,854.20	400,650,350.69
NET OPERATING INCOME	8,064,708.55	18,069,003.46	8,064,708.55	54,293,775.29
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	181,189.76	52,665.62	181,189.76	1,640,226.65
OTHER INCOME DEDUCTIONS	(46,312.75)	474,118.27	(46,312.75)	(1,084,804.39)
INC TAXES APPL TO OTH INC&DED	(37,124.11)	40,745.83	(37,124.11)	48,880.12
NET OTHR INCOME AND DEDUCTIONS	97,752.90	567,529.72	97,752.90	594,402.39
INCOME BEFORE INTEREST CHARGES	8,162,461.45	18,636,533.18	8,162,461.45	54,888,177.68
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,268,667.85	6,724,287.88	2,268,667.85	27,101,594.40
INT SHORT TERM DEBT - AFFIL	(29,047.66)	(27,008.88)	(29,047.66)	227,228.64
INT SHORT TERM DEBT - NON-AFFL	7,913.16	85,034.47	7,913.16	339,714.78
AMORT OF DEBT DISC, PREM & EXP	92,398.03	277,188.08	92,398.03	1,108,752.28
AMORT LOSS ON REACQUIRED DEBT	5,615.20	18,845.60	5,615.20	67,382.40
OTHER INTEREST EXPENSE	69,169.35	189,885.14	69,169.35	802,700.65
TOTAL INTEREST CHARGES	2,414,913.93	7,266,232.30	2,414,913.93	29,646,373.13
AFUDC BORROWED FUNDS - CR	(28,561.90)	(63,282.36)	(28,561.90)	(250,151.61)
NET INTEREST CHARGES	2,386,352.03	7,182,949.92	2,386,352.03	29,386,221.32
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	5,776,109.42	11,453,583.26	5,776,109.42	25,491,956.36
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CHMN STK	5,776,109.42	11,453,583.26	5,776,109.42	25,491,956.36

N.M. = Not Meaningful

Kentucky Power Company  
Balance Sheet - Assets  
January 31, 2006

GLR1500S

DESCRIPTION	MONTH END BALANCES	
	January 31, 2005	December 31, 2004
ELECTRIC UTILITY PLANT		
PRODUCTION	463,621,464.01	482,640,781.30
TRANSMISSION	385,658,550.01	385,666,627.94
DISTRIBUTION	441,910,780.49	438,768,381.36
GENERAL	58,774,297.18	57,928,260.63
CONSTRUCTION WORK IN PROGRESS	12,913,918.65	16,544,431.89
TOTAL ELECTRIC UTILITY PLANT	1,363,079,010.34	1,361,547,483.12
LESS ACCUM PRV-DEPR,DEPL,AMORT	(429,624,824.88)	(428,686,943.86)
NET ELECTRIC UTILITY PLANT	933,254,185.46	934,860,539.26
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	24,558,728.00	19,067,031.58
NET NONUTILITY PROPERTY	5,437,775.24	5,438,331.05
TOTAL OTHER INVESTMENTS	421,554.06	421,723.58
TOTAL OTHER PROP AND INVSTMTS	30,418,067.30	24,927,086.19
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	746,449.45	132,300.72
ADVANCES TO AFFILIATES	29,477,125.46	16,126,733.17
ACCOUNTS RECEIVABLE-CUSTOMERS	19,149,445.14	16,388,055.58
ACCOUNTS RECEIVABLE - MISC	6,055,276.30	6,836,437.53
AP FOR UNCOLLECTIBLE ACCOUNTS	(31,135.75)	(33,658.81)
ACCOUNTS RECEIVABLE- ASSOC COS	21,205,817.27	23,045,902.11
FUEL	9,788,080.11	6,550,571.42
MATERIALS & SUPPLIES	9,340,302.24	9,385,328.76
ACCRUED UTILITY REVENUES	3,736,920.14	7,340,252.26
ENERGY TRADING CONT CURR ASSET	21,591,741.91	19,845,328.64
PREPAYMENTS	1,192,311.40	819,381.37
OTHER CURRENT ASSETS	4,508,027.03	2,921,802.39
TOTAL CURRENT ASSETS	126,760,339.68	108,358,435.13
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	129,600,919.90	124,993,760.27
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	67,015,060.88	67,973,707.68
TOTAL ASSETS	1,287,048,563.23	1,251,113,628.63

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
January 31, 2005

DESCRIPTION	MONTH END BALANCES	
	January 31, 2005	December 31, 2004
GLR1700S		02/11/05 09:56
<b>CAPITALIZATION</b>		
COMMON STOCK		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
PAID-IN CAPITAL	198,843,241.61	198,975,030.34
RETAINED EARNINGS	76,331,389.37	70,555,279.95
COMMON SHAREHOLDERS' EQUITY	325,624,630.98	320,980,310.29
LT DEBT (LESS AMT DUE IN 1 YR)		
LONG-TERM DEBT LESS AMT DUE 1 YR	508,318,156.33	508,310,302.15
TOTAL CAPITALIZATION	833,942,787.31	829,290,612.44
OTHER NONCURRENT LIABILITIES		
OBLIGATIONS UNDER CAP LEASE	2,762,047.13	2,801,940.69
ACCUMULATED PROVISIONS - MISC		
TOTAL OTH, NONCURRENT LIAB'S	17,731,272.32	17,729,189.84
	20,493,319.45	20,631,130.53
CURRENT LIABILITIES		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	0.00
A/P - GENERAL	27,284,540.17	20,080,482.71
A/P- ASSOC. COS.	25,525,741.96	24,899,024.46
CUSTOMER DEPOSITS	14,416,485.25	12,308,487.42
TAXES ACCRUED	11,831,227.55	9,248,176.82
INTEREST ACCRUED	5,147,055.72	6,754,332.86
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,548,788.84	1,560,983.37
ENERGY TRADING CONT CURR LIAB	20,312,601.88	17,205,428.19
OTHR CURR & ACCRUED LIAB	8,155,614.18	8,038,484.73
TOTAL CURRENT LIABILITIES	114,222,055.34	101,093,402.56
DEF CREDITS & REGULATORY LIAB		
DEFERRED INCOME TAXES	267,391,286.84	267,046,884.78
DEF INVESTMENT TAX CREDITS	6,624,349.17	6,721,725.00
REGULATORY LIABILITIES	26,565,067.22	22,209,994.15
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	16,279,478.99	13,484,349.55
CUSTOMER ADVANCES FOR CONSTR	60,969.45	59,971.16
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	1,449,249.45	675,458.35
TOTAL OTHER DEFERRED CREDITS	17,789,697.89	14,219,779.06
TOTAL DEF CREDITS & REG LIAB'S	318,390,401.12	310,198,382.99
TOTAL CAPITAL & LIABILITIES	1,287,048,563.23	1,261,113,528.53



Kentucky Power Company  
Statement of Retained Earnings  
January 31, 2005

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		January 31, 2005	December 31, 2004
GLR1710S			02/11/05 09:55
	BALANCE AT BEGINNING OF YEAR	70,555,279.95	64,150,582.93
	NET INCOME (LOSS)	6,776,109.42	25,904,691.56
	TOTAL	76,331,389.37	90,055,274.49
	DEDUCTIONS:		
4380001	Div Declrd - Common Stk - Asso	0.00	(19,499,994.54)
	DIVIDEND DECLARED ON COMMON	0.00	(19,499,994.54)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	0.00	(19,499,994.54)
	BALANCE AT END OF PERIOD (A)	76,331,389.37	70,555,279.95
	(A) REPRESENTS THE FOLLOWING -		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	70,555,279.95	64,150,582.93
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	5,776,109.42	6,404,697.02
	TOTAL UNAPPR RETND ERNGS	76,331,389.37	70,555,279.95
216.1	Unapprp Undistributd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	76,331,389.37	70,555,279.95

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Kentucky Power Company  
Deferred Credits  
January 31, 2005

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		January 31, 2005	December 31, 2004
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	14,950,386.00	12,348,284.56
2440004	LT Unreal Losses - Affil	933,826.00	777,254.00
2440010	L/T Option Premium Receipts	0.00	0.00
2450002	LT Unreal Losses - Hedge	395,266.99	358,810.99
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>16,279,478.99</b>	<b>13,484,349.55</b>
<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
2520000	Customer Adv for Construction	60,969.45	59,971.16
	<b>TOTAL CUSTOMER ADVANCES FOR CONSTRUCTION</b>	<b>60,969.45</b>	<b>59,971.16</b>
<b>OTHER DEFERRED CREDITS</b>			
2530000	Other Deferred Credits	1,000,000.00	0.00
2530001	Deferred Revenues	224,069.38	207,366.88
2530004	Allowances	187.88	598.08
2530021	Unidentified Cash Receipts	0.00	6,669.21
2530050	T.V. Pole Attachments	35,923.26	67,773.84
2530092	Defd Gain - Fiber Optic Leases	189,068.93	189,238.45
2530093	Def Carry Chg - Defd RTO Costs	0.00	203,811.89
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>1,449,249.45</b>	<b>675,458.35</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2811001	Acc Dfd FIT - Accel Amort Prop	19,619,600.70	19,268,200.70
2821001	Accum Dfd FIT - Utility Prop	110,335,717.41	110,357,019.84
2823001	Acc Dfd FIT FAS 109 Flow Thru	51,385,378.93	50,919,107.73
2824001	Acc Dfd FIT - SFAS 109 Excess	(1,904,699.00)	(1,929,320.00)
2830006	ADIT Federal - SFAS 133 Nonaff	826,426.94	1,326,444.72
2831001	Accum Deferred FIT - Other	14,024,914.58	14,201,796.23
2832001	Acc Dfd FIT - Oth Inc & Ded	2,101,248.03	2,152,005.45
2833001	Acc Dfd FIT FAS 109 Flow Thru	38,803,699.25	38,652,630.11
2833002	Acc Dfd SIT FAS 109 Flow Thru	32,099,000.00	32,099,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>267,391,286.84</b>	<b>267,046,884.78</b>
<b>ACCUM DEFERRED INVEST TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,624,349.17	6,721,725.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,624,349.17</b>	<b>6,721,725.00</b>
<b>REGULATORY LIAB'S</b>			
		28,585,067.22	22,209,994.15
	<b>TOTAL DEFERRED CREDITS &amp; REG LIAB</b>	<b>318,390,401.12</b>	<b>310,198,382.99</b>

Kentucky Power Company  
Operating Revenues  
January, 2005

GLR1116S

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED January 31, 2005	THREE MONTHS ENDED January 31, 2005	TWELVE MONTHS ENDED January 31, 2005
<b>SALES OF ELECTRICITY</b>				
<b>RETAIL SALES</b>				
4400001	Residential Sales-W/Space Htg	11,317,268.54	28,578,140.31	82,900,248.20
4400002	Residential Sales-W/O Space Htg	4,588,833.35	13,194,913.20	45,087,173.84
	Residential Sales	15,906,201.89	42,773,053.51	127,987,420.14
4420001	Commercial Sales	4,837,005.40	15,322,427.17	56,488,853.22
4420002	Industrial Sales (Excl Miners)	19,989,045.17	65,866,285.51	87,033,078.39
4420004	Ind Sales-NonAff(Incl Miners)	3,900,744.12	12,838,755.00	45,481,077.02
4420006	Sales to Pub Auth - Schools	881,560.41	2,807,750.50	9,873,337.53
4420007	Sales to Pub Auth - Ex Schools	760,114.54	2,508,037.83	9,150,878.13
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	16,965,729.98	53,566,016.67	189,915,025.29
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	88,128.38	273,580.28	1,012,878.07
	Public & Other Sales	88,128.38	273,580.28	1,012,878.07
	<b>TOTAL RETAIL SALES</b>	32,860,061.23	98,812,849.44	316,985,323.50
<b>SALES FOR RESALE</b>				
4470002	Sales for Resale - NonAssoc	2,835,320.79	6,157,820.81	21,910,678.60
4470004	Sales for Resale-NonAff-Ancill	2,689.02	6,188.16	576,182.78
4470005	Sales for Resale-NonAff-Transm	87,258.48	200,322.44	6,957,400.75
4470006	Sales for Resale-Bookout Sales	37,751,318.21	105,104,868.95	444,232,500.14
4470007	Sales for Resale-Bookout Purch	883,604.73	1,928,746.48	6,324,027.75
4470010	Sales for Resale-Option Purch	(36,587,878.49)	(103,228,972.40)	(435,862,178.49)
4470026	Sale for Rent - Real from East	(352,188.32)	(1,783,841.65)	(8,527,258.84)
4470027	Whse/Mnl/Pb Auth Fuel Rev	99,527.00	99,527.00	99,527.00
4470033	Whse/Mnl/Pb Auth Base Rev	138,285.44	138,285.44	1,307,323.58
4470064	Sale/Resale - NA - Fuel Rev	3,842,028.95	9,754,628.04	58,322,651.75
4470068	Whse/Mnl/Pb Auth Base Rev	178,103.04	178,103.04	1,741,372.22
4470072	Pwr Trng Trans Exp-NonAssoc	(1,914,531.28)	(3,948,848.28)	(25,148,712.37)
4470081	Sales for Resale - Hedge Trans	(11,151.00)	(31,207.00)	(635,345.00)
4470082	Financial Spark Gas - Realized	(8,248.99)	(8,248.99)	(1,400,119.00)
4470089	Financial Electric Realized	189,120.07	182,354.35	(2,485,068.15)
4470090	PJM Energy Sales Margin	53,133.80	288,854.71	519,884.25
4470091	PJM Spot Energy Purchases	(2,809,591.78)	(8,654,856.88)	321,019.25
4470092	PJM Explicit Congestion Cost	23,723.53	(110,508.21)	(2,809,591.78)
4470093	PJM Implicit Congestion-OSS	(281,225.37)	(488,712.78)	(10,484,054.55)
4470094	PJM Transm. Loss - OSS	(8,506.83)	(2,043,247.82)	(110,556.70)
4470098	PJM Ancillary Serv.-Reg	66,487.41	9,203.71	(888,088.81)
4470099	PJM Ancillary Serv.-Spin	149.72	108,595.75	(2,303,920.54)
4470098	PJM Oper. Reserve Rev-OSS	0.00	167.18	(23,358.07)
4470098	PJM Capacity Cr. Net Sales	84,353.31	8,753.21	219,958.28
4470100	PJM FTR Revenue-OSS	(242.48)	(81,568.47)	1,437.33
4470103	PJM FTR Revenue-LSE	35,190.72	833.81	0.00
4470104	PJM Energy Sales Cost	573,604.00	115,773.15	108,805.95
4470105	PJM OATT Ancill.-Reserve	4,381,738.58	12,406,221.98	888.61
4470106	PJM P2PI Trans Purch-NonAff.	12,188.48	27,425.50	1,283,078.62
4470107	PJM P2PI Trans Purch-NonAff.	1.16	448.43	15,109,039.49
4470108	PJM Oper. Reserve Rev-LSE	928.34	(78,887.21)	12,188.48
4470110	PJM to Admin. Exp-NonAff.	(134,619.32)	14,731.82	1.16
4470111	Buckeye Excess Energy-OSS	(3,189.25)	(241,495.02)	1.16
4470112	Non-ECR Phys. Sales-OSS	0.00	288,615.80	(308,358.23)
4470113	PJM Non-ECR Purchases-OSS	179,839.30	386,150.12	(319.42)
4470114	PJM Transm. Loss - LSE	0.00	207,388.83	(241,495.02)
		0.00	(1,127.45)	(13,868.51)
		0.00	179,839.30	0.00
		0.00	0.00	1,312,868.00
		0.00	(45,886.27)	0.00
		0.00	(117,461.00)	0.00

Kentucky Power Company  
Operating Revenues  
January 31, 2005

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED January 31, 2005	THREE MONTHS ENDED January 31, 2005	YEAR TO DATE January 31, 2005	TWELVE MONTHS ENDED January 31, 2005
4470116	PJM Meter Corrections-LSE	(74,400.00)	(61,672.66)	(74,400.00)	(61,672.66)
4470117	Realiz. Sharing-447 Oplim	144,875.00	144,875.00	144,875.00	144,875.00
4470118	Realiz. Sharing-PJM OSS	17,176.00	17,176.00	17,176.00	17,176.00
4470119	PJM SECA Transm. Expense	(285,392.00)	(285,392.00)	(285,392.00)	(285,392.00)
4470124	PJM Incremental Spot-OSS	77,688.21	77,688.21	77,688.21	77,688.21
4470125	PJM Incremental Exp Cong-OSS	(21,671.62)	(21,671.62)	(21,671.62)	(21,671.62)
4470126	PJM Incremental Imp Cong-OSS	37,084.49	37,084.49	37,084.49	37,084.49
	SALES FOR RESALE-NONAFFILIATED	7,887,393.39	15,862,611.04	7,887,393.39	70,172,021.23
4470001	Sales for Resale - Assoc Cos	40,402.79	200,528.71	40,402.79	(1,166,193.78)
4470014	Sls Resale-Auxiliary Trans-Aff	0.00	0.00	0.00	18,443.21
4470015	Sls Resale-Transmission-Affil	0.00	0.00	0.00	200,362.00
4470035	Sls for Rsl - Fuel Rev - Assoc	248,418.04	781,847.40	248,418.04	3,841,639.29
4470086	Sales for Resale-Affil Pool	2,963,133.00	8,374,863.00	2,963,133.00	38,877,155.85
4470088	Pool Sales to Dow Plt- Affr	0.00	0.00	0.00	86,340.14
	SALES FOR RESALE-AFFILIATED CO	3,251,953.83	9,387,235.11	3,251,953.83	41,917,746.71
	TOTAL SALES FOR RESALE	11,119,347.23	25,039,850.15	11,119,347.23	112,089,767.93
	TOTAL SALES OF ELECTRICITY	44,079,408.46	121,662,499.59	44,079,408.46	429,085,091.43
	TOTAL SLS OF ELECT AFT RFD PROV	44,079,408.46	121,662,499.59	44,079,408.46	429,085,091.43
	OTHER OPERATING REVENUE				
4560007	Oh Elect Rev - DSM Program	172,233.79	463,517.33	172,233.79	1,667,361.62
4560012	Oh Elect Rev - Nonaffiliated	0.00	0.00	0.00	0.00
4560013	Oh Elect Rev-Trans-Nonaffil	3,432.00	15,818.22	3,432.00	6,806,510.77
4560014	Oh Elect Revenues - Ancillary	0.00	0.00	0.00	600,035.82
4560015	Other Electric Revenues - ABD	44,594.18	430,433.44	44,594.18	2,364,831.69
4560016	Financial Trading Rev-Unreal	0.00	0.01	0.00	0.01
4560041	Miscellaneous Revenue-NonAff	8,282.87	41,506.04	8,282.87	42,771.18
4560048	Merch Generation Finan.-Realized	493,728.79	65,858.68	493,728.79	441,117.99
4560050	Oh Elec Rev-Coal Trd Rtd G-L	0.00	1,183,206.24	0.00	5,180,162.50
4560058	PJM NJTS Revenue-NonAff.	188,485.65	812,444.90	188,485.65	1,184,136.35
4560060	PJM PJZPI Trans.Rev.-NonAff.	208,638.83	602,734.87	208,638.83	919,705.64
4560062	PJM TO Admin. Rev.-NonAff.	27,234.23	78,921.28	27,234.23	86,141.04
4560064	Buckeye Admin. Fee Revenue	11,419.10	30,089.87	11,419.10	38,370.59
4560068	SECA Transmission Revenue	889,591.54	1,712,485.78	889,591.54	1,712,485.78
	OTHER ELECTRIC REVENUES	2,046,646.98	6,457,037.46	2,046,646.98	21,053,642.96
4540001	Rent From Elect Property - AJ	26,306.11	92,474.21	26,306.11	394,730.66
4540002	Rent From Elect Property-NAC	189,311.57	609,439.10	189,311.57	2,690,869.49
4540004	Rent From Elect Prop-ABD-Nonaf	2,650.00	16,500.00	2,650.00	76,086.00
	RENT FROM ELEC PROPERTY	228,267.68	718,413.31	228,267.68	3,061,686.15
4500000	Forfeited Discounts	205,157.81	420,179.81	205,157.81	1,458,427.89
4510001	Misc Service Rev - Nonaffil	11,079.82	45,533.72	11,079.82	287,475.57
	MISC REVENUES	216,237.63	465,713.53	216,237.63	1,743,903.45
	TOTAL OTHER OPERATING REVENUE	2,489,154.29	6,641,170.30	2,489,154.29	25,859,034.56
	GROSS OPERATING REVENUES	48,668,662.75	128,293,669.88	48,668,662.75	454,944,126.99
	NET OPERATING REVENUES	46,668,662.75	126,293,669.88	46,668,662.75	454,944,126.99

Kentucky Power Company  
Operating Expenses - Functional  
January - J05

GLR1130S

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DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	January 31, 2006	January 31, 2005	January 31, 2005	January 31, 2005
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	9,582,576.75	27,393,335.64	9,582,576.75	100,856,698.12
Steam Power Operation	591,932.99	2,773,115.59	591,932.99	11,686,100.34
Steam Power Maintenance	10,184,509.74	30,186,451.23	10,184,509.74	112,842,789.47
TOTAL STEAM POWER GENERATION	11,059,019.48	33,886,837.16	11,059,019.48	125,835,042.93
<b>OTHER POWER SUPPLY EXPENSES</b>				
Purchased Power	16,439,479.60	45,432,418.26	16,439,479.60	154,133,964.71
System Control & Load Dispatch	325,050.63	908,837.28	325,050.63	1,350,477.59
Other Expenses	276,115.77	700,158.89	276,115.77	3,610,297.54
TOTAL OTHER POWER SUPPLY EXPS	17,040,646.00	47,039,414.43	17,040,646.00	169,094,739.84
<b>TOTAL POWER PROD EXPS-OPER</b>	27,225,155.74	77,205,865.66	27,225,155.74	271,637,539.31
<b>TOTAL POWER PROD EXPS-MAINT</b>	889,325.68	3,720,385.93	889,325.68	13,292,243.47
<b>TOTAL POWER PROD EXPENSES</b>	28,094,481.41	80,926,251.59	28,094,481.41	284,929,782.78
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(179,521.55)	(567,985.95)	(179,521.55)	(3,382,981.12)
Transmission - Maintenance	81,909.79	392,452.16	81,909.79	2,049,302.94
TOTAL TRANSMISSION EXPENSES	(97,611.76)	(175,533.79)	(97,611.76)	(1,333,678.19)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	423,113.35	1,578,683.62	423,113.35	6,393,939.48
DISTRIBUTION - MAINTENANCE	627,886.17	3,128,411.34	627,886.17	16,201,913.02
TOTAL DISTRIBUTION EXPENSES	1,050,999.52	4,707,094.96	1,050,999.52	22,595,852.50
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	600,174.32	2,091,173.28	600,174.32	8,959,607.72
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	130,148.67	366,530.20	130,148.67	1,321,875.44
<b>TOTAL SALES EXPENSES</b>	36.80	2,425.06	36.80	11,044.88
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,315,688.38	5,088,855.48	1,315,688.38	22,080,035.85
Admin & General - Maintenance	120,761.12	419,090.61	120,761.12	1,534,684.74
TOTAL ADMIN & GENERAL EXPS	1,436,450.50	5,487,946.09	1,436,450.50	23,694,720.59
<b>TOTAL FACTORED ACCTS REC EXPS</b>	302,739.23	768,485.28	302,739.23	2,638,214.07
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(105.50)	(281.08)	(105.50)	(1,126.19)
GAINS FROM DISP OF ALLOWANCES	(498.77)	(1,391,525.22)	(498.77)	(2,883,006.50)
LOSSES FROM DISP. OF ALLOWANCE	0.00	0.00	0.00	450.96
TOTAL (GAIN) LOSS	(604.27)	(1,391,816.30)	(604.27)	(2,883,681.73)
<b>TOTAL OPERATION EXPENSES</b>	29,816,931.66	85,122,196.32	29,816,931.66	306,755,593.89
<b>TOTAL MAINTENANCE EXPENSES</b>	1,699,882.76	7,660,340.04	1,699,882.76	33,078,144.17
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	31,516,814.42	92,782,536.37	31,516,814.42	339,833,738.06

Kentucky Power Company  
Taxes Applicable To Operating Income  
January 31, 2005

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED			THREE MONTHS ENDED			YEAR TO DATE			TWELVE MONTHS ENDED		
		January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	January 31, 2005	
<b>OTHER TAXES-FEDERAL &amp; STATE</b>													
4081002	FICA	169,063.79	435,330.39	169,063.79	2,074,770.71								
4081003	Federal Unemployment Tax	16,687.29	17,157.88	16,687.29	25,461.48								
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00								
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00								
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00								
408100503	Real & Personal Property Taxes	0.00	0.00	0.00	0.00								
408100504	Real & Personal Property Taxes	0.00	1,141,885.90	0.00	6,280,234.64								
408100599	Real & Personal Property Taxes	586,293.00	586,293.00	586,293.00	587,177.98								
4081007	State Unemployment Tax	10,045.27	10,304.60	10,045.27	0.00								
408100802	State Franchise Taxes	0.00	0.00	0.00	17,621.92								
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00								
408100804	State Franchise Taxes	0.00	13,933.00	0.00	13,933.00								
408100805	State Franchise Taxes	0.00	23,680.00	0.00	84,380.00								
408101000	State Excise Taxes	7,800.00	7,800.00	7,800.00	7,800.00								
408101702	St Lic/Rgsrdion Tax/Fees	0.00	0.00	0.00	0.00								
408101703	St Lic/Rgsrdion Tax/Fees	0.00	0.00	0.00	0.00								
408101704	St Lic/Rgsrdion Tax/Fees	0.00	0.00	0.00	0.00								
408101705	St Lic/Rgsrdion Tax/Fees	0.00	0.00	0.00	0.00								
408101802	St Publ Serv Comm Tax/Fees	50.00	50.00	50.00	375.00								
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	50.00								
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00								
408101901	State Sales and Use Taxes	42,035.00	126,105.00	42,035.00	219,854.80								
408101904	State Sales and Use Taxes	0.00	0.00	0.00	294,245.00								
408102702	Misc State and Local Taxes	157.40	153.00	157.40	214.19								
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00								
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00								
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00								
408102905	Real/Pers Prop Tax-Cap Leases	14,576.00	29,140.00	14,576.00	7,842.19								
4081033	Fringe Benefit Loading - FICA	(52,601.82)	(172,367.38)	(52,601.82)	182,827.65								
4081034	Fringe Benefit Loading - FUTA	(642.34)	(2,540.48)	(642.34)	14,576.00								
4081035	Fringe Benefit Loading - SUTA	(382.50)	(1,052.72)	(382.50)	(895,293.15)								
408103604	Real Prop Tax-Cap Leases	0.00	1,832.00	0.00	(13,342.58)								
408103605	Real Prop Tax-Cap Leases	916.00	916.00	916.00	(3,971.46)								
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>793,997.09</b>	<b>2,233,196.19</b>	<b>793,997.09</b>	<b>9,186,822.70</b>								
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>													
409100202	Income Taxes, UOI - State	0.00	0.00	0.00	0.00								
409100203	Income Taxes, UOI - State	0.00	(1,202,807.00)	0.00	0.00								
409100204	Income Taxes, UOI - State	0.00	(80,905.00)	0.00	0.00								
409100205	Income Taxes, UOI - State	410,080.00	410,080.00	410,080.00	410,080.00								
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>410,080.00</b>	<b>(883,632.00)</b>	<b>410,080.00</b>	<b>(397,082.00)</b>								
<b>FEDERAL INCOME TAXES</b>													
4091001	Income Taxes, UOI - Federal	2,283,021.98	(1,696,347.29)	2,283,021.98	(4,215,716.39)								
4101001	Prov Def/IT Util Op Inc-Fed	2,417,066.32	30,242,851.06	2,417,066.32	43,193,394.62								
4111001	Prv Def/IT-Cr Util Op Inc-Fed	(2,521,442.85)	(23,193,791.36)	(2,521,442.85)	(29,665,212.45)								
4114001	ITC Adj, Utility Oper - Fed	(97,375.83)	(356,376.83)	(97,375.83)	(1,233,021.63)								
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>2,081,269.62</b>	<b>4,896,345.58</b>	<b>2,081,269.62</b>	<b>8,079,443.95</b>								
<b>TOTAL TAXES APPLIC TO OPER INC</b>													
		<b>3,285,346.71</b>	<b>6,345,909.77</b>	<b>3,285,346.71</b>	<b>16,869,164.65</b>								

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
January 31, 2005

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ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED January 31, 2005	THREE MONTHS ENDED January 31, 2005	YEAR TO DATE January 31, 2005	TWELVE MONTHS ENDED January 31, 2005
	TAXES OTHER THAN INC TAX				
408201404	ST Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	275.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	0.00	275.00
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oih Inc&Ded-Federal	(41,367.52)	(187,639.07)	(41,367.52)	2,040,134.09
4102001	Prov Def /IT Oih I&D - Federal	206,822.70	913,035.20	206,822.70	(39,152.05)
4112001	Priv Def /IT-Cr Oih I&D-Fed	(128,331.07)	(766,141.96)	(128,331.07)	(2,049,962.16)
411200199	Cum Eff Acct Chg-Priv DFIT OID	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	37,124.11	(40,745.83)	37,124.11	(48,980.12)
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	37,124.11	(40,745.83)	37,124.11	(48,705.12)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - January, 2006

UTILITY PLANT	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/108 GENERATION	464,497,613.26	1,852,838.25	(293,419.23)	0.00	0.00	465,857,032.2
TOTAL PRODUCTION	464,497,613.26	1,652,838.25	(293,419.23)	0.00	0.00	465,857,032.2
101/108 TRANSMISSION	384,291,767.19	239,084.42	(93,211.48)	0.00	101,216.00	384,598,856.1
101/108 DISTRIBUTION	478,148,970.30	3,711,784.94	(173,125.37)	0.00	(101,216.00)	481,588,413.8
TOTAL (ACCOUNTS 101 & 106)	1,326,938,350.75	5,603,707.61	(499,756.08)	0.00	0.00	1,332,042,307.2
1011001 CAPITAL LEASES	11,201,861.49	0.00	0.00	58,088.93	0.00	11,259,970.4
102 ELECTRIC PLT PURCHASED OR SOLD	-0.00	0.00	0.00	0.00	0.00	0.0
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.0
TOTAL ELECTRIC PLANT IN SERVICE	1,338,140,232.23	5,603,707.61	(499,756.08)	58,088.93	0.00	1,343,302,272.6
1050001 PLANT HELD FOR FUTURE USE	6,862,818.00	0.00	0.00	0.00	0.00	6,862,818.0
07000X CONSTRUCTION WORK IN PROGRESS:						
07000X BEG. BAL.	16,544,431.89					
07000X ADDITIONS		1,973,194.37				
07000X TRANSFERS		(5,603,707.61)				
07000X END. BAL.		(3,630,513.24)				
TOTAL ELECTRIC UTILITY PLANT	1,361,547,483.12	1,973,194.37	(499,756.08)	58,088.93	0.00	1,363,079,010.3
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	996,378.00	0.00	0.00	0.00	0.00	996,378.0
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.0
240025-28 OTHER INVESTMENTS	4,594,574.41	0.00	0.00	0.00	0.00	4,594,574.4
TOTAL NONUTILITY PLANT	5,590,952.41	0.00	0.00	0.00	0.00	5,590,952.4

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KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - January, 2005

GLR7410V

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
NUCLEAR						
1080001/11 OTHER	187,844,173.79	1,410,422.70	(283,418.23)	(137,104.83)	0.00	188,924,072.43
1080009/10 DECOMMISSIONING COSTS	112,713,687.35	542,940.85	(33,211.48)	(2,588.30)	0.00	113,271,075.24
	131,818,737.52	1,338,936.12	(173,125.37)	20,394.05	0.00	132,855,889.50
	(987,013.27)	0.00	0.00	118,307.08	(103,223.86)	(870,930.05)
TOTAL NUCLEAR	411,489,585.40	3,293,301.67	(499,756.08)	0.00	(103,223.86)	414,179,907.13
1080001/11 PRODUCTION						
1080001/11 TRANSMISSION	2,357,841.52	138,521.35	0.00	0.00	0.00	2,496,362.87
1080001/11 DISTRIBUTION	351,520.85	20,228.74	0.00	0.00	0.00	371,747.59
1080005 RETIREMENT WORK IN PROGRESS	5,849,038.88	178,633.98	0.00	0.00	0.00	5,827,672.84
TOTAL (108X accounts)	8,358,401.03	337,382.07	0.00	0.00	0.00	8,695,783.10
1011006 CAPITAL LEASES	6,838,957.43	0.00	0.00	0.00	110,177.22	6,949,134.65
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	426,688,943.66	3,630,683.74	(499,756.08)	0.00	6,953.36	429,824,824.68
NONUTILITY PLANT						
1220001 Depr&Amrt of Nonutil Prop-Owned	154,929.27	555.81	0.00	0.00	0.00	155,484.08
1220003 Depr&Amrt of Nonutil Prop-Wip	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
TOTAL NONUTILITY PLANT	152,622.36	555.81	0.00	0.00	0.00	153,177.17

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - DECEMBER 2004**

JAN 28 2005



American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

January 26, 2005

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed December 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Inc. Statement  
December 31, 2004

