

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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COMMISSION

In the Matter of:

THE APPLICATION FOR A GENERAL )  
ADJUSTMENT OF ELECTRIC RATES )  
OF KENTUCKY POWER COMPANY )

Case No. 2013-00197

SECTION VI

DIRECT TESTIMONY OF

MCCOY, MCMANUS, AND MITCHELL

ON BEHALF OF KENTUCKY POWER COMPANY



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**I. INTRODUCTION**

1 **Q: PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A: My name is Hugh E. McCoy. My position is Director of Accounting Policy and  
3 Research for the American Electric Power Service Corporation (AEPSC), a wholly  
4 owned subsidiary of American Electric Power Company, Inc. (AEP). AEP is the  
5 parent company of Kentucky Power Company (Kentucky Power or the Company).  
6 AEPSC supplies engineering, financing, accounting and similar planning and  
7 advisory services to AEP's eleven electric operating companies, including  
8 Kentucky Power. My business address is 1 Riverside Plaza, Columbus, Ohio  
9 43215.

**II. BACKGROUND**

10 **Q: PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
11 **BUSINESS EXPERIENCE.**

12 A: I graduated magna cum laude from West Virginia University in 1977, with a  
13 Bachelor of Science in Business Administration degree in Accounting.

14 From 1977 to 1981, I was employed by Peat, Marwick, Mitchell and Co.,  
15 where I was promoted to Audit Supervising Senior. I have been a Certified Public  
16 Accountant since 1979 and a member of the American Institute of Certified Public  
17 Accountants since 1980.

1           Since 1981, I have been employed by AEPSC. I served from 1981 to early  
2           1998 in Accounting Policy and Research, initially as a Treasury Staff Accountant  
3           and beginning in 1989 as a Senior Treasury Staff Accountant. In 1998, I was  
4           promoted to Manager of Utility Ledgers for AEP's operating companies in Ohio.  
5           In 2000, I was promoted to Assistant Controller of Non-Regulated Accounting.  
6           Following two years in that position and a one-year rotational assignment to  
7           Corporate Finance, I returned to Accounting Policy and Research in my current  
8           position in 2003 and assumed plant accounting policy responsibilities in 2010.

9           **Q: WHAT ARE YOUR RESPONSIBILITIES AS DIRECTOR OF**  
10           **ACCOUNTING POLICY AND RESEARCH?**

11          A: I am responsible for performing accounting research, recommending accounting  
12          policy and procedures, reporting on the financial effects of potential transactions,  
13          and developing accounting instructions for certain non-routine transactions and new  
14          accounting rules. I serve as AEP's primary internal advisor with regard to issues  
15          surrounding the accounting for employee benefits, including pensions and  
16          postretirement benefits. I also have supervisory responsibility for plant accounting  
17          policy matters.

18          **Q: HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS OR OTHER**  
19          **UTILITY REGULATORY COMMISSIONS?**

20          A: Yes, I have previously testified on pension and postretirement benefits before the  
21          Public Service Commission of Kentucky (the Commission) and before the Indiana  
22          Utility Regulatory Commission, the Louisiana Public Service Commission, the  
23          Michigan Public Service Commission, the Public Utility Commission of Ohio, the

1 Oklahoma Corporation Commission, the Tennessee Public Service Commission,  
2 the Public Utility Commission of Texas, the Virginia State Corporation  
3 Commission, the Public Service Commission of West Virginia, and the Federal  
4 Energy Regulatory Commission.

### **III. PURPOSE OF TESTIMONY**

5 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
6 **PROCEEDING?**

7 A: The purpose of my direct testimony is to address for the Company the amount of  
8 pension cost and postretirement benefit cost that the Company has included for  
9 ratemaking purposes. In addition, I will support the inclusion in rate base of the  
10 additional cash investment in the pension trust fund recorded as a prepaid pension  
11 asset in accordance with generally accepted accounting principles. This additional  
12 pension funding benefits customers through reduced pension cost.

13 **Q. ARE YOU SPONSORING ANY EXHIBITS IN THIS PROCEEDING?**

14 A. Yes, I am sponsoring Exhibits HEM-1 through HEM-4. Exhibit HEM-1 is my  
15 schedule that compiles pension and postretirement benefit costs from the 2012 and  
16 2013 actuarial reports included in Exhibit HEM-2 and Exhibit HEM-3, respectively,  
17 and computes pension and postretirement benefit costs for the twelve months ended  
18 March 31, 2013. Exhibit HEM-2 consists of the 2012 pension and postretirement  
19 benefit actuarial reports prepared by the Company's independent actuary, Towers  
20 Watson, while Exhibit HEM-3 contains these actuarial reports for 2013. Exhibit  
21 HEM-4 is my schedule of the effect of additional pension contributions recorded as  
22 a prepaid pension asset in reducing 2013 pension cost.



**IV. PENSION COST**

1 **Q. PLEASE DESCRIBE THE COMPANY'S PENSION PLANS.**

2 A. The employees of the Company participate in the AEP defined benefit pension plan  
3 that is subject to the Employee Retirement Income Security Act of 1974 (ERISA)  
4 and various regulations under the Internal Revenue Code (IRC). The pension plan  
5 provides benefits based on either a cash balance design or, for employees who were  
6 plan participants on December 31, 2000, under a grandfathered design. The cash  
7 balance design provides participants with a notional account that provides annual  
8 credits based on compensation, age, and years of service, plus annual interest on the  
9 account balance. The grandfathered design provides a final average pay benefit that  
10 continued to grow for a ten-year transition period ending December 31, 2010. At  
11 retirement, grandfathered participants may choose either the grandfathered benefit  
12 or the cash balance benefit.

13 **Q. HOW IS PENSION COST DETERMINED?**

14 A. The Company's pension cost is computed as part of an annual actuarial valuation  
15 performed by Towers Watson, the Company's independent actuary, in accordance  
16 with generally accepted accounting principles under Financial Accounting  
17 Standards Board (FASB) Accounting Standards Codification 715-30, previously  
18 referred to as FASB Statement of Financial Accounting Standards No. 87,  
19 Employers' Accounting for Pensions (FAS 87), and when applicable FASB  
20 Statement of Financial Accounting Standards No. 88, Employers' Accounting for  
21 Settlements and Curtailments of Defined Benefit Pension Plans and for Termination  
22 Benefits (FAS 88). Since the previous accounting rules themselves have not

1 changed, in this testimony I will continue to use the original designations of the  
2 applicable financial accounting standards for ease of reference and to maintain  
3 continuity.

4 As required by FAS 87, ERISA, and actuary professional standards, Towers  
5 Watson performs the valuation using reasonable actuarial methods and  
6 assumptions, which are disclosed in Appendix A - Statement of Actuarial  
7 Assumptions and Methods -- to the actuarial reports included in Exhibit HEM-2 and  
8 Exhibit HEM-3. These actuarial assumptions, which are consistent with the  
9 requirements of FAS 87, are discussed in more detail later in this testimony.

10 Although Kentucky Power participates along with other affiliates in the AEP  
11 pension plan, the Company's pension benefit cost is computed directly based on the  
12 specific demographics of the Company's actual employees and retirees and based on  
13 the Company's actual trust fund contributions and benefit payments. Accordingly, an  
14 assignment of a portion of total cost of the AEP plan to the Company is not necessary.  
15 This method of determining the Company's pension cost is reasonable, fair, and  
16 equitable and results in no cross-subsidization of cost between the Company and its  
17 affiliates.

18 **Q. IS IT COMMON TO USE AN INDEPENDENT ACTUARY TO COMPUTE**  
19 **PENSION AND POSTRETIREMENT BENEFIT COST?**

20 A. Yes. It is a routine, necessary and accepted business practice at AEP and in the  
21 electric utility industry generally to rely on the results of actuarial reports prepared  
22 by an independent actuary to establish pension and postretirement benefit cost and  
23 funding amounts.

1 Q. **WHAT ARE THE COMPONENTS OF PENSION COST UNDER FAS 87?**

2 A. FAS 87 pension cost includes the following components:

- 3 • Service cost, or the present value of benefits earned by employees for the  
4 current year.
- 5 • Interest cost on the projected benefit obligation (PBO). Interest accrues each  
6 year because the PBO is computed on a discounted, or present value, basis.
- 7 • Investment return expected on trust fund assets.
- 8 • Amortization of deferred costs, including:
- 9 ○ Actuarial gains and losses, or differences between actual and projected  
10 economic and demographic experience.
- 11 ○ Prior service cost, or fluctuations in the PBO caused by retroactive plan  
12 design changes.
- 13 ○ Transition asset or obligation, or the catch-up adjustment upon initial  
14 application of FAS 87.

15 Q. **PLEASE DESCRIBE THE ASSUMPTIONS USED IN THE COMPANY'S**  
16 **FAS 87 ACTUARIAL REPORT.**

17 A. FAS 87 actuarial assumptions fall into two categories: demographic assumptions  
18 and economic assumptions. These assumptions are annually reviewed with the  
19 independent actuary and adjusted as appropriate to ensure that they are reasonable,  
20 both individually and in aggregate, and that they accurately reflect expected future  
21 experience of the plan. These assumptions also apply to postretirement benefit cost  
22 under FASB Statement of Financial Accounting Standards No. 106, Employers'

1 Accounting for Postretirement Benefits Other Than Pensions (FAS 106), which is  
2 now included in FASB ASC 715-60.

3 **Q. PLEASE DESCRIBE THE DEMOGRAPHIC ASSUMPTIONS USED IN**  
4 **THE ACTUARIAL STUDIES AND HOW THEY WERE DEVELOPED.**

5 A. The demographic assumptions used to develop pension and postretirement benefit  
6 liabilities include mortality rates, employee withdrawal rates, expected retirement  
7 age, and assumptions regarding marital status and spouse's age. The assumptions  
8 regarding expected mortality and marital status are considered standard and are  
9 used by the majority of large companies for their FAS 87 and FAS 106 actuarial  
10 valuations. The employee turnover and retirement assumptions are based on studies  
11 of prior AEP demographic experience.

12 **Q. PLEASE DESCRIBE THE ECONOMIC ASSUMPTIONS AND HOW THEY**  
13 **WERE DEVELOPED.**

14 A. The economic assumptions used to develop pension and postretirement benefit  
15 liabilities include discount rate selection, an assumption regarding the expected  
16 long-term rate of return on plan assets, and expected future growth of employee  
17 salaries. The discount rate is used to adjust for the time value of money, as most of  
18 each plan's expected benefit payments will not be paid for many years. In  
19 accordance with FAS 87 and FAS 106, the discount rate is chosen as of the  
20 Company's December 31 annual measurement date to be in line with high-quality  
21 corporate bond yields. The rate chosen is based on the matching of high quality  
22 bond spot rates to the annual projected benefit payments expected for the plans.

1           The long-term rate of return on assets is chosen based on a study of the mix of  
2 the assets funding the plan and the expected rate of return on each asset category.  
3 Lastly, the salary growth rate takes into account expected changes in compensation  
4 levels, including cost-of-living adjustments, merit increases, and promotions. This  
5 assumption also is based on prior AEP experience. All three of these economic  
6 assumptions are the same or similar for the FAS 87 valuation and the FAS 106  
7 valuation, except that the FAS 106 expected return on assets assumption takes into  
8 account the different effect of income taxes on postretirement benefit trust funds.

9 **Q. DO THE ACTUARIAL ASSUMPTIONS AND METHODS DISCUSSED**  
10 **ABOVE PROVIDE A REASONABLE BASIS FOR DETERMINING THE**  
11 **LEVEL OF PENSION COST TO BE INCLUDED IN COST OF SERVICE?**

12 A. Yes. The actuarial assumptions and methods used for the pension valuation are  
13 reasonable both individually and in the aggregate. They are consistent with the  
14 requirements of generally accepted accounting principles as set forth in FAS 87 and  
15 actuarial industry standards.

16 **Q. WHAT AMOUNT OF PENSION COST IS REFLECTED IN THE**  
17 **COMPANY'S FILING?**

18 A. Exhibit HEM-1 shows the amount of the Company's actual FAS 87 pension cost for  
19 the 2012 and 2013 calendar years from each year's actuarial report. Exhibit HEM-1  
20 also computes the Company's pension cost of \$3,449,700 for the twelve months  
21 ended March 2013 test year. However, the Company's filing includes the calendar  
22 year 2013 pension cost of \$4,061,812 since this updated amount is more  
23 representative of the cost to be incurred during the period that rates resulting from

1 this proceeding will be in effect. As discussed below, FAS 88, which covers  
2 settlements, curtailments, and terminations, does not apply in 2012 and 2013.

3 The schedule on Exhibit HEM-1 accumulates separate columns for the  
4 amount of qualified cost and for the amount of non-qualified cost (also know as  
5 excess, supplemental, or SERP (Supplemental Employee Retirement Plan) cost),  
6 since a separate actuarial report is prepared for each. Actuarial reports typically are  
7 prepared separately for the amount of pension benefits that may be included in a  
8 qualified pension trust fund under ERISA versus the excess or supplemental amount  
9 related to benefits beyond the statutory qualified plan limits on benefits and pay.  
10 This helps to avoid confusion about funding of qualified plans and provides the  
11 segregated information required by accounting and reporting rules. The distinction  
12 between qualified and non-qualified amounts has no bearing on the amount of costs  
13 that are reasonable and necessary to meet the Company's requirements to provide  
14 reasonable and adequate pensions for its employees. The qualified amount is  
15 simply the portion that is subject to ERISA requirements, protections and income  
16 tax incentives. The supplemental amount is the portion of an employee's pension  
17 benefit that exceeds the qualified plan limits on benefits and pay.

18 **Q. DOES THE SUPPLEMENTAL PENSION PLAN PROVIDE SEPARATE**  
19 **AND ADDITIONAL BENEFITS TO THE COMPANY'S EXECUTIVES?**

20 A. No. The same pension benefit formula applies to all employees regardless of pay  
21 level. The supplemental plan simply replaces the portion of pension benefits that  
22 otherwise would be lost under the qualified plan limits. It is reasonable and  
23 necessary to provide the supplemental pension plan to replace the portion of pension

1 benefits that otherwise would be lost so that the Company can attract, retain, and  
2 motivate competent and qualified leaders.

3 **Q. DOES THE 2013 ACTUARIAL REPORT DETERMINE THE FINAL 2013**  
4 **PENSION BENEFIT COST THAT WILL BE INCURRED BY THE**  
5 **COMPANY?**

6 A. Yes. In accordance with generally accepted accounting principles as set forth in  
7 FAS 87, the final pension cost for 2013 recorded on the books for January through  
8 December 2013 is based on the April 2013 actuarial report. FAS 87 pension cost  
9 would be updated during a year only in the event that a FAS 88 pension settlement,  
10 curtailment, or termination occurred before the end of the year. No such settlement,  
11 curtailment, or termination has occurred or is expected. All of the underlying actual  
12 economic and demographic data included in the April 2013 actuarial report was  
13 complete, known and measurable as of December 31, 2012.

14 **Q. PLEASE EXPLAIN WHAT A PENSION SETTLEMENT, CURTAILMENT,**  
15 **OR TERMINATION IS AND WHY NONE IS EXPECTED IN 2013.**

16 A. FAS 88 provides the required accounting under generally accepted accounting  
17 principles for the following items:

- 18 • Pension plan settlement, which is an irrevocable transaction that relieves the  
19 Company of its pension obligation. Examples include (a) making lump-sum  
20 payments to participants in exchange for their rights to receive pension plan  
21 benefits and (b) purchasing nonparticipating annuity contracts to cover vested  
22 benefits.

- 1 • Pension plan curtailment, which is a significant reduction in the expected years  
2 of future service of present employees before retirement, or elimination of the  
3 earning of pension benefits for a significant number of employees for some or  
4 all of their future service. Examples include (a) termination of employees'  
5 services earlier than expected and (b) termination or suspension of a plan so that  
6 employees do not earn additional benefits for future service.
- 7 • Termination benefits, which are special termination benefits offered only for a  
8 short period of time, or contractual termination benefits required only if a  
9 specific event occurs.

10 Significant lead-time is required for the planning of an event that would  
11 constitute a FAS 88 pension settlement, curtailment, or termination. The  
12 Company's management currently has no plans for such an event.

13 **Q. WHY IS PENSION COST HIGHER FOR THE CALENDAR YEAR 2013**  
14 **THAN FOR THE TWELVE MONTHS ENDED MARCH 2013 TEST YEAR?**

15 A. Pension cost for the Company increased in 2013 because of the decline in interest  
16 rates and the lower assumed long-term rate of return on plan investments, which  
17 reflects a more conservative allocation of pension trust fund investments. Pension cost  
18 also increased because of amortization of 2008 investment losses, which are phased-in  
19 as an increase in pension cost over five years, with the full effect first being recognized  
20 in 2013.

21 **Q. WHAT IS THE FUNDED POSITION OF THE COMPANY'S PENSION**  
22 **PLAN?**



1 A. Following the substantial additional pension contributions that are discussed in more  
2 detail in Section VI of my testimony, the Company's qualified pension plan was about  
3 84 percent funded in terms of the FAS 87 benefit obligation at December 31, 2012.

**V. POSTRETIREMENT BENEFIT COST**

4 **Q. PLEASE DESCRIBE THE COMPANY'S POSTRETIREMENT BENEFIT**  
5 **PLAN.**

6 A. The employees of the Company participate in AEP's Non-UMWA Postretirement  
7 Benefit Plan, which provides medical and life insurance benefits to AEP employees  
8 who are not members of the United Mine Workers of America. AEP provides  
9 postretirement benefits, including subsidized medical and dental coverage,  
10 prescription drug coverage, and life insurance benefits, to employees who retiree  
11 directly from an AEP System company after attaining at least age 55 with at least  
12 ten years of service.

13 **Q. HOW IS POSTRETIREMENT BENEFIT COST DETERMINED?**

14 A. The Company's postretirement benefit cost is computed as part of an annual  
15 actuarial valuation performed by Towers Watson, the Company's independent  
16 actuary, in accordance with generally accepted accounting principles under the  
17 requirements of FASB ASC 715-60, or FAS 106 under the familiar previous  
18 accounting rule reference system. As required by FAS 106 and actuary industry  
19 standards, Towers Watson performs the valuation using reasonable actuarial  
20 methods and assumptions, which are disclosed under Appendix A -- Statement of  
21 Actuarial Assumptions and Methods in the actuarial reports included in Exhibit

1 HEM-2 and Exhibit HEM-3. These actuarial assumptions, which are consistent with  
2 the requirements of FAS 106, are discussed in more detail later in this testimony.

3 As is the case with the calculation of pension cost that I discussed above, the  
4 Company's postretirement benefit cost is computed directly based on the specific  
5 demographics of the Company's actual employees and retirees and based on the  
6 Company's actual trust fund contributions and benefit payments. This method of  
7 determining the Company's postretirement benefit cost is reasonable, fair and  
8 equitable and results in no cross-subsidization of cost between the Company and its  
9 affiliates.

10 The 2013 actuarial report was completed in April 2013. All of the underlying  
11 actual economic and demographic data included in the 2013 actuarial report was  
12 complete, known and measurable as of December 31, 2012.

13 **Q. WHAT ARE THE COMPONENTS OF POSTRETIREMENT BENEFIT**  
14 **COST?**

15 A. FAS 106 postretirement benefit cost includes the same components as FAS 87  
16 pension cost already discussed above, those being service cost, interest cost,  
17 investment return, and amortizations. Except for minor differences necessitated by  
18 the slightly different nature of pension benefits and postretirement benefits, the  
19 requirements of FAS 106 are very similar to those of FAS 87.

20 FAS 106 requires that employers such as the Company record the cost of  
21 postretirement benefits on an accrual basis during the working lives of employees.  
22 Under FAS 106, employers are required to accrue during employees' years of  
23 service a liability for the present value of their future benefits, so that an employer

1 will have accrued the present value of the entire benefit cost by the employee's  
2 retirement date. The FASB based the rule on its decision that postretirement  
3 benefits are a form of deferred compensation that should be recorded on an accrual  
4 basis as the benefits are earned, much like pensions.

5 **Q. PLEASE DESCRIBE THE ASSUMPTIONS USED IN THE FAS 106**  
6 **ACTUARIAL REPORT.**

7 A. FAS 106 actuarial assumptions fall into three categories: demographic assumptions,  
8 economic assumptions, and health care cost assumptions. These assumptions are  
9 reviewed with the independent actuary and adjusted annually to ensure that they are  
10 reasonable, both individually and in aggregate, and that they accurately reflect  
11 expected future experience of the plan. Demographic assumptions and economic  
12 assumptions also apply to pension cost under FAS 87.

13 **Q. WHAT DEMOGRAPHIC AND ECONOMIC ASSUMPTIONS WERE USED**  
14 **IN THE POSTRETIREMENT BENEFIT ACTUARIAL STUDY AND HOW**  
15 **WERE THEY DEVELOPED?**

16 A. My discussion above of the demographic and economic assumptions used to  
17 develop pension liabilities also applies to the assumptions used to develop  
18 postretirement benefit liabilities.

19 **Q. PLEASE DESCRIBE HOW THE HEALTH CARE COST ASSUMPTIONS**  
20 **USED IN THE FAS 106 STUDY WERE DEVELOPED.**

21 A. The health care trend rate for each future year is the expected annual rate of  
22 increase in the per capita health care charges submitted for reimbursement under the  
23 plan, before the effect of deductibles and co-payments. These rates are developed

1 based on an analysis of the plan's design and experience, as well as medical cost  
2 trend rate information available from the insurance industry and published surveys.  
3 These data take into account all appropriate components of medical inflation that  
4 might affect retiree medical costs, including pure costs of services, utilization, cost  
5 shifting, technological advances, growth and increase in malpractice insurance  
6 costs. The rates that are developed are then compared to the rates being used by  
7 other large organizations to make sure they are in line with assumptions being used  
8 for plans with similar benefits.

9 **Q. DO THE ACTUARIAL ASSUMPTIONS AND METHODS DISCUSSED**  
10 **ABOVE PROVIDE A REASONABLE BASIS FOR DETERMINING THE**  
11 **LEVEL OF POSTRETIREMENT BENEFIT COST TO BE INCLUDED IN**  
12 **COST OF SERVICE?**

13 A. Yes. The actuarial assumptions and methods used for the postretirement benefits  
14 valuation are reasonable both individually and in the aggregate. They are consistent  
15 with the requirements of generally accepted accounting principles as set forth in  
16 FAS 106 and actuarial industry standards.

17 **Q. WHAT AMOUNT OF POSTRETIREMENT BENEFIT COST IS THE**  
18 **COMPANY REQUESTING?**

19 A. Exhibit HEM-1 shows the amount of the Company's actual FAS 87 postretirement  
20 benefit cost for the 2012 and 2013 calendar years from each year's actuarial report.  
21 Exhibit HEM-1 also computes the Company's postretirement benefit cost of  
22 \$1,244,389 for the twelve months ended March 2013 test year. However, the  
23 Company's filing includes the calendar year 2013 postretirement benefit cost of

1 \$(1,007,225) since this updated amount is more representative of the cost to be  
2 incurred during the period that rates resulting from this proceeding will be in effect.

3 **Q. WHY DID POSTRETIREMENT BENEFIT COST TURN NEGATIVE FOR**  
4 **THE 2013 CALENDAR YEAR?**

5 A. Postretirement benefit cost for the Company turned negative (a credit to expense) in  
6 2013 mainly because of a plan amendment effective for retirements after 2012 that  
7 cap the Company's contribution to retiree medical coverage, thereby reducing the  
8 Company's exposure to future medical cost inflation. The resulting decline in the  
9 plan benefit obligation creates an actuarial gain that is amortized to postretirement  
10 benefit cost over about 12 years beginning in 2013.

11 **Q. DOES THE RETIREE MEDICAL COST CAP PLAN AMENDMENT**  
12 **CAUSE THE POSTRETIREMENT BENEFIT TRUST FUND TO BE**  
13 **OVERFUNDED?**

14 A. No. After reflecting the actuarial gain from the favorable plan amendment, the  
15 funded status of the postretirement benefit trust fund at December 31, 2012 was  
16 about 91 percent funded.

17 **Q. IS THERE A RELATED POSTRETIREMENT BENEFIT ITEM THAT YOU**  
18 **ALSO RECOMMEND SHOULD BE AMORTIZED OVER 12 YEARS?**

19 A. Yes. Company witness Bartsch in his direct testimony addresses the loss of future  
20 income tax deductions for retiree prescription drug costs, the benefits of which have  
21 already been recorded to reduce cost of service, as a result of enacted changes in  
22 federal health care laws and the Company's subsequent change from the Medicare  
23 Part D Subsidy to a less costly Employer Group Waiver Plan (EGWP). I

1 recommend that the resulting postretirement benefit regulatory asset for the  
2 unrealized retiree medical cost tax benefit should be amortized over 12 years, the  
3 same period over which the Company amortizes actuarial gains and losses under  
4 FAS 106.

5 Both the Medicare Part D subsidy and EGWP are federal government retiree  
6 prescription drug cost reimbursement plans that reduce the Company's  
7 postretirement benefit cost. Following changes in federal law that beginning in  
8 2013 eliminated the special income tax benefit of the Medicare Part D subsidy,  
9 EGWP became an overall lower cost plan. The decline in the plan benefit  
10 obligation from the switch to EGWP created an actuarial gain that is amortized to  
11 postretirement benefit cost over about 12 years. Accordingly, the related  
12 postretirement benefit regulatory asset for the unrealized retiree medical cost tax  
13 benefit also should be amortized over 12 years. Please see Section V, Workpaper  
14 S-4, page 25 as supported by Company witness Mitchell.

#### **VI. RATE BASE TREATMENT OF THE PREPAID PENSION ASSET**

- 15 **Q. PLEASE EXPLAIN THE AMOUNT OF ADDITIONAL PENSION**  
16 **FUNDING THAT SHOULD BE INCLUDED IN RATE BASE.**
- 17 A. In accordance with the provisions of generally accepted accounting principles under  
18 FAS 87, the Company has recorded as a prepaid pension asset additional cash  
19 pension contributions in excess of FAS 87 pension cost in the amount of  
20 \$26,308,055 as of March 31, 2013 as shown in Section V, Workpaper S-4, page 24.  
21 This total prepaid pension asset balance is separate from the related accumulated  
22 deferred federal income taxes that serve to reduce the combined rate base effect. As

1 shown on EXHIBIT HEM-4, this prepaid pension asset includes substantial  
2 contributions of \$15,775,528 in 2005, \$6,183,898 in 2010, \$10,535,000 in 2011 and  
3 \$4,902,000 in 2012.

4 **Q. HAS THE COMPANY BROUGHT THE 2005 CONTRIBUTION BEFORE**  
5 **THE COMISSION IN PRIOR CASES?**

6 A. Yes, in Case No. 2005-00341 and Case No. 2009-00459. Both of these cases  
7 settled without addressing the recovery of these necessary contributions.

8 **Q. WHY DID THE COMPANY MAKE THESE ADDITIONAL PENSION**  
9 **CONTRIBUTIONS?**

10 A. The 2005 additional cash contributions eliminated the funding shortfall that had  
11 developed between pension plan assets and the FAS 87 benefit obligation. As a  
12 result of these additional contributions, the Company's qualified pension benefit  
13 obligation was fully funded at the end of 2005 and through 2007. Following the  
14 market downturn in 2008, additional pension contributions were required in 2010,  
15 2011 and 2012.

16 **Q. IS THIS PREPAID PENSION BALANCE THAT THE COMPANY**  
17 **PROPOSES TO INCLUDE IN RATE BASE ENTIRELY SUPPORTED BY**  
18 **CASH CONTRIBUTIONS?**

19 A. Yes, the prepaid pension amount to be included in rate base is entirely supported by  
20 actual cash contributions in excess of pension cost. Including this amount in rate  
21 base will allow ratemaking recognition of the Company's cost of funds on the  
22 additional cash contributions. Not included in the Company's request are non-cash  
23 accrual adjustments made under FASB Statement of Financial Accounting

1 Standards No. 158, Employers' Accounting for Defined Benefit Pension and Other  
2 Postretirement Plans (FAS 158), since such adjustments have no effect on the  
3 amount of the Company's cash pension investment or its FAS 87 pension cost.

4 **Q. DOES ANY PORTION OF THE PREPAID PENSION ASSET SERVE TO**  
5 **PRE-FUND THE COMPANY'S PENSION OBLIGATIONS IN ADVANCE?**

6 A. No. These additional contributions were made to address substantial underfunding  
7 that would have continued to exist if the contributions had not been made. They do  
8 not relate to anticipating or pre-funding future obligations but rather were made to  
9 help catch-up funding to the current accumulated benefit obligation. Even with  
10 these additional contributions, the Company's qualified pension plan was only about  
11 84 percent funded in terms of the FAS 87 benefit obligation at December 31, 2012.  
12 Without the additional pension contributions that are recorded as a prepaid pension  
13 asset, the qualified pension would be only about 55 percent funded. The additional  
14 pension contributions have been prudently incurred by the Company to provide  
15 service to its customers, are necessary for the provision of service, and constitute  
16 property that is used and useful in providing public service.

17 **Q. PLEASE EXPLAIN WHY THE ADDITIONAL PENSION**  
18 **CONTRIBUTIONS WERE NECESSARY.**

19 A. As explained above, pension cost included in cost of service for ratemaking  
20 purposes is based on generally accepted accounting principles as set forth in FAS 87  
21 and, when applicable, FAS 88. However, pension contributions are based on  
22 separate ERISA requirements, so the amount of pension cost and the amount of  
23 pension cash contribution can often vary. FAS 87 requires that this difference be



1 recorded on the balance sheet as a prepayment if contributions exceed cost or as a  
2 liability if cost exceeds contributions.

3 The Company's pension funding shortfall under FAS 87 grew substantially  
4 over the period 2000 through 2003 because of an unprecedented combination of  
5 factors that caused the difference between the accumulated pension benefit  
6 obligation and the pension fund assets to grow substantially. The resulting decline  
7 in pension fund assets and the increase in pension obligations caused even  
8 previously well-funded pension plans such as the Company's to become  
9 significantly underfunded.

10 By 2005, the amount of underfunding had reached the point that it was neither  
11 prudent nor reasonable for the Company to rely on the shortfall reversing over time  
12 through normal market activity and ERISA-required cash contributions. Moreover,  
13 allowing the disparity between pension assets and the accumulated pension  
14 obligation to remain at the then current level, or risking possible further growth in  
15 the disparity, would have entailed making substantially increased future required  
16 pension funding contributions. Accordingly, the Company was presented with a  
17 situation in which it needed to take action by making additional contributions to  
18 bring the pension fund assets and the accumulated benefit obligation into alignment.  
19 Under these circumstances, the making of the additional contributions was clearly  
20 prudent and necessary.

21 The market decline of 2008 and the decline in interest rates in 2009 through  
22 2012 again caused the difference between the benefit obligation and the pension  
23 fund assets to grow. As a result, the Company made substantial additional

1 contributions in 2010, 2011 and 2012. These contributions were prudently made to  
2 reduce the funding shortfall and to bring the pension assets closer into alignment  
3 with the benefit obligation.

4 **Q. DO CUSTOMERS OF THE COMPANY BENEFIT FROM THE**  
5 **ADDITIONAL FUNDING OF THE PENSION PLAN?**

6 A. Yes, customers benefit from the investment earnings on the additional fund assets.  
7 This has the effect of reducing future pension cost under generally accepted  
8 accounting principles in an amount that grows over time through compounding. As  
9 computed on Exhibit HEM-4, the additional pension contributions recorded as a  
10 prepaid pension asset reduced by approximately \$2.5 million the 2013 pension cost  
11 that the Company would have had to recover from customers. In other words, had  
12 the Company not made the additional pension contributions, the Company's total  
13 amount of 2013 pension cost would have been approximately \$6,533,292 instead of  
14 \$4,061,812.

15 **Q: DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

16 A: Yes, it does.

Pension and Postretirement Benefit (OPEB) Cost  
Kentucky Power Company

	FAS 87 Cost			FAS 106 OPEB Cost
	Qualified	SERP	Total Pension	
Calendar Year 2012 Actual per Actuarial Report	3,244,941	722	3,245,663	1,994,927
Calendar Year 2013 Actual per Actuarial Report	4,057,917	3,895	4,061,812	(1,007,225)
12 Months Ended March 2013 Computed from Above	3,448,185	1,515	3,449,700	1,244,389
Calendar Year 2013 Versus 12 Months Ended March 2013	609,732	2,380	612,112	(2,251,614)

2012 Actuarial Reports

Exhibit HEM-2 includes the following 2012 AEP Actuarial Reports:

- Exhibit HEM-2A                      Qualified Pension
- Exhibit HEM-2B                      Supplemental Pension
- Exhibit HEM-2C                      Non-UMWA Postretirement

**American Electric Power  
American Electric Power System Retirement Plan  
Actuarial Valuation Report**

**Pension Cost for Fiscal Year Ending December 31, 2012  
under U.S. GAAP**

**Employer Contributions for Plan Year  
Beginning January 1, 2012**

**October 2012**

**TOWERS WATSON** 

This report is confidential and intended solely for the information and benefit of the immediate recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Purpose and Actuarial Certification" section herein.



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# Purpose and Actuarial Certification

## Purposes of Valuation

American Electric Power retained Towers Watson Pennsylvania Inc. ("Towers Watson"), to perform an actuarial valuation of the American Electric Power System Retirement Plan for the purpose of determining the following:

- (1) The minimum required contribution in accordance with ERISA and the Internal Revenue Code (IRC) for the plan year beginning January 1, 2012.
- (2) The estimated maximum tax-deductible contribution for the tax year in which the 2012 plan year ends in accordance with ERISA as allowed by the IRC. The maximum tax-deductible contribution should be finalized in consultation with American Electric Power's tax advisor.
- (3) Plan accounting information in accordance with FASB Accounting Standards Codification Topic 960 (ASC 960).
- (4) Determination of the Funding Target Attainment Percentage (FTAP) under IRC §430(d)(2), as reported in the Annual Funding Notice required under ERISA 101(f).
- (5) The value of benefit obligations as of January 1, 2012, and American Electric Power's pension cost for fiscal year ending December 31, 2012, in accordance with *FASB ASC 715-30-35*.

## Limitations

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However:

- (1) This report is not intended to constitute a certification of the Adjusted Funding Target Attainment Percentage (AFTAP) under IRC §436 for any plan year.
- (2) This report does not determine the plan's liquidity shortfall requirements (if any) under IRC §430(j)(4). If applicable, we will determine such requirements separately, as requested by American Electric Power.
- (3) This report does not determine liabilities on a plan termination basis, for which a separate extensive analysis would be required.
- (4) The cost method for the minimum required contribution is established under IRC §430 and may not in all circumstances produce adequate assets to pay benefits under all optional forms of payment available under the plan when benefit payments are due.
- (5) This valuation reflects our understanding of the relevant provisions of the Pension Protection Act of 2006 (PPA); the Worker, Retiree and Employer Recovery Act of 2008 (WRERA); and the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA). The IRS has yet to issue final guidance with respect to certain aspects of these laws. It is possible that guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect results shown in this report.
- (6) The valuation reflects for both funding and benefit restrictions purposes the provisions of the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 imposes corridors around the segment rates used for funding purposes for 2013 plan years, with optional applicability for 2012 plan years. Under MAP-21, the corridors do not apply for purposes of determining (i) unfunded vested benefits for PBGC premium purposes (ii) whether an ERISA §4010 filing is required with PBGC, or (iii) the maximum tax-deductible contribution.

## Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, assets and sponsor elections provided by American Electric Power and other persons or organizations designated by American Electric Power. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. In addition, the results in this report are dependent on contributions reported for the prior plan year and maintenance of funding balance elections after the valuation date. We have relied on all the information provided as complete and accurate. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or information regarding contributions or funding balance maintenance provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by American Electric Power, may produce materially different results that could require that a revised report be issued.

## Assumptions and Methods under ERISA and the Internal Revenue Code for Funding Purposes

As prescribed by regulation, the plan sponsor selected key assumptions and funding methods (including asset valuation method and choice among prescribed interest rates including MAP-21 alternatives) employed in the development of the contribution amounts and communicated them to us in the letter dated March 26, 2012. The plan sponsor also elected to reflect the provisions of MAP-21 for both minimum funding and benefit restrictions purposes in the letter dated September 13, 2012. To the extent not prescribed by ERISA, the Internal Revenue Code and regulatory guidance from the Treasury and the IRS, or selected by the sponsor, the actuarial assumptions and methods employed in the development of the contribution amounts have been selected by Towers Watson, with the concurrence of the plan sponsor. It is beyond the scope of this actuarial valuation to analyze the reasonableness and appropriateness of prescribed methods and assumptions, or to analyze other sponsor elections from among the alternatives available for prescribed methods and assumptions.

Other than prescribed assumptions, ERISA and the Internal Revenue Code require the use of assumptions each of which is "reasonable (taking into account the experience of the plan and reasonable expectations), and which, in combination, offer the actuary's best estimate of anticipated experience under the plan." We believe that the non-prescribed assumptions used in our valuation are reasonable and appropriate for the purposes for which they have been used.

A summary of the assumptions and methods used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the 2012 plan year will change the results shown in this report and could result in plan qualification issues under IRC §436 if the application of benefit restrictions is affected by the change.

## Assumptions and Methods Under ASC 715-30-35

The actuarial assumptions and methods employed in the development of the pension cost have been selected by the plan sponsor with the concurrence of Towers Watson, except for the expected rate of return on plan assets selected as of December 31, 2011. Evaluation of the expected return assumption was outside the scope of Towers Watson's assignment and would have required substantial additional work which we were not engaged to perform.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with AEP's tax advisors and auditors.

## Nature of Actuarial Calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events which cannot be predicted with certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience only and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs or contribution requirements reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this valuation to analyze the potential range of future pension contributions; we can do so upon request.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

## Limitations on Use

This report is provided subject to the terms set out herein and in our engagement letter dated February 13, 2012, and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of American Electric Power and its auditors in connection with our actuarial valuation of the pension plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. American Electric Power may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require American Electric Power to provide them this report, in which case American Electric Power will use best efforts to notify Towers Watson in advance of this distribution, and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no intended third-party beneficiaries of this report or the work underlying it.

### Professional Qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Pennsylvania Inc.



Joseph A. Perko, FSA, EA, MAAA  
Senior Consultant



Ryan S. Carney, FSA, EA, MAAA  
Senior Consultant

Towers Watson Pennsylvania Inc.

October 2012

# Section 1: Summary of Results

## Summary of Valuation Results

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012	January 1, 2011
<b>Funding</b>		
Market value with discounted receivable contributions	4,414,994,593	4,014,062,294
Actuarial value of assets	4,379,946,416	3,882,730,379
Funding balances	553,175,546	329,649,337
Funding target	3,821,837,296	4,177,243,880
Target normal cost (including expenses)	59,326,765	75,082,044
Funding shortfall (surplus)	(4,933,574)	624,162,838
Funding target attainment percentage (FTAP)	100.1%	85.1%
Minimum required contribution		
Prior to application of funding balances	54,393,192	189,639,274
Net of available funding balances	0	0
Effective interest rate	6.90%	6.06%
<b>U.S. GAAP Accounting (ASC 715) as of Measurement Date</b>		
Projected benefit obligation (PBO)	4,914,261,689	4,703,772,057
Fair value of assets (without receivable contributions)	4,319,006,165	3,868,611,425
Funded status	(595,255,524)	(835,160,632)
Pension cost (excluding effects of settlements, curtailments and termination benefits) for fiscal year	122,179,275	110,033,327
Discount rate	4.55%	5.05%
<b>Participants as of Census Date</b>		
	January 1, 2012	January 1, 2011
Active employees	18,056	18,141
Participants with deferred benefits	6,077	6,283
Participants receiving benefits	16,262	16,307
Total	40,395	40,731

### Minimum Required Contribution and Funding Policy

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012	January 1, 2011
Minimum Required Contribution		
Prior to application of funding balances	54,393,192	189,639,274
Net of available funding balances	0	0
Sponsor's funding policy contribution	100,000,000	450,000,000

Our understanding of the current sponsor's funding policy is to contribute the greater of \$100 million and the minimum required contribution using credit balances as available, until the plan is fully funded. We understand that the sponsor may deviate from this policy based on cash, tax or other considerations. Contributions of \$450,000,000 were made during plan year 2011 under this policy, with \$150,000,000 applied towards plan year 2010 and the remainder applied towards plan year 2011.

The minimum required contribution for the 2012 plan year must be partially satisfied in quarterly installments during the plan year, with a final payment due by September 15 (following). These requirements may be satisfied through contributions and/or an election to apply the available funding balances. The minimum required contribution is determined assuming it is paid as of the valuation date for the plan year. Contributions made on a date other than the valuation date must be adjusted for interest at the plan's effective interest rate. The minimum funding schedule, before reflecting any funding balances elections or amounts already contributed for the 2012 plan year prior to the issuance of this report, is shown below:

All monetary amounts shown in US Dollars

Due Date	Amount
April 15	12,238,468
July 15	12,238,468
October 15	12,238,468
January 15 (following)	12,238,468
September 15 (following)	8,451,476

Because the plan does not have a funding shortfall, quarterly contributions for the 2013 plan year will not be required.

## Change in Minimum Funding Requirement and Funding Shortfall

The minimum funding requirement decreased from \$189,639,274 for the 2011 plan year to \$54,393,192 for the 2012 plan year, and the funding shortfall decreased from \$624,162,838 on January 1, 2011, to \$(4,933,574) on January 1, 2012, as set forth below:

All monetary amounts shown in US Dollars

	Minimum Funding Requirement	Funding Shortfall (Surplus)
Prior year	189,639,274	624,162,838
Change due to:		
▶ Expected based on prior valuation, contributions, and use of/creation of funding balances	(1,205,568)	(116,920,328)
▶ Sponsor election to reduce the funding balances	0	0
▶ Unexpected noninvestment experience	(2,602,146)	29,831,901
▶ Unexpected investment experience	(230,502)	(167,872,799)
▶ Assumption changes	8,719,768	271,970,898
▶ Reflection of MAP-21	(139,927,634)	(646,106,084)
▶ Method changes	0	0
▶ Plan amendments	0	0
Current year	54,393,192	(4,933,574)

Significant reasons for these changes include the following:

- The return on the actuarial value of assets since the prior valuation was greater than expected, which reduced the minimum funding requirement and the funding shortfall.
- The plan's effective interest rate increased 84 basis points compared to the prior year, which reduced the minimum funding requirement and the funding shortfall. This change includes an increase of 161 basis points due to reflecting the interest rate corridors under MAP-21.
- The required mortality table used to value the funding target and target normal cost was updated to include one additional year of projected mortality improvements, which increased the minimum funding requirement and the funding shortfall.
- The long-term cash balance interest crediting rate was changed from 5.25% to 4.50%, which decreased the minimum funding requirement.
- Assumed plan-related expenses of \$4,427,981 (compared to \$15,915,985 for plan year 2011) were added to the target normal cost, which decreased the minimum funding requirement. Beginning in 2012 and per updated guidance regarding expenses, investment expenses will no longer be added to the target normal cost.

## Funding Ratios

The Pension Protection Act of 2006 (PPA) defines several Funding Ratios. All of these ratios are based on a ratio of plan assets to plan liabilities, but the assets and liabilities are defined differently for different purposes. Depending on the purpose, the assets may be market value or, if different, a smoothed actuarial value of assets, and may be reduced by the prefunding balance or all funding balances, and the liabilities may be based on the funding target, funding target disregarding at-risk assumptions, or the funding target calculated using at-risk assumptions (see the At-Risk section below for a discussion of at-risk assumptions).

Following are the key funding ratios and their implications for the 2012 or 2013 plan years.

Purpose of Ratio	Percent	Threshold	Implications
<b>January 1, 2011 Funding Ratios</b>			
Use of the funding balances to satisfy 2012 Minimum Required Contribution (MRC)	92.94%	80%	If >= threshold, the funding balances can be used to satisfy 2012 MRC
Quarterly contribution exemption test for 2012	85.05%	100%	If < threshold, quarterly contributions are required for 2012
At-risk for 2012	85.05%	80%	If >= threshold, plan is not at risk in 2012
<b>January 1, 2012 Funding Ratios</b>			
Use of the funding balances to satisfy 2013 MRC	105.93%	80%	If >= threshold, the funding balances can be used to satisfy 2013 MRC
Quarterly contribution exemption test for 2013	100.12%	100%	If < threshold, quarterly contributions are required for 2013
At-risk Test for 2013	100.12%	80%	If >= threshold, plan is not at risk in 2013
PBGC 4010 filing in 2013	85.64%	80%	If >= threshold, this plan does not trigger a 4010 filing in 2013
PBGC variable premium for 2012	100.19%	100%	If > threshold, PBGC variable premiums are not required in 2012
Exempt from establishing SAB – prefunding balance applied to 2012 MRC	105.93%	100%	If < threshold, if prefunding balance is applied to 2012 MRC, new Shortfall Amortization Base (SAB) is created
Exempt from establishing SAB – prefunding balance not applied to 2012 MRC	114.60%	100%	If < threshold, if prefunding balance is not applied to 2012 MRC, new Shortfall Amortization Base (SAB) is created
Eliminate SABs	100.12%	100%	If > threshold, Shortfall Amortization Bases are eliminated



## Benefit Limitations

Note that this report is not intended to constitute a certification of the AFTAP under IRC §436 for any plan year. The AFTAP for the plan year beginning January 1, 2012 was previously certified on March 29, 2012 to be 85.64%. This AFTAP may be changed by subsequent events.

Under the PPA, a plan may become subject to various benefit limitations if its funded status falls below certain thresholds.

If the AFTAP is below 60%, plans are prohibited from paying lump sums or other accelerated forms of distribution. If the AFTAP is at least 60% but less than 80%, the amounts which can be paid are limited. In addition, lump sums to the 25 highest paid employees may be restricted if a plan's AFTAP is below 110%. These limitations do not apply to mandatory lump sum cash-outs of \$5,000 or less. In addition, plans which were completely frozen before September 2005 are exempt from the restrictions on lump sums and other accelerated forms of distribution.

If the AFTAP is below 60%, benefit accruals must cease, amendments to improve benefits cannot become effective, and plant shutdown benefits and other Unpredictable Contingent Event Benefits (UCEBs) cannot be paid without being fully paid for. In addition, if the AFTAP would be below 80% reflecting a proposed amendment, the plan amendment cannot take effect unless actions are taken to increase plan assets.

To avoid these benefit limitations, a plan sponsor may take a variety of steps, including reducing the funding balances, contributing additional amounts to the plan for the prior plan year, contributing special "designated IRC §436 contributions" for the current plan year, or providing security outside the plan. Not all of these approaches are available for all of the restrictions discussed above. For example, restrictions on accelerated distributions cannot be avoided by making designated IRC §436 contributions.

## Current Implications of AFTAP for 2012 Plan Year

We believe that the certified AFTAP of 85.64% for the 2012 plan year has the following implications for benefit limitations described in IRC §436. American Electric Power should review and confirm these conclusions with ERISA counsel:

- Benefit accruals called for under the plan without regard to IRC §436 must continue.
- Accelerated distributions called for under the plan without regard to IRC §436 must continue in full.
- Amendments that increase benefits must be evaluated at the time they would become effective to determine if they are permissible.
- Plant shutdown and other UCEBs must be evaluated at the time they would become effective to determine if they are permissible.

## Implications of 2012 AFTAP for Presumptions in Next Plan Year

Because the AFTAP for the 2012 plan year is at least 80% but less than 90%, the presumed AFTAP for the 2013 plan year would decline 10% on April 1, 2013, if the 2013 plan year AFTAP has not yet been certified. Based on our understanding of the application of IRC §436 to the American Electric Power System Retirement Plan, as described above, we believe this decline in presumed AFTAP would cause accelerated distributions to be partially restricted. American Electric Power should confirm these effects with counsel. Note, however, that adoption of plan amendments and/or payment of UCEBs may change this result. We recommend that you consult with ERISA counsel concerning plan amendments.

## PBGC Reporting Requirements

Certain financial and actuarial information (i.e., a "4010 filing") must be provided to the PBGC if the Funding Target Attainment Percentage (FTAP) is less than 80% for any plan in the contributing sponsor's controlled group. However, this reporting requirement may be waived for controlled groups with no more than \$15 million in aggregate unfunded vested benefits. Note that the segment interest rate corridors of MAP-21 do not apply for purposes of either (i) determining the FTAP for PBGC premium purposes, or (ii) determining whether there is \$15 million in aggregate unfunded vested benefits in the controlled group.

The FTAP ignoring the interest corridors under MAP-21 for 2012 is 85.64%. In addition, we understand that American Electric Power System Retirement Plan is the only pension plan within American Electric Power's controlled group. As a result, no 4010 filing is expected to be required for 2012 as a result of the plan's funded status. However, a filing may be required if there are outstanding funding waivers or missed contributions within the controlled group.

## At-Risk Status

As defined in the PPA, the plan is not in at-risk status for the 2012 plan year, because the plan's FTAP for the 2011 plan year was at least 80%.

As defined in the PPA, the plan will not be in at-risk status for the 2013 plan year, because the plan's FTAP for the 2012 plan year is at least 80%. AEP elected to reflect MAP-21 for At-Risk purposes.

When a plan is in at-risk status:

- The plan is subject to potentially higher minimum contribution requirements. The funding target and target normal cost for purposes of determining the minimum required contribution must be measured reflecting certain mandated assumptions ("at-risk assumptions"). Specifically, participants eligible to retire within the next 11 years must be assumed to retire immediately when first eligible (but not before the end of the current year), and all participants must be assumed to elect the most valuable form of payment available when they begin receiving benefits. In addition, plans that have been at-risk in past years may also be required to increase the funding target and target normal cost for prescribed assumed expenses. The net effect of these assumptions and expense adjustments in most cases is to increase required contributions and PBGC variable premiums.
- The plan sponsor must indicate in the annual funding notice for the plan that the plan is at-risk and disclose additional at-risk funding targets, and
- Immediate taxation of non-qualified pension or deferred compensation for certain employees may occur if the plan sponsor is a public company. This may result when non-qualified pension or deferred compensation for such employees is funded during a period when a plan sponsored by the plan sponsor or another member of the plan sponsor's controlled group is in at-risk status.

## Pension Cost and Funded Position

The cost of the pension plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The fiscal 2012 pension cost for the plan is \$122,179,275 or 7.9% of covered pay.

Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "PBO") of each pension plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as an asset (for overfunded plans) or a liability (for underfunded plans). The PBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's overfunded (underfunded) PBO as of January 1, 2012 was \$(595,255,524), based on the fair value of plan assets of \$4,319,006,165 and the PBO of \$4,914,261,689.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the funded position at December 31, 2011 was derived from a roll forward of the January 1, 2011 valuation results, adjusted for the year-end discount rate, changes in other key assumptions and asset values, as well as significant changes in plan provisions and participant population. The fiscal year-end financial reporting information will be developed based on the results of the valuation, projected to the end of 2012 and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

## Change in Pension Cost and Funded Position

The pension cost increased from \$110,033,327 in fiscal 2011 to \$122,179,275 in fiscal 2012 and the funded position improved from \$(835,160,632) to \$(595,255,524), as set forth below:

All monetary amounts shown in US Dollars

	Pension Cost	Funded Position
Prior year	110,033,327	(835,160,632)
Change due to:		
▶ Expected based on prior valuation and contributions during prior year	(51,360,796)	459,814,531
▶ Unexpected noninvestment experience	7,036,022	(3,074,352)
▶ Unexpected investment experience	36,419,358	(27,806,869)
▶ Assumption changes	20,050,564	(189,028,202)
▶ Plan amendments	0	0
▶ Method change	0	0
▶ Interim events	0	0
Current year	122,179,275	(595,255,524)

Significant reasons for these changes include the following:

- The return on the fair value of plan assets since the prior measurement date was less than expected, which worsened the funded position.
- The return on the market-related value of plan assets, which reflects gradual recognition of asset gains and losses over the past five years, was less than expected, which increased the pension cost.
- Contributions to the plan during the prior year reduced the pension cost and improved the funded position.
- The discount rate declined 50 basis points compared to the prior year, which increased the pension cost and caused the funded position to deteriorate.
- The mortality and interest rates used to convert to different forms of payment were updated, which increased the pension cost and worsened the funded position.
- The mortality used to develop benefit obligations was updated for an additional year of mortality improvements which increase the pension cost and worsened the funded position.
- The long-term cash balance interest crediting rate was changed from 5.25% to 4.50%, which decreased the pension cost and improved the funded position.

## Basis for Valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes the principal provisions of the plan being valued.

### Changes in Assumptions

The discount rate decreased from 5.05% to 4.55%.

The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2018 for annuitants and to 2026 for nonannuitants to RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants.

The mortality used to convert to 417(e) based forms of payment was updated for an additional year of mortality improvements.

The interest rates used to calculate the funding target and funding target normal cost were updated to reflect the interest rate corridors of MAP-21 as elected by the plan sponsor.

The long-term cash balance interest crediting rate was changed from 5.25% to 4.50%.

Beginning in 2012 and per updated guidance regarding expenses, investment expenses will no longer be added to the target normal cost.

### Changes in Methods

None.

### Changes in Benefits Valued

None.

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## Section 2: Actuarial Exhibits

### 2.1 Summary of Liabilities for Funding Purposes

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012	January 1, 2011
<b>A Funding Target</b>		
1 Number of consecutive years at-risk	0	0
2 Funding target		
a Active employees – non-vested benefits	41,529,674	61,102,233
b Active employees – vested benefits	1,343,713,475	1,424,558,836
c Participants with deferred benefits	284,120,904	372,951,022
d Participants receiving benefits	2,152,473,243	2,318,631,789
e Total funding target	3,821,837,296	4,177,243,880
3 Target normal cost (including expenses)	59,326,765	75,082,044

## 2.2 Change in Plan Assets During Plan Year

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2011
<b>A Reconciliation of Market Value of Assets</b>	
1 Market value of assets at January 1, 2011 (including discounted contributions receivable)	4,014,062,294
2 Discounted contributions receivable at January 1, 2011	145,450,869
3 Market value of assets at January 1, 2011 (excluding contributions receivable)	3,868,611,425
4 Employer contributions	
a For prior plan year	150,000,000
b For current plan year	300,000,000
c IRC §436 contributions for current plan year	0
d Total	450,000,000
5 Employee contributions	0
6 Benefit payments	(286,758,330)
7 Administrative expenses paid by plan	(4,561,631)
8 Transfers from/(to) other plans	0
9 Investment return	291,714,701
10 Market value of assets at January 1, 2012 (excluding contributions receivable)	4,319,006,165
11 Discounted contributions receivable at January 1, 2012	95,988,429
12 Market value of assets at January 1, 2012 (including discounted contributions receivable)	4,414,994,594
<b>B Rate of Return on Invested Assets using Time-Weighted Transactions (i.e., for crediting unused funding balances)</b>	
1 Rate of return	7.99%

### C Discounted Receivable Contributions at January 1, 2012

Date	Prior Year Contributions	Discounted Value at January 1, 2012
September 12, 2012	100,000,000	95,988,429



### 2.3 Development of Actuarial Value of Assets

AEP elected a smoothing method that uses seven monthly data points to calculate the AVA.

All monetary amounts shown in US Dollars

<b>Plan Year Beginning</b>	<b>January 1, 2012</b>
----------------------------	------------------------

<b>Development of AVA</b>				
<u>Month</u>	<u>Expenses</u>	<u>Benefit Payments</u>	<u>Contributions</u>	<u>Fair Value at Beginning of Month</u>
July 2011	1,000,886	23,273,851	75,000,000	3,986,353,477
August 2011	2,942,474	23,680,424	0	4,058,999,396
September 2011	475,580	23,537,480	0	3,945,132,874
October 2011	2,497,274	22,388,053	0	3,851,847,674
November 2011	1,719,713	23,224,987	300,000,000	4,050,800,445
December 2011	837,132	22,924,571	0	4,263,491,461

<b>AVA with receivables</b>				
-----------------------------	--	--	--	--

**A Preliminary Actuarial Value of Assets before Corridor as of January 1, 2012**

1 Monthly asset values adjusted for expenses and benefit payments rolled forward to January 1, 2012 (including discounted rates of contributions receivable from C above)

<u>Month</u>	<u>Asset value</u>
a July 2011	4,437,080,566
b August 2011	4,437,953,436
c September 2011	4,329,327,091
d October 2011	4,239,267,159
e November 2011	4,442,812,807
f December 2011	4,358,189,259
g January 2012	4,414,994,594
h Average of monthly asset values	4,379,946,416

2 Preliminary Actuarial Value of Assets and before application of corridor

<b>B</b> Lower Bound of Corridor (90% of A12 from prior page)	3,973,495,134
<b>C</b> Upper Bound of Corridor (110% of A12 from prior page)	4,856,494,052
<b>Actuarial Value of Assets as of January 1, 2012</b>	
<b>D (A2 but not smaller than B nor larger than C)</b>	4,379,946,416

## 2.4 Calculation of Minimum Required Contribution

All monetary amounts shown in US Dollars

Reconciliation of Funding Balances as of January 1, 2012				
	Funding Standard Carryover Balance	Prefunding Balance	Total	
<b>A Determination of Funding Balances</b>				
1	Funding balance as of January 1, 2011	329,649,337	0	329,649,337
2	Amount used to offset prior year minimum required contribution <sup>1</sup>	(124,047,879)	0	(124,047,879)
3	Adjustment for investment experience	16,427,556	0	16,427,556
4	Amount of additional prefunding balance created by election	0	331,146,532	331,146,532
5	Amount of funding balance reduction for current year by election or deemed election	0	0	0
6	Funding balance as of January 1, 2012	222,029,014	331,146,532	553,175,546

Plan Year Beginning			January 1, 2012
<b>B Calculation of Minimum Required Contribution</b>			
1	Target normal cost		59,326,765
2	Funding surplus		(4,933,573)
3	Net shortfall amortization installment		0
4	Waiver amortization installment		0
5	Minimum funding requirement		54,393,192
6	Funding balance available		553,175,546
7	Remaining cash requirement (assuming sponsor elects full use of the available funding balances)		0

The minimum required contribution is determined as of the plan's valuation date. Any payment made on a date other than the valuation date must be adjusted for interest using the plan's effective interest rate of 6.90%.

Additional details regarding the calculation of the minimum required contribution may be obtained from the Form 5500 Schedule SB filings and attachments.

<sup>1</sup> Net of revoked excess application of funding balance, if any

## 2.5 Calculation of Estimated Maximum Deductible Contribution

All monetary amounts shown in US Dollars

Based on Plan Year	2012
<b>A Basic Maximum</b>	
1 Funding target	4,467,943,379
2 Target normal cost	66,307,724
3 Actuarial Value of Assets	4,379,946,416
4 50% of funding target	2,233,971,689
5 Additional funding target for future compensation or benefit increases	72,723,012
6 Basic maximum deductible contribution [1+2+4+5]	6,840,945,804
<b>B Minimum Required Contribution<sup>1</sup></b>	194,320,826
<b>C Estimated Maximum Deductible Contribution (maximum of B and A.6 less A.3)</b>	2,460,999,388

The estimated maximum deductible contribution applies to the tax year in which the plan year ends, and is based on our understanding of IRC §404(a)(1). Regulatory guidance from the IRS/Treasury is pending. Allocations of costs to inventory have not been considered, and amounts deductible under state law may differ. Deductibility can be influenced by timing of contributions, differences between fiscal year and plan year, and differences (if any) between the years to which prior contributions were assigned for minimum funding purposes and the years in which they were deducted. Our results have not been adjusted for non-deducted contributions included in the valuation assets. We recommend that the plan sponsor review with tax counsel the tax-deductibility of all contributions as Towers Watson does not provide legal or tax advice.

This limit has been determined without regard to the special rule of IRC §404(o)(2)(B) providing a potentially higher maximum deduction based on at-risk assumptions, which is available for plans that are not at risk.

<sup>1</sup> Ignores interest rate corridors of MAP-21.

## 2.6 ASC 960 (Plan Accounting) Information

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012
<b>A Present Value of Accumulated Benefits</b>	
1 Vested accumulated benefits	
a Active employees	1,326,739,924
b Participants with deferred benefits	277,156,654
c Participants receiving benefits	2,084,888,427
d Total vested accumulated benefits	3,688,785,005
2 Non-vested accumulated benefits	43,012,988
3 Total accumulated benefits	3,731,797,993
4 Market value of assets <sup>1</sup>	4,419,006,165
<b>B Reconciliation of Present Value of Accumulated Benefits</b>	
1 Present value of accumulated benefits as of January 1, 2011	3,602,119,552
2 Changes during the year due to:	
a Benefits accumulated	51,320,012
b Actuarial (gains)/losses	(13,236,009)
c Decrease in the discount period	268,259,714
d Actual benefits paid	(286,758,330)
e Assumption changes	110,093,054
f Plan amendments	0
g Net increase/(decrease)	129,678,441
3 Present value of accumulated benefits as of January 1, 2012	3,731,797,993
<b>C Key Assumptions</b>	
1 Discount rate	7.25%
2 Cash balance crediting rate	4.50%
3 Rate of compensation increase	Rates vary by age from 3.5% to 11.5%

<sup>1</sup> Assets may include accrued contributions for the current plan year not yet deposited on the current valuation date.

**2.7 Pension Obligations and Funded Position Under U.S. GAAP (ASC 715)**

All monetary amounts shown in US Dollars

Measurement Date	January 1, 2012	January 1, 2011
<b>A Obligations</b>		
Accumulated Benefit Obligation (ABO)		
1 Active employees	1,855,056,959	1,706,399,603
2 Participants with deferred benefits	394,575,151	435,222,869
3 Participants receiving benefits	2,565,257,262	2,490,275,320
4 Total ABO	4,814,889,372	4,631,897,792
5 Future salary increases	99,372,317	71,874,265
6 Projected benefit obligation (PBO)	4,914,261,689	4,703,772,057
<b>B Assets</b>		
1 Fair value [FV]	4,319,006,165	3,868,611,425
2 Investment losses (gains) not yet in market-related value	91,990,332	277,540,665
3 Market-related value	4,410,996,497	4,146,152,090
<b>C Funded Position</b>		
1 Overfunded (underfunded) PBO	(595,255,524)	(835,160,632)
2 PBO funded percentage	87.9%	82.2%
<b>D Amounts in Accumulated Other Comprehensive Income</b>		
1 Prior service cost (credit)	8,876,014	9,560,672
2 Net actuarial loss (gain)	2,163,034,523	2,062,287,969
3 Total	2,171,910,537	2,071,848,641
<b>E Key Assumptions</b>		
1 Discount rate	4.55%	5.05%
2 Cash balance crediting rate	4.50%	5.25%
3 Rate of compensation increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
<b>F Census Date</b>	January 1, 2012	January 1, 2011

The results above may differ from the amounts disclosed in American Electric Power's 2011 financial statements because disclosures are prepared before the corresponding valuation results are available.

**2.8 Pension Cost Under U.S. GAAP (ASC 715)**

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2012	December 31, 2011
<b>A Pension Cost</b>		
1 Service cost	75,709,045	71,900,761
2 Interest cost	219,570,788	233,244,647
3 Expected return on assets	(318,756,058)	(314,959,939)
4 Net prior service cost/(credit) amortization	(1,532,165)	684,658
5 Net loss/(gain) amortization	147,187,665	119,163,200
6 Net periodic pension cost/(income)	122,179,275	110,033,327
<b>B Key Assumptions<sup>1</sup></b>		
1 Discount rate	4.55%	5.05%
2 Rate of return on assets	7.25%	7.75%
3 Cash balance crediting rate	4.50%	5.25%
4 Rate of compensation increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
<b>C Census Date</b>		
	January 1, 2012	January 1, 2011

<sup>1</sup> These assumptions were used to calculate Net Periodic Pension Cost/(Income) as of the beginning of the year. For other assumptions used, as well as assumptions used for interim remeasurements, if any, refer to Appendix A.