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DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	December 31, 2004	December 31, 2004	December 31, 2004	December 31, 2004
OPERATING REVENUES				
SALES TO NON AFFILIATES	43,800,142.76	103,752,873.06	409,023,649.96	409,023,649.96
SALES TO AFFILIATES	3,435,565.29	9,493,600.96	41,589,703.84	41,589,703.84
GROSS OPERATING REVENUES	47,235,708.05	113,246,474.01	450,613,353.80	450,613,353.80
TOTAL OPERATING REVENUES, NET	47,235,708.05	113,246,474.01	450,613,353.80	450,613,353.80
OPERATING EXPENSES				
OPERATIONS				
FUEL	10,482,900.40	23,957,859.15	99,455,912.05	99,455,912.05
PURCHASED POWER NON AFFIL	2,287,871.63	3,471,628.57	8,532,374.84	8,532,374.84
PURCHASE POWER AFFILIATED	14,420,502.84	39,027,255.49	140,757,556.16	140,757,556.16
OTHER OPERATION	3,687,457.63	12,629,093.67	51,757,013.67	51,757,013.67
MAINTENANCE	3,375,038.01	9,337,804.57	32,801,872.21	32,801,872.21
TOTAL OPER/MAINT EXPENSES	34,233,770.52	88,423,641.45	333,304,728.94	333,304,728.94
DEPRECIATION AND AMORTIZATION	3,698,756.12	11,078,165.41	43,846,936.32	43,846,936.32
TAXES OTHER THAN INCOME TAXES	724,276.44	2,213,694.11	9,144,645.58	9,144,645.58
STATE, LOCAL & FOREIGN INCOME TAXES	(1,166,402.00)	(1,362,542.00)	(302,792.00)	(302,792.00)
FEDERAL INCOME TAXES	2,823,182.88	1,869,127.63	9,298,340.33	9,298,340.33
TOTAL OPERATING EXPENSES	40,313,583.95	102,223,086.59	395,291,859.16	395,291,859.16
NET OPERATING INCOME	6,922,124.09	11,023,387.42	55,321,494.64	55,321,494.64
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	(217,259.07)	(305,524.95)	1,909,448.19	1,909,448.19
OTHER INCOME DEDUCTIONS	541,484.47	491,496.62	(2,180,765.50)	(2,180,765.50)
INC TAXES APPL TO OTH INC&DED	89,469.62	86,606.23	324,158.23	324,158.23
NET OTHR INCOME AND DEDUCTIONS	413,695.02	272,577.90	52,840.93	52,840.93
INCOME BEFORE INTEREST CHARGES	7,335,819.11	11,295,965.32	55,374,335.56	55,374,335.56
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,235,812.31	6,691,232.33	27,051,136.78	27,051,136.78
INT SHORT TERM DEBT - AFFIL	(315.22)	2,765.03	306,064.87	306,064.87
INT SHORT TERM DEBT - NON-AFFL	69,208.15	106,411.69	391,108.48	391,108.48
AMORT OF DEBT DISC, PREM & EXP	92,396.03	277,188.09	1,108,752.16	1,108,752.16
AMORT LOSS ON REACQUIRED DEBT	5,615.20	16,845.60	67,382.40	67,382.40
OTHER INTEREST EXPENSE	61,417.62	196,714.23	779,659.85	779,659.85
TOTAL INTEREST CHARGES	2,464,134.09	7,291,156.97	29,704,104.54	29,704,104.54
AFUDC BORROWED FUNDS - CR	(27,325.62)	(60,581.30)	(234,460.54)	(234,460.54)
NET INTEREST CHARGES	2,436,808.47	7,230,575.67	29,469,644.00	29,469,644.00
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	4,899,010.64	4,065,389.65	25,904,691.56	25,904,691.56
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	4,899,010.64	4,065,389.65	25,904,691.56	25,904,691.56

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Kentucky Power Company  
Balance Sheet - Assets  
December 31, 2004

GLR1500S

DESCRIPTION	MONTH END BALANCES	
	December 31, 2004	December 31, 2003
ELECTRIC UTILITY PLANT		
PRODUCTION	462,640,781.30	457,341,009.30
TRANSMISSION	385,666,627.94	381,354,147.96
DISTRIBUTION	438,766,381.36	425,687,726.11
GENERAL	57,929,260.63	68,040,956.97
CONSTRUCTION WORK IN PROGRESS	16,544,431.89	17,322,607.58
TOTAL ELECTRIC UTILITY PLANT	1,361,547,483.12	1,349,746,447.93
LESS ACCUM PRV-DEPR,DEPL,AMORT	(426,686,943.86)	(408,016,522.69)
NET ELECTRIC UTILITY PLANT	934,860,539.26	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
L/T ENERGY TRADING CONTRACTS	19,067,031.56	16,134,242.13
NET NONUTILITY PROPERTY	5,438,331.05	5,423,079.77
TOTAL OTHER INVESTMENTS	421,723.58	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	24,927,086.19	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	132,300.72	886,067.16
ADVANCES TO AFFILIATES	16,126,733.17	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	16,388,055.58	17,793,158.78
ACCOUNTS RECEIVABLE - MISC	5,836,437.53	3,481,369.15
AP FOR UNCOLLECTIBLE ACCOUNTS	(33,658.81)	(736,031.99)
ACCOUNTS RECEIVABLE- ASSOC COS	23,045,902.11	25,327,057.84
FUEL	6,550,571.42	9,481,117.33
MATERIALS & SUPPLIES	9,385,328.76	5,644,923.74
ACCRUED UTILITY REVENUES	7,340,252.26	5,533,840.37
ENERGY TRADING CONT CURR ASSET	19,845,328.64	16,199,996.44
PREPAYMENTS	819,381.37	669,689.75
OTHER CURRENT ASSETS	2,921,802.39	3,686,076.31
TOTAL CURRENT ASSETS	108,358,435.13	87,967,264.87
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	124,993,760.27	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	67,973,707.68	64,882,717.00
TOTAL ASSETS	1,261,113,528.53	1,238,601,445.94

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
December 31, 2004

GLR1700S

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DESCRIPTION	MONTH END BALANCES	
	December 31, 2004	December 31, 2003
<b>CAPITALIZATION</b>		
<b>COMMON STOCK</b>		
Authorized: 2,000,000 Shares		
Outstanding: 1,008,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
<b>PAID-IN CAPITAL</b>		
RETAINED EARNINGS	199,975,030.34	202,537,605.45
COMMON SHAREHOLDERS' EQUITY	70,555,279.95	64,150,582.93
	320,980,310.29	317,138,188.38
<b>LT DEBT (LESS AMT DUE IN 1 YR)</b>		
LONG-TERM DEBT LESS AMT DUE 1 YR	508,310,302.15	487,601,625.00
<b>TOTAL CAPITALIZATION</b>	829,290,612.44	804,739,813.38
<b>OTHER NONCURRENT LIABILITIES</b>		
OBLIGATIONS UNDER CAP LEASE	2,801,940.69	3,546,992.91
<b>ACCUMULATED PROVISIONS - MISC</b>		
TOTAL OTH NONCURRENT LIAB'S	17,729,189.84	13,999,494.26
	20,531,130.53	17,548,487.17
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	0.00
A/P - GENERAL	20,080,482.71	36,095,519.39
A/P- ASSOC. COS.	24,898,024.46	22,802,341.50
CUSTOMER DEPOSITS	12,308,487.42	22,647,841.61
TAXES ACCRUED	9,248,178.82	9,894,337.18
INTEREST ACCRUED	6,754,332.86	7,329,064.07
DIVIDENDS DECLARED	0.00	6,915,363.28
OBLIG UNDER CAP LEASES- CURR	1,560,983.37	1,742,870.84
ENERGY TRADING CONT CURR LIAB	17,205,428.19	11,703,584.83
OTHR CURR & ACCRUED LIAB	9,036,484.73	8,628,745.47
<b>TOTAL CURRENT LIABILITIES</b>	101,093,402.56	129,759,468.17
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	267,046,884.78	247,385,404.06
DEF INVESTMENT TAX CREDITS	6,721,725.00	7,954,776.00
REGULATORY LIABILITIES	22,209,894.15	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	13,484,349.55	12,362,838.56
CUSTOMER ADVANCES FOR CONSTR	59,971.16	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	675,458.35	365,734.36
TOTAL OTHER DEFERRED CREDITS	14,219,779.06	12,778,424.70
<b>TOTAL DEF CREDITS &amp; REG LIAB'S</b>	310,198,382.99	286,653,677.22
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	1,261,113,628.53	1,238,601,445.94

Kentucky Power Company  
 Statement of Retained Earnings  
 December 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		December 31, 2004	December 31, 2003
	BALANCE AT BEGINNING OF YEAR	64,150,582.93	48,268,596.38
	NET INCOME (LOSS)	25,904,691.56	32,330,250.50
	TOTAL	90,055,274.49	80,598,846.88
	DEDUCTIONS:		
4380001	Div Declrd - Common Stk - Asso	(19,499,994.54)	(16,448,263.95)
	DIVIDEND DECLARED ON COMMON	(19,499,994.54)	(16,448,263.95)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	(19,499,994.54)	(16,448,263.95)
	BALANCE AT END OF PERIOD (A)	70,555,279.95	64,150,582.93
	<b>(A) REPRESENTS THE FOLLOWING -</b>		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	-0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	6,404,697.02	15,881,986.55
	TOTAL UNAPPR RETND ERNGS	70,555,279.95	64,150,582.93
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	70,555,279.95	64,150,582.93

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Kentucky Power Company  
Deferred Credits  
December 31, 2004

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ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		December 31, 2004	December 31, 2003
ENERGY TRADING CONTRACTS			
2440002	LT Unreal Losses - Non Affil	12,348,284.56	11,879,409.44
2440004	LT Unreal Losses - Affil	777,254.00	0.00
2440010	LT Option Premium Receipts	0.00	24,654.12
2450002	LT Unreal Losses - Hedge	358,810.99	458,775.00
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>13,484,349.55</b>	<b>12,362,838.56</b>
CUSTMR ADVANCES FOR CONSTRUCTN			
2520000	Customer Adv for Construction	59,971.16	49,851.78
	<b>TOTAL CUST ADVANCES FOR CONSTR</b>	<b>59,971.16</b>	<b>49,851.78</b>
OTHER DEFERRED CREDITS			
2530001	Deferred Revenues	207,366.88	0.00
2530004	Allowances	598.08	4,275.05
2530021	Unidentified Cash Receipts	6,669.21	0.00
2530050	T.V. Pole Attachments	67,773.84	67,406.83
2530092	Defrd Gain - Fiber Optic Leases	189,238.45	191,027.65
2530093	Def Carry Chg - Defrd RTO Costs	203,811.89	103,024.83
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>675,458.35</b>	<b>365,734.36</b>
ACCUM DEFERRED INCOME TAXES			
2811001	Acc Dfd FIT - Accel Amort Prop	19,268,200.70	0.00
2821001	Accum Defrd FIT - Utility Prop	110,357,019.84	115,095,820.00
2823001	Acc Dfrd FIT FAS 109 Flow Thru	50,919,107.73	48,188,572.00
2824001	Acc Dfrd FIT - SFAS 109 Excess	(1,929,320.00)	(2,314,064.00)
2830006	ADIT Federal - SFAS 133 Nonaff	1,326,444.72	472,364.06
2831001	Accum Deferred FIT - Other	14,201,796.23	11,024,855.00
2832001	Accum Dfrd FIT - Oth Inc & Ded	2,152,005.45	3,697,533.00
2833001	Acc Dfd FIT FAS 109 Flow Thru	38,632,630.11	37,685,324.00
2833002	Acc Dfrd SIT FAS 109 Flow Thru	32,099,000.00	33,535,000.00
	<b>TOTAL ACCUM DEF INC TAX-CREDIT</b>	<b>267,046,884.78</b>	<b>247,385,404.06</b>
ACCUM DEFDRD INVEST TAX CREDITS			
2550001	Accum Deferred ITC - Federal	6,721,725.00	7,954,776.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,721,725.00</b>	<b>7,954,776.00</b>
REGULATORY LIAB'S			
		22,209,994.15	18,435,072.46
	<b>TOTAL DEFDRD CREDITS &amp; REG LIAB</b>	<b>310,198,382.99</b>	<b>286,553,677.22</b>

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Kentucky Power Company  
Operating Revenues  
December 31, 2004

GLR11105

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED December 31, 2004	THREE MONTHS ENDED December 31, 2004	YEAR TO DATE December 31, 2004
	<b>SALES OF ELECTRICITY</b>			
	<b>RETAIL SALES</b>			
4400001	Residential Sales-W/Space Htg	11,623,502.41	22,822,319.97	83,878,401.80
4400002	Residential Sales-W/O Space Htg	5,132,778.75	11,488,147.53	45,303,711.04
	Residential Sales	16,756,279.16	34,410,467.50	128,982,112.64
4420001	Commercial Sales	5,486,387.20	14,871,460.33	56,532,395.08
4420002	Industrial Sales (Excl Mines)	6,695,749.71	19,026,983.21	64,639,590.92
4420004	Ind Sales-NonAffil(Incl Mines)	4,284,324.66	12,799,732.39	45,126,963.74
4420006	Sales to Pub Auth - Schools	1,046,074.86	2,712,435.10	8,872,828.81
4420007	Sales to Pub Auth - Ex-Schools	847,392.18	2,470,871.22	9,178,952.09
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	18,449,908.71	51,881,492.25	185,350,830.42
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	93,150.08	268,822.86	1,009,595.36
	Public & Other Sales	93,150.08	268,822.86	1,009,595.36
	<b>TOTAL RETAIL SALES</b>	35,299,337.96	86,560,572.61	315,342,538.42
	<b>SALES FOR RESALE</b>			
4470002	Sales for Resale - Non-Assoc	1,858,420.94	4,331,615.00	21,356,293.94
4470004	Sales for Resale-Nonself-Andll	2,439.43	8,747.87	656,270.03
4470005	Sales for Resale-Nonaff-Transm	84,285.43	212,554.84	7,871,700.52
4470006	Sales for Resale-Bookout Sales	35,740,364.22	95,776,343.43	446,988,840.18
4470007	Sales for Resale-Option Sales	649,772.68	1,840,300.26	6,428,021.30
4470010	Sales for Resale-Bookout Purch	(35,499,987.39)	(94,732,635.99)	(438,903,292.98)
4470011	Sales for Resale-Option Purch	(724,839.78)	(2,104,831.43)	(9,340,920.17)
4470027	Whseal/Muni/Pb Ath Fuel Rev	188,118.01	368,544.80	1,280,310.95
4470028	Sale/Resale - NA - Fuel Rev	1,884,428.14	6,382,535.28	58,788,324.71
4470033	Whseal/Muni/pub Auth Base Rev	180,082.20	433,028.52	1,738,288.97
4470086	Pwr Trng Trans Exp-NonAssoc	(1,393,282.41)	(2,546,915.88)	(28,102,204.94)
4470072	Sales for Resale - Hedge Trans	(9,340.00)	(31,058.00)	(678,104.00)
4470081	Financial Spark Gas - Realized	(286,370.00)	(910,691.00)	(1,588,950.00)
4470082	Financial Electric Realized	(988,580.69)	(2,105,703.29)	(2,487,897.31)
4470088	PJM Energy Sales Margin	78,691.05	(41,673.11)	153,548.87
4470090	PJM Spot Energy Purchases	505,643.67	287,885.35	267,885.35
4470091	PJM Explicit Congestion Cost	(1,856,796.21)	(7,874,492.77)	(7,874,492.77)
4470092	PJM Implicit Congestion-OSS	(134,232.74)	(134,280.23)	(134,280.23)
4470093	PJM Implicit Congestion-LSE	(158,435.82)	(323,863.44)	(323,863.44)
4470094	PJM Transm. Loss - OSS	(888,823.02)	(1,317,696.36)	(1,317,696.36)
4470095	PJM Ancillary Serv.-Reg	(6,466.43)	(14,848.24)	(14,848.24)
4470096	PJM Ancillary Serv.-Spin	31,058.82	150,170.87	150,170.87
4470097	PJM Ancillary Serv.-Sync	(450.85)	1,287.61	1,287.61
4470098	PJM Oper Reserve Rev-OSS	17,784.52	0.00	0.00
4470099	PJM Capacity Cr. Net Sales	49,191.99	42,452.84	42,452.84
4470100	PJM FTR Revenue-OSS	403.81	928.09	928.09
4470101	PJM FTR Revenue-LSE	80,842.43	80,842.43	80,842.43
4470103	PJM Energy Sales Cost	483,005.41	719,475.82	719,475.82
4470104	PJM OATT Ancil.-Reactive	4,754,382.31	10,747,300.91	10,747,300.91
4470105	PJM OATT Ancil.-Black	14,843.70	0.00	0.00
4470108	PJM P12Pt Trans.Purch-NonAff.	504.43	0.00	0.00
		32,537.03	(427,325.02)	(427,325.02)

Kentucky Power Company  
Operating Expenses  
December 31, 2004

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GLR11403

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED December 31, 2004	THREE MONTHS ENDED December 31, 2004	YEAR TO DATE December 31, 2004
4470107	PJM NITS Purch-NonAff.	28,034.24	(1,245.76)	(1,245.76)
4470108	PJM Oper. Reserve Rev-LSE	(229,951.48)	(106,875.70)	(106,875.70)
4470110	PJM TO Admin. Exp.-NonAff.	1,301.83	(10,528.26)	(10,528.26)
4470111	Buckeye Excess Energy-OSS	538,779.86	0.00	0.00
4470112	Non-ECR Phys. Sales-OSS	109,825.34	1,133,028.70	1,133,028.70
4470114	PJM Transm. Loss - LSE	(23,387.01)	(71,774.73)	(71,774.73)
4470115	PJM Meter Corrections-OSS	3,021.28	3,021.28	3,021.28
4470116	PJM Meter Corrections-LSE	12,727.35	12,727.35	12,727.35
	<b>SALES FOR RESALE-NONAFFILIATED</b>	<b>4,969,346.70</b>	<b>11,932,146.25</b>	<b>69,225,027.22</b>
4470001	Sales for Resale - Assoc Cos	158,308.09	276,174.89	861,986.71
4470014	Sis Resale-Ancillary Trans-Aff	0.00	0.00	20,801.55
4470015	Sis Resale-Transmission-Affil	0.00	0.00	225,982.35
4470035	Sis for Rel - Fuel Rev - Assoc	228,023.15	868,740.27	3,997,561.64
4470086	Sales for Resale-Affil Pool	3,014,652.00	8,263,958.85	35,914,022.85
4470115	Pool Sales to Dow Pil- Affil	0.00	(18,025.00)	66,340.14
	<b>SALES FOR RESALE-AFFILIATED CO</b>	<b>3,401,981.24</b>	<b>8,392,848.81</b>	<b>41,186,695.24</b>
	<b>TOTAL SALES FOR RESALE</b>	<b>8,371,327.94</b>	<b>21,324,997.06</b>	<b>110,411,722.46</b>
	<b>TOTAL SALES OF ELECTRICITY</b>	<b>43,670,865.90</b>	<b>107,885,569.67</b>	<b>425,754,260.88</b>
	<b>TOTAL SLS OF ELECT AFT RFD PROV</b>	<b>43,670,865.90</b>	<b>107,885,569.67</b>	<b>425,754,260.88</b>
	<b>OTHER OPERATING REVENUE</b>			
4560007	Oil Elect Rev - DSM Program	155,605.42	425,408.93	1,681,131.10
4560012	Oil Elec Rev - Nonaffiliated	0.00	0.00	0.00
4560013	Oil Elect Rev-Trans-NonAffil	3,480.00	111,044.18	7,828,874.36
4560014	Oil Elect Revenues - Ancillary	0.00	5,753.63	700,544.83
4560015	Other Electric Revenues - ABD	353,733.92	579,201.54	2,357,648.46
4560016	Financial Trading Rev-Ultraal	0.01	0.01	0.01
4560041	Miscellaneous Revenue-NonAffil	33,223.17	33,223.17	34,488.31
4560049	Merch Generation Finan -Realizd	245,506.78	(720,378.36)	(321,668.87)
4560050	Oil Elec Rev-Coal Trd Rlzd G-L	1,183,208.24	1,183,100.93	5,180,182.50
4560058	PJM NITS Revenue-NonAff.	239,834.25	1,005,642.70	1,005,642.70
4560060	PJM PCCPI Trans.Rev.-NonAff.	117,509.33	711,066.81	711,066.81
4560062	PJM TO Admin. Rev.-NonAff.	9,878.01	58,908.81	58,908.81
4560084	Buckeye Admin. Fee Revenue	10,127.55	28,951.48	28,951.48
4560088	SECA Transmission Revenue	823,904.24	823,904.24	823,904.24
	<b>OTHER ELECTRIC REVENUES</b>	<b>3,176,108.90</b>	<b>4,243,826.06</b>	<b>20,087,653.73</b>
4540001	Rent From Elect Property - Af	33,584.05	100,752.15	403,008.60
4540002	Rent From Elect Property-NAC	211,306.75	616,158.28	2,586,193.97
4540004	Rent From Elect Prop-ABD-Nonal	11,206.00	16,506.00	76,088.00
	<b>RENT FROM ELEC PROPERTY</b>	<b>256,096.80</b>	<b>736,416.41</b>	<b>3,065,290.57</b>
4500000	Forfeited Discounts	124,078.73	331,436.85	1,413,521.55
4510001	Misc Service Rev - Nonaffil	8,767.72	48,225.03	292,627.07
	<b>MISC REVENUES</b>	<b>132,838.45</b>	<b>380,661.88</b>	<b>1,706,148.62</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>3,565,042.15</b>	<b>5,360,904.35</b>	<b>24,859,092.92</b>
	<b>GROSS OPERATING REVENUES</b>	<b>47,235,708.05</b>	<b>113,246,474.01</b>	<b>450,613,353.80</b>
	<b>NET OPERATING REVENUES</b>	<b>47,235,708.05</b>	<b>113,246,474.01</b>	<b>450,613,353.80</b>

Kentucky Power Company  
Operating Expenses - Functional  
December 31, 2004

GLR1130S

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DESCRIPTION	ONE MONTH ENDED December 31, 2004	THREE MONTHS ENDED December 31, 2004	YEAR TO DATE December 31, 2004	TWELVE MONTHS ENDED December 31, 2004
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	10,482,900.40	23,857,859.15	99,455,912.05	99,455,912.05
Steam Power Operation	1,019,036.87	2,960,826.65	11,840,965.09	11,840,965.09
Steam Power Maintenance	11,501,937.28	26,918,485.80	111,296,877.14	111,296,877.14
TOTAL STEAM POWER GENERATION	1,693,344.28	4,043,275.31	12,895,805.63	12,895,805.63
	13,195,281.56	30,961,761.11	124,192,682.77	124,192,682.77
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	15,505,188.23	41,315,677.82	144,164,064.76	144,164,064.76
Other Expenses	299,565.07	864,086.05	1,039,843.70	1,039,843.70
TOTAL OTHER POWER SUPPLY EXPS	98,094.88	753,631.73	3,577,432.99	3,577,432.99
	15,903,797.98	42,933,395.60	148,781,341.45	148,781,341.45
<b>TOTAL POWER PROD EXPS-OPER</b>	27,405,736.26	69,851,881.40	260,078,218.59	260,078,218.59
<b>TOTAL POWER PROD EXPS-MAINT</b>	1,693,344.28	4,043,275.31	12,895,805.63	12,895,805.63
<b>TOTAL POWER PROD EXPENSES</b>	29,099,079.54	73,895,156.72	272,974,024.22	272,974,024.22
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(139,850.88)	(659,248.47)	(3,478,306.19)	(3,478,306.19)
Transmission - Maintenance	165,504.24	442,991.89	2,135,610.88	2,135,610.88
TOTAL TRANSMISSION EXPENSES	25,653.36	(216,254.58)	(1,342,695.31)	(1,342,695.31)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	611,310.95	1,415,195.34	6,364,435.10	6,364,435.10
DISTRIBUTION - MAINTENANCE	1,348,608.49	4,365,833.76	16,276,753.54	16,276,753.54
TOTAL DISTRIBUTION EXPENSES	1,959,919.43	5,781,029.10	22,641,188.65	22,641,188.65
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	733,924.21	2,430,281.40	8,938,093.84	8,938,093.84
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	120,039.40	381,438.32	1,318,345.36	1,318,345.36
<b>TOTAL SALES EXPENSES</b>	1,050.24	3,235.27	11,170.21	11,170.21
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	2,069,202.10	5,691,162.76	22,431,998.91	22,431,998.91
Admin & General - Maintenance	167,581.01	465,703.60	1,493,702.15	1,493,702.15
TOTAL ADMIN & GENERAL EXPS	2,236,783.11	6,176,866.36	23,925,701.07	23,925,701.07
<b>TOTAL FACTORED ACCTS REC EXPS</b>	261,348.47	642,901.88	2,596,204.92	2,596,204.92
<b>(GAIN) LOSS</b>	(82.79)	(278.37)	(1,113.48)	(1,113.48)
<b>GAINS FROM DISPOSAL OF UT PLT</b>				
GAINS FROM DISP OF ALLOWANCES	(1,387,340.70)	(1,833,940.89)	(2,882,507.73)	(2,882,507.73)
LOSSES FROM DISP. OF ALLOWANCE	0.00	0.00	450.96	450.96
TOTAL (GAIN) LOSS	(1,387,333.49)	(1,833,219.26)	(2,883,170.25)	(2,883,170.25)
<b>TOTAL OPERATION EXPENSES</b>	29,675,628.27	77,902,630.64	285,376,990.49	285,376,990.49
<b>TOTAL MAINTENANCE EXPENSES</b>	3,375,036.01	9,337,804.57	32,801,872.21	32,801,872.21
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	33,050,564.28	87,240,435.21	328,178,862.70	328,178,862.70

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED December 31, 2004	THREE MONTHS ENDED December 31, 2004	YEAR TO DATE December 31, 2004	TWELVE MONTHS ENDED December 31, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	130,703.32	489,037.49	2,045,534.46	2,045,534.46
4081003	Federal Unemployment Tax	296.40	649.42	23,125.77	23,125.77
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100503	Real & Personal Property Taxes	0.00	0.00	96,721.07	96,721.07
408100504	Real & Personal Property Taxes	570,600.00	1,712,485.90	6,850,834.64	6,850,834.64
408100599	Real & Personal Property Taxes	0.00	884.96	884.96	884.96
4081007	State Unemployment Tax	0.00	0.00	0.00	0.00
408100802	State Franchise Taxes	163.33	353.25	13,269.84	13,269.84
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00
408100804	State Franchise Taxes	13,933.00	13,933.00	13,933.00	13,933.00
408101000	State Excise Taxes	11,780.00	35,580.00	90,480.00	90,480.00
408101702	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101703	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101704	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101802	St Publ Serv Comm Tax/Fees	0.00	0.00	375.00	375.00
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101901	State Sales and Use Taxes	42,035.00	126,105.00	263,826.80	263,826.80
408101902	State Sales and Use Taxes	0.00	0.00	252,210.00	252,210.00
408101904	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408102702	Misc State and Local Taxes	0.00	10.51	56.79	56.79
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102903	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
4081033	Fringe Benefit Loading - FICA	14,554.00	43,716.00	7,842.19	7,842.19
4081034	Fringe Benefit Loading - FUT	(59,288.12)	(207,219.06)	177,203.65	177,203.65
4081035	Fringe Benefit Loading - SUT	(1,072.20)	(3,427.31)	(685,784.40)	(685,784.40)
408103604	Real Prop Tax-Cap Leases	(354.30)	(1,163.05)	(13,597.70)	(13,597.70)
		916.00	2,748.00	(3,824.79)	(3,824.79)
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>724,276.44</b>	<b>2,213,894.11</b>	<b>9,144,645.58</b>	<b>9,144,645.58</b>
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
409100202	Income Taxes, UOI - State	0.00	0.00	0.00	0.00
409100203	Income Taxes, UOI - State	(1,202,807.00)	(1,202,807.00)	(1,202,807.00)	(1,202,807.00)
409100204	Income Taxes, UOI - State	36,405.00	(159,735.00)	900,015.00	900,015.00
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>(1,166,402.00)</b>	<b>(1,362,542.00)</b>	<b>(302,792.00)</b>	<b>(302,792.00)</b>
<b>FEDERAL INCOME TAXES</b>					
4091001	Income Taxes, UOI - Federal	(4,295,191.88)	(4,537,867.07)	(4,394,398.37)	(4,394,398.37)
4101001	Prov Def I/T Util Op Inc-Fed	25,408,418.39	(28,517,183.70)	50,300,066.30	50,300,066.30
4111001	Prv Def I/T-Cr Util Op Inc-Fed	(18,128,447.63)	35,280,574.40	(35,374,276.60)	(35,374,276.60)
4114001	ITC Adj, Utility Oper - Fed	(161,596.00)	(356,406.00)	(1,233,051.00)	(1,233,051.00)
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>2,823,182.88</b>	<b>1,869,127.63</b>	<b>9,298,340.33</b>	<b>9,298,340.33</b>
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>2,381,057.32</b>	<b>2,720,279.74</b>	<b>18,140,193.91</b>	<b>18,140,193.91</b>

Kentucky - ower Company  
Taxes Applicable to Other Income & Deductions  
December 31, 2004

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ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED December 31, 2004	THREE MONTHS ENDED December 31, 2004	YEAR TO DATE December 31, 2004	TWELVE MONTHS ENDED December 31, 2004
	TAXES OTHER THAN INC TAX				
408201404	Sl Lic/Rgstrion Tax/Fees	0.00	0.00	275.00	275.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	275.00	275.00
	FEDERAL INC TAXES - OI&D				
4092001	Inc Tax, Oth Inc&Ded-Federal	(300,471.02)	438,826.61	1,827,429.61	1,827,429.61
4102001	Prov Def /IT Oth I&D - Federal	481,376.00	(16,145,612.75)	2,652,452.25	2,652,452.25
4112001	Piv Def /IT-Cr Oth I&D-Fed	(270,374.60)	15,620,179.91	(4,804,040.09)	(4,804,040.09)
411200199	Cum Eff Accd Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
4115001	ITC-Adj, Non-Ujff Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(89,469.62)	(86,606.23)	(324,158.23)	(324,158.23)
	STATE INC TAXES - OI&D				
	TOTAL STATE INC TAXES - OI&D				
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(89,469.62)	(86,606.23)	(323,883.23)	(323,883.23)

KENTUCKY POWER COMPANY  
ELECTRIC UTILITY PROPERTY  
YEAR-END DATE - December, 2004

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	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
<b>UTILITY PLANT</b>						
101/108 GENERATION	456,382,227.46	11,301,951.80	(3,186,565.80)	(0.00)	0.00	464,497,613.26
TOTAL PRODUCTION	456,382,227.46	11,301,951.60	(3,186,565.80)	(0.00)		464,497,613.26
101/108 TRANSMISSION	379,640,576.89	5,764,873.88	(1,113,485.56)	0.00	0.00	384,291,767.19
101/108 DISTRIBUTION	476,858,589.13	22,186,355.26	(20,873,848.09)	0.00	(22,125.00)	478,148,970.30
TOTAL (ACCOUNTS 101 & 106)	1,312,861,395.48	39,252,980.72	(25,153,900.45)	(0.00)	(22,125.00)	1,326,938,360.75
1011001 CAPITAL LEASES	12,699,625.86	0.00	0.00	(1,497,744.38)	0.00	11,201,881.49
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,325,561,021.34	39,252,980.72	(25,153,900.45)	(1,497,744.38)	(22,125.00)	1,338,140,232.23
1050001 PLANT HELD FOR FUTURE USE	6,862,818.00	0.00	0.00	0.00	0.00	6,862,818.00
107000X CONSTRUCTION WORK IN PROGRESS:						
07000X BEG. BAL.	17,322,807.58					
07000X ADDITIONS		38,474,805.02				
07000X TRANSFERS		(39,252,980.72)				
07000X END. BAL.		(778,175.70)				
TOTAL ELECTRIC UTILITY PLANT	1,348,746,447.93	38,474,805.02	(25,153,900.45)	(1,497,744.38)	(22,125.00)	1,361,547,483.12
<b>NONUTILITY PLANT</b>						
1210001 NONUTILITY PROPERTY-OWNED	974,253.00	0.00	0.00	0.00	22,125.00	996,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
240025-29 OTHER INVESTMENTS	4,584,776.41	0.00	(204.00)	0.00	0.00	4,594,574.41
TOTAL NONUTILITY PLANT	5,559,031.41	0.00	(204.00)	0.00	22,125.00	5,580,952.41

3LRZ410V

KENTON POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - December, 2004

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REVALUATION COST	TRANSFER/ADJUSTMENTS	ENDING BALANCE
NUCLEAR						
1080001/11 OTHER	158,940,140.87	16,812,398.32	(3,134,985.78)	(4,873,400.44)	0.00	167,844,173.79
1080008/10 DECOMMISSIONING COSTS	107,428,075.45	6,473,323.15	(1,107,262.75)	(81,448.50)	0.00	112,713,687.35
	134,139,822.22	15,912,413.72	(19,889,983.49)	1,486,497.94	0.00	131,816,737.52
	(5,487,136.49)	0.00	0.00	3,287,548.66	(2.87)	(987,013.27)
TOTAL (108X accounts)	395,041,399.86	39,198,136.19	(23,942,222.00)	(802.34)	1,192,576.56	411,469,586.40
NUCLEAR						
1110001 PRODUCTION	857,524.02	1,531,917.54	(31,800.04)	0.00	0.00	2,357,641.52
1110001 TRANSMISSION	140,243.18	217,500.48	(6,222.81)	0.00	0.00	351,520.85
1110001 DISTRIBUTION	4,568,893.41	2,253,987.88	(1,173,855.60)	0.00	2.87	5,849,038.88
TOTAL (111X accounts)	5,666,660.61	4,003,416.00	(1,211,678.45)	0.00	2.87	8,358,401.03
1011008 CAPITAL LEASES	7,407,982.12	0.00	0.00	0.00	(589,004.69)	6,838,957.43
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	408,016,522.69	43,201,552.19	(25,153,900.45)	(802.34)	623,571.87	425,686,943.86
NONUTILITY PLANT						
1220001 Dep&Amrt of Nonutil Prop-Ownd	148,258.55	8,669.72	0.00	0.00	0.00	154,928.27
1220003 Dep&Amrt of Nonutil Prop-Wip	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
1240027 Other Property - RWIP	0.00	0.00	(204.00)	0.00	204.00	0.00
TOTAL NONUTILITY PLANT	145,951.64	8,669.72	(204.00)	0.00	204.00	152,621.36

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - NOVEMBER 2004**





American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

December 29, 2004

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed November 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

A handwritten signature in cursive script that reads 'Craig Adelman'.