**2.9 Development of Market-Related Value of Assets under U.S. GAAP  
(ASC 715)**

All monetary amounts shown in US Dollars

Fiscal Year Ending		December 31, 2012	
<b>Market-Related Value of Assets as of January 1, 2012</b>			
1	Fair value of assets as of January 1, 2012		4,319,006,165
2	Deferred investment gains/(losses) for prior periods		
	<b>Fiscal Year</b>	<b>Loss/(Gain)</b>	<b>Percent Deferred</b>
	a 2011	10,601,513	80.000%
	b 2010	(162,738,544)	60.000%
	c 2009	(244,425,390)	40.000%
	d 2008	1,394,612,021	20.000%
	e Total		91,990,333
<b>3</b>	<b>Market-Related Value of Assets</b>		<b>4,410,996,497</b>

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## Section 3: Participant Data

### 3.1 Summary of Plan Participants

All monetary amounts shown in US Dollars

Census Date	January 1, 2012	January 1, 2011	
<b>A Active Employees</b>			
1 Number	18,056	18,141	
2 Expected plan compensation for year beginning on the valuation date (limited by IRC §401(a)(17))	1,543,088,651	1,473,989,127	
3 Average plan compensation	85,461	81,252	
4 Average age	46.3	45.6	
5 Average credited service	16.8	16.0	
6 Total accrued benefits (cash balance)	1,586,368,748	1,466,039,423	
7 Average accrued benefits (cash balance)	87,858	80,814	
<b>B Participants with Deferred Benefits</b>			
1 Number	6,077	6,283	
2 Total annual pension (non-cash balance)	34,295,063	37,386,914	
3 Average annual pension (non-cash balance)	7,712	8,330	
4 Total cash balance	129,672,074	177,760,083	
5 Average cash balance	79,553	99,031	
6 Average age	54.2	53.9	
<b>Age Breakdown - Annual Pension</b>			
	<i>Number</i>	<i>Annual benefit</i>	<i>Average annual benefit</i>
Under 40	18	368,364	20,465
40-44	75	514,800	6,864
45-49	496	3,044,440	6,138
50-54	1,266	8,740,676	6,904
55-59	1,435	11,593,208	8,079
60-64	1,068	9,289,448	8,698
65 and over	89	744,100	8,360
Total	4,447	34,295,063	7,712
<b>Age Breakdown - Cash Balance</b>			
	<i>Number</i>	<i>Cash balance</i>	<i>Average cash balance</i>
Under 40	256	3,378,275	13,196
40-44	123	3,512,188	28,554
45-49	234	10,376,500	44,344
50-54	380	24,744,431	65,117
55-59	340	39,710,299	116,795
60-64	239	38,697,475	161,914
65 and over	58	9,252,906	159,533
Total	1,630	129,672,074	79,553

**C Participants Receiving Benefits**

1 Number	16,262	16,307
2 Total annual pension	234,664,371	240,652,753
3 Average annual pension	14,430	14,758
4 Average age	73.5	73.3

Age	Number	Annual benefit	Average annual benefit
Under 55	93	428,104	4,603
55-59	784	13,536,944	17,267
60-64	2,436	47,619,904	19,548
65-69	3,061	43,329,721	14,155
70-74	2,640	33,076,685	12,529
75-79	2,444	35,390,685	14,481
Over 79	4,804	61,282,329	12,757
Total	16,262	234,664,371	14,430

### 3.2 Participant Reconciliation

Participant Reconciliation				
	Active	Deferred Inactive	Currently Receiving Benefits	Total
1. Included in January 1, 2011 valuation	18,141	6,283	16,307	40,731
2. Change due to:				
a. New hire and rehire	594	0	0	594
b. Non-vested termination	(110)	0	0	(110)
c. Vested termination	(210)	210	0	0
d. Retirement	(67)	(402)	469	0
e. Disability	(93)	93	0	0
f. Death without beneficiary	(10)	(11)	(526)	(547)
g. Death with beneficiary	(2)	(7)	9	0
h. Cashout	(220)	(321)	(2)	(543)
i. Miscellaneous	33	232	5	270
j. Net change	(85)	(206)	(45)	(336)
3. Included in January 1, 2012 valuation	18,056	6,077	16,262	40,395

### 3.3 Age and Service Distribution of Participating Employees

Attained Age	Years Of Credited Service														
	Under 1			1 to 4			5 to 9			10 to 14			15 to 19		
	No.	Average		No.	Average		No.	Average		No.	Average		No.	Average	
		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.
<25	2			330	54,702	3,777	26	59,129	7,566						
25 to 29	3			822	66,497	6,183	463	72,163	12,400	6					
30 to 34	4			690	69,448	7,459	708	77,375	16,257	241	82,921	28,435	2		
35 to 39	1			583	73,981	9,258	627	79,856	20,208	448	84,996	36,078	122	92,051	51,751
40 to 44	1			477	74,082	11,139	505	80,729	23,872	448	90,467	45,317	313	93,203	65,989
45 to 49				304	75,267	12,792	392	83,037	28,514	435	88,724	52,465	307	88,156	75,076
50 to 54				236	75,984	14,094	282	83,465	32,046	312	87,930	60,306	259	87,611	88,589
55 to 59	3			164	73,055	15,031	181	87,488	38,092	211	90,026	71,157	135	85,567	103,824
60 to 64	1			75	74,855	17,171	96	83,880	41,264	95	87,257	72,625	60	83,065	111,802
65 to 69				8			22	113,300	68,310	29	94,689	84,945	9		
>70							4			5			1		

Note: Chart formatted to comply with instructions for Schedule SB of the 2011 Form 5500.

Attained Age	Years Of Credited Service														
	20 to 24			25 to 29			30 to 34			35 to 39			40 & up		
	No.	Average		No.	Average		No.	Average		No.	Average		No.	Average	
		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.
<25															
25 to 29															
30 to 34															
35 to 39	4														
40 to 44	271	96,868	84,579	9											
45 to 49	717	96,380	102,812	644	94,001	125,372	78	88,528	141,194						
50 to 54	521	89,066	115,798	994	96,761	153,107	1,345	93,236	177,338	67	87,187	186,349			
55 to 59	328	87,969	136,013	497	94,554	178,021	1,008	97,344	216,597	456	93,320	236,918	15		
60 to 64	102	82,785	149,112	140	92,974	200,585	170	97,056	246,822	121	105,209	296,856	76	96,454	336,156
65 to 69	9			12			7			5			10		
>70	1												1		

Note: Chart formatted to comply with instructions for Schedule SB of the 2011 Form 5500.



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# Appendix A : Statement of Actuarial Assumptions and Methods

## Actuarial Assumptions and Methods — Contributions

### Economic Assumptions

Interest rate basis:

▶ Applicable month (published)	October 2011
▶ Yield curve basis	Segment rates
▶ MAP-21 applied for funding	Yes
▶ MAP-21 applied for benefit restrictions	Yes

Funding interest rates:

	Reflecting Corridors	Not Reflecting Corridors
▶ First segment rate	5.54%	2.03%
▶ Second segment rate	6.85%	5.20%
▶ Third segment rate	7.52%	6.30%
▶ Effective interest rate	6.90%	5.29%

Annual rates of increase

▶ Compensation:		
— Representative rates	<i>Age</i>	<i>Rate</i>
	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
— Weighted average		4.85%
▶ Cash balance crediting rate		4.50%
▶ Lump sum/annuity conversion rate	October 2011 segment rates	
▶ Future Social Security wage bases		4.00%
▶ Statutory limits on compensation		N/A

**Demographic Assumptions**

**Inclusion Date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

**Mortality**▶ **Healthy**

Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2027 using Scale AA and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2019 using Scale AA.

▶ **Disabled**

Post-1994 current liability disabled

▶ **Lump sum/annuity conversion**

Applicable 417(e) IRS Mortality Table

**Termination**

Rates varying by age and service:

Attained Age	Percentage leaving during the year	
	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

**Disability**

Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Age	Percentage becoming disabled during the year	
	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

**Retirement**

Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%



**Benefit commencement date:**

- ▶ Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- ▶ Deferred vested benefit      The later of age 55 or termination of employment.
- ▶ Disability benefit      Upon disablement.
- ▶ Retirement benefit      Upon termination of employment.

**Form of payment**

40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

**Percent married**

80% of male participants; 70% of female participants.

**Spouse ages**

Wives are assumed to be three years younger than husbands.

**Valuation pay**

2012 base salary pay (Grandfathered) – estimated as 2011 base pay updated one year according to the salary increase assumption.

2012 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2011 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

**At-risk assumptions**

If at-risk calculations are required, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually a joint and survivor form of payment.

**Timing of benefit payments**

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

## Methods

Valuation date	First day of plan year.
Funding target	Present value of accrued benefits.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from the trust (based on actual trust expenses paid in previous year, adjusted by the difference between the prior and expected current year PBGC premiums).
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the six immediately preceding months, adjusted for contributions, benefit/expense payments and expected investment returns. The average asset value must be within 10% of fair value, including contributing receivable. The method of computing the actuarial value of assets complies with rules governing the calculation of such values under PPA.</p> <p>These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits Not Valued	<p>All benefits were valued except:</p> <ul style="list-style-type: none"> <li>– Any liabilities that may be reinstated in the event of reemployment</li> <li>– The alternate benefit formula for members who did not elect to withdraw their employee contributions</li> <li>– Any liabilities relating to members' unwithdrawn employee contributions</li> <li>– Liabilities related to special benefits as a result of termination due to downsizing and restructuring</li> </ul>
Change in Assumptions and Methods Since Prior Valuation	<p>The interest rates used to calculate the funding target, target normal cost and to convert 417(e) based forms of payments were updated from the segment rates as of October 2010 to the segment rates as of October 2011.</p> <p>The required mortality table used to value the funding target and target normal cost was updated to include one additional year of projected mortality improvements.</p> <p>Assumed plan-related expenses of \$4,427,981 were added to the target normal cost. Beginning in 2012, investment expenses will no longer be added to the target normal cost.</p> <p>The long-term cash balance interest crediting rate was changed from 5.25% to 4.50%.</p> <p>The segment rates used to determine minimum funding requirements and benefit restrictions were revised by applying the interest rate corridors of MAP-21.</p>

Data Sources

Towers Watson used participant and asset data as of January 1, 2012, supplied by AEP. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## 2. Assumptions and Methods for Pension Cost Purposes

### Actuarial Assumptions and Methods — Pension Cost

#### Economic Assumptions

Discount rate		4.55%
Return on assets*		7.25%
Annual rates of increase		
▶ Compensation:		
	<i>Age</i>	<i>Rate</i>
– Representative rates		
	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
– Weighted average		4.85%
▶ Cash balance crediting rate		4.50%
▶ Lump sum/annuity conversion rate		6.25%
▶ Future Social Security wage bases		4.00%
▶ Statutory limits on compensation		3.00%

The return on assets shown above is net of investment expenses and administrative expenses assumed to be paid from the trust.

\* Also used as discount rate for plan accounting (ASC 960) purposes.

**Demographic Assumptions**

Inclusion Date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality	
▶ Healthy	Separate rates for (1) non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2027 using Scale AA and (2) annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2019 using Scale AA.
▶ Disabled	RP2000 disabled retiree, no projection.
▶ Lump sum/annuity conversion	Applicable 417(e) IRS Mortality Table
Termination	Rates varying by age and service

Percentage leaving during the year		
Attained Age	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

**Disability**

Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Percentage becoming disabled during the year		
Age	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

Retirement

Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%

Benefit commencement date:

- ▶ Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- ▶ Deferred vested benefit          The later of age 55 or termination of employment.
- ▶ Disability benefit                      Upon disablement.
- ▶ Retirement benefit                    Upon termination of employment.

Form of payment

40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

Percent married

80% of male participants; 70% of female participants.

Spouse ages

Wives are assumed to be three years younger than husbands.

Valuation pay

2012 base salary pay (Grandfathered) – not estimated due to freeze of final average pay accruals at December 31, 2010.

2012 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2011 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

Administrative expenses

Discount rate is net of expenses paid by the trust.

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

## Methods

Service cost and projected benefit obligation	Projected unit credit
Market-related value of assets	<p>The market value on the valuation date less the following percentages of prior years' investment gains and losses:</p> <ul style="list-style-type: none"> <li>– 80% of the prior year</li> <li>– 60% of the second prior year</li> <li>– 40% of the third prior year</li> <li>– 20% of the fourth prior year</li> </ul> <p>The investment gain or loss is calculated each year by:</p> <ul style="list-style-type: none"> <li>– Rolling forward the prior year's fair value of assets with actual contributions, benefit payments and expected return on investments using the long-term yield assumption</li> <li>– Comparing the actual fair value of assets to the expected value calculated above.</li> </ul>
Benefits not valued	<p>All benefits were valued except:</p> <ul style="list-style-type: none"> <li>– Any liabilities that may be reinstated in the event of reemployment</li> <li>– The alternate benefit formula for members who did not elect to withdraw their employee contributions</li> <li>– Any liabilities relating to members' unwithdrawn employee contributions</li> <li>– Liabilities related to special benefits as a result of termination due to restructuring or downsizing</li> </ul>
Change in assumptions and methods since prior valuation	<p>The discount rate was decreased from 5.05% to 4.55%.</p> <p>The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2018 for annuitants and to 2026 for nonannuitants to RP2000 with projections to 2019 and 2027, respectively.</p> <p>The mortality table used for lump sum/annuity conversions was updated for an additional year of mortality improvements.</p> <p>The expected return on assets was decreased from 7.75% to 7.25%.</p> <p>The long-term cash balance interest crediting rate was changed from 5.25% to 4.50%.</p>
Data Sources	<p>Towers Watson used participant and asset data as of January 1, 2012, supplied by AEP. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.</p>

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## Appendix B : Summary of Plan Provisions Covered by the Former East Retirement Plan

### Plan Provisions

Plan provisions may not be the same for the Accounting and Funding valuations.

Effective Date	May 1, 1955. Restated effective January 1, 2012.
Recent Amendments	Executed as of January 1, 2012.
Covered Employees	Employees become Members of the Plan on the first day of the month following completion of one year of service.
Participation Date	Date of becoming a covered employee.

### Definitions

Grandfathered employee	If, on December 31, 2000, either: – Participating in AEP System Retirement Plan, or – In one-year waiting period for AEP System Retirement Plan participation.
Vesting service	A period of time from employment date to termination date and, in general, includes periods of severance that are not in the excess of 12 months.
Accredited service	Elapsed time from date of hire (from benefit service start date). For purposes of determining the monthly grandfathered benefit, no accredited service after shall be considered after December 31, 2010.
Cash balance pay	Pay received during the year, including base pay, overtime, shift differential/Sunday premium pay and incentive pay, subject to IRS limits.
Covered compensation amount	The average of the Social Security taxable wage based during the 35-year period including the year in which the participant retires, dies, becomes disabled or otherwise terminates employment. This monthly average is calculated to the next lower or equal whole dollar amount and is then rounded to nearest \$50.
Final average pay	Average of the highest 36-consecutive months of base pay out of the last 120 months of employment, subject to IRS limits. Final average pay shall not increase after December 31, 2010.
Normal retirement date (NRD)	The first day of the calendar month whose first day is nearest the later of the member's 65 <sup>th</sup> birthday or the completion of five years of Vesting Service.
Cash balance account	Recordkeeping account to which annual Interest Credits and annual Company Credits are credited. The cash balance account is updated at the end of each plan year and is equal to:

$$\begin{aligned}
 &\text{Cash Balance Account as of the end of the prior plan year} \\
 &\quad + \\
 &\quad \text{Interest Credits} \\
 &\quad + \\
 &\quad \text{Company Credits}
 \end{aligned}$$

Cash balance benefit  
Opening balance

Cash Balance Account converted to a monthly annuity  
For those participating in or eligible for the AEP System Retirement Plan on December 31, 2000, opening balance is calculated as follows:

- Present value of monthly normal retirement benefit determined as of December 31, 2000, and payable at age 65 (or current age if older)
  - Present value determined based on 5.78% interest and IRS regulated mortality (GAM83 Unisex) data for lump sums (postretirement only)

Plus

- Credit for early retirement subsidy for monthly payments beginning at age 62 (or current age if older)

Plus

- Transition credit based on age, service and pay received in 2000 (see "Company Credits" for credit percentages)
  - Age and service based on completed whole years as of December 31, 2000.

For employees hired on or after January 1, 2001, opening balance is \$0.

Interest credits

Interest credits are applied to beginning of year account balance on December 31 each year. Based on the average 30-year Treasury Bond rate for November of the previous year with a minimum of 4%.

Company credits

Applied to account balance on December 31 or termination date if earlier.

Amount is a percentage of eligible pay received during the year, based on age plus years of Vesting Service (age and service in completed whole years as of December 31).

<i>Age Plus Years of Service</i>	<i>Annual Company Credit</i>
Less than 30	3.0%
30 – 39	3.5%
40 – 49	4.5%
50 – 59	5.5%
60 – 69	7.0%
70+	8.5%

Monthly Grandfathered Benefit

Sum of (1), (2) and (3):

- (1) 1.10% of Final Average Pay x Accredited Service up to 35 years
- (2) 0.50% of Final Average Pay Less Covered Compensation x Accredited Service up to 35 years
- (3) 1.33% of Final Average Pay x Accredited Service between 35 and 45 years

Accruals for the grandfathered benefit ceased on December 31, 2010.

Long-term disability and paid leaves

Compensation equal to base rate of pay as of disability date. Vesting service continues.

Unpaid leave No compensation for annual Company Credit. Vesting service continues.

### Eligibility for Benefits

Normal retirement	All members at or after their Normal Retirement Date.
Early retirement	Any time after attainment of age 55 and completion of five years of vesting. Applicable only to grandfathered benefits.
Postponed retirement	Retirement after Normal Retirement Date.
Vested termination	All members who terminate employment after completion of three years of Vesting Service, or upon death.
Disability	All members who are unable to work at own occupation solely because of sickness or injury for the first 24 months of disability. After 24 months of disability, the participant is eligible if unable to work at any gainful occupation for which the participant may be able, or may reasonably become qualified by education, training or experience, to perform.
Surviving spouse	The surviving spouse of a Grandfathered Member who retired or is eligible to retire on Normal or Early Retirement and who was married to that spouse for the year preceding commencement and whose grandfathered benefit exceeds his or her Cash Balance Benefit.
Preretirement death	Beneficiary of deceased member.

### Benefits Paid Upon the Following Events

Normal retirement	For Grandfathered Employees, the better of the monthly grandfathered benefit or the Cash Balance Benefit determined as of Normal Retirement Date. For all other employees, the Cash Balance Benefit determined as of Normal Retirement Date.
Early retirement	For Grandfathered Employees, the better of: <ol style="list-style-type: none"><li>(1) The monthly grandfathered retirement benefit reduced by 3% per year for each year commencement precedes age 62, and</li><li>(2) The Cash Balance Benefit determined as of the Early Retirement Date.</li></ol> For all other employees, the Cash Balance Benefit determined as of the Early Retirement Date.
Deferred vested retirement	The accrued Normal Retirement Benefit (better of Cash Balance and Grandfathered Benefits, if eligible), payable at Normal Retirement Date or actuarially reduced and payable at any age.
Disability	The greater of (1) or (2): <ol style="list-style-type: none"><li>(1) Accrued Grandfathered Retirement Benefit reduced as in the Early Retirement Benefit. If retirement occurs prior to age 55, the benefit is further reduced actuarially from age 55. The Disability Retirement Benefit will reflect Accredited Service that accrued (at most recent rate of base earnings) to a member while receiving benefits under the Company's LTD plan.</li><li>(2) The Cash Balance Benefit with continued Company Credits while disabled.</li></ol> Benefit (1) applies for Grandfathered Employees only.

Preretirement  
death

Better of (1) or (2):

- (1) The grandfathered monthly benefit as if the employee commenced a 60% qualified joint and survivor benefit at his earliest retirement date
- (2) Annuity equivalent of Cash Balance account or the cash balance account.

Benefit (1) applies for a Grandfathered Employee whose beneficiary is his or her spouse.

## Surviving spouse benefits

A benefit payable for life equal to 30% of the single life annuity payable to the grandfathered member. The spouse's benefit is actuarially reduced for each year by which the spouse is more than ten years younger than the member. Payable to Grandfathered Employees only.

### Other Plan Provisions

## Forms of payment

- Grandfathered employees

The following are available for Grandfathered Employees for both the Grandfathered Benefit and the Cash Balance Benefit:

- Full lump sum payment.
- Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
- Monthly payment:
  - Single life annuity.
  - Optional joint annuities (spouse or other beneficiary).
    - Available in 40%, 50%, 60%, 75%, 100%.
    - Can elect pop-up and/or level income options.
  - Automatic company-paid 30% surviving spouse annuity included in Grandfathered Benefit annuity if terminate on or after age 55 and married at least one year. Cash Balance Benefit is actuarially reduced for this feature.

- Employees hired on or after January 1, 2001

The following are available for those hired on or after January 1, 2001:

- Full lump sum payment.
- Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
- Monthly payment:
  - Single life annuity.
  - Joint annuities (spouse or other beneficiary).
    - Available in 50%, 75%, 100%.

Form of payment conversion for  
non-417(e) covered conversions

- Cash balance
- Grandfathered benefit

7.50% interest and the applicable 417(e) Mortality Table.  
7.50% interest and the 1974 George B. Buck Mortality Table.

Pension Increases	None.
Plan Participants' Contributions	Prior to January 1, 1978, employee contributions were required as a condition of Membership. In May and June of 1981, Members were permitted an election to withdraw those contributions. Those who did not elect to withdraw have retirement benefits based on a formula that differs from the formulas previously described in this section. However, the number of nonelecting Members is small. Therefore, special plan provisions for that group have not been included in this summary.
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.
Benefits not valued	<p>A small portion of the population made employee contributions to the plan. Because the amount of these contributions is not material to the plan, they are not part of the valuation.</p> <p>Participants who were employees of Columbus Southern Power (CSP) at the time AEP acquired that company have a frozen benefit under the CSP benefit formula at December 31, 1986. Benefits for these participants are the greater of an all-service AEP benefit and a two-part benefit consisting of the frozen CSP benefit plus an AEP benefit accrued from January 1, 1987. Because this applies to a small portion of the population and the CSP frozen benefit is not often the greater benefit for these participants, this benefit is not valued.</p>
Plan status	Ongoing.

**Future Plan Changes**

Towers Watson is not aware of any future plan changes that are required to be reflected.

**Changes in Benefits Valued Since Prior Year**

None.

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## Appendix B : Summary of Plan Provisions Covered by the Former West Retirement Plan

### Plan Provisions

Plan provisions may not be the same for the Accounting and Funding valuations.

Effective Date	January 1940. Restated effective January 1, 1997.
Recent Amendments	Executed as of January 1, 2012.
Covered Employees	All full-time employees of a Participating Company employed by CSW before January 1, 2001, and not covered by a union (that has not bargained for coverage) or another pension plan provided by AEP. Part-time employees of the Company had to work more than 1,000 hours in the first anniversary year or subsequent calendar years.
Participation Date	Date of becoming a covered employee

### Definitions

Grandfathered employee	Employees who were at least age 50 with ten years of vesting service as of July 1, 1997.
Vesting service	All service from date of hire in completed years.
Credited service	The aggregate of: For the period prior to January 1, 1976: (1) The number of full years in the last continuous period that employee was a participant after June 30, 1970, plus (2) Credited service under any prior plan if service extended to July 1, 1970. For the period beginning on or after January 1, 1976, the number of full years of service.
Cash balance pay	Pay received during the year, including base pay, overtime, shift differential/Sunday premium pay and incentive pay, subject to IRS limits
Final average pay	Highest average annual earnings (base pay only) during any 36 consecutive months in the 120 months before retirement. Any changes in earnings within the last three months before retirement will not be taken into account.
Normal retirement date (NRD)	The first day of the calendar month on or following the member's 65 <sup>th</sup> birthday.
Cash balance account	Recordkeeping account to which annual interest credits and annual company credits are credited. The cash balance account is updated at the end of each plan year and is equal to:

$$\begin{aligned}
 &\text{Cash Balance Account as of the end of the prior plan year} \\
 &\quad + \\
 &\quad \text{Interest Credits} \\
 &\quad + \\
 &\quad \text{Company Credits}
 \end{aligned}$$

Cash balance benefit

Cash Balance Account converted to a monthly annuity

Interest credits

Interest credits are applied to beginning of year account balance on December 31 each year. Based on the average 30-year Treasury Bond rate for November of the previous year with a minimum of 4%.

Company credits

Applied to account balance on December 31 or termination date if earlier. Amount is a percentage of eligible pay received during the year, based on age plus years of Vesting Service (age and service in completed whole years as of December 31).

<i>Age Plus Years of Service</i>	<i>Annual Company Credit</i>
Less than 30	3.0%
30 – 39	3.5%
40 – 49	4.5%
50 – 59	5.5%
60 – 69	7.0%
70+	8.5%

Monthly Grandfathered Benefit

Greater of (1) or (2) below with automatic cost of living adjustments upon retirement:

- (1) Basic benefit — An annual amount equal to the aggregate of a participant's (a) earned benefit (if any) under any prior plan or acquired Company pension plan under which no election was made to receive a paid-up annuity; and (b) participant contributions without interest for the period commencing on or after July 1, 1970. For the period after September 1, 1980, participants will be deemed to have made contributions at the rate of 2% annually of the participant's annual rate of earnings as of January 1.
- (2) Minimum benefit — 1-2/3% of final average annual earnings less 50% of participant's annual primary Social Security benefit times years of credited service up to 30 years.

Minimum benefits

The benefit payable will never be less than the frozen accrued benefit as of July 1, 1997, under the prior plan.

Primary Social Security benefit

The annual amount payable under the Social Security Act as amended in effect at the employee's date of retirement. The date as of which the amount is to be determined is:

- (1) In the case of an employee (including deferred vested employees) retiring on or after normal retirement date, normal retirement date.
- (2) In the case of an employee retiring prior to normal retirement date, the later of employee's 62<sup>nd</sup> birthday or actual retirement date.

Early retirees and deferred vested employees are assumed to have no earnings after termination in determining the amount of this benefit.

Long-term disability and paid leaves

Compensation equal to the base rate of pay as of disability date. If a participant became disabled prior to January 1, 2003, compensation for the cash balance formula is equal to the greater of the compensation for the calendar year before the disability and the year in which the disability benefits began. For the grandfathered formula, the final average pay will be determined as of the date on which the participant became disabled. Vesting service continues.



Unpaid leave No compensation for annual compensation credit. Vesting service continues.

**Eligibility for Benefits**

Normal retirement	All members at or after their Normal Retirement Date
Early retirement	Any time after attainment of age 55 and completion of five years of vesting
Postponed retirement	Retirement after NRD.
Vested	The participant's cash balance account is 100% vested when any one of the following applies: (1) Three years of vesting service (2) Attainment of age 55 while an employee (3) Death prior to termination (4) Upon disability.
Disability	All participants who become permanently and totally disabled. Permanent and total disability is determined by reference to the LTD plan covering that participant.
Surviving spouse	The surviving spouse of a participant who retired or is eligible to retire on normal or early retirement.
Preretirement death	Beneficiary of participant who dies after becoming vested.

**Benefits Paid Upon the Following Events**

Normal retirement Grandfathered employees must elect either the cash balance or the grandfathered formula. For purposes of this valuation, the employee is assumed to elect the formula with the higher present value. Employees with a prior plan frozen benefit get the better of the cash balance benefit and the prior plan frozen benefit. For all other employees, the Cash Balance Benefit is determined as of Normal Retirement Date.

Early retirement Greater of (1) if applicable or (2):  
 (1) The grandfathered accrued benefit and the prior plan frozen are payable subject to reduction according to the following schedule if payments commence prior to the normal retirement date.

<i>Age at Retirement</i>	<i>Percent of Benefit Payable</i>
64	100%
63	100%
62	100%
61	95%
60	90%
59	84%
58	78%
57	72%
56	66%
55	60%

(2) The Cash Balance Benefit determined as of the Early Retirement Date.

Deferred vested retirement

Greater of (1) if applicable or (2):

- (1) Grandfathered accrued benefit payable at age 65, or if earlier reduced 5% per year from age 65, 6% per year from age 60 and 7.5% per year compounded from age 55.
- (2) Vested cash balance account.

Disability retirement

The greatest of grandfathered accrued benefit, if eligible, based on projected service and frozen pay deferred to age 65, prior plan frozen benefit if eligible and cash balance account with continued pay credits.

Preretirement death

If the beneficiary is the spouse and the participant is a grandfathered/protected plan participant, then:

- (1) For an active participant who dies on or after 55<sup>th</sup> birthday but before retirement, a monthly benefit equal to 50% of the benefit accrued to the date of death without reduction for early retirement is payable immediately as a life annuity to a qualifying spouse.
- (2) For an active participant who dies after completing five or more years of vesting service but before age 55, a deferred monthly benefit equal to 50% of the benefit accrued to the date of death reduced as for early retirement is payable as a life annuity to a qualifying spouse. Benefit commencement is deferred to when the deceased participant would have attained age 55.
- (3) For a deferred vested participant who dies before benefits commence, a monthly benefit equal to 50% of the deferred vested benefit reduced for early commencement (as for deferred vesteds) is payable as a life annuity to a qualifying spouse. If death occurs before age 55, the benefit to the spouse is deferred to when the deceased participant would have attained age 55.

The spouse's benefit is actuarially reduced for each year by which the spouse is more than five years younger than the participant.

For all employees, the minimum benefit is the cash balance account immediate annuity, which is also payable if the beneficiary is not the participant's spouse.

### Other Plan Provisions

**Form of payment**

The following are available for those participants who did not work an hour of service on or after January 1, 2003:

- Full lump sum payment.
- Monthly payment:
  - Single life annuity.
  - 50% joint annuity (spouse or other beneficiary).

The following are available for those participants who work an hour of service on or after January 1, 2003:

- Full lump sum payment.
- Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
- Monthly payment:
  - Single life annuity.
  - Joint annuities (spouse or other beneficiary).
    - Available in 50%, 75%, 100%.

**Form of payment conversion for non-417(e) covered conversions**

- Cash balance
- Grandfathered benefit

7.50% interest and the applicable 417(e) Mortality Table

Factors as specified in Tables I, II, III and IV of Exhibit A to the American Electric Power System Retirement Plan document. 7.50% interest and the 1951 Group Annuity male mortality table to the extent not covered by Tables I, II, III and IV.

**Pension Increases**

None.

**Member Contributions**

None.

**Maximum on benefits and pay**

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

**Plan status**

Continuing accruals. All new entrants to plan are covered under former East plan provisions.

### Future Plan Changes

Towers Watson is not aware of any future plan changes that are required to be reflected.

### Changes in Benefits Valued Since Prior Year

None.

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## Appendix C : Adjusted Funding Target Attainment Percentage (AFTAP)

This section is a reproduction of selections of the AFTAP that was originally provided on March 29, 2012, and is provided here for reference.

American Electric Power ("AEP") retained Towers Watson Pennsylvania Inc. ("Towers Watson") to perform a valuation of its pension plan for the purpose of measuring the plan's AFTAP for the plan year beginning January 1, 2012, in accordance with ERISA and the Internal Revenue Code. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

The enrolled actuary making this certification is a member of the Society of Actuaries and other professional actuarial organizations and meets their "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States."

We previously certified that the plan's AFTAP for the plan year beginning January 1, 2012, is 85.64%. This percentage is based on the assumptions, participant data and plan provisions we relied upon to prepare the results shown in the original certification, reflects the valuation limitations discussed therein and is also based on the following additional information:

### Annuity Purchases

- AEP's representation is that there were no annuity purchases made on behalf of non-highly compensated employees participating in the plan during the plan years beginning January 1, 2010, and January 1, 2011.

### Funding Balances

- Our understanding is that AEP has not elected to reduce the plan's funding balance as of the first day of the 2012 plan year.
- Our understanding is that the plan is not subject to a deemed election to reduce the funding balance in 2012.
- AEP has elected to increase the funding balance by \$235,158,103 as of the first day of the 2012 plan year, as confirmed in the letter dated March 28, 2012.

### Contributions

- Our understanding is that AEP has not made any employer contributions after December 31, 2011, and before March 31, 2012, for the 2011 plan year.

## Events

- There were no plan amendments that went into effect in the current plan year that were taken into account for the current plan year's AFTAP certification.
- There were no unpredictable contingent event benefits (UCEBs) that went into effect in the current plan year that were taken into account for the current plan year's AFTAP certification.
- There were no previously suspended accruals restored during the current plan year that were taken into account for the current plan year's AFTAP certification.

## Elections

- The AFTAP certification incorporates our understanding of sponsor elections required under the Pension Protection Act of 2006 (PPA) with respect to interest rates, Actuarial Value of Assets and other methods and/or assumptions, as confirmed in AEP's letter dated March 26, 2012.

American Electric Power System Retirement Plan

The development of AFTAP is show below:

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012
Actuarial value of assets as of January 1, 2012 <sup>1</sup>	4,283,957,987
Funding standard carryover balance as of January 1, 2012 <sup>2</sup>	222,029,014
Prefunding balance as of January 1, 2012 <sup>2</sup>	235,158,103
Funding target as of January 1, 2012 (disregarding at-risk assumptions)	4,467,943,379
AVA/funding target (disregarding at-risk assumptions)	95.88%
Assets for AFTAP calculation <sup>3</sup>	3,826,770,870
Annuity purchases for NHCEs during 2010 and 2011	0
<b>Reflection of post valuation date events not previously reflected</b>	
Increase in funding target (disregarding at-risk assumptions) for 2012 amendments/UCEBs/restored accruals <sup>4</sup>	0
IRC §436 contributions made to enable plan amendments/UCEBs/restored accruals to take effect <sup>5</sup>	0
Adjusted funding target, disregarding at-risk assumptions, (includes NHCE annuity purchases and amendments)	4,467,943,379
Adjusted assets (includes NHCE annuity purchases and IRC §436 contributions)	3,826,770,870
<b>Specific AFTAP</b>	
<b>Adjusted Funding Target Attainment Percentage (AFTAP)</b>	<b>85.64%</b>

Notes

1. Reflects discounted contributions made for the 2011 plan year only if paid on or before the certification date. Includes security posted by the beginning of the plan year in the form of a bond or cash held in escrow.
2. Reflects elections made to-date (other than elections to apply the funding balances to 2011 MRC).
3. AVA if AVA/Funding Target (disregarding at-risk assumptions) >=100%; otherwise (AVA-funding balance).
4. If went into effect before this specific certification, not reflected in funding valuation and require AFTAP recertification, or which the plan sponsor otherwise decides to reflect in the specific AFTAP certification.
5. Discounted to January 1, 2012, using 2012 effective interest rate.

### Immediate Implications of AFTAP Certification

We believe that the certified AFTAP of 85.64% for the 2012 plan year has the following implications for benefit limitations described in IRC §436. AEP should review these conclusions with ERISA counsel:

- Benefit accruals called for under the plan without regard to IRC §436 must continue.
- Accelerated distributions called for under the plan without regard to IRC §436 must continue in full.
- Amendments that increase benefits must be evaluated at the time they would become effective to determine if they are permissible.
- Plant shutdown and other unpredictable UCEBs must be evaluated at the time they would become effective to determine if they are permissible.

### Implications of 2012 AFTAP for Presumptions in 2013 Plan Year

Because the AFTAP for the 2012 plan year is at least 80% but less than 90%, the presumed AFTAP for the 2013 plan year would decline 10% on April 1, 2013, if the 2013 plan year AFTAP has not yet been certified. Based on our understanding of the application of IRC §436 to the American Electric Power System Retirement Plan, as described above, we believe this decline in presumed AFTAP would cause accelerated distributions to be partially restricted. AEP should confirm these effects with your ERISA counsel.



## Appendix D : Results by Business Unit

The forecasts displayed in this Appendix D rely on the data, assumptions, methods and plan provisions mentioned in Appendices A and B.

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
SUMMARY OF PLAN PARTICIPANTS FOR THE 2012 VALUATION

Location	Vested Actives	Non-Vested Actives	Total Actives	Retirees Receiving Benefits	Beneficiaries	Deferred Vesteds	Total Inactive	Total Participants
Appalachian Power Co - Distribution	998	33	1,031	1,135	403	352	1,890	2,921
Appalachian Power Co - Generation	920	54	974	758	215	164	1,137	2,111
Appalachian Power Co - Transmission	144	7	151	115	15	37	167	318
Appalachian Power Co. - FERC	2,062	94	2,156	2,008	633	553	3,194	5,350
Cedar Coal Co	0	0	0	67	31	11	109	109
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	2,062	94	2,156	2,075	664	564	3,303	5,459
AEP Texas Central Company - Distribution	858	17	875	822	250	431	1,503	2,378
AEP Texas Central Company - Generation	1	0	1	101	57	190	348	349
AEP Texas Central Company - Transmission	101	5	106	77	32	68	175	281
AEP Texas Central Co.	960	22	982	1,000	339	687	2,026	3,008
Indiana Michigan Power Co - Distribution	611	22	633	689	252	167	1,108	1,741
Indiana Michigan Power Co - Generation	378	21	399	282	83	173	538	937
Indiana Michigan Power Co - Nuclear	1,032	92	1,124	338	59	357	754	1,878
Indiana Michigan Power Co - Transmission	129	5	134	99	13	24	136	270
Ind Mich River Transp Lakin	271	29	300	107	39	60	206	508
Indiana Michigan Power Co. - FERC	2,421	169	2,590	1,515	446	781	2,742	5,332
Price River Coal	0	0	0	10	2	4	16	18
Indiana Michigan Power Co. - SEC	2,421	169	2,590	1,525	448	785	2,758	5,348
Kentucky Power Co - Distribution	238	11	247	191	67	95	353	600
Kentucky Power Co - Generation	123	2	125	92	23	29	144	269
Kentucky Power Co - Transmission	39	1	40	10	0	5	15	55
Kentucky Power Co.	398	14	412	293	90	129	512	924
Cardinal Operating Company	281	17	298	177	52	39	268	566
Cook Coal Terminal	16	0	16	8	1	1	10	26
Ohio Power Co - Distribution	1,457	49	1,506	1,819	444	358	2,621	4,127
Ohio Power Co - Generation	1,007	43	1,050	1,299	327	383	2,009	3,059
Ohio Power Co - Transmission	228	3	231	199	58	40	297	528
Ohio Power Co. - FERC	2,989	112	3,101	3,502	882	821	5,205	8,306
Conesville Coal Preparation Company	8	0	8	10	0	0	10	18
Ohio Power Co. - SEC	2,997	112	3,109	3,512	882	821	5,215	8,324
Public Service Co of Oklahoma - Distribution	635	27	662	475	194	224	893	1,555
Public Service Co of Oklahoma - Generation	334	32	366	180	76	88	344	710
Public Service Co of Oklahoma - Transmission	68	5	73	55	18	26	99	172
Public Service Co. of Oklahoma	1,037	64	1,101	710	288	338	1,336	2,437
Southwestern Electric Power Co - Distribution	513	21	534	191	96	95	382	916
Southwestern Electric Power Co - Generation	477	27	504	194	88	79	361	865
Southwestern Electric Power Co - Texas - Distribution	228	11	237	155	38	73	256	503
Southwestern Electric Power Co - Texas - Transmission	0	0	0	3	3	4	10	10
Southwestern Electric Power Co - Transmission	67	5	72	35	11	13	59	131
Southwestern Electric Power Co.	1,283	64	1,347	578	236	264	1,078	2,425
AEP Texas North Company - Distribution	250	5	255	175	85	116	376	631
AEP Texas North Company - Generation	0	0	0	113	47	50	210	210
AEP Texas North Company - Transmission	50	8	58	27	11	5	43	101
AEP Texas North Co.	300	13	313	315	143	171	629	942
Kingsport Power Co - Distribution	37	3	40	48	18	18	84	124
Kingsport Power Co - Transmission	10	0	10	8	1	2	11	21
Kingsport Power Co.	47	3	50	56	19	20	95	145
Wheeling Power Co - Distribution	52	0	52	57	27	9	93	145
Wheeling Power Co - Transmission	0	0	0	3	8	1	12	12
Wheeling Power Co.	52	0	52	60	35	10	105	157
American Electric Power Service Corporation	4,674	227	4,901	2,534	446	2,144	5,124	10,025
American Electric Power Service Corp	4,674	227	4,901	2,534	446	2,144	5,124	10,025
AEP Pro Serv, Inc.	0	0	0	1	0	2	3	3
CSW Energy, Inc.	23	4	27	3	0	21	24	51
Elmwood	111	1	112	4	0	12	16	128
AEP River Operations LLC	729	175	904	6	0	109	115	1,019
Miscellaneous	863	180	1,043	14	0	144	158	1,201
Total	17,094	962	18,056	12,672	3,590	6,077	22,339	40,395

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
FUNDED STATUS OF PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (ASC 960) AS OF JANUARY 1, 2012

Location	Present Value of Vested Benefits	Present Value of Non-Vested Benefits	Present Value of Accumulated Plan Benefits	Market Value of Assets	Percent Funded
Appalachian Power Co - Distribution	\$257,746,530	\$2,527,412	\$260,273,942	\$290,017,340	111.4%
Appalachian Power Co - Generation	212,714,444	2,596,888	215,311,332	246,311,199	114.4%
Appalachian Power Co - Transmission	38,909,863	280,939	39,190,802	42,160,460	107.6%
Appalachian Power Co. - FERC	\$509,370,837	\$5,405,239	\$514,776,076	\$578,488,999	112.4%
Cedar Coal Co	2,487,713	0	2,487,713	2,999,562	120.6%
Central Coal Company	0	0	0	0	0.0%
Appalachian Power Co. - SEC	\$511,858,550	\$5,405,239	\$517,263,789	\$581,488,561	112.4%
AEP Texas Central Company - Distribution	\$215,222,005	\$792,142	\$216,014,147	\$247,811,164	114.7%
AEP Texas Central Company - Generation	21,141,691	0	21,141,691	34,737,340	164.3%
AEP Texas Central Company - Transmission	22,638,574	75,999	22,714,573	26,424,427	116.3%
AEP Texas Central Co.	\$259,002,270	\$868,141	\$259,870,411	\$308,972,931	118.9%
Indiana Michigan Power Co - Distribution	\$138,041,047	\$1,503,042	\$139,544,089	\$154,064,163	110.4%
Indiana Michigan Power Co - Generation	85,491,007	1,435,416	86,926,423	100,099,037	115.2%
Indiana Michigan Power Co - Nuclear	153,405,452	2,507,129	155,912,581	200,066,921	128.3%
Indiana Michigan Power Co - Transmission	29,649,496	383,401	30,032,897	32,710,678	108.9%
Ind Mich River Transp Lakin	23,419,511	823,530	24,243,041	33,400,251	137.8%
Indiana Michigan Power Co. - FERC	\$430,006,513	\$6,652,518	\$436,659,031	\$520,341,050	119.2%
Price River Coal	312,541	0	312,541	450,339	144.1%
Indiana Michigan Power Co. - SEC	\$430,319,054	\$6,652,518	\$436,971,572	\$520,791,389	119.2%
Kentucky Power Co - Distribution	\$57,685,396	\$613,440	\$58,298,836	\$64,560,375	110.7%
Kentucky Power Co - Generation	27,350,403	408,141	27,758,544	30,602,224	110.2%
Kentucky Power Co - Transmission	5,933,910	116,941	6,050,851	7,319,384	121.0%
Kentucky Power Co.	\$90,969,709	\$1,138,522	\$92,108,231	\$102,481,983	111.3%
Cardinal Operating Company	\$58,870,577	\$751,109	\$59,621,686	\$63,517,974	106.5%
Cook Coal Terminal	2,386,577	14,246	2,400,823	3,293,372	137.2%
Ohio Power Co - Distribution	357,769,787	2,955,154	360,724,941	408,955,360	113.4%
Ohio Power Co - Generation	292,978,506	2,848,332	295,826,838	402,482,468	136.1%
Ohio Power Co - Transmission	58,662,619	372,718	59,035,337	66,130,027	112.0%
Ohio Power Co. - FERC	\$770,668,066	\$6,941,559	\$777,609,625	\$944,379,201	121.4%
Conesville Coal Preparation Company	3,318,693	28,771	3,347,464	3,889,451	116.2%
Ohio Power Co. - SEC	\$773,986,759	\$6,970,330	\$780,957,089	\$948,268,652	121.4%
Public Service Co of Oklahoma - Distribution	\$132,047,730	\$490,874	\$132,538,604	\$152,932,167	115.4%
Public Service Co of Oklahoma - Generation	62,571,215	417,240	62,988,455	77,834,794	123.6%
Public Service Co of Oklahoma - Transmission	16,002,666	76,108	16,078,774	18,980,644	118.0%
Public Service Co. of Oklahoma	\$210,621,611	\$984,222	\$211,605,833	\$249,747,605	118.0%
Southwestern Electric Power Co - Distribution	\$75,217,124	\$404,562	\$75,621,686	\$94,032,050	124.3%
Southwestern Electric Power Co - Generation	82,223,982	631,143	82,855,125	100,486,326	121.3%
Southwestern Electric Power Co - Texas - Distribution	42,396,123	183,405	42,579,528	50,527,301	118.7%
Southwestern Electric Power Co - Texas - Transmission	433,018	0	433,018	521,505	120.4%
Southwestern Electric Power Co - Transmission	11,759,696	51,438	11,811,134	15,977,733	135.3%
Southwestern Electric Power Co.	\$212,029,943	\$1,270,548	\$213,300,491	\$261,544,915	122.6%
AEP Texas North Company - Distribution	\$53,243,436	\$253,177	\$53,496,613	\$63,544,046	118.8%
AEP Texas North Company - Generation	19,475,514	0	19,475,514	24,301,946	124.8%
AEP Texas North Company - Transmission	7,997,881	73,263	8,071,144	9,869,866	122.3%
AEP Texas North Co.	\$80,716,831	\$326,440	\$81,043,271	\$97,715,858	120.6%
Kingsport Power Co - Distribution	\$10,400,173	\$111,705	\$10,511,878	\$11,358,936	108.1%
Kingsport Power Co - Transmission	2,805,259	11,754	2,817,013	2,995,452	106.3%
Kingsport Power Co.	\$13,205,432	\$123,459	\$13,328,891	\$14,354,388	107.7%
Wheeling Power Co - Distribution	\$12,562,168	\$42,079	\$12,604,247	\$14,623,173	116.0%
Wheeling Power Co - Transmission	724,115	0	724,115	981,242	135.5%
Wheeling Power Co.	\$13,286,283	\$42,079	\$13,328,362	\$15,604,415	117.1%
American Electric Power Service Corporation	\$1,069,639,906	\$18,589,286	\$1,088,229,192	\$1,270,525,060	116.8%
American Electric Power Service Corp	\$1,069,639,906	\$18,589,286	\$1,088,229,192	\$1,270,525,060	116.8%
AEP Pro Serv, Inc.	\$854,538	\$0	\$854,538	\$943,133	110.4%
CSW Energy, Inc.	2,939,309	38,357	2,977,666	3,472,968	116.6%
Elmwood	2,078,716	21,058	2,099,774	4,427,184	210.8%
AEP River Operations LLC	17,276,094	582,789	17,858,883	38,667,123	216.5%
Miscellaneous	\$23,148,657	\$642,204	\$23,790,861	\$47,510,408	199.7%
Total	\$3,688,785,005	\$43,012,988	\$3,731,797,993	\$4,419,006,165	118.4%

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
SUMMARY OF ASC 715-30 VALUATION RESULTS AS OF JANUARY 1, 2012

Location	Valuation Earnings	Market-Related Value of Assets	Fair Value of Assets	Accumulated Benefit Obligation	Projected Benefit Obligation	January 1, 2012 Pre-Tax AOCI
Appalachian Power Co - Distribution	\$82,341,137	\$289,491,669	\$283,454,386	\$336,295,292	\$339,772,980	\$164,383,555
Appalachian Power Co - Generation	80,652,337	245,864,748	240,737,294	280,143,580	283,883,280	120,319,938
Appalachian Power Co - Transmission	12,511,310	42,084,042	41,206,389	51,654,814	52,151,303	20,921,894
Appalachian Power Co. - FERC	\$175,504,784	\$577,440,459	\$565,398,069	\$668,093,686	\$675,807,563	\$305,625,387
Cedar Coal Co	0	2,994,125	2,931,683	3,023,968	3,023,968	3,817,104
Central Coal Company	0	0	0	0	0	3,979
Appalachian Power Co. - SEC	\$175,504,784	\$580,434,584	\$568,329,752	\$671,117,654	\$678,831,531	\$309,446,470
AEP Texas Central Company - Distribution	\$68,142,369	\$247,361,995	\$242,203,316	\$271,655,643	\$276,839,478	\$166,015,511
AEP Texas Central Company - Generation	65,464	34,674,378	33,951,251	28,419,598	28,421,971	(5,529,280)
AEP Texas Central Company - Transmission	8,669,823	25,376,531	25,826,455	28,875,136	29,516,844	20,075,274
AEP Texas Central Co.	\$76,877,656	\$308,412,904	\$301,981,022	\$328,950,377	\$334,778,293	\$180,561,505
Indiana Michigan Power Co - Distribution	\$49,446,564	\$153,784,915	\$150,577,765	\$178,278,248	\$181,243,915	\$85,405,018
Indiana Michigan Power Co - Generation	33,909,286	99,917,603	97,833,844	114,413,035	115,313,647	43,335,606
Indiana Michigan Power Co - Nuclear	107,791,965	199,704,289	195,539,502	209,618,934	215,386,606	60,948,955
Indiana Michigan Power Co - Transmission	11,060,762	32,651,388	31,970,451	38,983,032	39,672,872	16,656,768
Ind Mich River Transp Lakin	20,147,213	33,339,711	32,644,419	32,412,990	34,265,370	9,899,622
Indiana Michigan Power Co. - FERC	\$222,355,790	\$519,397,906	\$508,565,981	\$573,706,239	\$585,882,410	\$216,245,969
Price River Coal	0	449,523	440,148	402,241	402,241	349,678
Indiana Michigan Power Co. - SEC	\$222,355,790	\$519,847,429	\$509,006,129	\$574,108,480	\$586,284,651	\$216,595,647
Kentucky Power Co - Distribution	\$19,722,276	\$64,443,357	\$63,099,405	\$76,400,411	\$77,104,411	\$30,847,948
Kentucky Power Co - Generation	10,519,427	30,546,756	29,909,710	36,902,213	37,288,881	14,893,042
Kentucky Power Co - Transmission	3,316,900	7,306,118	7,153,750	8,229,178	8,386,319	2,541,232
Kentucky Power Co.	\$33,558,603	\$102,296,231	\$100,162,865	\$121,531,802	\$122,779,611	\$48,282,222
Cardinal Operating Company	\$24,020,241	\$83,402,845	\$82,080,593	\$77,488,321	\$78,555,565	\$16,474,972
Cook Coal Terminal	1,452,514	3,287,403	3,218,845	3,111,283	3,262,340	855,958
Ohio Power Co - Distribution	113,733,489	408,214,108	399,700,895	458,874,765	467,040,634	256,245,783
Ohio Power Co - Generation	86,145,795	401,752,949	393,374,482	380,891,224	384,904,718	197,101,929
Ohio Power Co - Transmission	18,898,112	66,010,163	64,633,536	75,889,971	77,109,220	40,768,544
Ohio Power Co. - FERC	\$244,250,151	\$942,667,468	\$923,008,351	\$996,255,564	\$1,010,872,477	\$511,447,186
Conesville Coal Preparation Company	742,179	3,882,402	3,801,435	4,347,977	4,401,563	1,484,256
Ohio Power Co. - SEC	\$244,992,330	\$946,549,870	\$926,809,786	\$1,000,603,541	\$1,015,274,040	\$512,931,442
Public Service Co of Oklahoma - Distribution	\$52,715,104	\$152,654,969	\$149,471,385	\$166,515,768	\$171,086,958	\$89,721,417
Public Service Co of Oklahoma - Generation	31,323,090	77,693,715	76,073,430	78,569,000	80,644,107	34,318,377
Public Service Co of Oklahoma - Transmission	8,414,154	18,946,241	18,551,121	20,173,158	20,603,544	9,838,967
Public Service Co. of Oklahoma	\$90,452,348	\$249,294,925	\$244,095,936	\$265,257,926	\$272,314,609	\$133,878,362
Southwestern Electric Power Co - Distribution	\$42,584,627	\$93,861,612	\$91,904,150	\$94,934,023	\$99,559,056	\$52,814,952
Southwestern Electric Power Co - Generation	42,740,469	100,304,189	98,212,368	103,909,438	106,358,459	46,875,653
Southwestern Electric Power Co - Texas - Distribution	18,215,215	50,435,717	49,383,892	53,433,710	54,871,875	27,383,008
Southwestern Electric Power Co - Texas - Transmission	0	520,560	509,704	583,274	583,274	925,349
Southwestern Electric Power Co - Transmission	6,167,228	15,948,773	15,616,165	14,851,526	15,345,049	6,249,425
Southwestern Electric Power Co.	\$109,707,539	\$261,070,851	\$255,626,279	\$267,711,971	\$276,715,713	\$134,248,387
AEP Texas North Company - Distribution	\$20,326,959	\$63,428,870	\$62,106,075	\$66,915,076	\$68,003,603	\$37,300,015
AEP Texas North Company - Generation	0	24,257,898	23,752,005	24,084,476	24,084,476	20,444,895
AEP Texas North Company - Transmission	4,878,831	9,851,977	9,646,516	10,134,742	10,575,894	5,477,181
AEP Texas North Co.	\$25,205,790	\$97,538,745	\$95,504,596	\$101,134,294	\$102,663,973	\$63,222,091
Kingsport Power Co - Distribution	\$2,968,934	\$11,338,348	\$11,101,889	\$13,563,184	\$13,686,722	\$7,142,461
Kingsport Power Co - Transmission	804,843	2,990,022	2,927,666	3,626,234	3,676,547	1,611,993
Kingsport Power Co.	\$3,773,777	\$14,328,370	\$14,029,555	\$17,189,418	\$17,363,269	\$8,754,454
Wheeling Power Co - Distribution	\$3,948,060	\$14,596,668	\$14,292,258	\$16,084,733	\$16,259,353	\$8,966,998
Wheeling Power Co - Transmission	0	979,463	959,037	863,286	863,286	750,725
Wheeling Power Co.	\$3,948,060	\$15,576,131	\$15,251,295	\$16,948,019	\$17,122,639	\$9,717,723
American Electric Power Service Corporation	\$481,962,734	\$1,268,222,165	\$1,241,773,681	\$1,418,221,287	\$1,451,916,921	\$552,223,121
American Electric Power Service Corp	\$481,962,734	\$1,268,222,165	\$1,241,773,681	\$1,418,221,287	\$1,451,916,921	\$552,223,121
AEP Pro Serv, Inc.	\$0	\$941,423	\$921,790	\$1,141,926	\$1,141,926	\$184,462
CSW Energy, Inc.	3,164,071	3,466,672	3,394,376	4,125,546	4,518,659	4,718,445
Elmwood	6,367,660	4,419,160	4,326,999	2,816,359	3,143,660	(1,217,339)
AEP River Operations LLC	66,217,509	38,597,036	37,792,104	24,030,772	29,412,194	(1,636,456)
Miscellaneous	\$74,749,240	\$47,424,291	\$46,435,269	\$32,114,603	\$38,216,439	\$2,049,112
Total	\$1,543,088,651	\$4,410,996,496	\$4,319,006,165	\$4,814,889,372	\$4,914,261,689	\$2,171,910,536

AMERICAN ELECTRIC POWER  
QUALIFIED PENSION PLAN  
10-YEAR PENSION COST FORECAST

Location	ASC 716-30 Cost 2012	Estimated Net Periodic Pension Cost									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Appalachian Power Co - Distribution	\$8,168,506	\$11,648,268	\$11,285,743	\$11,645,012	\$10,586,801	\$9,511,541	\$9,008,421	\$8,845,046	\$8,653,609	\$8,567,008	\$8,533,970
Appalachian Power Co - Generation	7,112,832	10,001,825	9,787,851	10,151,989	9,379,700	8,656,973	8,267,978	8,184,927	8,080,994	8,050,210	8,066,391
Appalachian Power Co - Transmission	1,336,508	1,814,070	1,687,096	1,700,558	1,526,067	1,356,840	1,269,542	1,258,410	1,240,560	1,244,011	1,253,897
Appalachian Power Co. - FERC	\$16,617,846	\$23,464,163	\$22,770,690	\$23,497,539	\$21,492,668	\$19,626,364	\$18,646,941	\$18,288,383	\$17,974,554	\$17,861,229	\$17,864,268
Cedar Coal Co	10,889	42,857	43,598	50,194	42,017	33,338	30,178	28,704	26,963	25,193	23,459
Central Coal Company	0	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - BEC	\$16,628,736	\$23,607,020	\$22,814,288	\$23,647,733	\$21,534,686	\$19,668,692	\$18,676,119	\$18,318,087	\$18,001,617	\$17,886,422	\$17,877,717
AEP Texas Central Company - Distribution	\$6,272,556	\$11,030,068	\$11,102,324	\$11,639,483	\$10,916,258	\$9,998,817	\$9,657,373	\$9,681,792	\$9,695,509	\$9,745,752	\$9,850,149
AEP Texas Central Company - Generation	(403,335)	(109,680)	(178,624)	(135,827)	(259,831)	(294,742)	(374,746)	(472,015)	(554,520)	(599,368)	(688,468)
AEP Texas Central Company - Transmission	798,208	1,287,891	1,304,188	1,357,689	1,285,196	1,185,294	1,140,449	1,136,272	1,123,300	1,116,251	1,112,698
AEP Texas Central Co.	\$6,636,429	\$12,208,279	\$12,228,888	\$12,861,246	\$11,941,623	\$10,889,369	\$10,423,078	\$10,346,049	\$10,264,289	\$10,262,936	\$10,274,367
Indiana Michigan Power Co - Distribution	\$4,547,327	\$6,481,673	\$6,314,250	\$6,542,938	\$5,980,361	\$5,345,985	\$5,064,240	\$4,962,972	\$4,904,674	\$4,850,692	\$4,816,251
Indiana Michigan Power Co - Generation	2,915,701	4,084,031	3,958,677	4,090,151	3,755,835	3,477,822	3,309,289	3,268,744	3,223,458	3,216,996	3,233,666
Indiana Michigan Power Co - Nuclear	6,951,701	9,396,015	9,470,213	9,952,407	9,462,692	9,212,698	8,900,503	8,885,598	8,824,069	8,839,639	8,926,196
Indiana Michigan Power Co - Transmission	1,050,811	1,440,953	1,371,991	1,399,015	1,320,085	1,175,490	1,101,568	1,082,818	1,063,042	1,053,191	1,051,008
Ind Mich River Transp Lakin	1,062,789	1,463,152	1,487,389	1,570,362	1,482,404	1,443,893	1,408,765	1,403,363	1,401,647	1,396,764	1,400,093
Indiana Michigan Power Co. - FERC	\$18,628,329	\$22,866,824	\$22,802,520	\$23,564,873	\$22,011,377	\$20,665,885	\$19,784,385	\$19,601,495	\$19,417,690	\$19,367,282	\$19,427,244
Price River Coal	(2,282)	1,539	1,021	1,864	568	22	(393)	(1,087)	(1,797)	(2,349)	(2,749)
Indiana Michigan Power Co. - BEC	\$16,626,047	\$22,867,363	\$22,803,541	\$23,566,737	\$22,011,946	\$20,665,910	\$19,783,972	\$19,600,408	\$19,416,893	\$19,364,933	\$19,424,495
Kentucky Power Co - Distribution	\$1,943,579	\$2,728,105	\$2,592,792	\$2,645,730	\$2,392,820	\$2,153,808	\$2,028,693	\$1,992,923	\$1,955,820	\$1,942,679	\$1,960,423
Kentucky Power Co - Generation	1,047,833	1,399,440	1,327,961	1,351,474	1,234,221	1,075,537	1,075,406	1,061,705	1,047,241	1,051,860	1,067,124
Kentucky Power Co - Transmission	253,529	336,443	328,503	341,031	319,231	307,323	296,224	296,286	282,144	292,062	292,062
Kentucky Power Co.	\$3,244,941	\$4,463,988	\$4,250,256	\$4,338,236	\$3,948,272	\$3,659,668	\$3,402,323	\$3,360,914	\$3,286,206	\$3,286,601	\$3,321,017
Cardinal Operating Company	\$2,362,034	\$3,148,478	\$3,012,254	\$3,074,805	\$2,826,031	\$2,577,070	\$2,449,522	\$2,445,050	\$2,433,393	\$2,438,624	\$2,476,607
Cook Coal Terminal	88,297	128,961	130,407	139,317	132,952	130,121	125,970	125,791	134,555	132,860	130,727
Ohio Power Co - Distribution	10,789,759	15,768,866	15,527,979	16,227,173	14,926,710	13,510,806	12,785,597	12,670,271	12,513,054	12,387,923	12,365,979
Ohio Power Co - Generation	3,773,710	6,019,067	6,052,487	6,227,606	5,897,432	5,607,432	5,569,318	5,569,318	5,569,318	5,569,318	5,569,318
Ohio Power Co - Transmission	1,818,742	2,592,633	2,514,819	2,595,722	2,362,328	2,132,566	2,012,818	2,012,570	2,000,215	1,991,145	1,991,145
Ohio Power Co. - FERC	\$18,832,612	\$29,666,003	\$29,247,946	\$31,086,114	\$28,476,627	\$26,247,796	\$24,943,226	\$24,613,300	\$23,988,618	\$23,633,741	\$23,484,614
Conesville Coal Preparation Company	72,484	115,750	110,252	115,644	101,384	88,133	80,616	77,530	74,414	71,713	69,321
Ohio Power Co. - BEC	\$18,904,996	\$29,771,753	\$29,368,198	\$31,201,768	\$28,677,011	\$26,336,928	\$25,023,841	\$24,690,830	\$24,062,932	\$23,706,464	\$23,563,836
Public Service Co of Oklahoma - Distribution	\$4,571,281	\$7,502,672	\$7,836,385	\$7,999,118	\$7,623,701	\$7,074,392	\$6,871,507	\$6,828,836	\$6,854,679	\$7,028,001	\$7,058,031
Public Service Co of Oklahoma - Generation	2,280,019	3,697,505	3,684,619	4,182,602	4,046,081	3,864,564	3,788,293	3,843,281	3,885,123	3,907,134	3,975,272
Public Service Co of Oklahoma - Transmission	521,872	864,189	884,070	934,173	892,009	829,616	808,682	813,448	813,087	817,080	854,871
Public Service Co. of Oklahoma	\$7,383,172	\$12,084,376	\$12,406,074	\$13,116,903	\$12,661,791	\$11,768,672	\$11,468,482	\$11,686,366	\$11,662,889	\$11,762,216	\$11,888,174
Southwestern Electric Power Co - Distribution	\$3,038,719	\$4,782,455	\$4,684,590	\$5,308,909	\$5,141,458	\$4,923,044	\$4,877,337	\$4,938,303	\$4,950,406	\$5,000,862	\$5,062,140
Southwestern Electric Power Co - Generation	3,287,684	5,115,884	5,358,198	5,680,560	5,492,419	5,231,599	5,142,042	5,232,399	5,260,143	5,314,017	5,369,304
Southwestern Electric Power Co - Texas - Distribution	1,530,050	2,459,598	2,530,757	2,688,468	2,546,672	2,412,027	2,366,639	2,381,724	2,388,060	2,389,878	2,400,285
Southwestern Electric Power Co - Texas - Transmission	3,101	10,872	8,690	9,954	7,809	6,450	5,674	4,722	3,754	2,826	2,012
Southwestern Electric Power Co - Texas - Transmission	341,881	611,348	643,366	703,258	687,197	682,676	654,353	653,525	644,174	637,572	634,110
Southwestern Electric Power Co.	\$8,211,416	\$12,980,166	\$13,628,601	\$14,371,149	\$13,876,566	\$13,236,998	\$13,048,046	\$13,210,873	\$13,246,637	\$13,346,268	\$13,467,861
AEP Texas North Company - Distribution	\$1,732,292	\$2,908,961	\$3,038,484	\$3,206,577	\$3,047,384	\$2,831,642	\$2,759,019	\$2,808,973	\$2,831,873	\$2,849,746	\$2,888,398
AEP Texas North Company - Generation	(128,851)	300,750	297,683	352,287	300,568	245,421	219,527	198,871	179,001	164,928	153,715
AEP Texas North Company - Transmission	361,027	\$4,019,199	559,217	606,877	584,236	560,869	548,948	566,509	574,989	585,652	597,054
AEP Texas North Co.	\$1,964,468	\$3,748,630	\$3,896,384	\$4,159,641	\$3,832,188	\$3,637,962	\$3,533,494	\$3,674,463	\$3,686,963	\$3,600,326	\$3,639,167
Kingsport Power Co - Distribution	\$335,385	\$472,214	\$450,553	\$460,369	\$415,873	\$366,726	\$343,967	\$337,027	\$328,993	\$323,651	\$320,873
Kingsport Power Co - Transmission	84,442	119,283	113,843	101,843	111,568	87,761	82,431	81,578	80,196	78,629	78,556
Kingsport Power Co.	\$419,827	\$591,497	\$564,396	\$562,212	\$527,441	\$454,487	\$426,398	\$418,605	\$409,189	\$402,280	\$399,429
Wheeling Power Co - Distribution	\$378,086	\$562,169	\$558,399	\$586,020	\$541,916	\$497,501	\$475,378	\$473,410	\$467,212	\$464,851	\$466,764
Wheeling Power Co - Transmission	(6,182)	4,469	5,320	8,462	7,169	6,508	5,160	5,558	5,075	4,510	3,931
Wheeling Power Co.	\$371,904	\$568,638	\$563,719	\$594,482	\$549,085	\$490,993	\$469,818	\$467,868	\$472,287	\$469,361	\$470,695
American Electric Power Service Corporation	\$37,883,437	\$54,295,296	\$53,491,153	\$55,770,858	\$51,875,719	\$48,208,460	\$46,334,113	\$45,851,372	\$45,214,587	\$44,892,612	\$44,891,947
American Electric Power Service Corp	\$37,883,437	\$54,295,296	\$53,491,153	\$55,770,858	\$51,875,719	\$48,208,460	\$46,334,113	\$45,851,372	\$45,214,587	\$44,892,612	\$44,891,947
AEP Pro Serv, Inc.	\$16,490	\$26,982	\$24,083	\$24,354	\$20,184	\$15,020	\$11,336	\$8,325	\$5,351	\$2,524	\$380
CSW Energy, Inc.	247,936	321,873	324,835	327,879	318,094	320,589	311,013	307,878	305,456	312,152	311,561
Elmwood	278,246	351,153	379,365	400,862	394,756	383,699	369,122	373,892	372,877	370,081	368,962
AEP River Operations LLC	3,464,232	4,237,071	4,563,502	4,789,225	4,762,124	4,689,921	4,581,796	4,561,013	4,681,135	4,694,900	4,717,970
Miscellaneous	\$4,004,904	\$4,937,079	\$6,291,786	\$6,842,320	\$6,496,168	\$6,409,209	\$6,283,267	\$6,361,006	\$6,344,819	\$6,379,667	\$6,398,873
<b>Total</b>	<b>\$122,178,275</b>	<b>\$182,002,074</b>	<b>\$180,992,364</b>	<b>\$189,634,273</b>	<b>\$176,818,373</b>	<b>\$164,262,362</b>	<b>\$167,780,668</b>	<b>\$166,676,730</b>	<b>\$164,966,107</b>	<b>\$164,337,762</b>	<b>\$164,617,467</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
2012 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$339,772,980	\$289,491,669	\$3,558,003	\$15,107,394	(\$20,919,813)	\$246,339	\$10,176,583	\$8,168,506
Appalachian Power Co - Generation	283,883,280	245,864,748	3,535,981	12,647,143	(17,767,159)	194,243	8,502,624	7,112,832
Appalachian Power Co - Transmission	52,151,303	42,084,042	469,164	2,315,428	(3,041,159)	31,085	1,561,990	1,336,508
Appalachian Power Co. - FERC	\$675,807,563	\$577,440,469	\$7,563,148	\$30,069,965	(\$41,728,131)	\$471,667	\$20,241,197	\$16,817,846
Cedar Coal Co	3,023,968	2,994,125	0	133,062	(216,367)	3,623	90,571	10,889
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$678,831,631	\$680,434,684	\$7,563,148	\$30,203,927	(\$41,944,498)	\$476,290	\$20,331,768	\$16,628,736
AEP Texas Central Company - Distribution	\$276,839,478	\$247,361,895	\$4,619,701	\$12,384,885	(\$17,875,356)	(\$1,148,328)	\$8,291,654	\$6,272,556
AEP Texas Central Company - Generation	28,421,871	34,674,378	448	1,250,655	(2,505,708)	0	851,270	(403,335)
AEP Texas Central Company - Transmission	29,516,844	28,378,531	574,820	1,324,106	(1,806,072)	(110,709)	884,063	766,208
AEP Texas Central Co.	\$334,778,293	\$308,412,904	\$5,194,969	\$14,969,646	(\$22,287,136)	(\$1,259,037)	\$10,026,987	\$6,636,429
Indiana Michigan Power Co - Distribution	\$181,243,915	\$153,784,915	\$2,039,081	\$8,064,895	(\$11,113,105)	\$127,998	\$5,428,459	\$4,547,327
Indiana Michigan Power Co - Generation	115,313,647	99,917,603	1,470,214	5,138,772	(7,220,441)	73,383	3,453,773	2,915,701
Indiana Michigan Power Co - Nuclear	215,386,606	199,704,289	5,081,161	9,701,115	(14,431,422)	149,778	6,451,071	6,951,701
Indiana Michigan Power Co - Transmission	39,672,872	32,651,388	431,710	1,764,899	(2,358,518)	25,673	1,188,247	1,050,811
Ind Mich River Transp Lakin	34,265,370	33,339,711	869,862	1,546,035	(2,409,259)	29,865	1,062,789	1,062,789
Indiana Michigan Power Co. - FERC	\$686,882,410	\$619,397,906	\$9,892,028	\$28,216,616	(\$37,633,746)	\$406,696	\$17,647,836	\$16,628,329
Price River Coal	402,241	449,523	0	17,700	(32,484)	454	12,048	(2,282)
Indiana Michigan Power Co. - SEC	\$686,284,661	\$619,847,429	\$9,892,028	\$28,233,216	(\$37,666,230)	\$407,149	\$17,669,884	\$16,626,047
Kentucky Power Co - Distribution	\$77,104,411	\$64,443,357	\$812,215	\$3,428,520	(\$4,656,932)	\$50,412	\$2,309,364	\$1,843,549
Kentucky Power Co - Generation	37,288,881	30,546,756	451,812	1,660,686	(2,207,429)	25,820	1,116,844	1,047,833
Kentucky Power Co - Transmission	8,386,319	7,306,118	148,383	375,548	(527,969)	6,387	251,180	253,529
Kentucky Power Co.	\$122,779,611	\$102,296,231	\$1,412,510	\$5,464,754	(\$7,392,330)	\$82,619	\$3,677,388	\$3,244,941
Cardinal Operating Company	\$78,555,565	\$63,402,845	\$1,042,160	\$3,502,493	(\$4,581,740)	\$46,293	\$2,352,828	\$2,362,034
Cook Coal Terminal	3,262,340	3,287,403	78,934	147,024	(237,581)	2,159	88,267	97,711
Ohio Power Co - Distribution	467,040,634	408,214,108	5,160,695	20,778,001	(29,499,166)	361,837	13,988,392	10,789,759
Ohio Power Co - Generation	384,904,718	401,752,949	3,901,299	17,108,405	(29,032,258)	267,935	11,528,329	3,773,710
Ohio Power Co - Transmission	77,109,220	65,010,163	790,969	3,427,793	(4,770,155)	60,727	2,309,508	1,818,742
Ohio Power Co. - FERC	\$1,010,872,477	\$942,687,498	\$10,873,967	\$44,863,716	(\$68,120,880)	\$738,961	\$30,276,768	\$18,832,612
Conesville Coal Preparation Company	4,401,563	3,882,402	24,539	194,759	(280,558)	1,812	131,832	72,484
Ohio Power Co. - SEC	\$1,015,274,040	\$946,549,870	\$10,998,498	\$46,168,476	(\$68,401,438)	\$740,883	\$30,408,900	\$18,904,996
Public Service Co of Oklahoma - Distribution	\$171,066,958	\$152,654,969	\$3,437,321	\$7,678,611	(\$11,031,452)	(\$636,847)	\$5,123,648	\$4,571,281
Public Service Co of Oklahoma - Generation	80,844,107	77,693,715	2,092,114	3,840,594	(5,614,455)	(243,816)	2,415,382	2,290,019
Public Service Co of Oklahoma - Transmission	20,603,544	18,946,241	414,828	924,859	(1,369,130)	(65,784)	617,099	521,872
Public Service Co. of Oklahoma	\$272,314,609	\$249,294,925	\$6,944,263	\$12,244,064	(\$18,015,037)	(\$946,247)	\$8,156,129	\$7,383,172
Southwestern Electric Power Co - Distribution	\$99,559,056	\$93,861,612	\$2,653,838	\$4,497,615	(\$6,782,811)	(\$311,829)	\$2,981,906	\$3,038,719
Southwestern Electric Power Co - Generation	106,356,459	100,304,189	2,837,505	4,804,799	(7,248,378)	(281,758)	3,185,496	3,297,864
Southwestern Electric Power Co - Texas - Distribution	54,871,875	50,435,717	1,216,837	2,468,039	(3,644,684)	(153,616)	1,643,474	1,530,050
Southwestern Electric Power Co - Texas - Transmission	583,274	520,560	0	25,865	(37,618)	(2,415)	17,470	3,101
Southwestern Electric Power Co - Transmission	15,345,049	15,948,773	385,438	692,179	(1,152,521)	(42,816)	459,601	341,881
Southwestern Electric Power Co.	\$278,716,713	\$261,070,851	\$7,093,618	\$12,488,297	(\$18,866,012)	(\$792,436)	\$8,287,947	\$8,211,416
AEP Texas North Company - Distribution	\$68,003,603	\$63,428,870	\$1,448,431	\$3,058,058	(\$4,583,621)	(\$225,360)	\$2,038,784	\$1,732,292
AEP Texas North Company - Generation	24,084,476	24,257,898	0	1,059,775	(1,752,972)	(157,011)	721,357	(128,851)
AEP Texas North Company - Transmission	10,575,894	9,851,977	309,641	478,990	(711,943)	(32,421)	316,760	361,027
AEP Texas North Co.	\$102,663,973	\$97,538,745	\$1,758,072	\$4,594,823	(\$6,048,536)	(\$414,792)	\$3,074,901	\$1,964,468
Kingsport Power Co - Distribution	\$13,686,722	\$11,338,348	\$127,428	\$607,856	(\$819,354)	\$9,522	\$409,933	\$335,385
Kingsport Power Co - Transmission	3,676,547	2,890,022	25,787	162,812	(216,071)	1,687	110,117	84,442
Kingsport Power Co.	\$17,363,269	\$14,328,370	\$153,225	\$770,788	(\$1,036,426)	\$11,209	\$620,050	\$419,827
Wheeling Power Co - Distribution	\$18,259,353	\$14,596,688	\$207,527	\$724,583	(\$1,054,813)	\$13,803	\$486,986	\$378,086
Wheeling Power Co - Transmission	863,289	979,463	0	37,987	(70,780)	755	25,856	(6,182)
Wheeling Power Co.	\$17,122,639	\$16,676,131	\$207,527	\$762,570	(\$1,125,693)	\$14,558	\$612,842	\$371,904
American Electric Power Service Corporation	\$1,451,916,921	\$1,268,222,165	\$21,111,887	\$64,816,832	(\$91,646,756)	\$114,930	\$43,486,544	\$37,883,437
American Electric Power Service Corp	\$1,451,916,921	\$1,268,222,165	\$21,111,887	\$64,816,832	(\$91,646,756)	\$114,930	\$43,486,544	\$37,883,437
AEP Pro Serv, Inc.	\$1,141,926	\$941,423	\$0	\$50,248	(\$68,031)	\$71	\$34,202	\$16,490
CSW Energy, Inc.	4,518,659	3,466,672	168,002	206,264	(250,515)	(12,054)	135,339	247,936
Elmwood	3,143,680	4,419,160	341,058	153,336	(319,346)	7,042	94,156	276,246
AEP River Operations LLC	29,412,194	38,597,036	3,869,342	1,464,468	(2,789,175)	38,669	880,928	3,464,232
Miscellaneous	\$36,216,439	\$47,424,291	\$4,379,302	\$1,874,316	(\$3,427,067)	\$33,728	\$1,144,626	\$4,004,904
<b>Total</b>	<b>\$4,914,261,689</b>	<b>\$4,410,986,496</b>	<b>\$76,709,045</b>	<b>\$219,670,788</b>	<b>(\$318,766,058)</b>	<b>(\$1,632,166)</b>	<b>\$147,187,665</b>	<b>\$122,179,275</b>