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
November 30, 2004

page 1

GLR1100S

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DESCRIPTION	1 MONTH ENDED	3 MONTHS ENDED	YEAR TO DATE	12 MONTHS ENDED
	November 30, 2004	November 30, 2004	November 30, 2004	November 30, 2004
OPERATING REVENUES				
SALES TO NON AFFILIATES	31,752,511.00	89,934,447.30	361,280,847.21	400,139,135.66
SALES TO AFFILIATES	2,736,888.09	10,065,458.24	38,154,138.55	41,400,609.16
GROSS OPERATING REVENUES	34,489,399.09	99,999,905.54	399,434,985.75	441,539,744.82
TOTAL OPERATING REVENUES, NET	34,489,399.09	99,999,905.54	399,434,985.75	441,539,744.82
OPERATING EXPENSES				
OPERATIONS				
FUEL	7,317,858.48	24,924,530.36	86,973,011.65	97,211,856.90
PURCHASED POWER NON AFFIL	(783,055.50)	1,311,851.43	2,321,843.21	2,398,974.85
PURCHASE POWER AFFILIATED	13,087,619.69	37,137,523.39	126,337,053.32	137,345,528.57
OTHER OPERATION	4,824,109.48	13,035,614.74	48,069,556.04	52,632,721.00
MAINTENANCE	2,585,419.28	7,643,399.66	29,426,834.20	32,155,130.62
TOTAL OPER/MAINT EXPENSES	27,031,951.43	84,052,919.58	295,128,298.42	321,744,211.94
DEPRECIATION AND AMORTIZATION	3,695,771.09	11,053,334.64	40,148,180.20	43,720,643.00
TAXES OTHER THAN INCOME TAXES	714,922.67	2,227,614.16	8,420,369.14	9,086,662.45
STATE, LOCAL & FOREIGN INCOME TAXES	(127,310.00)	(417,300.00)	863,610.00	(232,025.00)
FEDERAL INCOME TAXES	91,893.08	(3,221,625.55)	6,475,157.45	6,160,021.45
TOTAL OPERATING EXPENSES	31,407,228.27	93,694,942.83	351,035,615.21	380,479,513.83
NET OPERATING INCOME	3,082,170.82	6,304,962.71	48,399,370.55	61,060,230.98
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	88,734.93	532,766.41	2,126,707.26	265,633.62
OTHER INCOME DEDUCTIONS	(21,053.45)	(812,445.32)	(2,722,249.97)	(3,117,728.05)
INC TAXES APPL TO OTH INC&DED	(11,599.68)	59,725.61	234,688.61	1,371,612.61
NET OTHER INCOME AND DEDUCTIONS	56,081.80	(219,953.30)	(360,854.09)	(1,480,481.82)
INCOME BEFORE INTEREST CHARGES	3,138,252.62	6,085,009.42	48,038,516.45	59,579,749.17
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,219,607.72	6,686,101.07	24,815,324.47	27,033,734.66
INT SHORT TERM DEBT - AFFIL	2,354.00	(47,903.65)	306,380.09	374,688.20
INT SHORT TERM DEBT - NON-AFFL	7,913.16	82,805.86	321,900.33	336,432.40
AMORT OF DEBT DISC, PREM & EXP	92,396.03	277,188.09	1,016,366.13	1,108,979.76
AMORT LOSS ON REACQUIRED DEBT	5,615.20	16,845.60	61,767.20	67,382.37
OTHER INTEREST EXPENSE	59,298.17	194,108.60	718,242.23	755,500.39
TOTAL INTEREST CHARGES	2,387,184.28	7,209,145.57	27,239,970.45	29,676,717.78
AFUDC BORROWED FUNDS - CR	(27,394.86)	(59,236.67)	(207,134.92)	(208,681.32)
NET INTEREST CHARGES	2,359,789.42	7,149,908.90	27,032,835.53	29,468,036.46
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	778,463.20	(1,064,899.48)	21,005,680.92	30,111,712.71
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	778,463.20	(1,064,899.48)	21,005,680.92	30,111,712.71

Kentucky Power Company  
 Balance Sheet - Assets  
 November 30, 2004

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DESCRIPTION	MONTH END BALANCES	
	November 30, 2004	December 31, 2003
ELECTRIC UTILITY PLANT		
PRODUCTION	462,393,589.63	457,341,009.30
TRANSMISSION	385,635,690.31	381,354,147.96
DISTRIBUTION	440,110,709.12	425,687,726.11
GENERAL	59,038,036.26	68,040,956.97
CONSTRUCTION WORK IN PROGRESS	12,836,289.46	17,322,607.58
TOTAL ELECTRIC UTILITY PLANT	1,360,014,314.78	1,349,746,447.93
LESS ACCUM PRV-DEPR, DEPL, AMORT	(427,572,587.68)	(408,016,522.59)
NET ELECTRIC UTILITY PLANT	932,441,727.10	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	21,752,719.00	16,134,242.13
NET NONUTILITY PROPERTY	5,438,886.86	5,423,079.77
TOTAL OTHER INVESTMENTS	397,017.07	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	27,588,622.93	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	249,526.09	886,067.16
ADVANCES TO AFFILIATES	17,484,838.75	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	10,260,379.42	17,793,158.78
ACCOUNTS RECEIVABLE - MISC	996,299.91	3,481,369.15
AP FOR UNCOLLECTIBLE ACCOUNTS	(35,565.80)	(736,031.99)
ACCOUNTS RECEIVABLE- ASSOC COS	22,269,129.76	25,327,057.84
FUEL	10,786,081.84	9,481,117.33
MATERIALS & SUPPLIES	18,794,805.48	16,584,927.95
ACCRUED UTILITY REVENUES	5,685,706.23	5,533,840.37
ENERGY TRADING CONT CURR ASSET	25,578,960.42	16,199,996.44
PREPAYMENTS	931,484.08	669,689.75
OTHER CURRENT ASSETS	4,062,822.94	3,686,076.31
TOTAL CURRENT ASSETS	117,064,468.10	98,907,269.08
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	127,078,840.87	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	51,130,179.89	53,742,712.79
TOTAL ASSETS	1,255,303,839.89	1,238,601,445.94

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
November 30, 2004

DESCRIPTION	MONTH END BALANCES	
	November 30, 2004	December 31, 2003
<b>CAPITALIZATION</b>		
<b>COMMON STOCK</b>		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
PAID-IN CAPITAL	201,700,408.17	202,537,605.45
RETAINED EARNINGS	63,656,269.31	64,150,582.93
COMMON SHAREHOLDERS' EQUITY	317,806,677.48	317,138,188.38
LT DEBT (LESS AMT DUE IN 1 YR)	508,608,359.98	487,601,625.00
LONG-TERM DEBT LESS AMT DUE 1 YR	826,415,037.46	804,739,813.38
<b>TOTAL CAPITALIZATION</b>	2,848,415.55	3,548,992.91
<b>OTHER NONCURRENT LIABILITIES</b>		
OBLIGATIONS UNDER CAP LEASE	13,285,881.83	13,989,494.26
ACCUMULATED PROVISIONS - MISC	16,134,277.38	17,548,487.17
<b>TOTAL OTH-NONCURRENT LIAB'S</b>	0.00	0.00
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	38,095,519.39
AP - GENERAL	16,317,139.95	22,802,341.50
AP- ASSOC. COS.	22,612,050.59	22,847,841.81
CUSTOMER DEPOSITS	12,128,767.97	9,894,337.18
TAXES ACCRUED	11,625,441.99	7,328,084.07
INTEREST ACCRUED	8,495,339.00	6,815,383.28
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,580,205.47	1,742,670.84
ENERGY TRADING CONT CURR LIAB	25,813,206.06	11,703,584.83
OTHER CURR & ACCRUED LIAB	8,397,071.53	8,628,745.47
<b>TOTAL CURRENT LIABILITIES</b>	106,969,222.55	129,759,468.17
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	260,289,178.50	247,385,404.06
DEF INVESTMENT TAX CREDITS	6,883,321.00	7,954,776.00
REGULATORY LIABILITIES	22,252,422.82	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	15,798,929.62	12,362,838.58
CUSTOMER ADVANCES FOR CONSTR	80,894.58	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	500,555.97	365,734.36
<b>TOTAL OTHER DEFERRED CREDITS</b>	16,360,380.17	12,778,424.70
<b>TOTAL DEF CREDITS &amp; REG LIAB'S</b>	305,785,302.49	286,553,677.22
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	1,255,303,839.89	1,238,601,446.94

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Kentucky Power Company  
Statement of Retained Earnings  
November 30, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES		
		November 30, 2004	December 31, 2003	
	BALANCE AT BEGINNING OF YEAR	64,150,582.93	48,268,596.38	
	NET INCOME (LOSS)	21,005,680.92	32,330,250.50	
	TOTAL	85,156,263.85	80,598,846.88	
	DEDUCTIONS:			
4380001	Div Declrd - Common SIK - Asso	(19,499,994.54)	(18,448,263.95)	
	DIVIDEND DECLARED ON COMMON	(19,499,994.54)	(16,448,263.95)	
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00	
	TOTAL DEDUCTIONS	(19,499,994.54)	(16,448,263.95)	
	BALANCE AT END OF PERIOD (A)	65,656,269.31	64,150,582.93	
	<b>(A) REPRESENTS THE FOLLOWING -</b>			
	BALANCE AT END OF PERIOD			
2150000	Appropriated Retained Earnings	0.00	0.00	
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00	
	TOTAL APPR RETND ERNGS	0.00	0.00	
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38	
2160002	Unapprp Retained Earnings Restr	0.00	0.00	
	Net Income Transferred	1,505,686.38	15,681,986.55	
	TOTAL UNAPPR RETND ERNGS	65,656,269.31	64,150,582.93	
216.1	Unapprp Undistributd Sub Erngs	0.00	0.00	
	Equity Erngs of Subsidiary Co	0.00	0.00	
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00	
	TOTAL RETAINED EARNINGS	65,656,269.31	64,150,582.93	

Kentucky Power Company  
Deferred Credits  
November 30, 2004

je 5

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		November 30, 2004	December 31, 2003
GLR1860S			12/10/04 17:07
2440002	ENERGY TRADING CONTRACTS		
2440004	LT Unreal Losses - Non Affil	14,610,128.00	11,879,409.44
2440010	LT Unreal Losses - Affil	882,832.00	0.00
2450002	L/T Option Premium Receipts	11,941.62	24,654.12
	LT Unreal Losses - Hedge	294,028.00	458,775.00
	LT ENERGY TRADING CONTRACTS	15,798,929.62	12,362,838.56
2520000	CUSTOMER ADVANCES FOR CONSTRUCTN		
	Customer Adv for Construction	60,894.58	49,851.78
	TOTAL CUST ADVANCES FOR CONSTR	60,894.58	49,851.78
2530000	OTHER DEFERRED CREDITS		
2530004	Other Deferred Credits	17,316.40	0.00
2530050	Allowances	0.00	4,275.05
2530092	T.V. Pole Attachments	99,624.42	67,406.83
2530093	Defrd Gain - Fiber Optic Leases	189,387.55	191,027.65
	Def Carry Chg - Defrd RTO Costs	194,227.60	103,024.83
	TOTAL OTHER DEFERRED CREDITS	500,555.97	365,734.36
2821001	ACCUM DEFERRED INCOME TAXES		
2822001	Accum Defrd FIT - Utility Prop	122,286,562.97	115,095,820.00
2823001	Accum Defrd FIT - Other Prop	0.10	0.00
2824001	Acc Dfrd FIT FAS 109 Flow Thru	48,711,777.40	48,188,572.00
2830006	Acc Dfrd FIT - SFAS 109 Excess	(2,021,112.00)	(2,314,064.00)
2831001	ADIT Federal - SFAS 133 Nonaff	244,375.40	472,364.06
2832001	Accum Deferred FIT - Other	14,167,240.65	11,024,855.00
2833001	Accum Dfrd FIT - Oth Inc & Ded	2,128,966.35	3,697,533.00
2833002	Acc Dfd FIT FAS 109 Flow Thru	38,814,367.63	37,685,324.00
	Acc Dfrd SIT FAS 109 Flow Thru	35,957,000.00	33,535,000.00
	TOTAL ACCUM DEF INC TAX-CREDIT	260,289,178.50	247,385,404.06
2550001	ACCUM DEF RD INVEST TAX CREDITS		
	Accum Deferred ITC - Federal	6,883,321.00	7,954,776.00
	TOTAL ACCUM DEF INVEST TAX CR	6,883,321.00	7,954,776.00
	REGULATORY LIAB'S	22,252,422.82	18,435,072.46
	TOTAL DEF RD CREDITS & REG LIAB	305,785,302.49	286,553,677.22

Kentucky Power Company  
Operating Revenues  
November 30, 2004

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			12/10/04 17:00
		1 MONTH ENDED November 30, 2004	3 MONTHS ENDED November 30, 2004	YEAR TO DATE November 30, 2004	
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Hig	6,637,369.36	16,018,646.56	72,054,899.19	82,937,364.85
4400002	Residential Sales-W/O Space Hi	3,473,203.10	9,617,110.15	40,170,934.29	44,806,077.86
	Residential Sales	10,110,572.46	25,635,756.71	112,225,833.48	127,743,442.71
4420001	Commercial Sales	5,019,054.57	13,682,423.76	51,066,027.86	55,969,675.60
4420002	Industrial Sales (Excl Mines)	6,707,009.95	17,409,451.41	57,943,841.21	62,326,451.73
4420004	Ind Sales-NonAff(Incl Mines)	4,743,686.22	11,806,231.17	40,832,639.08	44,485,112.93
4420006	Sales to Pub Auth - Schools	880,095.13	2,563,480.94	8,826,853.65	9,780,336.98
4420007	Sales to Pub Auth - Ex Schools	800,631.11	2,224,303.08	8,231,559.91	9,009,896.90
	COMMERCIAL & INDUSTRIAL SALES	16,150,376.98	47,685,890.36	166,900,921.71	181,551,474.14
<b>SALES - AFFILIATED</b>					
4440000	Public Street/Highway Lighting	0.00	0.00	0.00	0.00
	Public & Other Sales	92,300.81	256,515.22	916,445.27	1,000,807.37
		92,300.81	256,515.22	916,445.27	1,000,807.37
	<b>TOTAL RETAIL SALES</b>	<b>26,353,250.25</b>	<b>73,478,162.29</b>	<b>280,043,200.46</b>	<b>310,296,724.22</b>
<b>SALES FOR RESALE</b>					
4470002	Sales for Resale - NonAssoc	1,663,879.08	3,981,305.11	19,697,873.00	21,294,690.20
4470004	Sales for Resale-NonAff-Articl	1,060.71	70,748.14	653,830.60	720,969.30
4470005	Sales for Resale-NonAff-Transm	66,796.53	906,054.22	7,807,435.09	8,596,508.30
4470006	Sales for Resale-Bookout Sales	31,613,187.52	87,778,737.74	411,248,275.96	443,146,368.68
4470007	Sales for Resale-Option Sales	596,369.05	1,383,229.35	5,778,248.62	6,450,742.87
4470010	Sales for Resale-Bookout Purch	(31,161,125.52)	(98,554,376.68)	(403,403,315.59)	(435,353,667.12)
4470027	Whsal/Muni/Pb Auth Fuel Rev	(666,802.56)	(1,764,080.70)	(8,816,080.39)	(8,907,245.39)
4470028	Sale/Resale - NA - Fuel Rev	115,572.22	306,357.81	1,112,192.94	1,217,172.89
4470033	Whsal/Muni/Pb Auth Base Rev	133,591.18	377,734.25	1,558,206.77	1,700,160.03
4470064	Purch Pwr Phys Trad - Non Assoc	(639,036.60)	(3,035,592.07)	(24,708,932.53)	(26,287,872.85)
4470072	PWR Trading Trans Exp-NonAssoc	(10,716.00)	(66,334.00)	(669,764.00)	(643,941.00)
4470082	Sales for Resale - Hedge Trans	(370,292.00)	(624,320.00)	(1,302,560.00)	(1,346,345.00)
4470081	Financial Spark Gas - Realized	(579,232.51)	(1,847,831.17)	(1,611,316.62)	(1,631,831.31)
4470089	Financial Electric Realized	(103,466.77)	(77,012.99)	76,857.62	165,833.60
4470080	PJM Energy Sales Margin	(261,922.86)	(237,758.32)	(237,758.32)	(237,758.32)
4470091	PJM Spot Energy Purchases	(5,188,268.90)	(5,817,696.56)	(5,817,696.56)	(5,817,696.56)
4470092	PJM Implicit Congestion-LSE	0.00	(47.49)	(47.49)	(47.49)
4470093	PJM Implicit Congestion-OSS	(79,051.60)	(165,427.62)	(165,427.62)	(165,427.62)
4470094	PJM Transm. Loss - OSS	(167,192.42)	(427,875.34)	(427,875.34)	(427,875.34)
4470095	PJM Ancillary Serv.-Reg	24,176.97	(6,382.81)	(6,382.81)	(6,382.81)
4470096	PJM Ancillary Serv.-Spth	9,049.72	119,112.25	119,112.25	119,112.25
4470097	PJM Ancillary Serv.-Sync	468.29	1,736.48	1,736.48	1,736.48
4470098	PJM Oper Reserve Rev-OSS	(8,031.31)	(17,784.52)	(17,784.52)	(17,784.52)
4470099	PJM Capacity Cr. Net Sales	(195,114.77)	(6,739.35)	(6,739.35)	(6,739.35)
4470101	PJM FTR Revenue-LSE	472.68	525.48	525.48	525.48
4470103	PJM Energy Sales Cost	177,231.93	236,470.21	236,470.21	236,470.21
4470104	PJM OATT Ancil.-Black	3,290,101.09	5,992,918.60	5,992,918.60	5,992,918.60
4470105	PJM OATT Ancil.-Reactive	395.34	(14,843.70)	(14,843.70)	(14,843.70)
4470106	PJM P2P Trans.Purch-NonAff	(56.16)	(504.43)	(504.43)	(504.43)
4470107	PJM NITS Purch-NonAff	(230,191.03)	(459,862.05)	(459,862.05)	(459,862.05)
4470108	PJM Oper Reserve Rev-LSE	(14,228.76)	(29,280.00)	(29,280.00)	(29,280.00)
		123,075.78	123,075.78	123,075.78	123,075.78

Kentucky Power Company  
Operating Revenues  
November 30, 2004

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		1 MONTH ENDED November 30, 2004	3 MONTHS ENDED November 30, 2004	YEAR TO DATE November 30, 2004	12 MONTHS ENDED November 30, 2004
GLR1110S					12/10/04 17:00
4470110	PJM TO Admin. Exp.-NonAff.	(9,346.16)	(11,831.09)	(11,831.09)	
4470111	Buckeye Excess Energy-OSS	(270,163.66)	(539,779.66)	(539,779.66)	(11,831.09)
4470112	Non-ECR Phys. Sales-OSS	96,483.48	1,023,203.36	1,023,203.36	
4470113	PJM Non-ECR Purchases-OSS	907,398.93	0.00	0.00	
4470114	PJM Transm. Loss - LSE	(48,387.72)	(48,387.72)	(48,387.72)	
	SALES FOR RESALE-NONAFFILIATED	2,845,870.94	12,836,554.91	64,255,680.52	70,313,476.37
4470001	Sales for Resale - Assoc Cos	1,819.83	163,993.08	603,680.62	3,826,527.09
4470014	Sls Resale-Ancillary Trans-Aff	0.00	2,353.43	20,601.55	23,159.89
4470015	Sls Resale-Transmission-Aff	0.00	25,567.10	225,982.35	251,602.70
4470035	Sls for Rel - Fuel Rev - Assoc	304,406.21	972,802.63	3,768,538.48	3,918,330.94
4470085	Purchased Power - Dow - Assoc	0.00	(84,365.14)	0.00	0.00
4470086	Sales for Resale-Affil Pool	2,397,078.00	6,818,214.95	32,899,370.85	32,899,370.85
4470088	Pool Sales to Dow Pft-Aff	0.00	68,340.14	66,340.14	66,340.14
	SALES FOR RESALE-AFFILIATED CO	2,703,304.04	9,964,708.09	37,784,714.00	40,985,331.61
	TOTAL SALES FOR RESALE	5,549,174.98	22,801,261.00	102,040,394.52	111,298,807.98
	TOTAL SALES OF ELECTRICITY	33,902,425.23	96,279,423.29	382,083,594.98	421,594,532.20
	TOTAL SLS OF ELECT AFT RFD PROV	33,902,425.23	96,279,423.29	382,083,594.98	421,594,532.20
	OTHER OPERATING REVENUE				
4560007	Oth Elec Rev - DSM Program	135,678.12	394,708.21	1,525,525.68	1,690,617.74
4560012	Oth Elec Rev - Nonaffiliated	0.00	0.00	0.00	0.00
4560013	Oth Elec Rev-Trans-Nonaffil	8,908.22	899,993.28	7,825,394.36	8,691,659.16
4560015	Oth Elec Revenues - Ancillary	0.00	80,440.82	700,544.83	771,700.10
4560027	Other Electric Revenues - ABD	32,105.34	755,479.52	2,003,915.54	2,530,231.94
4560041	Financial Trading Rev-Real	0.00	(133.77)	0.00	0.00
4560049	Miscellaneous Revenue-NonAffil	0.00	133.77	1,265.14	1,265.14
4560050	Merch Generation Finan -Realized	(653,373.87)	(1,068,842.11)	(587,175.63)	(69,694.03)
4560058	Oth Elec Rev-Coal Trd Rzd G-L	0.00	(105.31)	54,296.26	54,296.26
4560060	PJM NITS Revenue-NonAff.	384,015.00	765,708.45	765,708.45	765,708.45
4560062	PJM P2P1 Trans.Rev.-NonAff.	276,586.51	593,557.48	593,557.48	593,557.48
4560064	PJM TO Admin. Rev.-NonAff.	41,809.04	49,028.80	49,028.80	49,028.80
	Buckeye Admin. Fee Revenue	8,553.22	16,823.93	16,823.93	16,823.93
	OTHER ELECTRIC REVENUES	234,278.88	2,486,792.87	12,968,684.84	15,076,394.37
4540001	Rent From Elect Property - AI	33,594.05	100,752.15	389,424.55	415,277.55
4540002	Rent From Eisc Property-NAC	199,820.78	657,010.01	2,374,867.22	2,663,667.87
4540004	Rent From Elec Prop-ABD-Nonaf	2,650.00	27,426.00	64,862.00	71,432.00
	RENT FROM ELEC PROPERTY	236,064.83	786,188.16	2,809,153.77	3,150,567.42
4500000	Forfeited Discounts	90,943.27	318,238.36	1,289,442.82	1,425,227.40
4510001	Misc Service Rev - Nonaffil	26,896.18	128,264.86	283,869.35	284,022.83
	MISC REVENUES	116,839.45	446,501.22	1,573,312.17	1,719,280.23
	TOTAL OTHER OPERATING REVENUE	586,973.86	3,720,482.25	17,351,390.76	19,945,212.62
	GROSS OPERATING REVENUES	34,489,399.09	99,999,905.54	399,434,985.75	441,539,744.82
	NET OPERATING REVENUES	34,489,399.09	99,999,905.54	399,434,985.75	441,539,744.82



Kentucky Power Company  
Operating Expenses - Functional  
November 30, 2004

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GLR1130S

DESCRIPTION	1 MONTH ENDED	3 MONTHS ENDED	YEAR TO DATE	12 MONTHS ENDED
	November 30, 2004	November 30, 2004	November 30, 2004	November 30, 2004
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	7,317,858.49	24,924,530.36	88,973,011.65	97,211,856.90
Steam Power Operation	1,162,145.73	3,058,194.89	10,821,928.22	11,765,147.96
Steam Power Maintenance	8,480,004.21	27,982,726.24	99,794,939.86	108,977,004.86
TOTAL STEAM POWER GENERATION	1,157,715.98	2,916,546.12	11,202,461.35	12,016,292.78
	9,637,720.19	30,895,271.36	110,997,401.21	120,993,297.64
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	12,304,564.19	38,449,374.82	128,658,696.53	139,744,503.42
Other Expenses	282,221.58	588,077.34	740,278.63	749,670.77
TOTAL OTHER POWER SUPPLY EXPS	324,978.44	827,655.51	3,478,368.31	3,701,288.08
	12,811,764.21	39,865,107.67	132,877,543.47	144,195,462.28
<b>TOTAL POWER PROD EXPS-OPER</b>	21,391,768.42	67,847,832.92	232,672,483.34	253,172,467.13
<b>TOTAL POWER PROD EXPS-MAINT</b>	1,157,715.98	2,916,546.12	11,202,461.35	12,016,292.78
<b>TOTAL POWER PROD EXPENSES</b>	22,549,484.40	70,764,379.04	243,874,944.68	265,188,759.92
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(248,813.62)	(799,966.26)	(3,338,655.31)	(3,561,113.43)
Transmission - Maintenance	145,038.13	415,209.07	1,970,106.65	2,119,523.50
TOTAL TRANSMISSION EXPENSES	(103,775.39)	(384,757.19)	(1,368,548.67)	(1,441,589.93)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	544,259.32	1,291,360.25	5,753,124.16	6,397,652.57
DISTRIBUTION - MAINTENANCE	1,151,916.69	3,875,783.25	14,928,145.08	16,441,393.07
TOTAL DISTRIBUTION EXPENSES	1,696,176.01	5,167,143.50	20,681,269.21	22,839,045.64
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	757,074.75	2,313,633.42	8,204,169.62	8,844,278.97
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	116,342.13	314,638.63	1,198,305.95	1,328,538.26
<b>TOTAL SALES EXPENSES</b>	1,338.02	2,689.32	10,119.97	10,677.60
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,663,964.00	5,312,163.45	20,362,796.81	23,118,163.12
Admin & General - Maintenance	130,748.48	435,861.22	1,326,121.15	1,577,921.27
TOTAL ADMIN & GENERAL EXPS	1,814,712.48	5,748,044.67	21,688,917.95	24,696,084.39
<b>TOTAL FACTORED ACCTS REC EXPS</b>	204,377.68	574,018.33	2,334,856.45	2,656,874.83
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(92.79)	(278.37)	(1,020.89)	(1,102.69)
LOSSES FROM DISP. OF UTIL PLT	0.00	0.00	0.00	0.00
GAINS FROM DISP OF ALLOWANCES	(3,665.75)	(446,600.32)	(1,495,167.03)	(2,278,006.00)
LOSSES FROM DISP. OF ALLOWANCE	0.00	8.55	450.96	450.96
TOTAL (GAIN) LOSS	(3,778.54)	(446,870.14)	(1,495,736.76)	(2,278,657.73)
<b>TOTAL OPERATION EXPENSES</b>	24,446,632.16	76,409,519.91	266,701,464.22	289,589,081.32
<b>TOTAL MAINTENANCE EXPENSES</b>	2,585,419.28	7,643,399.66	29,426,834.20	32,155,130.62
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	27,031,951.43	84,052,919.58	295,128,298.42	321,744,211.94

Kentucky Power Company  
Taxes Applicable To Rating Income  
November 30, 2004

ACCOUNT NUMBER	DESCRIPTION	1 MONTH ENDED November 30, 2004	3 MONTHS ENDED November 30, 2004	YEAR TO DATE November 30, 2004	12 MONTHS ENDED November 30, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA		512,748.91	1,914,831.14	2,036,142.82
4081003	Federal Unemployment Tax	135,563.28	391.96	22,829.37	22,839.99
408100500	Real & Personal Property Taxes	174.19	0.00	0.00	0.00
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100503	Real & Personal Property Taxes	0.00	0.00	96,721.07	630,888.07
408100504	Real & Personal Property Taxes	571,285.90	1,715,434.64	6,280,234.64	6,280,706.59
408100599	Real & Personal Property Taxes	0.00	884.96	884.96	884.96
4081007	State Unemployment Tax	0.00	0.00	0.00	0.00
408100801	State Franchise Taxes	96.00	213.34	13,106.51	13,110.49
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00
408100804	State Franchise Taxes	0.00	0.00	0.00	5,251.00
408101000	State Franchise Taxes	0.00	0.00	0.00	991.00
408101000	State Excise Taxes	11,900.00	29,900.00	78,700.00	78,700.00
408101702	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101703	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101704	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101802	St Publ Serv Comm Tax/Fees	0.00	100.00	375.00	375.00
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	263,826.80	307,798.80
408101901	St Publ Serv Comm Tax/Fees	42,035.00	126,105.00	210,175.00	210,175.00
408101902	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408101904	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408102702	Misc State and Local Taxes	(4.40)	52.12	56.79	56.79
408102901	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	67.71
4081033	Fringe Benefit Loading - FICA	14,576.00	45,909.34	7,842.19	21,907.19
4081034	Fringe Benefit Loading - FUT	(60,477.45)	(202,767.13)	162,639.65	162,639.65
4081035	Fringe Benefit Loading - SUT	(825.93)	(3,550.62)	(626,496.29)	(679,312.32)
408103604	Real Prop Tax-Cap Leases	(315.92)	(1,118.65)	(3,470.49)	(13,464.41)
		916.00	3,310.29	10,638.29	(3,734.17)
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>714,922.67</b>	<b>2,227,614.16</b>	<b>8,420,369.14</b>	<b>9,086,662.45</b>
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
409100202	Income Taxes, UOI - State	0.00	0.00	0.00	(1,304,555.00)
409100203	Income Taxes, UOI - State	0.00	0.00	0.00	208,920.00
409100204	Income Taxes, UOI - State	(127,310.00)	(417,300.00)	863,610.00	863,610.00
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>(127,310.00)</b>	<b>(417,300.00)</b>	<b>863,610.00</b>	<b>(232,025.00)</b>
<b>FEDERAL INCOME TAXES</b>					
4091001	Income Taxes, UOI - Federal	315,822.61	(3,328,813.49)	(99,206.49)	1,322,998.51
4101001	Prov Def /T Util Op Inc-Fed	2,417,376.35	(44,840,025.09)	24,891,647.91	42,319,106.91
4111001	PV Def /T-Cr Util Op Inc-Fed	(2,543,900.88)	45,239,428.03	(17,245,828.97)	(36,318,237.97)
4114001	ITC Adj. Utility Oper - Fed	(97,405.00)	(292,215.00)	(1,071,455.00)	(1,163,846.00)
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>91,893.08</b>	<b>(3,221,625.55)</b>	<b>6,475,157.45</b>	<b>6,160,021.45</b>
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>679,505.75</b>	<b>(1,411,311.39)</b>	<b>15,759,136.59</b>	<b>15,014,658.90</b>

8 10

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
November 30, 2004

12/10/04 17:03  
12 MONTHS ENDED  
November 30, 2004

YEAR TO DATE  
November 30, 2004

3 MONTHS ENDED  
November 30, 2004

1 MONTH ENDED  
November 30, 2004

ACCOUNT NUMBER DESCRIPTION

ACCOUNT NUMBER	DESCRIPTION	1 MONTH ENDED November 30, 2004	3 MONTHS ENDED November 30, 2004	YEAR TO DATE November 30, 2004	12 MONTHS ENDED November 30, 2004
<b>TAXES OTHER THAN INC TAX</b>					
408201404	St Lic/Rgsrtion Tax/Fees	0.00	0.00	275.00	275.00
4082020	Fig Ben Loading - FICA	0.00	0.00	0.00	0.00
4082021	Fig Ben Loading - FUT	0.00	0.00	0.00	0.00
	<b>TOTAL TAXES OTHER THAN INC TAX</b>	0.00	0.00	275.00	275.00
<b>FEDERAL INC TAXES - OI&amp;D</b>					
4092001	Inc Tax, Oth Inc&Ded-Federal	154,199.47	1,181,385.63	2,127,900.63	(721,835.37)
4102001	Prov Def I/T Oth I&D - Federal	224,836.50	(15,409,254.75)	2,171,076.25	6,540,992.25
4112001	Pvt Def I/T-Cr Oth I&D-Fed	(367,436.29)	14,168,143.51	(4,533,665.49)	(7,149,281.49)
411200189	Cum Eff Accr Chg-Prov DFIT OI&D	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	<b>TOTAL FEDERAL INC TAXES - OI&amp;D</b>	11,599.68	(59,725.61)	(234,688.61)	(41,488.00)
<b>STATE INC TAXES - OI&amp;D</b>					
409200201	Inc Tax, Oth Inc & Ded - State	0.00	0.00	0.00	0.00
	<b>TOTAL STATE INC TAXES - OI&amp;D</b>	0.00	0.00	0.00	0.00
<b>LOCAL INC TAXES - OI&amp;D</b>					
	<b>TOTAL LOCAL INC TAXES - OI&amp;D</b>	0.00	0.00	0.00	0.00
<b>FOREIGN INC TAXES - OI&amp;D</b>					
	<b>TOTAL FOREIGN INC TAXES - OI&amp;D</b>	0.00	0.00	0.00	0.00
	<b>TOTAL TAXES APPLICABLE TO OI&amp;D</b>	11,599.68	(59,725.61)	(234,413.61)	(1,371,337.61)

KENTUCKY POWER COMPANY  
 DETAIL OF ELECTRIC UTILITY PROPERTY  
 YEAR TO DATE - November, 2004

GLR7210V

12/13/04 07:48

UTILITY PLANT	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/106 GENERATION	456,362,227.48	10,940,753.96	(3,020,840.46)	(0.00)	0.00	464,282,140.98
TOTAL PRODUCTION	456,362,227.46	10,940,753.96	(3,020,840.46)	(0.00)		464,282,140.96
101/106 TRANSMISSION	379,840,578.89	5,731,064.71	(1,104,465.97)	0.00	0.00	384,267,177.63
101/106 DISTRIBUTION	476,856,589.13	20,435,216.33	(17,016,502.09)	0.00	(22,125.00)	480,253,178.37
TOTAL (ACCOUNTS 101 & 106)	1,312,861,395.48	37,107,035.00	(21,143,808.52)	(0.00)	(22,125.00)	1,326,802,496.96
1011001 CAPITAL LEASES	12,699,625.88	0.00	0.00	(1,186,916.50)	0.00	11,512,709.37
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,325,561,021.34	37,107,035.00	(21,143,808.52)	(1,186,916.50)	(22,125.00)	1,340,315,206.32
1050001 PLANT HELD FOR FUTURE USE	6,862,818.00	0.00	0.00	0.00	0.00	6,862,818.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	17,322,807.58					
107000X ADDITIONS		32,620,716.87				
107000X TRANSFERS		(37,107,035.00)				
107000X END. BAL.		(4,486,318.13)				
TOTAL ELECTRIC UTILITY PLANT	1,349,746,447.93	32,620,716.87	(21,143,808.52)	(1,186,916.50)	(22,125.00)	1,360,014,314.78
NONUTILITY PLANT						
1210001 NONUTILITY PROPERTY-OWNED	974,253.00	0.00	0.00	0.00	22,125.00	996,378.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-28 OTHER INVESTMENTS	4,584,778.41	0.00	(204.00)	0.00	0.00	4,584,574.41
TOTAL NONUTILITY PLANT	5,569,031.41	0.00	(204.00)	0.00	22,125.00	5,590,952.41

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - November, 2004

GLR7410V

12/13/04 07:46

UTILITY PLANT

	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/ SALV COST	TRANSFER/ ADJUSTMENTS	ENDING BALANCE
NUCLEAR						
1080001/11	158,940,140.67	15,401,976.37	(3,020,840.46)	(4,480,065.97)	0.00	166,841,210.61
1080009/10	107,429,075.45	5,930,426.12	(1,104,465.97)	(60,357.55)	0.00	112,194,678.05
	134,139,822.22	14,569,399.98	(17,018,502.09)	(864,074.93)	2,415,515.13	133,242,180.31
	(5,467,138.48)	0.00	0.00	2,988,178.11	1,476,837.52	(1,002,122.86)
TOTAL (108X accounts)	395,041,889.86	35,901,802.47	(21,143,808.52)	(2,416,320.34)	3,892,352.65	411,275,926.12
PRODUCTION						
1110001	857,524.02	1,392,869.53	0.00	0.00	0.00	2,250,393.55
1110001	140,243.18	197,170.02	0.00	0.00	0.00	337,413.20
1110001	4,568,893.41	2,055,870.18	0.00	0.00	2.87	6,624,766.46
TOTAL (111X accounts)	5,566,660.61	3,645,909.73	0.00	0.00	2.87	9,212,573.21
CAPITAL LEASES	7,407,962.12	0.00	0.00	0.00	(323,873.77)	7,084,088.35
ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	408,016,522.59	39,547,712.20	(21,143,808.52)	(2,416,320.34)	3,568,481.75	427,572,587.68

NONUTILITY PLANT

1220001	148,258.55	6,113.91	0.00	0.00	0.00	154,372.46
1220003	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
1240027	0.00	0.00	(204.00)	0.00	204.00	0.00
TOTAL NONUTILITY PLANT	145,951.64	6,113.91	(204.00)	0.00	204.00	152,065.55

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - OCTOBER 2004**

REC - 7 2004



**AMERICAN  
ELECTRIC  
POWER**

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

November 30, 2004

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed October 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure

Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
October 31, 2004

GLR11005

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	October 31, 2004	October 31, 2004	October 31, 2004	October 31, 2004
OPERATING REVENUES				
SALES TO NON AFFILIATES	28,200,219.30	91,947,962.20	329,528,336.21	397,874,619.61
SALES TO AFFILIATES	3,321,147.58	11,585,881.29	35,417,250.46	42,708,890.58
GROSS OPERATING REVENUES	31,521,366.88	103,533,843.49	364,945,586.66	440,583,510.18
TOTAL OPERATING REVENUES, NET	31,521,366.88	103,533,843.49	364,945,586.66	440,583,510.18
OPERATING EXPENSES				
OPERATIONS				
FUEL	6,157,100.26	26,183,878.12	81,655,153.16	97,623,143.59
PURCHASED POWER NON AFFIL	1,986,812.44	2,260,375.43	3,104,898.71	3,269,509.79
PURCHASE POWER AFFILIATED	11,519,132.86	36,170,261.20	113,249,433.63	134,299,423.14
OTHER OPERATION	4,117,526.58	12,520,906.56	43,245,446.56	50,489,302.05
MAINTENANCE	3,377,347.28	7,276,569.73	26,841,414.92	30,996,170.31
TOTAL OPER/MINT EXPENSES	27,157,919.50	84,413,991.04	268,098,346.99	316,677,548.89
DEPRECIATION AND AMORTIZATION	3,684,638.20	11,026,672.66	36,452,408.11	43,455,998.01
TAXES OTHER THAN INCOME TAXES	774,495.00	2,248,380.35	7,705,446.47	9,042,237.79
STATE, LOCAL & FOREIGN INCOME TAXES	(68,830.00)	11,610.00	990,920.00	(543,335.00)
FEDERAL INCOME TAXES	(1,045,948.33)	(2,308,130.63)	6,383,264.37	7,836,320.37
TOTAL OPERATING EXPENSES	30,502,274.37	95,392,523.42	319,628,386.94	376,468,770.07
NET OPERATING INCOME	1,019,092.51	8,141,320.07	45,317,199.72	64,114,740.12
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	(177,000.81)	618,816.13	2,037,972.33	(178,333.08)
OTHER INCOME DEDUCTIONS	(28,934.40)	(908,338.04)	(2,701,196.52)	(3,200,635.29)
INC TAXES APPL TO OTH INC&DED	8,736.29	64,288.29	246,288.29	1,546,567.29
NET OTHER INCOME AND DEDUCTIONS	(197,198.92)	(225,233.62)	(416,935.89)	(1,832,401.09)
INCOME BEFORE INTEREST CHARGES	821,893.59	7,916,086.44	44,900,263.83	62,282,339.03
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,235,812.30	6,704,135.51	22,595,716.75	27,034,343.82
INT SHORT TERM DEBT - AFFIL	726.25	606.67	304,026.09	439,196.31
INT SHORT TERM DEBT - NON-AFFL	29,290.36	83,033.61	313,987.17	317,025.46
AMORT OF DEBT DISC, PREM & EXP	92,396.03	277,188.09	923,960.10	1,108,979.66
AMORT LOSS ON REACQUIRED DEBT	5,615.20	16,845.60	56,152.00	67,382.37
OTHER INTEREST EXPENSE	75,998.44	192,411.19	658,944.06	738,680.55
TOTAL INTEREST CHARGES	2,439,836.60	7,274,220.67	24,852,786.17	29,705,587.17
AFUDC BORROWED FUNDS - CR	(5,860.82)	(60,388.56)	(179,740.06)	(191,958.55)
NET INTEREST CHARGES	2,433,977.78	7,213,831.11	24,673,046.11	29,513,628.62
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PREF DIV	(1,612,084.19)	702,255.33	20,227,217.72	32,768,710.41
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	(1,612,084.19)	702,255.33	20,227,217.72	32,768,710.41



Kentucky Power Company  
Balance Sheet - Assets  
October 31, 2004

GLR1500S

DESCRIPTION	MONTH END BALANCES	
	October 31, 2004	December 31, 2003
ELECTRIC UTILITY PLANT		
PRODUCTION	462,309,704.53	457,341,009.30
TRANSMISSION	385,599,321.69	381,354,147.96
DISTRIBUTION	438,846,839.57	425,687,726.11
GENERAL	59,782,823.99	68,040,856.87
CONSTRUCTION WORK IN PROGRESS	12,372,848.73	17,322,607.58
TOTAL ELECTRIC UTILITY PLANT	1,358,911,538.52	1,349,746,447.93
LESS ACCUM PRV-DEPR, DEPL, AMORT	(425,587,046.70)	(408,016,522.59)
NET ELECTRIC UTILITY PLANT	933,324,491.82	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	24,599,178.00	16,134,242.13
NET NONUTILITY PROPERTY	5,439,442.67	5,423,079.77
TOTAL OTHER INVESTMENTS	397,166.17	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	30,435,786.84	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	419,074.97	886,067.16
ADVANCES TO AFFILIATES	38,015,342.50	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	9,864,564.28	17,793,158.78
A/P FOR UNCOLLECTIBLE ACCOUNTS	1,740,642.98	3,481,369.15
ACCOUNTS RECEIVABLE-ASSOC COS	(35,565.80)	(736,031.99)
FUEL	19,865,187.02	25,327,057.84
MATERIALS & SUPPLIES	9,857,185.98	9,481,117.33
ACCRUED UTILITY REVENUES	19,019,904.24	16,584,927.95
ENERGY TRADING CONT CURR ASSET	3,287,674.65	5,533,840.37
PREPAYMENTS	30,443,045.25	16,199,996.44
OTHER CURRENT ASSETS	1,074,087.25	669,689.75
TOTAL CURRENT ASSETS	2,938,470.50	3,686,076.31
REGULATORY ASSETS	136,489,613.81	98,907,269.08
TOTAL REGULATORY ASSETS	130,411,062.47	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	51,143,868.89	53,742,712.79
TOTAL ASSETS	1,281,804,813.82	1,238,601,445.94

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
October 31, 2004

GLR1700S

DESCRIPTION	MONTH END BALANCES	
	October 31, 2004	December 31, 2003
<b>CAPITALIZATION</b>		
<b>COMMON STOCK</b>		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
<b>PAID-IN CAPITAL</b>		
RETAINED EARNINGS	200,716,448.65	202,537,805.45
COMMON SHAREHOLDERS' EQUITY	68,377,805.13	64,150,582.93
	319,544,253.78	317,138,188.38
<b>LT DEBT (LESS AMT DUE IN 1 YR)</b>		
LONG-TERM DEBT LESS AMT DUE 1 YR	508,800,505.80	487,601,625.00
<b>TOTAL CAPITALIZATION</b>	828,144,759.58	804,739,813.38
<b>OTHER NONCURRENT LIABILITIES</b>		
OBLIGATIONS UNDER CAP LEASE	2,919,752.85	3,548,992.91
ACCUMULATED PROVISIONS - MISC	13,174,256.13	13,999,494.26
TOTAL OTH NONCURRENT LIAB'S	16,094,008.98	17,548,487.17
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	38,095,519.39
AP - GENERAL	29,777,086.14	22,802,341.50
AP- ASSOC. COS.	23,636,824.23	22,847,841.61
CUSTOMER DEPOSITS	12,098,865.62	9,894,337.18
TAXES ACCRUED	11,384,561.90	7,329,064.07
INTEREST ACCRUED	8,351,946.21	6,915,363.28
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,573,827.16	1,742,870.84
ENERGY TRADING CONT CURR LIAB	34,423,504.37	11,703,584.83
OTHER CURR & ACCRUED LIAB	8,101,446.22	8,628,745.47
TOTAL CURRENT LIABILITIES	129,346,061.85	129,759,468.17
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	258,806,931.95	247,385,404.06
DEF INVESTMENT TAX CREDITS	6,980,728.00	7,954,776.00
REGULATORY LIABILITIES	22,754,414.99	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	19,078,074.72	12,362,838.56
CUSTOMER ADVANCES FOR CONSTR	57,333.46	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	540,502.29	365,734.36
TOTAL OTHER DEFERRED CREDITS	19,675,910.47	12,778,424.70
TOTAL DEF CREDITS & REG LIAB'S	308,217,983.41	286,553,677.22
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	1,281,804,813.82	1,238,601,445.94

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Kentucky Power Company  
 Statement of Retained Earnings  
 October 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES		
		October 31, 2004	December 31, 2003	
	BALANCE AT BEGINNING OF YEAR	64,150,582.93	48,268,596.38	
	NET INCOME (LOSS)	20,227,217.72	32,330,250.50	
	TOTAL	84,377,800.65	80,598,846.88	
	DEDUCTIONS:			
4380001	Div Declrd - Common Stk - Asso	(15,999,995.52)	(16,448,263.95)	
	DIVIDEND DECLARED ON COMMON	(15,999,995.52)	(16,448,263.95)	
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00	
	TOTAL DEDUCTIONS	(15,999,995.52)	(16,448,263.95)	
	BALANCE AT END OF PERIOD (A)	68,377,805.13	64,150,582.93	
	<b>(A) REPRESENTS THE FOLLOWING -</b>			
	BALANCE AT END OF PERIOD			
2150000	Appropriated Retained Earnings	0.00	0.00	
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00	
	TOTAL APPR RETND ERNGS	0.00	0.00	
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38	
2160002	Unapprp Retained Earnings Restr	0.00	0.00	
	Net Income Transferred	4,227,222.20	15,881,986.55	
	TOTAL UNAPPR RETND ERNGS	68,377,805.13	64,150,582.93	
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00	
	Equity Erngs of Subsidiary Co	0.00	0.00	
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00	
	TOTAL RETAINED EARNINGS	68,377,805.13	64,150,582.93	

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Kentucky Power Company  
 Deferred Credits  
 October 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		October 31, 2004	December 31, 2003
<b>ENERGY TRADING CONTRACTS</b>			
2440002	LT Unreal Losses - Non Affil	17,667,082.00	11,879,409.44
2440004	LT Unreal Losses - Affil	1,001,369.00	0.00
2440006	Long-Term Credit Reserve	0.00	0.00
2440010	LT Option Premium Receipts	23,876.72	24,654.12
2450002	LT Unreal Losses - Hedge	385,747.00	458,775.00
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>19,078,074.72</b>	<b>12,362,838.56</b>
<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>			
2520000	Customer Adv for Construction	57,333.46	49,851.78
	<b>TOTAL CUSTOMER ADVANCES FOR CONSTRUCTION</b>	<b>57,333.46</b>	<b>49,851.78</b>
<b>OTHER DEFERRED CREDITS</b>			
2530000	Other Deferred Credits	34,626.40	0.00
2530004	Allowances	0.00	4,275.05
2530050	T.V. Pole Attachments	131,475.00	67,406.83
2530092	Defid Gain - Fiber Optic Leases	189,536.65	191,027.65
2530093	Def Carry Chg - Defid RTO Costs	184,864.24	103,024.83
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>540,502.29</b>	<b>365,734.36</b>
<b>ACCUM DEFERRED INCOME TAXES</b>			
2821001	Accum Defid FIT - Utility Prop	121,630,145.42	115,095,820.00
2822001	Accum Defid FIT - Other Prop	0.10	0.00
2823001	Acc Dfrd FIT FAS 109 Flow Thru	48,660,378.60	48,168,572.00
2824001	Acc Dfrd FIT - SFAS 109 Excess	(2,047,744.00)	(2,314,064.00)
2830006	ADIT Federal - SFAS 133 Nonaff	244,176.76	472,364.06
2831001	Accum Deferred FIT - Other	13,270,779.41	11,024,855.00
2832001	Accum Dfrd FIT - Oth Inc & Ded	2,305,504.25	3,687,533.00
2833001	Acc Dfrd FIT FAS 109 Flow Thru	38,786,691.41	37,685,324.00
2833002	Acc Dfrd SIT FAS 109 Flow Thru	35,957,000.00	33,535,000.00
	<b>TOTAL ACCUM DEF ID INC TAX-CREDIT</b>	<b>258,806,931.95</b>	<b>247,385,404.06</b>
<b>ACCUM DEFERRED INVEST TAX CREDITS</b>			
2550001	Accum Deferred ITC - Federal	6,980,726.00	7,954,776.00
	<b>TOTAL ACCUM DEF INVEST TAX CR</b>	<b>6,980,726.00</b>	<b>7,954,776.00</b>
<b>REGULATORY LIAB'S</b>			
		22,754,414.99	18,435,072.46
	<b>TOTAL DEFERRED CREDITS &amp; REG LIAB</b>	<b>308,217,983.41</b>	<b>286,553,677.22</b>

Kentucky Power Company  
Operating Revenues  
October 31, 2004

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED October 31, 2004	THREE MONTHS ENDED October 31, 2004	YEAR TO DATE October 31, 2004
<b>SALES OF ELECTRICITY</b>				
<b>RETAIL SALES</b>				
4400001	Residential Sales-W/Space Hg	4,661,448.20	15,122,681.65	65,417,529.83
4400002	Residential Sales-W/O Space Hg	2,882,167.68	10,057,508.28	36,897,731.19
	Residential Sales	7,543,615.88	25,180,200.91	102,315,261.02
4420001	Commercial Sales	4,385,038.55	13,573,180.67	48,046,973.29
4420002	Industrial Sales (Excl Mines)	5,624,223.55	16,144,285.73	51,238,831.26
4420003	Ind Sales-NonAff(Incl Mines)	3,761,721.51	10,788,855.57	36,088,952.86
4420006	Sales to Pub Auth - Schools	786,265.01	2,482,705.11	7,946,758.52
4420007	Sales to Pub Auth - Ex Schools	722,947.83	2,151,586.97	7,431,028.80
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	15,281,196.86	46,140,804.05	148,750,644.73
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	83,171.86	247,872.22	824,144.46
	Public & Other Sales	83,171.86	247,872.22	824,144.46
	<b>TOTAL RETAIL SALES</b>	22,907,984.40	70,568,877.18	251,688,950.21
<b>SALES FOR RESALE</b>				
4470002	Sales for Resale - NonAsso	1,009,314.98	3,935,839.62	18,033,983.92
4470004	Sales for Resale-NonAff-Ancill	5,247.53	138,974.24	652,769.89
4470005	Sales for Resale-NonAff-Transm	79,490.68	1,687,680.10	7,738,636.56
4470006	Sales for Resale-Bookout Sales	28,422,791.69	105,090,370.83	379,635,088.44
4470007	Sales for Resale-Option Sales	594,156.53	1,734,777.86	5,181,879.57
4470010	Sales for Resale-Bookout Purch	(28,071,543.08)	(103,376,252.89)	(372,242,190.07)
4470027	Whseal/Munl/Pb Aft Fuel Rev	(693,188.08)	(2,244,282.86)	(7,929,277.83)
4470028	Whseal/Munl/Pb Aft Fuel Rev	82,854.57	303,111.02	986,620.72
4470033	Whseal/Munl/Pb Auth Base Rev	2,449,933.19	13,710,787.08	52,875,722.82
4470084	Purch Pwr Phys Trad - Non Assoc	119,355.14	380,536.47	1,424,615.99
4470086	PWR Trading Trans Exp-NonAssoc	(516,587.87)	(4,651,986.60)	(24,069,888.93)
4470072	Sales for Resale - Hedge Trans	(11,002.00)	(220,388.00)	(659,048.00)
4470077	Purchase Gas Conv - Affil	(254,029.00)	(205,650.00)	(932,288.00)
4470081	Financial Spark Gas - Realized	0.00	0.00	0.00
4470082	Financial Electric Realized	(839,890.09)	(1,042,243.74)	(1,032,084.11)
4470089	PJM Energy Sales Margin	(14,907.39)	(121,497.86)	180,314.39
4470090	PJM Spot Energy Purchases	24,164.54	24,164.54	24,164.54
4470091	PJM Explicit Congestion Cost	(629,427.68)	(629,427.68)	(629,427.68)
4470092	PJM Implicit Congestion-OSS	(47.49)	(47.49)	(47.49)
4470093	PJM Implicit Congestion-LSE	(66,378.02)	(66,378.02)	(66,378.02)
4470094	PJM Transmission Losses	(260,682.92)	(260,682.92)	(260,682.92)
4470095	PJM Ancillary Serv.-Reg	(32,559.78)	(32,559.78)	(32,559.78)
4470096	PJM Ancillary Serv.-Spin	110,062.53	110,062.53	110,062.53
4470097	PJM Ancillary Serv.-Sync	1,270.17	1,270.17	1,270.17
4470098	PJM Oper Reserve Rev-OSS	(6,753.21)	(6,753.21)	(6,753.21)
4470099	PJM Capcity Cr. Net Sales	188,375.42	188,375.42	188,375.42
4470101	PJM FTR Revenue-LSE	52.80	52.80	52.80
4470103	PJM Energy Sales Cost	59,238.28	59,238.28	59,238.28
4470104	PJM OATT Ancill.-Reactive	2,702,817.51	2,702,817.51	2,702,817.51
4470105	PJM OATT Ancill.-Black	(15,239.04)	(15,239.04)	(15,239.04)
4470106	PJM PI2Pt Trans.Purch-NonAff.	(448.27)	(448.27)	(448.27)
4470107	PJM NITS Purch-NonAff.	(229,671.02)	(229,671.02)	(229,671.02)
4470110	PJM TO Admin. Exp.-NonAff.	(15,051.24)	(15,051.24)	(15,051.24)
4470111	Buckeye Excess Energy-OSS	(2,484.93)	(2,484.93)	(2,484.93)
	<b>TOTAL SALES FOR RESALE</b>	(289,615.80)	(289,615.80)	(289,615.80)
	<b>TOTAL OPERATING REVENUES</b>	22,907,984.40	70,568,877.18	251,688,950.21
	<b>OPERATING EXPENSES</b>	22,907,984.40	70,568,877.18	251,688,950.21
	<b>OPERATING INCOME</b>	0.00	0.00	0.00
	<b>OTHER REVENUES</b>	994,138.84	994,138.84	994,138.84
	<b>TOTAL REVENUES</b>	23,902,168.84	71,563,016.02	252,683,089.05
	<b>OPERATING EXPENSES</b>	23,902,168.84	71,563,016.02	252,683,089.05
	<b>OPERATING INCOME</b>	0.00	0.00	0.00
	<b>OTHER REVENUES</b>	994,138.84	994,138.84	994,138.84
	<b>TOTAL REVENUES</b>	23,902,168.84	71,563,016.02	252,683,089.05

Kentucky Power Company  
Operating Revenues  
October 31, 2004

GLR11105

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES		
		ONE MONTH ENDED October 31, 2004	THREE MONTHS ENDED October 31, 2004	YEAR TO DATE October 31, 2004
4470112	Non-ECR Phys. Sales-OSS	926,717.88	926,717.88	926,717.88
4470113	PJM Non-ECR Purchases-OSS	(907,398.93)	(907,398.93)	(907,398.93)
	SALES FOR RESALE-NONAFFILIATED	4,116,930.81	18,662,730.19	81,409,808.58
4470001	Sales for Resale - Assoc Cos	118,048.77	270,579.40	801,860.79
4470014	Sis Resale-Ancillary Trans-Aff	0.00	4,651.97	20,601.55
4470015	Sis Resale-Transmission-Affil	0.00	50,537.80	225,982.35
4470035	Sis for Rsl - Fuel Rev - Assoc	335,310.91	987,127.93	3,484,132.28
4470085	Purchased Power - Dow - Assoc	0.00	(43,884.95)	0.00
4470086	Sales for Resale-Affil Pool	2,852,228.85	10,148,576.85	30,502,292.85
4470088	Pool Sales to Dow Pil- Affil	(19,025.00)	66,340.14	66,340.14
	SALES FOR RESALE-AFFILIATED CO	3,287,563.53	11,485,129.14	35,081,408.86
	TOTAL SALES FOR RESALE	7,404,484.14	28,147,859.33	98,481,218.54
	TOTAL SALES OF ELECTRICITY	30,312,478.64	98,716,636.51	348,181,168.75
	TOTAL SLS OF ELECT AFT RFD PROV	30,312,478.64	98,716,636.51	348,181,168.75
	OTHER OPERATING REVENUE			
4560007	Oh Eled Rev - DSM Program	134,125.39	382,927.84	1,389,847.56
4560012	Oh Eled Rev - Nonaffiliated	0.00	0.00	0.00
4560013	Oh Eled Rev-Trans-Nonaffil	98,657.97	1,816,683.81	7,816,468.14
4560014	Oh Eled Revenues - Ancillary	5,753.63	160,059.42	700,544.83
4560015	Other Electric Revenues - ABD	183,362.28	998,889.17	1,971,810.20
4560016	Financial Trading Rev-Unreal	0.00	0.01	0.00
4560041	Miscellaneous Revenue-NonAffil	0.00	1,265.14	1,265.14
4560048	Merch Generation Finan-Realizd	(312,511.27)	(514,344.74)	86,198.24
4560050	Oh Elec Rev-Coal Trd Rlzd G-L	(105.31)	(85.61)	54,296.26
4560058	PJM NITS Revenue-NonAff.	381,693.45	381,693.45	381,693.45
4560060	PJM P2P Trans. Rev-NonAff.	316,970.97	316,970.97	316,970.97
4560062	PJM TO Admtn. Rev -NonAff.	7,219.76	7,219.76	7,219.76
4560064	Buckeye Admin. Fee Revenue	8,270.71	8,270.71	8,270.71
	OTHER ELECTRIC REVENUES	833,437.58	3,559,549.93	12,734,805.26
4540001	Rent From Eled Property - AI	33,564.05	100,752.15	335,840.50
4540002	Rent From Eled Property-NAC	208,030.73	661,810.21	2,175,066.44
4540004	Rent From Eled Prop-ABD-Nonaf	2,850.00	27,426.00	62,232.00
	RENT FROM ELEC PROPERTY	244,264.78	790,088.36	2,573,138.94
4500000	Forfeited Discounts	116,414.85	335,630.51	1,198,499.55
4510001	Misc Service Rev - Nonaffil	14,771.13	132,036.18	258,173.17
	MISC REVENUES	131,186.88	467,668.69	1,456,672.72
	TOTAL OTHER OPERATING REVENUE	1,208,888.34	4,817,306.98	16,764,416.92
	GROSS OPERATING REVENUES	31,621,366.88	103,533,843.49	364,945,586.66
	NET OPERATING REVENUES	31,521,366.88	103,533,843.49	364,945,586.66

DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE	
	October 31, 2004	October 31, 2004	October 31, 2004	October 31, 2004	October 31, 2004	October 31, 2004
<b>POWER PRODUCTION EXPENSES</b>						
<b>STEAM POWER GENERATION</b>						
FUEL						
Operation - Other Than Fuel	6,157,100.26	26,183,878.12	81,655,153.16	97,623,143.59		
Steam Power Operation	779,444.05	3,055,411.21	9,659,782.49	11,894,382.83		
Steam Power Maintenance	6,936,544.31	29,239,289.33	91,314,936.65	109,517,526.43		
<b>TOTAL STEAM POWER GENERATION</b>	1,192,215.05	2,595,827.93	10,044,745.37	11,313,497.06		
Other Power Supply Expenses	8,128,769.37	31,835,117.26	101,359,661.02	120,831,023.49		
<b>PURCHASED POWER</b>						
System Control & load Dispatch	13,505,945.40	38,430,836.63	116,354,332.34	137,568,932.94		
Other Expenses	282,299.40	324,858.25	458,057.05	479,087.83		
<b>TOTAL OTHER POWER SUPPLY EXPS</b>	329,588.81	674,979.88	3,153,389.87	3,440,778.46		
<b>TOTAL POWER PROD EXPS-OPER</b>	14,117,833.41	39,430,474.56	119,966,778.26	141,488,778.22		
<b>TOTAL POWER PROD EXPS-MAINT</b>	21,064,377.73	68,668,763.90	211,280,714.91	251,006,305.65		
<b>TOTAL POWER PROD EXPENSES</b>	1,192,215.05	2,595,827.93	10,044,745.37	11,313,497.06		
<b>TRANSMISSION EXPENSES</b>						
Transmission - Operation	22,246,592.78	71,265,591.82	221,325,460.28	262,319,802.71		
Transmission - Maintenance	(270,782.08)	(910,441.20)	(3,089,841.80)	(3,535,756.87)		
<b>TOTAL TRANSMISSION EXPENSES</b>	132,449.53	452,370.73	(1,825,068.52)	2,172,486.82		
<b>DISTRIBUTION EXPENSES</b>						
Distribution - Operation	(138,332.55)	(458,070.47)	(1,264,773.28)	(1,363,270.06)		
Distribution - Maintenance	259,625.07	1,270,471.72	5,208,864.84	6,297,129.82		
<b>TOTAL DISTRIBUTION EXPENSES</b>	1,865,308.59	3,808,892.39	13,776,228.37	15,917,323.77		
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	2,124,933.66	5,077,364.11	18,985,093.20	22,214,453.60		
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	939,282.44	2,322,864.31	7,447,094.88	8,672,087.43		
<b>TOTAL SALES EXPENSES</b>	125,056.79	290,286.77	1,081,963.83	1,326,007.51		
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>	847.01	2,172.89	8,781.95	9,458.37		
Admins & General - Operations	1,937,996.66	5,919,846.28	18,678,832.81	21,656,747.50		
Admin & General - Maintenance	187,374.11	423,478.68	1,195,372.67	1,592,862.86		
<b>TOTAL ADMIN &amp; GENERAL EXPS</b>	2,125,370.77	6,343,324.97	19,874,205.48	23,249,610.16		
<b>TOTAL FACTORED ACCTS REC EXPS</b>	171,175.83	570,777.79	2,130,478.87	2,524,360.37		
<b>(GAIN) LOSS</b>						
GAINS FROM DISPOSAL OF UT PLT	(92.78)	(276.37)	(827.90)	(1,091.90)		
LOSSES FROM DISP. OF UTIL PLT	0.00	0.00	0.00	0.00		
GAINS FROM DISP OF ALLOWANCES	(442,914.44)	(1,000,414.57)	(1,491,481.28)	(2,274,320.25)		
LOSSES FROM DISP. OF ALLOWANCE	0.00	372.80	450.96	450.96		
<b>TOTAL (GAIN) LOSS</b>	(443,007.23)	(1,000,320.14)	(1,491,956.22)	(2,274,961.19)		
<b>TOTAL OPERATION EXPENSES</b>	23,780,572.22	77,135,421.32	241,254,932.07	285,661,378.58		
<b>TOTAL MAINTENANCE EXPENSES</b>	3,377,347.28	7,278,566.73	26,841,414.82	30,966,170.31		
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	27,157,919.50	84,413,988.04	268,096,346.99	316,677,548.89		

Kentucky Power Company  
Taxes Applicable To Operating Income  
October 31, 2004

e 9

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED October 31, 2004	THREE MONTHS ENDED October 31, 2004	YEAR TO DATE October 31, 2004	TWELVE MONTHS ENDED October 31, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	222,770.89	533,783.08	1,779,267.86	2,031,047.81
4081003	Federal Unemployment Tax	178.83	261.58	22,655.18	22,665.80
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	23.35
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100503	Real & Personal Property Taxes	0.00	0.00	96,721.07	1,165,531.70
408100504	Real & Personal Property Taxes	570,600.00	1,714,748.74	5,708,948.74	5,709,932.89
408100599	Real & Personal Property Taxes	884.96	884.96	884.96	884.96
4081007	State Unemployment Tax	0.00	0.00	0.00	0.00
408100801	State Franchise Taxes	93.92	137.72	13,010.51	13,014.49
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00
408100803	State Franchise Taxes	0.00	0.00	0.00	0.00
408100804	State Franchise Taxes	0.00	0.00	0.00	5,251.00
408101000	State Franchise Taxes	0.00	0.00	0.00	1,724.00
408101000	State Excise Taxes	11,900.00	24,100.00	68,800.00	68,800.00
408101702	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101703	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101704	St Lic/Rgstn Tax/Fees	0.00	0.00	0.00	0.00
408101802	St Publ Serv Comm Tax/Fees	0.00	100.00	375.00	375.00
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101901	State Sales and Use Taxes	42,035.00	126,105.00	263,826.80	351,770.80
408101902	State Sales and Use Taxes	0.00	0.00	168,140.00	168,140.00
408101904	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408102702	Misc State and Local Taxes	14.91	61.19	61.19	0.00
408102901	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	61.19
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102903	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
4081033	Fringe Benefit Loading - FICA	14,576.00	0.00	7,842.19	(1,675.64)
4081034	Fringe Benefit Loading - FICA	(87,453.50)	46,031.65	148,063.65	33,661.81
4081035	Fringe Benefit Loading - FUT	(1,528.18)	(196,178.30)	(566,018.84)	148,063.65
408103604	Fringe Benefit Loading - SUT	(492.63)	(3,867.47)	(11,699.56)	(687,591.99)
	Real Prop Tax-Cap Leases	916.00	(1,098.10)	(3,154.57)	(13,583.91)
	TOTAL OTHER TAXES-FED & STATE	774,496.00	2,248,380.35	7,705,446.47	9,042,237.79
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
409100202	Income Taxes, UOI - State	0.00	0.00	0.00	(1,304,555.00)
409100203	Income Taxes, UOI - State	0.00	0.00	0.00	(228,700.00)
409100204	Income Taxes, UOI - State	(68,830.00)	11,610.00	990,920.00	990,920.00
	TOTAL ST, LOC & FOR INC TAXES	(68,830.00)	11,610.00	990,920.00	(543,335.00)
<b>FEDERAL INCOME TAXES</b>					
4091001	Income Taxes, UOI - Federal	(558,487.80)	(4,419,076.10)	(415,028.10)	1,002,061.90
4101001	Prov Def/IT Util Op Inc-Fed	(56,342,978.44)	(39,260,272.44)	22,474,271.58	48,109,195.56
4111001	Prv Def/IT-Cr Util Op Inc-Fed	55,962,922.91	41,663,432.81	(14,701,928.08)	(40,110,677.09)
4114001	ITC Adj, Utility Oper - Fed	(97,405.00)	(292,215.00)	(974,050.00)	(1,164,260.00)
	TOTAL FEDERAL INCOME TAXES	(1,045,948.33)	(2,308,130.63)	6,363,264.37	7,836,320.37
<b>TOTAL TAXES APPLIC TO OPER INC</b>					
		(340,263.33)	(48,140.28)	15,079,630.84	16,335,223.16