Exhibit HEM-2A  
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AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2013 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$338,925,025	\$272,696,914	\$3,942,451	\$14,923,997	(\$18,114,231)	\$95,769	\$10,800,282	\$11,648,268
Appalachian Power Co - Generation	283,174,807	233,714,819	3,918,050	12,496,285	(15,524,797)	88,548	9,023,729	10,001,825
Appalachian Power Co - Transmission	52,021,152	40,100,438	0	2,286,953	(2,663,721)	13,259	1,657,721	1,814,070
Appalachian Power Co. - FERC	\$674,120,986	\$646,612,171	\$8,380,369	\$29,707,245	(\$36,302,749)	\$197,676	\$21,481,732	\$23,464,163
Cedar Coal Co	3,016,421	2,782,291	0	131,296	(184,817)	256	96,122	42,857
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$677,137,406	\$649,294,462	\$8,380,369	\$29,838,641	(\$36,487,666)	\$197,832	\$21,677,864	\$23,607,020
AEP Texas Central Company - Distribution	\$276,148,584	\$232,168,599	\$5,118,867	\$12,242,732	(\$15,422,088)	\$290,727	\$8,799,830	\$11,030,068
AEP Texas Central Company - Generation	28,351,040	33,837,168	496	1,234,058	(2,247,676)	0	903,442	(109,680)
AEP Texas Central Company - Transmission	29,443,180	24,520,695	636,930	1,309,297	(1,628,618)	32,237	938,245	1,287,891
AEP Texas Central Co.	\$333,942,804	\$290,626,463	\$6,766,293	\$14,786,087	(\$19,298,682)	\$322,964	\$10,641,617	\$12,208,279
Indiana Michigan Power Co - Distribution	\$180,791,594	\$143,863,892	\$2,259,407	\$7,967,663	(\$9,556,338)	\$49,784	\$5,761,157	\$6,481,673
Indiana Michigan Power Co - Generation	115,025,865	95,147,436	1,629,073	5,077,641	(6,320,287)	32,157	3,665,447	4,084,031
Indiana Michigan Power Co - Nuclear	214,849,077	192,142,793	5,630,189	9,596,804	(12,763,324)	85,904	6,846,442	9,396,015
Indiana Michigan Power Co - Transmission	39,573,862	30,899,494	478,357	1,743,353	(2,052,537)	10,708	1,261,072	1,440,953
Ind Mich River Transp Lakin	34,179,856	32,162,160	963,852	1,529,701	(2,136,411)	16,825	1,089,185	1,463,152
Indiana Michigan Power Co. - FERC	\$684,420,264	\$494,216,776	\$10,960,878	\$26,916,162	(\$32,828,897)	\$196,378	\$18,623,303	\$22,866,824
Price River Coal	401,237	432,723	0	17,465	(28,744)	32	12,786	1,539
Indiana Michigan Power Co. - SEC	\$684,821,491	\$494,648,498	\$10,960,878	\$26,932,627	(\$32,867,641)	\$196,410	\$18,636,089	\$22,867,363
Kentucky Power Co - Distribution	\$76,911,986	\$60,727,298	\$899,976	\$3,386,922	(\$4,033,886)	\$24,194	\$2,450,899	\$2,728,105
Kentucky Power Co - Generation	37,195,821	29,210,045	500,742	1,640,819	(1,940,314)	12,900	1,185,293	1,399,440
Kentucky Power Co - Transmission	8,366,390	7,070,780	164,416	371,277	(469,685)	3,861	266,574	336,443
Kentucky Power Co.	\$122,473,197	\$97,008,123	\$1,665,134	\$6,399,018	(\$6,443,886)	\$40,966	\$3,902,766	\$4,463,988
Cardinal Operating Company	\$78,359,518	\$59,954,456	\$1,154,767	\$3,461,019	(\$3,983,213)	\$18,876	\$2,487,027	\$3,148,476
Cook Coal Terminal	3,254,198	3,170,694	87,463	145,453	(210,617)	963	103,669	126,961
Ohio Power Co - Distribution	465,875,065	383,190,471	5,718,316	20,527,051	(25,453,903)	131,694	14,845,708	15,768,866
Ohio Power Co - Generation	383,944,131	384,534,052	4,322,840	16,900,102	(25,543,152)	104,404	12,234,873	8,019,067
Ohio Power Co - Transmission	76,916,783	62,417,068	876,324	3,396,102	(4,146,131)	25,286	2,451,052	2,592,633
Ohio Power Co. - FERC	\$1,008,349,695	\$893,276,741	\$12,169,710	\$44,419,727	(\$58,337,016)	\$281,223	\$32,132,369	\$29,666,003
Conesville Coal Preparation Company	4,390,578	3,678,491	27,180	192,292	(244,348)	705	139,911	115,750
Ohio Power Co. - SEC	\$1,012,740,273	\$896,966,232	\$12,186,900	\$44,612,019	(\$58,681,364)	\$281,928	\$32,272,270	\$29,771,783
Public Service Co of Oklahoma - Distribution	\$170,640,035	\$143,315,589	\$3,808,729	\$7,593,234	(\$9,519,916)	\$182,961	\$5,437,664	\$7,502,672
Public Service Co of Oklahoma - Generation	80,442,848	73,458,912	2,318,170	3,602,340	(4,879,599)	93,179	2,563,415	3,687,505
Public Service Co of Oklahoma - Transmission	20,552,125	17,879,054	459,651	914,580	(1,187,638)	22,686	654,920	854,199
Public Service Co. of Oklahoma	\$271,636,008	\$234,663,666	\$6,686,660	\$12,110,164	(\$16,687,153)	\$298,826	\$8,666,999	\$12,064,376
Southwestern Electric Power Co - Distribution	\$99,310,592	\$88,853,722	\$2,940,590	\$4,450,689	(\$5,902,219)	\$128,735	\$3,164,660	\$4,782,455
Southwestern Electric Power Co - Generation	106,091,031	94,804,134	3,144,102	4,754,679	(6,297,482)	133,858	3,380,727	5,115,884
Southwestern Electric Power Co - Texas - Distribution	54,734,934	47,278,281	1,348,318	2,441,136	(3,140,519)	66,462	1,744,199	2,459,596
Southwestern Electric Power Co - Texas - Transmission	581,818	498,257	0	25,325	(33,097)	104	18,540	10,872
Southwestern Electric Power Co - Transmission	15,306,753	15,205,765	427,085	684,847	(1,010,062)	21,709	487,769	611,348
Southwestern Electric Power Co.	\$276,026,128	\$246,640,169	\$7,860,096	\$12,366,676	(\$16,383,379)	\$360,888	\$8,796,896	\$12,980,166
AEP Texas North Company - Distribution	\$67,833,890	\$59,786,755	\$1,604,936	\$3,022,465	(\$3,971,409)	\$89,255	\$2,161,614	\$2,906,861
AEP Texas North Company - Generation	24,024,370	22,853,355	0	1,046,709	(1,510,062)	7,536	765,597	300,750
AEP Texas North Company - Transmission	10,549,500	9,406,575	343,098	474,122	(624,843)	12,469	336,173	541,019
AEP Texas North Co.	\$102,407,760	\$92,046,685	\$1,948,034	\$4,642,296	(\$6,114,314)	\$109,260	\$3,263,364	\$3,748,630
Kingsport Power Co - Distribution	\$13,652,565	\$10,659,208	\$141,197	\$600,401	(\$708,051)	\$3,610	\$435,057	\$472,214
Kingsport Power Co - Transmission	3,667,372	2,824,237	28,584	160,874	(187,603)	562	116,866	119,283
Kingsport Power Co.	\$17,319,937	\$13,483,445	\$169,781	\$761,276	(\$896,664)	\$4,172	\$661,923	\$691,497
Wheeling Power Co - Distribution	\$16,218,775	\$13,654,112	\$715,964	\$715,964	(\$906,991)	\$8,413	\$516,832	\$562,169
Wheeling Power Co - Transmission	861,132	910,907	0	37,483	(60,508)	53	27,441	4,466
Wheeling Power Co.	\$17,079,907	\$14,665,019	\$229,961	\$753,447	(\$967,499)	\$6,466	\$644,273	\$666,638
American Electric Power Service Corporation	\$1,448,293,447	\$1,203,718,335	\$23,393,058	\$64,058,118	(\$79,958,488)	\$650,870	\$46,151,737	\$54,295,296
American Electric Power Service Corp	\$1,448,293,447	\$1,203,718,335	\$23,393,058	\$64,058,118	(\$79,958,488)	\$650,870	\$46,151,737	\$54,295,296
AEP Pro Serv, Inc.	\$1,139,076	\$887,279	\$0	\$49,581	(\$58,939)	\$42	\$36,298	\$26,982
CSW Energy, Inc.	4,507,382	3,265,212	187,152	204,339	(216,896)	3,644	143,634	321,873
Elmwood	3,135,815	4,310,761	377,910	152,942	(266,348)	6,722	99,927	351,153
AEP River Operations LLC	29,338,792	37,432,892	4,287,431	1,463,649	(2,486,526)	37,599	934,918	4,237,071
Miscellaneous	\$38,121,066	\$48,896,144	\$4,862,493	\$1,870,611	(\$3,048,709)	\$48,007	\$1,214,777	\$4,937,079
Total	\$4,901,997,423	\$4,179,436,120	\$83,889,626	\$217,020,769	(\$277,624,234)	\$2,607,668	\$166,208,464	\$182,002,074

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2014 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$338,613,180	\$281,803,950	\$4,368,439	\$14,749,864	(\$17,322,362)	\$85,768	\$9,404,033	\$11,285,743
Appalachian Power Co - Generation	282,914,257	241,825,777	4,341,401	12,353,379	(14,852,628)	88,548	7,857,151	9,787,851
Appalachian Power Co - Transmission	51,973,287	42,386,488	576,029	2,259,874	(2,605,478)	13,259	1,443,412	1,687,086
Appalachian Power Co. - FERC	\$673,500,724	\$665,816,216	\$9,286,869	\$29,383,117	(\$34,780,468)	\$187,676	\$18,704,696	\$22,770,690
Cedar Coal Co	3,013,646	2,764,868	0	129,601	(169,955)	256	83,696	43,598
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - BEC	\$676,514,370	\$668,581,083	\$9,286,869	\$29,492,718	(\$34,860,423)	\$197,832	\$18,788,292	\$22,814,288
AEP Texas Central Company - Distribution	\$275,894,498	\$238,018,304	\$5,871,969	\$12,108,716	(\$14,630,755)	\$280,187	\$7,862,197	\$11,102,324
AEP Texas Central Company - Generation	28,324,954	35,498,479	550	1,218,133	(2,181,953)	0	788,646	(176,824)
AEP Texas Central Company - Transmission	29,416,090	25,152,032	705,752	1,295,385	(1,546,084)	32,185	816,950	1,304,188
AEP Texas Central Co.	\$333,636,542	\$288,664,816	\$6,378,271	\$14,622,234	(\$18,368,792)	\$322,382	\$9,266,793	\$12,229,888
Indiana Michigan Power Co - Distribution	\$180,825,247	\$148,542,739	\$2,503,540	\$7,875,421	(\$9,130,855)	\$49,784	\$5,016,380	\$6,314,250
Indiana Michigan Power Co - Generation	114,820,028	99,071,842	1,805,097	5,019,743	(6,089,902)	32,157	3,191,582	3,858,677
Indiana Michigan Power Co - Nuclear	214,651,393	200,341,556	6,238,540	9,499,333	(12,314,805)	85,904	5,961,341	9,470,213
Indiana Michigan Power Co - Transmission	39,537,450	32,372,102	530,044	1,723,086	(1,889,899)	10,708	1,098,042	1,371,991
Ind Mich River Transp Lakin	34,148,407	33,517,166	1,067,998	1,514,475	(2,060,285)	16,825	848,376	1,487,389
Indiana Michigan Power Co. - FERC	\$683,882,626	\$613,845,406	\$12,146,219	\$26,632,068	(\$31,686,846)	\$196,378	\$16,216,701	\$22,602,620
Price River Coal	400,868	445,467	0	17,239	(27,383)	32	11,133	1,021
Indiana Michigan Power Co. - BEC	\$684,283,384	\$614,280,872	\$12,146,219	\$26,649,307	(\$31,613,229)	\$196,410	\$16,228,834	\$22,603,641
Kentucky Power Co - Distribution	\$76,841,218	\$63,610,350	\$997,220	\$3,347,428	(\$3,810,100)	\$24,194	\$2,134,050	\$2,592,792
Kentucky Power Co - Generation	37,161,597	30,809,324	554,848	1,621,889	(1,893,835)	12,900	1,032,059	1,327,961
Kentucky Power Co - Transmission	8,357,693	7,416,787	182,181	367,256	(455,807)	3,861	232,112	329,503
Kentucky Power Co.	\$122,360,508	\$101,836,461	\$1,734,249	\$6,336,673	(\$8,269,842)	\$40,956	\$3,398,221	\$4,260,256
Cardinal Operating Company	\$78,287,419	\$83,155,515	\$1,279,542	\$3,421,763	(\$3,882,141)	\$18,876	\$2,174,214	\$3,012,254
Cook Coal Terminal	3,251,204	3,282,072	86,913	143,985	(201,747)	863	80,293	130,407
Ohio Power Co - Distribution	465,446,411	392,963,695	6,336,190	20,288,927	(24,155,302)	131,684	12,826,470	15,527,979
Ohio Power Co - Generation	383,590,862	393,483,520	4,789,931	16,702,247	(24,187,256)	104,404	10,853,161	8,062,487
Ohio Power Co - Transmission	76,846,011	64,457,433	971,012	3,346,507	(3,962,189)	25,286	2,134,183	2,514,819
Ohio Power Co. - FERC	\$1,007,421,907	\$917,342,236	\$13,473,888	\$43,993,429	(\$66,388,618)	\$281,223	\$27,878,321	\$29,247,946
Conesville Coal Preparation Company	4,386,538	3,779,805	30,128	189,938	(232,343)	705	121,824	110,252
Ohio Power Co. - BEC	\$1,011,808,446	\$921,122,400	\$13,503,716	\$44,983,367	(\$66,620,968)	\$281,928	\$28,100,146	\$29,368,198
Public Service Co of Oklahoma - Distribution	\$170,483,028	\$146,646,862	\$4,220,289	\$7,513,085	(\$9,014,317)	\$182,659	\$4,734,689	\$7,836,385
Public Service Co of Oklahoma - Generation	80,368,832	74,440,415	2,588,652	3,566,712	(4,575,819)	93,055	2,232,019	3,884,619
Public Service Co of Oklahoma - Transmission	20,533,215	18,270,583	509,317	904,930	(1,123,083)	22,663	570,253	884,070
Public Service Co. of Oklahoma	\$271,386,076	\$239,367,840	\$7,298,258	\$11,984,727	(\$14,713,219)	\$298,367	\$7,636,961	\$12,406,074
Southwestern Electric Power Co - Distribution	\$98,218,215	\$90,530,559	\$3,258,325	\$4,407,029	(\$5,564,873)	\$128,573	\$2,755,536	\$4,884,590
Southwestern Electric Power Co - Generation	105,993,416	96,182,309	3,483,627	4,708,050	(5,911,054)	133,705	2,943,870	5,358,198
Southwestern Electric Power Co - Texas - Distribution	54,684,572	48,223,731	1,484,006	2,415,850	(2,864,281)	66,381	1,518,711	2,530,757
Southwestern Electric Power Co - Texas - Transmission	581,283	513,351	0	24,888	(31,555)	103	16,144	9,690
Southwestern Electric Power Co. - Transmission	15,282,669	15,524,320	473,232	678,010	(954,273)	21,698	424,711	643,366
Southwestern Electric Power Co.	\$276,771,156	\$260,964,270	\$8,709,390	\$12,234,037	(\$16,428,046)	\$360,448	\$7,668,772	\$13,628,801
AEP Texas North Company - Distribution	\$67,771,476	\$60,227,363	\$1,778,352	\$2,990,978	(\$3,702,149)	\$88,140	\$1,882,163	\$3,038,484
AEP Texas North Company - Generation	24,002,265	22,915,432	31,673	1,032,213	(1,406,801)	7,475	666,596	297,683
AEP Texas North Company - Transmission	10,539,784	9,891,477	380,171	469,611	(585,731)	12,453	282,713	559,217
AEP Texas North Co.	\$102,313,636	\$92,834,272	\$2,158,523	\$4,492,802	(\$6,706,481)	\$109,688	\$2,841,472	\$3,896,384
Kingsport Power Co - Distribution	\$13,640,003	\$11,089,023	\$156,453	\$593,314	(\$681,637)	\$3,610	\$378,813	\$450,553
Kingsport Power Co - Transmission	3,863,997	2,944,555	31,673	156,932	(181,000)	562	101,757	111,924
Kingsport Power Co.	\$17,304,000	\$14,033,578	\$188,128	\$752,246	(\$862,637)	\$4,172	\$480,570	\$662,477
Wheeling Power Co - Distribution	\$16,203,852	\$14,000,904	\$254,797	\$707,801	(\$860,629)	\$6,413	\$450,017	\$558,399
Wheeling Power Co - Transmission	860,339	804,940	0	38,999	(55,626)	53	23,884	5,320
Wheeling Power Co.	\$17,064,191	\$14,806,844	\$254,797	\$744,800	(\$916,255)	\$6,466	\$473,911	\$663,719
American Electric Power Service Corporation	\$1,446,960,866	\$1,246,249,551	\$25,920,720	\$63,341,015	(\$76,806,399)	\$650,531	\$40,185,286	\$53,491,153
American Electric Power Service Corp	\$1,446,960,866	\$1,246,249,551	\$25,920,720	\$63,341,015	(\$76,806,399)	\$650,531	\$40,185,286	\$53,491,153
AEP Pro Serv, Inc.	\$1,138,028	\$919,253	\$0	\$48,941	(\$58,506)	\$42	\$31,606	\$24,083
CSW Energy, Inc.	4,503,235	3,478,500	207,374	202,578	(213,822)	3,639	125,065	324,835
Elmwood	3,132,929	4,650,234	418,744	162,739	(285,848)	6,722	87,008	379,365
AEP River Operations LLC	29,311,797	40,730,677	4,750,695	1,464,851	(2,503,696)	37,599	814,053	4,563,502
Miscellaneous	\$38,086,989	\$49,778,864	\$5,376,813	\$1,860,110	(\$3,069,872)	\$48,002	\$1,067,732	\$6,291,786
Total	\$4,897,487,070	\$4,312,609,290	\$92,963,931	\$214,613,036	(\$266,094,163)	\$2,606,561	\$136,013,989	\$180,992,364



AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2016 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$338,135,865	\$288,975,433	\$4,576,431	\$14,580,205	(\$16,087,010)	\$88,250	\$0,489,136	\$11,645,012
Appalachian Power Co - Generation	282,515,457	245,889,327	4,548,106	12,195,956	(13,786,706)	81,886	7,092,747	10,151,969
Appalachian Power Co - Transmission	51,900,024	43,735,485	603,456	2,230,621	(2,448,837)	12,132	1,302,986	1,700,558
Appalachian Power Co. - FERC	\$672,661,346	\$676,800,266	\$9,727,993	\$28,986,782	(\$32,282,363)	\$180,248	\$16,884,869	\$23,497,539
Cedar Coal Co	3,009,398	2,737,339	0	127,855	(153,257)	43	75,553	50,184
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$676,660,744	\$679,337,694	\$9,727,993	\$29,114,637	(\$32,436,610)	\$180,291	\$16,960,422	\$23,547,733
AEP Texas Central Company - Distribution	\$275,505,593	\$239,593,887	\$5,942,026	\$11,957,382	(\$13,414,241)	\$237,577	\$6,916,759	\$11,639,483
AEP Texas Central Company - Generation	28,285,027	36,585,098	576	1,201,720	(2,048,338)	0	710,115	(135,827)
AEP Texas Central Company - Transmission	29,374,624	25,480,812	739,354	1,279,399	(1,425,485)	28,951	737,470	1,357,689
AEP Texas Central Co.	\$333,166,244	\$301,640,397	\$6,681,966	\$14,438,481	(\$16,888,064)	\$264,628	\$8,364,344	\$12,861,246
Indiana Michigan Power Co - Distribution	\$180,370,835	\$150,524,611	\$2,822,739	\$7,774,512	(\$8,427,483)	\$44,840	\$4,528,330	\$6,542,938
Indiana Michigan Power Co - Generation	114,758,038	101,228,036	1,891,042	4,855,861	(5,687,383)	29,551	2,881,080	4,080,151
Indiana Michigan Power Co - Nuclear	214,348,817	204,166,031	8,535,572	9,384,320	(11,430,727)	81,868	5,381,376	9,952,407
Indiana Michigan Power Co - Transmission	39,481,718	33,190,033	555,281	1,700,980	(1,858,224)	9,782	891,216	1,399,015
Ind Mich River Transp Lakin	34,100,271	34,237,875	1,118,848	1,496,292	(1,916,890)	16,001	856,111	1,370,362
Indiana Michigan Power Co. - FERC	\$683,059,477	\$623,344,586	\$12,723,482	\$26,311,966	(\$29,300,707)	\$182,020	\$14,638,113	\$23,664,873
Price River Coal	400,303	450,060	0	17,007	(25,198)	5	10,050	1,864
Indiana Michigan Power Co. - SEC	\$683,469,780	\$623,794,646	\$12,723,482	\$26,328,972	(\$29,326,906)	\$182,026	\$14,648,163	\$23,666,737
Kentucky Power Co - Distribution	\$79,732,902	\$65,234,975	\$1,044,700	\$3,304,398	(\$3,852,337)	\$22,536	\$1,926,433	\$2,845,730
Kentucky Power Co - Generation	37,109,213	31,700,260	581,285	1,801,288	(1,774,815)	12,083	931,653	1,351,474
Kentucky Power Co - Transmission	9,345,912	7,604,243	190,856	362,886	(425,742)	3,701	209,530	341,031
Kentucky Power Co.	\$122,188,027	\$104,639,468	\$1,816,821	\$5,268,372	(\$6,862,894)	\$38,320	\$3,067,616	\$4,338,236
Cardinal Operating Company	\$78,177,064	\$64,725,443	\$1,340,464	\$3,378,319	(\$3,623,810)	\$17,142	\$1,982,680	\$3,074,805
Cook Coal Terminal	3,246,821	3,337,435	101,528	142,247	(186,854)	887	81,509	139,317
Ohio Power Co - Distribution	464,790,311	399,972,390	6,637,871	20,028,726	(22,225,453)	117,145	11,868,984	18,227,173
Ohio Power Co - Generation	383,050,147	395,925,759	5,017,991	16,487,157	(22,189,857)	94,088	9,818,740	9,049,087
Ohio Power Co - Transmission	76,737,888	65,631,803	1,017,244	3,303,434	(3,674,554)	23,045	1,926,553	2,595,722
Ohio Power Co. - FERC	\$1,006,001,831	\$926,692,800	\$14,116,098	\$43,339,883	(\$61,877,628)	\$262,286	\$26,256,376	\$31,086,114
Conesville Coal Preparation Company	4,380,355	3,621,596	31,563	187,441	(213,961)	629	108,972	115,644
Ohio Power Co. - SEC	\$1,010,382,186	\$930,414,396	\$14,148,661	\$43,627,324	(\$62,091,489)	\$262,914	\$26,366,348	\$31,201,768
Public Service Co of Oklahoma - Distribution	\$170,242,713	\$147,702,038	\$4,421,206	\$7,420,634	(\$8,269,454)	\$152,670	\$4,274,062	\$7,999,118
Public Service Co of Oklahoma - Generation	80,255,543	73,730,146	2,690,952	3,523,999	(4,127,800)	80,740	2,014,871	4,182,802
Public Service Co of Oklahoma - Transmission	20,504,271	18,349,979	533,567	893,797	(1,027,368)	19,403	514,774	934,173
Public Service Co. of Oklahoma	\$271,002,627	\$239,782,163	\$7,646,726	\$11,838,430	(\$13,424,782)	\$262,813	\$6,803,707	\$13,116,893
Southwestern Electric Power Co - Distribution	\$99,079,355	\$90,357,947	\$3,413,482	\$4,354,429	(\$5,058,007)	\$112,469	\$2,487,456	\$5,308,909
Southwestern Electric Power Co - Generation	105,844,006	96,392,999	3,849,701	4,651,863	(5,396,794)	118,503	2,657,287	5,680,560
Southwestern Electric Power Co - Texas - Distribution	54,807,488	48,447,474	1,565,140	2,385,508	(2,712,448)	56,311	1,370,959	2,668,468
Southwestern Electric Power Co - Texas - Transmission	580,464	523,171	0	24,681	(29,291)	11	14,573	9,954
Southwestern Electric Power Co - Transmission	15,271,113	15,451,281	495,764	699,859	(865,077)	19,320	383,362	703,258
Southwestern Electric Power Co.	\$276,382,426	\$261,172,872	\$9,124,067	\$12,087,318	(\$14,062,617)	\$308,614	\$6,913,667	\$14,371,149
AEP Texas North Company - Distribution	\$67,675,944	\$60,504,927	\$1,863,024	\$2,954,378	(\$3,387,514)	\$77,637	\$1,899,052	\$3,206,577
AEP Texas North Company - Generation	23,968,431	22,669,849	0	1,018,304	(1,269,226)	1,465	601,744	352,287
AEP Texas North Company - Transmission	10,524,937	9,586,407	398,271	464,075	(536,718)	10,813	264,236	600,877
AEP Texas North Co.	\$102,169,312	\$92,761,183	\$2,261,295	\$4,436,767	(\$6,193,458)	\$89,916	\$2,666,032	\$4,169,541
Kingsport Power Co - Distribution	\$13,020,776	\$11,330,602	\$183,902	\$585,845	(\$834,374)	\$3,237	\$341,959	\$460,389
Kingsport Power Co - Transmission	3,658,832	3,010,378	33,181	159,858	(168,543)	491	81,858	113,843
Kingsport Power Co.	\$17,279,608	\$14,341,040	\$197,083	\$742,601	(\$802,917)	\$3,728	\$433,817	\$674,212
Wheeling Power Co - Distribution	\$16,181,011	\$14,143,162	\$266,829	\$698,794	(\$791,839)	\$5,800	\$406,236	\$598,020
Wheeling Power Co - Transmission	859,126	886,205	0	36,500	(49,816)	9	21,569	8,462
Wheeling Power Co.	\$17,040,137	\$15,029,367	\$266,829	\$735,294	(\$841,465)	\$6,909	\$427,806	\$694,482
American Electric Power Service Corporation	\$1,444,921,204	\$1,264,456,502	\$27,154,868	\$62,541,462	(\$70,793,839)	\$592,525	\$36,275,751	\$55,770,968
American Electric Power Service Corp	\$1,444,921,204	\$1,264,456,502	\$27,154,868	\$62,541,462	(\$70,793,839)	\$692,626	\$36,276,761	\$56,770,968
AEP Pro Serv, Inc.	\$1,138,424	\$837,671	\$0	\$48,281	(\$52,498)	\$40	\$28,531	\$24,354
CSW Energy, Inc.	4,498,887	3,672,413	217,248	200,281	(205,809)	3,062	112,897	327,879
Elmwood	3,129,513	4,904,964	438,681	151,553	(274,616)	6,701	78,543	400,862
AEP River Operations LLC	29,270,478	43,135,895	4,976,887	1,455,007	(2,415,056)	37,531	734,856	4,789,220
Miscellaneous	\$38,032,302	\$62,860,743	\$6,632,816	\$1,866,122	(\$2,947,778)	\$47,334	\$964,827	\$6,642,325
Total	\$4,890,683,497	\$4,369,920,371	\$97,379,696	\$211,914,670	(\$244,660,609)	\$2,218,916	\$122,781,499	\$189,634,273

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2016 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$337,210,144	\$290,473,169	\$4,794,327	\$14,357,983	\$16,534,202	\$84,048	\$7,884,665	\$10,586,801
Appalachian Power Co - Generation	281,742,008	247,372,511	4,784,852	12,028,085	(14,080,843)	80,120	6,587,706	9,379,700
Appalachian Power Co - Transmission	51,757,937	44,405,528	632,188	2,199,432	(2,527,634)	11,874	1,210,207	1,526,067
Appalachian Power Co. - FERC	\$670,710,089	\$682,261,208	\$10,191,167	\$28,585,460	(\$33,142,878)	\$176,042	\$16,682,678	\$21,492,668
Cedar Coal Co	3,001,159	2,708,111	0	125,994	(154,150)	0	70,173	42,017
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$673,711,248	\$684,969,320	\$10,191,167	\$28,711,464	(\$33,296,829)	\$176,042	\$16,762,761	\$21,634,686
AEP Texas Central Company - Distribution	\$274,751,336	\$241,727,838	\$9,224,940	\$11,785,890	(\$13,759,539)	\$230,717	\$6,424,250	\$10,916,258
AEP Texas Central Company - Generation	28,207,590	36,968,915	804	1,184,231	(2,104,217)	0	659,551	(259,831)
AEP Texas Central Company - Transmission	29,294,205	25,701,003	774,557	1,262,341	(1,482,843)	26,282	684,859	1,285,196
AEP Texas Central Co.	\$332,263,131	\$304,396,768	\$7,000,101	\$14,242,462	(\$17,326,698)	\$268,999	\$7,768,760	\$11,941,623
Indiana Michigan Power Co - Distribution	\$178,876,830	\$152,551,090	\$2,747,814	\$7,668,003	(\$8,683,454)	\$43,409	\$4,205,889	\$5,980,381
Indiana Michigan Power Co - Generation	114,443,860	102,206,895	1,981,079	4,887,729	(5,817,782)	28,877	2,675,932	3,755,835
Indiana Michigan Power Co - Nuclear	213,781,990	205,988,950	6,846,747	9,281,552	(11,723,971)	80,170	4,988,184	9,482,892
Indiana Michigan Power Co - Transmission	39,373,828	32,837,783	581,719	1,877,397	(1,869,180)	9,513	920,836	1,320,895
Ind Mich River Transp Lakin	34,006,914	34,580,837	1,172,119	1,478,879	(1,987,247)	15,502	785,151	1,492,404
Indiana Michigan Power Co. - FERC	\$681,463,222	\$628,123,366	\$13,329,278	\$24,970,460	(\$30,981,834)	\$177,471	\$13,696,802	\$22,011,377
Price River Coal	399,207	448,419	0	16,759	(25,525)	0	0,334	568
Indiana Michigan Power Co. - SEC	\$681,862,428	\$628,571,774	\$13,329,278	\$24,987,219	(\$30,987,169)	\$177,471	\$13,696,136	\$22,011,946
Kentucky Power Co - Distribution	\$76,522,829	\$68,258,494	\$1,094,441	\$3,258,513	(\$3,771,540)	\$22,145	\$1,789,261	\$2,382,820
Kentucky Power Co - Generation	37,007,619	32,168,751	808,941	1,579,211	(1,831,087)	11,852	885,314	1,234,221
Kentucky Power Co - Transmission	8,323,063	7,673,217	199,943	357,811	(436,772)	3,539	194,610	319,231
Kentucky Power Co.	\$121,853,511	\$108,100,462	\$1,903,326	\$5,196,536	(\$6,039,409)	\$37,636	\$2,849,186	\$3,946,272
Cardinal Operating Company	\$77,963,037	\$65,878,455	\$1,404,286	\$3,331,983	(\$3,749,908)	\$16,734	\$1,822,936	\$2,826,031
Cook Coal Terminal	3,237,733	3,344,542	106,362	140,391	(180,377)	871	75,705	132,952
Ohio Power Co - Distribution	483,517,845	399,313,345	6,953,917	19,751,252	(22,729,580)	113,103	10,837,998	14,926,710
Ohio Power Co - Generation	382,001,463	391,950,070	5,256,910	16,257,803	(22,310,431)	91,345	8,931,979	8,227,606
Ohio Power Co - Transmission	76,527,601	66,277,176	1,065,677	3,257,505	(3,772,604)	22,377	1,789,373	2,392,328
Ohio Power Co. - FERC	\$1,003,247,679	\$926,783,588	\$14,787,162	\$42,738,934	(\$62,762,880)	\$244,430	\$23,467,591	\$28,478,627
Conesville Coal Preparation Company	4,368,363	3,851,202	33,066	184,780	(219,217)	614	102,141	101,384
Ohio Power Co. - SEC	\$1,007,616,042	\$930,614,790	\$14,820,218	\$42,923,714	(\$62,972,097)	\$246,044	\$23,660,132	\$28,677,011
Public Service Co of Oklahoma - Distribution	\$169,776,636	\$148,412,700	\$4,631,710	\$7,321,978	(\$8,447,891)	\$148,180	\$7,623,701	\$3,969,726
Public Service Co of Oklahoma - Generation	80,035,825	73,820,315	2,819,075	3,478,398	(4,201,972)	79,178	1,871,402	4,046,081
Public Service Co of Oklahoma - Transmission	20,448,136	18,375,316	558,971	881,916	(1,045,953)	18,956	478,119	892,009
Public Service Co. of Oklahoma	\$270,260,597	\$240,608,331	\$8,009,756	\$11,682,290	(\$13,696,816)	\$246,314	\$6,319,247	\$12,661,791
Southwestern Electric Power Co - Distribution	\$98,808,103	\$90,533,698	\$3,575,985	\$4,298,288	(\$5,153,324)	\$110,193	\$2,310,336	\$5,141,458
Southwestern Electric Power Co - Generation	105,554,235	96,751,836	3,823,472	4,591,873	(5,507,271)	116,270	2,468,075	5,492,419
Southwestern Electric Power Co - Texas - Distribution	54,457,988	48,815,758	1,639,660	2,355,080	(2,778,672)	57,264	1,273,340	2,546,672
Southwestern Electric Power Co - Texas - Transmission	578,874	527,541	0	24,302	(30,028)	0	13,535	7,809
Southwestern Electric Power Co - Transmission	15,229,305	15,256,187	519,369	1,961,158	(868,407)	18,985	356,092	687,197
Southwestern Electric Power Co.	\$274,628,606	\$261,886,018	\$9,668,486	\$11,830,881	(\$14,337,702)	\$302,712	\$6,421,378	\$13,876,666
AEP Texas North Company - Distribution	\$67,490,886	\$61,029,829	\$1,851,727	\$2,915,317	(\$3,473,922)	\$76,192	\$1,578,070	\$3,047,384
AEP Texas North Company - Generation	23,902,812	22,180,880	0	1,003,483	(1,262,572)	760	558,897	300,568
AEP Texas North Company - Transmission	10,496,122	9,813,217	417,234	458,162	(547,200)	10,819	245,421	584,236
AEP Texas North Co.	\$101,889,800	\$92,824,028	\$2,368,961	\$4,376,962	(\$5,283,694)	\$87,671	\$2,382,388	\$3,932,188
Kingsport Power Co - Distribution	\$13,583,486	\$11,480,489	\$171,706	\$577,468	(\$654,057)	\$3,146	\$317,610	\$415,873
Kingsport Power Co - Transmission	3,648,816	3,050,227	34,791	154,843	(173,824)	471	85,317	101,568
Kingsport Power Co.	\$17,232,302	\$14,640,716	\$206,467	\$732,111	(\$827,681)	\$3,617	\$402,927	\$617,441
Wheeling Power Co - Distribution	\$16,136,712	\$14,229,732	\$279,638	\$689,188	(\$809,979)	\$5,760	\$377,309	\$541,916
Wheeling Power Co - Transmission	856,774	857,899	0	35,969	(46,833)	0	20,033	7,169
Wheeling Power Co.	\$16,993,486	\$15,087,631	\$279,638	\$725,157	(\$856,812)	\$5,760	\$397,342	\$549,085
American Electric Power Service Corporation	\$1,440,965,414	\$1,274,135,471	\$29,447,779	\$61,888,612	(\$72,525,850)	\$572,445	\$33,692,733	\$51,875,719
American Electric Power Service Corp	\$1,440,965,414	\$1,274,136,471	\$29,447,779	\$61,888,612	(\$72,525,850)	\$672,446	\$33,692,733	\$61,876,719
AEP Pro Serv, Inc.	\$1,133,313	\$947,501	\$0	\$47,579	(\$53,833)	\$39	\$26,499	\$20,184
CSW Energy, Inc.	4,484,576	3,779,407	227,592	187,825	(215,130)	2,948	104,859	318,094
Elmwood	3,119,848	5,174,880	459,568	150,275	(294,550)	6,512	72,951	394,756
AEP River Operations LLC	29,190,344	45,841,549	5,213,849	1,444,350	(2,615,067)	36,462	682,530	4,762,124
Miscellaneous	\$37,828,181	\$66,843,117	\$6,901,009	\$1,840,029	(\$3,178,880)	\$46,961	\$886,839	\$6,486,168
Total	\$4,877,194,446	\$4,399,666,412	\$102,016,186	\$209,036,228	(\$260,430,428)	\$2,167,672	\$114,038,818	\$176,818,373



AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2017 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$336,115,375	\$302,763,703	\$5,022,596	\$14,141,517	(\$17,054,555)	\$78,793	\$7,323,190	\$9,511,541
Appalachian Power Co - Generation	280,827,319	255,204,015	4,991,509	11,848,320	(14,375,538)	74,093	5,118,589	8,656,973
Appalachian Power Co - Transmission	51,589,902	46,280,359	662,286	2,166,060	(2,806,954)	11,419	1,124,027	1,356,840
Appalachian Power Co. - FERC	\$668,632,696	\$604,248,077	\$10,676,393	\$28,166,897	(\$34,037,047)	\$164,305	\$14,566,806	\$19,625,364
Cedar Coal Co	2,991,415	2,766,646	0	124,006	(155,844)	0	65,176	33,338
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$671,524,011	\$607,014,723	\$10,676,393	\$28,279,903	(\$34,192,891)	\$164,305	\$14,630,982	\$19,566,692
AEP Texas Central Company - Distribution	\$273,859,343	\$251,102,398	\$6,521,325	\$11,622,887	(\$14,144,495)	\$32,327	\$5,966,773	\$9,998,817
AEP Texas Central Company - Generation	28,116,013	36,810,212	632	1,165,546	(2,073,504)	0	612,584	(294,742)
AEP Texas Central Company - Transmission	29,189,100	26,811,216	811,435	1,244,055	(1,510,265)	3,887	636,162	1,185,294
AEP Texas Central Co.	\$331,174,466	\$314,723,826	\$7,333,392	\$14,032,488	(\$17,728,264)	\$36,214	\$7,215,639	\$10,889,369
Indiana Michigan Power Co - Distribution	\$179,292,852	\$160,265,208	\$2,878,435	\$7,551,720	(\$9,027,674)	\$37,120	\$3,906,384	\$5,345,985
Indiana Michigan Power Co - Generation	114,072,313	105,175,635	2,075,403	4,814,782	(5,924,500)	26,761	2,485,376	3,477,822
Indiana Michigan Power Co - Nuclear	213,068,002	209,477,247	7,172,737	9,129,849	(11,799,789)	67,613	4,642,267	9,212,698
Indiana Michigan Power Co - Transmission	39,245,800	34,613,181	609,416	1,652,156	(1,949,747)	8,588	855,077	1,175,490
Ind Mich River Transp Lakin	33,896,508	35,318,149	1,227,928	1,456,047	(1,989,457)	10,849	738,528	1,443,893
Indiana Michigan Power Co. - FERC	\$679,675,475	\$644,849,430	\$13,963,917	\$24,804,664	(\$30,681,148)	\$160,931	\$12,627,632	\$20,666,888
Price River Coal	397,811	446,351	0	16,495	(25,143)	0	8,570	22
Indiana Michigan Power Co. - SEC	\$679,973,386	\$645,295,781	\$13,963,917	\$24,821,049	(\$30,716,289)	\$160,931	\$12,636,302	\$20,666,910
Kentucky Power Co - Distribution	\$76,274,394	\$68,974,527	\$1,146,550	\$3,209,404	(\$3,885,307)	\$21,315	\$1,661,846	\$2,153,808
Kentucky Power Co - Generation	36,887,472	33,296,618	637,934	1,555,576	(1,875,585)	10,918	803,694	1,132,537
Kentucky Power Co - Transmission	8,296,042	7,788,188	209,462	352,587	(438,705)	3,227	160,752	307,323
Kentucky Power Co.	\$121,467,908	\$110,069,333	\$1,993,946	\$5,117,567	(\$6,199,697)	\$36,480	\$2,646,292	\$3,593,668
Cardinal Operating Company	\$77,709,926	\$68,976,998	\$1,471,148	\$3,282,368	(\$3,885,446)	\$15,877	\$1,693,123	\$2,577,070
Cook Coal Terminal	3,227,221	3,389,520	111,426	138,400	(190,874)	855	70,314	130,121
Ohio Power Co - Distribution	462,013,013	415,267,725	7,285,910	19,454,258	(23,381,861)	96,986	10,066,213	13,510,606
Ohio Power Co - Generation	380,781,277	390,584,855	5,507,204	16,012,355	(22,000,359)	82,309	8,295,923	7,897,432
Ohio Power Co - Transmission	76,279,151	68,764,505	1,116,417	3,208,352	(3,873,477)	19,325	1,661,949	2,132,586
Ohio Power Co. - FERC	\$999,990,588	\$946,962,603	\$16,491,206	\$42,095,733	(\$63,342,017)	\$216,352	\$21,787,622	\$26,247,795
Conesville Coal Preparation Company	4,354,181	3,975,224	34,640	181,934	(223,923)	614	94,868	88,133
Ohio Power Co. - SEC	\$1,004,344,769	\$960,937,827	\$16,526,845	\$42,277,867	(\$63,565,940)	\$216,966	\$21,882,390	\$26,336,928
Public Service Co of Oklahoma - Distribution	\$169,225,448	\$154,521,405	\$4,852,237	\$7,216,208	(\$8,704,127)	\$23,036	\$3,687,038	\$7,074,392
Public Service Co of Oklahoma - Generation	79,775,985	75,771,769	2,953,298	3,429,456	(4,268,193)	11,866	1,738,137	3,864,564
Public Service Co of Oklahoma - Transmission	20,381,750	19,027,845	585,585	869,179	(1,071,831)	2,611	444,072	829,616
Public Service Co. of Oklahoma	\$269,383,183	\$249,321,019	\$8,391,120	\$11,614,843	(\$14,044,161)	\$37,513	\$6,869,247	\$11,768,672
Southwestern Electric Power Co - Distribution	\$88,487,318	\$92,727,241	\$3,746,247	\$4,237,985	(\$5,223,288)	\$16,285	\$2,145,815	\$4,923,044
Southwestern Electric Power Co - Generation	105,211,548	99,586,817	4,005,517	4,527,479	(5,609,685)	16,968	2,292,320	5,231,599
Southwestern Electric Power Co - Texas - Distribution	54,281,188	50,031,204	1,717,728	2,321,376	(2,818,237)	8,496	2,412,027	1,182,664
Southwestern Electric Power Co - Texas - Transmission	576,995	533,288	0	23,919	(30,040)	0	12,571	6,450
Southwestern Electric Power Co - Transmission	15,179,662	15,386,376	544,097	651,820	(866,708)	2,932	330,735	662,876
Southwestern Electric Power Co.	\$273,736,911	\$258,264,926	\$10,013,689	\$11,762,679	(\$14,647,968)	\$43,681	\$6,964,105	\$13,236,996
AEP Texas North Company - Distribution	\$67,271,555	\$63,245,917	\$2,044,654	\$2,873,431	(\$3,562,617)	\$10,480	\$1,465,694	\$2,831,642
AEP Texas North Company - Generation	23,825,210	22,393,513	0	987,649	(1,261,417)	92	519,097	245,421
AEP Texas North Company - Transmission	10,482,046	9,899,529	437,100	451,813	(557,580)	1,812	227,944	560,889
AEP Texas North Co.	\$101,658,811	\$96,537,969	\$2,481,754	\$4,312,893	(\$5,381,614)	\$12,184	\$2,212,735	\$3,637,952
Kingsport Power Co - Distribution	\$13,539,387	\$12,068,180	\$179,882	\$568,718	(\$679,796)	\$2,930	\$294,992	\$366,726
Kingsport Power Co - Transmission	3,636,970	3,205,438	36,416	152,276	(180,561)	389	79,241	87,761
Kingsport Power Co.	\$17,176,357	\$16,273,618	\$216,298	\$720,994	(\$860,357)	\$3,319	\$374,233	\$464,487
Wheeling Power Co - Distribution	\$16,084,324	\$14,728,394	\$292,952	\$678,903	(\$829,644)	\$4,849	\$350,441	\$497,501
Wheeling Power Co - Transmission	853,893	841,480	0	35,401	(47,400)	0	18,607	6,608
Wheeling Power Co.	\$16,938,317	\$16,669,874	\$292,952	\$714,304	(\$877,044)	\$4,849	\$369,048	\$604,109
American Electric Power Service Corporation	\$1,436,287,255	\$1,312,628,701	\$29,802,247	\$60,775,206	(\$73,939,840)	\$277,414	\$31,293,434	\$48,208,460
American Electric Power Service Corp	\$1,436,287,255	\$1,312,628,701	\$29,802,247	\$60,775,206	(\$73,939,840)	\$277,414	\$31,293,434	\$48,208,460
AEP Pro Serv, Inc.	\$1,129,633	\$1,002,298	\$0	\$46,828	(\$56,459)	\$39	\$24,612	\$15,020
CSW Energy, Inc.	4,470,018	3,759,170	238,428	195,184	(211,753)	1,319	320,569	320,569
Elmwood	3,109,819	5,650,753	481,449	148,872	(318,305)	3,927	67,756	383,699
AEP River Operations LLC	29,095,576	50,779,732	5,462,093	1,432,552	(2,860,402)	21,752	633,926	4,689,921
Miscellaneous	\$37,806,044	\$61,191,963	\$6,181,970	\$1,823,436	(\$3,446,919)	\$27,037	\$823,685	\$6,409,209
<b>Total</b>	<b>\$4,861,360,408</b>	<b>\$4,636,819,638</b>	<b>\$106,873,423</b>	<b>\$206,962,929</b>	<b>(\$266,500,864)</b>	<b>\$1,008,873</b>	<b>\$106,917,992</b>	<b>\$164,262,362</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2018 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$332,733,721	\$304,192,640	\$5,223,500	\$13,965,933	(\$16,886,751)	\$855	\$6,673,874	\$9,008,421
Appalachian Power Co - Generation	278,001,918	256,314,817	5,191,170	11,728,806	(14,228,893)	815	5,576,080	8,267,978
Appalachian Power Co - Transmission	51,070,856	46,608,963	688,779	2,143,692	(2,587,419)	126	1,024,364	1,269,542
Appalachian Power Co. - FERC	\$661,806,496	\$607,116,420	\$11,103,449	\$27,869,431	(\$33,703,063)	\$1,806	\$13,274,318	\$18,645,941
Cedar Coal Co	2,961,319	2,735,673	0	122,647	(151,866)	0	59,397	30,178
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$664,767,814	\$609,862,093	\$11,103,449	\$27,992,078	(\$33,864,929)	\$1,806	\$13,333,716	\$18,676,119
AEP Texas Central Company - Distribution	\$271,104,046	\$253,481,588	\$6,782,178	\$11,509,016	(\$14,071,611)	\$66	\$5,437,724	\$9,657,373
AEP Texas Central Company - Generation	27,833,138	37,584,565	658	1,152,772	(2,086,445)	0	558,269	(374,746)
AEP Texas Central Company - Transmission	28,905,328	27,298,672	843,893	1,232,102	(1,515,330)	10	579,774	1,140,449
AEP Texas Central Co.	\$327,842,612	\$318,362,826	\$7,628,729	\$13,893,890	(\$17,673,386)	\$78	\$6,675,767	\$10,423,076
Indiana Michigan Power Co - Distribution	\$177,488,988	\$161,486,802	\$2,993,572	\$7,474,917	(\$8,964,678)	\$408	\$3,560,021	\$5,064,240
Indiana Michigan Power Co - Generation	112,924,632	105,833,916	2,158,419	4,766,313	(5,880,746)	294	2,265,009	3,309,289
Indiana Michigan Power Co - Nuclear	210,924,326	213,195,530	7,459,648	9,044,653	(11,835,197)	744	4,230,657	8,900,503
Indiana Michigan Power Co - Transmission	38,850,948	35,070,689	633,793	1,635,311	(1,946,891)	94	776,261	1,101,568
Ind Mich River Transp Lakin	33,555,476	35,740,544	1,277,043	1,442,534	(1,984,077)	119	673,046	1,408,765
Indiana Michigan Power Co. - FERC	\$673,744,370	\$651,427,681	\$14,522,473	\$24,363,829	(\$30,611,588)	\$1,669	\$11,607,994	\$19,784,365
Price River Coal	393,908	443,278	0	18,314	(24,608)	0	7,901	(393)
Indiana Michigan Power Co. - SEC	\$674,138,278	\$651,870,669	\$14,522,473	\$24,380,142	(\$30,636,197)	\$1,669	\$11,616,896	\$19,783,972
Kentucky Power Co - Distribution	\$75,506,998	\$69,443,771	\$1,192,412	\$3,176,605	(\$3,855,056)	\$235	\$1,514,497	\$2,028,693
Kentucky Power Co - Generation	36,516,347	33,513,532	663,451	1,539,649	(1,860,448)	120	732,434	1,075,406
Kentucky Power Co - Transmission	8,212,575	7,809,558	217,841	349,157	(433,535)	36	164,725	298,224
Kentucky Power Co.	\$120,235,920	\$110,766,861	\$2,073,704	\$5,065,611	(\$6,149,039)	\$391	\$2,411,656	\$3,402,323
Cardinal Operating Company	\$75,928,087	\$69,768,630	\$1,529,994	\$3,249,442	(\$3,873,090)	\$175	\$1,543,001	\$2,449,522
Cook Coal Terminal	3,194,752	3,442,684	115,883	137,114	(191,115)	9	64,079	125,970
Ohio Power Co - Distribution	457,364,702	418,308,411	7,576,410	19,256,135	(23,221,899)	1,066	9,173,885	12,785,597
Ohio Power Co - Generation	376,930,440	388,513,973	5,727,493	15,848,271	(21,567,710)	905	7,560,359	7,569,318
Ohio Power Co - Transmission	75,511,707	69,146,623	1,161,073	3,175,502	(3,838,561)	212	1,514,592	2,012,618
Ohio Power Co. - FERC	\$989,929,688	\$949,180,321	\$16,110,853	\$41,666,464	(\$52,682,175)	\$2,367	\$19,866,716	\$24,943,225
Consveille Coal Preparation Company	4,310,373	3,996,985	36,026	180,012	(221,865)	7	86,456	80,616
Ohio Power Co. - SEC	\$994,240,061	\$963,177,286	\$16,146,879	\$41,846,476	(\$52,914,060)	\$2,374	\$19,942,172	\$25,023,841
Public Service Co of Oklahoma - Distribution	\$167,522,872	\$156,399,352	\$5,046,327	\$7,147,175	(\$8,682,196)	\$77	\$3,360,124	\$6,871,507
Public Service Co of Oklahoma - Generation	78,973,360	76,831,676	3,071,430	3,397,991	(4,265,183)	31	1,584,024	3,788,293
Public Service Co of Oklahoma - Transmission	20,176,689	19,236,719	609,008	860,866	(1,067,895)	5	404,698	806,682
Public Service Co. of Oklahoma	\$266,672,921	\$262,466,747	\$8,728,765	\$11,406,032	(\$14,015,274)	\$113	\$5,348,846	\$11,486,482
Southwestern Electric Power Co - Distribution	\$97,498,438	\$93,196,693	\$3,896,096	\$4,199,302	(\$5,173,660)	\$45	\$1,855,554	\$4,877,337
Southwestern Electric Power Co - Generation	104,153,015	100,857,888	4,165,739	4,486,161	(5,598,959)	32	2,089,070	5,142,042
Southwestern Electric Power Co - Texas - Distribution	53,735,065	50,385,367	1,796,437	2,299,494	(2,787,116)	22	1,077,802	2,366,639
Southwestern Electric Power Co - Texas - Transmission	571,190	530,328	0	23,857	(29,440)	0	11,457	5,674
Southwestern Electric Power Co - Transmission	15,027,137	15,468,905	565,861	645,804	(858,731)	9	301,410	654,353
Southwestern Electric Power Co.	\$270,982,846	\$260,440,181	\$10,414,132	\$11,664,418	(\$14,467,906)	\$108	\$6,436,293	\$13,046,046
AEP Texas North Company - Distribution	\$66,594,736	\$63,936,900	\$2,126,440	\$2,846,176	(\$3,549,351)	\$17	\$1,335,737	\$2,759,019
AEP Texas North Company - Generation	23,585,505	22,163,469	0	976,824	(1,230,368)	0	473,071	219,527
AEP Texas North Company - Transmission	10,356,788	10,000,124	454,584	447,767	(555,140)	4	207,733	554,948
AEP Texas North Co.	\$100,537,029	\$96,100,493	\$2,581,024	\$4,270,767	(\$6,334,859)	\$21	\$2,016,541	\$3,533,494
Kingsport Power Co - Distribution	\$13,403,167	\$12,156,276	\$187,077	\$582,857	(\$674,836)	\$32	\$268,837	\$343,967
Kingsport Power Co - Transmission	3,600,378	3,212,639	37,873	150,683	(178,344)	4	72,215	82,431
Kingsport Power Co.	\$17,003,545	\$15,368,915	\$224,950	\$713,540	(\$853,180)	\$36	\$341,052	\$426,398
Wheeling Power Co - Distribution	\$15,922,499	\$14,785,320	\$304,670	\$672,069	(\$820,783)	\$53	\$319,369	\$475,378
Wheeling Power Co - Transmission	845,401	825,207	0	35,013	(45,810)	0	16,957	6,160
Wheeling Power Co.	\$16,767,900	\$15,610,627	\$304,670	\$707,082	(\$866,593)	\$53	\$336,326	\$481,638
American Electric Power Service Corporation	\$1,421,836,778	\$1,321,351,381	\$30,994,336	\$60,170,871	(\$73,352,632)	\$2,759	\$28,518,779	\$46,334,113
American Electric Power Service Corp	\$1,421,836,778	\$1,321,351,381	\$30,994,336	\$60,170,871	(\$73,352,632)	\$2,759	\$28,518,779	\$46,334,113
AEP Pro Serv. Inc.	\$1,118,268	\$1,034,141	\$0	\$46,315	(\$57,409)	\$0	\$22,430	\$11,336
CSW Energy, Inc.	4,425,044	3,948,678	247,965	193,539	(219,280)	13	88,756	311,013
Einwood	3,079,531	6,153,754	500,707	149,239	(341,815)	43	61,748	369,122
AEP River Operations LLC	28,802,846	55,750,801	5,680,576	1,428,175	(3,094,913)	239	577,719	4,591,796
Miscellaneous	\$37,424,689	\$66,888,376	\$6,429,248	\$1,816,268	(\$1,713,197)	\$296	\$750,653	\$5,283,267
Total	\$4,812,460,292	\$4,672,266,644	\$111,148,369	\$203,917,175	(\$253,821,262)	\$9,691	\$96,626,696	\$167,790,668

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2019 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$329,127,743	\$298,252,741	\$5,432,440	\$13,848,979	(\$16,523,547)	\$0	\$6,087,174	\$8,845,046
Appalachian Power Co - Generation	274,989,092	251,011,276	5,398,816	11,606,540	(13,908,316)	0	5,085,887	8,184,927
Appalachian Power Co - Transmission	50,517,380	45,342,556	716,330	2,120,798	(2,512,030)	0	934,312	1,259,410
Appalachian Power Co. - FERC	\$654,634,216	\$594,606,573	\$11,547,586	\$27,576,317	(\$32,941,893)	\$0	\$12,107,373	\$18,289,383
Cedar Coal Co	2,929,228	2,648,427	0	121,254	(146,726)	0	54,176	28,704
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$657,563,441	\$597,255,000	\$11,547,586	\$27,597,571	(\$33,088,619)	\$0	\$12,161,549	\$18,318,087
AEP Texas Central Company - Distribution	\$268,165,976	\$247,719,752	\$7,053,465	\$11,392,594	(\$13,723,961)	\$0	\$4,959,694	\$9,681,792
AEP Texas Central Company - Generation	27,531,498	38,294,745	684	1,139,683	(2,121,573)	0	509,191	(472,015)
AEP Texas Central Company - Transmission	28,592,058	26,898,008	877,648	1,219,887	(1,490,070)	0	528,807	1,136,272
AEP Texas Central Co.	\$324,289,542	\$312,910,505	\$7,931,797	\$13,762,164	(\$17,336,604)	\$0	\$6,997,692	\$10,346,049
Indiana Michigan Power Co - Distribution	\$175,565,464	\$158,367,377	\$3,113,315	\$7,396,333	(\$8,773,736)	\$0	\$3,247,060	\$4,982,972
Indiana Michigan Power Co - Generation	111,700,820	103,880,393	2,244,758	4,716,730	(5,780,834)	0	2,055,982	3,288,744
Indiana Michigan Power Co - Nuclear	208,838,449	211,346,048	7,758,032	8,957,842	(11,708,816)	0	3,858,740	8,865,598
Indiana Michigan Power Co - Transmission	38,429,903	34,388,421	659,145	1,618,075	(1,905,158)	0	710,756	1,082,818
Ind Mich River Transp Lakin	33,181,821	35,515,129	1,328,125	1,428,939	(1,967,579)	0	613,878	1,403,363
Indiana Michigan Power Co. - FERC	\$667,626,467	\$643,697,388	\$16,103,373	\$24,117,719	(\$30,116,923)	\$0	\$10,496,326	\$19,601,495
Pfice River Coal	389,639	440,828	0	16,129	(24,422)	0	7,206	(1,087)
Indiana Michigan Power Co. - SEC	\$667,916,096	\$644,038,186	\$16,103,373	\$24,133,848	(\$30,140,346)	\$0	\$10,503,532	\$19,600,408
Kentucky Power Co - Distribution	\$74,588,696	\$68,077,704	\$1,240,108	\$3,143,041	(\$3,771,584)	\$0	\$1,381,358	\$1,992,923
Kentucky Power Co - Generation	36,120,604	32,852,922	689,890	1,523,759	(1,820,090)	0	668,046	1,061,705
Kentucky Power Co - Transmission	8,123,572	7,892,316	226,555	345,650	(426,163)	0	150,244	296,286
Kentucky Power Co.	\$118,932,872	\$108,822,942	\$2,166,653	\$5,012,450	(\$6,017,837)	\$0	\$2,199,648	\$3,350,914
Cardinal Operating Company	\$76,094,385	\$68,035,800	\$1,591,194	\$3,215,762	(\$3,769,262)	\$0	\$1,407,356	\$2,445,050
Cook Coal Terminal	3,160,129	3,411,006	120,518	135,801	(188,974)	0	125,791	58,446
Ohio Power Co - Distribution	452,408,046	408,472,171	7,879,466	19,053,409	(22,629,831)	0	8,367,227	12,670,271
Ohio Power Co - Generation	372,845,484	383,982,133	5,956,592	15,680,354	(21,273,056)	0	6,895,727	7,259,618
Ohio Power Co - Transmission	74,693,355	67,115,444	1,207,516	3,141,085	(3,718,274)	0	1,381,443	2,012,570
Ohio Power Co. - FERC	\$979,201,399	\$931,016,564	\$16,765,286	\$41,227,211	(\$61,678,398)	\$0	\$18,110,199	\$24,513,300
Conesville Coal Preparation Company	4,263,660	3,913,919	37,467	178,043	(216,836)	0	78,856	77,530
Ohio Power Co. - SEC	\$983,465,059	\$934,930,473	\$16,792,753	\$41,405,254	(\$61,796,232)	\$0	\$18,189,055	\$24,690,830
Public Service Co of Oklahoma - Distribution	\$165,707,355	\$152,720,873	\$5,248,180	\$7,076,633	(\$8,460,913)	\$0	\$3,064,736	\$6,828,636
Public Service Co of Oklahoma - Generation	78,117,492	75,118,387	3,164,287	3,365,867	(4,161,646)	0	1,444,773	3,843,281
Public Service Co of Oklahoma - Transmission	19,958,026	18,797,687	633,369	852,372	(1,041,414)	0	369,121	813,448
Public Service Co. of Oklahoma	\$263,782,873	\$246,636,947	\$8,075,836	\$11,284,872	(\$13,663,973)	\$0	\$4,878,630	\$11,686,365
Southwestern Electric Power Co - Distribution	\$96,439,827	\$91,281,384	\$4,051,940	\$4,159,815	(\$5,057,094)	\$0	\$1,783,642	\$4,938,303
Southwestern Electric Power Co - Generation	103,024,264	98,362,043	4,332,367	4,443,983	(5,448,371)	0	1,905,420	5,232,399
Southwestern Electric Power Co - Texas - Distribution	53,152,715	49,391,797	1,857,894	2,277,141	(2,736,363)	0	983,052	2,381,724
Southwestern Electric Power Co - Texas - Transmission	565,000	525,550	0	23,388	(29,116)	0	10,450	4,722
Southwestern Electric Power Co - Transmission	14,864,282	15,334,426	588,496	639,661	(849,545)	0	274,913	653,525
Southwestern Electric Power Co.	\$268,046,088	\$264,896,200	\$10,830,697	\$11,643,988	(\$14,121,489)	\$0	\$4,967,477	\$13,210,873
AEP Texas North Company - Distribution	\$65,873,020	\$62,077,533	\$2,211,497	\$2,810,330	(\$3,438,167)	\$0	\$1,218,313	\$2,808,973
AEP Texas North Company - Generation	23,329,899	21,628,491	1,620,407	965,731	(1,198,243)	0	431,483	198,971
AEP Texas North Company - Transmission	19,244,547	18,735,692	472,767	443,639	(539,369)	0	189,472	566,509
AEP Texas North Co.	\$99,447,466	\$93,441,716	\$2,884,264	\$4,227,700	(\$5,176,779)	\$0	\$1,839,268	\$3,674,453
Kingsport Power Co - Distribution	\$13,257,911	\$11,905,786	\$194,560	\$556,859	(\$659,595)	\$0	\$245,203	\$337,027
Kingsport Power Co - Transmission	3,561,359	3,117,747	39,387	149,051	(172,727)	0	65,867	81,578
Kingsport Power Co.	\$16,819,270	\$15,023,533	\$233,947	\$705,910	(\$832,322)	\$0	\$311,070	\$418,605
Wheeling Power Co - Distribution	\$15,749,940	\$14,436,842	\$316,857	\$665,078	(\$799,818)	\$0	\$291,293	\$473,410
Wheeling Power Co - Transmission	836,239	803,659	0	34,616	(44,524)	0	15,466	5,558
Wheeling Power Co.	\$16,586,179	\$15,240,501	\$316,857	\$699,694	(\$844,342)	\$0	\$306,759	\$478,968
American Electric Power Service Corporation	\$1,406,427,727	\$1,288,659,533	\$32,234,112	\$59,552,803	(\$71,947,244)	\$0	\$25,011,701	\$45,851,372
American Electric Power Service Corp	\$1,406,427,727	\$1,288,659,533	\$32,234,112	\$59,552,803	(\$71,947,244)	\$0	\$25,011,701	\$45,851,372
AEP Pro Serv, Inc.	\$1,106,149	\$1,045,495	\$0	\$45,789	(\$57,822)	\$0	\$20,458	\$8,325
CSW Energy, Inc.	4,377,087	4,025,623	257,883	191,863	(223,024)	0	80,954	307,676
Elmwood	3,045,168	6,329,696	520,735	147,609	(350,672)	0	56,320	373,992
AEP River Operations LLC	28,490,687	57,717,725	5,907,799	1,423,911	(3,197,629)	0	528,932	4,681,013
Miscellaneous	\$37,019,101	\$69,118,539	\$6,686,417	\$1,809,172	(\$3,829,247)	\$0	\$684,664	\$6,351,006
<b>Total</b>	<b>\$4,760,295,714</b>	<b>\$4,490,773,095</b>	<b>\$116,594,292</b>	<b>\$201,836,426</b>	<b>(\$248,794,033)</b>	<b>\$0</b>	<b>\$80,041,045</b>	<b>\$156,676,730</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2020 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$325,586,661	\$293,585,816	\$5,649,738	\$13,700,501	(\$16,251,183)	\$0	\$5,554,544	\$8,653,600
Appalachian Power Co - Generation	272,030,487	246,742,166	5,614,769	11,483,890	(13,659,125)	0	4,640,870	8,080,394
Appalachian Power Co - Transmission	46,973,864	44,344,205	744,983	2,067,818	(2,454,801)	0	852,560	1,240,560
Appalachian Power Co. - FERC	\$647,691,012	\$584,662,167	\$12,009,490	\$27,282,199	(\$32,365,109)	\$0	\$11,047,974	\$17,974,554
Cedar Coal Co	2,897,710	2,571,007	0	119,854	(142,326)	0	49,435	26,983
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$650,488,722	\$587,223,194	\$12,009,490	\$27,402,053	(\$32,507,436)	\$0	\$11,097,409	\$18,001,517
AEP Texas Central Company - Distribution	\$265,280,780	\$242,814,369	\$7,335,603	\$11,275,877	(\$13,441,690)	\$0	\$4,525,719	\$9,695,509
AEP Texas Central Company - Generation	27,235,287	36,773,066	711	1,126,527	(2,148,395)	0	464,637	(554,520)
AEP Texas Central Company - Transmission	28,284,446	26,728,542	912,754	1,207,846	(1,479,838)	0	482,536	1,123,300
AEP Texas Central Co.	\$320,800,613	\$308,316,977	\$8,248,068	\$13,510,050	(\$17,067,721)	\$0	\$5,472,892	\$10,264,289
Indiana Michigan Power Co - Distribution	\$173,676,556	\$155,598,352	\$3,237,848	\$7,317,481	(\$8,613,596)	\$0	\$2,982,941	\$4,904,874
Indiana Michigan Power Co - Generation	110,499,032	102,301,850	2,334,546	4,666,989	(5,663,203)	0	1,885,128	3,223,458
Indiana Michigan Power Co - Nuclear	208,393,710	210,179,825	8,068,354	8,870,516	(11,635,100)	0	3,521,099	8,824,869
Indiana Michigan Power Co - Transmission	38,016,436	33,812,913	685,510	1,600,778	(1,871,811)	0	648,565	1,063,042
Ind Mich River Transp Lakin	32,834,710	35,315,605	1,381,250	1,415,230	(1,954,997)	0	580,164	1,401,847
Indiana Michigan Power Co. - FERC	\$661,420,444	\$637,208,146	\$15,707,608	\$23,870,984	(\$29,738,707)	\$0	\$9,677,896	\$19,417,690
Price River Coal	385,446	439,252	0	15,943	(24,316)	0	6,576	(1,797)
Indiana Michigan Power Co. - SEC	\$661,806,890	\$637,647,397	\$15,707,608	\$23,886,937	(\$29,793,023)	\$0	\$9,684,471	\$19,416,893
Kentucky Power Co - Distribution	\$73,885,121	\$86,905,369	\$1,289,713	\$3,109,359	(\$3,793,740)	\$0	\$1,260,488	\$1,855,820
Kentucky Power Co - Generation	35,731,863	32,290,894	717,589	1,507,616	(1,787,556)	0	609,592	1,047,241
Kentucky Power Co - Transmission	8,036,170	7,635,870	235,617	342,135	(422,706)	0	282,144	137,098
Kentucky Power Co.	\$117,653,274	\$106,832,133	\$2,242,919	\$4,959,110	(\$6,914,002)	\$0	\$2,007,178	\$3,296,205
Cardinal Operating Company	\$75,275,686	\$68,614,463	\$1,654,841	\$3,181,977	(\$3,687,636)	\$0	\$1,284,211	\$2,433,393
Cook Coal Terminal	3,126,130	3,226,316	134,466	134,466	(178,602)	0	53,332	134,555
Ohio Power Co - Distribution	447,540,591	400,424,746	8,194,645	18,849,885	(22,168,867)	0	7,635,091	12,513,054
Ohio Power Co - Generation	366,834,043	381,006,909	6,194,856	15,511,833	(21,091,737)	0	6,292,349	6,007,301
Ohio Power Co - Transmission	73,889,729	65,470,670	1,255,818	3,108,148	(3,824,318)	0	1,280,567	2,000,215
Ohio Power Co. - FERC	\$968,856,179	\$916,743,104	\$17,426,489	\$40,786,429	(\$60,748,960)	\$0	\$16,626,650	\$23,988,618
Conesville Coal Preparation Company	4,217,787	3,839,991	38,965	176,067	(212,574)	0	71,956	74,414
Ohio Power Co. - SEC	\$972,883,966	\$920,583,095	\$17,464,464	\$40,982,498	(\$50,961,534)	\$0	\$16,697,606	\$24,062,932
Public Service Co of Oklahoma - Distribution	\$163,924,511	\$150,040,964	\$5,458,107	\$7,005,953	(\$8,305,951)	\$0	\$2,796,570	\$6,954,679
Public Service Co of Oklahoma - Generation	77,277,026	73,864,907	3,322,059	3,333,715	(4,089,005)	0	1,318,354	3,885,123
Public Service Co of Oklahoma - Transmission	19,743,298	18,539,395	658,704	843,862	(1,026,302)	0	336,823	813,087
Public Service Co. of Oklahoma	\$260,944,836	\$242,446,266	\$9,438,870	\$11,183,530	(\$13,421,258)	\$0	\$4,461,747	\$11,662,889
Southwestern Electric Power Co - Distribution	\$95,402,232	\$90,528,787	\$4,214,018	\$4,120,298	(\$5,011,482)	\$0	\$1,627,572	\$4,950,406
Southwestern Electric Power Co - Generation	101,915,827	97,293,961	4,505,662	4,401,774	(5,385,988)	0	1,738,695	5,260,143
Southwestern Electric Power Co - Texas - Distribution	52,580,845	46,700,158	1,932,210	2,254,753	(2,695,938)	0	897,035	2,388,060
Southwestern Electric Power Co - Texas - Transmission	558,921	522,040	0	23,118	(28,899)	0	9,535	3,754
Southwestern Electric Power Co - Transmission	14,704,357	15,394,935	612,035	833,512	(852,231)	0	250,858	644,174
Southwestern Electric Power Co.	\$266,182,182	\$252,439,861	\$11,283,926	\$11,433,466	(\$13,974,638)	\$0	\$4,623,696	\$13,246,637
AEP Texas North Company - Distribution	\$65,164,293	\$60,878,947	\$2,299,957	\$2,790,436	(\$3,370,130)	\$0	\$2,831,973	\$2,831,973
AEP Texas North Company - Generation	23,078,893	21,122,725	0	954,582	(1,169,309)	0	393,728	179,001
AEP Texas North Company - Transmission	10,134,326	9,557,654	491,678	439,510	(529,092)	0	172,893	574,989
AEP Texas North Co.	\$98,377,612	\$91,569,326	\$2,791,635	\$4,184,528	(\$6,068,631)	\$0	\$1,678,331	\$3,586,963
Kingsport Power Co - Distribution	\$13,115,299	\$11,704,494	\$202,342	\$550,839	(\$647,930)	\$0	\$223,748	\$328,993
Kingsport Power Co - Transmission	3,523,043	3,039,905	40,983	147,413	(168,283)	0	80,103	80,103
Kingsport Power Co.	\$16,638,312	\$14,744,399	\$243,305	\$698,262	(\$816,219)	\$0	\$283,851	\$409,189
Wheeling Power Co - Distribution	\$15,580,487	\$14,201,928	\$329,531	\$658,065	(\$788,189)	\$0	\$265,805	\$487,212
Wheeling Power Co - Transmission	827,242	781,361	0	34,216	(43,254)	0	14,113	5,075
Wheeling Power Co.	\$16,407,729	\$14,983,289	\$329,531	\$692,281	(\$829,443)	\$0	\$279,918	\$472,287
American Electric Power Service Corporation	\$1,391,295,979	\$1,282,156,987	\$33,523,474	\$58,932,955	(\$70,977,602)	\$0	\$23,735,660	\$45,214,587
American Electric Power Service Corp	\$1,391,295,979	\$1,282,156,987	\$33,523,474	\$58,932,955	(\$70,977,602)	\$0	\$23,735,660	\$45,214,587
AEP Pro Serv, Inc.	\$1,094,248	\$1,058,154	\$0	\$45,260	(\$58,577)	\$0	\$18,668	\$5,351
CSW Energy, Inc.	4,329,994	4,097,012	268,199	190,189	(226,802)	0	73,870	305,456
Elmwood	3,012,405	6,630,989	541,565	146,998	(367,078)	0	51,362	372,877
AEP River Operations LLC	26,184,166	61,123,868	6,144,111	1,419,876	(3,383,677)	0	480,825	4,661,135
Miscellaneous	\$36,620,813	\$72,909,823	\$6,963,876	\$1,802,323	(\$4,036,134)	\$0	\$624,765	\$5,344,819
<b>Total</b>	<b>\$4,709,079,727</b>	<b>\$4,431,640,767</b>	<b>\$120,218,064</b>	<b>\$199,747,970</b>	<b>(\$246,337,340)</b>	<b>\$0</b>	<b>\$80,337,413</b>	<b>\$164,966,107</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2021 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$321,947,454	\$287,937,100	\$5,875,727	\$13,555,370	(\$15,936,564)	\$0	\$5,072,475	\$8,567,008
Appalachian Power Co - Generation	268,989,898	241,950,703	5,839,360	11,364,080	(13,391,337)	0	4,238,097	8,050,210
Appalachian Power Co - Transmission	49,415,287	43,085,681	774,783	2,075,341	(2,384,680)	0	778,567	1,244,011
Appalachian Power Co. - FERC	\$640,362,639	\$672,973,484	\$12,489,870	\$26,994,801	(\$31,712,681)	\$0	\$10,089,139	\$17,861,229
Cedar Coal Co	2,865,321	2,501,156	0	118,480	(138,432)	0	45,145	25,193
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$643,217,960	\$676,474,640	\$12,489,870	\$27,113,281	(\$31,861,013)	\$0	\$10,134,284	\$17,886,422
AEP Texas Central Company - Distribution	\$262,315,636	\$238,102,120	\$7,629,027	\$11,162,114	(\$13,178,329)	\$0	\$4,132,940	\$9,745,752
AEP Texas Central Company - Generation	28,930,868	38,629,324	740	1,113,812	(2,138,032)	0	424,312	(599,368)
AEP Texas Central Company - Transmission	27,868,300	26,548,706	649,264	1,195,731	(1,469,401)	0	440,657	1,116,251
AEP Texas Central Co.	\$317,214,804	\$303,280,160	\$8,679,031	\$13,471,467	(\$16,785,762)	\$0	\$4,997,909	\$10,262,635
Indiana Michigan Power Co - Distribution	\$171,735,307	\$152,905,085	\$3,267,362	\$7,240,432	(\$8,462,895)	\$0	\$2,705,793	\$4,850,692
Indiana Michigan Power Co - Generation	109,263,942	100,291,459	2,427,028	4,618,418	(5,550,869)	0	1,721,519	3,216,966
Indiana Michigan Power Co - Nuclear	204,086,768	208,733,274	8,391,088	8,785,882	(11,552,840)	0	3,215,509	8,839,639
Indiana Michigan Power Co - Transmission	37,591,512	33,170,351	712,931	1,583,875	(1,835,892)	0	592,277	1,053,191
Ind Mich River Transp Lakin	32,467,704	35,290,029	1,436,500	1,401,927	(1,953,211)	0	511,548	1,396,764
Indiana Michigan Power Co. - FERC	\$665,146,233	\$630,380,178	\$16,336,809	\$23,630,534	(\$29,366,707)	\$0	\$8,746,646	\$19,367,292
Price River Coal	381,138	435,679	0	15,760	(24,114)	0	6,005	(2,349)
Indiana Michigan Power Co. - SEC	\$666,626,371	\$630,826,867	\$16,336,809	\$23,646,294	(\$29,379,821)	\$0	\$8,762,661	\$19,364,933
Kentucky Power Co - Distribution	\$73,059,279	\$65,516,243	\$1,341,301	\$3,076,437	(\$3,626,152)	\$0	\$1,151,093	\$1,942,679
Kentucky Power Co - Generation	35,332,593	31,481,434	746,293	1,491,849	(1,742,968)	0	556,686	1,051,860
Kentucky Power Co - Transmission	7,946,347	7,532,229	245,041	338,711	(416,899)	0	125,199	292,052
Kentucky Power Co.	\$116,338,219	\$104,539,906	\$2,332,636	\$4,906,997	(\$6,786,009)	\$0	\$1,832,978	\$3,286,601
Cardinal Operating Company	\$74,434,301	\$65,118,959	\$1,721,035	\$3,146,996	(\$3,604,164)	\$0	\$1,172,757	\$2,438,624
Cook Coal Terminal	3,091,188	3,241,480	130,353	133,210	(179,407)	0	48,704	132,960
Ohio Power Co - Distribution	442,538,280	393,119,958	8,522,431	18,651,196	(21,758,159)	0	6,972,455	12,387,923
Ohio Power Co - Generation	364,711,444	376,581,428	6,442,650	15,347,087	(20,842,795)	0	5,746,247	6,693,189
Ohio Power Co - Transmission	73,063,835	64,162,725	1,306,950	3,075,168	(3,551,238)	0	1,151,165	1,981,145
Ohio Power Co. - FERC	\$967,838,028	\$902,224,680	\$16,122,919	\$40,366,867	(\$48,936,783)	\$0	\$16,091,328	\$23,633,741
Conesville Coal Preparation Company	4,170,844	3,759,959	40,524	174,130	(208,652)	0	65,711	71,713
Ohio Power Co. - SEC	\$962,009,672	\$906,984,409	\$16,163,043	\$40,629,787	(\$60,144,416)	\$0	\$16,167,039	\$23,706,464
Public Service Co of Oklahoma - Distribution	\$162,092,264	\$147,061,446	\$5,676,431	\$6,937,175	(\$8,139,466)	\$0	\$2,553,861	\$7,028,001
Public Service Co of Oklahoma - Generation	76,413,271	73,251,275	3,454,941	3,302,522	(4,054,266)	0	1,203,937	3,907,134
Public Service Co of Oklahoma - Transmission	19,522,619	18,269,036	685,052	835,580	(1,011,143)	0	307,591	817,080
Public Service Co. of Oklahoma	\$268,028,164	\$238,581,767	\$9,816,424	\$11,075,277	(\$13,204,876)	\$0	\$4,066,389	\$11,762,216
Southwestern Electric Power Co - Distribution	\$94,335,885	\$89,435,280	\$4,382,579	\$4,081,973	(\$4,950,008)	\$0	\$1,486,318	\$5,000,862
Southwestern Electric Power Co - Generation	100,776,675	96,129,343	4,685,888	4,360,839	(5,320,507)	0	1,587,787	5,314,017
Southwestern Electric Power Co - Texas - Distribution	51,993,129	48,271,336	2,009,499	2,232,989	(2,671,692)	0	818,183	2,389,879
Southwestern Electric Power Co - Texas - Transmission	552,674	519,175	0	22,853	(28,735)	0	8,708	2,826
Southwestern Electric Power Co - Transmission	14,540,001	15,488,281	636,517	627,544	(855,575)	0	229,086	637,572
Southwestern Electric Power Co.	\$262,198,364	\$249,813,416	\$11,714,483	\$11,328,198	(\$13,826,517)	\$0	\$4,131,092	\$13,346,268
AEP Texas North Company - Distribution	\$64,435,927	\$59,998,246	\$2,391,956	\$2,763,309	(\$3,320,746)	\$0	\$1,015,227	\$2,849,746
AEP Texas North Company - Generation	22,820,931	20,585,847	0	943,637	(1,138,266)	0	359,557	164,928
AEP Texas North Company - Transmission	10,021,050	9,378,799	511,345	435,511	(519,092)	0	157,888	585,652
AEP Texas North Co.	\$97,277,908	\$89,942,892	\$2,903,301	\$4,142,467	(\$4,878,104)	\$0	\$1,532,672	\$3,600,326
Kingsport Power Co - Distribution	\$12,968,675	\$11,492,233	\$210,436	\$544,951	(\$636,065)	\$0	\$204,329	\$323,651
Kingsport Power Co - Transmission	3,483,864	2,875,182	42,801	145,810	(164,869)	0	54,887	78,629
Kingsport Power Co.	\$16,462,339	\$14,467,416	\$263,037	\$690,761	(\$800,734)	\$0	\$269,216	\$402,280
Wheeling Power Co - Distribution	\$15,008,338	\$13,944,926	\$342,712	\$651,218	(\$771,815)	\$0	\$242,736	\$464,851
Wheeling Power Co - Transmission	817,995	762,492	0	33,824	(42,202)	0	12,888	4,510
Wheeling Power Co.	\$16,224,333	\$14,707,418	\$342,712	\$685,042	(\$814,017)	\$0	\$265,624	\$469,361
American Electric Power Service Corporation	\$1,375,744,934	\$1,264,299,608	\$34,864,412	\$58,328,186	(\$69,975,673)	\$0	\$21,675,687	\$44,882,612
American Electric Power Service Corp	\$1,376,744,934	\$1,264,299,608	\$34,864,412	\$58,328,186	(\$69,975,673)	\$0	\$21,675,687	\$44,882,612
AEP Pro Serv, Inc.	\$1,082,017	\$1,070,783	\$0	\$44,741	(\$59,265)	\$0	\$17,048	\$2,524
CSW Energy, Inc.	4,291,596	4,025,873	278,927	188,578	(222,810)	0	67,459	312,152
Elmwood	2,978,734	6,983,829	563,227	146,459	(388,537)	0	46,932	370,081
AEP River Operations LLC	27,869,141	64,152,439	6,389,876	1,416,588	(3,550,669)	0	439,085	4,684,900
Miscellaneous	\$36,211,488	\$76,232,724	\$7,232,030	\$1,796,374	(\$4,219,281)	\$0	\$670,634	\$6,379,667
Total	\$4,656,444,646	\$4,368,160,191	\$126,026,787	\$197,712,111	(\$241,766,221)	\$0	\$73,366,075	\$164,337,762

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ESTIMATED 2022 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$318,567,276	\$282,479,704	\$6,110,756	\$13,421,694	(\$15,631,367)	\$0	\$4,632,907	\$8,533,870
Appalachian Power Co - Generation	266,165,730	237,299,968	6,072,934	11,253,930	(13,131,307)	0	3,870,834	8,066,391
Appalachian Power Co - Transmission	48,898,468	41,881,914	805,774	2,054,815	(2,317,591)	0	711,099	1,253,897
Appalachian Power Co. - FERC	\$633,629,474	\$661,661,686	\$12,989,464	\$26,730,239	(\$31,080,286)	\$0	\$9,214,840	\$17,664,268
Cedar Coal Co	2,835,238	2,438,228	0	117,204	(134,978)	0	41,233	23,459
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$636,464,712	\$664,100,814	\$12,989,464	\$26,847,443	(\$31,216,263)	\$0	\$9,266,073	\$17,877,717
AEP Texas Central Company - Distribution	\$259,561,541	\$233,421,630	\$7,934,188	\$11,057,865	(\$12,916,694)	\$0	\$3,774,790	\$9,850,149
AEP Texas Central Company - Generation	26,848,116	39,386,603	789	1,101,624	(2,176,403)	0	387,542	(688,468)
AEP Texas Central Company - Transmission	27,874,657	26,417,712	867,235	1,184,839	(1,461,859)	0	402,471	1,112,686
AEP Texas Central Co.	\$313,884,314	\$299,206,945	\$8,922,192	\$13,344,328	(\$16,566,966)	\$0	\$4,564,803	\$10,274,367
Indiana Michigan Power Co - Distribution	\$169,932,230	\$150,473,130	\$3,502,056	\$7,169,508	(\$8,326,629)	\$0	\$2,471,316	\$4,816,251
Indiana Michigan Power Co - Generation	108,116,762	98,261,833	2,525,045	4,573,783	(5,437,448)	0	1,572,336	3,233,696
Indiana Michigan Power Co - Nuclear	201,944,028	208,847,949	6,728,731	8,708,807	(11,446,204)	0	2,936,862	8,926,196
Indiana Michigan Power Co - Transmission	37,196,833	32,522,983	741,448	1,568,311	(1,789,703)	0	540,952	1,051,008
Ind Mich River Transp Lakin	32,126,821	35,255,656	1,493,960	1,389,832	(1,950,918)	0	467,219	1,400,093
Indiana Michigan Power Co. - FERC	\$649,316,674	\$623,361,661	\$16,989,240	\$23,410,221	(\$28,960,902)	\$0	\$7,988,685	\$19,427,244
Price River Coal	377,137	430,524	0	15,590	(23,624)	0	5,485	(2,749)
Indiana Michigan Power Co. - SEC	\$649,893,811	\$623,792,086	\$16,989,240	\$23,426,811	(\$28,984,726)	\$0	\$7,994,170	\$19,424,496
Kentucky Power Co - Distribution	\$72,292,217	\$63,827,640	\$1,394,953	\$3,046,115	(\$3,531,987)	\$0	\$1,051,342	\$1,960,423
Kentucky Power Co - Generation	34,861,630	30,627,447	776,144	1,477,345	(1,894,610)	0	508,445	1,067,124
Kentucky Power Co - Transmission	7,882,917	7,432,719	254,843	335,376	(411,299)	0	114,350	293,470
Kentucky Power Co.	\$116,116,764	\$101,887,806	\$2,426,940	\$4,859,836	(\$6,638,096)	\$0	\$1,674,137	\$3,321,017
Cardinal Operating Company	\$73,652,803	\$63,269,176	\$1,789,876	\$3,118,685	(\$3,501,083)	\$0	\$1,071,129	\$2,478,607
Cook Coal Terminal	3,058,733	3,277,597	135,567	132,047	(181,370)	0	44,483	130,727
Ohio Power Co - Distribution	437,891,979	385,529,287	8,863,329	18,468,182	(21,333,772)	0	6,368,240	12,365,979
Ohio Power Co - Generation	360,882,279	373,048,439	6,700,356	15,195,304	(20,643,128)	0	5,248,292	6,500,824
Ohio Power Co - Transmission	72,296,727	62,994,970	1,358,292	3,044,785	(3,436,107)	0	1,051,407	2,018,377
Ohio Power Co. - FERC	\$947,782,621	\$887,219,469	\$18,847,420	\$39,969,003	(\$49,096,460)	\$0	\$13,783,561	\$23,494,614
Conesville Coal Preparation Company	4,126,855	3,707,887	42,145	172,340	(205,181)	0	60,017	69,321
Ohio Power Co. - SEC	\$951,909,376	\$890,927,366	\$18,889,666	\$40,131,343	(\$49,300,641)	\$0	\$13,843,668	\$23,663,836
Public Service Co of Oklahoma - Distribution	\$160,390,431	\$145,516,429	\$5,903,489	\$6,874,336	(\$8,052,344)	\$0	\$2,332,550	\$7,058,031
Public Service Co of Oklahoma - Generation	75,610,996	72,134,391	3,593,139	3,274,178	(3,881,652)	0	1,089,607	3,875,272
Public Service Co of Oklahoma - Transmission	19,317,648	17,466,516	712,454	828,014	(966,533)	0	280,936	854,871
Public Service Co. of Oklahoma	\$266,319,075	\$235,117,336	\$10,209,082	\$10,976,628	(\$13,010,629)	\$0	\$3,713,093	\$11,888,174
Southwestern Electric Power Co - Distribution	\$93,345,437	\$88,557,286	\$4,557,882	\$4,047,174	(\$4,900,434)	\$0	\$1,357,518	\$5,062,140
Southwestern Electric Power Co - Generation	99,718,604	95,378,437	4,873,324	4,323,870	(5,277,892)	0	1,450,202	5,369,304
Southwestern Electric Power Co - Texas - Distribution	51,447,245	47,905,825	2,089,879	2,213,143	(2,650,832)	0	748,195	2,400,285
Southwestern Electric Power Co - Texas - Transmission	546,871	515,894	0	22,807	(28,548)	0	7,953	2,012
Southwestern Electric Power Co. - Transmission	14,387,343	15,527,183	661,977	622,116	(859,217)	0	209,234	634,110
Southwestern Electric Power Co.	\$269,446,500	\$247,884,925	\$12,183,082	\$11,228,710	(\$13,717,023)	\$0	\$3,773,102	\$13,467,861
AEP Texas North Company - Distribution	\$63,759,404	\$59,003,500	\$2,487,634	\$2,738,551	(\$3,265,037)	\$0	\$927,250	\$2,888,398
AEP Texas North Company - Generation	22,561,330	20,025,937	0	933,478	(1,108,162)	0	328,399	153,715
AEP Texas North Company - Transmission	9,915,838	9,231,536	531,798	431,899	(510,839)	0	144,206	597,054
AEP Texas North Co.	\$96,266,572	\$88,260,973	\$3,019,432	\$4,103,918	(\$4,884,038)	\$0	\$1,399,855	\$3,639,167
Kingsport Power Co - Distribution	\$12,832,515	\$11,278,805	\$218,854	\$539,524	(\$624,126)	\$0	\$186,623	\$320,873
Kingsport Power Co - Transmission	3,447,089	2,895,213	44,308	144,329	(160,210)	0	50,131	78,556
Kingsport Power Co.	\$16,279,604	\$14,174,018	\$263,160	\$683,853	(\$784,338)	\$0	\$236,754	\$399,429
Wheeling Power Co - Distribution	\$15,244,584	\$13,666,968	\$356,421	\$644,022	(\$756,280)	\$0	\$221,701	\$466,764
Wheeling Power Co - Transmission	808,407	748,148	0	33,460	(41,400)	0	11,771	4,831
Wheeling Power Co.	\$16,063,991	\$14,416,116	\$356,421	\$678,382	(\$797,680)	\$0	\$233,472	\$470,696
American Electric Power Service Corporation	\$1,361,300,765	\$1,245,788,520	\$36,258,990	\$57,772,986	(\$68,937,353)	\$0	\$19,797,324	\$44,891,947
American Electric Power Service Corp	\$1,361,300,766	\$1,245,788,520	\$36,258,990	\$57,772,988	(\$68,937,363)	\$0	\$19,797,324	\$44,891,947
AEP Pro Serv. Inc.	\$1,070,657	\$1,074,331	\$0	\$44,259	(\$59,450)	\$0	\$15,571	\$380
CSW Energy, Inc.	4,236,643	4,108,987	290,064	187,128	(227,264)	0	61,613	311,561
Elmwood	2,947,460	7,331,848	585,756	146,058	(405,717)	0	42,865	368,962
AEP River Operations LLC	27,576,538	67,645,100	6,645,471	1,414,986	(3,743,231)	0	401,944	4,717,970
Miscellaneous	\$36,831,298	\$80,168,246	\$7,621,311	\$1,782,131	(\$4,436,882)	\$0	\$621,083	\$5,398,873
<b>Total</b>	<b>\$4,607,666,782</b>	<b>\$4,306,712,860</b>	<b>\$130,027,869</b>	<b>\$196,844,469</b>	<b>(\$238,262,306)</b>	<b>\$0</b>	<b>\$67,007,444</b>	<b>\$164,617,467</b>



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By accepting a copy of this Report the Recipient agrees that it has read and understands the following:

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2. Recipient is responsible for its own due diligence with respect to all matters relating to this Report.

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**American Electric Power  
Excess Benefit Plan  
Actuarial Valuation Report  
Pension Cost for Fiscal Year Ending  
December 31, 2012, under U.S. GAAP**

**October 2012**

**TOWERS WATSON** 

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# Purpose and Actuarial Certification

## Purposes of valuation

American Electric Power retained Towers Watson Pennsylvania Inc. ("Towers Watson"), to perform an actuarial valuation of the American Electric Power Excess Benefit Plan for the purpose of determining the value of benefit obligations as of January 1, 2012, and the pension cost for the fiscal year ending December 31, 2012, in accordance with FASB ASC 715-30-35.

## Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants and benefit payments provided by American Electric Power and other persons or organizations designated by American Electric Power. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. We have relied on all the information provided as complete and accurate. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, benefit payments or plan provisions provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by American Electric Power, may produce materially different results that could require that a revised report be issued.

## Assumptions and methods under ASC 715-30-35

The actuarial assumptions and methods employed in the development of the pension cost have been selected by the plan sponsor with the concurrence of Towers Watson.

## Nature of actuarial calculations

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated or selected by Towers Watson, we consider reasonable and within the "best-estimate range" as described by the Actuarial Standards of Practice. Other actuarial assumptions could also be considered to be reasonable and within the best-estimate range. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events which cannot be predicted with certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Assumptions may be made, in consultation with American Electric Power, about participant data or other factors. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience only and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this valuation to analyze the potential range of future pension contributions; we can do so upon request.

See Basis for Valuation in Section 1 below for a discussion of any material events that have occurred after the valuation date and not reflected in this valuation.

### Limitations on use

This report is provided subject to the terms set out herein and in our engagement letter dated February 13, 2012, and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of American Electric Power and its auditors in connection with our actuarial valuation of the pension plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. American Electric Power may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require American Electric Power to provide them this report, in which case American Electric Power will use best efforts to notify Towers Watson in advance of this distribution, and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no intended third-party beneficiaries of this report or the work underlying it.

Excess Benefit Plan

### Professional qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Pennsylvania Inc.



Joseph A. Perko, FSA, EA, MAAA  
Senior Consultant



Ryan S. Carney, FSA, EA, MAAA  
Senior Consultant

Towers Watson Pennsylvania Inc.

October 2012



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## Section 1: Summary of Results

### Summary of Valuation Results

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012	January 1, 2011
<b>U.S. GAAP Accounting (ASC 715) as of Measurement Date</b>		
Projected benefit obligation (PBO)	91,108,969	88,478,659
Fair value of assets (without receivable contributions)	0	0
Funded status	(91,108,969)	(88,478,659)
Pension cost (excluding effects of settlements, curtailments and termination benefits) for fiscal year	7,450,956	8,176,979
Discount rate	4.40%	4.95%
<b>Participants as of Census Date</b>		
Active employees	18,056	18,141
Participants with deferred benefits	5	6
Participants receiving benefits	98	90
Total	18,159	18,237

### Pension Cost and Funded Position

The cost of the pension plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The Fiscal 2012 pension cost for the plan is \$7,450,956 or 0.5% of covered pay.

Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "PBO") of each pension plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as an asset (for overfunded plans) or a liability (for underfunded plans). The PBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's overfunded (underfunded) PBO as of January 1, 2012, was (\$91,108,969), based on the fair value of plan assets of \$0 and the PBO of \$91,108,969.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the funded position at December 31, 2011 was derived from a roll forward of the January 1, 2011 valuation results, adjusted for the year-end discount rate, changes in other key assumptions and asset values, as well as significant changes in plan provisions and participant population. The fiscal year-end financial reporting information will be developed based on the results of the valuation, projected to the end of 2012 and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

## Change in Pension Cost and Funded Position

The pension cost declined from \$8,176,979 in fiscal 2011 to \$7,450,956 in fiscal 2012, as set forth below:

All monetary amounts shown in US Dollars

	Pension Cost
Prior year	8,176,979
Change due to:	
▶ Expected based on prior valuation and payments during the prior year	(303,082)
▶ Unexpected noninvestment experience	(449,996)
▶ Unexpected investment experience	0
▶ Assumption changes	27,055
▶ Plan amendments	0
▶ Method change	0
▶ Interim events	0
<u>Current year</u>	<u>7,450,956</u>

Significant reasons for these changes include the following:

- The mortality used to convert to different forms of payment was updated, which decreased the pension cost.
- The mortality used to value benefit obligation was updated for an additional year of mortality improvements, which increased the pension cost.
- The discount rate declined 55 basis points compared to the prior year, which increased the pension cost.
- The interest crediting rate decreased from 5.25% to 4.50%, which decreased the pension cost.
- Several large lump sums are expected to be paid during 2012 and are reflected in the calculation of the cost. This demographic change decreased the pension cost. Note, however, the estimated settlement charge of \$4 million is not included in the pension cost throughout this report.

## Basis for Valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes the principal provisions of the plan being valued. Note that estimated settlement charges of approximately \$4 million expected to occur throughout the fiscal year have not been considered in this report.

## Changes in Assumptions

The discount rate decreased from 4.95% to 4.40%.

The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2018 for annuitants and to 2026 for nonannuitants to RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants.

The cash balance crediting rate decreased from 5.25% to 4.50%.

The mortality used to convert to 417(e) based forms of payment was updated for an additional year of mortality improvements.

## Changes in Methods

None.

## Changes in Benefits Valued

None.

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## Section 2: Actuarial Exhibits

### 2.1 Pension Obligations and Funded Position Under U.S. GAAP (ASC 715)

All monetary amounts shown in US Dollars

Measurement Date	January 1, 2012	January 1, 2011
<b>A Obligations</b>		
Accumulated Benefit Obligation (ABO)		
1 Active employees	25,658,477	27,392,744
2 Participants with deferred benefits	4,186,999	576,512
3 Participants receiving benefits	60,929,117	59,655,730
4 Total ABO	90,774,593	87,624,986
5 Future salary increases	334,376	853,673
6 Projected benefit obligation (PBO)	91,108,969	88,478,659
<b>B Assets</b>		
1 Fair value [FV]	0	0
<b>C Funded Position</b>		
1 Overfunded (underfunded) PBO	(91,108,969)	(88,478,659)
<b>D Amounts in Accumulated Other Comprehensive Income</b>		
1 Prior service cost (credit)	976,034	1,387,414
2 Net actuarial loss (gain)	43,522,476	41,254,930
3 Total	44,498,510	42,642,344
<b>E Key Assumptions</b>		
1 Discount rate	4.40%	4.95%
2 Cash balance crediting rate	4.50%	5.25%
3 Rate of compensation increase	Results vary by age from 3.5% to 11.5%	Results vary by age from 3.5% to 11.5%
<b>F Census Date</b>	January 1, 2012	January 1, 2011

The results above may differ from the amounts disclosed in American Electric Power's 2011 financial statements because disclosures are prepared before the corresponding valuation results are available.

## 2.2 Pension Cost Under U.S. GAAP (ASC 715)

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2012	December 31, 2011
<b>A Pension Cost<sup>1</sup></b>		
1 Service cost	257,661	479,688
2 Interest cost	3,657,817	4,179,479
3 Expected return on assets	0	0
4 Net prior service cost/(credit) amortization	497,380	411,380
5 Net loss/(gain) amortization	3,038,098	3,106,432
6 Net periodic pension cost/(income)	7,450,956	8,176,979
<b>B Key Assumptions<sup>2</sup></b>		
1 Discount rate	4.40%	4.95%
2 Cash balance crediting rate	4.50%	5.25%
3 Rate of compensation increase	Results vary by age from 3.5% to 11.5%	Results vary by age from 3.5% to 11.5%
<b>C Census Date</b>		
	January 1, 2012	January 1, 2011

<sup>1</sup> Excludes estimated settlement charges of approximately \$4 million.

<sup>2</sup> These assumptions were used to calculate Net Periodic Pension Cost/(Income) as of the beginning of the year. For other assumptions used, as well as assumptions used for interim remeasurements, if any, refer to Appendix A.

## Section 3: Participant Data

### 3.1 Summary of Plan Participants

All monetary amounts shown in US Dollars

Census Date	January 1, 2012	January 1, 2011
<b>A Active Employees</b>		
1 Number	18,056	18,141
2 Expected plan compensation for year beginning on the valuation date	1,555,865,134	1,487,842,270
3 Average plan compensation	86,169	82,015
4 Average age	46.3	45.6
5 Average credited service	16.8	16.0
6 Total accrued benefits (cash balance)	1,601,912,489	1,481,506,420
7 Average accrued benefits (cash balance)	88,719	81,666
<b>B Participants with Deferred Benefits</b>		
1 Number	5	6
2 Total annual pension (non-cash balance)	450	37,591
3 Average annual pension (non-cash balance)	450	9,398
4 Total cash balance	4,174,289*	128,999
5 Average cash balance	1,043,572	64,500
6 Average age	58.9	55.8
<b>C Participants Receiving Benefits</b>		
1 Number	98	90
2 Total annual pension	6,955,790	6,665,127
3 Average annual pension	70,977	74,057
4 Average age	72.1	71.2

\* Includes value of lump sums expected to be paid during 2012.



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# Appendix A : Statement of Actuarial Assumptions and Methods

## Actuarial Assumptions and Methods — Pension Cost

### Economic Assumptions

Discount rate		4.40%
Annual rates of increase		
▶ Compensation:		
– Representative rates	<i>Age</i>	<i>Rate</i>
	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
– Weighted average		4.85%
▶ Cash balance crediting rate		4.50%
▶ Lump sum/annuity conversion rate		6.25%
▶ Future Social Security wage bases		4.00%
▶ Statutory limits on compensation		3.00%

**Demographic Assumptions**

**Inclusion Date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

**Mortality**

▶ **Healthy** Separate rates for (1) non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2027 using Scale AA and (2) annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2019 using Scale AA.

▶ **Disabled** RP2000 – disabled retirees, no projection.

▶ **Lump sum/annuity conversion** Applicable 417(e) IRS Mortality Table

**Termination**

**Rates varying by age and service**

Percentage leaving during the year		
Attained Age	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

**Disability**

Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Percentage becoming disabled during the year		
Age	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

Excess Benefit Plan

Retirement

Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%

Benefit commencement date:

- ▶ Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- ▶ Deferred vested benefit      The later of age 55 or termination of employment.
- ▶ Disability benefit      Upon disablement.
- ▶ Retirement benefit      Upon termination of employment.

Form of payment

40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

Percent married

80% of male participants; 70% of female participants.

Spouse ages

Wives are assumed to be three years younger than husbands.

Valuation pay

2012 base salary pay (Grandfathered) – not estimated due to freeze of final average pay accruals at December 31, 2010.

2012 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2011 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

## Methods

Service cost and  
projected benefit obligation

Projected unit credit

Benefits not valued

All benefits described in the Plan Provisions sections of this report were valued. Towers Watson has reviewed the plan provisions with AEP and is not aware of any significant benefits required to be valued that were not.

Change in assumptions and  
methods since prior valuation

The discount rate was decreased from 4.95% to 4.40%.

The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2018 for annuitants and to 2026 for nonannuitants to RP2000 with projections to 2019 and 2027, respectively.

The cash balance crediting rate was changed from 5.25% to 4.50%.

The mortality table used for lump sum/annuity conversions was updated for an additional year of mortality improvements.

Data Sources

Towers Watson used participant and asset data as of January 1, 2012, supplied by AEP. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Appendix B : Summary of Plan Provisions

The Excess Benefit Plan provides a benefit determined in accordance with the provisions of the American Electric Power System's Retirement Plan (a qualified defined benefit plan), without recognition of the statutory maximums on benefits and pay, less the benefit payable from the qualified plan. MICP awards are also included in the definition of pay for the former East Plan grandfathered benefit for executives with base pay in excess of the IRS limit. Certain executives have contracts providing additional benefits. Certain former Central and South West company executives are eligible for a final average pay cash balance benefit (pension equity – type formula) if it produces a larger benefit. The schedule of contribution percentages for this formula is identical to the cash balance formula.

Prior to 2004, all executives had their cash balance pay limited to \$1,000,000. In addition, pay was limited for executives in an uncapped incentive plan to two times base pay for both the final average pay formula and the cash balance formula. Base pay rate is determined at the earlier of year-end or date of termination.

Effective January 1, 2004, pay for all executives is limited to the greater of two times base pay or \$1 million for the cash balance formula only. The executives in the uncapped incentive plan continue to have two times pay limit apply to the former East Plan final average pay formula.

Effective December 31, 2010, accruals under the east grandfathered final average pay formula were discontinued.

### Future Plan Changes

Towers Watson is not aware of any future plan changes that are required to be reflected.

### Changes in Benefits Valued Since Prior Year

None.

## Appendix C : Results by Business Unit

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED PENSION PLAN  
6-YEAR PENSION COST FORECAST

DOES NOT REFLECT SETTLEMENT CHARGES OF APPROXIMATELY \$4.5M DURING 2012 ATTRIBUTABLE SOLELY TO AMERICAN ELECTRIC POWER SERVICE CORPORATION

Location	ASC 716-30 Cost 2012	Estimated Net Periodic Pension Cost									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Appalachian Power Co - Distribution	\$17,377	\$15,417	\$14,652	\$13,928	\$13,213	\$12,589	\$11,822	\$11,189	\$10,695	\$10,175	\$9,791
Appalachian Power Co - Generation	7	5	2	2	2	2	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$17,384	\$16,422	\$14,664	\$13,930	\$13,216	\$12,691	\$11,822	\$11,189	\$10,696	\$10,176	\$9,791
Cedar Coal Co	0	0	0	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$17,384	\$16,422	\$14,664	\$13,930	\$13,216	\$12,691	\$11,822	\$11,189	\$10,696	\$10,176	\$9,791
AEP Texas Central Company - Distribution	\$263,344	\$229,472	\$215,445	\$204,458	\$192,412	\$180,242	\$165,866	\$153,593	\$143,612	\$134,353	\$124,683
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$263,344	\$229,472	\$215,446	\$204,468	\$192,412	\$180,242	\$166,866	\$163,693	\$143,612	\$134,363	\$124,683
Indiana Michigan Power Co - Distribution	\$17,599	\$17,188	\$17,267	\$17,557	\$17,882	\$18,311	\$18,652	\$19,144	\$19,720	\$19,756	\$21,037
Indiana Michigan Power Co - Generation	682	663	670	678	687	699	704	720	737	737	780
Indiana Michigan Power Co - Nuclear	10,216	9,791	9,694	9,805	10,000	11,076	11,050	11,276	11,561	11,545	12,224
Indiana Michigan Power Co. - Transmission	8,700	7,572	7,099	6,647	6,198	5,794	5,312	4,894	4,554	4,243	3,904
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$37,197	\$36,214	\$34,730	\$34,687	\$34,767	\$36,880	\$36,718	\$36,034	\$36,672	\$36,281	\$37,946
Price River Coal	0	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$37,197	\$36,214	\$34,730	\$34,687	\$34,767	\$36,880	\$36,718	\$36,034	\$36,672	\$36,281	\$37,946
Kentucky Power Co - Distribution	\$721	\$83	(\$747)	(\$791)	(\$837)	(\$884)	(\$940)	(\$996)	(\$1,053)	(\$1,074)	(\$1,178)
Kentucky Power Co - Generation	1	1	0	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$722	\$84	(\$747)	(\$791)	(\$837)	(\$884)	(\$940)	(\$996)	(\$1,063)	(\$1,074)	(\$1,178)
Cardinal Operating Company	\$316	\$306	\$308	\$310	\$315	\$323	\$327	\$333	\$342	\$342	\$361
Cook Coal Terminal	0	0	0	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	5,687	5,898	6,161	6,443	6,740	7,062	7,375	7,744	8,128	8,242	8,969
Ohio Power Co - Generation	67,408	57,904	52,958	49,583	46,228	43,281	39,672	36,558	34,011	31,694	29,156
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$73,411	\$64,108	\$69,427	\$66,336	\$63,283	\$60,666	\$47,374	\$44,636	\$42,481	\$40,278	\$38,486
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$73,411	\$64,108	\$69,427	\$66,336	\$63,283	\$60,666	\$47,374	\$44,636	\$42,481	\$40,278	\$38,486
Public Service Co of Oklahoma - Distribution	\$81,589	\$71,970	\$68,158	\$64,919	\$61,910	\$59,144	\$55,355	\$52,156	\$49,637	\$47,064	\$44,970
Public Service Co of Oklahoma - Generation	29,896	26,125	24,580	23,493	22,210	20,869	19,292	17,953	16,873	15,849	14,837
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$111,485	\$98,096	\$92,738	\$88,412	\$84,120	\$80,013	\$74,647	\$70,109	\$66,610	\$62,913	\$59,807
Southwestern Electric Power Co - Distribution	\$9,777	\$9,331	\$9,296	\$9,288	\$9,295	\$9,349	\$9,359	\$9,447	\$9,591	\$9,518	\$9,956
Southwestern Electric Power Co - Generation	77,310	67,317	63,173	59,993	56,459	52,859	48,608	44,976	42,019	39,285	36,406
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - SEC	7,918	6,891	6,461	6,050	5,640	5,271	4,832	4,453	4,142	3,861	3,551
Southwestern Electric Power Co.	\$96,006	\$83,639	\$78,930	\$76,331	\$71,394	\$67,479	\$62,789	\$58,876	\$56,762	\$52,664	\$49,913
AEP Texas North Company - Distribution	\$66,921	\$58,124	\$54,446	\$51,586	\$48,397	\$45,151	\$41,370	\$38,124	\$35,466	\$33,051	\$30,405
AEP Texas North Company - Generation	49,567	43,063	40,343	38,186	35,794	33,366	30,590	28,190	26,225	24,439	22,483
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$116,488	\$101,187	\$94,789	\$89,772	\$84,191	\$78,637	\$71,960	\$66,314	\$61,691	\$57,490	\$52,888
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$6,665,330	\$5,858,225	\$5,279,811	\$4,995,334	\$4,703,045	\$4,379,678	\$4,042,533	\$3,768,107	\$3,547,366	\$3,336,024	\$3,131,737
American Electric Power Service Corp	\$6,665,330	\$5,858,225	\$5,279,811	\$4,995,334	\$4,703,046	\$4,379,678	\$4,042,533	\$3,768,107	\$3,547,366	\$3,336,024	\$3,131,737
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	55,659	47,758	44,319	41,005	37,694	34,681	30,703	27,559	24,922	22,710	19,821
Elmwood	0	0	0	0	0	0	0	0	0	0	0
AEP River Operations LLC	14,931	13,424	12,859	12,391	11,974	12,148	11,859	11,495	11,244	10,875	10,830
Miscellaneous	\$70,690	\$61,162	\$67,178	\$63,396	\$49,668	\$46,829	\$42,662	\$39,054	\$36,166	\$33,686	\$30,661
Total	\$7,460,966	\$6,646,628	\$6,026,966	\$5,610,866	\$5,286,268	\$4,931,031	\$4,664,341	\$4,246,916	\$3,999,792	\$3,762,689	\$3,534,723



AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
2012 NET PERIODIC PENSION COST

DOES NOT REFLECT SETTLEMENT CHARGES OF APPROXIMATELY \$4.5M DURING 2012 ATTRIBUTABLE SOLELY TO  
AMERICAN ELECTRIC POWER SERVICE CORPORATION

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$210,047	\$0	\$1,514	\$8,470	\$0	\$1	\$7,392	\$17,377
Appalachian Power Co - Generation	0	0	0	0	0	7	0	7
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$210,047	\$0	\$1,514	\$8,470	\$0	\$8	\$7,392	\$17,384
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$210,047	\$0	\$1,514	\$8,470	\$0	\$8	\$7,392	\$17,384
AEP Texas Central Company - Distribution	\$3,492,479	\$0	\$3,818	\$139,972	\$0	(\$3,359)	\$122,913	\$263,344
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$3,492,479	\$0	\$3,818	\$139,972	\$0	(\$3,359)	\$122,913	\$263,344
Indiana Michigan Power Co - Distribution	\$91,183	\$0	\$10,063	\$4,053	\$0	\$274	\$3,209	\$17,599
Indiana Michigan Power Co - Generation	3,999	0	362	175	0	4	141	682
Indiana Michigan Power Co - Nuclear	64,129	0	5,637	2,793	0	(471)	2,257	10,216
Indiana Michigan Power Co - Transmission	115,659	0	0	4,630	0	0	4,070	8,700
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$274,970	\$0	\$16,062	\$11,651	\$0	(\$193)	\$9,677	\$37,197
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$274,970	\$0	\$16,062	\$11,651	\$0	(\$193)	\$9,677	\$37,197
Kentucky Power Co - Distribution	\$482	\$0	(\$669)	(\$7)	\$0	\$1,380	\$17	\$721
Kentucky Power Co - Generation	0	0	0	0	0	1	0	1
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$482	\$0	(\$669)	(\$7)	\$0	\$1,381	\$17	\$722
Cardinal Operating Company	\$1,926	\$0	\$166	\$84	\$0	(\$2)	\$68	\$316
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	8,106	0	4,872	520	0	10	285	5,687
Ohio Power Co - Generation	863,912	0	0	34,586	0	2,418	30,404	67,408
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$873,944	\$0	\$5,038	\$35,190	\$0	\$2,426	\$30,757	\$73,411
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$873,944	\$0	\$5,038	\$35,190	\$0	\$2,426	\$30,757	\$73,411
Public Service Co of Oklahoma - Distribution	\$1,021,214	\$0	\$5,886	\$41,119	\$0	(\$1,356)	\$35,940	\$81,589
Public Service Co of Oklahoma - Generation	391,817	0	904	15,722	0	(519)	13,789	29,896
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,413,031	\$0	\$6,790	\$56,841	\$0	(\$1,875)	\$49,729	\$111,485
Southwestern Electric Power Co - Distribution	\$71,501	\$0	\$4,227	\$3,032	\$0	\$2	\$2,516	\$9,777
Southwestern Electric Power Co - Generation	1,029,186	0	937	41,240	0	(1,088)	36,221	77,310
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	105,226	0	0	4,213	0	2	3,703	7,918
Southwestern Electric Power Co.	\$1,205,913	\$0	\$5,164	\$48,485	\$0	(\$1,084)	\$42,440	\$95,005
AEP Texas North Company - Distribution	\$900,898	\$0	\$0	\$36,067	\$0	(\$852)	\$31,706	\$66,921
AEP Texas North Company - Generation	666,161	0	0	26,669	0	(547)	23,445	49,567
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,567,059	\$0	\$0	\$62,736	\$0	(\$1,399)	\$55,151	\$116,488
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$81,117,303	\$0	\$220,805	\$3,256,330	\$0	\$501,739	\$2,686,456	\$6,665,330
American Electric Power Service Corp	\$81,117,303	\$0	\$220,805	\$3,256,330	\$0	\$501,739	\$2,686,456	\$6,665,330
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	786,250	0	(3,762)	31,327	0	423	27,671	55,659
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	167,491	0	2,901	6,822	0	(687)	5,895	14,931
Miscellaneous	\$953,741	\$0	(\$861)	\$38,149	\$0	(\$264)	\$33,566	\$70,590
Total	\$91,108,969	\$0	\$257,661	\$3,657,817	\$0	\$497,380	\$3,038,098	\$7,450,956

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2013 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$181,418	\$0	\$1,599	\$7,595	\$0	\$1	\$6,222	\$15,417
Appalachian Power Co - Generation	0	0	0	0	0	5	0	5
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$181,418	\$0	\$1,599	\$7,595	\$0	\$6	\$6,222	\$15,422
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$181,418	\$0	\$1,599	\$7,595	\$0	\$6	\$6,222	\$15,422
AEP Texas Central Company - Distribution	\$3,016,466	\$0	\$4,031	\$125,354	\$0	(\$3,359)	\$103,446	\$229,472
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$3,016,466	\$0	\$4,031	\$125,354	\$0	(\$3,359)	\$103,446	\$229,472
Indiana Michigan Power Co - Distribution	\$78,755	\$0	\$10,625	\$3,709	\$0	\$153	\$2,701	\$17,188
Indiana Michigan Power Co - Generation	3,454	0	382	159	0	4	118	663
Indiana Michigan Power Co - Nuclear	55,388	0	5,952	2,546	0	(606)	1,899	9,791
Indiana Michigan Power Co. - Transmission	99,895	0	0	4,146	0	0	3,426	7,572
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$237,492	\$0	\$16,959	\$10,660	\$0	(\$449)	\$8,144	\$35,214
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$237,492	\$0	\$16,959	\$10,660	\$0	(\$449)	\$8,144	\$35,214
Kentucky Power Co - Distribution	\$416	\$0	(\$706)	(\$12)	\$0	\$787	\$14	\$83
Kentucky Power Co - Generation	0	0	0	0	0	1	0	1
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$416	\$0	(\$706)	(\$12)	\$0	\$788	\$14	\$84
Cardinal Operating Company	\$1,663	\$0	\$175	\$76	\$0	(\$2)	\$57	\$306
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	7,001	0	5,144	504	0	10	240	5,898
Ohio Power Co - Generation	746,164	0	0	30,987	0	1,348	25,589	57,904
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$754,828	\$0	\$5,319	\$31,547	\$0	\$1,356	\$25,886	\$64,108
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$754,828	\$0	\$5,319	\$31,547	\$0	\$1,356	\$25,886	\$64,108
Public Service Co of Oklahoma - Distribution	\$882,026	\$0	\$6,215	\$36,863	\$0	(\$1,356)	\$30,248	\$71,970
Public Service Co of Oklahoma - Generation	338,414	0	954	14,084	0	(519)	11,606	26,125
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,220,440	\$0	\$7,169	\$50,947	\$0	(\$1,875)	\$41,854	\$98,095
Southwestern Electric Power Co - Distribution	\$61,756	\$0	\$4,463	\$2,748	\$0	\$2	\$2,118	\$9,331
Southwestern Electric Power Co - Generation	888,912	0	989	36,932	0	(1,088)	30,484	67,317
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co. - Transmission	90,884	0	0	3,772	0	2	3,117	6,891
Southwestern Electric Power Co.	\$1,041,552	\$0	\$5,452	\$43,452	\$0	(\$1,084)	\$35,719	\$83,539
AEP Texas North Company - Distribution	\$778,109	\$0	\$0	\$32,292	\$0	(\$852)	\$26,684	\$58,124
AEP Texas North Company - Generation	575,366	0	0	23,878	0	(547)	19,732	43,083
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,353,475	\$0	\$0	\$56,170	\$0	(\$1,399)	\$46,416	\$101,187
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$70,061,297	\$0	\$233,135	\$2,917,295	\$0	\$305,116	\$2,402,679	\$5,858,225
American Electric Power Service Corp	\$70,061,297	\$0	\$233,135	\$2,917,295	\$0	\$305,116	\$2,402,679	\$5,858,225
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	679,087	0	(3,972)	28,018	0	423	23,289	47,758
Elmwood	0	0	0	0	0	0	0	0
Elmwood	144,663	0	3,063	6,131	0	(731)	4,961	13,424
AEP River Operations LLC	\$823,750	\$0	(\$909)	\$34,149	\$0	(\$308)	\$28,250	\$61,182
Miscellaneous								
Total	\$78,691,134	\$0	\$272,049	\$3,277,057	\$0	\$298,792	\$2,698,630	\$6,546,528