Kentucky Power Company  
Taxes Applicable to Net Income & Deductions  
October 31, 2004

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ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED October 31, 2004	THREE MONTHS ENDED October 31, 2004	YEAR TO DATE October 31, 2004	TWELVE MONTHS ENDED October 31, 2004
GLR1210S					
108201404	TAXES OTHER THAN INC TAX				
1082020	SLic/Rgistration Tax/Fees	0.00	0.00	0.00	275.00
1082021	Frg Ben Loading - FICA	0.00	0.00	0.00	0.00
	Frg Ben Loading - FUT	0.00	0.00	0.00	0.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	0.00	275.00
1092001	FEDERAL INC TAXES - OI&D				
1102001	Inc Tax, Oth Inc&Ded-Federal	585,098.16	1,963,765.16	1,973,701.16	(923,927.84)
1112001	Prov Def /VT Oth I&D - Federal	(16,851,825.25)	(14,312,303.25)	1,946,238.75	6,731,038.75
111200189	Prv Def /IT-Cr Oth I&D-Fed	16,257,990.80	12,284,249.80	(4,166,228.20)	(9,312,190.20)
1115001	Cum Eff Acct Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
	ITC Adj, Non-Util Oper - Fed	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(8,736.29)	(64,288.29)	(246,288.29)	(41,488.00)
109200201	STATE INC TAXES - OI&D				
	Inc Tax, Oth Inc & Ded - State	0.00	0.00	0.00	0.00
	TOTAL STATE INC TAXES - OI&D	0.00	0.00	0.00	0.00
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(8,736.29)	(64,288.29)	(246,013.29)	(1,546,292.29)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - October, 2004

GLR7210V

11/11/04 07:38

UTILITY PLANT		BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101106	GENERATION	456,362,227.46	10,629,478.63	(2,967,421.82)	0.32	0.00	464,024,284.59
	TOTAL PRODUCTION	<u>456,362,227.46</u>	<u>10,629,478.63</u>	<u>(2,967,421.82)</u>	<u>0.32</u>		<u>464,024,284.59</u>
101106	TRANSMISSION	379,640,578.89	5,666,235.82	(1,102,507.68)	0.00	0.00	384,204,307.03
101106	DISTRIBUTION	476,850,589.13	18,619,449.16	(15,484,786.60)	0.00	(22,125.00)	479,871,126.69
	TOTAL (ACCOUNTS 101 & 106)	<u>1,312,861,395.48</u>	<u>34,915,163.61</u>	<u>(19,554,716.10)</u>	<u>0.32</u>	<u>(22,125.00)</u>	<u>1,328,199,718.31</u>
1011001	CAPITAL LEASES	12,699,625.86	0.00	0.00	(1,223,473.39)	0.00	11,476,152.48
1011001	CAPITAL LEASES	12,699,625.86	0.00	0.00	(1,223,473.38)	0.00	11,476,152.48
102	ELECTRIC PLT PURCHASED OR ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
1140001	ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL ELECTRIC PLANT IN SER	<u>1,325,561,021.34</u>	<u>34,915,163.61</u>	<u>(19,554,716.10)</u>	<u>(1,223,473.06)</u>	<u>(22,125.00)</u>	<u>1,339,675,870.79</u>
1050001	PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.00
107000X	CONSTRUCTION WORK IN PROGRESS:						
107000X	BEG. BAL.	17,322,607.58					
107000X	ADDITIONS		29,965,404.76				
107000X	TRANSFERS		(34,915,163.61)				
107000X	END. BAL.		<u>(4,949,758.85)</u>				12,372,848.73
	TOTAL ELECTRIC UTILITY PLANT	<u>1,349,746,447.92</u>	<u>29,965,404.76</u>	<u>(19,554,716.10)</u>	<u>(1,223,473.06)</u>	<u>(22,125.00)</u>	<u>1,358,811,638.52</u>
NONUTILITY PLANT							
1210001	NONUTILITY PROPERTY-OWNED	974,253.00	0.00	0.00	0.00	22,125.00	996,378.00
1210002	NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-29	OTHER INVESTMENTS	4,594,778.41	0.00	0.00	0.00	0.00	4,594,778.41
	TOTAL NONUTILITY PLANT	<u>5,569,031.41</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22,125.00</u>	<u>5,591,156.41</u>



**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - SEPTEMBER 2004**



OCT 26 2004

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

October 22, 2004

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed September 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

A handwritten signature in cursive script that reads 'Craig Adelman'.

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure  
Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
September 30, 2004

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	September 30, 2004	September 30, 2004	September 30, 2004	September 30, 2004
OPERATING REVENUES				
SALES TO NON AFFILIATES	30,066,082.14	100,477,353.03	301,412,482.05	396,319,382.66
SALES TO AFFILIATES	3,923,057.43	13,027,227.18	32,011,737.74	42,324,080.89
GROSS OPERATING REVENUES	33,989,139.57	113,504,580.19	333,424,219.79	438,643,463.55
TOTAL OPERATING REVENUES, NET	33,989,139.57	113,504,580.19	333,424,219.79	438,643,463.55
OPERATING EXPENSES				
OPERATIONS				
FUEL	11,449,571.61	28,379,673.10	75,498,052.90	96,652,280.68
PURCHASED POWER NON AFFIL	108,094.48	358,684.95	1,118,086.27	1,362,228.49
PURCHASED POWER AFFILIATED	12,530,770.74	37,366,957.67	101,730,300.87	135,131,235.09
OTHER OPERATION	4,093,978.70	12,846,333.60	39,127,920.01	50,102,246.57
MAINTENANCE	1,680,633.11	5,925,140.98	23,464,087.64	30,194,524.16
TOTAL OPERMAINT EXPENSES	29,863,048.65	85,878,790.29	240,938,427.49	313,442,515.18
DEPRECIATION AND AMORTIZATION	3,672,925.35	11,003,565.78	32,767,770.91	43,423,823.15
TAXES OTHER THAN INCOME TAXES	738,196.49	2,208,154.70	6,930,851.47	8,977,108.29
STATE, LOCAL & FOREIGN INCOME TAXES	(221,160.00)	382,800.00	1,059,750.00	(940,925.00)
FEDERAL INCOME TAXES	(2,267,570.30)	541,863.70	7,429,212.70	8,493,116.70
TOTAL OPERATING EXPENSES	31,785,440.19	100,024,994.47	289,126,112.57	373,495,638.33
NET OPERATING INCOME	2,203,699.38	13,479,585.72	44,298,107.22	65,147,825.22
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME	621,032.29	591,023.25	2,214,973.14	(186,259.74)
OTHER INCOME DEDUCTIONS	(762,457.47)	(695,240.79)	(2,672,262.12)	(3,241,812.09)
INC TAXES APPL TO OTH INC&DED	62,588.00	143,133.00	237,552.00	1,823,811.00
NET OTHR INCOME AND DEDUCTIONS	(78,836.18)	(161,084.54)	(219,736.98)	(1,804,260.83)
INCOME BEFORE INTEREST CHARGES	2,124,863.20	13,318,501.18	44,078,370.24	63,343,564.39
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT	2,230,681.05	6,702,305.65	20,359,904.45	27,016,941.74
INT SHORT TERM DEBT - AFFIL	(50,983.90)	3,086.26	303,289.84	446,797.38
INT SHORT TERM DEBT - NON-AFFL	45,602.32	62,772.14	284,696.79	345,757.03
AMORT OF DEBT DISC, PREM & EXP	92,386.03	277,188.09	831,584.07	1,202,681.75
AMORT LOSS ON REACQUIRED DEBT	5,815.20	16,845.60	50,536.80	67,382.37
OTHER INTEREST EXPENSE	58,611.99	173,088.06	582,945.62	706,836.17
TOTAL INTEREST CHARGES	2,382,122.69	7,235,296.80	22,412,947.57	29,788,398.44
AFUDC BORROWED FUNDS - CR	(25,980.99)	(77,075.02)	(173,879.24)	(131,159.09)
NET INTEREST CHARGES	2,356,141.70	7,158,221.78	22,239,068.33	29,657,239.35
NET EXTRAORDINARY ITEMS				
NET INCOME BEFORE PEF DIV	(231,278.50)	6,160,279.40	21,839,301.91	33,686,325.04
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CMMN STK	(231,278.50)	6,160,279.40	21,839,301.91	33,686,325.04

GLR1100S

10/13/04 16:55

Kentucky Power Company  
Balance Sheet - Assets  
September 30, 2004

GLR1500S

DESCRIPTION	MONTH END BALANCES	
	September 30, 2004	December 31, 2003
		10/13/04 16:55
ELECTRIC UTILITY PLANT		
PRODUCTION	461,980,198.87	457,341,009.30
TRANSMISSION	384,400,443.64	381,354,147.96
DISTRIBUTION	436,788,132.77	425,687,726.11
GENERAL	59,662,054.41	68,040,956.97
CONSTRUCTION WORK IN PROGRESS	13,538,761.64	17,322,607.58
TOTAL ELECTRIC UTILITY PLANT	1,356,349,591.34	1,349,746,447.92
LESS ACCUM PRV-DEPR, DEPL, AMORT	(422,618,719.13)	(408,016,522.59)
NET ELECTRIC UTILITY PLANT	933,730,872.21	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	19,189,891.34	16,134,242.13
NET NONUTILITY PROPERTY	5,440,202.48	5,423,079.77
TOTAL OTHER INVESTMENTS	397,315.27	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	25,027,409.09	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	653,928.20	886,067.16
ADVANCES TO AFFILIATES	37,778,800.32	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	16,212,762.01	17,793,158.78
A/P FOR UNCOLLECTIBLE ACCOUNTS	2,303,061.88	3,481,369.15
ACCOUNTS RECEIVABLE- ASSOC COS	(25,151.54)	(736,031.99)
FUEL	19,629,511.22	25,327,057.84
MATERIALS & SUPPLIES	6,873,137.32	9,481,117.33
ACCRUED UTILITY REVENUES	19,308,068.75	16,584,927.95
ENERGY TRADING CONT CURR ASSET	3,460,756.26	5,533,840.37
PREPAYMENTS	21,544,575.25	16,199,996.44
OTHER CURRENT ASSETS	1,231,173.49	669,688.75
TOTAL CURRENT ASSETS	2,308,100.04	3,686,076.31
REGULATORY ASSETS	131,279,723.19	98,907,269.08
TOTAL REGULATORY ASSETS	126,531,074.16	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	49,150,186.21	53,742,712.79
TOTAL ASSETS	1,265,719,264.85	1,238,601,445.94

Kentucky Power Company  
Balance Sheet - Capitalization and Liabilities  
September 30, 2004

GLR1700S

DESCRIPTION	MONTH END BALANCES	
	September 30, 2004	December 31, 2003
<b>CAPITALIZATION</b>		
<b>COMMON STOCK</b>		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
<b>COMMON STOCK</b>	50,450,000.00	50,450,000.00
<b>PAID-IN CAPITAL</b>		
RETAINED EARNINGS	201,531,713.43	202,537,605.45
<b>COMMON SHAREHOLDERS' EQUITY</b>	69,989,899.32	64,150,582.93
	321,971,602.75	317,138,188.38
<b>LT DEBT (LESS AMT DUE IN 1 YR)</b>		
LONG-TERM DEBT LESS AMT DUE 1 YR	508,592,651.62	487,601,625.00
<b>TOTAL CAPITALIZATION</b>	830,564,254.37	804,739,813.38
<b>OTHER NONCURRENT LIABILITIES</b>		
OBLIGATIONS UNDER CAP LEASE	2,986,883.75	3,548,992.91
ACCUMULATED PROVISIONS - MISC	13,050,758.47	13,999,494.26
<b>TOTAL OTH NONCURRENT LIAB'S</b>	16,037,642.22	17,548,487.17
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	38,095,519.39
AP - GENERAL	28,198,319.26	22,802,341.50
AP- ASSOC. COS.	23,913,304.78	22,647,841.61
CUSTOMER DEPOSITS	12,722,313.30	9,894,337.18
TAXES ACCRUED	11,340,684.61	7,329,064.07
INTEREST ACCRUED	9,074,366.22	6,915,363.28
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,618,195.56	1,742,670.84
ENERGY TRADING CONT CURR LIAB	22,543,163.46	11,703,584.83
OTHR CURR & ACCRUED LIAB	8,222,347.46	8,628,745.47
<b>TOTAL CURRENT LIABILITIES</b>	117,632,694.65	129,759,468.17
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	257,546,532.49	247,385,404.06
DEF INVESTMENT TAX CREDITS	7,078,131.00	7,954,776.00
<b>REGULATORY LIABILITIES</b>	21,767,290.97	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	14,452,863.66	12,362,838.56
CUSTOMER ADVANCES FOR CONSTR	59,250.00	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	560,605.49	365,734.36
<b>TOTAL OTHER DEFERRED CREDITS</b>	15,082,719.15	12,778,424.70
<b>TOTAL DEF CREDITS &amp; REG LIAB'S</b>	301,484,673.61	286,553,677.22
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	1,265,719,254.85	1,238,601,445.94



Kentucky Power Company  
Statement of Retained Earnings  
September 30, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		September 30, 2004	December 31, 2003
GLR17105			10/13/04 16:56
	BALANCE AT BEGINNING OF YEAR	64,150,582.93	48,268,596.38
	NET INCOME (LOSS)	21,839,301.91	32,330,250.50
	TOTAL	85,989,884.84	80,598,846.88
4380001	DEDUCTIONS:		
	Div Declrd - Common Stk - Asso	(15,999,995.52)	(16,448,263.95)
	DIVIDEND DECLARED ON COMMON	(15,999,995.52)	(16,448,263.95)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	(15,999,995.52)	(16,448,263.95)
	BALANCE AT END OF PERIOD (A)	69,989,889.32	64,150,582.93
	<u>(A) REPRESENTS THE FOLLOWING -</u>		
2150000	BALANCE AT END OF PERIOD		
2151000	Appropriated Retained Earnings	0.00	0.00
	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	5,839,306.39	15,881,988.55
	TOTAL UNAPPR RETND ERNGS	69,989,889.32	64,150,582.93
216.1	Unapprp Undistribtd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISSTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	69,989,889.32	64,150,582.93

Kentucky Power Company  
Deferred Credits  
September 30, 2004

GLR1860S ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		September 30, 2004	December 31, 2003
	<b>ENERGY TRADING CONTRACTS</b>		
2440002	LT Unreal Losses - Non Affil	13,378,408.34	11,879,409.44
2440004	LT Unreal Losses - Affil	707,663.00	0.00
2440010	LT Option Premium Receipts	35,425.32	24,654.12
2450002	LT Unreal Losses - Hedge	331,367.00	458,775.00
	<b>LT ENERGY TRADING CONTRACTS</b>	<b>14,452,863.66</b>	<b>12,362,838.56</b>
	<b>CUSTOMER ADVANCES FOR CONSTRUCTION</b>		
2520000	Customer Adv for Construction	59,250.00	49,851.78
	<b>TOTAL CUSTOMER ADVANCES FOR CONSTRUCTION</b>	<b>59,250.00</b>	<b>49,851.78</b>
	<b>OTHER DEFERRED CREDITS</b>		
2530000	Other Deferred Credits	51,936.40	0.00
2530004	Allowances	0.25	4,275.05
2530050	T.V. Pole Attachments	163,325.58	67,406.83
2530092	Defd Gain - Fiber Optic Leases	189,685.75	191,027.65
2530093	Def Carry Chg - Defd RTO Costs	175,657.51	103,024.83
	<b>TOTAL OTHER DEFERRED CREDITS</b>	<b>580,605.49</b>	<b>365,734.36</b>
	<b>ACCUMULATED DEFERRED INCOME TAXES</b>		
2821001	Accum Defd FIT - Utility Prop	120,948,194.00	115,095,820.00
2823001	Acc Dfrd FIT FAS 109 Flow Thru	48,616,225.00	48,188,572.00
2824001	Acc Dfrd FIT - SFAS 109 Excess	(2,074,376.00)	(2,314,064.00)
2830006	ADIT Federal - SFAS 133 Nonaff	220,209.49	472,364.06
2831001	Accum Deferred FIT - Other	12,455,278.00	11,024,855.00
2832001	Acc Dfrd FIT - Oth Inc & Ded	2,660,740.00	3,697,533.00
2833001	Acc Dfrd FIT FAS 109 Flow Thru	38,763,262.00	37,685,324.00
2833002	Acc Dfrd SIT FAS 109 Flow Thru	35,957,000.00	33,535,000.00
	<b>TOTAL ACCUMULATED DEFERRED INCOME TAX CREDITS</b>	<b>257,546,532.49</b>	<b>247,385,404.06</b>
	<b>ACCUMULATED DEFERRED INVESTMENT TAX CREDITS</b>		
2850001	Accum Deferred ITC - Federal	7,076,131.00	7,954,776.00
	<b>TOTAL ACCUMULATED DEFERRED INVESTMENT TAX CREDITS</b>	<b>7,076,131.00</b>	<b>7,954,776.00</b>
	<b>REGULATORY LIABILITIES</b>		
		21,767,290.97	18,435,072.46
	<b>TOTAL DEFERRED CREDITS &amp; REGULATORY LIABILITIES</b>	<b>301,484,673.61</b>	<b>286,553,677.22</b>

Kentucky Power Company  
Operating Revenues  
September 30, 2004

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED September 30, 2004	THREE MONTHS ENDED September 30, 2004	YEAR TO DATE September 30, 2004	TWELVE MONTHS ENDED September 30, 2004
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Htg	4,719,828.00	16,867,932.24	80,756,081.63	81,933,903.51
4400002	Residential Sales-W/O Space Htg	3,161,739.37	11,690,138.83	33,815,563.51	43,871,895.91
	Residential Sales	7,881,568.37	28,557,971.07	84,671,645.14	125,805,799.42
4420001	Commercial Sales	4,277,330.63	14,342,371.71	41,680,934.73	54,488,502.61
4420002	Industrial Sales (Excl Mines)	5,078,217.91	16,520,443.36	45,812,607.71	59,380,381.36
4420004	Ind Sales-NonAff(Inc Mines)	3,300,823.44	10,561,103.76	32,327,231.35	43,684,290.86
4420006	Sales to Pub Auth - Schools	897,120.80	2,319,369.20	7,180,493.51	9,544,585.29
4420007	Sales to Pub Auth - Ex Schools	700,824.04	2,254,628.62	8,708,090.87	9,747,778.25
	COMMERCIAL & INDUSTRIAL SALES	14,254,316.82	45,997,914.55	133,489,348.17	175,845,648.37
	SALES - AFFILIATED	0.00	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	81,042.45	248,372.91	740,972.50	983,310.54
	Public & Other Sales	81,042.45	248,372.91	740,972.50	983,310.54
	TOTAL RETAIL SALES	22,216,927.64	74,804,258.53	228,781,966.61	302,644,668.33
<b>SALES FOR RESALE</b>					
4470002	Sales for Resale - NonAssoc	1,308,111.05	4,974,494.65	17,024,678.94	20,965,366.49
4470004	Sales for Resale-Nonaff-Ancl	84,439.80	209,637.87	847,522.36	831,139.34
4470005	Sales for Resale-Nonaff-Transm	757,765.01	2,488,003.34	7,659,145.88	9,812,529.84
4470006	Sales for Resale-Bookout Sales	27,742,758.53	121,479,713.01	351,212,296.75	438,444,829.59
4470007	Sales for Resale-Option Sales	182,701.77	1,837,198.82	4,587,721.04	6,608,061.34
4470010	Sales for Resale-Bookout Purch	(27,321,708.08)	(118,583,937.06)	(344,170,846.98)	(430,143,477.32)
4470011	Sales for Resale-Option Purch	(384,089.05)	(2,895,127.81)	(7,298,088.74)	(8,342,585.03)
4470027	Whse/Munipb Aff Fuel Rev	107,931.02	342,477.94	913,766.15	1,181,808.47
4470028	Sale/Resale - NA - Fuel Rev	5,992,998.28	17,540,173.64	50,425,789.43	63,548,578.80
4470033	Whse/Munipub Auth Base Rev	124,787.93	426,171.66	1,305,280.45	1,705,714.65
4470054	Purch Pwr Phys Trad - Non Assoc	(1,879,958.60)	(6,519,018.06)	(23,553,289.05)	(27,432,111.83)
4470066	PWR Trading Trans Exp-NonAssoc	(44,816.00)	(269,507.00)	(648,046.00)	(790,855.00)
4470072	Sales for Resale - Hedge Trans	1.00	13,355.00	(878,259.00)	(659,071.00)
4470081	Financial Spark Gas - Realized	(428,708.57)	(321,945.22)	(392,194.02)	(404,319.87)
4470082	Pool Sales to Dow Pk-Affl	41,351.17	159,533.91	195,221.78	271,204.86
4470088	SALES FOR RESALE-NONAFFILIATED	84,365.14	84,365.14	84,365.14	84,365.14
		5,958,118.50	20,756,376.89	57,377,244.11	73,977,175.27
4470001	Sales for Resale - Assoc Cos	44,124.48	188,360.06	683,812.02	9,798,187.71
4470014	Sis Resale-Ancillary Trans-Aff	2,353.43	6,950.51	20,801.55	28,481.88
4470015	Sis Resale-Transmission-Aff	25,587.10	75,508.50	225,982.35	309,316.40
4470035	Sis for Resl - Fuel Rev - Assoc	332,885.51	973,084.94	3,128,821.37	4,098,235.45
4470085	Purchased Power - Dow - Assoc	(84,365.14)	0.00	0.00	0.00
4470086	Sales for Resale-Affl Pool	3,568,908.00	11,882,571.00	27,650,084.00	27,650,084.00
	SALES FOR RESALE-AFFILIATED CO	3,889,473.38	12,926,475.01	31,709,481.29	41,894,286.44
	TOTAL SALES FOR RESALE	9,847,591.88	33,693,451.90	88,086,725.40	116,561,440.71
	TOTAL SALES OF ELECTRICITY	32,064,519.52	108,497,710.43	317,868,691.21	418,206,099.04
	TOTAL SLS OF ELECT AFT RFD PROV	32,064,519.52	108,497,710.43	317,868,691.21	418,206,099.04

Kentucky Power Company  
Operating Revenues  
September 30, 2004

GLR1110S

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED September 30, 2004	THREE MONTHS ENDED September 30, 2004	YEAR TO DATE September 30, 2004	TWELVE MONTHS ENDED September 30, 2004
	<b>OTHER OPERATING REVENUE</b>				
4560007	Oth Elect Rev - DSM Program	124,904.70	367,583.17	1,255,722.17	1,708,030.60
4560012	Oth Elect Rev - Nonaffiliated	0.00	0.00	0.00	0.00
4560013	Oth Elect Rev-Trans-Nonaffili	792,429.08	2,702,252.89	7,717,830.17	10,183,870.87
4560014	Oth Elect Revenues - Ancillary	74,686.99	258,255.92	694,781.20	877,744.47
4560015	Other Electric Revenues - ABD	530,011.90	632,285.34	1,778,447.92	2,411,092.24
4560027	Financial Trading Rev-Real	(133.77)	0.00	0.00	0.00
4560041	Miscellaneous Revenue-NonAff	133.77	1,265.14	1,265.14	1,265.14
4560049	Merch Generation Finan-Realtd	(100,955.97)	(415,985.25)	398,709.51	284,916.27
4560050	Oth Elec Rev-Coal Trd Rtd G-L	0.00	19.70	54,401.67	54,401.67
	<b>OTHER ELECTRIC REVENUES</b>	<b>1,421,075.71</b>	<b>3,745,858.90</b>	<b>11,901,167.68</b>	<b>15,631,321.26</b>
4540001	Rent From Elect Property - AI	33,584.05	100,752.15	302,256.45	439,815.45
4540002	Rent From Elect Property-NAC	249,158.50	656,309.84	1,967,035.71	2,655,598.41
4540004	Rent From Elect Prop-ABD-Nonaf	22,126.00	27,426.00	59,582.00	80,822.00
	<b>RENT FROM ELEC PROPERTY</b>	<b>304,868.55</b>	<b>785,487.99</b>	<b>2,328,874.16</b>	<b>3,176,235.86</b>
4500000	Forfeited Discounts	110,878.24	332,448.18	1,082,084.70	1,434,367.97
4510001	Misc Service Rev - Nonaffili	87,787.55	142,278.89	243,402.04	295,659.42
	<b>MISC REVENUES</b>	<b>198,675.79</b>	<b>474,726.07</b>	<b>1,325,486.74</b>	<b>1,730,027.39</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,924,620.05</b>	<b>5,006,868.76</b>	<b>15,655,628.58</b>	<b>20,437,384.61</b>
	<b>GROSS OPERATING REVENUES</b>	<b>33,989,139.57</b>	<b>113,604,660.19</b>	<b>333,424,219.79</b>	<b>438,643,463.65</b>
	<b>NET OPERATING REVENUES</b>	<b>33,989,139.57</b>	<b>113,504,580.19</b>	<b>333,424,219.79</b>	<b>438,643,463.55</b>

Kentucky Power Company  
Operating Expenses - Functional  
September 30, 2004

GLR1130S

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	September 30, 2004	September 30, 2004	September 30, 2004	September 30, 2004
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	11,449,571.61	29,379,873.10	75,498,052.90	98,652,280.88
Steam Power Operation	1,118,605.11	3,418,858.48	8,880,338.44	12,074,494.44
Steam Power Maintenance	12,586,176.72	32,796,531.57	84,378,391.34	109,726,775.31
TOTAL STEAM POWER GENERATION	568,615.08	1,978,372.20	6,852,530.32	11,201,362.46
	13,132,791.81	34,774,903.77	93,230,921.66	119,928,137.77
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	12,838,865.23	37,725,642.62	102,848,386.94	136,493,463.58
Other Expenses	23,556.36	59,821.45	175,757.65	214,472.43
TOTAL OTHER POWER SUPPLY EXPS	173,088.48	557,278.52	2,823,801.26	3,423,488.25
	12,835,510.05	38,342,742.59	105,847,945.85	140,131,424.27
<b>TOTAL POWER PROD EXPS-OPER</b>	25,401,686.77	71,139,274.16	190,228,337.19	248,858,199.58
<b>TOTAL POWER PROD EXPS-MAINT</b>	566,615.09	1,978,372.20	8,852,530.32	11,201,362.46
<b>TOTAL POWER PROD EXPENSES</b>	25,968,301.86	73,117,646.36	199,078,867.51	260,059,562.04
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(280,370.67)	(937,245.85)	(2,818,058.72)	(3,559,583.59)
Transmission - Maintenance	137,721.41	722,897.20	1,892,818.99	2,194,170.93
TOTAL TRANSMISSION EXPENSES	(142,649.26)	(214,348.65)	(1,126,440.73)	(1,365,412.66)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	487,475.87	1,628,770.16	4,949,239.77	6,314,858.96
DISTRIBUTION - MAINTENANCE	858,557.97	2,894,714.98	11,910,919.78	15,220,466.22
TOTAL DISTRIBUTION EXPENSES	1,346,033.84	4,523,485.14	16,860,159.55	21,535,325.18
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	617,276.23	2,084,427.41	6,507,812.44	8,523,483.71
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	73,239.71	241,474.98	956,907.04	1,344,480.44
<b>TOTAL SALES EXPENSES</b>	504.29	1,761.55	7,934.94	8,038.73
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admin & General - Operations	1,680,222.79	5,728,861.31	16,740,836.15	21,021,411.50
Admin & General - Maintenance	117,738.63	329,366.60	1,007,998.56	1,578,524.54
TOTAL ADMIN & GENERAL EXPS	1,807,961.42	6,058,217.92	17,748,834.71	22,599,936.04
<b>TOTAL FACTORED ACCTS REC EXPS</b>	192,464.92	623,732.63	1,953,303.04	2,668,137.64
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(92.79)	(278.37)	(835.11)	(1,081.11)
LOSSES FROM DISP. OF UTIL PLT	0.00	0.00	0.00	0.00
GAINS FROM DISP OF ALLOWANCES	(0.13)	(557,504.61)	(1,048,566.84)	(1,831,405.81)
LOSSES FROM DISP. OF ALLOWANCE	8.55	375.94	450.96	450.96
TOTAL (GAIN) LOSS	(84.37)	(557,407.04)	(1,048,950.99)	(1,832,035.96)
<b>TOTAL OPERATION EXPENSES</b>	28,182,415.54	79,953,649.31	217,474,359.85	283,247,991.03
<b>TOTAL MAINTENANCE EXPENSES</b>	1,680,633.11	5,925,140.98	23,464,067.84	30,194,524.16
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	29,863,048.65	85,878,790.29	240,938,427.49	313,442,515.18

Kentucky Power Company  
Taxes Applicable To Operating Income  
September 30, 2004

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED September 30, 2004	THREE MONTHS ENDED September 30, 2004	YEAR TO DATE September 30, 2004	TWELVE MONTHS ENDED September 30, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	154,414.74	456,344.55	1,558,498.97	1,954,608.82
4081003	Federal Unemployment Tax	38.94	82.75	22,478.35	22,488.97
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	23.35
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100502	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
408100503	Real & Personal Property Taxes	573,548.74	1,714,748.74	96,721.07	1,888,694.70
408100598	Real & Personal Property Taxes	0.00	0.00	5,138,348.74	5,139,332.89
4081007	State Unemployment Tax	23.42	43.80	12,916.59	13,304.58
408100801	State Franchise Taxes	0.00	0.00	0.00	0.00
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00
408100803	State Franchise Taxes	0.00	0.00	0.00	5,251.00
408100804	State Franchise Taxes	0.00	0.00	0.00	6,324.00
408101000	State Excise Taxes	6,100.00	18,300.00	54,900.00	54,900.00
408101702	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101703	St Lic/Rgstrtion Tax/Fees	0.00	0.00	0.00	0.00
408101704	St Lic/Rgstrtion Tax/Fees	100.00	0.00	0.00	0.00
408101803	St Publ Serv Comm Tax/Fees	0.00	375.00	376.00	375.00
408101804	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	0.00
408101801	St Publ Serv Comm Tax/Fees	42,035.00	126,105.00	263,828.80	395,742.80
408101802	State Sales and Use Taxes	0.00	0.00	126,105.00	126,105.00
408101804	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408102702	Misc State and Local Taxes	41.81	46.28	46.28	46.28
408102801	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Real/Pers Prop Tax-Cap Leases	0.00	354.78	7,842.19	(1,575.64)
4081033	Fringe Benefit Loading - FICA	16,757.34	46,031.65	133,487.65	88,748.81
4081034	Fringe Benefit Loading - FUTA	(54,838.18)	(185,409.28)	(478,585.34)	(655,589.44)
4081035	Fringe Benefit Loading - SUTA	(1,185.51)	(3,318.70)	(10,170.38)	(13,336.79)
408103604	Real Prop Tax-Cap Leases	(309.90)	(860.16)	(2,681.74)	(3,828.79)
		1,478.29	3,310.29	8,806.29	8,806.29
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>738,186.49</b>	<b>2,208,154.70</b>	<b>6,930,951.47</b>	<b>8,977,108.29</b>
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>					
408100202	Income Taxes, UOI - State	0.00	0.00	0.00	(1,304,555.00)
408100203	Income Taxes, UOI - State	0.00	0.00	0.00	(598,120.00)
408100204	Income Taxes, UOI - State	(221,160.00)	392,800.00	1,058,760.00	1,058,750.00
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>(221,160.00)</b>	<b>392,800.00</b>	<b>1,058,760.00</b>	<b>(840,925.00)</b>
<b>FEDERAL INCOME TAXES</b>					
4081001	Income Taxes, UOI - Federal	(3,086,148.30)	(2,182,497.30)	143,458.70	(998,864.30)
41101001	Prov Def I/T Util Op Inc-Fed	9,085,577.00	24,131,445.00	78,817,250.00	112,955,337.00
41111001	Priv Def I/T-Cr Util Op Inc-Fed	(6,189,594.00)	(21,114,849.00)	(70,864,851.00)	(102,300,682.00)
4114001	ITC Adj. Utility Oper - Fed	(87,405.00)	(292,215.00)	(878,845.00)	(1,164,674.00)
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>(2,287,570.30)</b>	<b>541,883.70</b>	<b>7,429,212.70</b>	<b>8,493,118.70</b>
<b>TOTAL TAXES APPLIC TO OPER INC</b>					
		<b>(1,750,533.81)</b>	<b>3,142,638.40</b>	<b>15,419,914.17</b>	<b>16,629,289.99</b>

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
September 30, 2004

ACCOUNT NUMBER	DESCRIPTION	10/13/04 16:59		
		ONE MONTH ENDED September 30, 2004	THREE MONTHS ENDED September 30, 2004	YEAR TO DATE September 30, 2004
	TAXES OTHER THAN INC TAX			
408201404	SI Lic/Rgstrtion Tax/Fees	0.00	0.00	275.00
4082020	Fig Ben Loading - FICA	0.00	0.00	0.00
4082021	Fig Ben Loading - FUT	0.00	0.00	0.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	0.00	275.00
	FEDERAL INC TAXES - OI&D			
4092001	Inc Tax, Oth Inc&Ded-Federal	442,088.00	953,088.00	1,388,803.00
4102001	Prov Def/IT Oth I&D - Federal	1,217,734.00	4,587,278.00	18,789,065.00
4112001	Pvt Def/IT-Cr Oth I&D-Fed	(1,722,411.00)	(5,663,509.00)	(20,424,220.00)
411200199	Cum Eff Acct Chg-Prov DFT OI&D	0.00	0.00	0.00
4115001	ITC Adj, Non-Ulll Oper - Fed	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	(62,589.00)	(143,133.00)	(41,488.00)
	STATE INC TAXES - OI&D			
409200201	Inc Tax, Oth Inc & Ded - State	0.00	0.00	0.00
	TOTAL STATE INC TAXES - OI&D	0.00	0.00	0.00
	LOCAL INC TAXES - OI&D			
	TOTAL LOCAL INC TAXES - OI&D	0.00	0.00	0.00
	FOREIGN INC TAXES - OI&D			
	TOTAL FOREIGN INC TAXES - OI&D	0.00	0.00	0.00
	TOTAL TAXES APPLICABLE TO OI&D	(62,589.00)	(143,133.00)	(237,277.00)
				(1,623,836.00)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - SEPTEMBER 2004

GLR7210V		BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
	<b>UTILITY PLANT</b>						10/10/04 09:23
101/106	GENERATION	458,362,227.46	10,138,498.32	(2,941,879.18)	0.32	0.00	463,558,846.92
	TOTAL PRODUCTION	<u>458,362,227.46</u>	<u>10,138,498.32</u>	<u>(2,941,879.18)</u>	<u>0.32</u>		<u>463,558,846.92</u>
101/108	TRANSMISSION	379,640,578.89	4,446,241.52	(1,100,879.31)	0.00	0.00	382,985,941.10
101/106	DISTRIBUTION	476,858,589.13	16,044,215.19	(15,049,606.92)	0.00	(22,125.00)	477,831,072.40
	TOTAL (ACCOUNTS 101 & 106)	<u>1,312,861,395.48</u>	<u>30,628,955.03</u>	<u>(19,092,365.41)</u>	<u>0.32</u>	<u>(22,125.00)</u>	<u>1,324,375,860.42</u>
1011001	CAPITAL LEASES	12,699,025.86	0.00	0.00	(1,127,475.59)	0.00	11,572,150.28
102	ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00	0.00	0.00	0.00
1140001	ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL ELECTRIC PLANT IN SERVICE	<u>1,325,561,021.34</u>	<u>30,628,955.03</u>	<u>(19,092,365.41)</u>	<u>(1,127,475.27)</u>	<u>(22,125.00)</u>	<u>1,335,948,010.69</u>
1050001	PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00	0.00	0.00	6,862,819.00
107000X	CONSTRUCTION WORK IN PROGRESS:						
107000X	BEG. BAL.	17,322,607.58					
107000X	ADDITIONS		26,845,109.09				
107000X	TRANSFERS		(30,628,955.03)				
107000X	END. BAL.		<u>(3,783,845.94)</u>				13,538,761.64
	TOTAL ELECTRIC UTILITY PLANT	<u>1,349,746,447.93</u>	<u>26,845,109.09</u>	<u>(19,092,365.41)</u>	<u>(1,127,475.27)</u>	<u>(22,125.00)</u>	<u>1,356,349,591.34</u>
	<b>NONUTILITY PLANT</b>						
1210001	NONUTILITY PROPERTY-OWNED	974,253.00	0.00	0.00	0.00	22,125.00	996,378.00
1210002	NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00	0.00	0.00	0.00
1240025-29	OTHER INVESTMENTS	4,584,778.41	0.00	0.00	0.00	0.00	4,584,778.41
	TOTAL NONUTILITY PLANT	<u>5,569,031.41</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22,125.00</u>	<u>5,591,156.41</u>



KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - SEPTEMBER 2004

GLR7410V

10/10/04 09:21

UTILITY PLANT

NUCLEAR  
1080001/11  
1080009/10 OTHER DECOMMISSIONING COSTS

TOTAL NUCLEAR

1080001/11 PRODUCTION  
1080001/11 TRANSMISSION  
1080001/11 DISTRIBUTION  
1080005 RETIREMENT WORK IN PROGRESS  
TOTAL (108X accounts)

NUCLEAR  
1110001 PRODUCTION  
1110001 TRANSMISSION  
1110001 DISTRIBUTION  
TOTAL (111X accounts)

1011006 CAPITAL LEASES  
1150001 ACQUISITION ADJUSTMENT AMORT  
TOTAL ACCUM DEPR & AMORT.

NONUTILITY PLANT

1220001 Depr&Amrt of Nonutil Prop-Ownd  
1220003 Depr&Amrt of Nonutil Prop-WIP  
TOTAL NONUTILITY PLANT

	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REM/SALV COST	TRANSFER/ADJUSTMENTS	ENDING BALANCE
1080001/11 PRODUCTION	158,940,140.67	12,583,351.85	(2,941,879.18)	(4,452,831.92)	0.00	164,128,781.42
1080001/11 TRANSMISSION	107,429,075.45	4,846,444.10	(1,100,879.31)	(45,793.04)	0.00	111,128,847.20
1080001/11 DISTRIBUTION	134,139,822.22	11,868,958.14	(15,049,806.92)	(826,900.11)	(2.87)	130,160,270.46
1080005 RETIREMENT WORK IN PROGRESS	(5,467,138.48)	0.00	0.00	5,325,525.07	1,861,237.45	1,719,624.03
<b>TOTAL (108X accounts)</b>	<b>395,041,899.86</b>	<b>29,326,754.09</b>	<b>(19,092,365.41)</b>	<b>0.00</b>	<b>1,861,234.58</b>	<b>407,137,523.12</b>
1110001 PRODUCTION	857,524.02	1,122,120.59	0.00	0.00	0.00	1,979,644.61
1110001 TRANSMISSION	140,243.18	157,717.30	0.00	0.00	0.00	297,960.48
1110001 DISTRIBUTION	4,568,893.41	1,668,886.93	0.00	0.00	2.87	6,238,783.21
<b>TOTAL (111X accounts)</b>	<b>5,566,660.61</b>	<b>2,949,724.82</b>	<b>0.00</b>	<b>0.00</b>	<b>2.87</b>	<b>8,516,388.30</b>
1011006 CAPITAL LEASES	7,407,962.12	0.00	0.00	0.00	(443,154.41)	6,964,807.71
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL ACCUM DEPR &amp; AMORT.</b>	<b>408,016,622.59</b>	<b>32,276,478.91</b>	<b>(19,092,365.41)</b>	<b>0.00</b>	<b>1,418,083.04</b>	<b>422,618,719.13</b>
1220001 Depr&Amrt of Nonutil Prop-Ownd	148,258.55	5,002.29	0.00	0.00	0.00	153,260.84
1220003 Depr&Amrt of Nonutil Prop-WIP	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
<b>TOTAL NONUTILITY PLANT</b>	<b>145,951.64</b>	<b>5,002.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150,953.93</b>

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - AUGUST 2004**



**AMERICAN  
ELECTRIC  
POWER**

American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

September 27, 2004

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed August 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure

Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky Power Company  
Comparative Income Statement  
August 31, 2004

GLR1100S

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004

09/13/04 15:38  
Page 12 of 352

OPERATING REVENUES				
SALES TO NON AFFILIATES	33,766,026.90	105,144,878.92	271,346,399.91	393,170,200.42
SALES TO AFFILIATES	4,257,311.14	13,816,293.13	28,088,680.31	41,259,848.47
GROSS OPERATING REVENUES	38,023,337.04	118,961,173.05	299,435,080.22	434,430,048.89
TOTAL OPERATING REVENUES, NET	38,023,337.04	118,961,173.05	299,435,080.22	434,430,048.89
OPERATING EXPENSES				
OPERATIONS				
FUEL	8,577,206.25	27,428,238.51	64,048,481.29	89,547,387.42
PURCHASED POWER NON AFFIL	185,468.50	365,336.42	1,009,991.78	1,232,775.42
PURCHASE POWER AFFILIATED	12,120,357.50	36,463,877.66	89,199,528.93	134,738,981.05
OTHER OPERATION	4,309,401.31	13,177,831.55	35,033,941.31	50,379,304.97
MAINTENANCE	2,220,589.34	8,618,141.65	21,789,434.53	30,560,330.56
TOTAL OPER/MAINT EXPENSES	27,393,022.96	86,053,425.79	211,075,378.84	306,458,789.42
DEPRECIATION AND AMORTIZATION	3,869,109.11	10,974,322.80	29,094,845.56	43,269,742.78
TAXES OTHER THAN INCOME TAXES	735,688.86	2,241,330.12	6,192,754.98	9,097,546.63
STATE, LOCAL & FOREIGN INCOME TAXES	301,600.00	845,630.00	1,280,910.00	(701,155.00)
FEDERAL INCOME TAXES	1,006,388.00	3,551,340.00	9,698,783.00	10,857,209.00
TOTAL OPERATING EXPENSES	33,104,808.86	103,466,048.71	257,340,672.38	368,982,132.84
NET OPERATING INCOME	4,918,528.18	15,495,124.34	42,094,407.84	65,447,916.05
OTHER INCOME AND DEDUCTIONS				
OTHER INCOME				
OTHER INCOME DEDUCTIONS	174,784.65	(173,101.94)	1,593,940.85	537,576.10
INC TAXES APPL TO OTH INCDDED	(118,946.18)	(402,208.71)	(1,909,804.65)	(F,526,851.31)
NET OTHER INCOME AND DEDUCTIONS	(7,037.00)	237,189.00	174,963.00	1,107,517.00
	50,801.48	(338,139.65)	(140,900.80)	(881,758.27)
INCOME BEFORE INTEREST CHARGES	4,969,329.65	15,156,984.69	41,963,507.04	64,566,187.83
INTEREST CHARGES				
INTEREST ON LONG-TERM DEBT				
INT SHORT TERM DEBT - AFFIL	2,237,642.16	6,698,838.97	18,129,223.40	27,004,670.91
INT SHORT TERM DEBT - NON-AFFL	50,864.32	59,536.80	354,283.74	512,289.31
AMORT OF DEBT DISC, PREM & EXP	8,140.91	73,489.93	239,094.47	366,962.82
AMORT LOSS ON REACQUIRED DEBT	92,398.03	277,188.09	739,168.04	1,193,949.95
	5,615.20	16,845.60	44,921.60	67,382.33
OTHER INTEREST EXPENSE				
TOTAL INTEREST CHARGES	67,600.76	175,512.73	524,133.63	690,808.52
AFUDC BORROWED FUNDS - CR	2,452,259.38	7,301,412.12	20,030,824.88	29,836,063.65
NET INTEREST CHARGES	(28,547.75)	(69,705.82)	(147,898.25)	(109,250.84)
NET EXTRAORDINARY ITEMS	2,423,711.83	7,231,708.30	19,882,928.63	29,726,812.84
NET INCOME BEFORE PREF DIV	2,545,618.02	7,925,278.39	22,070,560.41	34,839,344.99
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00
NET INCOME - EARN FOR CHMN STK	2,545,618.02	7,925,278.39	22,070,560.41	34,839,344.99

Kentucky Power Company  
Balance Sheet - Assets  
August 31, 2004

GLR15009

DESCRIPTION	MONTH END BALANCES	
	August 31, 2004	December 31, 2003
ELECTRIC UTILITY PLANT		
PRODUCTION	460,448,747.78	457,341,009.30
TRANSMISSION	384,068,915.60	381,354,147.96
DISTRIBUTION	435,950,900.58	425,687,726.11
GENERAL	59,414,017.64	68,040,956.97
CONSTRUCTION WORK IN PROGRESS	13,494,333.18	17,322,607.58
TOTAL ELECTRIC UTILITY PLANT	1,353,377,914.78	1,349,746,447.92
LESS ACCUM PRV-DEPR, DEPL, AMORT	(419,814,900.64)	(408,016,522.59)
NET ELECTRIC UTILITY PLANT	933,563,014.14	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	19,019,135.01	18,134,242.13
NET NONUTILITY PROPERTY	5,440,758.29	5,423,079.77
TOTAL OTHER INVESTMENTS	397,484.37	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	24,857,357.67	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	986,092.52	886,067.16
ADVANCES TO AFFILIATES	23,521,069.52	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	19,806,488.10	17,793,158.78
ACCOUNTS RECEIVABLE - MISC	829,750.90	3,481,369.15
AP FOR UNCOLLECTIBLE ACCOUNTS	(78,654.41)	(736,031.99)
ACCOUNTS RECEIVABLE- ASSOC COS	20,436,865.22	25,327,057.84
FUEL	5,982,321.18	9,481,117.33
MATERIALS & SUPPLIES	19,735,075.26	16,584,927.95
ACCRUED UTILITY REVENUES	7,474,721.50	5,533,840.37
ENERGY TRADING CONT CURR ASSET	14,016,813.59	16,199,996.44
PREPAYMENTS	1,374,959.21	669,689.75
OTHER CURRENT ASSETS	1,367,469.55	3,696,076.31
TOTAL CURRENT ASSETS	115,452,972.12	98,907,269.08
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	124,215,657.36	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	49,358,590.70	53,742,712.79
TOTAL ASSETS	1,247,447,592.00	1,238,601,445.94

Kentucky Power Company  
 Balance Sheet - Capitalization and Liabilities  
 August 31, 2004

DESCRIPTION	MONTH END BALANCES	
	August 31, 2004	December 31, 2004
GLR1700S	09/13/04 15:38	
<b>CAPITALIZATION</b>		
COMMON STOCK		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares		
COMMON STOCK	50,450,000.00	50,450,000.00
PAID-IN CAPITAL		
RETAINED EARNINGS	201,784,270.21	202,537,605.45
COMMON SHAREHOLDERS' EQUITY	70,221,167.82	64,150,582.93
	322,455,438.03	317,138,188.38
LT DEBT (LESS AMT DUE IN 1 YR)		
LONG-TERM DEBT LESS AMT DUE 1 YR	507,856,410.44	487,601,625.00
TOTAL CAPITALIZATION	830,311,848.47	804,739,813.38
OTHER NONCURRENT LIABILITIES		
OBLIGATIONS UNDER CAP LEASE		
ACCUMULATED PROVISIONS - MISC	2,905,218.42	3,548,992.91
TOTAL OTH NONCURRENT LIAB'S	12,941,803.32	13,999,494.26
	15,847,021.74	17,548,487.17
CURRENT LIABILITIES		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	38,095,519.39
AP - GENERAL	27,501,539.74	22,802,341.50
AP-ASSOC. COS.	21,450,439.66	22,647,841.61
CUSTOMER DEPOSITS	11,663,724.22	9,894,337.18
TAXES ACCRUED	13,001,987.33	7,329,064.07
INTEREST ACCRUED	7,193,587.58	6,915,363.28
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,592,036.15	1,742,670.84
ENERGY TRADING CONT CURR LIAB	15,894,004.80	11,703,584.83
OTHR CURR & ACCRUED LIAB	7,931,632.65	8,628,745.47
TOTAL CURRENT LIABILITIES	106,228,952.12	129,759,468.17
DEF CREDITS & REGULATORY LIAB		
DEFERRED INCOME TAXES	256,640,079.22	247,385,404.06
DEF INVESTMENT TAX CREDITS	7,175,536.00	7,964,776.00
REGULATORY LIABILITIES	17,875,680.14	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	13,205,808.97	12,362,838.56
CUSTOMER ADVANCES FOR CONSTR	58,925.88	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	103,739.46	365,734.36
TOTAL OTHER DEFERRED CREDITS	13,368,474.31	12,778,424.70
TOTAL DEF CREDITS & REG LIAB'S	295,059,769.87	286,553,677.22
TOTAL CAPITAL & LIABILITIES	1,247,447,592.00	1,238,601,445.94

Kentucky Power Company  
Statement of Retained Earnings  
August 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		August 31, 2004	December 31, 2004
GLR1710S			09/13/04 15:39
	BALANCE AT BEGINNING OF YEAR	64,150,582.93	48,268,596.38
	NET INCOME (LOSS)	22,070,580.41	32,330,250.50
	TOTAL	86,221,163.34	80,598,846.88
	DEDUCTIONS:		
4380001	Div Decid - Common Stk - Asso	(15,999,995.52)	(16,448,263.95)
	DIVIDEND DECLARED ON COMMON	(15,999,995.52)	(16,448,263.95)
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00
	TOTAL DEDUCTIONS	(15,999,995.52)	(16,448,263.95)
	BALANCE AT END OF PERIOD (A)	70,221,167.82	64,150,582.93
	(A) REPRESENTS THE FOLLOWING -		
	BALANCE AT END OF PERIOD		
2150000	Appropriated Retained Earnings	0.00	0.00
2151000	Appr Retnd Erngs - Amrt Rsv, Fed	0.00	0.00
	TOTAL APPR RETND ERNGS	0.00	0.00
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38
2160002	Unapprp Retained Earnings Restr	0.00	0.00
	Net Income Transferred	6,070,584.89	15,881,986.55
	TOTAL UNAPPR RETND ERNGS	70,221,167.82	64,150,582.93
2161000	Unapprp Uhdistributd Sub Erngs	0.00	0.00
	Equity Erngs of Subsidiary Co	0.00	0.00
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00
	TOTAL RETAINED EARNINGS	70,221,167.82	64,150,582.93

Kentucky Power Company  
Deferred Credits  
August 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		August 31, 2004	December 31, 2004
GLR1860S			09/13/04 15:45
2440002	ENERGY TRADING CONTRACTS		
2440004	LT Unreal Losses - Non Affil	12,215,148.00	11,879,409.44
2440006	LT Unreal Losses - Affil	652,526.00	0.00
2440010	Long-Term Credit Reserve	0.00	0.00
2450002	L/T Option Premium Receipts	46,328.97	24,654.12
	LT Unreal Losses - Hedge	291,808.00	458,775.00
	LT ENERGY TRADING CONTRACTS	13,205,808.97	12,362,838.56
2520000	CUSTOMER ADVANCES FOR CONSTRUCTN		
	Customer Adv for Construction	58,925.88	49,851.78
	TOTAL CUST ADVANCES FOR CONSTR	58,925.88	49,851.78
2530000	OTHER DEFERRED CREDITS		
2530004	Other Deferred Credits	69,246.40	0.00
2530050	Allowances	(332,200.02)	4,275.05
2530092	T.V. Pole Attachments	10,180.33	67,406.83
2530093	Deid Gain - Fiber Optic Leases	189,834.85	191,027.65
	Def Carry Chg - Deid RTO Costs	166,677.90	103,024.83
	TOTAL OTHER DEFERRED CREDITS	103,739.46	365,734.36
2821001	ACCUM DEFERRED INCOME TAXES		
2823001	Accum Deid FIT - Utility Prop	120,295,946.00	115,095,820.00
2824001	Acc Dfird FIT FAS 109 Flow Thru	48,565,210.00	48,186,572.00
2830006	Acc Dfird FIT - SFAS 109 Excess	(2,101,008.00)	(2,314,064.00)
2831001	ADIT Federal - SFAS 133 Nonaff	242,050.22	472,364.06
2832001	Accum Deferred FIT - Other	12,472,778.00	11,024,855.00
2833001	Accum Dfird FIT - Ojh Inc & Ded	2,990,705.00	3,697,533.00
2833002	Acc Dfird FIT FAS 109 Flow Thru	38,601,398.00	37,685,324.00
	Acc Dfird SIT FAS 109 Flow Thru	35,573,000.00	33,535,000.00
	TOTAL ACCUM DEF INC TAX-CREDIT	256,640,779.22	247,385,404.06
2550001	ACCUM DEFERD INVEST TAX CREDITS		
	Accum Deferred ITC - Federal	7,175,536.00	7,954,776.00
	TOTAL ACCUM DEF INVEST TAX CR	7,175,536.00	7,954,776.00
	REGULATORY LIAB'S		
		17,875,680.14	18,435,072.46
	TOTAL DEFERD CREDITS & REG LIAB	295,059,769.67	286,553,677.22



Kentucky Power Company  
Operating Revenues  
August 31, 2004

GLR1110S

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED August 31, 2004	THREE MONTHS ENDED August 31, 2004	YEAR TO DATE August 31, 2004	TWELVE MONTHS ENDED August 31, 2004
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Hlp	5,741,414.45	17,425,180.71	56,036,252.63	81,882,746.83
4400002	Residential Sales-W/O Space Hl	4,013,602.21	12,513,217.34	30,853,824.14	43,849,023.37
	Residential Sales	9,755,016.66	29,938,408.05	86,890,076.77	125,731,770.20
4420001	Commercial Sales	4,908,811.48	15,029,912.94	37,353,804.10	54,046,473.87
4420002	Industrial Sales (Excl Mines)	5,441,854.27	16,896,745.19	40,534,399.80	58,182,394.91
4420004	Ind Sales-NonAff(Inc Mines)	3,728,310.62	10,516,163.94	29,028,407.81	43,285,864.53
4420006	Sales to Pub Auth - Schools	798,319.30	2,149,204.68	6,263,372.71	8,484,028.12
4420007	Sales to Pub Auth - Ex Schools	727,795.00	2,377,904.75	6,007,258.83	8,817,883.88
	COMMERCIAL & INDUSTRIAL SALES	15,665,090.67	48,971,831.50	119,219,031.35	173,626,166.29
4440000	SALES - AFFILIATED	0.00	0.00	0.00	0.00
	Public Street/Highway Lighting	83,857.81	250,858.27	659,830.05	990,111.89
	Public & Other Sales	83,857.81	250,858.27	659,830.05	990,111.89
	<b>TOTAL RETAIL SALES</b>	25,443,765.14	77,160,895.82	205,585,038.17	300,128,637.18
<b>SALES FOR RESALE</b>					
4470002	Sales for Resale - NonAssoc	1,616,413.59	6,802,303.84	15,716,587.89	20,840,952.25
4470004	Sales for Resale-Nonaff-Ancoc	89,298.81	218,784.28	503,082.48	843,315.93
4470005	Sales for Resale-Nonaff-Trenam	830,424.41	2,809,503.91	8,801,380.87	9,866,987.25
4470006	Sales for Resale-Bookout Sales	48,824,820.61	127,661,724.98	323,489,538.22	440,990,155.92
4470010	Sales for Resale-Option Purch	947,917.56	1,680,008.13	4,395,019.27	6,715,347.38
4470011	Sales for Resale-Option Purch	(47,845,001.73)	(124,146,787.19)	(318,846,838.91)	(435,828,219.71)
4470027	Whsar/Mun/Ph Auth Fuel Rev	(1,168,994.82)	(3,011,434.83)	(6,851,989.89)	(7,898,870.18)
4470023	Sale/Resale - NA - Fuel Rev	112,325.43	331,803.64	805,635.13	1,073,877.45
4470084	Whsar/Mun/Ph Auth Base Rev	5,687,857.61	17,592,511.84	44,832,793.15	63,161,785.31
4470088	Purch Pwr Phys/Trad - Non Assoc	146,393.40	436,541.75	1,180,472.92	1,580,928.72
4470072	PWR Trading Trans Exp-NonAssoc	(2,255,440.13)	(6,737,815.28)	(21,073,330.46)	(27,068,017.74)
4470077	Sales for Resale - Hedge Trans	(184,748.00)	(288,882.00)	(603,430.00)	(853,812.00)
4470081	Purchase Gas Conv - Affl	48,378.00	(18,934.00)	(878,280.00)	(453,876.00)
4470082	Financial Electric Realized	0.00	0.00	0.00	0.00
	SALES FOR RESALE-NONAFFILIATED	28,354.92	50,502.07	36,514.55	24,388.70
	SALES FOR RESALE-AFFILIATED	(147,841.44)	394,713.51	153,870.81	228,853.48
	SALES FOR RESALE-NONAFFILIATED	9,872,048.22	23,886,092.88	61,418,126.81	73,038,884.77
4470001	Sales for Resale - Assoc Cos	108,408.15	204,424.27	639,887.54	12,271,227.31
4470014	SK Resale-Auxiliary Trans-Aff	2,298.54	8,685.62	18,448.12	28,127.17
4470015	SK Resale-Transmission-Aff	24,970.70	74,912.10	200,415.25	305,860.14
4470035	Purchased Power - Dow - Assoc	318,931.51	959,833.85	2,785,335.86	4,037,208.31
4470085	Sales for Resale-Affl Pool	40,880.18	84,385.14	84,385.14	84,385.14
4470086	Sales for Resale-Affiliated CO	3,728,440.00	12,365,010.00	24,081,156.00	24,081,156.00
	SALES FOR RESALE-AFFILIATED CO	4,223,727.09	13,716,540.98	27,820,007.91	49,807,764.07
	<b>TOTAL SALES FOR RESALE</b>	10,896,773.31	37,351,633.66	79,238,133.52	113,843,348.84
	<b>TOTAL SALES OF ELECTRICITY</b>	36,339,538.45	114,482,629.48	285,804,171.89	413,971,986.02
	<b>TOTAL SLS OF ELECT AFT RFD PROV</b>	36,339,538.45	114,482,629.48	285,804,171.89	413,971,986.02

Kentucky P.C., Company  
Operating Revenues  
August 31, 2004

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED August 31, 2004	THREE MONTHS ENDED August 31, 2004	YEAR TO DATE August 31, 2004	TWELVE MONTHS ENDED August 31, 2004
<b>OTHER OPERATING REVENUE</b>					
4580007	Oil Elect Rev - DSM Program	123,997.75	391,297.43	1,130,817.47	1,694,627.05
4580012	Oil Elect Rev - Nonaffiliated	0.00	0.00	0.00	0.00
4580013	Oil Elect Rev - Trans-Nonaffil	925,596.75	2,808,016.73	8,925,401.08	10,278,941.88
4580014	Oil Elect Revenues - Ancillary	79,619.80	262,299.37	820,104.21	897,149.48
4580015	Other Electric Revenues - ABD	275,514.99	386,328.88	1,248,438.02	2,303,658.07
4580016	Financial Trading Rev-Unauthorized	0.01	0.00	0.00	0.00
4580027	Financial Trading Rev-Real	133.77	133.77	133.77	133.77
4580041	Miscellaneous Revenue-NonAffil	1,131.37	1,131.37	1,131.37	1,131.37
4580048	Merch Generation Finan - Realized	(100,876.50)	(531,324.12)	489,868.48	395,873.24
4580050	Oil Elec Rev-Coal Trd Rtd G-L	19.70	54,375.97	54,401.57	54,401.57
	<b>OTHER ELECTRIC REVENUES</b>	<b>1,305,036.64</b>	<b>3,342,242.60</b>	<b>10,480,091.97</b>	<b>16,626,917.43</b>
4540001	Rent From Elect Property - A/	33,584.05	100,752.15	288,672.40	452,084.40
4540002	Rent From Elect Property-NAC	204,720.98	628,696.29	1,717,877.21	2,650,412.82
4540004	Rent From Elect Prop-ABD-Nonaff	2,850.00	16,508.00	37,455.00	65,046.00
	<b>RENT FROM ELEC PROPERTY</b>	<b>240,955.03</b>	<b>745,944.44</b>	<b>2,024,005.61</b>	<b>3,167,543.22</b>
4500000	Forfeited Discounts	108,337.42	337,748.90	971,206.46	1,439,396.62
4510001	Misc Service Rev - Nonaffil	29,488.50	72,608.73	155,604.49	225,205.90
	<b>MISC REVENUES</b>	<b>137,806.92</b>	<b>410,358.63</b>	<b>1,126,810.95</b>	<b>1,664,602.22</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,663,788.58</b>	<b>4,488,543.67</b>	<b>13,630,908.53</b>	<b>20,468,052.87</b>
	<b>GROSS OPERATING REVENUES</b>	<b>38,023,337.04</b>	<b>118,961,173.05</b>	<b>299,436,080.22</b>	<b>434,430,048.89</b>
	<b>NET OPERATING REVENUES</b>	<b>38,023,337.04</b>	<b>118,961,173.05</b>	<b>299,436,080.22</b>	<b>434,430,048.89</b>

GLR11108

09/13/04 15:39

Kentucky Power Company  
Operating Expenses - Functional  
August 31, 2004

GLR11309

DESCRIPTION	ONE MONTH ENDED	THREE MONTHS ENDED	YEAR TO DATE	TWELVE MONTHS ENDED
	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	8,577,208.25	27,428,238.51	84,048,481.29	89,547,387.42
Steam Power Operation	1,159,362.05	3,328,404.21	7,763,733.33	12,010,158.48
Steam Power Maintenance	9,736,668.31	30,786,642.72	71,812,214.62	101,657,546.90
<b>TOTAL STEAM POWER GENERATION</b>	<b>10,473,238.61</b>	<b>31,543,285.44</b>	<b>83,624,429.24</b>	<b>103,215,092.80</b>
<b>OTHER POWER SUPPLY EXPENSES</b>				
<b>PURCHASED POWER</b>				
System Control & load Dispatch	12,285,826.00	36,828,214.08	90,209,521.71	135,871,766.47
Other Expenses	19,002.48	57,683.45	152,201.28	204,907.21
<b>TOTAL OTHER POWER SUPPLY EXPS</b>	<b>12,477,131.10</b>	<b>37,617,478.85</b>	<b>93,012,436.80</b>	<b>139,602,443.48</b>
<b>TOTAL POWER PROD EXPS-OPER</b>	<b>22,221,899.41</b>	<b>68,374,121.37</b>	<b>164,824,560.42</b>	<b>241,169,990.38</b>
<b>TOTAL POWER PROD EXPS-MAINT</b>	<b>838,997.78</b>	<b>2,606,134.40</b>	<b>8,286,916.23</b>	<b>11,397,398.90</b>
<b>TOTAL POWER PROD EXPENSES</b>	<b>23,060,897.19</b>	<b>70,879,285.77</b>	<b>173,110,566.65</b>	<b>262,567,389.28</b>
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(359,288.46)	(950,778.92)	(2,539,689.06)	(3,539,763.59)
Transmission - Maintenance	182,189.79	809,807.04	1,554,997.58	2,286,887.74
<b>TOTAL TRANSMISSION EXPENSES</b>	<b>(177,098.67)</b>	<b>(140,871.88)</b>	<b>(984,691.48)</b>	<b>(1,240,776.86)</b>
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	523,370.79	1,837,151.79	4,461,763.90	6,447,381.85
DISTRIBUTION - MAINTENANCE	1,083,025.83	4,897,511.85	11,052,381.81	15,245,974.52
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>1,606,396.62</b>	<b>6,734,663.64</b>	<b>15,514,145.71</b>	<b>21,693,356.37</b>
<b>TOTAL CUSTOMER ACCT EXPENSES</b>	<b>766,305.63</b>	<b>2,368,416.63</b>	<b>6,890,636.20</b>	<b>8,631,484.41</b>
<b>TOTAL CUST SERV&amp;INFO EXPENSES</b>	<b>91,988.27</b>	<b>248,174.78</b>	<b>883,867.33</b>	<b>1,349,733.63</b>
<b>TOTAL SALES EXPENSES</b>	<b>821.59</b>	<b>2,069.36</b>	<b>7,430.86</b>	<b>8,666.00</b>
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	2,291,626.83	5,318,095.40	15,050,813.38	21,193,335.49
Admin & General - Maintenance	118,365.84	305,588.37	890,259.82	1,617,969.40
<b>TOTAL ADMIN &amp; GENERAL EXPS</b>	<b>2,409,992.77</b>	<b>5,623,683.77</b>	<b>15,940,873.20</b>	<b>22,811,304.89</b>
<b>TOTAL FACTORED ACCTS REC EXPS</b>	<b>201,137.04</b>	<b>680,864.63</b>	<b>1,760,828.12</b>	<b>2,579,684.39</b>
<b>(GAIN) LOSS</b>				
GAINS FROM DISPOSAL OF UT PLT	(92.78)	(276.37)	(742.32)	(1,070.32)
LOSSES FROM DISP. OF UTIL PLT	0.00	0.00	0.00	0.00
GAINS FROM DISP. OF ALLOWANCES	(557,500.00)	(412,909.37)	(1,046,566.71)	(1,831,405.68)
LOSSES FROM DISP. OF ALLOWANCE	384.25	376.84	442.41	442.41
<b>TOTAL (GAIN) LOSS</b>	<b>(557,228.54)</b>	<b>(412,810.90)</b>	<b>(1,048,866.62)</b>	<b>(1,832,033.59)</b>
<b>TOTAL OPERATION EXPENSES</b>	<b>25,172,433.66</b>	<b>77,435,284.14</b>	<b>189,291,944.31</b>	<b>275,898,468.86</b>
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>2,230,589.34</b>	<b>8,618,141.85</b>	<b>21,783,434.53</b>	<b>30,660,330.56</b>
<b>TOTAL OPERATION &amp; MAINT EXPS</b>	<b>27,393,022.90</b>	<b>86,053,425.79</b>	<b>211,075,378.84</b>	<b>306,468,789.42</b>