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2014 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$173,421	\$0	\$1,688	\$7,178	\$0	\$1	\$5,785	\$14,652
Appalachian Power Co - Generation	0	0	0	0	0	2	0	2
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$173,421	\$0	\$1,688	\$7,178	\$0	\$3	\$5,785	\$14,654
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	3	\$5,785	\$14,654
Appalachian Power Co. - SEC	\$173,421	\$0	\$1,688	\$7,178	\$0	\$3	\$5,785	\$14,654
AEP Texas Central Company - Distribution	\$2,883,499	\$0	\$4,256	\$118,368	\$0	(\$3,359)	\$96,180	\$215,445
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,883,499	\$0	\$4,256	\$118,368	\$0	(\$3,359)	\$96,180	\$215,445
Indiana Michigan Power Co - Distribution	\$75,284	\$0	\$11,218	\$3,546	\$0	(\$8)	\$2,511	\$17,267
Indiana Michigan Power Co - Generation	3,302	0	404	152	0	4	110	670
Indiana Michigan Power Co - Nuclear	52,947	0	6,284	2,428	0	(784)	1,766	9,694
Indiana Michigan Power Co - Transmission	95,492	0	0	3,914	0	0	3,185	7,099
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$227,025	\$0	\$17,906	\$10,040	\$0	(\$788)	\$7,572	\$34,730
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$227,025	\$0	\$17,906	\$10,040	\$0	(\$788)	\$7,572	\$34,730
Kentucky Power Co - Distribution	\$398	\$0	(\$746)	(\$14)	\$0	\$0	\$13	(\$747)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	\$13	(\$747)
Kentucky Power Co.	\$398	\$0	(\$746)	(\$14)	\$0	\$0	\$13	(\$747)
Cardinal Operating Company	\$1,590	\$0	\$185	\$73	\$0	(\$3)	\$53	\$308
Cook Coal Terminal	0	0	0	0	0	10	223	6,161
Ohio Power Co - Distribution	6,693	0	5,431	497	0	(70)	23,791	52,958
Ohio Power Co - Generation	713,273	0	0	29,237	0	0	0	0
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$721,566	\$0	\$5,616	\$29,807	\$0	(\$63)	\$24,067	\$59,427
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$721,566	\$0	\$5,616	\$29,807	\$0	(\$63)	\$24,067	\$59,427
Public Service Co of Oklahoma - Distribution	\$843,146	\$0	\$6,562	\$34,829	\$0	(\$1,356)	\$28,123	\$68,158
Public Service Co of Oklahoma - Generation	323,496	0	1,008	13,301	0	(519)	10,790	24,580
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,166,642	\$0	\$7,570	\$48,130	\$0	(\$1,875)	\$38,913	\$92,738
Southwestern Electric Power Co - Distribution	\$59,033	\$0	\$4,712	\$2,613	\$0	\$2	\$1,969	\$9,296
Southwestern Electric Power Co - Generation	849,728	0	1,045	34,873	0	(1,068)	28,343	63,173
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	86,878	0	0	3,561	0	2	2,898	6,461
Southwestern Electric Power Co.	\$995,639	\$0	\$5,757	\$41,047	\$0	(\$1,064)	\$33,210	\$78,930
AEP Texas North Company - Distribution	\$743,809	\$0	\$0	\$30,488	\$0	(\$852)	\$24,810	\$54,446
AEP Texas North Company - Generation	550,003	0	0	22,544	0	(547)	18,346	40,343
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,293,812	\$0	\$0	\$53,032	\$0	(\$1,399)	\$43,156	\$94,789
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$66,972,960	\$0	\$246,156	\$2,755,278	\$0	\$44,470	\$2,233,907	\$5,279,811
American Electric Power Service Corp	\$66,972,960	\$0	\$246,156	\$2,755,278	\$0	\$44,470	\$2,233,907	\$5,279,811
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	649,152	0	(4,194)	26,437	0	423	21,653	44,319
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	138,286	0	3,234	5,801	0	(789)	4,613	12,859
Miscellaneous	\$787,438	\$0	(\$960)	\$32,238	\$0	(\$366)	\$26,266	\$57,178
Total	\$75,222,390	\$0	\$287,243	\$3,095,104	\$0	\$35,539	\$2,509,069	\$5,926,955

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2015 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$165,465	\$0	\$1,782	\$6,760	\$0	\$1	\$5,385	\$13,928
Appalachian Power Co - Generation	0	0	0	0	0	2	0	2
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$165,465	\$0	\$1,782	\$6,760	\$0	\$3	\$5,385	\$13,930
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$165,465	\$0	\$1,782	\$6,760	\$0	\$3	\$5,385	\$13,930
AEP Texas Central Company - Distribution	\$2,751,212	\$0	\$4,494	\$111,379	\$0	(\$947)	\$89,532	\$204,458
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,751,212	\$0	\$4,494	\$111,379	\$0	(\$947)	\$89,532	\$204,458
Indiana Michigan Power Co - Distribution	\$71,830	\$0	\$11,845	\$3,382	\$0	(\$8)	\$2,338	\$17,557
Indiana Michigan Power Co - Generation	3,150	0	426	145	0	4	103	678
Indiana Michigan Power Co - Nuclear	50,518	0	6,835	2,310	0	(784)	1,644	9,805
Indiana Michigan Power Co - Transmission	91,111	0	0	3,682	0	0	2,965	6,547
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$216,609	\$0	\$18,906	\$9,519	\$0	(\$788)	\$7,050	\$34,687
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$216,609	\$0	\$18,906	\$9,519	\$0	(\$788)	\$7,050	\$34,687
Kentucky Power Co - Distribution	\$380	\$0	(\$787)	(\$16)	\$0	\$0	\$12	(\$791)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$380	\$0	(\$787)	(\$16)	\$0	\$0	\$12	(\$791)
Cardinal Operating Company	\$1,517	\$0	\$195	\$69	\$0	(\$3)	\$49	\$310
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	6,386	0	5,735	490	0	10	208	6,443
Ohio Power Co - Generation	680,550	0	0	27,506	0	(70)	22,147	49,583
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$688,453	\$0	\$5,930	\$28,065	\$0	(\$63)	\$22,404	\$56,336
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$688,453	\$0	\$5,930	\$28,065	\$0	(\$63)	\$22,404	\$56,336
Public Service Co of Oklahoma - Distribution	\$804,465	\$0	\$6,928	\$32,795	\$0	(\$984)	\$26,180	\$64,919
Public Service Co of Oklahoma - Generation	308,655	0	1,064	12,518	0	(134)	10,045	23,493
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,113,120	\$0	\$7,992	\$45,313	\$0	(\$1,118)	\$36,225	\$88,412
Southwestern Electric Power Co - Distribution	\$56,325	\$0	\$4,975	\$2,478	\$0	\$2	\$1,833	\$9,288
Southwestern Electric Power Co - Generation	810,745	0	1,103	32,813	0	(307)	26,384	59,993
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	82,892	0	0	3,350	0	2	2,698	6,050
Southwestern Electric Power Co.	\$949,962	\$0	\$6,078	\$36,641	\$0	(\$303)	\$30,915	\$75,331
AEP Texas North Company - Distribution	\$709,685	\$0	\$0	\$28,684	\$0	(\$193)	\$23,095	\$51,586
AEP Texas North Company - Generation	524,771	0	0	21,210	0	(102)	17,078	38,186
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,234,456	\$0	\$0	\$49,894	\$0	(\$295)	\$40,173	\$89,772
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$63,900,427	\$0	\$259,903	\$2,593,205	\$0	\$62,724	\$2,079,502	\$4,995,334
American Electric Power Service Corp	\$63,900,427	\$0	\$259,903	\$2,593,205	\$0	\$62,724	\$2,079,502	\$4,995,334
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	619,371	0	(4,428)	24,854	0	423	20,156	41,005
Elmwood	0	0	0	0	0	0	0	0
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	131,942	0	3,415	5,471	0	(789)	4,294	12,391
Miscellaneous	\$751,313	\$0	(\$1,013)	\$30,325	\$0	(\$366)	\$24,450	\$53,396
Total	\$71,771,397	\$0	\$303,285	\$2,913,085	\$0	\$58,847	\$2,335,648	\$5,610,865

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2016 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$157,087	\$0	\$1,882	\$6,307	\$0	\$1	\$5,023	\$13,213
Appalachian Power Co - Generation	0	0	0	0	0	2	0	2
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$157,087	\$0	\$1,882	\$6,307	\$0	\$3	\$5,023	\$13,215
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$157,087	\$0	\$1,882	\$6,307	\$0	\$3	\$5,023	\$13,215
AEP Texas Central Company - Distribution	\$2,611,907	\$0	\$4,745	\$103,821	\$0	\$333	\$83,513	\$192,412
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,611,907	\$0	\$4,745	\$103,821	\$0	\$333	\$83,513	\$192,412
Indiana Michigan Power Co - Distribution	\$68,193	\$0	\$12,506	\$3,202	\$0	(\$6)	\$2,180	\$17,882
Indiana Michigan Power Co - Generation	2,991	0	450	137	0	4	96	687
Indiana Michigan Power Co - Nuclear	47,960	0	7,006	2,181	0	(720)	1,533	10,000
Indiana Michigan Power Co - Transmission	86,497	0	0	3,432	0	0	2,766	6,198
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$205,641	\$0	\$19,962	\$8,952	\$0	(\$722)	\$6,575	\$34,767
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$205,641	\$0	\$19,962	\$8,952	\$0	(\$722)	\$6,575	\$34,767
Kentucky Power Co - Distribution	\$360	\$0	(\$831)	(\$19)	\$0	\$1	\$12	(\$837)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$360	\$0	(\$831)	(\$19)	\$0	\$1	\$12	(\$837)
Cardinal Operating Company	\$1,440	\$0	\$206	\$65	\$0	(\$2)	\$46	\$315
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	6,062	0	6,055	481	0	10	194	6,740
Ohio Power Co - Generation	646,091	0	0	25,635	0	(65)	20,858	46,228
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$653,593	\$0	\$6,261	\$26,181	\$0	(\$57)	\$20,898	\$53,283
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$653,593	\$0	\$6,261	\$26,181	\$0	(\$57)	\$20,898	\$53,283
Public Service Co of Oklahoma - Distribution	\$763,731	\$0	\$7,315	\$30,593	\$0	(\$417)	\$24,419	\$61,910
Public Service Co of Oklahoma - Generation	293,027	0	1,123	11,671	0	47	9,369	22,210
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,056,758	\$0	\$8,438	\$42,264	\$0	(\$370)	\$33,788	\$84,120
Southwestern Electric Power Co - Distribution	\$53,473	\$0	\$5,253	\$2,330	\$0	\$2	\$1,710	\$9,295
Southwestern Electric Power Co - Generation	769,693	0	1,165	30,585	0	99	24,610	56,459
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Generation	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	2	2,516	5,640
Southwestern Electric Power Co - Transmission	78,695	0	0	3,122	0	0	\$28,836	\$71,394
Southwestern Electric Power Co.	\$901,861	\$0	\$6,418	\$36,037	\$0	\$103	\$28,836	\$71,394
AEP Texas North Company - Distribution	\$673,751	\$0	\$0	\$26,733	\$0	\$122	\$21,542	\$48,397
AEP Texas North Company - Generation	498,199	0	0	19,767	0	98	15,929	35,794
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,171,950	\$0	\$0	\$46,500	\$0	\$220	\$37,471	\$84,191
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$60,664,882	\$0	\$274,417	\$2,417,897	\$0	\$71,042	\$1,939,689	\$4,703,045
American Electric Power Service Corp	\$60,664,882	\$0	\$274,417	\$2,417,897	\$0	\$71,042	\$1,939,689	\$4,703,045
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	588,010	0	(4,675)	23,145	0	423	18,801	37,694
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	125,261	0	3,605	5,113	0	(749)	4,005	11,974
Miscellaneous	\$713,271	\$0	(\$1,070)	\$28,258	\$0	(\$326)	\$22,806	\$49,668
Total	\$68,137,310	\$0	\$320,222	\$2,716,198	\$0	\$70,227	\$2,178,611	\$5,285,258

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2017 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$147,064	\$0	\$1,987	\$5,896	\$0	\$1	\$4,705	\$12,589
Appalachian Power Co - Generation	0	0	0	0	0	2	0	2
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$147,064	\$0	\$1,987	\$5,896	\$0	\$3	\$4,705	\$12,591
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$147,064	\$0	\$1,987	\$5,896	\$0	\$3	\$4,705	\$12,591
AEP Texas Central Company - Distribution	\$2,445,251	\$0	\$5,010	\$96,930	\$0	\$64	\$78,238	\$180,242
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,445,251	\$0	\$5,010	\$96,930	\$0	\$64	\$78,238	\$180,242
Indiana Michigan Power Co - Distribution	\$83,842	\$0	\$13,205	\$3,048	\$0	\$15	\$2,043	\$18,311
Indiana Michigan Power Co - Generation	2,800	0	475	130	0	4	90	699
Indiana Michigan Power Co - Nuclear	44,900	0	7,397	2,069	0	173	1,437	11,076
Indiana Michigan Power Co - Transmission	80,978	0	0	3,203	0	0	2,591	5,784
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$192,520	\$0	\$21,077	\$8,450	\$0	\$192	\$6,161	\$35,880
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$192,520	\$0	\$21,077	\$8,450	\$0	\$192	\$6,161	\$35,880
Kentucky Power Co - Distribution	\$337	\$0	(\$878)	(\$21)	\$0	\$4	\$11	(\$884)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$337	\$0	(\$878)	(\$21)	\$0	\$4	\$11	(\$884)
Cardinal Operating Company	\$1,348	\$0	\$218	\$62	\$0	\$0	\$43	\$323
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	5,675	0	6,393	477	0	10	182	7,062
Ohio Power Co - Generation	604,866	0	0	23,928	0	0	19,353	43,281
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$611,889	\$0	\$6,611	\$24,467	\$0	\$10	\$19,578	\$50,666
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$611,889	\$0	\$6,611	\$24,467	\$0	\$10	\$19,578	\$50,666
Public Service Co of Oklahoma - Distribution	\$715,001	\$0	\$7,724	\$28,590	\$0	(\$47)	\$22,877	\$59,144
Public Service Co of Oklahoma - Generation	274,330	0	1,186	10,899	0	7	8,777	20,869
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$989,331	\$0	\$8,910	\$39,489	\$0	(\$40)	\$31,654	\$80,013
Southwestern Electric Power Co - Distribution	\$50,061	\$0	\$5,547	\$2,200	\$0	\$0	\$1,602	\$9,349
Southwestern Electric Power Co - Generation	720,582	0	1,230	28,554	0	19	23,056	52,859
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Generation	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	73,674	0	0	2,914	0	0	2,357	5,271
Southwestern Electric Power Co - Transmission	\$844,317	\$0	\$6,777	\$33,668	\$0	\$19	\$27,015	\$67,479
AEP Texas North Company - Distribution	\$830,782	\$0	\$0	\$24,952	\$0	\$17	\$20,182	\$45,151
AEP Texas North Company - Generation	466,411	0	0	18,451	0	12	14,923	33,386
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,097,173	\$0	\$0	\$43,403	\$0	\$29	\$35,105	\$78,537
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$56,794,095	\$0	\$289,744	\$2,258,185	\$0	\$14,581	\$1,817,168	\$4,379,678
American Electric Power Service Corp	\$56,794,095	\$0	\$289,744	\$2,258,185	\$0	\$14,581	\$1,817,168	\$4,379,678
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	550,491	0	(4,937)	21,582	0	423	17,613	34,681
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	117,268	0	3,807	4,790	0	(201)	3,752	12,148
Miscellaneous	\$667,759	\$0	(\$1,130)	\$26,372	\$0	\$222	\$21,365	\$46,829
Total	\$63,789,736	\$0	\$338,108	\$2,536,839	\$0	\$15,084	\$2,041,000	\$4,931,031

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2018 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$140,314	\$0	\$2,098	\$5,339	\$0	\$0	\$4,385	\$11,822
Appalachian Power Co - Generation	0	0	0	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$140,314	\$0	\$2,098	\$5,339	\$0	\$0	\$4,385	\$11,822
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$140,314	\$0	\$2,098	\$5,339	\$0	\$0	\$4,385	\$11,822
AEP Texas Central Company - Distribution	\$2,333,019	\$0	\$5,290	\$87,664	\$0	\$0	\$72,912	\$165,866
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,333,019	\$0	\$5,290	\$87,664	\$0	\$0	\$72,912	\$165,866
Indiana Michigan Power Co - Distribution	\$60,911	\$0	\$13,942	\$2,806	\$0	\$0	\$1,904	\$18,652
Indiana Michigan Power Co - Generation	2,671	0	502	119	0	0	83	704
Indiana Michigan Power Co - Nuclear	42,839	0	7,810	1,899	0	2	1,339	11,050
Indiana Michigan Power Co - Transmission	77,262	0	0	2,897	0	0	2,415	5,312
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$183,683	\$0	\$22,254	\$7,721	\$0	\$2	\$5,741	\$35,718
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$183,683	\$0	\$22,254	\$7,721	\$0	\$2	\$5,741	\$35,718
Kentucky Power Co - Distribution	\$322	\$0	(\$927)	(\$23)	\$0	\$0	\$10	(\$940)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$322	\$0	(\$927)	(\$23)	\$0	\$0	\$10	(\$940)
Cardinal Operating Company	\$1,287	\$0	\$230	\$57	\$0	\$0	\$40	\$327
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	5,415	0	6,750	456	0	0	169	7,375
Ohio Power Co - Generation	577,104	0	0	21,636	0	0	18,036	39,672
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$583,806	\$0	\$6,980	\$22,149	\$0	\$0	\$18,245	\$47,374
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$583,806	\$0	\$6,980	\$22,149	\$0	\$0	\$18,245	\$47,374
Public Service Co of Oklahoma - Distribution	\$682,183	\$0	\$8,155	\$25,881	\$0	(\$1)	\$21,320	\$55,355
Public Service Co of Oklahoma - Generation	261,739	0	1,252	9,860	0	0	8,180	19,292
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$943,922	\$0	\$9,407	\$35,741	\$0	(\$1)	\$29,500	\$74,647
Southwestern Electric Power Co - Distribution	\$47,764	\$0	\$5,856	\$2,010	\$0	\$0	\$1,493	\$9,359
Southwestern Electric Power Co - Generation	687,509	0	1,298	25,824	0	0	21,488	48,608
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	70,292	0	0	2,635	0	0	2,197	4,832
Southwestern Electric Power Co.	\$805,665	\$0	\$7,154	\$30,469	\$0	\$0	\$25,176	\$62,799
AEP Texas North Company - Distribution	\$601,811	\$0	\$0	\$22,562	\$0	\$0	\$18,808	\$41,370
AEP Texas North Company - Generation	445,004	0	0	16,683	0	0	13,907	30,590
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,046,815	\$0	\$0	\$39,245	\$0	\$0	\$32,715	\$71,960
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$54,187,352	\$0	\$305,927	\$2,042,979	\$0	\$160	\$1,693,467	\$4,042,533
American Electric Power Service Corp	\$54,187,352	\$0	\$305,927	\$2,042,979	\$0	\$160	\$1,693,467	\$4,042,533
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	525,225	0	(5,212)	19,496	0	5	16,414	30,703
Eimwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	111,886	0	4,019	4,345	0	(2)	3,497	11,859
Miscellaneous	\$637,111	\$0	(\$1,193)	\$23,841	\$0	\$3	\$19,911	\$42,562
Total	\$60,861,909	\$0	\$356,990	\$2,295,125	\$0	\$164	\$1,902,062	\$4,554,341

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2019 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$122,517	\$0	\$2,215	\$4,785	\$0	\$0	\$4,189	\$11,189
Appalachian Power Co - Generation	0	0	0	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$122,517	\$0	\$2,215	\$4,785	\$0	\$0	\$4,189	\$11,189
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$122,517	\$0	\$2,215	\$4,785	\$0	\$0	\$4,189	\$11,189
AEP Texas Central Company - Distribution	\$2,037,103	\$0	\$5,585	\$78,364	\$0	\$0	\$69,644	\$153,593
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,037,103	\$0	\$5,585	\$78,364	\$0	\$0	\$69,644	\$153,593
Indiana Michigan Power Co - Distribution	\$53,185	\$0	\$14,721	\$2,605	\$0	\$0	\$1,818	\$19,144
Indiana Michigan Power Co - Generation	2,333	0	530	110	0	0	80	720
Indiana Michigan Power Co - Nuclear	37,405	0	8,246	1,751	0	0	1,279	11,278
Indiana Michigan Power Co - Transmission	67,482	0	0	2,586	0	0	2,308	4,894
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$160,385	\$0	\$23,497	\$7,054	\$0	\$0	\$5,483	\$36,034
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$160,385	\$0	\$23,497	\$7,054	\$0	\$0	\$5,483	\$36,034
Kentucky Power Co - Distribution	\$281	\$0	(\$979)	(\$27)	\$0	\$0	\$10	(\$996)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$281	\$0	(\$979)	(\$27)	\$0	\$0	\$10	(\$996)
Cardinal Operating Company	\$1,123	\$0	\$243	\$52	\$0	\$0	\$38	\$333
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	4,728	0	7,127	455	0	0	182	7,744
Ohio Power Co - Generation	503,905	0	0	19,331	0	0	17,227	36,558
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$509,756	\$0	\$7,370	\$19,838	\$0	\$0	\$17,427	\$44,635
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$509,756	\$0	\$7,370	\$19,838	\$0	\$0	\$17,427	\$44,635
Public Service Co of Oklahoma - Distribution	\$595,657	\$0	\$8,610	\$23,182	\$0	\$0	\$20,364	\$52,156
Public Service Co of Oklahoma - Generation	228,540	0	1,322	8,818	0	0	7,813	17,953
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$824,197	\$0	\$9,932	\$32,000	\$0	\$0	\$28,177	\$70,109
Southwestern Electric Power Co - Distribution	\$41,705	\$0	\$6,184	\$1,837	\$0	\$0	\$1,426	\$9,447
Southwestern Electric Power Co - Generation	600,306	0	1,371	23,082	0	0	20,523	44,976
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	61,377	0	0	2,355	0	0	2,098	4,453
Southwestern Electric Power Co.	\$703,388	\$0	\$7,555	\$27,274	\$0	\$0	\$24,047	\$58,876
AEP Texas North Company - Distribution	\$525,478	\$0	\$0	\$20,159	\$0	\$0	\$17,965	\$38,124
AEP Texas North Company - Generation	388,560	0	0	14,906	0	0	13,284	28,190
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$914,038	\$0	\$0	\$35,065	\$0	\$0	\$31,249	\$66,314
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$47,314,326	\$0	\$323,011	\$1,827,525	\$0	\$0	\$1,617,571	\$3,768,107
American Electric Power Service Corp	\$47,314,326	\$0	\$323,011	\$1,827,525	\$0	\$0	\$1,617,571	\$3,768,107
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	458,606	0	(5,503)	17,383	0	0	15,679	27,559
Elmwood	0	0	0	0	0	0	0	0
Elmwood	97,695	0	4,244	3,911	0	0	3,340	11,495
AEP River Operations LLC	0	0	0	0	0	0	0	0
Miscellaneous	\$556,301	\$0	(\$1,259)	\$21,294	\$0	\$0	\$19,019	\$39,054
Total	\$53,142,292	\$0	\$376,927	\$2,053,172	\$0	\$0	\$1,816,816	\$4,246,915



AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2020 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$115,455	\$0	\$2,338	\$4,448	\$0	\$0	\$3,909	\$10,695
Appalachian Power Co - Generation	0	0	0	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$115,455	\$0	\$2,338	\$4,448	\$0	\$0	\$3,909	\$10,695
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$115,455	\$0	\$2,338	\$4,448	\$0	\$0	\$3,909	\$10,695
AEP Texas Central Company - Distribution	\$1,919,684	\$0	\$5,897	\$72,714	\$0	\$0	\$65,001	\$143,612
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$1,919,684	\$0	\$5,897	\$72,714	\$0	\$0	\$65,001	\$143,612
Indiana Michigan Power Co - Distribution	\$50,120	\$0	\$15,543	\$2,480	\$0	\$0	\$1,697	\$19,720
Indiana Michigan Power Co - Generation	2,198	0	559	104	0	0	74	737
Indiana Michigan Power Co - Nuclear	35,249	0	8,707	1,660	0	0	1,194	11,561
Indiana Michigan Power Co - Transmission	63,573	0	0	2,401	0	0	2,153	4,554
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$151,140	\$0	\$24,809	\$6,645	\$0	\$0	\$5,118	\$36,572
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$151,140	\$0	\$24,809	\$6,645	\$0	\$0	\$5,118	\$36,572
Kentucky Power Co - Distribution	\$265	\$0	(\$1,033)	(\$29)	\$0	\$0	\$9	(\$1,053)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$265	\$0	(\$1,033)	(\$29)	\$0	\$0	\$9	(\$1,053)
Cardinal Operating Company	\$1,059	\$0	\$256	\$50	\$0	\$0	\$36	\$342
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	4,456	0	7,525	452	0	0	151	8,128
Ohio Power Co - Generation	474,860	0	0	17,932	0	0	16,079	34,011
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$480,375	\$0	\$7,781	\$18,434	\$0	\$0	\$16,266	\$42,481
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$480,375	\$0	\$7,781	\$18,434	\$0	\$0	\$16,266	\$42,481
Public Service Co of Oklahoma - Distribution	\$561,323	\$0	\$9,091	\$21,540	\$0	\$0	\$19,006	\$49,637
Public Service Co of Oklahoma - Generation	215,367	0	1,396	8,185	0	0	7,292	16,873
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$776,690	\$0	\$10,487	\$29,725	\$0	\$0	\$26,298	\$66,510
Southwestern Electric Power Co - Distribution	\$39,301	\$0	\$6,529	\$1,731	\$0	\$0	\$1,331	\$9,591
Southwestern Electric Power Co - Generation	565,705	0	1,447	21,417	0	0	19,155	42,019
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Generation	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	57,839	0	0	2,184	0	0	1,958	4,142
Southwestern Electric Power Co.	\$662,845	\$0	\$7,976	\$25,332	\$0	\$0	\$22,444	\$55,752
AEP Texas North Company - Distribution	\$495,190	\$0	\$0	\$18,699	\$0	\$0	\$16,767	\$35,466
AEP Texas North Company - Generation	366,164	0	0	13,827	0	0	12,398	26,225
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$861,354	\$0	\$0	\$32,526	\$0	\$0	\$29,165	\$61,691
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$44,587,120	\$0	\$341,048	\$1,696,589	\$0	\$0	\$1,509,729	\$3,547,366
American Electric Power Service Corp	\$44,587,120	\$0	\$341,048	\$1,696,589	\$0	\$0	\$1,509,729	\$3,547,366
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	432,172	0	(5,811)	16,100	0	0	14,633	24,922
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	92,063	0	4,481	3,646	0	0	3,117	11,244
Miscellaneous	\$524,235	\$0	(\$1,330)	\$19,746	\$0	\$0	\$17,750	\$36,166
Total	\$50,079,163	\$0	\$397,973	\$1,906,130	\$0	\$0	\$1,695,689	\$3,999,792

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2021 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$108,070	\$0	\$2,469	\$4,050	\$0	\$0	\$3,658	\$10,175
Appalachian Power Co - Generation	0	0	0	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$108,070	\$0	\$2,469	\$4,050	\$0	\$0	\$3,656	\$10,175
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$108,070	\$0	\$2,469	\$4,050	\$0	\$0	\$3,656	\$10,175
AEP Texas Central Company - Distribution	\$1,796,899	\$0	\$6,226	\$67,337	\$0	\$0	\$60,790	\$134,353
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$1,796,899	\$0	\$6,226	\$67,337	\$0	\$0	\$60,790	\$134,353
Indiana Michigan Power Co - Distribution	\$46,914	\$0	\$16,411	\$1,758	\$0	\$0	\$1,587	\$19,756
Indiana Michigan Power Co - Generation	2,058	0	590	77	0	0	70	737
Indiana Michigan Power Co - Nuclear	32,995	0	9,193	1,236	0	0	1,116	11,545
Indiana Michigan Power Co - Transmission	59,507	0	0	2,230	0	0	2,013	4,243
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$141,474	\$0	\$26,194	\$5,301	\$0	\$0	\$4,786	\$36,281
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$141,474	\$0	\$26,194	\$5,301	\$0	\$0	\$4,786	\$36,281
Kentucky Power Co - Distribution	\$248	\$0	(\$1,091)	\$9	\$0	\$0	\$8	(\$1,074)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$248	\$0	(\$1,091)	\$9	\$0	\$0	\$8	(\$1,074)
Cardinal Operating Company	\$991	\$0	\$271	\$37	\$0	\$0	\$34	\$342
Cook Coal Terminal	0	0	0	156	0	0	0	8,242
Ohio Power Co - Distribution	4,171	0	7,945	0	0	0	141	31,694
Ohio Power Co - Generation	444,487	0	0	16,657	0	0	15,037	0
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$449,649	\$0	\$8,216	\$16,850	\$0	\$0	\$15,212	\$40,278
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$449,649	\$0	\$8,216	\$16,850	\$0	\$0	\$15,212	\$40,278
Public Service Co of Oklahoma - Distribution	\$525,420	\$0	\$9,599	\$19,690	\$0	\$0	\$17,775	\$47,064
Public Service Co of Oklahoma - Generation	201,592	0	1,474	7,555	0	0	6,820	15,849
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$727,012	\$0	\$11,073	\$27,245	\$0	\$0	\$24,595	\$62,913
Southwestern Electric Power Co - Distribution	\$36,788	\$0	\$8,894	\$1,378	\$0	\$0	\$1,245	\$9,518
Southwestern Electric Power Co - Generation	529,522	0	1,528	19,843	0	0	17,914	39,285
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	54,139	0	0	2,029	0	0	1,832	3,861
Southwestern Electric Power Co.	\$620,449	\$0	\$8,422	\$23,251	\$0	\$0	\$20,991	\$52,664
AEP Texas North Company - Distribution	\$463,517	\$0	\$0	\$17,370	\$0	\$0	\$15,681	\$33,051
AEP Texas North Company - Generation	342,743	0	0	12,844	0	0	11,595	24,439
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$806,260	\$0	\$0	\$30,214	\$0	\$0	\$27,276	\$57,490
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$41,735,267	\$0	\$360,095	\$1,563,997	\$0	\$0	\$1,411,932	\$3,336,024
American Electric Power Service Corp	\$41,735,267	\$0	\$360,095	\$1,563,997	\$0	\$0	\$1,411,932	\$3,336,024
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	404,530	0	(8,135)	15,159	0	0	13,686	22,710
Elmwood	0	0	0	0	0	0	0	0
Elmwood	86,175	0	4,731	3,229	0	0	2,915	10,875
AEP River Operations LLC	\$490,705	\$0	(\$1,404)	\$18,388	\$0	\$0	\$16,601	\$33,585
Miscellaneous								
Total	\$46,876,053	\$0	\$420,200	\$1,756,642	\$0	\$0	\$1,585,847	\$3,762,689

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2022 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Pension Cost
						Prior Service Cost/(Credit)	(Gain)/Loss	
Appalachian Power Co - Distribution	\$100,359	\$0	\$2,607	\$3,758	\$0	\$0	\$3,426	\$9,791
Appalachian Power Co - Generation	0	0	0	0	0	0	0	0
Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$100,359	\$0	\$2,607	\$3,758	\$0	\$0	\$3,426	\$9,791
Cedar Coal Co	0	0	0	0	0	0	0	0
Central Coal Company	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$100,359	\$0	\$2,607	\$3,758	\$0	\$0	\$3,426	\$9,791
AEP Texas Central Company - Distribution	\$1,668,677	\$0	\$6,574	\$61,138	\$0	\$0	\$56,971	\$124,683
AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$1,668,677	\$0	\$6,574	\$61,138	\$0	\$0	\$56,971	\$124,683
Indiana Michigan Power Co - Distribution	\$43,568	\$0	\$17,328	\$2,222	\$0	\$0	\$1,487	\$21,037
Indiana Michigan Power Co - Generation	1,811	0	623	92	0	0	65	780
Indiana Michigan Power Co - Nuclear	30,640	0	9,706	1,472	0	0	1,046	12,224
Indiana Michigan Power Co - Transmission	55,261	0	0	2,017	0	0	1,887	3,804
Ind Mich River Transp Lakin	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - FERC	\$131,378	\$0	\$27,657	\$5,803	\$0	\$0	\$4,485	\$37,945
Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$131,378	\$0	\$27,657	\$5,803	\$0	\$0	\$4,485	\$37,945
Kentucky Power Co - Distribution	\$230	\$0	(\$1,152)	(\$34)	\$0	\$0	\$8	(\$1,178)
Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$230	\$0	(\$1,152)	(\$34)	\$0	\$0	\$8	(\$1,178)
Cardinal Operating Company	\$920	\$0	\$286	\$44	\$0	\$0	\$31	\$361
Cook Coal Terminal	0	0	0	0	0	0	0	0
Ohio Power Co - Distribution	3,873	0	8,389	448	0	0	132	8,969
Ohio Power Co - Generation	412,770	0	0	15,064	0	0	14,092	29,156
Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$417,563	\$0	\$8,675	\$15,556	\$0	\$0	\$14,255	\$38,486
Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$417,563	\$0	\$8,675	\$15,556	\$0	\$0	\$14,255	\$38,486
Public Service Co of Oklahoma - Distribution	\$487,927	\$0	\$10,135	\$18,177	\$0	\$0	\$16,858	\$44,970
Public Service Co of Oklahoma - Generation	187,207	0	1,557	6,889	0	0	6,391	14,837
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$675,134	\$0	\$11,692	\$25,066	\$0	\$0	\$23,049	\$59,807
Southwestern Electric Power Co - Distribution	\$34,163	\$0	\$7,278	\$1,512	\$0	\$0	\$1,166	\$9,956
Southwestern Electric Power Co - Generation	491,736	0	1,613	18,005	0	0	16,788	36,406
Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co. - FERC	\$50,276	\$0	\$8,891	\$21,352	\$0	\$0	\$19,670	\$49,913
Southwestern Electric Power Co.	\$576,175	\$0	\$8,891	\$21,352	\$0	\$0	\$19,670	\$49,913
AEP Texas North Company - Distribution	\$430,441	\$0	\$0	\$15,709	\$0	\$0	\$14,896	\$30,405
AEP Texas North Company - Generation	318,286	0	0	11,616	0	0	10,867	22,463
AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$748,727	\$0	\$0	\$27,325	\$0	\$0	\$25,563	\$52,868
Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Electric Power Service Corporation	\$38,757,156	\$0	\$380,206	\$1,428,315	\$0	\$0	\$1,323,216	\$3,131,737
American Electric Power Service Corp	\$38,757,156	\$0	\$380,206	\$1,428,315	\$0	\$0	\$1,323,216	\$3,131,737
AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CSW Energy, Inc.	375,664	0	(8,478)	13,473	0	0	12,826	19,821
Elmwood	0	0	0	0	0	0	0	0
AEP River Operations LLC	80,026	0	4,995	3,103	0	0	2,732	10,830
Miscellaneous	\$455,690	\$0	(\$1,483)	\$16,576	\$0	\$0	\$15,558	\$30,651
Total	\$43,531,089	\$0	\$443,667	\$1,604,855	\$0	\$0	\$1,486,201	\$3,534,723

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By accepting a copy of this Report the Recipient agrees that it has read and understands the following:

1. Towers Watson Pennsylvania Inc. ("Towers Watson") has been engaged by and is responsible exclusively to its client, AEP, with respect to all matters relating to this Report. There are no third-party beneficiaries of this Report or the work underlying it.
2. Recipient is responsible for its own due diligence with respect to all matters relating to this Report.

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- Recipient acknowledges that Towers Watson's consulting staff is available, with AEP's prior consent and at AEP's expense, to answer any questions concerning this Report; and
- Recipient agrees that by accepting this Report (including any information related to the Report that may be subsequently provided to Recipient), Recipient will place no reliance on this Report or on information contained therein, or related thereto, that would result in the creation of any duty or liability by Towers Watson to Recipient.

**American Electric Power  
Non-UMWA Postretirement Health Care Plan  
Actuarial Valuation Report  
Postretirement Welfare Cost for Fiscal Year Ending  
December 31, 2012 under U.S. GAAP  
  
Employer Contributions for Plan Year Beginning  
January 1, 2012**

**April 2012**

**TOWERS WATSON** 



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# Purpose and Actuarial Certification

## Purposes of Valuation

American Electric Power retained Towers Watson Pennsylvania Inc. ("Towers Watson"), to perform an actuarial valuation of its postretirement welfare programs for the purpose of determining the following:

- (1) The value of benefit obligations as of January 1, 2012, and American Electric Power's postretirement welfare cost for fiscal year ending December 31, 2012, in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715-60). It is anticipated that a separate report will be prepared for year-end financial reporting and disclosure purposes.
- (2) Plan reporting information in accordance with FASB Accounting Standards Codification Topic 965 (ASC 965).
- (3) Expected contributions under the plan sponsor's funding policy for the 2012 plan year.
- (4) The estimated maximum tax-deductible contribution for the tax year in which the 2012 plan year ends as allowed by the Internal Revenue Code. The maximum tax-deductible contribution should be finalized in consultation with American Electric Power's tax advisor.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

## Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, claims data, contributions and assets (if any) provided by American Electric Power and other persons or organizations designated by American Electric Power. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. We have relied on all the information provided as complete and accurate. The results presented in this report are dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data and information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by American Electric Power, may produce materially different results that could require that a revised report be issued.

## Assumptions and Methods under the Internal Revenue Code for Contribution Limit Purposes

The actuarial assumptions and methods employed in the development of the contribution limits have been selected by the plan sponsor, with the concurrence of Towers Watson. The Internal Revenue Code requires the use of reasonable assumptions (taking into account the experience of the plan and reasonable expectations) which, in combination, offer the actuary's best estimate of anticipated experience under the plan. We believe that the assumptions used in our valuation are reasonable and appropriate for the purposes for which they have been used.

## Assumptions and Methods under ASC 715-60

The actuarial assumptions and methods employed in the development of the postretirement welfare cost have been selected by the plan sponsor with the concurrence of Towers Watson, except for the expected rate of return on plan assets selected for fiscal 2012. Evaluation of the expected rate of return assumption was outside the scope of Towers Watson's assignment and would have required substantial additional work that we were not engaged to perform. ASC 715-60 requires that each significant assumption "individually represent the best estimate of a particular future event".

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with American Electric Power's tax advisors and auditors.

## Effects of Health Care Reform

In March 2010, the Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act (HCERA) were enacted. The key aspects of the Acts affecting American Electric Power's benefit obligation and cost of providing retiree medical benefits are:

- Availability of subsidies from the Early Retiree Reinsurance Program (ERRP)
- Preventive care benefits covered at 100% beginning in 2011
- Mandatory coverage for adult children until age 26 beginning in 2011
- Loss of the tax free status of the Retiree Drug Subsidy (RDS) beginning in 2013
- Excise ("Cadillac") tax on high-cost plans beginning in 2018
- Elimination of lifetime maximums beginning in 2011

All subsequent measurements for tax purposes reflect the new law.

This valuation reflects our understanding of the relevant provisions of PPACA and HCERA. The IRS has yet to issue final guidance with respect to many aspects of this law. It is possible that future guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect the results shown in this report.

## Nature of Actuarial Calculations

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated or selected by Towers Watson, we consider reasonable and within the "best-estimate range" as described by the Actuarial Standards of Practice. Other actuarial assumptions could also be considered to be reasonable and within the best-estimate range. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Assumptions may be made, in consultation with American Electric Power, about participant data or other factors. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded. This is for convenience only and should not imply precision; by their nature, actuarial calculations are not precise.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs or contribution requirements reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; increases or reductions expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this valuation to analyze the potential range of future postretirement welfare contributions, but we can do so upon request.

See Basis for Valuation in Section 1 below for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

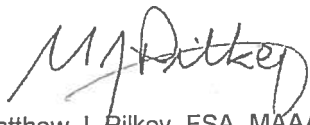
### Limitations on Use

This report is provided subject to the terms set out herein and in our engagement letter dated February 13, 2012, and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of American Electric Power and its auditors in connection with our actuarial valuation of the postretirement welfare plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. American Electric Power may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require American Electric Power to provide them this report, in which case American Electric Power will use best efforts to notify Towers Watson in advance of this distribution, and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, we accept no responsibility whatsoever for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no intended third-party beneficiaries of this report or the work underlying it.

### Professional Qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to postretirement welfare plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Pennsylvania Inc.



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Towers Watson Pennsylvania Inc.

April 2012

Non-UMWA Postretirement Health Care Plan

# Section 1: Summary of Results

## Summary of Valuation Results

All monetary amounts shown in US Dollars

Fiscal Year Ending		December 31, 2012	December 31, 2011
<b>Benefit Cost/ (Income)</b>	Postretirement Welfare Cost/(Income)	79,411,104	62,394,891
Measurement Date		January 1, 2012	January 1, 2011
<b>Plan Assets</b>	Fair Value of Assets (FVA)	1,409,476,218	1,460,125,038
<b>Benefit Obligations</b>	Accumulated Postretirement Benefit Obligation (APBO)	2,081,914,603	1,984,241,294
<b>Funded Status</b>	Funded Status	(672,438,385)	(524,116,256)
<b>Accumulated Other Comprehensive (Income)/Loss (AOCI)</b>	Net Prior Service Cost/(Credit)	(209,991,409)	(15,612,408)
	Net Loss/(Gain)	882,308,046	539,357,734
	Transition Obligation/(Asset)	0	0
	<b>Total AOCI</b>	<b>672,316,637</b>	<b>523,745,326</b>
<b>Assumptions</b>	Discount Rate	4.75%	5.25%
	Expected Rate of Return on Plan Assets	7.25%	7.50%
	Rate of Compensation/Salary Increase	4.95%	4.95%
	Current Health Care Cost Trend Rate	7.00%	7.50%
	Ultimate Health Care Cost Trend Rate	5.00%	5.00%
	Year of Ultimate Trend Rate	2020	2016
<b>Census Date</b>		January 1, 2012	January 1, 2011
Plan reporting (ASC 965) for Plan Year Beginning		January 1, 2012	January 1, 2011
	Present value of accumulated benefits	2,090,410,662	1,984,241,294
	Market value of assets	1,409,476,218	1,460,125,038
	Plan reporting discount rate	4.75%	5.25%
Employer Contributions (net of Medicare subsidy)		Plan Year 2012	Plan Year 2011
<b>Cash Flow</b>	Funding Policy contributions	79,411,104	62,394,891
	Maximum Tax Deductible contributions	23,948,071 (est.)	36,182,632
	Actual contributions	N/A	71,700,278
	Expected benefit payments and expenses, net of participant contributions	105,293,002	91,785,932

## Employer Contributions

Employer contributions are the amounts paid by American Electric Power to provide for postretirement benefits, net of participant contributions and Medicare subsidy. Most participants receiving benefits are required to contribute toward the cost of the plan. In 2012, participant contributions were 23% of benefit payments and expenses.

American Electric Power's funding policy is to contribute an amount equal to the postretirement welfare cost in addition to actual Retiree Drug Subsidy (RDS) payments received. American Electric

Power maximizes its contribution to the 401(h) account and contributes the remainder to the various VEBA's. American Electric Power may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

### Postretirement Welfare Cost and Funded Position

The cost of the postretirement welfare plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The Fiscal 2012 postretirement welfare benefit cost for the plan is \$79,411,104. Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "APBO") of each postretirement welfare plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as a liability. The APBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's (underfunded) APBO as of January 1, 2012 was \$(672,438,385), based on the fair value of plan assets of \$1,409,476,218 and the APBO of \$2,081,914,603.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the postretirement benefit asset (liability) at January 1, 2012 was derived from a roll forward of the January 1, 2011 valuation results, adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population. The next fiscal year financial reporting information will be developed based on the results of the January 1, 2012 valuation, projected to the end of the year and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

### Change in Postretirement Welfare Cost and Funded Position

The postretirement welfare cost increased from \$62,394,891 in fiscal 2011 to \$79,411,104 in fiscal 2012 and the funded position decreased from \$(524,116,256) on January 1, 2011 to \$(672,438,385) on January 1, 2012, as set forth below:

All monetary amounts shown in US Dollars

	Postretirement Welfare Cost
Prior year	62,394,891
Change due to:	
▶ Expected based on prior valuation and contributions during prior year	(4,036,314)
▶ Unexpected noninvestment experience	(6,066,810)
▶ Unexpected investment experience	23,450,373
▶ Assumption changes	31,969,634
▶ Changes in substantive plan	(28,300,670)
Current year	<u>79,411,104</u>

Non-UMWA Postretirement Health Care Plan

Significant reasons for these changes include the following:

- On average, per capita claims costs increased more than expected, which increased the postretirement welfare cost.

All monetary amounts shown in US Dollars

	2012	2011
Medical (Overall Average)		
Under age 65		
▶ Aetna	9,129	8,474
▶ Lumenos	8,992	8,272
Age 65 and older		
▶ COB	3,766	3,657
▶ MOB	2,793	2,572
▶ CSP	1,632	1,651
Medicare Part D Subsidy		
▶ MOB/COB	(573)	(557)
▶ CSP	(223)	(203)

See Appendix A for additional details on per capita claims costs assumptions including assumed claims costs by age and/or morbidity adjustments applied.

- Trend rate assumption was increased to an initial rate of 7.00% in 2012, reducing 25 basis points annually before reaching an ultimate trend of 5.00% in 2020.
- The discount rate decreased 50 basis points since the prior year which increased the postretirement welfare cost.
- The expected return on the fair value of assets was decreased from 7.50% to 7.25% which increased the postretirement welfare cost.
- Actual asset returns during 2011 were less than the assumed rate of 7.50% which increased the postretirement welfare cost.
- AEP transitioned delivery of post-65 prescription drug benefits to an Employer Group Waiver Plan (EGWP), effective January 1, 2013. Plan changes were also implemented where AEP changed the retiree cost sharing arrangement so that government payments from EGWP will be retained by AEP.

## Basis for Valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued. The most recent plan change reflected in this valuation was effective on January 1, 2012.

## Changes in Assumptions

- Per capita claims costs were updated to reflect more recent retiree claims experience.
- Discount rate was changed from 5.25% to 4.75%.
- Mortality was updated for an additional year of mortality improvements.
- The expected return on assets was decreased from 7.50% to 7.25% for postretirement welfare costs purposes. The expected return on assets used to calculate funding requirements was also reduced by 50 basis points for each funding vehicle.
- The health care cost trend was changed from 7.50% in 2011 decreasing by 0.50% per year until 5.00% in 2016 to 7.00% in 2012 decreasing by 0.25% per year until 5.00% in 2020.

## Changes in Methods

None.

## Changes in Benefits Valued

None.



## Section 2: Actuarial Exhibits

### 2.1 Balance Sheet Asset / (Liability)

All monetary amounts shown in US Dollars

Measurement Date	January 1, 2012	January 1, 2011
<b>A Development of Balance Sheet Asset/(Liability)<sup>1</sup></b>		
1 Accumulated postretirement benefit obligation (APBO)	2,081,914,603	1,984,241,294
2 Fair value of assets (FVA)	1,409,476,218	1,460,125,038
3 Net balance sheet asset/(liability)	(672,438,385)	(524,116,256)
<b>B Current and Noncurrent Allocation</b>		
1 Noncurrent assets	0	0
2 Current liabilities	0	0
3 Noncurrent liabilities	(672,438,385)	(524,116,256)
4 Net balance sheet asset/(liability)	(672,438,385)	(524,116,256)
<b>C Accumulated Other Comprehensive (Income)/Loss</b>		
1 Net prior service cost/(credit)	(209,991,409)	(15,612,408)
2 Net loss/(gain)	882,308,046	539,357,734
3 Transition obligation/(asset)	0	0
4 Accumulated other comprehensive (income)/loss <sup>2</sup>	672,316,637	523,745,326
<b>D Assumptions</b>		
1 Discount rate	4.75%	5.25%
2 Rate of compensation/salary increase	4.85%	4.95%
3 Current health care cost trend rate	7.00%	7.50%
4 Ultimate health care cost trend rate	5.00%	5.00%
5 Year of ultimate trend rate	2020	2016
<b>E Census date</b>	January 1, 2012	January 1, 2011

<sup>1</sup> If the amounts in this table differ materially from those disclosed at year-end, consideration should be given to disclosing the true-up in the quarterly financial statements.

<sup>2</sup> Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

## 2.2 Summary and Comparison of Postretirement Benefit Cost and Cash Flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2012	December 31, 2011
<b>A Total Postretirement Benefit Cost</b>		
1 Employer service cost	45,618,526	41,019,682
2 Interest cost	98,586,126	103,947,640
3 Expected return on assets	(100,962,629)	(108,097,790)
4 Subtotal	43,242,023	36,869,532
5 Net prior service cost/(credit) amortization	(18,197,236)	(1,271,279)
6 Net loss/(gain) amortization	54,366,317	26,796,638
7 Transition obligation/(asset) amortization	0	0
8 Amortization subtotal	36,169,081	25,525,357
9 Net periodic postretirement benefit cost/(income)	79,411,104	62,394,891
<b>B Assumptions<sup>1</sup></b>		
1 Discount rate	4.75 %	5.25 %
2 Long-term rate of return on assets	7.25 %	7.50 %
3 Rate of compensation/salary increase	4.85 %	4.95 %
4 Current health care cost trend rate	7.00 %	7.50 %
5 Ultimate health care cost trend rate	5.00 %	5.00 %
6 Year ultimate trend rate is expected	2020	2016
<b>C Census Date</b>		
	January 1, 2012	January 1, 2011
<b>D Assets at Beginning of Year</b>		
1 Fair market value	1,409,476,218	1,460,125,038
<b>E Cash Flow</b>		
	Expected	Actual
1 Employer contributions	89,319,650	74,227,752
2 Plan participants' contributions	32,113,747	34,427,970
3 Benefits paid from plan assets	145,902,808	145,968,067
4 Expected Medicare subsidy on current year benefit payments	8,496,059	N/A

<sup>1</sup> These assumptions were used to calculate the Net Postretirement Benefit Cost/ (Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.

### 2.3 Information for Deferred Tax Calculations

The following information is provided for purposes of determining the deferred portion of the tax provision and the deferred tax asset associated with the postretirement welfare cost and obligation, respectively. This information reflects the tax-exempt status of the Retiree Drug Subsidy ("RDS") payment at the valuation date.

All monetary amounts shown in US Dollars

	Book Basis Net of Part D Subsidy	Tax Basis Net of Part D Subsidy after 2012
<b>A Postretirement Welfare Cost</b>		
1 Fiscal 2012	79,411,104	60,232,651
2 Fiscal 2011	62,394,891	63,111,459
<b>B Funded Position</b>		
1 Overfunded (underfunded) APBO	(672,438,385)	(680,739,578)

## 2.4 Detailed Results for Postretirement Welfare Cost and Funded Position

All monetary amounts shown in US Dollars

Detailed results	January 1, 2012	January 1, 2011
<b>A Service Cost</b>		
1 Medical	42,695,197	38,523,305
2 Life insurance	2,917,895	2,491,337
3 Dental	5,434	5,040
4 Total	45,618,526	41,019,682
<b>B Accumulated Postretirement Benefit Obligation [APBO]</b>		
1 Medical:		
a Participants currently receiving benefits	918,775,833	931,522,819
b Fully eligible active participants	28,042,063	14,148,833
c Other participants	810,303,446	736,378,051
d Total	1,757,121,342	1,682,049,703
2 Life insurance:		
a Participants currently receiving benefits	235,712,726	225,668,672
b Fully eligible active participants	3,176,542	1,485,200
c Other participants	64,833,547	54,443,050
d Total	303,722,815	281,596,922
3 Dental:		
a Participants currently receiving benefits	20,216,181	19,776,774
b Fully eligible active participants	0	4,192
c Other participants	854,265	813,703
d Total	21,070,446	20,594,669
4 All Benefits:		
a Participants currently receiving benefits	1,174,704,740	1,176,968,265
b Fully eligible active participants	31,218,605	15,638,225
c Other participants	875,991,258	791,634,804
d Total	2,081,914,603	1,984,241,294
<b>C Assets</b>		
1 Fair value [FV]	1,409,476,218	1,460,125,038
<b>D Funded Position</b>		
1 Overfunded (underfunded) APBO	(672,438,385)	(524,116,256)
2 APBO funded percentage	67.7%	73.6%

**E Amounts in Accumulated Other Comprehensive Income**

1	Prior service cost (credit)	(209,991,409)	(15,612,408)
2	Net actuarial loss (gain)	882,308,046	539,357,734
3	Transition obligation (asset)	0	0
4	Total	672,316,637	523,745,326

**F Effect of Change in Health Care Cost Trend Rate**

1	One-percentage-point increase:		
a	Sum of service cost and interest cost	22,315,137	21,744,183
b	APBO	247,031,434	232,113,672
2	One-percentage-point decrease:		
a	Sum of service cost and interest cost	(17,691,663)	(17,331,381)
b	APBO	(202,165,118)	(190,489,673)

**2.5 ASC 965 (Plan Reporting) Information (Formerly SOP 92-6, as Amended by SOP 01-2)**

All monetary amounts shown in US Dollars

Summary of Present Value of Benefits	January 1, 2012	January 1, 2011
<b>A Medical (ignoring Retiree Drug Subsidy)</b>		
1 Current retirees	927,053,773	1,151,922,724
2 Active participants fully eligible for participants	28,042,063	16,881,142
3 Other active participants	810,326,699	867,722,175
4 Total	1,765,422,534	2,036,526,041
<b>B Life Insurance</b>		
1 Current retirees	235,712,726	225,668,672
2 Active participants fully eligible for participants	3,176,542	1,485,200
3 Other active participants	64,833,547	54,443,050
4 Total	303,722,815	281,596,922
<b>C Dental</b>		
1 Current retirees	20,216,181	19,776,774
2 Active participants fully eligible for participants	0	4,192
3 Other active participants	854,265	813,703
4 Total	21,070,446	20,594,669
<b>D Total (ignoring Retiree Drug Subsidy)</b>		
1 Current retirees	1,182,982,680	1,397,368,170
2 Active participants fully eligible for participants	31,218,605	18,370,534
3 Other active participants	876,014,510	922,978,928
4 Total	2,090,215,796	2,338,717,632

**Actuarial assumptions and methods**

The key actuarial assumptions used for plan reporting calculations are the same as those used to determine the postretirement welfare cost and are shown in the Actuarial Assumptions and Methods section, except that the Retiree Drug Subsidy (RDS) associated with Medicare Part D is not reflected. For the prior valuation, a discount rate of 5.25% was used. The same plan provisions shown in Appendix B were used to determine the present value of accumulated benefits.

Reconciliation of Present Value of Benefits		Fiscal 2011	Fiscal 2010
<b>A Medical (ignoring Retiree Drug Subsidy)</b>			
1	Benefit obligation, beginning of year	2,036,526,041	1,896,086,614
2	Service cost	45,632,251	49,438,986
3	Interest cost	105,958,057	110,336,110
4	Participant contributions	29,426,384	23,435,905
5	Actuarial (gain)/loss	248,044,421	77,818,792
6	Plan amendments	(570,494,402)	0
7	Gross benefits paid	(129,475,351)	(120,590,366)
8	Benefit obligation, end of year	1,765,617,401	2,036,526,041
<b>B Life Insurance</b>			
1	Benefit obligation, beginning of year	281,596,922	291,483,896
2	Service cost	2,491,337	4,758,768
3	Interest cost	14,598,794	16,983,961
4	Participant contributions	1,778,472	1,806,540
5	Actuarial (gain)/loss	15,445,167	14,500,867
6	Plan amendments	0	(35,929,366)
7	Gross benefits paid	(12,187,877)	(12,007,744)
8	Benefit obligation, end of year	303,722,815	281,596,922
<b>C Dental</b>			
1	Benefit obligation, beginning of year	20,594,669	17,977,206
2	Service cost	5,040	64,119
3	Interest cost	922,458	915,940
4	Participant contributions	3,223,114	2,801,618
5	Actuarial (gain)/loss	2,461,828	3,672,991
6	Plan amendments	0	0
7	Gross benefits paid	(6,136,663)	(4,837,205)
8	Benefit obligation, end of year	21,070,446	20,594,669
<b>D Total (ignoring Retiree Drug Subsidy)</b>			
1	Benefit obligation, beginning of year	2,338,717,632	2,205,547,716
2	Service cost	48,128,628	54,261,873
3	Interest cost	121,479,309	128,236,011
4	Participant contributions	34,427,970	28,044,063
5	Actuarial (gain)/loss	265,951,416	95,992,650
6	Plan amendments	(570,494,402)	(35,929,366)
7	Gross benefits paid	(147,799,891)	(137,435,315)
8	Benefit obligation, end of year	2,090,410,662	2,338,717,632

## 2.6 Basic Results for Employer Contributions - VEBA's

All monetary amounts shown in US Dollars

	Estimated December 31, 2012	December 31, 2011
<b>A Qualified Asset Account Limits [QAAL]</b>	961,376,622	985,058,881
<b>B Assets</b>		
1 Market value	1,204,427,583	1,167,432,659
2 Unrecognized investment losses (gains)	0	0
3 Actuarial value [AV]	1,204,427,583	1,167,432,659
<b>C Funded Position</b>		
1 Unfunded account limits [QAAL – FV]	(243,050,961)	(182,373,778)
<b>D Employer Contributions (to all funding vehicles)</b>		
1 Maximum deductible available	66,253,563	38,006,201
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	1,543,849	36,182,632
c Total deductions available [a + b]	1,543,849	36,182,632
3 Other non-deductible current year additions	64,678,102	3,663,461
4 Total additions [2.c + 3]	66,221,951	39,846,093
a Life insurance VEBA	0	0
b Union medical and dental VEBA's	830,697	683,796
c Nonunion medical and dental VEBA's	65,391,254	39,162,297
d 401(h) – not included in amounts shown above	22,402,415	31,854,184



## 2.7 VEBA Deduction Limits

All monetary amounts shown in US Dollars

Life Insurance	2011	2010
<b>A Qualified Asset Account Limit (QAAL)</b>		
1 December 31 actuarial accrued liability	171,230,166	166,286,526
2 Unrecognized liability	0	0
3 QAAL	171,230,166	166,286,526
<b>B Assets</b>		
1 Market value as of December 31	133,223,965	137,283,064
2 Unrecognized investment losses (gains)	0	0
3 Actuarial value [AV]	133,223,965	137,283,064
<b>C Funded position</b>		
1 Unfunded account limit [QAAL - AV]	38,006,201	29,003,462
2 Contributions received in trust, but not yet deducted		
2007	0	0
2009	0	0
2010	0	0
2011	0	0
Total	0	0
<b>D Employer deductions for contributions to VEBAs</b>		
1 Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	38,006,201	29,003,462
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	0	0
c Total deductions available [a + b]	0	0
3 Other non-deductible current year additions	0	0
4 Total additions [2.c + 3]	0	0

<sup>1</sup> Includes amounts not contributed.

All monetary amounts shown in US Dollars

Union Medical and Dental		2011	2010
<b>A Qualified Asset Account Limit (QAAL)</b>			
1	December 31 present value of projected benefits	378,762,035	424,778,002
2	Unrecognized liability	<u>0</u>	<u>0</u>
3	QAAL	378,762,035	424,778,002
<b>B Assets</b>			
1	Market value as of December 31	381,071,661	368,867,684
2	Unrecognized investment losses (gains)	<u>0</u>	<u>0</u>
3	Actuarial value [AV]	381,071,661	368,867,684
<b>C Funded position</b>			
1	Unfunded account limit [QAAL - AV]	(2,309,626)	55,910,318
2	Contributions received in trust, but not yet deducted		
	2008	0	0
	2009	0	0
	2010	0	0
	2011	<u>0</u>	<u>N/A</u>
	Total	0	0
<b>D Employer deductions for contributions to VEBAs</b>			
1	Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	0	55,910,318
2	Qualified additions		
	a Prior years' carryover	0	0
	b Current year additions	<u>683,796</u>	<u>683,796</u>
	c Total deductions available [a + b]	683,796	683,796
3	Other non-deductible current year additions	0	0
4	Total additions [2.c + 3]	683,796	683,796

All monetary amounts shown in US Dollars

Nonunion Medical and Dental		2011	2010
<b>A Qualified Asset Account Limit (QAAL)</b>			
1	December 31 present value of projected benefits	435,066,680	517,669,560
2	Unrecognized liability	0	0
3	QAAL	435,066,680	517,669,560
<b>B Assets</b>			
1	Market value as of December 31	653,137,033	739,707,313
2	Unrecognized investment losses (gains)	0	0
3	Actuarial value [AV]	653,137,033	739,707,313
<b>C Funded position</b>			
1	Unfunded account limit [QAAL - AV]	(218,070,353)	(222,037,753)
2	Contributions received in trust, but not yet deducted		
	2008	0	0
	2009	105,440,603	140,939,439
	2010	73,467,453	73,467,453
	2011	39,162,297	N/A
	Total	218,070,353	214,406,892
<b>D Employer deductions for contributions to VEBAs</b>			
1	Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	0	0
2	Qualified additions		
	a Prior years' carryover	0	0
	b Current year additions	35,498,836	0
	c Total deductions available [a + b]	35,498,836	0
3	Other non-deductible current year additions	3,663,461	73,467,453
4	Total additions [2.c + 3]	39,162,297	73,467,453

## 2.8 Cumulative Nondeductible Contributions

All monetary amounts shown in US Dollars

### Nonunion Retiree Medical and Dental VEBAs

	Contributions Made by December 31, 2011, but Not Deducted as of December 31, 2010	Deductible in 2011	Remaining Nondeductible Contributions as of December 31, 2011
2004	0	0	0
2005	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	140,939,439	35,498,836	105,440,603
2010	73,467,453	0	73,467,453
2011	39,162,297	0	39,162,297
Total	253,569,189	35,498,836	218,070,353

### Retiree Life Insurance VEBAs

	Contributions Made by December 31, 2011, but Not Deducted as of December 31, 2010	Deductible in 2011	Remaining Nondeductible Contributions as of December 31, 2011
2004	0	0	0
2005	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	0	0	0
2010	0	0	0
2011	0	0	0
Total	0	0	0

## 2.9 Development of Maximum Deductible Contribution – 401(h)

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012
<b>A Development of Maximum Deductible Contribution</b>	
1 Present value of projected benefits	436,863,115
2 Fair value of assets	242,043,559
3 Unfunded surplus [1 -2]	194,819,556
4 Average present value of future service	12
5 Preliminary maximum deductible contribution	
a 10% of unfunded surplus [10% x A.3]	19,481,956
b Aggregate normal cost [A.3 / A.4]	16,234,963
c Greater of A.5.a and A.5.b	19,481,956
6 Preliminary maximum 2012 contribution [1.0878 x A.5.c]	21,046,357
7 Subordination test (development shown below)	26,254,326
8 Maximum deductible contribution ignoring expenses [lesser of A.6 and A.7]	21,046,357
9 Total trust expenses paid from 401(h) account	1,356,061
10 Maximum deductible contribution including expenses [A.8 + A.9]	22,402,418

### B Subordination Test

Year-by-year minimum of actual pension plan contribution and pension plan normal cost with interest

Year	West Plan	East Plan	Combined Plan
1992	9,766,169	N/A	N/A
1993	22,392,743	N/A	N/A
1994	21,208,326	N/A	N/A
1995	21,683,436	N/A	N/A
1996	20,271,648	N/A	N/A
1997	0	N/A	N/A
1998	0	N/A	N/A
1999	0	N/A	N/A
2000	0	N/A	N/A
2001	0	N/A	N/A
2002	0	N/A	N/A
2003	19,197,145	39,165,054*	N/A
2004	18,614,338	56,614,811	N/A
2005	16,222,550	55,872,817	N/A
2006	0	0	N/A
2007	0	0	N/A
2008	N/A	N/A	0
2009	N/A	N/A	100,540,448
2010	N/A	N/A	125,586,018
2011	N/A	N/A	62,751,522
2012	N/A	N/A	0
Cumulative pension contributions not for past service	149,356,355	151,652,681	589,887,025
	x 1/3	x 1/3	x 1/3
	49,785,452	50,550,894	196,629,008
Cumulative 401(h) contributions before plan year 2012	49,785,452	50,550,894	170,374,682
Subordination limit	0	0	26,254,327

\* Includes only portion of normal cost and contributions after 401(h) account adoption for indicated years.

## 2.10 Expected Benefit Disbursements, Administrative Expenses, and Participant Contributions

All monetary amounts shown in US Dollars

	January 1, 2012	January 1, 2011
<b>A Medical and Dental</b>		
1 Gross disbursements	124,905,081	115,505,729
2 Participant contributions	(28,872,722)	(26,248,354)
3 Net disbursements	96,032,359	89,257,376
<b>B Life Insurance</b>		
1 Gross disbursements	15,472,124	14,765,987
2 Participant contributions	(3,416,581)	(3,293,099)
3 Net disbursements	12,055,543	11,472,887
<b>C Gross without RDS</b>		
1 Gross disbursements	128,402,155	130,271,716
2 Participant contributions	(31,605,212)	(29,541,453)
3 Net disbursements	96,796,943	100,730,263
<b>D RDS*</b>		
1 Gross disbursements	(8,496,059)	(8,944,331)
2 Participant contributions	0	0
3 Net disbursements	(8,496,059)	(8,944,331)
<b>E Net with RDS</b>		
1 Gross disbursements	136,898,214	121,327,385
2 Participant contributions	(31,605,212)	(29,541,453)
3 Net disbursements	105,293,002	91,785,932

\* 2011-2012 RDS payments expected to be received in 2013-2014.