Kentucky Power Company  
Taxes Applicable To Operating Income  
August 31, 2004

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004	August 31, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>									
4081002	FICA	156,597.45	485,653.34	1,402,082.23	1,952,929.42				
4081003	Federal Unemployment Tax	43.81	79.84	22,437.41	22,448.03				
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	23.35				
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	86,480.83				
408100502	Real & Personal Property Taxes	0.00	0.00	96,721.07	2,310,165.30				
408100503	Real & Personal Property Taxes	570,600.00	1,711,800.00	4,584,800.00	4,565,784.15				
408100599	Real & Personal Property Taxes	0.00	0.00	0.00	0.00				
4081007	State Unemployment Tax	20.38	65.48	12,893.17	13,281.16				
408100801	State Franchise Taxes	0.00	0.00	0.00	0.00				
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00				
408100803	State Franchise Taxes	0.00	0.00	0.00	5,251.00				
408100804	State Franchise Taxes	0.00	0.00	0.00	14,924.00				
408101000	State Franchise Taxes	5,100.00	18,300.00	48,800.00	48,800.00				
408101702	State Excise Taxes	0.00	0.00	0.00	0.00				
408101703	St Lic/Rgstrtn Tax/Fees	0.00	0.00	0.00	0.00				
408101704	St Lic/Rgstrtn Tax/Fees	0.00	0.00	0.00	0.00				
408101802	St Lic/Rgstrtn Tax/Fees	0.00	275.00	275.00	0.00				
408101803	St Publ Serv Comm Tax/Fees	0.00	0.00	0.00	275.00				
408101804	St Publ Serv Comm Tax/Fees	0.00	43,968.80	263,826.80	439,714.80				
408101901	State Sales and Use Taxes	42,035.00	84,070.00	84,070.00	84,070.00				
408101902	State Sales and Use Taxes	0.00	0.00	0.00	0.00				
408101904	State Sales and Use Taxes	4.67	4.67	4.67	4.67				
408102702	Misc State and Local Taxes	0.00	0.00	0.00	0.00				
408102901	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102903	Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00				
408102904	Real/Pers Prop Tax-Cap Leases	0.00	447.18	7,842.19	(1,095.04)				
4081033	Fringe Benefit Loading - FICA	14,898.31	43,850.31	116,730.31	98,408.81				
4081034	Fringe Benefit Loading - FUT	(53,888.62)	(146,253.78)	(423,729.16)	116,730.31				
4081035	Fringe Benefit Loading - SUT	(1,142.78)	(3,078.41)	(8,974.88)	(651,526.74)				
408103804	Real Prop Tax-Cap Leases	(295.36)	(799.32)	(2,351.84)	(12,762.39)				
	Real Prop Tax-Cap Leases	916.00	2,748.00	7,328.00	(3,655.83)				
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>	<b>735,688.86</b>	<b>2,241,330.12</b>	<b>6,192,754.98</b>	<b>9,097,546.63</b>				
<b>STATE, LOCAL &amp; FOREIGN INC TAX</b>									
408100202	Income Taxes, UOI - State	0.00	0.00	0.00	(1,304,555.00)				
408100203	Income Taxes, UOI - State	0.00	0.00	0.00	(677,510.00)				
408100204	Income Taxes, UOI - State	301,600.00	645,630.00	1,280,910.00	1,280,910.00				
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>	<b>301,600.00</b>	<b>645,630.00</b>	<b>1,280,910.00</b>	<b>(701,155.00)</b>				
<b>FEDERAL INCOME TAXES</b>									
4081001	Income Taxes, UOI - Federal	(774,440.00)	1,976,269.00	3,229,607.00	(2,447,310.00)				
4101001	Prov Def I/T Util Op Inc-Fed	7,997,129.00	22,761,194.00	69,731,873.00	114,924,827.00				
4111001	Prv Def I/T-Cr Util Op Inc-Fed	(6,119,896.00)	(20,893,868.00)	(62,485,257.00)	(100,455,320.00)				
4114001	ITC Adj, Utility Oper - Fed	(97,405.00)	(292,215.00)	(779,240.00)	(1,165,088.00)				
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>1,005,398.00</b>	<b>3,551,340.00</b>	<b>9,686,783.00</b>	<b>10,857,209.00</b>				
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>2,042,876.86</b>	<b>6,438,300.12</b>	<b>17,170,447.98</b>	<b>19,253,600.83</b>				

Kentucky Power Company  
Taxes Applicable to Other Income & Deductions  
August 31, 2004

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED		THREE MONTHS ENDED		YEAR TO DATE		TWELVE MONTHS ENDED	
		2004		2004		2004		2004	
	TAXES OTHER THAN INC TAX								
408201404	St Lic/Registration Tax/Fees	0.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00
4082020	Frg Ben Loading - FICA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4082021	Frg Ben Loading - FUT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL TAXES OTHER THAN INC TAX		275.00	275.00	275.00	275.00	275.00	275.00	275.00
	FEDERAL INC TAXES - OI&D								
4092001	Inc Tax, Oth Inc&Ded-Federal	938,879.00	338,860.00	338,860.00	338,860.00	948,515.00	948,515.00	948,515.00	(1,459,798.00)
4102001	Prov Def /JT Oth I&D - Federal	1,321,788.00	4,958,358.00	4,958,358.00	4,958,358.00	17,580,331.00	17,580,331.00	17,580,331.00	29,289,403.00
4112001	Prv Def /JT-C; Oth I&D-Fed	(2,251,330.00)	(5,530,385.00)	(5,530,385.00)	(5,530,385.00)	(18,701,808.00)	(18,701,808.00)	(18,701,808.00)	(28,905,638.00)
411200189	Cum Eff Acct Ctg-Prov DFIT OID	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4115001	ITC Adj, Non-Juli Oper - Fed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL FEDERAL INC TAXES - OI&D	7,037.00	(237,188.00)	(237,188.00)	(237,188.00)	(174,863.00)	(174,863.00)	(174,863.00)	(41,498.00)
	STATE INC TAXES - OI&D								
409200201	Inc Tax, Oth Inc & Ded - State	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL STATE INC TAXES - OI&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	LOCAL INC TAXES - OI&D								
	TOTAL LOCAL INC TAXES - OI&D								
	FOREIGN INC TAXES - OI&D								
	TOTAL FOREIGN INC TAXES - OI&D								
	TOTAL TAXES APPLICABLE TO OI&D	7,037.00	(235,894.00)	(235,894.00)	(235,894.00)	(174,866.00)	(174,866.00)	(174,866.00)	(1,107,242.00)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - August, 2004

GLR7210V

UTILITY PLANT	09/14/04 10:24	BEGINNING BALANCE	ADDITIONS	ORIGINAL COST RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
101/106 GENERATION		456,362,227.46	8,290,714.87	(2,737,304.12)	0.32	0.00	461,915,638.53
TOTAL PRODUCTION		456,362,227.46	8,290,714.87	(2,737,304.12)	0.32		461,915,638.53
101/106 TRANSMISSION		378,640,578.89	4,088,368.27	(1,100,878.31)	0.00	0.00	382,628,069.85
101/106 DISTRIBUTION		476,858,589.13	14,653,579.18	(14,519,149.26)	0.00	(22,125.00)	478,970,894.05
TOTAL (ACCOUNTS 101 & 106)		1,312,861,395.48	27,032,663.32	(18,357,331.69)	0.32	(22,125.00)	1,321,614,602.43
1011001 CAPITAL LEASES		12,659,825.86	0.00	0.00	(1,193,465.69)	0.00	11,506,180.18
102 ELECTRIC PLT PURCHASED OR SOLD		0.00	0.00	0.00	0.00	0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE		1,325,561,021.34	27,032,663.32	(18,357,331.69)	(1,193,465.37)	(22,125.00)	1,333,020,782.80
1050001 PLANT HELD FOR FUTURE USE		6,662,818.00	0.00	0.00	0.00	0.00	6,662,819.00
107000X CONSTRUCTION WORK IN PROGRESS:							
107000X BEG. BAL.		17,322,607.58					
107000X ADDITIONS			23,204,388.92				
107000X TRANSFERS			(27,032,663.32)				
107000X END. BAL.			(3,828,274.40)				
TOTAL ELECTRIC UTILITY PLANT		1,348,746,447.93	23,204,388.92	(19,357,331.69)	(1,193,465.37)	(22,125.00)	1,333,377,814.78
NONUTILITY PLANT							
1210001 NONUTILITY PROPERTY-OWNED		974,253.00	0.00	0.00	0.00	22,125.00	996,378.00
1210002 NONUTILITY PROPERTY-LEASED		0.00	0.00	0.00	0.00	0.00	0.00
1240025-29 OTHER INVESTMENTS		4,594,778.41	0.00	0.00	0.00	0.00	4,594,778.41
TOTAL NONUTILITY PLANT		6,669,031.41	0.00	0.00	0.00	22,125.00	6,691,156.41

KENTUCKY POWER COMPANY  
ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION, & DEPLETION  
YEAR TO DATE - August, 2004

UTILITY PLANT	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	NET REMI/SALV COST	TRANSFER/ADJUSTMENTS	ENDING BALANCE
GLR7410V						08/14/04 10:21
NUCLEAR						
1080001/11 OTHER DECOMMISSIONING COSTS						
						0.00
						0.00
TOTAL NUCLEAR						
1080001/11 PRODUCTION	158,940,140.67	11,179,898.46	(2,737,304.12)	(4,692,960.80)	0.00	162,689,774.11
1080001/11 TRANSMISSION	107,428,075.45	4,305,779.72	(1,100,878.31)	(31,011.28)	0.00	110,602,965.58
1080001/11 DISTRIBUTION	134,139,822.22	10,568,211.23	(14,519,149.26)	(656,989.42)	(2.87)	129,329,861.90
1080005 RETIREMENT WORK IN PROGRESS	(5,487,138.48)	0.00	0.00	5,580,971.60	1,887,274.65	2,011,107.76
TOTAL (108X accounts)	395,041,899.86	26,051,889.41	(18,357,331.69)	0.00	1,887,271.78	404,633,729.36
NUCLEAR						
1110001 PRODUCTION	657,524.02	989,758.17	0.00	0.00	0.00	1,647,282.19
1110001 TRANSMISSION	140,243.18	138,592.39	0.00	0.00	0.00	278,835.57
1110001 DISTRIBUTION	4,568,893.41	1,477,901.59	0.00	0.00	2.87	6,046,797.87
TOTAL (111X accounts)	6,566,660.61	2,606,252.15	0.00	0.00	2.87	8,172,915.63
CAPITAL LEASES	7,407,962.12	0.00	0.00	0.00	(399,706.47)	7,008,255.65
1150001 ACQUISITION ADJUSTMENT AMORT	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ACCUM DEPR & AMORT.	408,016,522.59	28,658,141.66	(18,367,331.69)	0.00	1,487,568.18	419,814,900.64
NONUTILITY PLANT						
1220001 Depr&Amrt of Nonutil Prop-Ownd	148,258.55	4,446.48	0.00	0.00	0.00	152,705.03
1220003 Depr&Amrt of Nonutil Prop-Wip	(2,306.91)	0.00	0.00	0.00	0.00	(2,306.91)
TOTAL NONUTILITY PLANT	145,951.64	4,446.48	0.00	0.00	0.00	150,398.12

**KENTUCKY POWER COMPANY MONTHLY REPORT TO KPSC - JULY 2004**





American Electric Power  
1 Riverside Plaza  
Columbus, OH 43215-2373  
aep.com

August 25, 2004

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Please find enclosed July 2004 Financial Report pages for Kentucky Power Company consisting of the following:

<u>Page Nos.</u>	<u>Description</u>
1	Income Statement
2	Balance Sheet – Assets & Other Debits
3	Balance Sheet – Liabilities & Other Credits
4	Statement of Retained Earnings
5	Deferred Credits
6-7	Details of Operating Revenues.
8	Operating Expenses – Functional Expenses
9-10	Detail Statement of Taxes
11-12	Electric Property & Accum Prov for Depr & Amrtz

Sincerely,

A handwritten signature in black ink that reads "Craig Adelman".

Craig M. Adelman  
Administrator - Regulated Accounting

CMA/hf

Enclosure

Cc: Errol Wagner (w/pages)  
Kathy Potts

Kentucky  
r Company  
Comparative Income Statement  
July 31, 2004

GLR100S

DESCRIPTION	1 MONTH ENDED		3 MONTHS ENDED		YEAR TO DATE		08/1/04 14:57	
	July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004
OPERATING REVENUES								
SALES TO NON AFFILIATES	36,645,244.99	102,583,968.11	237,580,374.01	391,116,040.91				
SALES TO AFFILIATES	4,846,958.59	13,403,578.76	23,831,369.17	40,328,284.98				
GROSS OPERATING REVENUES	41,492,103.58	115,987,546.88	261,411,743.18	431,444,325.89				
TOTAL OPERATING REVENUES, NET	41,492,103.58	115,987,546.88	261,411,743.18	431,444,325.89				
OPERATING EXPENSES								
OPERATIONS								
FUEL	9,352,896.24	27,604,846.87	55,471,275.04	87,384,578.84				
PURCHASED POWER NON AFFIL	85,121.96	338,987.58	844,523.28	1,810,863.72				
PURCHASE POWER AFFILIATED	12,715,829.43	34,005,308.62	77,079,172.43	133,832,057.29				
OTHER OPERATION	4,444,953.59	13,387,583.84	30,724,540.00	49,984,472.12				
MAINTENANCE	2,023,918.53	9,085,086.14	19,582,845.18	30,510,834.02				
TOTAL OPER/MAINT EXPENSES	28,822,718.75	84,401,920.85	183,682,355.85	303,332,706.08				
DEPRECIATION AND AMORTIZATION	3,861,531.32	10,939,188.89	25,425,736.45	43,105,181.53				
TAXES OTHER THAN INCOME TAXES	734,289.35	2,338,933.47	5,457,066.12	9,109,825.07				
STATE, LOCAL & FOREIGN INCOME TAXES	312,160.00	409,180.00	878,310.00	(838,455.00)				
FEDERAL INCOME TAXES	1,804,066.00	3,105,648.00	8,981,396.00	11,312,224.00				
TOTAL OPERATING EXPENSES	36,134,745.42	101,184,859.20	224,235,863.52	386,221,481.88				
NET OPERATING INCOME	6,357,358.17	14,772,788.66	37,175,879.66	65,222,844.20				
OTHER INCOME AND DEDUCTIONS								
OTHER INCOME	(204,793.69)	(35,701.12)	1,419,156.20	815,001.78				
OTHER INCOME DEDUCTIONS	(16,837.15)	(412,656.97)	(1,792,858.48)	(2,486,529.56)				
INC TAXES APPL TO OTH INC&DED	87,581.00	194,369.00	182,000.00	1,214,288.00				
NET OTHR INCOME AND DEDUCTIONS	(133,049.84)	(253,992.09)	(191,702.27)	(457,238.81)				
INCOME BEFORE INTEREST CHARGES	6,224,308.33	14,518,796.57	36,984,177.39	64,765,606.40				
INTEREST CHARGES								
INTEREST ON LONG-TERM DEBT	2,233,982.44	6,767,107.02	15,881,581.24	26,985,438.97				
INT SHORT TERM DEBT - AFFIL	3,205.84	245,580.53	303,419.42	498,150.90				
INT SHORT TERM DEBT - NON-AFFL	9,028.91	78,521.95	230,953.58	373,353.78				
AMORT OF DEBT DISC, PREM & EXP	82,396.03	277,188.09	846,772.01	1,185,218.15				
AMORT LOSS ON REACQUIRED DEBT	5,815.20	16,845.60	39,306.40	67,382.37				
OTHER INTEREST EXPENSE	56,866.31	187,398.11	466,532.87	715,308.40				
TOTAL INTEREST CHARGES	2,400,914.73	7,653,621.30	17,678,565.50	26,824,850.57				
AFUDC BORROWED FUNDS - CR	(22,546.28)	(89,828.05)	(118,350.50)	(86,327.01)				
NET INTEREST CHARGES	2,378,368.45	7,483,692.25	17,458,215.00	29,739,523.86				
NET EXTRAORDINARY ITEMS								
NET INCOME BEFORE PREF DIV	3,845,939.88	7,035,104.32	19,524,962.39	35,027,081.84				
PREF STK DIVIDEND REQUIREMENT	0.00	0.00	0.00	0.00				
NET INCOME - EARN FOR COMM STK	3,845,939.88	7,035,104.32	19,524,962.39	35,027,081.84				

Kentucky Power Company  
Balance Sheet - Assets  
July 31, 2004

GLR1500S

DESCRIPTION	MONTH END BALANCES	
	July 31, 2004	December 31, 2003
ELECTRIC UTILITY PLANT		
PRODUCTION	461,129,157.53	457,341,009.30
TRANSMISSION	383,402,462.21	381,354,147.96
DISTRIBUTION	435,072,899.75	425,687,726.11
GENERAL	59,291,954.82	68,040,956.97
CONSTRUCTION WORK IN PROGRESS	12,380,781.84	17,322,807.58
TOTAL ELECTRIC UTILITY PLANT	1,351,277,256.16	1,349,746,447.93
LESS ACCUM PRV-DEPR,DEPL,AMORT	(417,109,290.83)	(408,016,522.59)
NET ELECTRIC UTILITY PLANT	934,167,965.33	941,729,925.33
OTHER PROPERTY AND INVESTMENT		
LT ENERGY TRADING CONTRACTS	21,060,868.37	16,134,242.13
NET NONUTILITY PROPERTY	5,441,314.10	5,423,079.77
TOTAL OTHER INVESTMENTS	397,613.47	1,021,507.17
TOTAL OTHER PROP AND INVSTMNTS	26,899,795.94	22,578,829.07
CURRENT AND ACCRUED ASSETS		
CASH AND CASH EQUIVALENTS	1,250,636.24	886,067.16
ADVANCES TO AFFILIATES	10,010,259.49	0.00
ACCOUNTS RECEIVABLE-CUSTOMERS	19,566,945.05	17,793,156.78
ACCOUNTS RECEIVABLE - MISC	2,165,372.11	3,481,369.15
A/P FOR UNCOLLECTIBLE ACCOUNTS	(29,625.70)	(736,031.99)
ACCOUNTS RECEIVABLE- ASSOC COS	23,959,215.66	25,327,057.64
FUEL	7,705,090.96	9,481,117.33
MATERIALS & SUPPLIES	20,004,033.15	16,584,927.95
ACCRUED UTILITY REVENUES	5,844,951.98	5,533,840.37
ENERGY TRADING CONT CURR ASSET	18,340,437.31	16,199,996.44
PREPAYMENTS	1,531,709.89	669,669.75
OTHER CURRENT ASSETS	1,343,786.65	3,686,076.31
TOTAL CURRENT ASSETS	111,492,812.80	98,907,269.08
REGULATORY ASSETS		
TOTAL REGULATORY ASSETS	124,618,638.66	121,642,709.67
DEFERRED CHARGES		
TOTAL DEFERRED CHARGES	48,734,372.34	53,742,712.79
TOTAL ASSETS	1,245,911,584.96	1,238,601,445.94

Kentucky Company  
 Balance Sheet - Capitalization and Liabilities  
 July 31, 2004

DESCRIPTION	MONTH END BALANCES	
	July 31, 2004	December 31, 2003
<b>CAPITALIZATION</b>		
COMMON STOCK		
Authorized: 2,000,000 Shares		
Outstanding: 1,009,000 Shares	50,450,000.00	50,450,000.00
COMMON STOCK	201,722,673.99	202,537,605.45
PAID-IN CAPITAL	71,175,548.82	64,150,582.93
RETAINED EARNINGS	323,348,222.81	317,138,188.38
COMMON SHAREHOLDERS' EQUITY		
LT DEBT (LESS AMT DUE IN 1 YR)	507,848,556.26	487,601,625.00
LONG-TERM DEBT LESS AMT DUE 1 YR	831,196,779.07	804,739,813.38
<b>TOTAL CAPITALIZATION</b>		
OTHER NONCURRENT LIABILITIES		
OBLIGATIONS UNDER CAP LEASE	2,990,193.16	3,548,992.91
ACCUMULATED PROVISIONS - MISC	12,942,915.40	13,999,494.26
TOTAL OTH NONCURRENT LIAB'S	15,933,108.56	17,548,487.17
<b>CURRENT LIABILITIES</b>		
LONG-TERM DEBT DUE WITHIN 1 YR	0.00	0.00
ADVANCES FROM AFFILIATES	0.00	38,095,519.39
AP - GENERAL	20,987,694.56	22,802,341.50
AP - ASSOC. COS.	22,012,737.65	22,647,841.81
CUSTOMER DEPOSITS	12,407,991.10	9,684,337.18
TAXES ACCRUED	12,539,646.04	7,329,064.07
INTEREST ACCRUED	5,307,125.09	6,915,363.28
DIVIDENDS DECLARED	0.00	0.00
OBLIG UNDER CAP LEASES- CURR	1,625,434.74	1,742,670.84
ENERGY TRADING CONT CURR LIAB	19,433,090.86	11,703,584.83
OTHR CURR & ACCRUED LIAB	8,555,011.32	8,626,745.47
TOTAL CURRENT LIABILITIES	102,868,731.36	129,759,468.17
<b>DEF CREDITS &amp; REGULATORY LIAB</b>		
DEFERRED INCOME TAXES	254,347,028.95	247,385,404.06
DEF INVESTMENT TAX CREDITS	7,272,941.00	7,954,778.00
REGULATORY LIABILITIES	17,604,045.06	18,435,072.46
DEFERRED CREDITS		
LT ENERGY TRADING CONTRACTS	16,155,974.63	12,362,838.56
CUSTOMER ADVANCES FOR CONSTR	57,943.94	49,851.78
DEF GAINS ON SALE/LEASEBACK	0.00	0.00
DEF GAINS-DISP OF UTILITY PLT	0.00	0.00
OTHER DEFERRED CREDITS	475,032.40	365,734.36
TOTAL OTHER DEFERRED CREDITS	16,688,950.97	12,778,424.70
TOTAL DEF CREDITS & REG LIAB'S	295,912,965.98	286,563,677.22
<b>TOTAL CAPITAL &amp; LIABILITIES</b>	<b>1,245,911,684.96</b>	<b>1,238,601,445.84</b>

GLR1700S

08/11/04 14:58

Kentucky F...r Company  
 Statement of Retained Earnings  
 July 31, 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES		08/11/04 14:58
		July 31, 2004	December 31, 2003	
GLR1710S				
	BALANCE AT BEGINNING OF YEAR	64,180,582.93	48,268,596.38	
	NET INCOME (LOSS)	19,524,962.39	32,330,250.50	
	TOTAL	83,675,545.32	80,598,846.88	
4380001	DEDUCTIONS:			
	Div Declrd - Common Stk - Asso	(12,499,996.50)	(16,448,263.95)	
	DIVIDEND DECLARED ON COMMON	(12,499,996.50)	(16,448,263.95)	
	ADJUSTMENT RETAINED EARNINGS	0.00	0.00	
	TOTAL DEDUCTIONS	(12,499,996.50)	(16,448,263.95)	
	BALANCE AT END OF PERIOD (A)	71,175,548.82	64,150,582.93	
	(A) REPRESENTS THE FOLLOWING -			
2150000	BALANCE AT END OF PERIOD	0.00	0.00	
2151000	Appropriated Retained Earnings	0.00	0.00	
	Appr Retnd Emrgs - Amrt Rsv, Fed	0.00	0.00	
	TOTAL APPR RETND ERNGS	0.00	0.00	
2160001	Unapprp Retained Earnings Unrestr	64,150,582.93	48,268,596.38	
2160002	Unapprp Retained Earnings Restr	0.00	0.00	
	Net Income Transferred	7,024,965.89	15,881,986.55	
	TOTAL UNAPPR RETND ERNGS	71,175,548.82	64,150,582.93	
2161000	Unapprp Undistribtd Sub Emrgs	0.00	0.00	
	Equity Emrgs of Subsidiary Co	0.00	0.00	
	TOTAL UNAPPR UNDISTR SUB ERNGS	0.00	0.00	
	TOTAL RETAINED EARNINGS	71,175,548.82	64,150,582.93	

Kentucky Power Company  
Deferred Credits  
July 2004

ACCOUNT NUMBER	DESCRIPTION	MONTH END BALANCES	
		July 31, 2004	December 31, 2003
GLR1860S			08/11/04 15:06
2440002	ENERGY TRADING CONTRACTS		
2440004	LT Unreal Losses - Non Affil	15,031,829.00	11,878,409.44
2440006	LT Unreal Losses - Affil	728,734.00	0.00
2440010	Long-Term Credit Reserve	0.00	0.00
2460002	LT Option Premium Receipts	59,007.63	24,654.12
	LT Unreal Losses - Hedge	336,404.00	456,775.00
	LT ENERGY TRADING CONTRACTS	16,155,974.63	12,362,838.56
2520000	CUSTOMER ADVANCES FOR CONSTRUCTN		
	Customer Adv for Construction	57,943.94	49,851.78
	TOTAL CUST ADVANCES FOR CONSTR	57,943.94	49,851.78
2530000	OTHER DEFERRED CREDITS		
2530004	Other Deferred Credits	86,556.40	0.00
2530050	Allowances	(937.25)	4,275.05
2530082	T.V. Pole Attachments	41,577.72	67,406.83
2530093	Defid Gain - Fiber Optic Leases	189,983.95	191,027.85
	Def Carry Chg - Defd RTO Costs	167,851.58	103,024.83
	TOTAL OTHER DEFERRED CREDITS	475,032.40	365,734.36
2821001	ACCUM DEFERRED INCOME TAXES		
2823001	Accum Defd FIT - Utility Prop	119,642,441.00	115,095,820.00
2824001	Acc Dfrd FIT FAS 109 Flow Thru	48,513,697.00	48,188,572.00
2830006	Acc Dfrd FIT - SFAS 109 Excess	(2,127,640.00)	(2,314,064.00)
2831001	ADIT Federal - SFAS 133 Nonaff	248,195.95	472,364.06
2832001	Accum Deferred FIT - Other	10,612,090.00	11,024,855.00
2833001	Acc Dfd FIT - Oth Inc & Ded	3,311,590.00	3,697,533.00
2833002	Acc Dfrd FIT FAS 109 Flow Thru	38,573,665.00	37,685,324.00
	Acc Dfrd SIT FAS 109 Flow Thru	35,573,000.00	33,535,000.00
	TOTAL ACCUM DEF INC TAX-CREDIT	254,347,028.95	247,385,404.06
2550001	ACCUM DEFRO INVEST TAX CREDITS		
	Accum Deferred ITC - Federal	7,272,941.00	7,954,776.00
	TOTAL ACCUM DEF INVEST TAX CR	7,272,941.00	7,954,776.00
	REGULATORY LIAB'S		
		17,804,045.06	18,435,072.46
	TOTAL DEFRO CREDITS & REG LIAB	295,912,965.98	286,553,677.22

Kentucky Power Company  
Operating Revenues  
July 31, 2004

GLR1...S

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ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			08/11/04 14:59
		ONE MONTH ENDED July 31, 2004	3 MONTHS ENDED July 31, 2004	YEAR TO DATE July 31, 2004	
<b>SALES OF ELECTRICITY</b>					
<b>RETAIL SALES</b>					
4400001	Residential Sales-W/Space Hg	6,406,586.79	18,438,669.36	50,294,638.18	81,432,432.76
4400002	Residential Sales-W/O Space Hg	4,514,787.25	11,732,918.36	26,640,221.83	43,870,263.51
	Residential Sales	10,921,374.04	29,171,587.72	76,934,860.01	125,302,696.27
4420001	Commercial Sales	5,155,229.60	14,997,914.23	32,473,782.62	53,618,179.65
4420002	Industrial Sales (Excl Mines)	6,000,371.18	17,165,120.49	35,092,536.53	67,263,808.88
4420004	Ind Sales-NonAff(Ind Mines)	3,533,869.70	11,040,084.79	25,300,087.29	42,883,063.07
4420006	Sales to Pub Auth - Schools	622,928.10	2,189,051.88	5,464,053.41	9,412,645.50
4420007	Sales to Pub Auth - Ex Schools	826,007.46	2,418,959.88	5,279,481.83	8,558,204.50
	<b>COMMERCIAL &amp; INDUSTRIAL SALES</b>	16,138,507.06	47,831,131.06	103,809,940.88	171,735,998.80
	<b>SALES - AFFILIATED</b>	0.00	0.00	0.00	0.00
4440000	Public Street/Highway Lighting	83,872.65	262,832.54	578,272.24	968,770.89
	Public & Other Sales	83,872.65	262,832.54	578,272.24	968,770.89
	<b>TOTAL RETAIL SALES</b>	27,143,666.76	78,285,740.31	181,121,273.03	298,027,366.78
<b>SALES FOR RESALE</b>					
4470002	Sales for Resale - NonAssoc	2,047,970.01	6,900,659.09	14,088,154.30	20,824,522.75
4470004	Sales for Resale-NonAff-Ancl	75,911.28	219,653.30	513,796.65	840,459.48
4470005	Sales for Resale-NonAff-Transm	897,813.92	2,585,354.80	6,070,956.48	9,828,279.93
4470006	Sales for Resale-Bookout Sales	44,812,133.87	111,061,920.77	274,544,717.81	459,203,461.54
4470007	Sales for Resale-Option Sales	498,567.49	1,056,804.42	3,447,101.71	7,075,158.31
4470010	Sales for Resale-Option Purch	(43,277,227.27)	(107,449,649.42)	(288,863,937.18)	(455,016,782.44)
4470027	Wholesale/Wholesale Fuel Rev	(1,344,033.94)	(2,375,596.37)	(5,684,894.87)	(7,757,884.87)
4470028	Sales/Resale - NA - Fuel Rev	122,221.49	307,116.04	693,506.70	861,552.02
4470033	Wholesale/Wholesale Fuel Rev	8,279,318.75	17,431,828.41	39,184,936.54	63,728,802.41
4470064	Purch Pwr Phys/Trad. - Non Assoc	154,990.33	432,352.32	1,034,079.12	1,434,533.32
4470068	PWR Trading Trans Exp-NonAssoc	(2,378,620.35)	(7,878,097.99)	(19,417,860.33)	(27,350,287.49)
4470072	Sales for Resale - Hedge Trans	(60,143.00)	(168,586.00)	(498,882.00)	(802,984.00)
4470077	Purchase Gas Conv - Aff	(35,024.00)	(465,587.00)	(726,638.00)	(971,165.00)
4470081	Financial Spark Gas - Realized	0.00	0.00	0.00	184,081.10
4470082	Financial Electric Realized	80,808.43	50,897.84	10,159.63	(1,966.22)
	<b>SALES FOR RESALE-NONAFFILIATED</b>	285,124.18	540,960.71	301,812.05	377,794.83
		8,138,812.17	22,489,558.73	44,747,079.33	73,068,693.77
4470001	Sales for Resale - Assoc Cos	35,929.43	158,180.88	531,281.39	16,056,084.89
4470014	Sls Resale-Ancillary Trans-Aff	2,288.54	6,895.82	16,149.58	27,907.20
4470015	Sls Resale-Transmission-Aff	24,970.70	74,912.10	175,444.85	303,290.48
4470035	Sls for R4I - Fuel Rev - Assoc	321,267.92	973,788.71	2,477,004.35	4,081,248.11
4470085	Purchased Power - Dow - Assoc	43,684.95	306,243.49	45,884.95	43,884.95
4470086	Sales for Resale-Affl Pool	4,385,223.00	11,782,806.00	20,352,716.00	20,352,716.00
	<b>SALES FOR RESALE-AFFILIATED CO</b>	4,813,274.54	13,302,926.60	23,598,289.82	39,893,931.63
	<b>TOTAL SALES FOR RESALE</b>	12,950,086.71	36,782,485.33	88,343,360.21	112,922,626.40
	<b>TOTAL SALES OF ELECTRICITY</b>	40,093,652.48	112,018,225.64	249,464,633.24	410,949,992.18
	<b>TOTAL SLS OF ELECT AFT RFD PROV</b>	40,093,652.48	112,018,225.64	249,464,633.24	410,949,992.18

ACCOUNT NUMBER	DESCRIPTION	OPERATING REVENUES			
		ONE MONTH ENDED July 31, 2004	3 MONTHS ENDED July 31, 2004	YEAR TO DATE July 31, 2004	12 MONTHS ENDED July 31, 2004
<b>OTHER OPERATING REVENUE</b>					
4580007	Oth Elec Rev - DSM Program	118,780.72	354,414.53	1,006,819.72	1,676,956.95
4580012	Oth Elec Rev - Nonaffiliated	0.00	0.00	0.00	0.00
4580013	Oth Elec Rev-Trans-Nonaffil	984,227.05	2,657,545.05	5,899,804.33	10,424,782.13
4580014	Oth Elec Revenues - Ancillary	103,950.13	245,141.79	540,485.41	927,605.68
4580015	Other Electric Revenues - ABD	26,738.45	294,982.28	972,921.03	2,087,233.69
4580016	Financial Trading Rev-Unreal	(0.01)	(0.01)	(0.01)	(0.01)
4580049	Merch Generation Finan - Realtd	(214,151.79)	(785,973.84)	600,642.98	496,749.74
4580050	Oth Elec Rev-Coal Trd Rltd G-L	0.00	54,381.87	64,381.87	54,381.87
	<b>OTHER ELECTRIC REVENUES</b>	<b>1,019,644.55</b>	<b>2,820,481.87</b>	<b>9,176,085.33</b>	<b>16,887,710.05</b>
4540001	Rent From Elect Property - AF	33,584.05	100,752.15	235,088.35	464,353.85
4540002	Rent From Elect Property-NAC	204,430.16	629,147.02	1,513,156.23	2,815,178.92
4540004	Rent From Elect Prop-ABD-Nonaf	2,660.00	20,306.00	34,808.00	65,046.00
	<b>RENT FROM ELEC PROPERTY</b>	<b>240,674.21</b>	<b>750,205.17</b>	<b>1,783,052.58</b>	<b>3,144,578.27</b>
4500000	Forfeited Discounts	113,232.52	322,814.32	862,869.04	1,465,518.27
4510001	Misc Service Rev - Nonaffil	25,009.84	56,110.86	126,134.99	216,527.12
	<b>MISC REVENUES</b>	<b>138,242.36</b>	<b>378,925.18</b>	<b>989,004.03</b>	<b>1,682,045.39</b>
	<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,398,451.12</b>	<b>3,849,422.22</b>	<b>11,347,108.84</b>	<b>20,494,333.71</b>
	<b>GROSS OPERATING REVENUES</b>	<b>41,492,103.58</b>	<b>118,967,647.88</b>	<b>261,411,743.16</b>	<b>431,444,325.89</b>
	<b>NET OPERATING REVENUES</b>	<b>41,492,103.58</b>	<b>115,987,847.88</b>	<b>261,411,743.16</b>	<b>431,444,325.89</b>

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GLR1130S

08/11/04 15:00  
12 MONTHS ENDED July 31, 2004  
3 MONTHS ENDED July 31, 2004  
ONE MONTH ENDED July 31, 2004

DESCRIPTION	ONE MONTH ENDED July 31, 2004	3 MONTHS ENDED July 31, 2004	YEAR TO DATE July 31, 2004	12 MONTHS ENDED July 31, 2004
<b>POWER PRODUCTION EXPENSES</b>				
<b>STEAM POWER GENERATION</b>				
FUEL				
Operation - Other Than Fuel	9,352,885.24	27,804,846.87	55,471,275.04	87,384,578.94
Steam Power Operation	1,140,891.31	3,230,805.88	6,804,371.28	11,889,813.04
Steam Power Maintenance	10,493,786.55	30,836,452.55	62,075,646.32	99,254,191.98
TOTAL STEAM POWER GENERATION	574,759.32	33,956,813.40	7,448,917.45	11,121,388.42
OTHER POWER SUPPLY EXPENSES	11,068,545.88		69,524,663.76	110,375,891.40
<b>PURCHASED POWER</b>				
System Control & Load Dispatch	12,800,951.39	34,344,284.20	77,823,895.71	135,842,721.01
Other Expenses	17,262.60	80,211.21	133,198.80	200,778.97
TOTAL OTHER POWER SUPPLY EXPS	211,867.45	1,007,917.02	2,478,410.19	3,531,268.87
TOTAL POWER PROD EXPS-OPER	13,030,101.44	35,412,422.43	80,535,304.70	139,374,767.85
TOTAL POWER PROD EXPS-MAINT	23,523,887.99	66,247,874.98	142,810,361.02	238,628,959.83
TOTAL POWER PROD EXPENSES	574,759.32	3,121,360.85	7,448,917.45	11,121,388.42
TOTAL POWER PROD EXPENSES	24,098,647.32	69,369,235.83	160,069,868.46	249,750,359.25
<b>TRANSMISSION EXPENSES</b>				
Transmission - Operation	(287,586.72)	(893,692.79)	(2,179,400.60)	(3,472,343.98)
Transmission - Maintenance	402,778.00	720,041.11	1,372,987.79	2,423,456.52
TOTAL TRANSMISSION EXPENSES	105,191.28	(143,651.61)	(806,702.81)	(1,048,888.46)
<b>DISTRIBUTION EXPENSES</b>				
DISTRIBUTION - OPERATION	817,923.50	1,859,460.66	3,938,363.11	6,241,581.65
DISTRIBUTION - MAINTENANCE	953,131.17	4,950,188.88	9,989,336.98	15,270,420.36
TOTAL DISTRIBUTION EXPENSES	1,971,054.68	6,809,649.54	13,907,728.09	21,512,002.02
TOTAL CUSTOMER ACCT EXPENSES	700,846.54	2,352,816.98	5,124,230.57	8,363,088.76
TOTAL CUST SERV&INFO EXPENSES	78,248.00	242,500.38	781,678.08	1,336,115.75
TOTAL SALES EXPENSES	435.67	1,764.32	6,609.08	8,900.38
<b>ADMINISTRATIVE &amp; GENERAL EXPS</b>				
Admins & General - Operations	1,747,011.69	5,023,783.87	12,768,988.63	20,600,201.07
Admin & General - Maintenance	83,252.03	283,505.30	771,893.98	1,685,658.72
TOTAL ADMIN & GENERAL EXPS	1,840,263.73	5,317,289.37	13,530,880.51	22,295,859.78
TOTAL FACTORED ACCTS REC EXPS	230,130.67	655,681.04	1,558,701.08	2,689,123.54
(GAIN) LOSS				
GAINS FROM DISPOSAL OF UT PLT	(92.79)	(278.37)	(649.53)	(1,056.86)
LOSSES FROM DISP. OF UTIL PLT	0.00	0.00	0.00	0.00
GAINS FROM DISP OF ALLOWANCES	(4.48)	(203,066.31)	(481,066.71)	(1,273,806.99)
LOSSES FROM DISP. OF ALLOWANCE	3.14	23.13	78.16	1,109,283.33
TOTAL (GAIN) LOSS	(84.13)	(203,344.55)	(481,638.08)	(1,273,806.99)
TOTAL OPERATION EXPENSES	26,598,800.22	75,316,824.71	184,119,510.75	273,021,777.87
TOTAL MAINTENANCE EXPENSES	2,023,918.53	9,085,096.14	19,562,845.19	30,510,934.09
TOTAL OPERATION & MAINT EXPS	28,622,718.75	84,401,920.85	183,682,355.95	303,532,709.96

08/11/04 15:02  
12 MONTHS ENDED July 31, 2004  
YEAR TO DATE July 31, 2004  
3 MONTHS ENDED July 31, 2004  
ONE MONTH ENDED July 31, 2004

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED July 31, 2004	3 MONTHS ENDED July 31, 2004	YEAR TO DATE July 31, 2004	12 MONTHS ENDED July 31, 2004
<b>OTHER TAXES-FEDERAL &amp; STATE</b>					
4081002	FICA	147,332.36	481,984.80	1,245,484.78	2,013,165.20
4081003	Federal Unemployment Tax	0.00	84.39	22,393.60	32,436.72
408100500	Real & Personal Property Taxes	0.00	0.00	0.00	23.35
408100501	Real & Personal Property Taxes	0.00	0.00	0.00	86,460.63
408100502	Real & Personal Property Taxes	0.00	86,721.07	96,721.07	2,835,155.30
408100503	Real & Personal Property Taxes	570,600.00	1,711,800.00	3,994,200.00	3,995,184.15
408100599	Real & Personal Property Taxes	0.00	0.00	0.00	0.00
4081007	State Unemployment Tax	0.00	60.08	12,872.78	2,237.48
408100801	State Franchise Taxes	0.00	0.00	0.00	0.00
408100802	State Franchise Taxes	0.00	0.00	0.00	0.00
408100803	State Franchise Taxes	0.00	0.00	0.00	5,251.00
408100804	State Franchise Taxes	0.00	0.00	0.00	21,524.00
408101000	State Franchise Taxes	6,100.00	18,300.00	42,700.00	42,700.00
408101000	State Excise Taxes	0.00	0.00	0.00	0.00
408101702	St Lic/Rgstrlon Tax/Fees	0.00	0.00	0.00	0.00
408101703	St Lic/Rgstrlon Tax/Fees	0.00	0.00	0.00	100.00
408101704	St Lic/Rgstrlon Tax/Fees	0.00	0.00	0.00	125.00
408101802	St Publ Sery Comm Tax/Fees	275.00	275.00	275.00	275.00
408101803	St Publ Sery Comm Tax/Fees	0.00	0.00	0.00	0.00
408101804	St Publ Sery Comm Tax/Fees	87,938.80	87,938.80	263,828.80	483,686.80
408101902	State Sales and Use Taxes	42,035.00	42,035.00	42,035.00	42,035.00
408102702	State Sales and Use Taxes	0.00	0.00	0.00	0.00
408102901	Misc State and Local Taxes	0.00	0.00	0.00	0.00
408102902	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102903	Real/Pers Prop Tax-Cap Leases	0.00	0.00	0.00	0.00
408102904	Pers Prop Tax-Cap Leases	354.78	0.00	0.00	0.00
4081033	Real/Pers Prop Tax-Cap Leases	14,578.00	7,842.17	7,842.19	(1,095.04)
4081034	Fringe Benefit Loading - FICA	(46,884.48)	43,728.00	102,032.00	108,081.81
4081035	Fringe Benefit Loading - FUT	(980.41)	(150,572.35)	(368,840.54)	102,032.00
4081036	Fringe Benefit Loading - SUT	(254.90)	(3,147.09)	(7,832.10)	(648,994.97)
408103604	Real Prop Tax-Cap Leases	918.00	(824.49)	(2,058.47)	(12,248.69)
		734,289.35	2,748.00	6,412.00	(3,701.67)
	<b>TOTAL OTHER TAXES-FED &amp; STATE</b>		<b>2,338,933.47</b>	<b>5,457,056.12</b>	<b>9,109,826.07</b>
<b>STATE, LOCAL &amp; FOREIGN INC. TAX</b>					
409100202	Income Taxes, UOI - State	0.00	0.00	0.00	(1,304,555.00)
409100203	Income Taxes, UOI - State	0.00	0.00	0.00	(513,210.00)
409100204	Income Taxes, UOI - State	312,180.00	409,160.00	979,310.00	979,310.00
	<b>TOTAL ST, LOC &amp; FOR INC TAXES</b>		<b>409,160.00</b>	<b>979,310.00</b>	<b>(638,455.00)</b>
<b>FEDERAL INCOME TAXES</b>					
4091001	Income Taxes, UOI - Federal	1,678,091.00	2,165,620.00	4,004,047.00	(2,097,407.00)
4110001	Prov Def I/T Util Op Inc-Fed	7,048,739.00	23,786,419.00	61,734,544.00	115,233,253.00
4111001	Prv Def I/T-Cr Util Op Inc-Fed	(6,825,359.00)	(22,554,178.00)	(58,365,361.00)	(100,658,120.00)
4114001	ITC Adj, Utility Oper - Fed	(97,405.00)	(292,215.00)	(681,835.00)	(1,165,502.00)
	<b>TOTAL FEDERAL INCOME TAXES</b>	<b>1,904,056.00</b>	<b>3,105,846.00</b>	<b>8,891,395.00</b>	<b>11,312,224.00</b>
	<b>TOTAL TAXES APPLIC TO OPER INC</b>	<b>2,950,496.35</b>	<b>5,853,739.47</b>	<b>16,127,771.12</b>	<b>19,683,594.07</b>

Rocky Power Company  
Taxes Applicable to Other Income & Deductions  
July 31, 2004

ACCOUNT NUMBER	DESCRIPTION	ONE MONTH ENDED	3 MONTHS ENDED	YEAR TO DATE	12 MONTHS ENDED
		July 31, 2004	July 31, 2004	July 31, 2004	July 31, 2004
GLR12108					08/11/04 15:03
408201404	TAXES OTHER THAN INC TAX				
4082020	St Lic/Registration Tax/Fees	0.00	275.00	275.00	275.00
4082021	Frg Ben Loading - FICA	0.00	0.00	0.00	0.00
	Frg Ben Loading - FUT	0.00	0.00	0.00	0.00
	TOTAL TAXES OTHER THAN INC TAX	0.00	275.00	275.00	275.00
4082001	FEDERAL INC TAXES - OI&D				
4102001	Inc Tax, Oth Inc&Ded-Federal	(425,568.00)	(463,272.00)	9,936.00	(2,566,636.00)
4112001	Prov Def I/T Oth I&D - Federal	2,027,766.00	5,191,607.00	16,236,543.00	30,435,711.00
411200199	Pvt Def I/T-Cr Oth I&D-Fed	(1,889,766.00)	(4,922,704.00)	(16,450,479.00)	(29,021,876.00)
4115001	Cum Eff Acct Chg-Prov DFIT OID	0.00	0.00	0.00	0.00
	ITC Adj, Non-Utl/ Oper - Fed	0.00	0.00	0.00	(41,486.00)
	TOTAL FEDERAL INC TAXES - OI&D	(87,581.00)	(194,369.00)	(182,000.00)	(1,214,289.00)
408200201	STATE INC TAXES - OI&D				
	Inc Tax, Oth Inc & Ded - State	0.00	0.00	0.00	0.00
	TOTAL STATE INC TAXES - OI&D	0.00	0.00	0.00	0.00
	LOCAL INC TAXES - OI&D				
	TOTAL LOCAL INC TAXES - OI&D				
	FOREIGN INC TAXES - OI&D				
	TOTAL FOREIGN INC TAXES - OI&D				
	TOTAL TAXES APPLICABLE TO OI&D	(87,581.00)	(194,094.00)	(181,725.00)	(1,214,014.00)

KENTUCKY POWER COMPANY  
DETAIL OF ELECTRIC UTILITY PROPERTY  
YEAR TO DATE - July, 2004

GLR7210V	BEGINNING BALANCE	ADDITIONS	RETIREMENTS	ADJUSTMENTS	TRANSFERS	ENDING BALANCE
<b>UTILITY PLANT</b>						
101106 GENERATION	456,362,227.46	8,428,966.74	(2,272,349.93)		0.32	462,518,944.59
101106 NUCLEAR					0.00	
TOTAL PRODUCTION	456,362,227.46	8,428,966.74	(2,272,349.93)	0.00	0.32	462,518,944.59
101106 TRANSMISSION (BU 180)	379,640,575.89	3,401,854.07	(1,099,307.32)		0.00	381,943,125.64
101106 DISTRIBUTION (BU 110)	478,659,599.13	13,355,614.96	(14,200,080.73)		(22,125.00)	475,991,996.36
TOTAL (ACCOUNTS 101 & 108)	1,312,661,396.48	25,184,435.77	(17,571,737.98)		(22,124.68)	1,320,461,968.59
1011001 CAPITAL LEASES	12,699,625.86	0.00	0.00		(1,117,699.14)	11,581,926.73
102 ELECTRIC PLT PURCHASED OR SOLD	0.00	0.00	0.00		0.00	0.00
1140001 ELECTRIC PLANT ACQUISITION	0.00	0.00	0.00		0.00	0.00
TOTAL ELECTRIC PLANT IN SERVICE	1,325,561,021.34	25,184,435.77	(17,571,737.98)	0.00	(1,140,063.82)	1,322,033,686.31
1050001 PLANT HELD FOR FUTURE USE	6,862,819.00	0.00	0.00		0.00	6,862,819.00
107000X CONSTRUCTION WORK IN PROGRESS:						
107000X BEG. BAL.	17,322,607.56					
107000X ADDITIONS		20,242,610.03				
107000X TRANSFERS		(25,184,435.77)				
107000X END. BAL.		(4,941,825.74)				
TOTAL ELECTRIC UTILITY PLANT	1,349,746,447.93	20,242,610.03	(17,571,737.98)	0.00	(1,140,063.82)	1,351,277,266.15
<b>NONUTILITY PLANT</b>						
1210001 NONUTILITY PROPERTY-OWNED	974,263.00	0.00	0.00			974,263.00
1210002 NONUTILITY PROPERTY-LEASED	0.00	0.00	0.00		22,125.00	22,125.00
1240025-29 OTHER INVESTMENTS	4,594,778.41	0.00	0.00		0.00	4,594,778.41
TOTAL NONUTILITY PLANT	5,669,031.41	0.00	0.00	0.00	22,125.00	5,581,156.41

KENTUCKY POWER COMPANY

ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION & DEPLETION  
YEAR TO DATE JULY 2004

RETIREMENTS TO DATE

FUNCTION	BEGINNING BALANCE	PROVISION TO DATE	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER	NET RETIREMENT	TRANSFERS/ADJUSTMENTS	ENDING BALANCE
<b>UTILITY PLANT</b>									
1080001/11 GENERATION (BU 117)	158,940,140.87	8,774,322.08	(2,272,348.93)	(4,884,134.60)	14,827.48	0.00	(6,941,657.25)	0.00	181,772,805.4
1080001/11 TRANSMISSION (BU 180)	107,429,075.45	3,786,084.03	(1,089,307.32)	(159,314.08)	99,725.15	0.00	(1,158,886.25)	0.00	110,036,283.2
1080001/11 DISTRIBUTION (BU 110)	134,138,822.22	8,238,203.36	(14,200,080.73)	(1,722,197.47)	802,398.48	0.00	(15,019,878.72)	2.87	128,358,148.7
1080005 RETIREMENT WORK IN PROGRESS	(5,467,138.48)					7,812,120.26	7,812,120.26		2,144,981.7
TOTAL	395,041,899.86	22,778,608.45	(17,571,737.98)	(6,565,646.35)	1,016,951.11	7,812,120.26	(15,508,312.98)	2.87	402,312,199.2
1110001 GENERATION (BU 117)	857,524.02	856,564.21	0.00	0.00	0.00	0.00	0.00	0.00	1,716,088.2
1110001 TRANSMISSION (BU 180)	140,243.18	119,775.66	0.00	0.00	0.00	0.00	0.00	0.00	260,018.8
1110001 DISTRIBUTION (BU 110)	4,588,883.41	1,288,671.13	0.00	0.00	0.00	0.00	0.00	(2.87)	5,855,561.6
TOTAL	5,566,660.61	2,265,011.00	0.00	0.00	0.00	0.00	0.00	(2.87)	7,831,668.7
1011006 CAPITAL LEASES	7,407,982.12							(442,539.26)	6,965,422.8
TOTAL UTILITY PLANT	408,016,522.59	25,043,620.45	(17,571,737.98)	(6,565,646.35)	1,016,951.11	7,812,120.26	(15,508,312.98)	(442,539.26)	417,109,290.8
<b>NONUTILITY PLANT</b>									
1220001 ACCUM. DEP. & AMORT-NUP	148,258.55	3,890.67	0.00	0.00	0.00	0.00	0.00	0.00	152,149.2
1220002 NONUTILITY - LEASED	0.00								0.00
1220003 NONUTILITY RWIP	(2,306.91)								(2,306.91)
TOTAL NONUTILITY PLANT	145,951.64	3,890.67	0.00	0.00	0.00	0.00	0.00	0.00	149,635.3

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(s)**

**Filing Requirement:**

*Securities and Exchange Commission's annual report for the most recent two (2) years, Form 10-Ks and any Form 8-Ks issued within the past two (2) years, and Form 10-Qs issued during the past six (6) quarters updated as current information becomes available.*

**Response:**

A hard copy of the most recent two years Form 10-Ks and Form 10-Qs are attached. The requested reports are also being provided on the attached CD labeled as:

Kentucky Power Company 2003 10K  
Kentucky Power Company 2004 10K

Kentucky Power Company 2003 3 Qtr 10Q  
Kentucky Power Company 2004 1Qtr 10Q  
Kentucky Power Company 2004 2 Qtr 10Q  
Kentucky Power Company 2004 3 Qtr 10Q  
Kentucky Power Company 2005 1 Qtr 10Q  
Kentucky Power Company 2005 2 Qtr 10Q

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(t)**

**Filing Requirement:**

*If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years, the utility shall file:*

- 1. A detailed description of the method and amounts allocated or charged to the utility by the affiliate or general or home office for each charge allocation or payment*
- 2. An explanation of how the allocator for the test period was determined; and*
- 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable.*

**Response:**

Please see the attached two pages.

**Kentucky Power Company**  
**Amounts Charged to Kentucky Power by AEP Service Company**

Filing Requirement 807KAR5:001 Section 10 (6)(t)  
Page 2 of 3

Activity/Service Provided:	12 Months Ended June 30, 2005	12 Months Ended December 31, 2004	12 Months Ended December 31, 2003	12 Months Ended December 31, 2002
Design & Construct New Generating Facilities	\$ 26,850	\$ 20,649	\$ 43,497	\$ 10,527
Develop & Market Services for Unregulated Markets	95,463	89,488	61,095	54,010
Develop Distribution System Plan	23,375	9,615	5,465	17,043
Develop Regulated Business	148,768	176,140	164,195	207,762
Develop Transmission System Plan	71,640	89,925	63,502	128,710
Develop Wholesale Business	209,357	232,868	299,031	303,221
Develop/Deploy Info/Communication Systems	530,363	516,860	3,321,707	3,683,207
Engineer, Design & Construct Distribution Facilities	146,784	154,618	152,485	103,045
Engineer, Design & Construct Transmission Facilities	67,402	71,078	94,831	114,027
Maintain Plant	829,852	967,834	927,456	796,499
Manage & Operate Fossil & Hydro Generating Assets	1,842,014	1,664,276	509,300	5,510,998
Manage & Support Human Resources	1,076,479	1,045,025	1,937,487	2,348,446
Manage Accounting & Finance	3,051,069	2,175,193	3,028,850	2,177,698
Manage Corporate Relations & Governance	1,690,566	1,736,593	1,722,302	1,931,703
Manage Environmental Compliance	339,302	326,230	397,368	282,937
Manage Plant Safety and Compliance	-	-	648	310
Manage Plant Waste	-	22	311	1,986
Manage Supply Chain	239,846	203,937	239,031	367,624
Operate & Maintain Distribution Facilities	1,542,942	1,493,069	927,038	770,296
Operate & Maintain Transmission Facilities	500,178	541,873	558,884	607,680
Operate Power Plants	165,039	163,648	106,155	110,772
Plan & Improve the Business	2,068,157	2,154,547	1,949,255	2,495,146
Plan Energy Generation	157,690	166,814	96,857	150,859
Procure, Produce & Deliver Fuel	2,646	3,453	23,869	214,891
Provide Corporate Support	770,417	890,473	1,266,387	968,332
Provide Internal Customer Service	62,108	65,065	144,648	143,713
Provide Retail and Wholesale Customer Service	4,530,336	4,861,411	3,523,329	4,059,923
Internal Support Loading	636,881	711,180	1,186,388	1,415,461
Overhead Loading	102,184	99,225	(249,459)	143,399
Provide Shared Services	3,982,154	4,405,095	-	-
<b>Grand Total</b>	<b>\$ 24,909,863</b>	<b>\$ 25,036,204</b>	<b>\$ 22,501,912</b>	<b>\$ 29,120,225</b>

American Electric Power Service Corporation (AEPSC) is a wholly owned subsidiary of AEP and is the service company for the AEP System. AEPSC's activities are authorized by the SEC under the Public Utilities Holding Company Act of 1935. AEPSC performs, at cost, various corporate support services for subsidiaries of AEP, including Kentucky Power.

AEPSC transactions are accounted for through a work order system as required by the SEC. Expenditures for support services are accumulated in work orders and are billed to the company or companies benefiting from the service. Accounting within each work order is in accordance with the SEC Uniform System of Accounts and the FERC Uniform System of Accounts. The costs for services benefiting only one company are directly assigned and are billed 100% to that company. Where services benefit more than one company, the costs for those services are allocated to the benefiting companies using an SEC approval allocation factor. The allocation factor for any given allocation of costs is selected for use because it best reflects the cost driver associated with the work in question.

The SEC approves the factors used for allocations and audits the propriety of their use. All services are billed at cost, with no profit charged, as required by the SEC's "at cost" rules.

Further information on the allocation of costs by AEPSC can be found in the Cost Allocation Manual provided in Case No. 99-149.



**Kentucky Power Company**  
**Amounts Charged to Kentucky Power by Affiliates Other than AEPSC**

Filing Requirement 807KAR5:001 Section 10 (6)(t)  
Page 3 of 3

Affiliate	12 Months Ended June 30, 2005	12 Months Ended December 31, 2004	12 Months Ended December 31, 2003	12 Months Ended December 31, 2002
Appalachian Power Company	1,917,524	2,677,316	3,246,399	3,307,871
AEP Texas Central Company	26,618	40,401	(289,711)	318,988
AEP Texas North Company	(1,840)	15,106	14,417	(5,624)
Columbus Southern Power	57,045	83,737	83,245	63,632
Indiana Michigan Power Co.	20,847	127,979	36,103	106,059
Kingsport Power Co.	21,930	27,755	52,772	31,067
Ohio Power Co.	277,350	338,561	990,405	662,933
Public Service Co. of Ok	21,742	23,906	39,978	14,668
Southwestern Power Co.	(1,732)	(2,294)	20,458	(8,091)
Others	(3,091)	(935)	5,642	5,128
<b>Total Amount Charged to KYP</b>	<b>\$ 2,336,393</b>	<b>\$ 3,331,531</b>	<b>\$ 4,199,707</b>	<b>\$ 4,496,631</b>

Kentucky Power has a variety of transactions with affiliates on a normal basis. Transactions with affiliates generally fall into two categories. The first category, service payments, is a billing made when an affiliate provides a service to Kentucky power, such as Appalachian Power providing assistance in distribution maintenance, or other affiliates providing assistance during storm recovery efforts. The second category, convenience payments, occurs when an affiliate company receives an invoice and the cost of that invoice should be borne by multiple AEP companies. For example, a legal invoice for a system-wide FERC issue may be paid by one affiliate company, and that company then bills the other affiliates who benefit from the service.

Charges from affiliates are accumulated using a work order system. All affiliate services and convenience payments are billed to Kentucky Power at cost, per SEC affiliate requirements.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(u)**

**Filing Requirement:**

*If the utility provides gas, electric or water utility service and has annual gross revenues greater than \$5,000,000, a cost of service study based on a methodology generally accepted within the industry and based on current and reliable data from a single time period.*

**Response:**

Please see Volume 3, Testimony and Exhibit of Witness Larry C. Foust.

**Filing Requirement**  
**807KAR5:001 Section 10 (6)(v)**

**Filing Requirement:**

*Local exchange carriers with fewer than 50,000 access lines shall not be required to file cost of service studies, except as specifically directed by the commission. Local exchange carriers with more than 50,000 access lines shall file:*

- 1. A jurisdictional separations study consistent with Part 36 of the Federal Communications Commission's rules and regulations; and*
- 2. Service specific cost studies to support the pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access:
  - a. Based on current and reliable data from a single time period; and*
  - b. Using generally recognized fully allocated, embedded, or increment cost principals.**

**Response:**

Not applicable.

**Filing Requirement**  
**807KAR5:001 Section 10 (7)**  
**Page 1 of 5**

**Filing Requirement:**

*Upon good cause shown, a utility may request pro forma adjustments for known and measurable changes to ensure fair, just and reasonable rates based on the historical test period. The following formation shall be filed with applications requesting pro forma adjustments or a statement explaining why the required information does not exist and is not applicable to the utility's application:*

- (a) A detailed income statement and balance sheet reflecting the impact of all proposed adjustments;*
- (b) The most recent capital construction budget containing at least the period of time as proposed for any pro forma adjustment for plant additions;'*
- (c) For each proposed pro forma adjustment reflecting plant additions provide the following information:*
  - 1. The starting date of the construction of each major component of plant;*
  - 2. The proposed in-service date;*
  - 3. The total estimated cost of construction at completion;*
  - 4. The amount contained in construction work in progress at the end of the test period;*
  - 5. A schedule containing a complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement*
  - 6. The original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions;*
  - 7. An explanation of any differences in the amounts contained in the capital construction budget and the amounts of capital construction cost contained in the pro forma adjustment period; and*
  - 8. The impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements*
- (d) The operating budget for each month of the period encompassing the pro forma adjustments;*
- (e) The number of customers to be added to the test period – end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.*

**Response:**

- (a) Please see Volume 2, Section V of this filing.*
- (b) Please see the attached page labeled 807KAR5:001, Section 10 (7)(b).*

Filing Requirement  
807KAR5:001 Section 10 (7)  
Page 2 of 5

- (c) Response as follows:
1. The starting date for the reliability capital projects are dependent on the Commission's order in this case.
  2. The proposed in-service date for the reliability capital projects are dependent on the Commission's order in this case.
  3. The total estimated cost of the reliability capital projects is \$11.3 Million or approximately \$3.8 Million per year.
  4. Currently there is no amount contained in construction-work-in-progress since none of these reliability projects have been started.
  5. A schedule containing a complete description of actual plant retirements and anticipated plan retirements related to the Company's reliability capital projects including the actual or anticipated date of retirement is unavailable due to the fact that these projects are dependent on the Commission's order in this proceeding.
  6. The original cost of removal and salvage for each component of plant to be retired during the period of the pro forma adjustment for the plant additions associated with the reliability capital spent is unavailable due to the fact that the projects are dependent on the Commission's order in this proceeding.
  7. There is not any difference in the amount contained in the capital construction budget and the amount of capital construction costs contained in the Company's reliability capital spending.
  8. The Company's estimated reliability annual capital spending will increase on average \$3.8 Million per year. The annual effect on depreciation using the new distribution depreciation rate of .0364 will result in an increased depreciation expense of \$138,320 per year.
- (d) The Company's operation and maintenance operating budget for each month of the period encompassing the Company's reliability adjustment is attached, labeled as 807KAR5:001, Section 10 (7)(d).
- (e) The number of customers to be added to the test period - end level of customer and the related revenue requirement impact for all pro-forma adjustments with completed details and supporting workpapers is attached as 807KAR5:001, Section 10 (7)(e).

KENTUCKY POWER COMPANY  
REGULATION 807KARS5:001, Section 10 (1)(b)

Item 10(7)(b)

	\$000			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Construction Expenditures By Function</b>				
Production	14,844	65,951	96,612	110,725
Transmission	8,449	7,324	11,168	20,875
Distribution	26,166	33,146	59,832	60,522
General	6,392	4,618	5,004	5,050
<b>Total Construction Expenditures</b>	<b>55,850</b>	<b>111,039</b>	<b>172,615</b>	<b>197,172</b>

KENTUCKY POWER COMPANY  
REGULATION 807KARS5:001, Section 10 (7) (d)

<u>Item 10(7)(d)</u>	<u>Operation &amp; Maintenance Expense (\$000)*</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
January		7,296	7,925	9,052
February		7,328	7,958	9,099
March		8,300	7,958	9,099
April		8,957	7,958	9,099
May		7,794	7,958	9,099
June		7,485	7,958	9,099
July	7,948	8,257	7,958	9,099
August	7,466	7,809	7,923	9,067
September	7,178	7,909	7,906	9,056
October	7,061	7,432	7,906	9,056
November	7,029	7,348	7,906	9,056
December	7,481	8,351	7,906	9,056

\*Does not include Fuel and Purchased Power

Kentucky Power Company  
 Regulation 807 KAR 5:001 Section 10 (7) (e)

Ln No (1)	Customer Class (2)	Test Year (3)	Test Year Customer Average Usage (4)	Test Year Customer Average KWh Cost (5)	Calendar Year		Change in Test Year Revenues Due to Change in Number of Customers			
					2006 (6)	2007 (7)	2006 (9)	2007 (10)	2008 (11)	
1	Residential	144458	16417	0.0551	144922	145664	146224	\$419,724	\$1,090,920	\$1,597,482
2	Commercial	28564	47739	0.0566	29439	30098	30819	\$2,364,274	\$4,144,910	\$6,083,072
3	Industrial	1457	2258103	0.0362	1438	1438	1424	(\$1,553,123)	(\$1,553,123)	(\$2,697,530)
4	Other	444	24173	0.0935	442	441	443	(\$4,520)	(\$6,781)	(\$2,260)
5	Total	174923			176241	177641	178910	\$1,226,355	\$3,675,926	\$4,990,764

807KAR5:001  
 Section 10(7)(e)



**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (8)**

**Filing Requirement:**

*All applications requesting a general adjustment in rates supported by a fully forecasted test period shall comply with the following requirement:*

**Response:**

Not applicable as the Company is requesting a general adjustment in rates using an historical test period.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (9)**

**Filing Requirement:**

*All applications requesting a general adjustment in rates supported by a fully forecasted test period shall include the following or a statement explaining why the required information does not exist and is not applicable to the utility's application:*

**Response:**

Not applicable as the Company is requesting a general adjustment in rates using an historical test period.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (10)**

**Filing Requirement:**

*All applications seeking a general adjustment in rates supported by a forecasted test period shall include the following data to be submitted using schedule forms hereby incorporated by reference and which may be inspected, copies or obtained at the commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday between the hours of 8 a.m. and 4:30 p.m., local time. The commission shall notify the utility of any deficiencies in the application within thirty (30) days of receiving it. The utility may cure such filing deficiencies within thirty (30) days' written notice from the commission:*

**Response:**

Not applicable as the Company is requesting a general adjustment in rates using an historical test period.

**Kentucky Power Company**  
**Case No. 2005-00341**  
**Historical Test Period Ending June 30, 2005**

**Filing Requirement**  
**807KAR5:001 Section 10 (11)**

**Filing Requirement:**

*Section 10 (11) A request for waiver of any of the provisions of these filing requirements must set forth the specific reasons for the request. The commission shall grant the request for waiver upon good cause shown by the utility. In determining whether good cause has been shown, the commission may consider:*

- (a) Whether other information which the utility would provide if the waiver is granted is sufficient to allow the commission to effectively and efficiently review the rate application;*
- (b) Whether the information which is the subject of the waiver request is normally maintained by the utility or reasonably available to it from the information which it maintains; and*
- (c) The expense to the utility in providing the information which is the subject of the waiver request.*

**Response:**

Not applicable.