## Section 3: Participant Data

### 3.1 Summary of Plan Participants

All monetary amounts shown in US Dollars

Census Date	January 1, 2012	January 1, 2011
<b>A Participating Employees</b>		
1 Number		
a Fully eligible	313	161
b Other	18,369	17,995
c Total participating employees	18,682	18,156
2 Total annual compensation/salary	1,314,068,650	1,243,290,197
3 Average compensation/salary	70,339	68,478
4 Average age	45.8	45.6
5 Average credited service	16.3	16.2
6 Average future working life		
a to expected retirement age	12.400	12.723
b to full eligibility age	11.370	11.574
<b>B Retirees and Surviving Spouses</b>		
1 Retirees and surviving spouses		
a Number under 65	4,230	5,294
b Number 65 and older	12,865	12,139
c Total	17,095	17,433
d Average age	72.3	71.9
e Age Distribution at January 1, 2012		
<b>Age</b>	<b>Number</b>	
Under 55	188	
55-59	1,038	
60-64	3,004	
65-69	3,548	
70-74	2,625	
75-79	2,169	
80-84	2,128	
85 and over	2,395	

**C Dependents**

1	Number	9,024	9,417
2	Average age	67.2	66.6
3	Age Distribution at January 1, 2012		

Age	Number
Under 55	547
55-59	1,091
60-64	2,244
65-69	1,919
70-74	1,287
75-79	979
80-84	623
85 and over	334



Non-UMWA Postretirement Health Care Plan

### 3.2 Age and Service Distribution of Participating Employees

Attained Age		Attained Years of Credited Service and Number								Total
		0-4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34	
Under 25	Count	468	14							482
	Total Earnings	\$18,780,595	\$644,799							\$19,425,394
	Average Earnings	\$40,129	\$46,057							\$40,302
25-29	Count	939	401	3						1,343
	Total Earnings	\$48,383,213	\$22,745,256	\$151,111						\$71,279,580
	Average Earnings	\$51,526	\$56,721	\$50,370						\$53,075
30-34	Count	822	724	201	1					1,748
	Total Earnings	\$45,069,632	\$44,559,438	\$13,067,370	\$65,749					\$102,762,189
	Average Earnings	\$54,829	\$61,546	\$65,012	\$65,749					\$58,788
35-39	Count	677	625	447	105	3				1,857
	Total Earnings	\$39,287,552	\$40,501,407	\$31,513,468	\$7,457,121	\$205,010				\$118,964,558
	Average Earnings	\$58,032	\$64,802	\$70,500	\$71,020	\$68,337				\$64,063
40-44	Count	544	524	439	305	210	6			2,028
	Total Earnings	\$33,513,393	\$34,578,795	\$33,876,592	\$23,666,327	\$16,778,712	\$470,734			\$142,884,553
	Average Earnings	\$61,606	\$65,990	\$77,168	\$77,595	\$79,899	\$78,456			\$70,456
45-49	Count	347	402	432	315	707	549	43		2,795
	Total Earnings	\$21,436,516	\$27,828,616	\$32,076,366	\$22,983,434	\$57,270,992	\$42,807,568	\$3,255,629		\$207,659,121
	Average Earnings	\$61,777	\$69,225	\$74,251	\$72,963	\$81,006	\$77,974	\$75,712		\$74,297
50-54	Count	271	291	301	260	566	1,036	1,228	40	3,993
	Total Earnings	\$17,193,069	\$20,216,565	\$22,248,742	\$19,168,596	\$42,299,005	\$85,720,903	\$96,137,340	\$2,885,373	\$305,869,593
	Average Earnings	\$63,443	\$69,473	\$73,916	\$73,725	\$74,733	\$82,742	\$78,288	\$72,134	\$76,601
55-59	Count	190	185	190	160	344	541	1,128	487	3,225
	Total Earnings	\$11,417,994	\$13,753,831	\$15,027,849	\$11,677,514	\$25,299,699	\$42,893,512	\$91,679,726	\$38,252,926	\$250,003,051
	Average Earnings	\$60,095	\$74,345	\$79,094	\$72,984	\$73,546	\$79,286	\$81,276	\$78,548	\$77,520
60-64	Count	83	100	96	69	120	159	206	237	1,070
	Total Earnings	\$5,160,962	\$7,250,385	\$7,509,306	\$4,695,572	\$8,183,854	\$12,163,911	\$16,731,142	\$20,386,459	\$82,081,591
	Average Earnings	\$62,180	\$72,504	\$78,222	\$68,052	\$68,199	\$76,503	\$81,219	\$86,019	\$76,712
65-69	Count	3	27	29	9	12	16	10	22	128
	Total Earnings	\$239,477	\$3,940,638	\$2,283,970	\$546,538	\$792,294	\$1,425,399	\$937,590	\$1,893,562	\$12,059,468
	Average Earnings	\$79,826	\$145,950	\$78,758	\$60,726	\$66,024	\$89,087	\$93,759	\$86,071	\$94,215
70 & over	Count		4	6	2	1				13
	Total Earnings		\$345,416	\$470,873	\$216,027	\$47,236				\$1,079,552
	Average Earnings		\$86,354	\$78,479	\$108,014	\$47,236				\$83,042
Total	Count	4,344	3,297	2,144	1,226	1,963	2,307	2,615	786	18,682
	Total Earnings	\$240,482,403	\$216,365,146	\$158,225,647	\$90,476,878	\$150,876,807	\$185,482,027	\$208,741,427	\$63,418,320	\$1,314,068,650
	Average Earnings	\$55,360	\$65,625	\$73,799	\$73,798	\$76,860	\$80,400	\$79,825	\$80,685	\$70,339

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# Appendix A: Statement of Actuarial Assumptions and Methods

## Actuarial Assumptions and Methods — Postretirement Welfare Cost and Funding/Tax Deductions Based on Plan Year beginning January 1, 2012

### Economic Assumptions

	Postretirement Welfare Cost	Plan Reporting	Employer Contributions
Discount rate <sup>1</sup>	4.75 %	4.75 %	N/A
Rates of return on assets, pre-tax: <sup>1</sup>			
▶ 401(h) accounts	N/A	N/A	8.03 %
▶ Life insurance and union medical/dental	N/A	N/A	7.10 %
▶ Nonunion medical/dental	N/A	N/A	7.14 %
▶ Aggregate	7.25 %	N/A	N/A
Annual rates of compensation increase <sup>1</sup>			
▶ Representative rates	Age	Rate	
	< 26	11.50%	
	26 – 30	9.50	
	31 – 35	7.50	
	36 – 40	6.50	
	41 – 45	5.00	
	46 – 50	4.00	
	> 50	3.50	
▶ Weighted average	4.85%		
Medical cost trend rate <sup>2</sup>	2012	7.00%	
	2013	6.75%	
	2014	6.50%	
	2015	6.25%	
	2016	6.00%	
	2017	5.75%	
	2018	5.50%	
	2019	5.25%	
	2020+	5.00%	
Dental cost trend rate <sup>2</sup>	2012+	5.00%	

<sup>1</sup> Only discount rate and asset return assumptions vary between the reporting standards. All other assumptions are consistent throughout.

<sup>2</sup> 0% trend assumed for nonunion VEBA account limit.

**Participation Assumptions**

Inclusion Date	The valuation date coincident with or next following the date on which the employee is hired.	
New or rehired employees	It was assumed there will be no new or rehired employees.	
	<i>Current Retirees</i>	<i>Future Retirees</i>
Participation:	Based on valuation census data.	95%.
Percent married	Based on valuation census data.	69% for males, 50% for females.
Spouse age	Based on valuation census data.	Wife three years younger than husband.

**Demographic Assumptions**

Mortality Preretirement: RP2000, projected to 2027.  
Postretirement: RP2000, projected to 2019.

Disabled mortality (through age 65) Rates vary by age and sex.  
Representative rates:

Age	Males	Females
30	2.60%	2.60%
40	2.60	2.60
50	3.10	3.10
60	6.20	6.20

Disability Rates apply to employees not eligible to retire and vary by age and sex.

Representative rates:

Age	Percentage becoming disabled during the year	
	Males	Females
20	0.060%	0.090%
30	0.060	0.090
40	0.074	0.110
50	0.178	0.270
60	0.690	1.035

Termination  
(not due to disability  
or retirement)

Rates apply to employees not eligible to retiree and vary by and service.

Representative rates:

Age	Percentage leaving during the year	
	0 – 5 Years	5+ Years
20	8.0%	8.0%
30	8.0	5.0
40	8.0	2.5
50	8.0	4.0
60	8.0	4.0

Retirement

Rates vary by age.

Representative rates:

Age	Rate
55 – 57	7.0%
58 – 60	10.0
61 – 63	25.0
64 – 65	50.0
66 – 69	25.0
70	100.0

**2012 Per Capita Claims Costs**

Medical

▶ Prior to age 65

<i>Age</i>	<i>Aetna</i>	<i>Lumenos</i>
< 50	5,802	5,715
50 – 54	6,778	6,675
55 – 59	7,548	7,434
60 – 64	10,269	10,114
Average	9,129	8,992

▶ Age 65 and after (net of Medicare)

<i>Age</i>	<i>COB</i>	<i>MOB</i>	<i>CSP</i>
65 – 69	3,101	2,475	1,251
70 – 74	3,606	2,859	1,464
75 – 79	3,892	3,058	1,589
80 – 84	4,064	3,158	1,652
85 – 89	4,225	3,252	1,714
90 – 94	4,067	3,098	1,689
≥ 95	3,599	2,697	1,564
Average	3,766	2,793	1,632

▶ Medicare Part D (2012 only for MOB/COB)

<i>Age</i>	<i>MOB/COB</i>	<i>CSP</i>
65 – 69	(490)	(191)
70 – 74	(554)	(216)
75 – 79	(573)	(223)
80 – 84	(569)	(221)
85 – 89	(565)	(219)
90 – 94	(515)	(200)
≥ 95	(417)	(162)
Average	(573)	(223)

Employer Group Waiver Plan (EGWP)

<i>Age</i>	<i>MOB/COB</i>
65 – 69	729
70 – 74	824
75 – 79	853
80 – 84	846
85 – 89	839
90 – 94	766
≥ 95	620
Average	806

Expected EGWP subsidies increase in future years at rates different than the annual trend assumption due to the progressive filling in of the Standard Part D "donut hole" between now and 2020.

2013	7.9%
2014	9.0
2015	7.3
2016	9.6
2017	9.2
2018	8.8
2019	9.0
2020+	5.0

Dental	\$304
Medicare covered charges trend rate	Same as medical cost trend.
Retiree contribution trend rate	Same as medical cost trend.
Administrative expenses	Included in claims costs shown above.

Basis for Per Capita Claims Cost Assumptions

- ▶ Pre-65 retiree medical rates Aetna, Medco, Lumenos and Magellan supplied data on retiree medical claims incurred in 2010. Claim experience rates are calculated for Aetna and Lumenos plans by dividing incurred claims by covered lives and trending forward two years to 2012. Adjustments for benefit, geographic and vendor efficiency differences are also made. Medical and prescription drug claim rates are then multiplied by plan change factors representing the effect of substantive prescription drug plan design changes. Aetna and Lumenos cost models are developed separately by age-grading these claims rates over standard Towers Watson morbidity curves for both medical and prescription drugs to develop the quinquennial cost models.
- ▶ Post-65 retiree medical rates 2012 monthly claim rates are calculated separately for MOB, COB and CSP Medicare-eligible plans by dividing 2010 incurred claims by covered lives and trending forward two years to 2012. Prescription drug claim rates are then multiplied by pricing change factors representing the savings from improvements to PBM contractual terms and changes. MOB and COB cost models are developed separately by age-grading these claim rates over standard Towers Watson morbidity curves for both medical and prescription drugs to develop the quinquennial cost models.
- ▶ Dental rates MetLife supplied data on dental claims incurred in 2010. Experience for all active and retiree employees was analyzed to derive the dental claim rates.
- ▶ Medicare Part D Retiree Drug Subsidy (RDS) We calibrated our modelling tool to reflect the 2012 cost of the current prescription drug plans for AEP's post-65 retirees. The tool employs a continuance table of annual retiree drug utilization levels, developed from analyzing the experience of several large Towers Watson clients.

After the plan-specific benefit provisions have been calibrated to

current costs, the Modeler trends costs forward to 2012. Actuarial equivalence was determined using the following two-prong approach outlined in the regulations for Medicare Part D:

- ▶ *Gross Value Test* – The Modeler calculates the value of standard Medicare Part D coverage and compares it to AEP's plan costs. AEP's plans passed this test by being richer than the projected value of standard Medicare part D coverage for these groups.
- ▶ *Net Value Test* – The net value prong of the test compares the value of Standard Part D coverage in 2012 minus the greater of \$372.96 per year (the national average Part D premium) and 25.5% of the gross value of Part D to the projected 2012 value of AEP coverage minus the average projected 2012 retiree contribution rate. For this purpose, retiree contributions were assumed to apply pro rata between the value of medical benefits and prescription drug benefits.

When the plans are deemed to be actuarially equivalent, the tool calculates the average expected value of the employer subsidy in 2012, using the continuance table calibrated to AEP's plan costs. This produced a 2012 per person employer subsidy of \$573 for MOB and COB plans and \$223 for CSP.

- ▶ Employer Group Waiver Plan (EGWP)

Projected offsets to plan costs associated with transitioning to EGWP.

Estimated plan cost offsets associated with transitioning to an EGWP arrangement were developed using the same post-65 retiree prescription drug continuance table that was used in the Retiree Drug Subsidy payment estimates. AEP's plan-specific benefit provisions were calibrated to current costs to estimate the level of pharmaceutical company discounts and reinsurance dollars that the plan would receive for participants who enter or exceed the Standard Medicare Part D "donut hole." An estimate of direct monthly government payments under the EGWP was provided by Medco based on average Part D plan payments risk-adjusted for AEP's post-65 retiree population.

To account for the gradual fill-in of the "donut hole" through 2020, higher trend levels are applied to estimated direct monthly EGWP payments between 2013 (effective date of plan change) and 2020, after which EGWP plan cost offsets are assumed to increase at the valuation trend rate assumption.

#### Additional Assumptions

##### Excise tax

To determine impact of the excise tax on the non-UMWA postretirement plan, we projected future gross plan costs using the valuation trend assumption and compared these on a year-by-year basis to the excise tax thresholds beginning in 2018 and projected to future years using CPI (CPI + 1% for 2019). The expected cost of each non-UMWA benefit combination, which were blended pre-65/post-65 based on headcounts, exceeded these thresholds at various points in time, but no earlier than 2039.

The amount of the excise tax valued was 40% times the portion of the cost exceeding the thresholds, grossed up by 35% to account for the nondeductibility of these charges for AEP's administrators.



Timing of benefit payments      Benefit payments are assumed to be made uniformly throughout the year and on average at mid-year.

**Methods**

Census date	January 1, 2012
Measurement date	January 1, 2012
Service cost and APBO	Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.
Market-related value of assets	The fair value of assets on the measurement date.
Amortization of unamortized amounts:	
▶ Prior service cost (credit)	Increase in APBO resulting from a plan amendment is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan. Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first recognized and every year thereafter until such time as it is fully amortized. The annual amortization payment is determined in the first year as the increase in APBO due to the plan change divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the Plan. Reductions in APBO first reduce any unrecognized prior service cost; any remaining amount is amortized on a straight-line basis as described above.
▶ Net loss (gain)	Amortization of the net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of Net Periodic Postretirement Benefit Cost/(Income) for a year.  Net loss (gain) in excess of 10% of the greater of APBO or the market-related value of assets is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan.
ASC 965 (formerly SOP 92-6)	
▶ APBO	Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.
▶ Funding policy	AEP's funding policy is to contribute an amount equal to the postretirement welfare cost. AEP maximizes its contribution to the 401(h) account and contributes the remainder to the VEBA.

Benefits Not Valued

All benefits described in the Plan Provisions section of this report were valued. Life insurance benefits in excess of \$50,000 and health care benefits for key employees were not included in determining the maximum deductible contribution. Towers Watson has reviewed the plan provisions with AEP and based on that review is not aware of any significant benefits required to be valued that were not included.

Change in Assumptions and Methods Since Prior Valuation

The discount rate for APBO was changed from 5.25% to 4.75%. Mortality was updated to reflect an additional year of mortality improvements. Per capita claims costs were updated to reflect more recent claims experience and improved PBM contractual terms.

**Data Sources**

American Electric Power (AEP), through its third party administrator, furnished active participant data as of January 1, 2012. AEP provided inactive participant data as of January 1, 2012. AEP also provided the accrued postretirement benefit costs as of December 31, 2011. Health plan vendors furnished the claims cost data. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Appendix B: Summary of Substantive Plan Provisions Reflected in Valuation

### Health Care Benefits

Eligibility	Participants are eligible upon retirement after age 55 with ten years of service or upon attaining age 55 with ten years of service after becoming permanently disabled. If involuntary termination, then eligible after age 50 with ten years of service.
Surviving spouse	After the death of a retiree or active employee eligible to retire, surviving spouses are eligible until death or remarriage. Surviving children are also eligible, subject to the limiting age provision outlined above.
Dependent	Eligible dependents are spouse, unmarried children under age 19 (age 25 if a full-time student) and unmarried disabled children of any age.
Benefits	<p>The AEP Post-65 Medical Plan provides broad medical coverage with a deductible of \$200, 80% coinsurance and a maximum annual out-of-pocket expense of \$2,000 per person. Discounted charges and different benefits (\$250 deductible, 85% coinsurance and a \$2,500 out-of-pocket maximum) may be obtained by pre-65 retirees electing to use network providers.</p>

Pre-65 retirees who live in areas designated as "Network Area" will have reduced benefits (\$500 deductible, 70% coinsurance, \$5,000 out-of-pocket maximum) if they do not use network providers. Alternatively, these retirees can elect coverage under consumer driven health plan designs.

Prescription drug benefits are provided under a separate plan with the following copayments for those who do not enroll in a consumer driven health plan:

	<i>Generic</i>	<i>Brand Name Formulary</i>	<i>Brand Name Nonformulary</i>
30-day retail	\$5 copay	20% \$20 minimum \$100 maximum	20% \$35 minimum \$100 maximum
90-day retail	\$12 copay	20% \$50 minimum \$200 maximum	20% \$90 minimum \$200 maximum

Prescription drug benefits are also subject to a \$50 deductible and a \$1,000 out-of-pocket maximum per person.

Benefits after age 65 are coordinated with Medicare using the carve-out method. Participants have the option to "buy up" to exclusion coordination of benefits coverage. Exclusion coordination is provided to East retirees who attained age 65 prior to January 1, 2001.

Deductibles and out-of-pocket maximums are assumed to increase over time at approximately the same rate as benefit costs.

Postretirement contributions

Participant contributions are determined as a percentage of plan costs and vary by points (age at retirement plus service) as follows:

<i>Points</i>	<i>Retiree Cost</i>
65-69	46%
70-74	42
75-79	36
80-84	32
85-89	26
90-94	22
95+	20
Grandfathered	20

For East participants who retired prior to January 1, 1989, and West participants who retired prior to January 1, 1993, no contributions are required.

For East participants who retired on or after January 1, 1989, and West participants who retired on or after January 1, 1993, the 20% "Grandfathered" contributions are in effect if they retired by December 31, 2000, or attained age 50 and had ten or more years of service with the company on that date. The percentages described above are applied to plan costs that differ from the per capita claims costs assumed in the valuation as follows:

The Medicare status of dependents is not looked at in determining whether "pre-65" or "post-65" rates apply. The pre-65 plan rates used to calculate participant contributions are a blend of pre-65 retiree costs and active employee costs.

For purposes of determining retiree contribution rates, AEP excludes the government's monthly direct payment amount from offsetting the plan cost to which the contribution percentages are applied.

Disabled employee contributions

Disabled employees have a waiver of premium provision where no contributions are made while an employee remains disabled.

If an employee retires while disabled and became disabled before January 1, 2001, the waiver of premium provision continues for life. If an employee retires while disabled and became disabled after January 1, 2001, the employee will continue to accrue points as if actively-at-work until age 65 and be subject to the same contribution schedule as normal retirees.

**Life Insurance Benefits**

- Grandfathered participants Participants over age 50 with ten years of service as of December 31, 2000.
- Grandfathered benefits Grandfathered participants have the option of keeping current coverage. Active employee coverage for grandfathered East participants is one times final base pay at no cost with the option to buy up to two times base pay. The entire amount of coverage (basic plus supplemental) in force prior to retirement can be carried into retirement subject to reduction beginning at age 66. Current coverage for grandfathered West participants is one and one-half times final base pay prior to age 60, one times final base pay from age 60 to 64 and one-half times final base pay after age 65.

*Life Insurance Benefit Reduction Table  
for Grandfathered East Participants*

<i>Years of Coverage</i>	<i>Age 66</i>	<i>Age 67</i>	<i>Age 68</i>	<i>Age 69</i>	<i>Age 70 or Over</i>
10 – 11	65%	55%	45%	35%	25%
11 – 12	70	60	50	40	30
12 – 13	75	65	55	45	35
13 – 14	80	70	60	50	40
14 – 15	85	75	65	55	45
15 or more	90	80	70	60	50

- Grandfathered contributions Grandfathered East retirees must contribute \$0.60/\$1,000 of coverage (basic + supplemental) per month. West retirees are not required to contribute to the cost of coverage.
- Nongrandfathered benefits \$30,000.

**Dental Benefits**

- Eligibility Participants, including retirees and surviving dependents, are eligible upon retirement after age 55 with ten years of service. There is a one-time election and if coverage terminates there is no opportunity to reenroll.
- Benefits The AEP Dental Plan provides dental coverage with a deductible of \$50 single/\$150 family, 100% coinsurance for preventive care, 80% coinsurance for basic restorative care, 50% coinsurance for major restorative care and 50% coinsurance for orthodontia.  
  
Most retirees pay the full cost of dental coverage if they enroll. CSW employees who retire before January 1, 1993, contribute nothing to enroll for dental coverage. Former CSW employees retiring after January 1, 1993, who were either retired or had attained age 50 with ten years of service as of January 1, 2001, pay 30%.

### Changes in Benefits Valued Since Prior Year

The following benefit changes have been reflected since the prior valuation, as a result of PPACA/HCERA:

- ▶ Elimination of lifetime maximums in 2011
- ▶ Excise ("Cadillac") tax on high-cost plans beginning in 2018.

Transition to Employer Group Waiver Plan (EGWP) and underlying change to post-65 retiree cost sharing.

### Overview of Benefits Provided by Funding Vehicles

<b>Funding vehicle</b>	<b>Provides for</b>
Nonunion postretirement medical/dental VEBAs	100% of medical/dental benefits to nonunion employees before 2016 and 50% of benefits thereafter.
Union postretirement medical/dental VEBAs	100% of medical/dental benefits to union employees.
Postretirement life insurance VEBA	Life insurance benefits for all retirees.
401(h) account	50% of benefits after 2015 for nonunion retirees.

## Appendix C : Results by Business Unit

American Electric Power  
Non-UMWA Postretirement Welfare Plan  
2012 Summary of Postretirement Health Care Plan Participants

Location	Nonretired Participants			Retired Participants			
	Active	Disabled	Total	Retiree	Dependent Spouse	Surviving Spouse	Total
Appalachian Power Co - Distribution	968	57	1,025	1,219	813	368	2,400
Appalachian Power Co - Generation	895	64	959	962	689	201	1,852
Appalachian Power Co - Transmission	136	13	149	147	113	4	264
Appalachian Power Co. - FERC	1,999	134	2,133	2,328	1,615	573	4,516
Cedar Coal Co	0	0	0	15	7	18	40
Central Coal Company	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	1,999	134	2,133	2,343	1,622	591	4,556
AEP Texas Central Company - Distribution	835	35	870	950	603	276	1,829
AEP Texas Central Company - Generation	1	0	1	16	11	0	27
AEP Texas Central Company - Transmission	106	1	107	88	50	30	168
AEP Texas Central Co.	942	36	978	1,054	664	306	2,024
Indiana Michigan Power Co - Distribution	625	7	632	718	415	245	1,378
Indiana Michigan Power Co - Generation	388	9	397	289	198	79	566
Indiana Michigan Power Co - Nuclear	1,105	15	1,120	389	263	58	710
Indiana Michigan Power Co - Transmission	131	4	135	128	89	9	226
Ind Mich River Transp Lakin	276	20	296	151	64	31	246
Indiana Michigan Power Co. - FERC	2,525	55	2,580	1,675	1,029	422	3,126
Price River Coal	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	2,525	55	2,580	1,675	1,029	422	3,126
Kentucky Power Co - Distribution	227	21	248	201	115	63	379
Kentucky Power Co - Generation	113	12	125	118	92	18	228
Kentucky Power Co - Transmission	41	1	42	16	14	0	30
Kentucky Power Co.	381	34	415	335	221	81	637
Cardinal Operating Company	281	10	291	210	146	46	402
Cook Coal Terminal	16	0	16	7	5	1	13
Ohio Power Co - Distribution	1,394	37	1,431	1,831	1,116	448	3,395
Ohio Power Co - Generation	1,002	57	1,059	1,322	905	293	2,520
Ohio Power Co - Transmission	222	8	230	241	173	52	466
Ohio Power Co. - FERC	2,915	112	3,027	3,611	2,345	840	6,796
Conesville Coal Preparation Company	8	0	8	11	10	0	21
Ohio Power Co. - SEC	2,923	112	3,035	3,622	2,355	840	6,817
Public Service Co of Oklahoma - Distributor	635	27	662	582	386	154	1,122
Public Service Co of Oklahoma - Generation	355	8	363	222	145	65	432
Public Service Co of Oklahoma - Transmission	72	2	74	60	42	15	117
Public Service Co. of Oklahoma	1,062	37	1,099	864	573	234	1,671
Southwestern Electric Power Co - Distribution	523	9	532	330	221	85	636
Southwestern Electric Power Co - Generation	483	12	495	280	196	84	560
Southwestern Electric Power Co - Texas - Distribution	225	6	231	159	107	37	303
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	73	2	75	63	39	18	120
Southwestern Electric Power Co.	1,304	29	1,333	832	563	224	1,619
AEP Texas North Company - Distribution	242	14	256	254	155	70	479
AEP Texas North Company - Generation	0	0	0	128	70	38	236
AEP Texas North Company - Transmission	59	0	59	40	21	9	70
AEP Texas North Co.	301	14	315	422	246	117	785
Kingsport Power Co - Distribution	38	2	40	55	32	19	106
Kingsport Power Co - Transmission	9	1	10	8	3	1	12
Kingsport Power Co.	47	3	50	63	35	20	118
Wheeling Power Co - Distribution	50	2	52	69	45	28	142
Wheeling Power Co - Transmission	0	0	0	3	2	9	14
Wheeling Power Co.	50	2	52	72	47	37	156
American Electric Power Service Corporation	5,594	75	5,669	2,632	1,639	226	4,497
American Electric Power Service Corp	5,594	75	5,669	2,632	1,639	226	4,497
AEP Pro Serv, Inc.	0	0	0	1	1	0	2
CSW Energy, Inc.	22	0	22	8	1	0	9
Elmwood	109	3	112	18	7	0	25
AEP River Operations LLC	874	15	889	56	21	0	77
Miscellaneous	1,005	18	1,023	83	30	0	113
Total	18,133	549	18,682	13,997	9,024	3,098	26,119



American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2012 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost
							PSC	(G)/L		
Appalachian Power Co - Distribution	\$174,489,666	\$9,840,185	\$118,131,183	\$2,596,286	\$8,180,590	-\$8,461,891	-\$1,408,178	\$4,556,556	\$3,148,378	\$5,463,363
Appalachian Power Co - Generation	145,710,435	7,849,339	98,647,366	2,418,213	6,851,852	(7,066,240)	(1,228,781)	3,805,025	2,576,235	4,780,060
Appalachian Power Co - Transmission	23,813,720	1,021,803	16,122,118	372,700	1,124,869	(1,154,848)	(216,933)	621,862	404,929	747,650
Appalachian Power Co. - FERC	\$344,013,821	\$18,711,326	\$232,900,667	\$5,387,199	\$16,157,311	-\$16,682,979	-\$2,853,801	\$9,883,444	\$6,129,543	\$10,891,074
Cedar Coal Co	1,434,519	158,080	971,183	0	64,429	(69,567)	(8,202)	37,460	29,258	24,120
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$345,448,340	\$18,869,406	\$233,871,850	\$5,387,199	\$16,221,740	-\$16,752,546	-\$2,862,103	\$9,020,904	\$6,158,801	\$11,015,194
AEP Texas Central Company - Distribution	\$122,944,496	\$6,520,463	\$83,234,607	\$2,204,636	\$5,791,534	-\$5,962,204	-\$1,064,502	\$3,210,525	\$2,146,023	\$4,180,289
AEP Texas Central Company - Generation	1,553,589	137,576	1,051,795	0	70,566	(75,341)	(14,526)	40,570	26,044	21,269
AEP Texas Central Company - Transmission	11,676,523	654,136	7,905,118	254,435	551,365	(566,254)	(103,312)	304,916	201,804	441,150
AEP Texas Central Co.	\$136,174,608	\$7,312,175	\$92,191,520	\$2,459,371	\$6,413,465	-\$6,603,799	-\$1,182,341	\$3,556,011	\$2,373,670	\$4,642,707
Indiana Michigan Power Co - Distribution	\$87,992,037	\$5,584,108	\$59,571,456	\$1,530,880	\$4,121,255	-\$4,267,181	-\$757,388	\$2,297,790	\$1,540,402	\$2,925,356
Indiana Michigan Power Co - Generation	52,381,463	2,539,519	35,462,754	1,025,876	2,477,235	(2,540,244)	(459,919)	1,367,869	907,959	1,870,817
Indiana Michigan Power Co - Nuclear	84,599,691	3,165,610	57,274,805	3,054,703	4,089,273	(4,102,669)	(805,285)	2,208,204	1,403,919	4,445,226
Indiana Michigan Power Co - Transmission	18,107,597	830,868	12,259,017	318,557	853,391	(878,129)	(171,150)	472,855	301,705	595,524
Ind Mich River Transp Lakin	21,826,477	889,255	14,776,735	690,764	1,048,694	(1,058,477)	(189,357)	569,968	380,611	1,061,592
Indiana Michigan Power Co. - FERC	\$284,907,265	\$13,109,360	\$179,344,767	\$6,620,780	\$12,589,848	-\$12,846,700	-\$2,383,100	\$8,917,686	\$4,534,586	\$10,898,514
Price River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$264,907,265	\$13,109,360	\$179,344,767	\$6,620,780	\$12,589,848	-\$12,846,700	-\$2,383,100	\$8,917,686	\$4,534,586	\$10,898,514
Kentucky Power Co - Distribution	\$34,952,737	\$1,558,515	\$23,663,339	\$584,600	\$1,851,438	-\$1,895,036	-\$294,162	\$912,742	\$618,580	\$1,159,582
Kentucky Power Co - Generation	20,636,432	944,713	13,971,063	309,302	972,746	(1,000,766)	(171,034)	538,892	367,858	649,140
Kentucky Power Co - Transmission	4,433,670	163,241	3,001,637	112,880	212,120	(215,011)	(39,383)	115,770	76,416	186,205
Kentucky Power Co.	\$60,022,839	\$2,666,469	\$40,636,039	\$1,006,582	\$2,836,304	-\$2,910,813	-\$504,559	\$1,567,413	\$1,062,654	\$1,994,927
Cardinal Operating Company	\$34,397,755	\$1,757,191	\$23,287,611	\$741,875	\$1,627,883	-\$1,868,122	-\$299,478	\$898,250	\$598,772	\$1,300,408
Cook Coal Terminal	1,694,913	64,061	1,147,472	25,898	80,282	(82,195)	(15,516)	44,260	28,744	53,729
Ohio Power Co - Distribution	213,483,447	12,776,428	144,530,348	3,464,256	10,005,096	(10,352,898)	(1,750,240)	5,574,825	3,824,585	6,941,039
Ohio Power Co - Generation	179,005,059	10,488,737	121,188,147	2,706,504	8,385,082	(8,680,866)	(1,487,838)	4,674,469	3,188,631	5,597,351
Ohio Power Co - Transmission	34,550,710	1,801,852	23,391,163	543,264	1,624,664	(1,675,540)	(304,794)	902,244	597,450	1,089,838
Ohio Power Co. - FERC	\$483,131,884	\$28,888,367	\$313,544,741	\$7,482,797	\$21,723,007	-\$22,458,821	-\$3,857,865	\$12,094,048	\$8,236,183	\$14,982,366
Conesville Coal Preparation Company	1,872,443	98,864	1,335,363	20,244	92,379	(95,654)	(14,962)	51,508	36,546	53,515
Ohio Power Co. - SEC	\$465,104,327	\$26,985,231	\$314,880,104	\$7,503,041	\$21,815,386	-\$22,555,275	-\$3,872,827	\$12,145,556	\$8,272,729	\$15,035,881
Public Service Co of Oklahoma - Distribution	\$74,547,063	\$3,890,587	\$50,469,079	\$1,662,212	\$3,528,611	-\$3,615,166	-\$662,617	\$1,946,693	\$1,284,076	\$2,859,733
Public Service Co of Oklahoma - Generation	38,515,625	1,542,840	26,075,449	975,378	1,839,605	(1,867,819)	(338,793)	1,005,782	666,989	1,614,153
Public Service Co of Oklahoma - Transmission	9,049,152	441,429	6,128,363	198,455	428,899	(438,839)	(77,486)	236,306	158,820	347,335
Public Service Co. of Oklahoma	\$122,111,840	\$5,874,856	\$82,670,891	\$2,836,045	\$5,797,115	-\$5,921,824	-\$1,078,895	\$3,188,791	\$2,109,886	\$4,821,222
Southwestern Electric Power Co - Distribution	\$54,212,998	\$2,421,400	\$36,702,720	\$1,320,057	\$2,580,979	-\$2,629,094	-\$164,313	\$1,415,697	\$1,251,384	\$2,523,356
Southwestern Electric Power Co - Generation	52,289,462	2,044,249	35,400,489	1,311,062	2,498,037	(2,535,782)	(466,858)	1,365,467	898,609	2,171,926
Southwestern Electric Power Co - Texas - Distribution	25,106,803	1,119,082	16,997,547	528,658	1,191,415	(1,217,557)	(226,513)	655,629	429,115	931,632
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co. - SEC	\$140,115,419	\$5,983,696	\$94,859,487	\$3,324,376	\$6,672,928	-\$6,784,910	-\$932,790	\$3,658,920	\$2,726,130	\$5,928,522
AEP Texas North Company - Distribution	\$38,217,931	\$1,598,295	\$24,519,888	\$672,415	\$1,714,772	-\$1,756,392	-\$318,083	\$945,781	\$627,698	\$1,258,493
AEP Texas North Company - Generation	7,554,947	657,212	5,121,542	0	343,807	(366,863)	(67,677)	197,548	129,871	106,915
AEP Texas North Company - Transmission	5,514,671	178,057	3,733,485	160,388	265,886	(267,434)	(50,992)	144,008	93,016	251,366
AEP Texas North Co.	\$49,297,549	\$2,433,564	\$33,374,915	\$832,813	\$2,324,065	-\$2,390,689	-\$436,752	\$1,287,337	\$850,585	\$1,616,774
Kingsport Power Co - Distribution	\$6,625,632	\$454,805	\$4,485,817	\$103,707	\$308,967	-\$321,311	-\$52,503	\$173,019	\$120,516	\$211,879
Kingsport Power Co - Transmission	1,068,339	50,506	723,953	20,867	50,599	(51,858)	(11,677)	27,924	16,247	35,855
Kingsport Power Co.	\$7,694,971	\$505,310	\$5,209,570	\$124,574	\$359,566	-\$373,169	-\$64,180	\$200,943	\$136,763	\$247,734
Wheeling Power Co - Distribution	\$8,023,132	\$651,813	\$6,041,046	\$132,510	\$417,189	-\$432,728	-\$74,230	\$233,015	\$158,785	\$275,756
Wheeling Power Co - Transmission	398,484	42,378	270,455	0	17,981	(19,373)	(2,613)	10,432	7,819	6,427
Wheeling Power Co.	\$8,322,816	\$594,191	\$6,311,501	\$132,510	\$435,170	-\$452,101	-\$76,843	\$243,447	\$166,604	\$282,183
American Electric Power Service Corporation	\$455,921,125	\$20,492,596	\$308,662,988	\$12,864,126	\$21,786,247	-\$22,109,933	-\$4,547,980	\$11,905,749	\$7,357,769	\$19,898,209
American Electric Power Service Corp	\$455,921,125	\$20,492,596	\$308,662,988	\$12,864,126	\$21,786,247	-\$22,109,933	-\$4,547,980	\$11,905,749	\$7,357,769	\$19,898,209
AEP Pro Serv, Inc.	\$178,846	\$12,595	\$121,080	\$0	\$8,200	-\$8,673	-\$1,133	\$4,870	\$3,537	\$3,064
CSW Energy, Inc.	982,393	43,368	665,090	45,816	47,822	(47,641)	(9,491)	25,654	16,163	62,160
Elmwood	5,015,782	81,346	3,395,733	339,444	252,464	(243,241)	(43,959)	130,980	87,021	435,688
AEP River Operations LLC	19,616,683	328,840	13,280,683	2,141,849	1,025,811	(951,313)	(200,282)	512,263	311,981	2,528,328
Miscellaneous	\$25,793,704	\$466,149	\$17,482,586	\$2,527,109	\$1,334,297	-\$1,250,968	-\$254,865	\$673,567	\$418,702	\$3,029,240
Total	\$2,081,914,603	\$105,293,002	\$1,409,476,218	\$45,618,526	\$98,586,129	-\$100,982,627	-\$18,197,236	\$54,366,314	\$36,169,078	\$79,411,106

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 5-Year Postretirement Welfare Cost Forecast  
 Reflects Effect of Medicare Part D

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Location	ASC 715-60					
	Cost 2012	2013	2014	2015	2016	2017
Appalachian Power Co - Distribution	\$5,463,363	\$4,810,251	\$4,195,025	\$3,691,274	\$3,343,833	\$3,062,193
Appalachian Power Co - Generation	4,780,060	4,253,039	3,756,361	3,351,130	3,077,322	2,854,225
Appalachian Power Co - Transmission	747,650	685,979	586,345	521,104	474,590	434,849
Appalachian Power Co. - FERC	\$10,991,074	\$9,729,270	\$8,537,732	\$7,563,509	\$6,895,746	\$6,351,368
Cedar Coal Co	24,120	15,704	8,387	2,629	(1,469)	(4,477)
Central Coal Company	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$11,015,194	\$9,744,974	\$8,546,119	\$7,566,138	\$6,894,277	\$6,346,891
AEP Texas Central Company - Distribution	\$4,180,289	\$3,750,743	\$3,349,088	\$3,022,476	\$2,803,810	\$2,628,858
AEP Texas Central Company - Generation	21,269	12,703	5,679	282	(4,020)	(7,115)
AEP Texas Central Company - Transmission	441,150	403,099	368,987	341,515	324,159	310,043
AEP Texas Central Co.	\$4,642,707	\$4,166,544	\$3,723,751	\$3,364,272	\$3,123,948	\$2,928,786
Indiana Michigan Power Co - Distribution	\$2,925,356	\$2,601,148	\$2,301,854	\$2,060,573	\$1,900,340	\$1,777,549
Indiana Michigan Power Co - Generation	1,870,817	1,699,763	1,535,899	1,400,879	1,309,918	1,235,387
Indiana Michigan Power Co - Nuclear	4,445,226	4,285,811	4,123,373	3,996,668	3,935,426	3,897,144
Indiana Michigan Power Co - Transmission	595,524	532,760	473,736	425,750	393,457	366,060
Ind Mich River Transp Ladin	1,061,592	1,012,506	963,274	923,819	902,148	887,928
Indiana Michigan Power Co. - FERC	\$10,898,514	\$10,131,987	\$9,397,935	\$8,807,688	\$8,441,288	\$8,164,867
Piice River Coal	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$10,898,514	\$10,131,987	\$9,397,935	\$8,807,688	\$8,441,288	\$8,164,867
Kentucky Power Co - Distribution	\$1,159,582	\$1,039,597	\$924,596	\$828,664	\$762,231	\$704,843
Kentucky Power Co - Generation	649,140	575,304	504,222	444,655	402,195	368,488
Kentucky Power Co - Transmission	186,205	174,712	163,230	153,603	147,904	142,738
Kentucky Power Co.	\$1,994,927	\$1,789,613	\$1,592,048	\$1,426,922	\$1,312,330	\$1,216,069
Cardinal Operating Company	\$1,300,408	\$1,191,244	\$1,087,148	\$1,003,553	\$948,166	\$906,527
Cook Coal Terminal	53,729	47,904	42,423	37,557	33,903	31,016
Ohio Power Co - Distribution	6,941,039	6,148,626	5,413,979	4,820,537	4,419,683	4,100,083
Ohio Power Co - Generation	5,597,351	4,921,228	4,293,815	3,783,279	3,429,284	3,147,995
Ohio Power Co - Transmission	1,080,838	966,302	849,745	752,027	687,029	632,294
Ohio Power Co. - FERC	\$14,982,366	\$13,275,305	\$11,687,111	\$10,396,954	\$9,518,085	\$8,817,916
Conesville Coal Preparation Company	53,515	45,551	37,800	31,217	26,785	23,133
Ohio Power Co. - SEC	\$15,035,881	\$13,320,856	\$11,724,911	\$10,428,171	\$9,544,850	\$8,841,049
Public Service Co of Oklahoma - Distribution	\$2,859,733	\$2,625,967	\$2,407,350	\$2,229,333	\$2,116,373	\$2,028,045
Public Service Co of Oklahoma - Generation	1,614,153	1,508,809	1,404,399	1,319,083	1,265,364	1,224,034
Public Service Co of Oklahoma - Transmission	347,335	318,866	290,986	269,984	255,273	244,581
Public Service Co. of Oklahoma	\$4,821,222	\$4,453,643	\$4,102,736	\$3,818,011	\$3,637,011	\$3,496,661
Southwestern Electric Power Co - Distribution	\$2,523,356	\$2,369,505	\$2,220,010	\$2,099,714	\$2,025,869	\$1,966,470
Southwestern Electric Power Co - Generation	2,171,926	2,029,624	1,888,290	1,772,712	1,699,103	1,640,637
Southwestern Electric Power Co - Texas - Distribution	931,632	853,875	778,341	716,845	676,284	644,067
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	301,609	273,151	245,560	224,176	209,764	197,679
Southwestern Electric Power Co.	\$5,928,522	\$5,526,154	\$5,132,200	\$4,813,446	\$4,611,019	\$4,448,882
AEP Texas North Company - Distribution	\$1,258,493	\$1,138,671	\$1,022,505	\$926,865	\$861,882	\$806,680
AEP Texas North Company - Generation	106,915	86,210	30,313	1,554	(20,182)	(37,861)
AEP Texas North Company - Transmission	251,366	238,850	225,797	214,802	208,034	202,600
AEP Texas North Co.	\$1,616,774	\$1,443,731	\$1,278,615	\$1,143,381	\$1,049,734	\$971,419
Kingsport Power Co - Distribution	\$211,879	\$186,000	\$163,321	\$145,246	\$132,937	\$122,812
Kingsport Power Co - Transmission	35,855	32,367	29,046	26,327	24,330	22,799
Kingsport Power Co.	\$247,734	\$218,367	\$192,367	\$171,573	\$157,267	\$145,611
Wheeling Power Co - Distribution	\$275,756	\$241,848	\$210,501	\$184,881	\$167,147	\$152,874
Wheeling Power Co - Transmission	6,427	4,124	2,100	488	(669)	(1,579)
Wheeling Power Co.	\$282,183	\$245,972	\$212,661	\$185,369	\$166,478	\$151,295
American Electric Power Service Corporation	\$19,898,209	\$18,716,922	\$17,572,096	\$16,664,192	\$16,135,913	\$15,735,824
American Electric Power Service Corp	\$19,898,209	\$18,716,922	\$17,572,096	\$16,664,192	\$16,135,913	\$15,735,824
AEP Pro Serv, Inc.	\$3,064	\$2,064	\$1,147	\$322	-\$281	-\$774
CSW Energy, Inc.	62,160	61,056	59,857	59,467	59,763	60,131
Elimwood	435,888	439,763	441,704	444,958	451,211	457,785
AEP River Operations LLC	2,529,328	2,605,187	2,669,427	2,733,705	2,811,696	2,891,134
Miscellaneous	\$3,029,240	\$3,108,070	\$3,172,135	\$3,238,452	\$3,322,379	\$3,408,276
Total	\$79,411,106	\$72,866,832	\$66,647,573	\$61,627,014	\$58,396,493	\$55,856,628

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2013 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost Postretirement
							PSC	(G/L)		
Appalachian Power Co - Distribution	\$175,426,357	\$9,659,250	\$122,942,703	\$2,726,100	\$8,235,496	-\$8,839,727	-\$1,408,178	\$4,096,560	\$2,688,382	\$4,810,251
Appalachian Power Co - Generation	147,131,161	8,030,390	103,112,799	2,539,124	8,920,829	(7,413,933)	(1,228,791)	3,435,810	2,207,019	4,253,039
Appalachian Power Co - Transmission	24,289,486	1,023,459	17,022,613	391,335	1,148,314	(1,223,946)	(216,933)	567,209	350,276	665,979
Appalachian Power Co. - FERC	\$346,847,004	\$18,713,099	\$243,078,115	\$5,656,559	\$16,304,639	-\$17,477,605	-\$2,853,901	\$8,099,579	\$5,245,678	\$9,729,270
Cedar Coal Co	1,340,868	150,449	939,710	0	60,160	(67,566)	(8,202)	31,312	23,110	15,704
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$348,187,872	\$18,863,548	\$244,017,825	\$5,656,559	\$16,364,799	-\$17,545,172	-\$2,862,103	\$8,130,891	\$5,268,788	\$9,744,974
AEP Texas Central Company - Distribution	\$124,420,503	\$6,637,368	\$87,196,663	\$2,315,183	\$5,864,136	-\$6,269,544	-\$1,064,502	\$2,905,470	\$1,840,969	\$3,750,743
AEP Texas Central Company - Generation	1,496,579	135,884	1,041,928	0	67,423	(74,800)	(14,526)	34,715	20,189	12,703
AEP Texas Central Company - Transmission	11,828,187	658,773	8,289,457	267,157	559,064	(596,022)	(103,312)	276,212	172,900	403,099
AEP Texas Central Co.	\$137,735,269	\$7,432,025	\$96,527,948	\$2,582,340	\$6,490,623	-\$6,940,475	-\$1,182,341	\$3,216,397	\$2,034,056	\$4,166,544
Indiana Michigan Power Co - Distribution	\$88,060,064	\$5,415,691	\$61,714,457	\$1,607,424	\$4,132,075	-\$4,437,343	-\$757,388	\$2,058,380	\$1,299,002	\$2,601,148
Indiana Michigan Power Co - Generation	53,345,055	2,564,650	37,385,404	1,077,170	2,524,852	(2,688,065)	(458,019)	1,245,715	785,706	1,689,763
Indiana Michigan Power Co - Nuclear	88,578,057	3,458,424	62,077,478	3,207,438	4,278,626	(4,463,445)	(805,285)	2,068,477	1,263,192	4,285,811
Indiana Michigan Power Co - Transmission	18,348,877	933,594	12,859,162	334,485	885,535	(924,589)	(171,150)	428,479	257,329	532,760
Ind Mich River Transp Lakin	22,876,580	933,014	15,892,323	725,302	1,089,692	(1,142,677)	(189,357)	529,546	340,189	1,012,508
Indiana Michigan Power Co. - FERC	\$271,008,533	\$13,305,373	\$189,928,824	\$6,951,819	\$12,890,780	-\$13,656,109	-\$2,383,100	\$6,328,597	\$3,945,497	\$10,131,987
Price River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$271,008,533	\$13,305,373	\$189,928,824	\$6,951,819	\$12,890,780	-\$13,656,109	-\$2,383,100	\$6,328,597	\$3,945,497	\$10,131,987
Kentucky Power Co - Distribution	\$35,630,260	\$1,631,426	\$24,870,481	\$613,830	\$1,683,297	-\$1,795,407	-\$294,162	\$832,039	\$537,877	\$1,039,597
Kentucky Power Co - Generation	20,873,767	980,758	14,688,884	324,767	988,658	(1,056,867)	(171,034)	489,780	318,746	575,304
Kentucky Power Co - Transmission	4,595,229	165,587	3,220,439	118,314	220,006	(231,553)	(39,363)	107,308	67,945	174,712
Kentucky Power Co.	\$61,199,256	\$2,777,771	\$42,889,804	\$1,056,911	\$2,891,961	-\$3,083,827	-\$504,559	\$1,429,127	\$924,568	\$1,789,613
Cardinal Operating Company	\$35,010,322	\$1,773,471	\$24,536,014	\$778,069	\$1,658,360	-\$1,764,169	-\$299,478	\$817,562	\$518,084	\$1,191,244
Cook Coal Terminal	1,738,032	73,660	1,218,052	28,243	82,169	(87,579)	(15,516)	40,587	25,071	47,904
Ohio Power Co - Distribution	214,176,373	12,518,816	150,099,579	3,637,469	10,052,285	(10,792,338)	(1,750,240)	5,001,451	3,251,211	6,148,627
Ohio Power Co - Generation	179,607,908	10,347,380	125,873,228	2,841,829	8,423,483	(9,050,435)	(1,487,838)	4,194,208	2,706,370	4,921,227
Ohio Power Co - Transmission	34,915,686	1,742,004	24,470,392	570,427	1,644,745	(1,759,450)	(304,794)	815,375	510,581	966,303
Ohio Power Co. - FERC	\$465,449,321	\$26,455,331	\$326,197,285	\$7,858,937	\$21,861,022	-\$23,453,971	-\$3,857,865	\$10,869,183	\$7,011,318	\$13,275,306
Conesville Coal Preparation Company	1,988,202	103,791	1,393,376	21,256	83,013	(100,185)	(14,982)	46,429	31,467	45,551
Ohio Power Co. - SEC	\$467,437,523	\$26,559,122	\$327,590,641	\$7,878,193	\$21,954,035	-\$23,554,156	-\$3,872,827	\$10,915,612	\$7,042,785	\$13,320,857
Public Service Co of Oklahoma - Distribution	\$75,847,299	\$3,903,569	\$53,155,479	\$1,745,323	\$3,584,015	-\$3,821,842	-\$662,617	\$1,771,188	\$1,108,571	\$2,625,967
Public Service Co of Oklahoma - Generation	39,787,768	1,675,541	27,884,155	1,024,147	1,899,234	(2,004,904)	(338,793)	928,125	590,332	1,508,809
Public Service Co of Oklahoma - Transmission	9,235,077	464,041	6,472,148	208,378	437,671	(465,355)	(77,486)	215,658	138,172	318,866
Public Service Co. of Oklahoma	\$124,870,144	\$6,043,151	\$87,511,782	\$2,977,848	\$5,930,920	-\$6,292,201	-\$1,078,895	\$2,915,971	\$1,837,076	\$4,453,643
Southwestern Electric Power Co - Distribution	\$55,692,632	\$2,456,533	\$39,030,630	\$1,386,060	\$2,653,572	-\$2,806,349	-\$164,313	\$1,300,535	\$1,136,222	\$2,360,505
Southwestern Electric Power Co - Generation	54,054,312	2,197,492	37,882,467	1,376,615	2,581,384	(2,723,794)	(466,858)	1,262,277	795,419	2,029,624
Southwestern Electric Power Co - Texas - Distribution	25,707,794	1,154,620	18,016,595	555,091	1,220,393	(1,285,415)	(228,513)	600,329	373,816	853,875
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	8,674,287	437,757	6,079,134	172,829	409,962	(437,097)	(75,105)	202,562	127,457	273,151
Southwestern Electric Power Co.	\$144,129,025	\$6,246,402	\$101,008,835	\$3,490,595	\$6,865,301	-\$7,262,655	-\$932,790	\$3,365,703	\$2,432,913	\$5,526,154
AEP Texas North Company - Distribution	\$37,006,823	\$1,706,328	\$25,935,207	\$706,036	\$1,751,306	-\$1,864,772	-\$318,083	\$864,184	\$546,101	\$1,138,671
AEP Texas North Company - Generation	7,251,642	617,511	5,082,112	0	329,957	(365,410)	(67,677)	169,340	101,663	66,210
AEP Texas North Company - Transmission	5,762,398	191,146	4,038,417	168,418	277,227	(280,367)	(50,962)	134,564	83,572	238,850
AEP Texas North Co.	\$50,029,863	\$2,514,985	\$35,055,736	\$874,454	\$2,358,490	-\$2,520,549	-\$436,752	\$1,168,088	\$731,336	\$1,443,731
Kingsport Power Co - Distribution	\$6,583,501	\$437,645	\$4,613,864	\$108,892	\$307,615	-\$331,742	-\$52,503	\$153,738	\$101,235	\$186,000
Kingsport Power Co - Transmission	1,090,299	51,826	764,106	21,910	51,613	(54,940)	(11,677)	25,461	13,784	32,367
Kingsport Power Co.	\$7,673,800	\$489,471	\$5,377,970	\$130,802	\$359,228	-\$386,682	-\$64,180	\$179,199	\$115,019	\$218,367
Wheeling Power Co - Distribution	\$8,921,018	\$520,129	\$6,252,048	\$139,136	\$418,148	-\$449,530	-\$74,230	\$208,324	\$134,094	\$241,848
Wheeling Power Co - Transmission	375,087	39,940	282,869	0	16,879	(18,901)	(2,613)	8,759	6,146	4,124
Wheeling Power Co.	\$9,296,105	\$560,099	\$6,534,917	\$139,136	\$435,027	-\$468,431	-\$78,843	\$217,083	\$140,240	\$245,972
American Electric Power Service Corporation	\$470,078,902	\$21,419,556	\$329,441,778	\$13,507,332	\$22,467,533	-\$23,687,256	-\$4,547,980	\$10,977,292	\$6,429,312	\$18,716,921
American Electric Power Service Corp	\$470,078,902	\$21,419,556	\$329,441,778	\$13,507,332	\$22,467,533	-\$23,687,256	-\$4,547,980	\$10,977,292	\$6,429,312	\$18,716,921
AEP Pro Serv, Inc.	\$174,451	\$15,860	\$122,259	\$0	\$7,914	-\$8,791	-\$1,133	\$4,074	\$2,941	\$2,064
CSW Energy, Inc.	1,032,663	41,543	723,713	48,107	50,361	(52,036)	(9,491)	24,115	14,624	61,056
Elmwood	5,526,344	115,205	3,732,985	356,416	276,727	(278,472)	(43,950)	129,051	85,092	439,763
AEP River Operations LLC	22,455,503	416,699	15,373,317	2,248,941	1,163,679	(1,131,532)	(200,282)	524,381	324,099	2,605,187
Miscellaneous	\$29,188,961	\$989,307	\$20,456,274	\$2,653,464	\$1,498,661	-\$1,470,831	-\$254,865	\$681,621	\$426,756	\$3,108,070
Total	\$2,120,826,253	\$106,800,780	\$1,486,322,334	\$47,899,453	\$100,507,378	-\$106,868,344	-\$18,197,236	\$49,525,581	\$31,328,345	\$72,866,832

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2014 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost Postretirement
							PSC	(G)/L		
Appalachian Power Co - Distribution	\$176,728,703	\$10,040,676	\$128,164,077	\$2,862,405	\$8,294,878	-\$9,188,842	-\$1,408,178	\$3,634,762	\$2,226,584	\$4,195,025
Appalachian Power Co - Generation	148,560,724	8,322,275	107,736,591	2,666,080	6,987,912	(7,724,274)	(1,228,791)	3,055,434	1,826,643	3,756,361
Appalachian Power Co - Transmission	24,805,676	1,100,761	17,989,135	410,902	1,171,848	(1,289,748)	(216,933)	510,176	293,243	586,345
Appalachian Power Co. - FERC	\$350,095,103	\$19,463,712	\$253,889,803	\$5,939,387	\$16,454,738	-\$18,202,864	-\$2,853,901	\$7,200,372	\$4,346,471	\$8,537,732
Cedar Coal Co	1,250,579	149,609	806,923	0	55,891	(65,023)	(8,202)	25,721	17,519	8,387
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$351,345,682	\$19,613,321	\$254,796,726	\$5,939,387	\$16,510,629	-\$18,267,887	-\$2,862,103	\$7,226,093	\$4,363,990	\$8,546,119
AEP Texas Central Company - Distribution	\$125,062,454	\$6,705,138	\$91,348,272	\$2,430,942	\$5,941,287	-\$6,540,299	-\$1,064,502	\$2,590,658	\$1,526,156	\$3,349,086
AEP Texas Central Company - Generation	1,418,118	110,212	1,028,423	0	64,773	(73,734)	(14,526)	29,166	14,640	5,679
AEP Texas Central Company - Transmission	11,995,635	611,054	8,699,263	280,515	568,773	(623,702)	(103,312)	246,713	143,401	368,987
AEP Texas Central Co.	\$139,376,207	\$7,426,404	\$101,075,958	\$2,711,457	\$6,574,833	-\$7,246,735	-\$1,182,341	\$2,866,537	\$1,684,196	\$3,723,751
Indiana Michigan Power Co - Distribution	\$88,393,872	\$5,516,818	\$64,096,195	\$1,687,795	\$4,148,900	-\$4,595,436	-\$757,388	\$1,817,783	\$1,060,395	\$2,301,654
Indiana Michigan Power Co - Generation	54,382,427	2,684,394	39,438,266	1,131,029	2,573,874	(2,827,563)	(459,919)	1,118,478	658,559	1,535,899
Indiana Michigan Power Co - Nuclear	92,605,697	3,729,982	67,157,872	3,367,810	4,471,182	(4,814,846)	(805,285)	1,904,612	1,099,327	4,123,373
Indiana Michigan Power Co - Transmission	18,615,103	945,849	13,499,717	351,209	878,697	(967,875)	(171,150)	382,855	211,705	473,736
Ind Mich River Transp Lakin	23,558,660	1,012,398	17,084,796	761,567	1,131,445	(1,224,910)	(189,357)	484,529	295,172	963,274
Indiana Michigan Power Co. - FERC	\$277,545,759	\$13,889,441	\$201,276,846	\$7,299,410	\$13,204,098	-\$14,430,730	-\$2,383,100	\$5,708,257	\$3,325,157	\$9,397,935
Price River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$277,545,759	\$13,889,441	\$201,276,846	\$7,299,410	\$13,204,098	-\$14,430,730	-\$2,383,100	\$5,708,257	\$3,325,157	\$9,397,935
Kentucky Power Co - Distribution	\$36,295,961	\$1,693,698	\$26,321,917	\$644,522	\$1,714,914	-\$1,887,174	-\$294,162	\$746,496	\$452,334	\$924,596
Kentucky Power Co - Generation	21,306,434	1,039,479	15,451,477	341,005	1,003,852	(1,107,808)	(171,034)	438,207	267,173	504,222
Kentucky Power Co - Transmission	4,767,962	177,725	3,457,737	124,230	228,207	(247,806)	(39,363)	98,062	58,699	163,230
Kentucky Power Co.	\$62,370,357	\$2,910,903	\$45,231,131	\$1,109,757	\$2,946,973	-\$3,242,888	-\$504,559	\$1,282,765	\$778,206	\$1,592,048
Cardinal Operating Company	\$35,674,180	\$1,854,238	\$25,871,000	\$817,917	\$1,689,847	-\$1,854,845	-\$299,478	\$733,707	\$434,229	\$1,087,148
Cook Coal Terminal	1,774,784	70,322	1,287,078	29,655	84,060	(92,278)	(15,516)	36,502	20,986	42,423
Ohio Power Co - Distribution	215,347,311	12,685,570	156,170,384	3,819,342	10,112,829	(11,199,780)	(1,750,240)	4,429,028	2,678,788	5,413,979
Ohio Power Co - Generation	180,525,820	10,461,106	130,917,755	2,983,921	8,471,144	(9,386,269)	(1,487,838)	3,712,857	2,225,019	4,293,815
Ohio Power Co - Transmission	35,389,854	1,775,393	25,664,807	598,949	1,867,792	(1,840,062)	(304,794)	727,860	423,066	849,745
Ohio Power Co. - FERC	\$468,711,949	\$26,846,629	\$339,911,024	\$8,249,784	\$22,025,472	-\$24,370,234	-\$3,857,865	\$9,639,954	\$5,782,089	\$11,887,111
Conesville Coal Preparation Company	1,998,680	116,780	1,440,448	22,319	93,256	(103,920)	(14,962)	41,107	26,145	37,800
Ohio Power Co. - SEC	\$470,710,629	\$26,963,409	\$341,360,472	\$8,272,103	\$22,116,728	-\$24,474,154	-\$3,872,827	\$9,681,061	\$5,908,234	\$11,724,911
Public Service Co of Oklahoma - Distribution	\$77,283,058	\$3,811,850	\$56,045,865	\$1,832,589	\$3,866,165	-\$4,018,260	-\$662,617	\$1,589,473	\$926,856	\$2,407,350
Public Service Co of Oklahoma - Generation	41,035,508	1,823,245	29,759,121	1,075,354	1,957,471	(2,133,608)	(338,793)	843,975	505,182	1,404,399
Public Service Co of Oklahoma - Transmission	9,417,085	514,497	6,829,293	218,797	445,627	(489,632)	(77,486)	193,680	116,194	290,886
Public Service Co. of Oklahoma	\$127,735,761	\$6,249,592	\$92,634,279	\$3,126,740	\$6,069,263	-\$6,641,500	-\$1,078,895	\$2,627,128	\$1,548,233	\$4,102,736
Southwestern Electric Power Co - Distribution	\$57,275,731	\$2,588,029	\$41,536,497	\$1,455,363	\$2,728,974	-\$2,977,998	-\$164,313	\$1,177,984	\$1,013,671	\$2,220,010
Southwestern Electric Power Co - Generation	55,814,919	2,388,115	40,477,040	1,445,446	2,663,803	(2,902,039)	(466,858)	1,147,938	681,080	1,888,290
Southwestern Electric Power Co - Texas - Distribution	26,328,648	1,229,184	19,093,598	582,846	1,249,442	(1,368,933)	(226,513)	541,499	314,986	778,341
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	8,819,321	476,104	6,395,793	181,470	416,361	(458,552)	(75,105)	181,386	106,281	245,560
Southwestern Electric Power Co.	\$148,238,519	\$6,881,432	\$107,502,928	\$3,865,125	\$7,058,580	-\$7,707,522	-\$932,790	\$3,048,807	\$2,116,017	\$5,132,200
AEP Texas North Company - Distribution	\$37,757,837	\$1,824,942	\$27,382,073	\$741,338	\$1,785,871	-\$1,993,183	-\$318,083	\$776,562	\$458,479	\$1,022,505
AEP Texas North Company - Generation	6,994,088	593,974	5,950,373	0	316,851	(362,091)	(67,677)	143,230	75,553	30,313
AEP Texas North Company - Transmission	5,016,897	219,735	4,363,468	176,839	289,044	(312,843)	(50,992)	123,749	72,757	225,797
AEP Texas North Co.	\$50,738,822	\$2,638,651	\$36,795,914	\$918,177	\$2,391,766	-\$2,638,117	-\$436,752	\$1,043,541	\$606,979	\$1,278,615
Kingsport Power Co - Distribution	\$6,562,363	\$401,266	\$4,759,014	\$114,337	\$307,724	-\$341,204	-\$52,503	\$134,987	\$82,464	\$163,321
Kingsport Power Co - Transmission	1,111,996	53,201	806,422	23,008	52,864	(57,817)	(11,677)	22,870	11,193	29,046
Kingsport Power Co.	\$7,674,359	\$454,467	\$5,565,436	\$137,343	\$360,388	-\$399,021	-\$64,180	\$157,837	\$93,657	\$192,367
Wheeling Power Co - Distribution	\$8,958,173	\$520,747	\$6,496,488	\$146,093	\$420,228	-\$465,772	-\$74,230	\$184,242	\$110,012	\$210,561
Wheeling Power Co - Transmission	352,026	40,283	255,290	0	15,776	(18,303)	(2,613)	7,240	4,627	2,100
Wheeling Power Co.	\$9,310,199	\$561,030	\$6,751,778	\$146,093	\$436,004	-\$484,075	-\$76,843	\$191,482	\$114,639	\$212,661
American Electric Power Service Corporation	\$484,634,208	\$22,397,130	\$351,457,887	\$14,182,700	\$23,168,043	-\$25,198,097	-\$4,547,980	\$9,967,430	\$5,419,450	\$17,572,096
American Electric Power Service Corp	\$484,634,208	\$22,397,130	\$351,457,887	\$14,182,700	\$23,168,043	-\$25,198,097	-\$4,547,980	\$9,967,430	\$5,419,450	\$17,572,096
AEP Pro Serv, Inc.	\$166,505	\$16,864	\$120,750	\$0	\$7,513	-\$8,657	-\$1,133	\$3,424	\$2,291	\$1,147
CSW Energy, Inc.	1,089,588	45,833	790,172	50,512	53,079	(56,652)	(9,491)	22,409	12,918	59,857
Elmwood	6,044,282	149,936	4,383,328	374,237	301,381	(314,267)	(43,859)	124,312	80,353	441,704
AEP River Operations LLC	25,451,424	550,454	18,457,433	2,361,388	1,308,187	(1,323,323)	(200,282)	523,457	323,175	2,669,427
Miscellaneous	\$32,751,799	\$762,187	\$23,751,683	\$2,786,137	\$1,870,160	-\$1,702,899	-\$254,865	\$673,602	\$418,737	\$3,172,135
<b>Total</b>	<b>\$2,162,432,301</b>	<b>\$110,547,967</b>	<b>\$1,568,201,065</b>	<b>\$50,284,429</b>	<b>\$102,509,465</b>	<b>-\$112,433,625</b>	<b>-\$18,197,236</b>	<b>\$44,474,540</b>	<b>\$26,277,304</b>	<b>\$66,647,573</b>

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2015 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost
							PSC	(G)/L		
Appalachian Power Co - Distribution	\$177,845,310	\$10,378,645	\$132,715,591	\$3,005,525	\$8,346,781	-\$9,468,378	-\$1,408,178	\$3,215,524	\$1,807,346	\$3,691,274
Appalachian Power Co - Generation	149,892,441	8,616,329	111,855,994	2,769,384	7,050,588	(7,885,184)	(1,228,791)	2,710,123	1,481,332	3,351,130
Appalachian Power Co - Transmission	25,287,765	1,106,796	18,070,785	431,447	1,195,581	(1,346,305)	(216,633)	457,214	240,281	521,104
Appalachian Power Co. - FERC	\$353,025,516	\$20,101,770	\$263,442,370	\$6,236,356	\$16,593,060	-\$18,794,867	-\$2,853,901	\$6,382,861	\$3,528,960	\$7,563,509
Cedar Coal Co	1,156,861	146,782	863,298	0	51,505	(61,591)	(8,202)	20,917	12,715	2,629
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$354,182,377	\$20,248,552	\$264,305,668	\$6,236,356	\$16,644,565	-\$18,856,458	-\$2,862,103	\$6,403,778	\$3,541,675	\$7,566,138
AEP Texas Central Company - Distribution	\$127,629,545	\$6,894,170	\$95,242,492	\$2,552,489	\$6,021,810	-\$6,704,921	-\$1,054,502	\$2,307,600	\$1,243,098	\$3,022,476
AEP Texas Central Company - Generation	1,372,679	80,846	1,024,350	0	63,070	(7,081)	(14,526)	24,819	10,293	282
AEP Texas Central Company - Transmission	12,233,869	625,509	9,129,424	294,541	580,416	(851,324)	(103,312)	221,194	117,882	341,515
AEP Texas Central Co.	\$141,236,093	\$7,610,525	\$105,396,266	\$2,847,030	\$6,665,296	-\$7,519,326	-\$1,182,341	\$2,553,613	\$1,371,272	\$3,364,272
Indiana Michigan Power Co - Distribution	\$88,703,749	\$5,669,969	\$66,194,439	\$1,772,185	\$4,164,507	-\$4,722,535	-\$757,388	\$1,603,804	\$846,416	\$2,050,573
Indiana Michigan Power Co - Generation	55,402,936	2,850,857	41,343,983	1,187,580	2,621,127	(2,949,619)	(459,919)	1,001,710	541,791	1,400,879
Indiana Michigan Power Co - Nuclear	96,714,707	4,080,151	72,172,550	3,536,201	4,666,139	(5,149,033)	(805,285)	1,748,646	943,361	3,986,668
Indiana Michigan Power Co - Transmission	18,899,160	963,646	14,103,342	368,769	892,606	(1,006,180)	(171,150)	341,705	170,555	425,750
Ind Mich River Transp Lakin	24,439,274	1,110,104	18,237,606	799,645	1,172,700	(1,301,132)	(189,357)	441,873	252,516	923,819
Indiana Michigan Power Co. - FERC	\$284,159,826	\$14,674,727	\$212,051,920	\$7,664,380	\$13,517,169	-\$15,128,499	-\$2,383,100	\$5,137,738	\$2,754,638	\$8,807,688
Price River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$284,159,826	\$14,674,727	\$212,051,920	\$7,664,380	\$13,517,169	-\$15,128,499	-\$2,383,100	\$5,137,738	\$2,754,638	\$8,807,688
Kentucky Power Co - Distribution	\$36,951,699	\$1,798,269	\$27,582,362	\$676,748	\$1,745,613	-\$1,967,819	-\$294,162	\$668,284	\$374,122	\$828,564
Kentucky Power Co - Generation	21,611,812	1,111,242	16,127,636	358,055	1,017,483	(1,150,600)	(171,034)	390,751	219,717	444,655
Kentucky Power Co - Transmission	4,842,673	198,921	3,688,429	130,442	238,303	(263,145)	(39,363)	89,366	50,003	153,603
Kentucky Power Co.	\$63,516,184	\$3,108,432	\$47,398,427	\$1,165,245	\$2,999,399	-\$3,381,564	-\$504,559	\$1,148,401	\$643,842	\$1,426,922
Cardinal Operating Company	\$36,327,706	\$1,912,604	\$27,108,250	\$858,813	\$1,721,462	-\$1,934,065	-\$299,478	\$656,821	\$357,343	\$1,003,553
Cook Coal Terminal	1,818,177	84,429	1,356,800	31,138	85,961	(96,799)	(15,516)	32,873	17,357	37,557
Ohio Power Co - Distribution	216,593,712	12,908,303	161,831,265	4,010,399	10,175,676	(11,531,320)	(1,750,240)	3,916,113	2,165,873	4,820,538
Ohio Power Co - Generation	181,519,779	10,691,083	135,457,633	3,135,117	8,520,045	(9,664,004)	(1,487,838)	3,281,960	1,794,122	3,783,280
Ohio Power Co - Transmission	35,881,202	1,906,759	26,776,050	828,985	1,689,470	(1,910,294)	(304,794)	648,748	343,954	752,026
Ohio Power Co. - FERC	\$472,140,576	\$27,503,178	\$352,330,998	\$8,662,273	\$22,192,514	-\$25,138,482	-\$3,857,865	\$8,536,515	\$4,678,650	\$10,396,955
Consville Coal Preparation Company	1,997,475	128,858	1,490,589	23,435	92,873	(108,344)	(14,982)	36,115	21,153	31,217
Ohio Power Co. - SEC	\$474,138,051	\$27,631,836	\$353,821,597	\$8,685,708	\$22,285,487	-\$25,242,826	-\$3,872,827	\$8,572,630	\$4,699,803	\$10,428,172
Public Service Co of Oklahoma - Distribution	\$78,869,972	\$4,132,437	\$58,856,064	\$1,924,219	\$3,740,717	-\$4,198,990	-\$662,617	\$1,426,005	\$763,388	\$2,229,333
Public Service Co of Oklahoma - Generation	42,245,188	1,969,322	31,625,122	1,129,122	2,014,051	(2,249,109)	(338,793)	763,812	425,019	1,319,083
Public Service Co of Oklahoma - Transmission	9,567,012	495,714	7,139,304	229,737	453,709	(509,342)	(77,486)	172,976	85,490	269,584
Public Service Co. of Oklahoma	\$130,682,172	\$6,597,473	\$97,520,490	\$3,283,077	\$6,208,477	-\$6,957,441	-\$1,078,895	\$2,362,793	\$1,283,898	\$3,818,011
Southwestern Electric Power Co - Distribution	\$58,872,039	\$2,693,698	\$43,932,772	\$1,528,131	\$2,805,775	-\$3,134,312	-\$164,313	\$1,054,433	\$900,120	\$2,099,714
Southwestern Electric Power Co - Generation	57,535,953	2,568,472	42,935,729	1,517,718	2,744,756	(3,063,180)	(466,858)	1,040,276	573,418	1,772,712
Southwestern Electric Power Co - Texas - Distribution	26,931,752	1,280,772	20,097,597	611,888	1,278,262	(1,433,830)	(226,513)	486,938	260,425	716,845
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	8,941,048	453,917	6,872,183	190,544	423,095	(476,016)	(75,105)	161,658	86,553	224,176
Southwestern Electric Power Co.	\$152,280,792	\$6,996,859	\$113,638,281	\$3,848,381	\$7,251,886	-\$8,107,338	-\$832,790	\$2,753,305	\$1,820,515	\$4,813,446
AEP Texas North Company - Distribution	\$38,460,104	\$1,915,684	\$28,700,534	\$778,405	\$1,818,880	-\$2,047,593	-\$318,083	\$695,376	\$377,293	\$926,865
AEP Texas North Company - Generation	6,686,885	566,249	4,990,092	304,338	304,338	(356,010)	(67,677)	120,903	53,228	1,554
AEP Texas North Company - Transmission	6,263,045	252,990	4,673,746	185,681	300,375	(333,441)	(50,992)	113,239	62,247	214,852
AEP Texas North Co.	\$51,410,114	\$2,734,932	\$38,364,372	\$964,086	\$2,423,573	-\$2,737,044	-\$436,752	\$929,518	\$492,766	\$1,143,381
Kingsport Power Co - Distribution	\$9,583,158	\$394,068	\$4,912,827	\$120,054	\$309,152	-\$350,483	-\$52,503	\$119,028	\$86,523	\$145,246
Kingsport Power Co - Transmission	1,134,465	55,410	846,585	24,156	53,734	(60,398)	(11,677)	20,512	8,835	26,327
Kingsport Power Co.	\$7,717,623	\$449,478	\$5,759,212	\$144,210	\$362,886	-\$410,881	-\$64,180	\$139,538	\$75,358	\$171,573
Wheeling Power Co - Distribution	\$9,003,747	\$540,545	\$6,718,972	\$153,398	\$422,275	-\$479,354	-\$74,230	\$162,792	\$88,562	\$184,881
Wheeling Power Co - Transmission	327,519	40,086	244,408	0	14,616	(17,437)	(2,613)	5,922	3,399	488
Wheeling Power Co.	\$9,331,266	\$580,631	\$6,963,380	\$153,398	\$436,891	-\$496,791	-\$76,843	\$168,714	\$91,871	\$185,369
American Electric Power Service Corporation	\$499,587,821	\$23,534,402	\$372,813,276	\$14,891,833	\$23,885,323	-\$26,597,757	-\$4,547,980	\$9,032,772	\$4,484,792	\$18,664,191
American Electric Power Service Corp	\$499,587,821	\$23,534,402	\$372,813,276	\$14,891,833	\$23,885,323	-\$26,597,757	-\$4,547,980	\$9,032,772	\$4,484,792	\$18,664,191
AEP Pro Serv, Inc.	\$157,154	\$20,809	\$117,275	\$0	\$6,981	-\$8,367	-\$1,133	\$2,841	\$1,709	\$322
CSW Energy, Inc.	1,147,346	32,342	856,197	53,036	56,259	(61,084)	(9,481)	20,745	11,254	59,467
Elmwood	6,570,864	161,370	4,803,453	392,949	326,993	(349,828)	(43,859)	118,804	74,845	444,958
AEP River Operations LLC	28,570,545	874,537	21,320,533	2,478,457	1,459,041	(1,521,079)	(200,282)	516,568	316,286	2,733,705
Miscellaneous	\$36,445,909	\$888,858	\$27,197,458	\$2,925,444	\$1,849,274	-\$1,940,359	-\$254,865	\$658,958	\$404,093	\$3,238,452
Total	\$2,204,888,228	\$115,056,705	\$1,645,230,347	\$52,809,148	\$104,530,228	-\$117,376,284	-\$18,197,236	\$39,861,758	\$21,664,622	\$61,627,614

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2016 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

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Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost
							PSC	(G)/L		
Appalachian Power Co - Distribution	\$178,818,871	\$10,765,479	\$136,020,173	\$3,155,801	\$8,391,088	-\$9,684,189	-\$1,408,178	\$2,889,311	\$1,481,133	\$3,343,833
Appalachian Power Co - Generation	151,126,094	8,893,175	114,955,350	2,939,353	7,109,346	(8,184,443)	(1,228,791)	2,441,857	1,213,066	3,077,322
Appalachian Power Co - Transmission	25,808,087	1,202,459	19,631,149	453,019	1,218,176	(1,397,673)	(216,933)	417,001	200,068	474,590
Appalachian Power Co. - FERC	\$355,753,162	\$20,861,113	\$270,606,672	\$6,548,173	\$16,719,610	-\$19,266,305	-\$2,853,901	\$5,748,169	\$2,894,268	\$6,895,746
Cedar Coal Co	1,061,584	142,832	807,503	0	47,072	(57,492)	(8,202)	17,153	8,951	(1,469)
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$356,814,746	\$21,003,945	\$271,414,175	\$6,548,173	\$16,766,682	-\$19,323,797	-\$2,862,103	\$5,765,322	\$2,903,219	\$6,894,277
AEP Texas Central Company - Distribution	\$129,309,674	\$7,144,998	\$98,360,504	\$2,680,113	\$6,101,790	-\$7,002,944	-\$1,064,502	\$2,089,353	\$1,024,851	\$2,803,810
AEP Texas Central Company - Generation	1,344,903	86,820	1,023,012	0	61,610	(72,835)	(14,526)	21,731	7,205	(4,020)
AEP Texas Central Company - Transmission	12,483,317	643,081	9,495,541	309,268	592,552	(676,051)	(103,312)	201,702	98,390	324,159
AEP Texas Central Co.	\$143,137,894	\$7,884,899	\$108,879,057	\$2,989,381	\$6,755,952	-\$7,751,830	-\$1,182,341	\$2,312,786	\$1,130,445	\$3,123,948
Indiana Michigan Power Co - Distribution	\$88,970,472	\$5,827,342	\$67,676,147	\$1,860,794	\$4,177,691	-\$4,818,319	-\$757,388	\$1,437,562	\$680,174	\$1,800,340
Indiana Michigan Power Co - Generation	56,360,786	3,061,061	42,871,312	1,246,959	2,664,511	(3,052,296)	(459,919)	910,663	450,744	1,309,918
Indiana Michigan Power Co - Nuclear	100,836,886	4,547,721	76,702,443	3,713,011	4,859,365	(5,460,962)	(805,285)	1,629,297	824,012	3,935,426
Indiana Michigan Power Co - Transmission	19,196,889	998,322	14,602,277	387,207	806,856	(1,039,634)	(171,150)	310,178	139,028	303,457
Ind Mich River Transp Lakin	25,301,605	1,209,998	19,245,881	839,627	1,213,304	(1,370,243)	(189,357)	408,817	219,460	902,148
Indiana Michigan Power Co. - FERC	\$290,666,648	\$15,642,444	\$221,098,060	\$8,047,598	\$13,821,727	-\$15,741,454	-\$2,383,100	\$4,696,517	\$2,313,417	\$6,441,288
Price River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$290,666,648	\$15,642,444	\$221,098,060	\$8,047,598	\$13,821,727	-\$15,741,454	-\$2,383,100	\$4,696,517	\$2,313,417	\$6,441,288
Kentucky Power Co - Distribution	\$37,585,781	\$1,919,568	\$28,589,952	\$710,585	\$1,774,017	-\$2,035,511	-\$294,162	\$607,302	\$313,140	\$762,231
Kentucky Power Co - Generation	21,876,108	1,211,519	16,640,248	375,958	1,029,533	(1,184,731)	(171,034)	353,469	182,435	402,195
Kentucky Power Co - Transmission	5,110,497	202,742	3,887,343	136,964	244,495	(276,766)	(39,363)	82,574	43,211	147,904
Kentucky Power Co.	\$64,572,396	\$3,333,829	\$49,117,543	\$1,223,507	\$3,047,045	-\$3,497,008	-\$504,559	\$1,043,345	\$538,786	\$1,312,330
Cardinal Operating Company	\$36,995,377	\$2,063,927	\$28,140,848	\$901,754	\$1,751,664	-\$2,003,536	-\$299,478	\$597,762	\$298,284	\$948,166
Cook Coal Terminal	1,850,747	102,813	1,407,786	32,695	87,500	(100,230)	(15,516)	29,904	14,388	33,903
Ohio Power Co - Distribution	217,871,394	13,248,081	165,725,731	4,210,825	10,237,914	(11,799,127)	(1,750,240)	3,520,311	1,770,071	4,419,683
Ohio Power Co - Generation	182,481,858	11,192,601	138,806,379	3,289,773	8,561,412	(9,882,558)	(1,487,838)	2,948,495	1,460,857	3,429,264
Ohio Power Co - Transmission	38,292,809	1,904,822	27,608,434	880,341	1,710,558	(1,965,487)	(304,794)	586,410	281,616	687,028
Ohio Power Co. - FERC	\$475,492,185	\$28,512,338	\$361,887,178	\$9,095,388	\$22,348,598	-\$25,750,998	-\$3,857,865	\$7,882,882	\$3,825,017	\$9,518,065
Conesville Coal Preparation Company	1,985,225	123,144	1,510,078	24,807	92,576	(107,513)	(14,962)	32,077	17,115	25,785
Ohio Power Co. - SEC	\$477,477,410	\$28,635,482	\$363,037,256	\$9,119,995	\$22,441,174	-\$25,858,451	-\$3,872,827	\$7,714,959	\$3,842,132	\$9,544,850
Public Service Co of Oklahoma - Distribution	\$80,402,470	\$4,317,135	\$61,158,023	\$2,020,429	\$3,813,745	-\$4,354,307	-\$662,617	\$1,299,123	\$636,506	\$2,116,373
Public Service Co of Oklahoma - Generation	43,419,039	2,141,730	33,027,062	1,185,578	2,068,443	(2,351,418)	(338,793)	701,554	362,761	1,265,354
Public Service Co of Oklahoma - Transmission	9,754,744	537,041	7,420,028	241,224	462,202	(528,282)	(77,486)	157,615	80,129	255,273
Public Service Co. of Oklahoma	\$133,576,253	\$6,995,906	\$101,605,914	\$3,447,231	\$6,344,390	-\$7,234,007	-\$1,078,895	\$2,158,292	\$1,079,397	\$3,637,911
Southwestern Electric Power Co - Distribution	\$60,512,247	\$2,791,141	\$46,029,156	\$1,604,538	\$2,895,027	-\$3,277,124	-\$164,313	\$977,741	\$813,428	\$2,025,869
Southwestern Electric Power Co - Generation	59,229,955	2,815,988	45,053,770	1,693,604	2,823,015	(3,207,680)	(466,858)	957,022	490,164	1,699,103
Southwestern Electric Power Co - Texas - Distribution	27,541,230	1,362,850	20,949,471	642,587	1,306,739	(1,491,533)	(226,513)	445,004	218,491	676,284
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	9,100,770	476,031	6,922,578	200,071	430,615	(492,865)	(75,105)	147,048	71,943	209,764
Southwestern Electric Power Co.	\$156,364,202	\$7,446,010	\$118,954,975	\$4,040,800	\$7,445,396	-\$8,469,202	-\$932,790	\$2,526,815	\$1,594,025	\$4,811,019
AEP Texas North Company - Distribution	\$39,141,685	\$2,048,276	\$29,773,456	\$817,325	\$1,849,971	-\$2,119,772	-\$318,083	\$632,441	\$314,358	\$861,882
AEP Texas North Company - Generation	6,425,054	577,299	4,887,272	0	291,639	(347,958)	(67,877)	103,814	36,137	(20,182)
AEP Texas North Company - Transmission	6,496,102	294,865	4,941,315	194,965	310,904	(351,805)	(50,992)	104,962	53,970	208,034
AEP Texas North Co.	\$52,062,841	\$2,920,430	\$39,602,043	\$1,012,290	\$2,452,514	-\$2,819,535	-\$436,752	\$841,217	\$404,465	\$1,049,734
Kingsport Power Co - Distribution	\$6,618,298	\$404,154	\$5,034,283	\$126,057	\$310,869	-\$358,423	-\$52,503	\$106,937	\$54,434	\$132,937
Kingsport Power Co - Transmission	1,156,945	66,230	890,040	25,364	54,605	(62,656)	(11,677)	18,694	7,017	24,330
Kingsport Power Co.	\$7,775,241	\$470,384	\$5,914,303	\$151,421	\$365,474	-\$421,079	-\$64,180	\$125,631	\$61,451	\$157,267
Wheeling Power Co - Distribution	\$9,038,875	\$563,326	\$6,875,497	\$161,058	\$423,774	-\$489,513	-\$74,230	\$148,048	\$71,818	\$167,147
Wheeling Power Co - Transmission	302,049	39,411	229,756	0	13,422	(16,358)	(2,613)	4,880	2,267	(669)
Wheeling Power Co.	\$9,340,924	\$602,737	\$7,105,253	\$161,058	\$437,196	-\$505,871	-\$76,843	\$150,928	\$74,085	\$166,478
American Electric Power Service Corporation	\$514,830,575	\$24,999,788	\$391,610,260	\$15,636,425	\$24,610,327	-\$27,881,358	-\$4,547,980	\$8,318,499	\$3,770,519	\$16,135,913
American Electric Power Service Corp	\$514,830,575	\$24,999,788	\$391,610,260	\$15,636,425	\$24,610,327	-\$27,881,358	-\$4,547,980	\$8,318,499	\$3,770,519	\$16,135,913
AEP Pro Serv, Inc.	\$143,526	\$21,779	\$109,174	\$0	\$6,306	-\$7,773	-\$1,133	\$2,319	\$1,189	-\$281
CSW Energy, Inc.	1,224,301	30,398	931,275	55,690	60,066	(66,304)	(9,491)	19,782	10,291	59,763
Elnwood	7,129,436	202,986	5,423,066	412,598	353,482	(386,104)	(43,959)	115,196	71,237	451,211
AEP River Operations LLC	31,834,508	749,585	24,215,188	2,603,430	1,618,206	(1,724,042)	(200,282)	514,374	314,092	2,811,686
Miscellaneous	\$40,331,769	\$1,004,729	\$30,878,703	\$3,071,716	\$2,038,080	-\$2,184,223	-\$254,865	\$651,671	\$396,806	\$3,322,379
Total	\$2,246,970,899	\$120,940,582	\$1,709,177,542	\$55,449,605	\$106,525,957	-\$121,687,815	-\$18,197,236	\$36,305,982	\$18,108,746	\$59,396,493

American Electric Power  
 Non-UMWA Postretirement Welfare Plan  
 2017 Net Periodic Postretirement Benefit Cost  
 Reflects Effect of Medicare Part D

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Amortization	Net Periodic Postretirement Benefit Cost
							PSC	(G)/L		
Appalachian Power Co - Distribution	\$179,600,381	\$11,021,155	\$138,806,874	\$3,313,591	\$8,429,698	-\$9,866,993	-\$1,408,178	\$2,594,075	\$1,185,897	\$3,052,193
Appalachian Power Co - Generation	152,281,618	9,228,614	117,693,239	3,086,321	7,163,340	(8,366,139)	(1,228,791)	2,199,494	970,703	2,854,225
Appalachian Power Co - Transmission	26,277,833	1,297,509	20,309,236	475,670	1,240,333	(1,443,667)	(216,933)	379,546	162,613	434,949
Appalachian Power Co. - FERC	\$358,159,832	\$21,547,278	\$276,809,449	\$6,875,582	\$16,833,371	-\$19,676,799	-\$2,853,901	\$5,173,115	\$2,319,214	\$6,351,368
Cedar Coal Co	965,824	129,543	745,452	0	42,836	(53,061)	(8,202)	13,950	5,748	(4,477)
Central Coal Company	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$359,125,656	\$21,676,821	\$277,555,901	\$6,875,582	\$16,876,207	-\$19,729,860	-\$2,862,103	\$5,187,065	\$2,324,962	\$6,346,891
AEP Texas Central Company - Distribution	\$130,946,579	\$7,399,912	\$101,204,120	\$2,814,119	\$6,179,924	-\$7,194,022	-\$1,064,502	\$1,891,339	\$826,837	\$2,626,858
AEP Texas Central Company - Generation	1,309,693	75,113	1,012,217	0	60,447	(71,953)	(14,526)	18,917	4,391	(7,115)
AEP Texas Central Company - Transmission	12,742,056	684,085	9,847,898	324,731	604,614	(700,031)	(103,312)	184,041	80,729	310,043
AEP Texas Central Co.	\$144,998,328	\$8,159,110	\$112,064,235	\$3,138,850	\$6,844,985	-\$7,966,006	-\$1,182,341	\$2,094,297	\$911,956	\$2,929,785
Indiana Michigan Power Co - Distribution	\$89,181,615	\$5,811,433	\$68,925,411	\$1,953,834	\$4,192,513	-\$4,899,513	-\$757,388	\$1,288,103	\$530,715	\$1,777,549
Indiana Michigan Power Co - Generation	57,211,195	3,278,328	44,215,570	1,309,307	2,702,767	(3,143,103)	(459,919)	826,335	366,416	1,235,387
Indiana Michigan Power Co - Nuclear	104,861,551	4,940,436	81,043,896	3,898,662	5,050,136	(5,760,947)	(805,285)	1,514,578	709,293	3,897,144
Indiana Michigan Power Co - Transmission	19,494,630	1,040,873	15,066,731	406,567	920,878	(1,071,008)	(171,150)	281,573	110,423	366,860
Ind Mich River Transp Lakin	26,144,538	1,249,970	20,206,217	881,608	1,254,400	(1,436,344)	(186,357)	377,621	188,264	887,928
Indiana Michigan Power Co. - FERC	\$296,893,529	\$16,320,842	\$229,458,825	\$8,449,978	\$14,120,694	-\$16,310,915	-\$2,383,100	\$4,288,210	\$1,905,110	\$8,164,867
Prica River Coal	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$296,893,529	\$16,320,842	\$229,458,825	\$8,449,978	\$14,120,694	-\$16,310,915	-\$2,383,100	\$4,288,210	\$1,905,110	\$8,164,867
Kentucky Power Co - Distribution	\$38,150,825	\$2,121,273	\$29,485,464	\$746,114	\$1,797,809	-\$2,095,853	-\$294,162	\$551,035	\$256,873	\$704,843
Kentucky Power Co - Generation	22,069,080	1,217,476	17,056,435	394,756	1,038,455	(1,212,444)	(171,034)	318,757	147,723	368,488
Kentucky Power Co - Transmission	5,289,214	238,263	4,087,852	143,812	252,476	(280,582)	(39,363)	76,395	37,032	142,738
Kentucky Power Co.	\$65,509,119	\$3,577,012	\$50,629,751	\$1,284,682	\$3,088,738	-\$3,598,979	-\$504,559	\$946,187	\$441,628	\$1,216,069
Cardinal Operating Company	\$37,584,874	\$2,091,379	\$29,048,060	\$946,842	\$1,781,162	-\$2,084,860	-\$299,478	\$542,861	\$243,363	\$906,527
Cook Coal Terminal	1,967,679	106,974	1,443,465	34,330	87,834	(102,608)	(15,516)	26,876	11,460	31,016
Ohio Power Co - Distribution	219,072,052	13,446,882	169,313,275	4,421,396	10,300,279	(12,035,512)	(1,750,240)	3,184,188	1,413,948	4,100,081
Ohio Power Co - Generation	183,140,442	11,308,041	141,542,966	3,454,262	8,597,845	(10,061,479)	(1,487,838)	2,645,206	1,157,368	3,147,996
Ohio Power Co - Transmission	38,758,786	1,989,397	28,409,605	693,358	1,732,277	(2,019,476)	(304,784)	530,829	226,135	632,294
Ohio Power Co. - FERC	\$478,423,833	\$28,940,853	\$369,757,371	\$9,550,158	\$22,499,397	-\$26,283,935	-\$3,857,865	\$6,910,180	\$3,052,295	\$8,817,915
Conesville Coal Preparation Company	1,979,264	120,730	1,529,705	25,837	92,408	(108,738)	(14,962)	28,588	13,626	23,133
Ohio Power Co. - SEC	\$480,403,097	\$29,061,383	\$371,287,076	\$9,575,995	\$22,591,805	-\$26,392,673	-\$3,872,827	\$6,938,748	\$3,065,921	\$8,841,048
Public Service Co of Oklahoma - Distribution	\$81,819,509	\$4,490,081	\$63,312,779	\$2,121,450	\$3,886,543	-\$4,500,543	-\$862,617	\$1,183,212	\$520,595	\$2,028,045
Public Service Co of Oklahoma - Generation	44,531,330	2,262,119	34,416,738	1,244,657	2,121,267	(2,446,489)	(338,793)	643,192	304,399	1,224,034
Public Service Co of Oklahoma - Transmission	9,821,129	542,986	7,667,700	253,285	470,538	(545,053)	(77,486)	143,297	65,811	244,581
Public Service Co. of Oklahoma	\$136,371,968	\$7,295,186	\$105,397,217	\$3,619,592	\$6,478,348	-\$7,482,085	-\$1,078,895	\$1,969,701	\$890,806	\$3,496,661
Southwestern Electric Power Co - Distribution	\$82,210,871	\$2,873,207	\$48,080,494	\$1,884,765	\$2,965,239	-\$3,417,767	-\$164,313	\$898,546	\$734,233	\$1,966,470
Southwestern Electric Power Co - Generation	60,830,586	3,041,082	47,013,873	1,673,284	2,997,546	(3,341,947)	(486,858)	878,812	411,754	1,840,638
Southwestern Electric Power Co - Texas - Distribution	28,127,706	1,413,848	21,738,839	674,716	1,334,926	(1,545,297)	(226,513)	406,265	179,752	644,097
Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Transmission	9,255,425	515,852	7,153,201	210,075	437,507	(508,480)	(75,105)	133,882	58,577	197,779
Southwestern Electric Power Co.	\$160,424,388	\$7,843,769	\$123,986,507	\$4,242,840	\$7,635,218	-\$8,813,491	-\$932,790	\$2,317,105	\$1,384,315	\$4,448,882
AEP Texas North Company - Distribution	\$39,760,705	\$2,245,645	\$30,729,685	\$858,191	\$1,876,682	-\$2,184,397	-\$318,083	\$574,287	\$256,204	\$806,680
AEP Texas North Company - Generation	6,130,404	561,913	4,744,835	0	278,431	(337,290)	(57,877)	88,675	20,998	(37,861)
AEP Texas North Company - Transmission	6,707,106	333,490	5,183,692	204,713	320,483	(369,479)	(50,992)	96,875	45,883	202,600
AEP Texas North Co.	\$52,607,215	\$3,141,048	\$40,658,312	\$1,062,904	\$2,475,596	-\$2,890,166	-\$436,752	\$759,837	\$323,085	\$971,419
Kingsport Power Co - Distribution	\$6,851,068	\$422,728	\$6,140,382	\$132,380	\$312,290	-\$385,400	-\$52,503	\$98,005	\$43,562	\$122,812
Kingsport Power Co - Transmission	1,170,684	69,057	904,782	26,632	55,251	(64,316)	(11,877)	15,809	5,232	22,789
Kingsport Power Co.	\$7,821,752	\$491,783	\$6,045,164	\$158,992	\$367,541	-\$429,716	-\$64,180	\$112,974	\$48,794	\$145,611
Wheeling Power Co - Distribution	\$9,060,391	\$575,915	\$7,002,485	\$169,121	\$424,883	-\$497,785	-\$74,230	\$130,865	\$56,635	\$152,874
Wheeling Power Co - Transmission	276,060	38,320	213,357	0	12,213	(15,160)	(2,913)	3,887	1,379	(1,579)
Wheeling Power Co.	\$9,336,451	\$614,235	\$7,215,822	\$169,121	\$437,096	-\$512,931	-\$76,843	\$134,852	\$58,099	\$151,295
American Electric Power Service Corporation	\$530,077,539	\$26,731,093	\$408,678,749	\$16,418,246	\$25,331,051	-\$29,121,717	-\$4,547,980	\$7,656,225	\$3,108,245	\$15,735,825
American Electric Power Service Corp	\$530,077,539	\$26,731,093	\$408,678,749	\$16,418,246	\$25,331,051	-\$29,121,717	-\$4,547,980	\$7,656,225	\$3,108,245	\$15,735,825
AEP Pro Serv, Inc.	\$128,053	\$22,938	\$98,969	\$0	\$5,544	-\$7,035	-\$1,133	\$1,850	\$717	-\$774
CSW Energy, Inc.	1,309,679	34,253	1,012,206	58,475	64,183	(71,952)	(9,491)	18,916	9,425	60,131
Elmwood	7,692,548	253,289	5,945,307	433,226	380,028	(422,618)	(43,959)	111,108	67,149	457,785
AEP River Operations LLC	35,306,557	824,505	27,287,227	2,733,602	1,787,553	(1,839,693)	(200,282)	509,954	309,872	2,891,134
Miscellaneous	\$44,436,837	\$1,134,985	\$34,343,708	\$3,225,303	\$2,237,308	-\$2,441,298	-\$254,865	\$641,828	\$386,963	\$3,408,276
Total	\$2,288,005,879	\$126,147,267	\$1,768,321,267	\$58,222,085	\$108,484,587	-\$125,699,837	-\$18,197,236	\$33,047,029	\$14,849,793	\$55,856,628

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2013 Actuarial Reports

Exhibit HEM-3 includes the following 2013 AEP Actuarial Reports:

- Exhibit HEM-3A            Qualified Pension
- Exhibit HEM-3B            Supplemental Pension
- Exhibit HEM-3C            Non-UMWA Postretirement

**American Electric Power**  
**American Electric Power System Retirement Plan**  
**Actuarial Valuation Report**

**Pension Cost for Fiscal Year Ending December 31, 2013**  
**under U.S. GAAP**

**Employer Contributions for Plan Year**  
**Beginning January 1, 2013**

**April 2013**

**TOWERS WATSON** 

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## Purposes of valuation

American Electric Power ("AEP") retained Towers Watson Pennsylvania Inc. ("Towers Watson"), to perform an actuarial valuation of the American Electric Power System Retirement Plan for the purpose of determining the following:

1. The minimum required contribution in accordance with ERISA and the Internal Revenue Code (IRC) for the plan year beginning January 1, 2013.
2. The estimated maximum tax-deductible contribution for the tax year in which the 2013 plan year ends in accordance with ERISA as allowed by the IRC. The maximum tax-deductible contribution should be finalized in consultation with the Company's tax advisor.
3. Plan accounting information in accordance with FASB Accounting Standards Codification Topic 960 (ASC 960).
4. Determination of the Funding Target Attainment Percentage (FTAP) under IRC §430(d)(2), as reported in the Annual Funding Notice required under ERISA 101(f).
5. The value of benefit obligations as of January 1, 2013 and AEP's pension cost for fiscal year ending December 31, 2013 in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715).

## Limitations

This valuation has been conducted for the purposes described above and may not be suitable for any other purpose. In particular, please note the following:

1. This report is not intended to constitute a certification of the Adjusted Funding Target Attainment Percentage (AFTAP) under IRC §430 for any plan year.
2. This report does not determine the plan's liquidity shortfall requirements (if any) under IRC §430(j)(4). If applicable, we will determine such requirements separately as requested by the Company.
3. This report does not determine liabilities on a plan termination basis, for which a separate extensive analysis would be required.
4. The cost method for the minimum required contribution is established under IRC §430 and may not in all circumstances produce adequate assets to pay benefits under all optional forms of payment available under the plan when benefit payments are due.
5. This valuation reflects our understanding of the relevant provisions of the Pension Protection Act of 2006 (PPA); the Worker, Retiree and Employer Recovery Act of 2008 (WRERA); the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA), and the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21). The IRS has yet to issue final guidance with respect to certain aspects of these laws. It is possible that future guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect results shown in this report.
6. Based on an election by AEP, the 2012 valuation reflected the provisions of MAP-21 for both minimum funding requirements and benefit restriction purposes. MAP-21 imposes corridors around the segment rates used for funding purposes for 2013 plan years, with optional applicability for 2012 plan years. Under MAP-21, the corridors do not apply for purposes of determining (i) unfunded vested benefits for PBGC premium purposes, (ii) whether an ERISA §4010 filing is required with PBGC, or (iii) the maximum tax-deductible contribution.

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## Section 1: Summary of results

### Summary of valuation results

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2013	January 1, 2012
<b>Funding</b>		
Market value of assets with discounted receivable contributions	4,704,119,951	4,414,994,593
Actuarial value of assets	4,699,409,537	4,379,946,416
Funding balances	668,470,627	553,175,546
Funding target	4,024,284,946	3,821,837,296
Target normal cost	61,416,651	59,326,765
Funding shortfall (surplus)	(6,653,964)	(4,933,574)
Funding target attainment percentage (FTAP)	100.16%	100.10%
Minimum required contribution		
Prior to application of funding balances	54,762,687	54,393,192
Net of available funding balances	0	0
Effective interest rate	6.24%	6.90%
<b>U.S. GAAP Accounting (ASC 715) as of Measurement Date</b>		
Projected benefit obligation (PBO)	5,158,918,282	4,914,261,689
Fair value of assets (without receivable contributions)	4,704,119,951	4,319,006,165
Funded status	(454,798,331)	(595,255,524)
Pension cost (excluding effects of settlements, curtailments and termination benefits) for fiscal year	172,774,577	122,179,275
Discount rate	3.95%	4.55%
<b>Participants as of Census Date</b>		
Active employees	17,631	18,056
Participants with deferred benefits	4,218	6,077
Participants receiving benefits	16,292	16,262
Total	38,141	40,395
<b>Plan Accounting (ASC 960)</b>		
Present value of accumulated benefits	3,953,640,036	3,731,797,993
Market value of assets with receivable contributions	4,704,119,951	4,419,006,165
Plan accounting discount rate	6.50%	7.25%

## Minimum required contribution and funding policy

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2013	January 1, 2012
<b>Minimum Required Contribution [MRC]</b>		
Prior to application of funding balances	54,762,687	54,393,192
Net of available funding balances	0	0
<b>Sponsor's Funding Policy Contribution</b>	100,000,000	200,000,000

Our understanding of the current sponsor's funding policy is to contribute the greater of \$100 million and the minimum required contribution. We understand that the sponsor may deviate from this policy based on cash, tax or other considerations. Contributions of \$200,000,000 were made during plan year 2012 under this policy, with \$100,000,000 applied to plan year 2011 and the remainder applied to plan year 2012.

The minimum required contribution for the 2013 plan year must be partially satisfied in quarterly installments during the plan year, with a final payment due by September 15, 2014. These requirements may be satisfied through contributions and/or an election to apply the available funding balances. The minimum required contribution is determined assuming it is paid as of the valuation date for the plan year. Contributions made on a date other than the valuation date must be adjusted for interest at the plan's effective interest rate. The minimum funding schedule, before reflecting any funding balance elections or amounts already contributed for the 2013 plan year prior to the issuance of this report, is shown below:

All monetary amounts shown in US Dollars

Due Date	Amount
April 15, 2013	0
July 15, 2013	0
October 15, 2013	0
January 15, 2014	0
September 15, 2014	60,718,425

Because the plan does not have a funding shortfall, quarterly contributions for the 2013 plan year will not be required.

## Change in minimum funding requirement and funding shortfall

The minimum funding requirement increased from \$54,393,192 for the 2012 plan year to \$54,762,687 for the 2013 plan year, and the funding shortfall (surplus) declined from \$(4,933,574) on January 1, 2012 to \$(6,653,964) on January 1, 2013, as set forth below:

All monetary amounts shown in US Dollars

	Minimum Funding Requirement	Funding Shortfall (Surplus)
Prior year	54,393,192	(4,933,574)
Change due to:		
Expected based on prior valuation, contributions, and use of/creation of funding balances	7,306,644	47,334,525
Sponsor election to reduce funding balances	0	0
Unexpected noninvestment experience	1,070,255	7,370,516
Unexpected investment experience	(62,770,091)	(269,087,424)
Assumption changes	54,762,687	212,661,993
Method changes	0	0
Unpredictable contingent events	0	0
Becoming at-risk	0	0
Reflection of MAP-21	0	0
Plan amendments	0	0
Current year	54,762,687	(6,653,964)

Significant reasons for these changes include the following:

- The return on the actuarial value of assets since the prior valuation was greater than expected, which reduced the minimum funding requirement and the funding shortfall.
- The plan's effective interest rate decreased 66 basis points compared to the prior year, which increased the minimum funding requirement and the funding shortfall.
- The required mortality table used to value the funding target and target normal cost was updated to include one additional year of projected mortality improvements, which increased the minimum funding requirement and the funding shortfall.
- The long-term cash balance interest crediting rate was changed from 4.50% to 4.00%, which decreased the minimum funding requirement.
- Assumed plan-related expenses of \$3,568,058 were less than those in the prior year which decreased the minimum funding requirement.

## Funding ratios

The Pension Protection Act of 2006 (PPA) defines several Funding Ratios. All of these ratios are based on a ratio of plan assets to plan liabilities, but the assets and liabilities are defined differently for different purposes. Depending on the purpose, the assets may be market value or, if different, a smoothed actuarial value of assets, and may be reduced by the prefunding balance or all funding balances. The liabilities may be based on the funding target, funding target disregarding at-risk assumptions, or the funding target calculated using at-risk assumptions (see the At-Risk status section below for a discussion of at-risk assumptions), and may or may not reflect the interest rate corridors of MAP-21.

Following are the key funding ratios and their implications for the 2013 or 2014 plan years.

Purpose of Ratio	Percent	Threshold	Implications
<b>January 1, 2012 Funding Ratios</b>			
Use of the funding balances to satisfy the 2013 Minimum Required Contribution (MRC)	105.93%	80%	Because the percent is greater than or equal to the threshold, the funding balances can be used to satisfy 2013 MRC
Quarterly contribution exemption test for 2013	100.10%	100%	Because the percent is greater than or equal to the threshold, quarterly contributions are not required for 2013
At-risk Prong 1 Test for 2013	100.10%	80%	Because at least one of the percents is greater than or equal to the thresholds, the plan is not at risk in 2013
At-risk Prong 2 Test for 2013	N/A	70%	
<b>January 1, 2013 Funding Ratios</b>			
Use of the funding balances to satisfy the 2014 MRC	104.88%	80%	Because the percent is greater than or equal to the threshold, the funding balances can be used to satisfy 2014 MRC
Quarterly contribution exemption test for 2014	100.16%	100%	Because the percent is greater than or equal to the threshold, quarterly contributions are not required for 2014
At-risk Prong 1 Test for 2014	100.16%	80%	Because at least one of the percents is greater than or equal to the thresholds, the plan is not at risk in 2014
At-risk Prong 2 Test for 2014	N/A	70%	
PBGC 4010 filing in 2014	86.47%	80%	Because the percent is greater than or equal to (less than) the threshold, this plan does not (may) trigger a 4010 filing in 2014
PBGC variable premium for 2013	100.91%	100%	Because the percent is greater than or equal to the threshold, PBGC variable premiums are not required in 2013

**January 1, 2013 Funding Ratios (continued)**

Exempt from establishing SAB – prefunding balance applied to the 2013 MRC	116.77%	100%	Because the percent is greater than or equal to the threshold, if prefunding balance is applied to the 2013 MRC, a new Shortfall Amortization Base (SAB) is not created
Exempt from establishing SAB – prefunding balance not applied to the 2013 MRC	116.77%	100%	Because the percent is greater than or equal to the threshold, if prefunding balance is not applied to the 2013 MRC, a new Shortfall Amortization Base (SAB) is not created
Eliminate SABs	100.16%	100%	Because the percent is greater than or equal to the threshold, the Shortfall Amortization Bases are eliminated

**Benefit limitations**

The Adjusted Funding Target Attainment Percentage (AFTAP) for the plan year beginning January 1, 2013 is 116.77%. This AFTAP reflects the segment interest rate corridors of MAP-21. This AFTAP may be changed by subsequent events.

Under the PPA, a plan may become subject to various benefit limitations if its AFTAP falls below certain thresholds.

If the AFTAP is below 60%, plans are prohibited from paying lump sums or other accelerated forms of distribution. If the AFTAP is at least 60% but less than 80%, the amounts which can be paid are limited. In addition, lump sums to the 25 highest paid employees may be restricted if a plan's AFTAP is below 110%. These limitations do not apply to mandatory lump sum cash-outs of \$5,000 or less. In addition, plans which were completely frozen before September 2005 are exempt from the restrictions on lump sums and other accelerated forms of distribution.

If the AFTAP is below 60%, benefit accruals must cease, amendments to improve benefits cannot become effective, and plant shutdown benefits and other Unpredictable Contingent Event Benefits (UCEBs) cannot be paid without being fully paid for. In addition, if the AFTAP would be below 80% reflecting a proposed amendment, the plan amendment cannot take effect unless actions are taken to increase plan assets.

To avoid these benefit limitations, a plan sponsor may take a variety of steps, including reducing the funding balances, contributing additional amounts to the plan for the prior plan year, contributing special "designated IRC §436 contributions" for the current plan year, or providing security outside the plan. Not all of these approaches are available for all of the restrictions discussed above. For example, restrictions on accelerated distributions cannot be avoided by making designated IRC §436 contributions.

## PBGC reporting requirements

Certain financial and actuarial information (i.e., a "4010 filing") must be provided to the PBGC if the Funding Target Attainment Percentage (FTAP) is less than 80% for any plan in the contributing sponsor's controlled group. However, this reporting requirement may be waived for controlled groups with no more than \$15 million in aggregate funding shortfall. Note that the segment interest rate corridors of MAP-21 do not apply for purposes of determining the FTAP for PBGC 4010 reporting purposes, but they do apply (assuming segment rates are used for funding purposes) for the purpose of determining whether there is \$15 million in aggregate funding shortfall in the controlled group.

The 2013 FTAP for PBGC 4010 reporting is 86.47%. In addition, we understand that American Electric Power System Retirement Plan is the only pension plan within American Electric Power's controlled group. As a result, no 4010 filing is expected to be required for 2013 as a result of the plans' funded status. However, a filing may be required if there are outstanding funding waivers or missed contributions within the controlled group.

## At-Risk status for determining minimum required contributions

As defined in the PPA, the plan is not in at-risk status for the 2013 plan year, because the plan's FTAP for the 2012 plan year was at least 80%, and/or the plan's FTAP measured using "at-risk assumptions" was at least 70%.

As defined in the PPA, the plan will not be in at-risk status for the 2014 plan year, because the plan's FTAP for the 2013 plan year is at least 80%, and/or the plan's FTAP measured using "at-risk assumptions" is at least 70%. At-risk status is determined using the same interest rates used for other funding calculation purposes and thus reflects the interest rate corridors of MAP-21.

## Pension cost and funded position

The cost of the pension plan is determined in accordance with ASC 715. The Fiscal 2013 pension cost for the plan is \$172,774,577.

Under ASC 715, the funded position (fair value of plan assets less the projected benefit obligation, or "PBO") of each pension plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as an asset (for overfunded plans) or a liability (for underfunded plans). The PBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's overfunded/(underfunded) PBO as of January 1, 2013 was \$(454,798,331), based on the fair value of plan assets of \$4,704,119,951 and the PBO of \$5,158,918,282.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the funded position at December 31, 2012 was derived from a roll forward of the January 1, 2012 valuation results, adjusted for the year-end discount rate, changes in other key assumptions and asset values, as well as significant changes in plan provisions and participant population. The fiscal year-end December 31, 2013 financial reporting information will be developed based on the results of the January 1, 2013 valuation, projected to the end of 2013 and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

## Change in pension cost and funded position

The pension cost increased from \$122,179,275 in fiscal 2012 to \$172,774,577 in fiscal 2013 and the funded position improved from \$(595,255,524) to \$(454,798,331), as set forth below:

	Pension Cost	Funded Position
Prior year	122,179,275	(595,255,524)
Change due to:		
▶ Expected based on prior valuation and contributions during prior year	(13,499,280)	223,476,225
▶ Unexpected noninvestment experience	6,801,993	(17,789,763)
▶ Unexpected investment experience	27,833,325	232,842,849
▶ Assumption changes	29,459,295	(298,072,118)
▶ Plan amendments	0	0
▶ Method change	0	0
▶ Interim events	0	0
Current year	172,774,577	(454,798,331)

Significant reasons for these changes include the following:

- The return on the fair value of plan assets since the prior measurement date was greater than expected, which improved the funded position.
- The return on the market-related value of plan assets, which reflects gradual recognition of asset gains and losses over the past five years, was less than expected, which increased the pension cost.
- Contributions to the plan during the prior year reduced the pension cost and improved the funded position.
- The discount rate declined 60 basis points compared to the prior year, which increased the pension cost and caused the funded position to deteriorate.
- The mortality used to develop benefit obligations was updated for an additional year of mortality improvements which increased the pension cost and worsened the funded position.
- The long-term cash balance interest crediting rate was changed from 4.50% to 4.00%, which decreased the pension cost and improved the funded position.
- The lump sum conversion rate was changed from 6.25% to 5.10% and the mortality table used in lump sum conversions was updated to reflect an additional year of mortality improvements, which decreased the pension cost and improved the funded position.

## Basis for valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes the principal provisions of the plan being valued.

### Changes in Assumptions

The discount rate decreased from 4.55% to 3.95%.

The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants to RP2000 with projections to 2020 for annuitants and to 2028 for nonannuitants.

The mortality used to convert to 417(e) based forms of payment was updated for an additional year of mortality improvements.

The long-term cash balance interest crediting rate was changed from 4.50% to 4.00%.

The lump sum conversion rate was changed from 6.25% to 5.10%.

### Changes in Methods

None.

### Changes in Benefits Valued

Benefit accruals were suspended for a small group of employees who transferred to AEP Energy (formerly known as BlueStar Energy Solutions).



## Actuarial certification

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However please note the information discussed below regarding this valuation.

### Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, assets and sponsor elections provided by AEP and other persons or organizations designated by AEP. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. In addition, the results in this report are dependent on contributions reported for the prior plan year and maintenance of funding balance elections after the valuation date. We have relied on all the information provided as complete and accurate. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or information regarding contributions or funding balance maintenance provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by AEP, may produce materially different results that could require that a revised report be issued.

### Assumptions and methods under ERISA and the Internal Revenue Code for funding purposes

As prescribed by regulation, the plan sponsor selected key assumptions and funding methods (including asset valuation method and choice among prescribed interest rates including MAP-21 alternatives) employed in the development of the contribution amounts and communicated them to us in the email dated March 26, 2013. To the extent not prescribed by ERISA, the Internal Revenue Code and regulatory guidance from the Treasury and the IRS, or selected by the sponsor, the actuarial assumptions and methods employed in the development of the contribution amounts have been selected by Towers Watson, with the concurrence of the plan sponsor. It is beyond the scope of this actuarial valuation to analyze the reasonableness and appropriateness of prescribed methods and assumptions, or to analyze other sponsor elections from among the alternatives available for prescribed methods and assumptions.

Other than prescribed assumptions, ERISA and the Internal Revenue Code require the use of assumptions each of which is "reasonable (taking into account the experience of the plan and reasonable expectations), and which, in combination, offer the actuary's best estimate of anticipated experience under the plan." The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated or selected by Towers Watson, we consider to be reasonable and within the "best-estimate range" as described by the Actuarial Standards of Practice. Other actuarial assumptions could also be considered to be reasonable and within the best-estimate range. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

A summary of the assumptions and methods used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the 2013 plan year will change the results shown in this report and could result in plan qualification issues under IRC §436 if the application of benefit restrictions is affected by the change.

### Assumptions and methods under ASC 715-30-35

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the pension cost have been selected by the plan sponsor. Towers Watson has concurred with these assumptions and methods, except for the expected rate of return on plan assets selected as of January 1, 2013. Evaluation of the expected return assumption was outside the scope of Towers Watson's assignment and would have required substantial additional work which we were not engaged to perform. ASC 715-30-35 requires that each significant assumption "individually represent the best estimate of a particular future event."

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with AEP's tax advisors and auditors.

### Nature of actuarial calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded, but this is for convenience only and should not imply precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs or contribution requirements reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this valuation to analyze the potential range of future pension contributions, but we can do so upon request.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

### Limitations on use

This report is provided subject to the terms set out herein and in our master consulting services agreement dated July 29, 2004 and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of AEP and its auditors, and any organization which provides benefit administration services for the plan, in connection with our actuarial valuation of the pension plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. AEP may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require AEP to provide them this report, in which case AEP will use best efforts to notify Towers Watson in advance of this distribution and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, Towers Watson accepts no responsibility for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no other intended beneficiaries of this report or the work underlying it.

### Professional qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Pennsylvania Inc.



Joseph A. Perko, FSA, EA, MAAA  
Senior Consultant



Ryan S. Carney, FSA, EA, MAAA  
Senior Consultant

Towers Watson Pennsylvania Inc.

April 2013

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## Section 2: Actuarial exhibits

### 2.1 Summary of liabilities for minimum funding purposes

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2013	January 1, 2012
<b>A Funding Target (Disregarding At-risk Assumptions)</b>		
1 Funding target	4,024,284,946	3,821,837,296
2 Target normal cost	61,416,651	59,326,765
<b>B Funding Target (At-risk Assumptions)</b>		
1 Funding target	N/A	N/A
2 Target normal cost	N/A	N/A
<b>C Funding Target</b>		
1 Number of consecutive years at-risk	0	0
2 Funding target		
a Active employees – non-vested benefits	46,678,501	41,529,674
b Active employees – vested benefits	1,477,502,076	1,343,713,475
c Participants with deferred benefits	223,969,681	284,120,904
d Participants receiving benefits	2,276,134,688	2,152,473,243
e Total funding target	4,024,284,946	3,821,837,296
3 Target normal cost	61,416,651	59,326,765

## 2.2 Change in plan assets during plan year

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2012
<b>A Reconciliation of Market Value of Assets</b>	
1 Market value of assets at January 1, 2012 (including discounted contributions receivable)	4,414,994,598
2 Discounted contributions receivable at January 1, 2012	95,988,429
3 Market value of assets at January 1, 2012 (excluding contributions receivable)	4,319,006,165
4 Employer contributions	
a For prior plan year	100,000,000
b For current plan year	100,000,000
c IRC §436 contributions for current plan year	0
d Total	200,000,000
5 Employee contributions	0
6 Benefit payments	(366,485,121)
7 Administrative expenses paid by plan	(3,568,058)
8 Transfers from/(to) other plans	0
9 Investment return	555,166,965
10 Market value of assets at January 1, 2013 (excluding contributions receivable)	4,704,119,951
11 Discounted contributions receivable at January 1, 2013	0
12 Market value of assets at January 1, 2013 (including discounted contributions receivable)	4,704,119,951
<b>B Rate of Return on Invested Assets (i.e., for crediting unused funding balances)</b>	
1 Weighted invested assets	4,169,652,604
2 Rate of return	13.23%

### 2.3 Development of actuarial value of assets

AEP elected a smoothing method that uses seven monthly data points to calculate the AVA.

All monetary amounts shown in US Dollars

Plan Year Beginning				January 1, 2013
Development of AVA				
Month	Expenses	Benefit Payments	Contributions	Fair Value at Beginning of Month
July 2012	204,281	25,242,777	0	4,472,788,206
August 2012	88,947	105,713,702	0	4,572,863,526
September 2012	263,881	25,309,869	100,000,000	4,503,415,988
October 2012	102,478	24,490,377	0	4,623,228,571
November 2012	50,232	21,936,127	0	4,606,793,982
December 2012	239,548	21,060,221	100,000,000	4,600,245,054
AVA with receivables				
<b>A Preliminary Actuarial Value of Assets before Corridor as of January 1, 2013</b>				
1 Monthly asset values adjusted for expenses and benefit payments rolled forward to January 1, 2013 (including discounted rates of contributions receivable from C above)				
Month	Asset value			
a July 2012	4,607,775,914			
b August 2012	4,707,190,136			
c September 2012	4,717,321,224			
d October 2012	4,736,109,056			
e November 2012	4,717,366,495			
f December 2012	4,705,983,989			
g January 2013	4,704,119,951			
h Average of monthly asset values	4,699,409,537			
2 Preliminary Actuarial Value of Assets and before application of corridor				
				4,699,409,537
<b>B</b>	Lower Bound of Corridor (90% of A12 from prior page)			4,233,707,956
<b>C</b>	Upper Bound of Corridor (110% of A12 from prior page)			5,174,531,946
<b>Actuarial Value of Assets as of January 1, 2013</b>				
<b>D</b>	<b>(A2 but not smaller than B nor larger than C)</b>			4,699,409,537

## 2.4 Calculation of minimum required contribution

All monetary amounts shown in US Dollars

Reconciliation of Funding Balances as of January 1, 2013			
	Funding Standard Carryover Balance	Prefunding Balance	Total
<b>A Determination of Funding Balances</b>			
1 Funding balance as of January 1, 2012	222,029,014	331,146,532	553,175,546
2 Amount used to offset prior year minimum required contribution <sup>1</sup>	54,393,192	0	54,393,192
3 Adjustment for investment experience	22,178,219	43,810,686	65,988,905
4 Amount of additional prefunding balance created by election	N/A	103,699,368	103,699,368
5 Amount of funding balance reduction for current year by election or deemed election <sup>2</sup>	0	0	0
6 Funding balance as of January 1, 2013	189,814,041	478,656,586	668,470,627

Plan Year Beginning	January 1, 2013
<b>B Calculation of Minimum Required Contribution</b>	
1 Target normal cost	61,416,651
2 Funding surplus	(6,653,964)
3 Net shortfall amortization installment	0
4 Waiver amortization installment	0
5 Minimum required contribution	54,762,687
6 Funding balance available	668,470,627
7 Remaining cash requirement (assuming sponsor elects full use of the available funding balances)	0

The minimum required contribution is determined as of the plan's valuation date. Any payment made on a date other than the valuation date must be adjusted for interest using the plan's effective interest rate of 6.24%.

Additional details regarding the calculation of the minimum required contribution may be obtained from the Form 5500 Schedule SB forms and attachments.

<sup>1</sup> Net of revoked excess application of funding balance, if any.  
<sup>2</sup> Net of any forfeitures elected to be reinstated under MAP-21.



## 2.5 Calculation of estimated maximum deductible contribution

All monetary amounts shown in US Dollars

Based on Plan Year	2013
<b>A Basic Maximum</b>	
1 Funding target	4,024,284,946
2 Target normal cost	61,416,651
3 Actuarial value of assets	4,699,409,537
4 50% of funding target	2,012,142,473
5 Additional funding target for future compensation or benefit increases	84,491,766
6 Basic maximum deductible contribution	1,482,926,299
<b>B At-risk Maximum<sup>1</sup></b>	
1 Funding target (at-risk assumptions)	N/A
2 Target normal cost (at-risk assumptions)	N/A
3 Actuarial value of assets	N/A
4 At-risk maximum deductible contribution	N/A
<b>C Minimum Required Contribution</b>	54,762,687
<b>D Estimated Maximum Deductible Contribution</b>	1,482,926,299

The estimated maximum deductible contribution applies to the tax year in which the plan year ends, and is based on our understanding of IRC §404(a)(1). Regulatory guidance from the IRS/Treasury is pending. Allocations of costs to inventory have not been considered, and amounts deductible under state law may differ. Deductibility can be influenced by timing of contributions, differences between fiscal year and plan year, and differences (if any) between the years to which prior contributions were assigned for minimum funding purposes and the years in which they were deducted. Our results have not been adjusted for non-deducted contributions included in the valuation assets. We recommend the plan sponsor review with tax counsel the tax-deductibility of all contributions as Towers Watson does not provide legal or tax advice.

The calculation above reflects the interest rate corridors of MAP-21 and treats the plan as not at-risk because it is not at-risk for purposes of determining minimum required contributions. Not reflecting such corridors and reflecting the plan's possible at-risk status when determined ignoring the corridors would likely result in higher maximum deductible amounts, but would require substantial additional work that may not be of value to AEP. We can discuss not reflecting the corridors if AEP wishes to consider contributions in excess of the estimated maximum above.

<sup>1</sup> At-risk maximum applies only for plans not in at-risk status for purposes of determining maximum deductible contributions for the plan year.

## 2.6 ASC 960 (plan accounting) information

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2013
<b>A Present Value of Accumulated Benefits</b>	
1 Vested accumulated benefits	
a Active employees	1,469,862,377
b Participants with deferred benefits	224,300,319
c Participants receiving benefits	2,213,364,404
d Total vested accumulated benefits	3,907,527,100
2 Non-vested accumulated benefits	46,112,936
3 Total accumulated benefits	3,953,640,036
4 Market value of assets <sup>1</sup>	4,704,119,951
<b>B Reconciliation of Present Value of Accumulated Benefits</b>	
1 Present value of accumulated benefits as of December 31, 2011	3,731,797,993
2 Changes during the year due to:	
a Benefits accumulated	53,930,570
b Actuarial (gains)/losses	38,171,168
c Decrease in the discount period	257,502,709
d Actual benefits paid	(366,485,121)
e Assumption changes	238,722,717
f Plan amendments	0
g Net increase/(decrease)	221,842,043
3 Present value of accumulated benefits as of December 31, 2012	3,953,640,036

**Actuarial Assumptions and Methods**

The same actuarial assumptions shown in Appendix A were used to determine the present value of accumulated benefits, except a discount rate of 6.50% was used. For the prior valuation, a discount rate of 7.25% was used. The same plan provisions shown in Appendix B were used to determine the present value of accumulated benefits.

<sup>1</sup> Assets include accrued contributions for the 2012 plan year of \$ 0 not yet deposited at January 1, 2013.

## 2.7 Pension obligations and funded position under U.S. GAAP (ASC 715)

All monetary amounts shown in US Dollars

Measurement Date	January 1, 2013	January 1, 2012
<b>A Obligations</b>		
1 Accumulated Benefit Obligation (ABO)	5,029,758,827	4,814,889,372
2 Future salary increases	129,159,455	99,372,317
3 Projected benefit obligation (PBO)	5,158,918,282	4,914,261,689
<b>B Assets</b>		
1 Fair value [FV]	4,704,119,951	4,319,006,165
2 Investment losses/(gains) not yet in market-related value	(306,922,548)	91,990,332
3 Market-related value	4,397,197,403	4,410,996,497
<b>C Funded Position</b>		
1 Overfunded/(underfunded) PBO	(454,798,331)	(595,255,524)
2 PBO funded percentage	91.2%	87.9%
<b>D Amounts in Accumulated Other Comprehensive Income</b>		
1 Prior service cost/(credit)	10,408,177	8,876,014
2 Net actuarial loss/(gain)	2,098,866,513	2,163,034,523
3 Total	2,109,274,690	2,171,910,537
<b>E Key Assumptions</b>		
1 Discount rate	3.95%	4.55%
2 Rate of compensation increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
<b>F Census Date</b>		
	January 1, 2013	January 1, 2012

The results above may differ from the amounts disclosed in AEP's December 31, 2012 financial statements because disclosures are prepared before the corresponding valuation results are available.

## 2.8 Pension cost under U.S. GAAP (ASC 715)

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2013	December 31, 2012
<b>A Pension Cost</b>		
1 Service cost	68,688,725	75,709,045
2 Interest cost	199,615,109	219,570,788
3 Expected return on assets	(277,771,978)	(318,756,058)
4 Net prior service cost/(credit) amortization	2,507,561	(1,532,165)
5 Net loss/(gain) amortization	179,735,160	147,187,665
6 Net periodic pension cost/(income)	172,774,577	122,179,275
7 Curtailments	0	0
8 Settlements	0	0
9 Special/contractual termination benefits	0	0
10 Total pension cost	172,774,577	122,178,652
<b>B Key Assumptions<sup>1</sup></b>		
1 Discount rate	3.95%	4.55%
2 Rate of return on assets	6.50%	7.25%
3 Cash balance crediting rate	4.00%	4.50%
3 Rate of compensation increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
<b>C Census Date</b>		
	January 1, 2013	January 1, 2012

<sup>1</sup> These assumptions were used to calculate Net Periodic Pension Cost/(Income) as of the beginning of the year. For other assumptions used, as well as assumptions used for interim remeasurements, if any, refer to Appendix A.

2.9 Development of market-related value of assets under U.S. GAAP (ASC 715)

All monetary amounts shown in US Dollars

Fiscal Year Ending		December 31, 2013	
<b>Market-Related Value of Assets as of January 1, 2013</b>			
1	Fair value of assets as of January 1, 2013		4,704,119,951
2	Deferred investment (gains)/losses for prior periods		
<b>Fiscal Year</b>	<b>(Gain)/Loss</b>	<b>Percent Deferred</b>	<b>Deferred Amount</b>
a 2012	(249,128,700)	80%	(199,302,960)
b 2011	10,601,513	60%	6,360,908
c 2010	(162,738,544)	40%	(65,095,418)
d 2009	(244,425,390)	20%	(48,885,078)
e Total			(306,922,548)
3	<b>Market-Related Value of Assets</b>		<b>4,397,197,403</b>

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## Section 3: Participant data

### 3.1 Summary of plan participants

All monetary amounts shown in US Dollars

Census Date	January 1, 2013	January 1, 2012
<b>A Active Employees</b>		
1 Number	17,631	18,056
2 Expected plan compensation for year beginning on the valuation date (limited by IRC §401(a)(17))	1,573,666,355	1,543,088,651
3 Average plan compensation	89,256	85,461
4 Average age	46.8	46.3
5 Average credited service	17.3	16.8
6 Average future working life (years)	10.51490	10.73200
7 Total accrued benefits	1,662,064,618	1,586,368,748
8 Average accrued benefits	94,269	87,858
<b>B Participants with Deferred Benefits</b>		
1 Number (non-cash balance)	2,479	4,447
2 Total annual pension (non-cash balance)	21,017,548	34,295,063
3 Average annual pension (non-cash balance)	8,478	5,643
4 Number of cash balance	1,739	1,630
5 Total cash balance	137,581,778	129,672,074
6 Average cash balance	79,115	79,553
7 Average age	53.5	54.2
8 Distribution at January 1, 2013		
<b>NON-CASH BALANCE</b>		
Age	Number	Average annual pension
Under 40	20	19,136
40-44	42	8,349
45-49	280	6,518
50-54	716	7,630
55-59	814	8,748
60-64	592	9,713
65 and over	15	8,351
Total	2,479	8,478
<b>CASH BALANCE</b>		
Age	Number	Average cash balance
Under 40	330	13,202
40-44	139	26,525
45-49	255	43,516
50-54	339	67,934
55-59	383	121,016
60-64	230	164,760
65 and over	63	177,274
Total	1,739	79,115

**C Participants Receiving Benefits**

1 Number	16,292	16,262
2 Total annual pension	240,599,847	234,664,371
3 Average annual pension	14,768	14,430
4 Average age	73.70	73.50
5 Distribution at January 1, 2013		

Age	Number	Average annual pension
Under 55	97	4,866
55-59	743	16,915
60-64	2,228	20,889
65-69	3,235	15,244
70-74	2,586	12,311
75-79	2,497	14,290
80-84	2,364	14,346
85 and over	2,542	11,908
Total	16,292	14,768



### 3.2 Participant reconciliation

	Active	Deferred Inactive	Currently Receiving Benefits	Total
1. Included in January 1, 2012 valuation	18,056	6,077	16,262	40,395
2. Change due to:				
a. New hire and rehire	613	(7)	(2)	604
b. Non-vested termination	(133)	0	0	(133)
c. Vested termination	(321)	321	0	0
d. Retirement	(165)	(315)	480	0
e. Disability	(81)	81	0	0
f. Death without beneficiary	(2)	(17)	(573)	(592)
g. Death with beneficiary	(5)	(8)	(228)	(241)
h. New beneficiary	0	0	241	241
i. Cashout	(344)	(1,920)	(4)	(2,268)
j. Miscellaneous	13	6	116	135
k. Net change	(425)	(1,859)	30	(2,254)
3. Included in January 1, 2013 valuation	17,631	4,218	16,292	38,141

## 3.3 Age and service distribution of participating employees

Attained Age	Years of Credited Service														
	Under 1			1 to 4			5 to 9			10 to 14			15 to 19		
	No.	Average		No.	Average		No.	Average		No.	Average		No.	Average	
		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.
<25				295	58,960	3,441	24	62,685	8,618						
25 to 29	3			649	67,305	6,210	504	75,300	13,347	12					
30 to 34	3			560	70,639	7,970	835	78,426	16,853	231	84,954	29,110	4		
35 to 39	1			434	73,899	9,520	707	82,378	20,899	459	88,842	38,523	115	89,782	52,158
40 to 44				338	77,844	11,946	610	82,541	24,475	439	96,696	48,598	298	94,730	64,953
45 to 49	4			232	76,603	12,894	452	83,576	28,424	426	91,306	55,186	308	93,429	78,027
50 to 54	1			174	76,665	14,529	356	85,288	32,579	286	96,277	66,961	243	89,395	86,495
55 to 59	1			129	73,493	16,183	208	85,027	37,101	225	99,701	78,347	154	92,315	105,086
60 to 64				64	78,921	19,739	96	81,940	37,468	109	92,748	78,189	67	84,301	108,092
65 to 69				8			26	98,298	51,701	29	102,923	98,829	6		
>70							1			8			2		

Note: Chart formatted to comply with instructions for Schedule SB of the 2013 Form 5500.

Attained Age	Years of Credited Service														
	20 to 24			25 to 29			30 to 34			35 to 39			40 & up		
	No.	Average		No.	Average		No.	Average		No.	Average		No.	Average	
		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.		Comp.	Cash Bal.
<25															
25 to 29															
30 to 34															
35 to 39	1														
40 to 44	214	101,961	88,871	10											
45 to 49	588	101,676	104,954	514	98,382	126,977	58	92,649	149,049						
50 to 54	495	93,424	120,650	1,006	100,763	155,110	1,160	97,496	182,220	89	96,635	211,018			
55 to 59	312	91,017	138,109	539	98,331	181,636	1,039	102,613	221,429	620	97,759	238,198	23	100,034	259,485
60 to 64	109	88,795	156,789	156	92,754	193,693	208	102,141	248,102	180	108,500	311,168	91	98,549	311,687
65 to 69	12			22	108,246	250,427	18			6			21	115,198	423,037
>70	2			1									1		

Note: Chart formatted to comply with instructions for Schedule SB of the 2013 Form 5500.

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# Appendix A : Statement of actuarial assumptions and methods

## Actuarial Assumptions and Methods — Contributions

### Economic Assumptions

Interest rate basis:

- Applicable month (published) October 2012
- Yield curve basis Segment rates
- MAP-21 applied for funding Yes
- MAP-21 applied for benefit restrictions Yes

Funding interest rates:

	Reflecting Corridors	Not Reflecting Corridors
● First segment rate	4.94%	1.72%
● Second segment rate	6.15%	4.58%
● Third segment rate	6.76%	5.67%
● Effective interest rate	6.24%	4.68%

Annual rates of increase

- Compensation:
 

	<i>Age</i>	<i>Rate</i>
– Representative rates	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
– Weighted average		4.95%
- Cash balance crediting rate 4.00%
- Lump sum/annuity conversion rate October 2012 segment rates
- Future Social Security wage bases 4.00%
- Statutory limits on compensation N/A
- Expected rate of return on assets for prior year 7.25% but not greater than the third segment rate

**Demographic Assumptions**

**Inclusion Date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

**Mortality**

- **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2028 using Scale AA and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2020 using Scale AA.
- **Disabled** Post-1994 current liability disabled
- **Lump sum/annuity conversion** Applicable 417(e) IRS Mortality Table

**Termination** Rates varying by age and service:

Percentage leaving during the year		
Attained Age	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

**Disability** Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Percentage becoming disabled during the year		
Age	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

**Retirement** Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%

**Benefit commencement date:**

- Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- Deferred vested benefit      The later of age 55 or termination of employment.
- Disability benefit      Upon disablement.
- Retirement benefit      Upon termination of employment.

**Form of payment**

40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

**Percent married**

80% of male participants; 70% of female participants.

**Spouse ages**

Wives are assumed to be three years younger than husbands.

**Valuation pay**

2013 base salary pay (Grandfathered) – not estimated due to freeze of final average pay accruals at December 31, 2010.

2013 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2012 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

**At-risk assumptions**

If at-risk calculations are required, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually a joint and survivor form of payment.

**Timing of benefit payments**

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

**Methods**

**Valuation date**

First day of plan year.

**Funding target**

Present value of accrued benefits.

**Target normal cost**

Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from the trust (based on actual trust expenses paid in previous year, adjusted by the difference between the prior and expected current year PBGC premiums).

#### Actuarial value of assets

Average of the fair market value of assets on the valuation date and the six immediately preceding months, adjusted for contributions, benefit/expense payments and expected investment returns. The average asset value must be within 10% of fair value, including contributing receivable. The method of computing the actuarial value of assets complies with rules governing the calculation of such values under PPA.

These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.

#### Benefits Not Valued

All benefits were valued except:

- Any liabilities that may be reinstated in the event of reemployment
- The alternate benefit formula for members who did not elect to withdraw their employee contributions
- Any liabilities relating to members' unwithdrawn employee contributions
- Liabilities related to special benefits as a result of termination due to downsizing and restructuring

#### Change in Assumptions and Methods Since Prior Valuation

The interest rates used to calculate the funding target, target normal cost and to convert 417(e) based forms of payments were updated from the segment rates as of October 2011 to the segment rates as of October 2012.

The required mortality table used to value the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

Assumed plan-related expenses of \$3,568,058 were added to the target normal cost.

The long-term cash balance interest crediting rate was changed from 4.50% to 4.00%.

#### Data Sources

Towers Watson used participant and asset data as of January 1, 2013, supplied by ACS, the third party database for the AEP pension data with the exception of certain elements taken from the dbConnect pension calculator database. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made or by Towers Watson actuaries when data were not available and are documented in our e-mail dated March 1, 2013. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.



## Actuarial Assumptions and Methods — Pension Cost

### Economic Assumptions

Discount rate		3.95%
Return on assets*		6.50%
Annual rates of increase		
• Compensation:		
	<i>Age</i>	<i>Rate</i>
– Representative rates		
	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
– Weighted average		4.95%
• Cash balance crediting rate		4.00%
• Lump sum/annuity conversion rate		5.10%
• Future Social Security wage bases		4.00%
• Statutory limits on compensation		3.00%

The return on assets shown above is net of investment expenses and administrative expenses assumed to be paid from the trust.

\* Also used as discount rate for plan accounting (ASC 960) purposes.

**Demographic Assumptions**

Inclusion Date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality	
Healthy	Separate rates for (1) non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2028 using Scale AA and (2) annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2020 using Scale AA.
Disabled	RP2000 disabled retiree, no projection.
Lump sum/annuity conversion	Applicable 417(e) IRS Mortality Table
Termination	Rates varying by age and service

Attained Age	Percentage leaving during the year	
	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

Disability

Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Age	Percentage becoming disabled during the year	
	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

Retirement

Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%

Benefit commencement date:

- Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- Deferred vested benefit      The later of age 55 or termination of employment.
- Disability benefit      Upon disablement.
- Retirement benefit      Upon termination of employment.

Form of payment      40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

Percent married      80% of male participants; 70% of female participants.

Spouse ages      Wives are assumed to be three years younger than husbands.

Valuation pay      2013 base salary pay (Grandfathered) – not estimated due to freeze of final average pay accruals at December 31, 2010.

2013 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2012 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

Administrative expenses      Discount rate is net of expenses paid by the trust.

Timing of benefit payments      Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

## Methods

Service cost and projected benefit obligation	Projected unit credit
Market-related value of assets	<p>The market value on the valuation date less the following percentages of prior years' investment gains and losses:</p> <ul style="list-style-type: none"> <li>– 80% of the prior year</li> <li>– 60% of the second prior year</li> <li>– 40% of the third prior year</li> <li>– 20% of the fourth prior year</li> </ul> <p>The investment gain or loss is calculated each year by:</p> <ul style="list-style-type: none"> <li>– Rolling forward the prior year's fair value of assets with actual contributions, benefit payments and expected return on investments using the long-term yield assumption</li> <li>– Comparing the actual fair value of assets to the expected value calculated above.</li> </ul>
Benefits not valued	<p>All benefits were valued except:</p> <ul style="list-style-type: none"> <li>– Any liabilities that may be reinstated in the event of reemployment</li> <li>– The alternate benefit formula for members who did not elect to withdraw their employee contributions</li> <li>– Any liabilities relating to members' unwithdrawn employee contributions</li> <li>– Liabilities related to special benefits as a result of termination due to restructuring or downsizing</li> </ul>
Change in assumptions and methods since prior valuation	<p>The discount rate was decreased from 4.55% to 3.95%.</p> <p>The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants to RP2000 with projections to 2020 and 2028, respectively.</p> <p>The mortality table used for lump sum/annuity conversions was updated for an additional year of mortality improvements.</p> <p>The expected return on assets was decreased from 7.25% to 6.50%.</p> <p>The long-term cash balance interest crediting rate was changed from 4.50% to 4.00%.</p> <p>The lump sum conversion rate decreased from 6.25% to 5.10%.</p>
Data Sources	<p>Towers Watson used participant and asset data as of January 1, 2013, supplied by ACS, the third party database for the AEP pension data with the exception of certain elements taken from the dbConnect pension calculator database. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made or by Towers Watson actuaries when data were not available and are documented in our e-mail dated March 1, 2013. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.</p>

## Appendix B1 : Summary of plan provisions covered by the former East Retirement Plan

### Plan Provisions

Effective Date	May 1, 1955. Restated effective January 1, 2012.
Recent Amendments	Executed as of April 3, 2012.
Covered Employees	Employees become Members of the Plan on the first day of the month following completion of one year of service.
Participation Date	Date of becoming a covered employee.

### Definitions

Grandfathered employee	<p>If, on December 31, 2000, either:</p> <ul style="list-style-type: none"> <li>– Participating in AEP System Retirement Plan, or</li> <li>– In one-year waiting period for AEP System Retirement Plan participation.</li> </ul>
Vesting service	A period of time from employment date to termination date and, in general, includes periods of severance that are not in the excess of 12 months.
Accredited service	Elapsed time from date of hire (from benefit service start date).
Cash balance pay	Pay received during the year, including base pay, overtime, shift differential/Sunday premium pay and incentive pay, subject to IRS limits.
Covered compensation amount	The average of the Social Security taxable wage based during the 35-year period including the year in which the participant retires, dies, becomes disabled or otherwise terminates employment. This monthly average is calculated to the next lower or equal whole dollar amount and is then rounded to nearest \$50.
Final average pay	Average of the highest 36-consecutive months of base pay out of the last 120 months of employment, subject to IRS limits.
Normal retirement date (NRD)	The first day of the calendar month whose first day is nearest the later of the member's 65 <sup>th</sup> birthday or the completion of five years of Vesting Service.

Cash balance account

Recordkeeping account to which annual Interest Credits and annual Company Credits are credited. The cash balance account is updated at the end of each plan year and is equal to:

Cash Balance Account as of the  
end of the prior plan year  
+  
Interest Credits  
+  
Company Credits

Cash balance benefit

Cash Balance Account converted to a monthly annuity

Opening balance

For those participating in or eligible for the AEP System Retirement Plan on December 31, 2000, opening balance is calculated as follows:

- Present value of monthly normal retirement benefit determined as of December 31, 2000, and payable at age 65 (or current age if older)
  - Present value determined based on 5.78% interest and IRS regulated mortality (GAM83 Unisex) data for lump sums (postretirement only)

Plus

- Credit for early retirement subsidy for monthly payments beginning at age 62 (or current age if older)

Plus

- Transition credit based on age, service and pay received in 2000 (see "Company Credits" for credit percentages)

- Age and service based on completed whole years as of December 31, 2000.

For employees hired on or after January 1, 2001, opening balance is \$0.

Interest credits

Interest credits are applied to beginning of year account balance on December 31 each year.

Based on the average 30-year Treasury Bond rate for November of the previous year.

Minimum of 4%.

Company credits

Applied to account balance on December 31 or termination date if earlier.

Amount is a percentage of eligible pay received during the year, based on age plus years of Vesting Service (age and service in completed whole years as of December 31).

<i>Age Plus Years of Service</i>	<i>Annual Company Credit</i>
Less than 30	3.0%
30 – 39	3.5%
40 – 49	4.5%
50 – 59	5.5%
60 – 69	7.0%
70+	8.5%

Monthly Grandfathered Benefit	<p>Sum of (1), (2) and (3):</p> <p>(1) 1.10% of Final Average Pay x Accredited Service up to 35 years</p> <p>(2) 0.50% of Final Average Pay Less Covered Compensation x Accredited Service up to 35 years</p> <p>(3) 1.33% of Final Average Pay x Accredited Service between 35 and 45 years</p> <p>Accruals for the grandfathered benefit ceased on December 31, 2010.</p>
Long-term disability and paid leaves	Compensation equal to base rate of pay as of disability date. Vesting service continues.
Unpaid leave	No compensation for annual Company Credit. Vesting service continues.

### Eligibility for Benefits

Normal retirement	All members at or after their Normal Retirement Date.
Early retirement	Any time after attainment of age 55 and completion of five years of vesting. Applicable only to grandfathered benefits.
Postponed retirement	Retirement after Normal Retirement Date.
Vested termination	All members who terminate employment after completion of three years of Vesting Service, or upon death.
Disability	All members who are unable to work at own occupation solely because of sickness or injury for the first 24 months of disability. After 24 months of disability, the participant is eligible if unable to work at any gainful occupation for which the participant may be able, or may reasonably become qualified by education, training or experience, to perform.
Surviving spouse	The surviving spouse of a Grandfathered Member who retired or is eligible to retire on Normal or Early Retirement and who was married to that spouse for the year preceding commencement and whose grandfathered benefit exceeds his or her Cash Balance Benefit.
Preretirement death	Beneficiary of deceased member.

### Benefits Paid Upon the Following Events

Normal retirement	For Grandfathered Employees, the better of the monthly grandfathered benefit or the Cash Balance Benefit determined as of Normal Retirement Date. For all other employees, the Cash Balance Benefit determined as of Normal Retirement Date.
Early retirement	<p>For Grandfathered Employees, the better of:</p> <p>(1) The monthly grandfathered retirement benefit reduced by 3% per year for each year commencement precedes age 62, and</p> <p>(2) The Cash Balance Benefit determined as of the Early Retirement Date.</p> <p>For all other employees, the Cash Balance Benefit determined as of the Early Retirement Date.</p>

Deferred vested retirement	The accrued Normal Retirement Benefit (better of Cash Balance and Grandfathered Benefits, if eligible), payable at Normal Retirement Date or actuarially reduced and payable at any age.
Disability	<p>The greater of (1) or (2):</p> <p>(1) Accrued Grandfathered Retirement Benefit reduced as in the Early Retirement Benefit. If retirement occurs prior to age 55, the benefit is further reduced actuarially from age 55. The Disability Retirement Benefit will reflect Accredited Service that accrued (at most recent rate of base earnings) to a member while receiving benefits under the Company's LTD plan.</p> <p>(2) The Cash Balance Benefit with continued Company Credits while disabled.</p> <p>Benefit (1) applies for Grandfathered Employees only.</p>
Preretirement death	<p>Better of (1) or (2):</p> <p>(1) The grandfathered monthly benefit as if the employee commenced a 60% qualified joint and survivor benefit at his earliest retirement date</p> <p>(2) Annuity equivalent of Cash Balance account or the cash balance account.</p> <p>Benefit (1) applies for a Grandfathered Employee whose beneficiary is his or her spouse.</p>
Surviving spouse benefits	A benefit payable for life equal to 30% of the single life annuity payable to the grandfathered member. The spouse's benefit is actuarially reduced for each year by which the spouse is more than ten years younger than the member. Payable to Grandfathered Employees only.

### Other Plan Provisions

#### Forms of payment

- Grandfathered employees
  - The following are available for Grandfathered Employees for both the Grandfathered Benefit and the Cash Balance Benefit:
    - Full lump sum payment.
    - Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
    - Monthly payment:
      - Single life annuity.
      - Optional joint annuities (spouse or other beneficiary).
        - Available in 40%, 50%, 60%, 75%, 100%.
        - Can elect pop-up and/or level income options.
      - Automatic company-paid 30% surviving spouse annuity included in Grandfathered Benefit annuity if terminate on or after age 55 and married at least one year. Cash Balance Benefit is actuarially reduced for this feature.



A one-time option to elect a lump sum of the accrued benefit for terminated vested participants whose benefit was determined in no way by reference to either the AEP or CSW cash balance formulas was offered during the period from May 1, 2012 through June 30, 2012. Participants eligible for the window were also permitted to elect any of the other optional forms of payment generally applicable to such a participant under the normal terms of the plan document. Any participant who elected to commence benefits under this window, regardless of lump sum or annuity election, had a benefit commencement date of August 1, 2012.

■ Employees hired on or after January 1, 2001

The following are available for those hired on or after January 1, 2001:

- Full lump sum payment.
- Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
- Monthly payment:
  - Single life annuity.
  - Joint annuities (spouse or other beneficiary).
    - Available in 50%, 75%, 100%.

Form of payment conversion for non-417(e) covered conversions

- Cash balance 7.50% interest and the applicable 417(e) Mortality Table.
  - Grandfathered benefit 7.50% interest and the 1974 George B. Buck Mortality Table.
- Pension Increases None.

Plan Participants' Contributions

Prior to January 1, 1978, employee contributions were required as a condition of Membership. In May and June of 1981, Members were permitted an election to withdraw those contributions. Those who did not elect to withdraw have retirement benefits based on a formula that differs from the formulas previously described in this section. However, the number of nonelecting Members is so small that special plan provisions for that group have not been included in this summary.

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Benefits not valued

A small portion of the population made employee contributions to the plan. Because the amount of these contributions is not material to the plan, they are not part of the valuation.

Participants who were employees of Columbus Southern Power (CSP) at the time AEP acquired that company have a frozen benefit under the CSP benefit formula at December 31, 1986. Benefits for these participants are the greater of an all-service AEP benefit and a two-part benefit consisting of the frozen CSP benefit plus an AEP benefit accrued from January 1, 1987. Because this applies to a small portion of the population and the CSP frozen benefit is not often the greater benefit for these participants, this benefit is not valued.

Plan status

Ongoing.

#### Future Plan Changes

Towers Watson is not aware of any future plan changes that are required to be reflected.

#### Changes in Benefits Valued Since Prior Year

None.

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## Appendix B2 : Summary of plan provisions covered by the former West Retirement Plan

### Plan Provisions

Effective Date	January 1940. Restated effective January 1, 1997.
Recent Amendments	Executed as of April 3, 2012.
Covered Employees	All full-time employees of a Participating Company employed by CSW before January 1, 2001, and not covered by a union (that has not bargained for coverage) or another pension plan provided by AEP. Part-time employees of the Company had to work more than 1,000 hours in the first anniversary year or subsequent calendar years.
Participation Date	Date of becoming a covered employee

### Definitions

Grandfathered employee	Employees who were at least age 50 with ten years of vesting service of July 1, 1997.
Vesting service	All service from date of hire in completed years.
Credited service	The aggregate of:  For the period prior to January 1, 1976: (1) The number of full years in the last continuous period that employee was a participant after June 30, 1970, plus (2) Credited service under any prior plan if service extended to July 1, 1970.  For the period beginning on or after January 1, 1976, the number of full years of service.
Cash balance pay	Pay received during the year, including base pay, overtime, shift differential/Sunday premium pay and incentive pay, subject to IRS limits
Final average pay	Highest average annual earnings (base pay only) during any 36 consecutive months in the 120 months before retirement. Any changes in earnings within the last three months before retirement will not be taken into account.
Normal retirement date (NRD)	The first day of the calendar month on or following the member's 65 <sup>th</sup> birthday.

**Cash balance account** Recordkeeping account to which annual interest credits and annual company credits are credited. The cash balance account is updated at the end of each plan year and is equal to:

Cash Balance Account as of the  
end of the prior plan year  
+  
Interest Credits  
+  
Company Credits

**Cash balance benefit** Cash Balance Account converted to a monthly annuity

**Interest credits** Interest credits are applied to beginning of year account balance on December 31 each year.

Based on the average 30-year Treasury Bond rate for November of the previous year.

Minimum of 4%.

**Company credits** Applied to account balance on December 31 or termination date if earlier.

Amount is a percentage of eligible pay received during the year, based on age plus years of Vesting Service (age and service in completed whole years as of December 31).

<i>Age Plus Years of Service</i>	<i>Annual Company Credit</i>
Less than 30	3.0%
30 – 39	3.5%
40 – 49	4.5%
50 – 59	5.5%
60 – 69	7.0%
70+	8.5%

**Monthly Grandfathered Benefit** Greater of (1) or (2) below with automatic cost of living adjustments upon retirement:

(1) Basic benefit — An annual amount equal to:

The aggregate of a participant's (a) earned benefit (if any) under any prior plan or acquired Company pension plan under which no election was made to receive a paid-up annuity; and (b) participant contributions without interest for the period commencing on or after July 1, 1970. For the period after September 1, 1980, participants will be deemed to have made contributions at the rate of 2% annually of the participant's annual rate of earnings as of January 1.

(2) Minimum benefit:

1-2/3% of final average annual earnings less 50% of participant's annual primary Social Security benefit times years of credited service up to 30 years.

**Minimum benefits** The benefit payable will never be less than the frozen accrued benefit as of July 1, 1997, under the prior plan.

Primary Social Security benefit	<p>The annual amount payable under the Social Security Act as amended in effect at the employee's date of retirement. The date as of which the amount is to be determined is:</p> <ol style="list-style-type: none"> <li>(1) In the case of an employee (including deferred vested employees) retiring on or after normal retirement date, normal retirement date.</li> <li>(2) In the case of an employee retiring prior to normal retirement date, the later of employee's 62<sup>nd</sup> birthday or actual retirement date.</li> </ol> <p>Early retirees and deferred vested employees are assumed to have no earnings after termination in determining the amount of this benefit.</p>
Long-term disability and paid leaves	<p>Compensation equal to the base rate of pay as of disability date. If a participant became disabled prior to January 1, 2003, compensation for the cash balance formula is equal to the greater of the compensation for the calendar year before the disability and the year in which the disability benefits began. For the grandfathered formula, the final average pay will be determined as of the date on which the participant became disabled. Vesting service continues.</p>
Unpaid leave	<p>No compensation for annual compensation credit. Vesting service continues.</p>

### Eligibility for Benefits

Normal retirement	All members at or after their Normal Retirement Date
Early retirement	Any time after attainment of age 55 and completion of five years of vesting
Postponed retirement	Retirement after NRD.
Vested	<p>The participant's cash balance account is 100% vested when any one of the following applies:</p> <ol style="list-style-type: none"> <li>(1) Three years of vesting service</li> <li>(2) Attainment of age 55 while an employee</li> <li>(3) Death prior to termination</li> <li>(4) Upon disability.</li> </ol>
Disability	All participants who become permanently and totally disabled. Permanent and total disability is determined by reference to the LTD plan covering that participant.
Surviving spouse	The surviving spouse of a participant who retired or is eligible to retire on normal or early retirement.
Preretirement death	Beneficiary of participant who dies after becoming vested.

**Benefits Paid Upon the Following Events**

**Normal retirement** Grandfathered employees must elect either the cash balance or the grandfathered formula. For purposes of this valuation, the employee is assumed to elect the formula with the higher present value. Employees with a prior plan frozen benefit get the better of the cash balance benefit and the prior plan frozen benefit. For all other employees, the Cash Balance Benefit is determined as of Normal Retirement Date.

**Early retirement** Greater of (1) if applicable or (2):  
(1) The grandfathered accrued benefit and the prior plan frozen are payable subject to reduction according to the following schedule if payments commence prior to the normal retirement date.

<i>Age at Retirement</i>	<i>Percent of Benefit Payable</i>
64	100%
63	100%
62	100%
61	95%
60	90%
59	84%
58	78%
57	72%
56	66%
55	60%

(2) The Cash Balance Benefit determined as of the Early Retirement Date.

**Deferred vested retirement** Greater of (1) if applicable or (2):  
(1) Grandfathered accrued benefit payable at age 65, or if earlier reduced 5% per year from age 65, 6% per year from age 60 and 7.5% per year compounded from age 55.  
(2) Vested cash balance account.

**Disability retirement** The greatest of grandfathered accrued benefit, if eligible, based on projected service and frozen pay deferred to age 65, prior plan frozen benefit if eligible and cash balance account with continued pay credits.

**Preretirement death** If the beneficiary is the spouse and the participant is a grandfathered/protected plan participant, then:  
(1) For an active participant who dies on or after 55<sup>th</sup> birthday but before retirement, a monthly benefit equal to 50% of the benefit accrued to the date of death without reduction for early retirement is payable immediately as a life annuity to a qualifying spouse.  
(2) For an active participant who dies after completing five or more years of vesting service but before age 55, a deferred monthly benefit equal to 50% of the benefit accrued to the date of death reduced as for early retirement is payable as a life annuity to a qualifying spouse. Benefit commencement is deferred to when the deceased participant would

have attained age 55.

- (3) For a deferred vested participant who dies before benefits commence, a monthly benefit equal to 50% of the deferred vested benefit reduced for early commencement (as for deferred vesteds) is payable as a life annuity to a qualifying spouse. If death occurs before age 55, the benefit to the spouse is deferred to when the deceased participant would have attained age 55.

The spouse's benefit is actuarially reduced for each year by which the spouse is more than five years younger than the participant.

For all employees, the minimum benefit is the cash balance account immediate annuity, which is also payable if the beneficiary is not the participant's spouse.

### Other Plan Provisions

#### Form of payment

The following are available for those participants who did not work an hour of service on or after January 1, 2003:

- Full lump sum payment.
- Monthly payment:
  - Single life annuity.
  - 50% joint annuity (spouse or other beneficiary).

A one-time option to elect a lump sum of the accrued benefit for terminated vested participants whose benefit was determined in no way by reference to either the AEP or CSW cash balance formulas was offered during the period from May 1, 2012 through June 30, 2012. Participants eligible for the window were also permitted to elect any of the other optional forms of payment generally applicable to such a participant under the normal terms of the plan document. Any participant who elected to commence benefits under this window, regardless of lump sum or annuity election, had a benefit commencement date of August 1, 2012.

The following are available for those participants who work an hour of service on or after January 1, 2003:

- Full lump sum payment.
- Combination of partial lump sum (25%, 50% or 75% of full lump sum) with remainder paid as a monthly benefit (see below).
- Monthly payment:
  - Single life annuity.
  - Joint annuities (spouse or other beneficiary).
    - Available in 50%, 75%, 100%.



Form of payment conversion for non-417(e) covered conversions

- Cash balance 7.50% interest and the applicable 417(e) Mortality Table
  - Grandfathered benefit Factors as specified in Tables I, II, III and IV of Exhibit A to the American Electric Power System Retirement Plan document. 7.50% interest and the 1951 Group Annuity male mortality table to the extent not covered by Tables I, II, III and IV.
- Pension Increases None.
- Member Contributions None.
- Maximum on benefits and pay All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.
- Plan status Continuing accruals. All new entrants to plan are covered under former East plan provision.

**Future Plan Changes**

Towers Watson is not aware of any future plan changes that are required to be reflected.

**Changes in Benefits Valued Since Prior Year**

None.

## Appendix C : Adjusted Funding Target Attainment Percentage (AFTAP)

This section is a reproduction of selections of the AFTAP that was originally provided on March 29, 2013, and is provided here for reference.

American Electric Power ("AEP") retained Towers Watson Pennsylvania Inc. ("Towers Watson") to perform a valuation of its pension plan for the purpose of measuring the plan's AFTAP for the plan year beginning January 1, 2013, in accordance with ERISA and the Internal Revenue Code. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

The enrolled actuary making this certification is a member of the Society of Actuaries and other professional actuarial organizations and meets their "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States."

We previously certified that the plan's AFTAP for the plan year beginning January 1, 2013, is 116.77%. This percentage is based on the assumptions, participant data and plan provisions we relied upon to prepare the results shown in the original certification, reflects the valuation limitations discussed therein and is also based on the following additional information:

### Annuity Purchases

- AEP's representation is that there were no annuity purchases made on behalf of non-highly compensated employees participating in the plan during the plan years beginning January 1, 2011, and January 1, 2012.

### Funding Balances

- Our understanding is that AEP has not elected to reduce the plan's funding balance as of the first day of the 2013 plan year.
- Our understanding is that the plan is not subject to a deemed election to reduce the funding balance in 2013.
- AEP has elected to increase the funding balance by \$103,699,368 as of the first day of the 2013 plan year, as confirmed in the letter dated March 22, 2013.

### Contributions

- Our understanding is that AEP has not made any employer contributions after December 31, 2012, and before March 31, 2013, for the 2012 plan year.

## Events

- There were no plan amendments that went into effect in the current plan year that were taken into account for the current plan year's AFTAP certification.
- There were no unpredictable contingent event benefits (UCEBs) that went into effect in the current plan year that were taken into account for the current plan year's AFTAP certification.
- There were no previously suspended accruals restored during the current plan year that were taken into account for the current plan year's AFTAP certification.

## Elections

- The AFTAP certification incorporates our understanding of sponsor elections required under the Pension Protection Act of 2006 (PPA) with respect to interest rates, Actuarial Value of Assets and other methods and/or assumptions, as confirmed in AEP's letter dated March 26, 2013.

The development of AFTAP is show below:

All monetary amounts shown in US Dollars

Plan Year Beginning	January 1, 2013
Actuarial value of assets as of January 1, 2013 <sup>1</sup>	4,699,409,537
Funding standard carryover balance as of January 1, 2013 <sup>2</sup>	189,814,041
Prefunding balance as of January 1, 2013 <sup>2</sup>	478,656,586
Funding target as of January 1, 2013 (disregarding at-risk assumptions)	4,024,284,946
AVA/funding target (disregarding at-risk assumptions)	116.77%
Assets for AFTAP calculation <sup>3</sup>	4,699,409,537
Annuity purchases for NHCEs during 2011 and 2012	0
<b>Reflection of post valuation date events not previously reflected</b>	
Increase in funding target (disregarding at-risk assumptions) for 2012 amendments/UCEBs/restored accruals <sup>4</sup>	0
IRC §436 contributions made to enable plan amendments/UCEBs/restored accruals to take effect <sup>5</sup>	0
Adjusted funding target, disregarding at-risk assumptions, (includes NHCE annuity purchases and amendments)	0
Adjusted assets (includes NHCE annuity purchases and IRC §436 contributions)	0
<b>Specific AFTAP</b>	
<b>Adjusted Funding Target Attainment Percentage (AFTAP)</b>	<b>116.77%</b>

Notes

1. Reflects discounted contributions made for the 2012 plan year only if paid on or before the certification date. Includes security posted by the beginning of the plan year in the form of a bond or cash held in escrow.
2. Reflects elections made to-date (other than elections to apply the funding balances to 2012 MRC).
3. AVA if AVA/Funding Target (disregarding at-risk assumptions)  $\geq 100\%$ ; otherwise (AVA-funding balance).
4. If went into effect before this specific certification, not reflected in funding valuation and require AFTAP recertification, or which the plan sponsor otherwise decides to reflect in the specific AFTAP certification.
5. Discounted to January 1, 2013, using 2013 effective interest rate.

### Immediate Implications of AFTAP Certification

We believe that the certified AFTAP of 116.77% for the 2013 plan year has the following implications for benefit limitations described in IRC §436. AEP should review these conclusions with ERISA counsel:

- Benefit accruals called for under the plan without regard to IRC §436 must continue.
- Accelerated distributions called for under the plan without regard to IRC §436 must continue in full.
- Amendments that increase benefits must be evaluated at the time they would become effective to determine if they are permissible.
- Plant shutdown and other unpredictable UCEBs must be evaluated at the time they would become effective to determine if they are permissible.

### Implications of 2013 AFTAP for Presumptions in 2014 Plan Year

Because the AFTAP for the 2013 plan year is at least 90%, the presumed AFTAP for 2014 will remain equal to the 2013 certified AFTAP and changes in benefit restrictions will not occur before the 2014 AFTAP is certified, provided that the 2014 AFTAPs are certified before the first day of the tenth month of the plan year.

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## Appendix D : Results by business unit

Unless otherwise indicated, the data, assumptions, methods, data and plan provisions upon which the figures in this Appendix D rely are consistent with those indicated throughout the rest of the report.

Summary of key assumptions for Appendix D of 2013 AEP Retirement Plan valuation report:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Discount rate	3.95%	4.55%	4.70%	4.80%	4.95%	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
PPA effective interest rate	6.24%	5.69%	5.16%	4.67%	4.50%	4.38%	4.27%	4.18%	4.09%	4.01%	3.98%
Expected return on assets	6.50%	6.50%	6.25%	6.25%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Cash balance crediting rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Lump sum conversion rate	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%

Expected mortality	2013 IRS Applicable Mortality Table
Valuation and data	January 1, 2013

AMERICAN ELECTRIC POWER  
 QUALIFIED RETIREMENT PLAN  
 SUMMARY OF PLAN PARTICIPANTS FOR THE 2013 VALUATION

Location	Vested Actives	Non-Vested Actives	Total Actives	Retirees Receiving Benefits	Beneficiaries	Deferred Vesteds	Total Inactive	Total Participants
140 Appalachian Power Co - Distribution	985	20	1,005	1,142	407	241	1,790	2,795
215 Appalachian Power Co - Generation	910	30	940	775	227	132	1,134	2,074
150 Appalachian Power Co - Transmission	143	5	148	114	18	30	162	310
<b>Appalachian Power Co. - FERC</b>	<b>2,038</b>	<b>55</b>	<b>2,093</b>	<b>2,031</b>	<b>652</b>	<b>403</b>	<b>3,086</b>	<b>5,179</b>
225 Cedar Coal Co	0	0	0	97	33	19	149	149
<b>Appalachian Power Co. - SEC</b>	<b>2,038</b>	<b>55</b>	<b>2,093</b>	<b>2,128</b>	<b>685</b>	<b>422</b>	<b>3,235</b>	<b>5,328</b>
211 AEP Texas Central Company - Distribution	829	20	849	888	249	354	1,491	2,340
147 AEP Texas Central Company - Generation	0	0	0	21	51	27	99	99
169 AEP Texas Central Company - Transmission	102	5	107	71	32	37	140	247
<b>AEP Texas Central Co.</b>	<b>931</b>	<b>25</b>	<b>956</b>	<b>980</b>	<b>332</b>	<b>418</b>	<b>1,730</b>	<b>2,686</b>
170 Indiana Michigan Power Co - Distribution	582	17	599	687	256	103	1,046	1,645
132 Indiana Michigan Power Co - Generation	375	18	393	288	89	96	473	866
190 Indiana Michigan Power Co - Nuclear	1,018	85	1,103	356	60	299	715	1,818
120 Indiana Michigan Power Co - Transmission	125	5	130	102	15	13	130	260
280 Ind Mich River Transp Lakin	266	51	317	109	42	58	209	526
<b>Indiana Michigan Power Co. - FERC</b>	<b>2,366</b>	<b>176</b>	<b>2,542</b>	<b>1,542</b>	<b>462</b>	<b>569</b>	<b>2,573</b>	<b>5,115</b>
202 Price River Coal	0	0	0	0	0	0	0	0
<b>Indiana Michigan Power Co. - SEC</b>	<b>2,366</b>	<b>176</b>	<b>2,542</b>	<b>1,542</b>	<b>462</b>	<b>569</b>	<b>2,573</b>	<b>5,115</b>
110 Kentucky Power Co - Distribution	229	11	240	194	70	57	321	561
117 Kentucky Power Co - Generation	100	0	100	93	23	35	151	251
180 Kentucky Power Co - Transmission	38	2	40	10	0	5	15	55
<b>Kentucky Power Co.</b>	<b>367</b>	<b>13</b>	<b>380</b>	<b>297</b>	<b>93</b>	<b>97</b>	<b>487</b>	<b>867</b>
104 Cardinal Operating Company	283	28	311	188	51	22	261	572
270 Cook Coal Terminal	14	0	14	12	2	3	17	31
250 Ohio Power Co - Distribution	1,411	65	1,476	1,801	472	279	2,552	4,028
181 Ohio Power Co - Generation	983	27	1,010	1,354	376	315	2,045	3,055
160 Ohio Power Co - Transmission	226	6	232	205	64	27	296	528
<b>Ohio Power Co. - FERC</b>	<b>2,917</b>	<b>126</b>	<b>3,043</b>	<b>3,560</b>	<b>965</b>	<b>646</b>	<b>5,171</b>	<b>8,214</b>
290 Conesville Coal Preparation Company	0	0	0	11	0	2	13	13
<b>Ohio Power Co. - SEC</b>	<b>2,917</b>	<b>126</b>	<b>3,043</b>	<b>3,571</b>	<b>965</b>	<b>648</b>	<b>5,184</b>	<b>8,227</b>
167 Public Service Co of Oklahoma - Distribution	617	32	649	453	197	161	811	1,460
198 Public Service Co of Oklahoma - Generation	325	29	354	176	73	68	317	671
114 Public Service Co of Oklahoma - Transmission	72	5	77	52	18	21	91	168
<b>Public Service Co. of Oklahoma</b>	<b>1,014</b>	<b>66</b>	<b>1,080</b>	<b>681</b>	<b>288</b>	<b>250</b>	<b>1,219</b>	<b>2,299</b>
159 Southwestern Electric Power Co - Distribution	493	38	531	182	101	70	353	884
168 Southwestern Electric Power Co - Generation	477	85	562	196	82	56	334	896
161 Southwestern Electric Power Co - Texas - Distribution	214	12	226	96	42	44	182	408
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	3	0	3	3
194 Southwestern Electric Power Co - Transmission	70	11	81	35	11	15	61	142
<b>Southwestern Electric Power Co.</b>	<b>1,254</b>	<b>146</b>	<b>1,400</b>	<b>509</b>	<b>239</b>	<b>185</b>	<b>933</b>	<b>2,333</b>
119 AEP Texas North Company - Distribution	245	6	251	169	81	97	347	598
166 AEP Texas North Company - Generation	0	0	0	106	50	32	188	188
192 AEP Texas North Company - Transmission	54	5	59	25	10	4	39	98
<b>AEP Texas North Co.</b>	<b>299</b>	<b>11</b>	<b>310</b>	<b>300</b>	<b>141</b>	<b>133</b>	<b>574</b>	<b>884</b>
230 Kingsport Power Co - Distribution	39	1	40	47	18	7	72	112
260 Kingsport Power Co - Transmission	12	0	12	8	1	2	11	23
<b>Kingsport Power Co.</b>	<b>51</b>	<b>1</b>	<b>52</b>	<b>55</b>	<b>19</b>	<b>9</b>	<b>83</b>	<b>135</b>
210 Wheeling Power Co - Distribution	49	0	49	56	30	7	93	142
200 Wheeling Power Co - Transmission	0	0	0	3	8	0	11	11
<b>Wheeling Power Co.</b>	<b>49</b>	<b>0</b>	<b>49</b>	<b>59</b>	<b>38</b>	<b>7</b>	<b>104</b>	<b>153</b>
103 American Electric Power Service Corporation	4,434	205	4,639	2,431	459	1,322	4,212	8,851
<b>American Electric Power Service Corp</b>	<b>4,434</b>	<b>205</b>	<b>4,639</b>	<b>2,431</b>	<b>459</b>	<b>1,322</b>	<b>4,212</b>	<b>8,851</b>
143 AEP Pro Serv, Inc.	0	0	0	1	0	2	3	3
171 CSW Energy, Inc.	28	2	30	3	1	22	26	56
293 Elmwood	98	3	101	5	0	17	22	123
292 AEP River Operations LLC	698	239	937	8	0	117	125	1,062
189 Central Coal Company	0	0	0	0	0	0	0	0
400 AEP Energy, Inc.	10	9	19	0	0	0	0	19
<b>Miscellaneous</b>	<b>834</b>	<b>253</b>	<b>1,087</b>	<b>17</b>	<b>1</b>	<b>158</b>	<b>176</b>	<b>1,263</b>
<b>Total</b>	<b>16,554</b>	<b>1,077</b>	<b>17,631</b>	<b>12,570</b>	<b>3,722</b>	<b>4,218</b>	<b>20,510</b>	<b>38,141</b>



## American Electric Power System Retirement Plan

## AMERICAN ELECTRIC POWER - QUALIFIED RETIREMENT PLAN

## FUNDED STATUS OF PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (ASC 960) AS OF JANUARY 1, 2013

Location	Present Value of Vested Benefits	Present Value of Non-Vested Benefits	Present Value of Accumulated Plan Benefits	Market Value of Assets	Percent Funded
140 Appalachian Power Co - Distribution	\$272,429,514	\$3,654,331	\$276,083,845	\$310,698,653	112.5%
215 Appalachian Power Co - Generation	229,414,847	2,674,294	232,089,141	265,787,815	114.5%
150 Appalachian Power Co - Transmission	42,164,508	555,390	42,719,898	46,176,153	108.1%
<b>Appalachian Power Co. - FERC</b>	<b>\$544,008,869</b>	<b>\$6,884,015</b>	<b>\$550,892,884</b>	<b>\$622,662,621</b>	<b>113.0%</b>
225 Cedar Coal Co	3,250,073	0	3,250,073	4,570,104	140.6%
<b>Appalachian Power Co. - SEC</b>	<b>\$547,258,942</b>	<b>\$6,884,015</b>	<b>\$554,142,957</b>	<b>\$627,232,725</b>	<b>113.2%</b>
211 AEP Texas Central Company - Distribution	\$234,145,026	\$692,475	\$234,837,501	\$276,973,531	117.9%
147 AEP Texas Central Company - Generation	6,744,147	0	6,744,147	13,917,981	206.4%
169 AEP Texas Central Company - Transmission	22,901,101	86,985	22,988,086	27,582,425	120.0%
<b>AEP Texas Central Co.</b>	<b>\$263,790,274</b>	<b>\$779,460</b>	<b>\$264,569,734</b>	<b>\$318,473,937</b>	<b>120.4%</b>
170 Indiana Michigan Power Co - Distribution	\$144,216,854	\$1,556,523	\$145,773,377	162,931,906	111.8%
132 Indiana Michigan Power Co - Generation	92,116,369	1,719,844	93,836,213	106,051,325	113.0%
190 Indiana Michigan Power Co - Nuclear	167,846,367	3,252,742	171,099,109	215,801,124	126.1%
120 Indiana Michigan Power Co - Transmission	31,471,562	475,669	31,947,231	34,854,412	109.1%
280 Ind Mich River Transp Lakin	26,007,135	669,269	26,676,404	36,223,706	135.8%
<b>Indiana Michigan Power Co. - FERC</b>	<b>\$461,658,287</b>	<b>\$7,674,047</b>	<b>\$469,332,334</b>	<b>\$555,862,473</b>	<b>118.4%</b>
202 Price River Coal	0	0	0	0	0.0%
<b>Indiana Michigan Power Co. - SEC</b>	<b>\$461,658,287</b>	<b>\$7,674,047</b>	<b>\$469,332,334</b>	<b>\$555,862,473</b>	<b>118.4%</b>
110 Kentucky Power Co - Distribution	\$60,901,011	\$716,449	\$61,617,460	67,974,210	110.3%
117 Kentucky Power Co - Generation	29,371,498	489,672	29,861,170	32,836,734	110.0%
180 Kentucky Power Co - Transmission	6,512,423	86,009	6,598,432	7,884,499	119.5%
<b>Kentucky Power Co.</b>	<b>\$96,784,932</b>	<b>\$1,292,130</b>	<b>\$98,077,062</b>	<b>\$108,695,443</b>	<b>110.8%</b>
104 Cardinal Operating Company	\$64,415,964	\$825,823	\$65,241,787	86,485,617	132.6%
270 Cook Coal Terminal	2,812,282	25,128	2,837,410	3,874,071	136.5%
250 Ohio Power Co - Distribution	373,403,603	3,837,363	377,240,966	433,037,966	114.8%
181 Ohio Power Co - Generation	313,075,054	3,331,386	316,406,440	426,570,397	134.8%
160 Ohio Power Co - Transmission	63,240,632	668,196	63,908,828	71,342,396	111.6%
<b>Ohio Power Co. - FERC</b>	<b>\$816,947,535</b>	<b>\$8,687,896</b>	<b>\$825,635,431</b>	<b>\$1,021,310,447</b>	<b>123.7%</b>
290 Conesville Coal Preparation Company	3,082,866	0	3,082,866	4,278,875	138.8%
<b>Ohio Power Co. - SEC</b>	<b>\$820,030,401</b>	<b>\$8,687,896</b>	<b>\$828,718,297</b>	<b>\$1,025,589,322</b>	<b>123.8%</b>
167 Public Service Co of Oklahoma - Distribution	\$134,968,231	\$442,045	\$135,410,276	161,833,182	119.5%
198 Public Service Co of Oklahoma - Generation	65,663,171	401,577	66,064,748	82,831,265	125.4%
114 Public Service Co of Oklahoma - Transmission	16,578,827	56,791	16,635,618	20,759,428	124.8%
<b>Public Service Co. of Oklahoma</b>	<b>\$217,210,229</b>	<b>\$900,413</b>	<b>\$218,110,642</b>	<b>\$265,423,875</b>	<b>121.7%</b>
159 Southwestern Electric Power Co - Distribution	\$79,607,842	\$384,855	\$79,992,697	101,957,530	127.5%
168 Southwestern Electric Power Co - Generation	87,636,087	729,584	88,365,671	108,410,263	122.7%
161 Southwestern Electric Power Co - Texas - Distributi	43,151,077	165,077	43,316,154	51,482,595	118.9%
111 Southwestern Electric Power Co - Texas - Transmis	141,310	0	141,310	92,441	65.4%
194 Southwestern Electric Power Co - Transmission	12,889,114	68,529	12,957,643	17,611,710	135.9%
<b>Southwestern Electric Power Co.</b>	<b>\$223,425,430</b>	<b>\$1,348,045</b>	<b>\$224,773,475</b>	<b>\$279,554,539</b>	<b>124.4%</b>
119 AEP Texas North Company - Distribution	\$55,957,140	\$200,650	\$56,157,790	68,300,356	121.6%
166 AEP Texas North Company - Generation	19,524,816	0	19,524,816	24,647,642	126.2%
192 AEP Texas North Company - Transmission	8,543,611	54,357	8,597,968	10,824,256	125.9%
<b>AEP Texas North Co.</b>	<b>\$84,025,567</b>	<b>\$255,007</b>	<b>\$84,280,574</b>	<b>\$103,772,254</b>	<b>123.1%</b>
230 Kingsport Power Co - Distribution	\$10,672,029	\$78,683	\$10,750,712	12,089,541	112.5%
260 Kingsport Power Co - Transmission	3,183,285	26,151	3,209,436	3,511,299	109.4%
<b>Kingsport Power Co.</b>	<b>\$13,855,314</b>	<b>\$104,834</b>	<b>\$13,960,148</b>	<b>\$15,600,840</b>	<b>111.8%</b>
210 Wheeling Power Co - Distribution	\$13,600,686	\$78,954	\$13,679,640	15,820,181	115.6%
200 Wheeling Power Co - Transmission	665,072	0	665,072	905,980	136.2%
<b>Wheeling Power Co.</b>	<b>\$14,265,758</b>	<b>\$78,954</b>	<b>\$14,344,712</b>	<b>\$16,726,161</b>	<b>116.6%</b>
103 American Electric Power Service Corporation	\$1,137,855,199	\$17,230,776	\$1,155,085,975	1,329,524,806	115.1%
<b>American Electric Power Service Corp</b>	<b>\$1,137,855,199</b>	<b>\$17,230,776</b>	<b>\$1,155,085,975</b>	<b>\$1,329,524,806</b>	<b>115.1%</b>
143 AEP Pro Serv, Inc.	\$903,845	\$0	\$903,845	1,008,812	111.6%
171 CSW Energy, Inc.	3,603,667	41,351	3,645,018	4,776,213	131.0%
293 Elmwood	2,349,743	31,162	2,380,905	5,163,820	216.9%
292 AEP River Operations LLC	20,283,784	776,772	21,060,556	46,288,465	219.8%
189 Central Coal Company	0	0	0	0	0.0%
400 AEP Energy, Inc.	225,728	28,074	253,802	426,266	168.0%
<b>Miscellaneous</b>	<b>\$27,366,767</b>	<b>\$877,359</b>	<b>\$28,244,126</b>	<b>\$57,663,576</b>	<b>204.2%</b>
<b>Total</b>	<b>\$3,907,527,100</b>	<b>\$46,112,936</b>	<b>\$3,953,640,036</b>	<b>\$4,704,119,951</b>	<b>119.0%</b>

Towers Watson Confidential

TOWERS WATSON 

AMERICAN ELECTRIC POWER - QUALIFIED RETIREMENT PLAN  
SUMMARY OF ASC 715-30 VALUATION RESULTS AS OF JANUARY 1, 2013

Location	Valuation Earnings	Market-Related Value of Assets	Fair Value of Assets	Accumulated Benefit Obligation	Projected Benefit Obligation	January 1, 2013 Pre-Tax AOCI
140 Appalachian Power Co - Distribution	\$83,453,196	\$290,426,971	\$310,698,653	\$352,224,499	\$356,015,564	\$157,850,367
215 Appalachian Power Co - Generation	80,650,270	248,446,362	265,787,815	297,703,498	302,154,519	116,457,824
150 Appalachian Power Co - Transmission	12,829,096	43,163,368	46,176,153	55,255,666	55,899,993	20,867,312
Appalachian Power Co. - FERC	\$176,932,562	\$582,036,701	\$622,662,621	\$705,183,663	\$714,070,076	\$295,175,503
225 Cedar Coal Co	0	4,271,925	4,570,103	3,977,605	3,977,605	3,150,433
Appalachian Power Co. - SEC	\$176,932,562	\$586,308,626	\$627,232,724	\$709,161,268	\$718,047,681	\$298,325,936
211 AEP Texas Central Company - Distribution	\$69,268,299	\$258,902,261	\$276,973,531	\$292,074,607	\$301,201,723	\$161,305,248
147 AEP Texas Central Company - Generation	0	13,009,896	13,917,981	8,058,001	8,058,001	(5,859,980)
169 AEP Texas Central Company - Transmission	9,171,479	25,782,797	27,582,425	28,634,747	29,784,458	19,195,783
AEP Texas Central Co.	\$ 78,439,778	\$ 297,694,954	\$ 318,473,937	\$ 328,767,355	\$ 339,044,182	\$ 174,641,051
170 Indiana Michigan Power Co - Distribution	\$49,009,699	\$152,301,336	\$162,931,905	\$184,377,661	\$187,660,109	\$81,918,746
132 Indiana Michigan Power Co - Generation	34,911,015	99,131,956	106,051,325	121,402,199	122,521,768	43,672,545
190 Indiana Michigan Power Co - Nuclear	110,303,278	201,721,077	215,801,124	226,068,435	232,804,570	59,522,596
120 Indiana Michigan Power Co - Transmission	11,239,439	32,580,319	34,854,412	41,042,199	41,849,984	16,471,108
280 Ind Mich River Transp Lakin	21,853,362	33,860,273	36,223,706	34,893,430	37,117,633	9,192,809
Indiana Michigan Power Co. - FERC	\$227,316,793	\$519,594,961	\$555,862,472	\$607,783,924	\$621,954,064	\$210,777,804
202 Price River Coal	0	0	0	0	0	389,867
Indiana Michigan Power Co. - SEC	\$227,316,793	\$519,594,961	\$555,862,472	\$607,783,924	\$621,954,064	\$211,167,671
110 Kentucky Power Co - Distribution	\$20,126,560	\$63,539,200	\$67,974,209	\$79,309,161	\$80,098,595	\$30,073,749
117 Kentucky Power Co - Generation	8,848,893	30,694,286	32,836,735	38,931,754	39,238,018	14,393,321
180 Kentucky Power Co - Transmission	3,410,204	7,370,071	7,884,499	8,824,275	8,984,302	2,480,937
Kentucky Power Co.	\$32,385,657	\$101,603,557	\$108,695,443	\$127,065,190	\$128,320,915	\$46,948,007
104 Cardinal Operating Company	\$25,894,050	\$80,842,822	\$86,485,617	\$83,814,768	\$85,290,814	(\$1,194,803)
270 Cook Coal Terminal	1,382,467	3,621,305	3,874,071	3,574,755	3,714,387	690,512
250 Ohio Power Co - Distribution	115,843,655	404,784,198	433,037,967	474,849,852	484,325,650	245,577,968
181 Ohio Power Co - Generation	86,348,919	398,738,608	426,570,396	403,020,385	407,782,109	204,147,661
160 Ohio Power Co - Transmission	19,751,139	66,687,627	71,342,396	81,226,779	82,744,820	40,561,542
Ohio Power Co. - FERC	\$249,220,230	\$954,674,560	\$1,021,310,447	\$1,046,486,539	\$1,063,857,780	\$489,782,880
290 Conesville Coal Preparation Company	0	3,999,698	4,278,875	3,889,724	3,889,724	1,126,494
Ohio Power Co. - SEC	\$249,220,230	\$958,674,258	\$1,025,589,322	\$1,050,376,263	\$1,067,747,504	\$490,909,374
167 Public Service Co of Oklahoma - Distribution	\$53,379,152	\$151,274,299	\$161,833,182	\$167,523,293	\$174,659,697	\$84,115,079
198 Public Service Co of Oklahoma - Generation	31,421,674	77,426,900	82,831,266	81,316,133	84,793,069	33,102,484
114 Public Service Co of Oklahoma - Transmission	6,843,510	19,404,969	20,759,427	20,603,164	21,403,268	8,797,113
Public Service Co. of Oklahoma	\$91,644,336	\$248,106,168	\$265,423,875	\$269,442,590	\$280,856,034	\$126,014,676
159 Southwestern Electric Power Co - Distribution	\$43,489,066	\$95,305,262	\$101,957,529	\$99,012,502	\$105,366,897	\$50,524,695
168 Southwestern Electric Power Co - Generation	48,500,651	101,336,984	108,410,263	108,965,343	113,704,753	45,934,388
161 Southwestern Electric Power Co - Texas - Distribution	18,251,398	48,123,589	51,482,596	53,372,485	55,539,665	26,920,044
111 Southwestern Electric Power Co - Texas - Transmission	0	86,410	92,441	160,412	160,412	926,648
194 Southwestern Electric Power Co - Transmission	7,026,635	16,462,626	17,611,710	16,173,027	17,012,007	6,062,957
Southwestern Electric Power Co.	\$117,267,750	\$261,314,871	\$279,554,539	\$277,683,769	\$291,783,734	\$130,368,732
119 AEP Texas North Company - Distribution	\$20,728,284	\$63,844,067	\$68,300,356	\$68,878,696	\$71,222,835	\$35,588,674
166 AEP Texas North Company - Generation	0	23,039,495	24,647,642	23,915,680	23,915,680	19,630,313
192 AEP Texas North Company - Transmission	5,044,668	10,118,022	10,824,255	10,604,290	11,303,319	5,229,839
AEP Texas North Co.	\$25,772,952	\$97,001,584	\$103,772,253	\$103,398,666	\$106,441,834	\$60,448,826
230 Kingsport Power Co - Distribution	\$3,108,202	\$11,300,753	\$12,089,541	\$13,730,047	\$13,877,519	\$6,557,221
260 Kingsport Power Co - Transmission	987,763	3,282,203	3,511,299	4,060,752	4,136,355	1,623,726
Kingsport Power Co.	\$4,095,965	\$14,582,956	\$15,600,840	\$17,790,799	\$18,013,874	\$8,180,947
210 Wheeling Power Co - Distribution	\$3,873,319	\$14,787,986	\$15,820,181	\$17,329,189	\$17,544,397	\$8,919,033
200 Wheeling Power Co - Transmission	0	846,869	905,980	766,115	766,115	712,793
Wheeling Power Co.	\$3,873,319	\$15,634,855	\$16,726,161	\$18,095,304	\$18,310,512	\$9,631,826
103 American Electric Power Service Corporation	484,542,281	\$1,242,779,324	\$1,329,524,809	\$1,482,506,270	\$1,522,509,761	\$552,788,499
American Electric Power Service Corp	\$484,542,281	\$1,242,779,324	\$1,329,524,809	\$1,482,506,270	\$1,522,509,761	\$552,788,499
143 AEP Pro Serv, Inc.	\$0	\$942,992	\$1,008,812	\$1,201,854	\$1,201,854	\$171,877
171 CSW Energy, Inc.	4,463,421	4,464,587	4,776,213	5,106,971	5,880,340	4,757,353
293 Elmwood	4,967,138	4,826,904	5,163,820	3,127,499	3,467,643	(1,719,198)
292 AEP River Operations LLC	71,197,827	43,268,352	46,288,465	27,868,357	34,955,602	(3,364,866)
189 Central Coal Company	0	0	0	0	0	3,979
400 AEP Energy, Inc.	1,546,346	398,454	426,266	382,748	382,748	0
Miscellaneous	\$ 82,174,732	\$ 53,901,289	\$ 57,663,576	\$ 37,687,429	\$ 45,888,187	\$ (150,855)
Total	\$ 1,573,666,355	\$ 4,397,197,403	\$ 4,704,119,951	\$ 5,029,758,827	\$ 5,158,918,282	\$ 2,109,274,690

American Electric Power System Retirement Plan

Location	Estimated Net Periodic Pension Cost										
	Cost 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
140 Appalachian Power Co - Distribution	\$10,710,667	\$7,273,901	\$5,840,051	\$2,001,947	(\$601,334)	(\$1,660,588)	(\$2,341,865)	(\$3,118,760)	(\$3,895,278)	(\$4,622,617)	(\$5,373,403)
215 Appalachian Power Co - Generation	9,522,597	6,444,187	5,136,077	4,101,195	2,064,840	1,282,174	789,881	272,628	(233,748)	(694,980)	(1,141,860)
150 Appalachian Power Co - Transmission	1,744,624	1,180,190	930,913	388,578	(21,348)	(192,288)	(309,092)	(401,832)	(501,583)	(570,720)	(658,873)
Appalachian Power Co. - FERC	21,977,888	14,898,278	11,907,041	6,491,720	1,442,168	(570,702)	(1,861,077)	(3,247,964)	(4,630,609)	(6,888,317)	(7,173,936)
225 Cedar Coal Co	20,836	(14,903)	(25,807)	(41,069)	(68,496)	(78,366)	(81,953)	(87,528)	(93,226)	(99,364)	(105,730)
Appalachian Power Co. - SEC	21,998,724	14,883,375	11,881,234	6,460,651	1,373,662	(647,068)	(1,943,030)	(3,335,492)	(4,723,836)	(6,987,681)	(7,279,666)
211 AEP Texas Central Company - Distribution	10,362,286	7,317,488	6,683,000	5,867,507	3,745,101	3,119,708	2,744,801	2,287,809	1,889,028	1,564,634	1,193,321
147 AEP Texas Central Company - Generation	(233,482)	(347,516)	(394,133)	(461,720)	(542,802)	(540,030)	(555,611)	(593,280)	(614,705)	(636,385)	(677,877)
169 AEP Texas Central Company - Transmission	1,169,784	862,177	819,287	751,480	543,510	480,399	428,396	369,397	307,948	251,960	192,530
AEP Texas Central Co.	11,298,588	7,832,149	7,108,154	6,157,267	3,746,809	3,060,077	2,617,586	2,063,926	1,582,271	1,180,209	707,974
170 Indiana Michigan Power Co - Distribution	5,944,834	4,202,003	3,496,186	1,520,218	191,506	(315,464)	(637,488)	(1,015,082)	(1,383,025)	(1,742,886)	(2,131,692)
132 Indiana Michigan Power Co - Generation	8,874,281	2,802,388	2,000,138	1,551,774	675,408	313,315	67,543	(173,522)	(411,089)	(617,961)	(829,281)
190 Indiana Michigan Power Co - Nuclear	9,060,520	6,265,215	5,572,069	4,644,802	2,657,269	1,706,717	931,012	163,217	(583,948)	(1,269,151)	(1,881,969)
120 Indiana Michigan Power Co - Transmission	1,386,445	979,692	804,940	367,962	66,539	(51,791)	(132,320)	(217,288)	(300,828)	(379,352)	(457,820)
280 Ind Mich River Transp Lakin	1,560,378	1,110,499	1,010,841	864,743	548,977	393,946	291,323	171,158	61,047	(55,547)	(171,998)
Indiana Michigan Power Co. - FERC	21,826,458	15,169,797	12,884,174	8,949,499	4,139,699	2,046,723	520,070	(1,071,617)	(2,617,843)	(4,064,897)	(5,472,760)
Price River Coal	32	32	5	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	21,826,490	15,169,829	12,884,179	8,949,499	4,139,699	2,046,723	520,070	(1,071,617)	(2,617,843)	(4,064,897)	(5,472,760)
110 Kentucky Power Co - Distribution	2,532,424	1,741,781	1,374,030	431,274	(189,511)	(457,270)	(641,253)	(828,870)	(1,014,174)	(1,188,134)	(1,329,779)
117 Kentucky Power Co - Generation	1,212,219	801,637	613,862	175,595	(131,690)	(261,708)	(351,702)	(442,774)	(532,032)	(610,147)	(691,638)
180 Kentucky Power Co - Transmission	313,374	207,542	151,958	112,468	35,184	(3,175)	(29,723)	(57,923)	(87,251)	(113,914)	(140,318)
Kentucky Power Co.	4,067,917	2,750,970	2,139,860	719,337	(286,017)	(722,153)	(1,022,678)	(1,329,567)	(1,633,467)	(1,912,196)	(2,161,736)
104 Cardinal Operating Company	2,198,975	1,350,481	1,101,939	771,871	123,384	(130,518)	(319,895)	(524,919)	(725,799)	(908,274)	(1,081,500)
270 Cook Coal Terminal	106,821	87,407	55,547	39,256	5,182	(11,990)	(9,558)	(23,900)	(10,788)	(23,900)	(37,900)
250 Ohio Power Co - Distribution	14,644,877	10,067,739	8,264,695	6,853,439	3,879,583	2,860,528	2,242,481	1,607,506	1,047,429	436,563	(132,548)
181 Ohio Power Co - Generation	7,970,913	3,959,145	2,731,254	1,108,599	(1,938,725)	(3,151,438)	(3,979,899)	(4,908,020)	(5,839,133)	(6,685,066)	(7,587,319)
160 Ohio Power Co - Transmission	2,580,193	1,775,842	1,467,688	654,427	71,704	(145,678)	(295,188)	(414,896)	(565,735)	(713,097)	(858,020)
Ohio Power Co. - FERC	27,801,879	17,220,614	13,621,123	9,427,692	2,141,128	(678,996)	(2,360,584)	(4,250,287)	(6,094,026)	(7,893,774)	(9,696,878)
Conesville Coal Preparation Company	32,065	(3,967)	(14,566)	(28,854)	(55,662)	(65,970)	(73,420)	(80,721)	(88,486)	(97,815)	(108,018)
Ohio Power Co. - SEC	27,833,844	17,216,647	13,606,557	9,398,738	2,086,446	(644,966)	(2,424,004)	(4,331,008)	(6,182,612)	(7,991,689)	(9,804,896)
167 Public Service Co of Oklahoma - Distribution	6,741,417	4,919,999	4,629,396	4,219,083	3,009,579	2,612,697	2,394,413	2,113,933	1,794,207	1,554,988	1,248,098
198 Public Service Co of Oklahoma - Generation	3,373,819	2,403,010	2,263,352	2,074,257	1,388,555	1,170,935	1,050,971	878,814	709,061	529,496	352,028
114 Public Service Co of Oklahoma - Transmission	779,499	539,536	496,065	441,119	291,759	231,352	189,841	164,563	119,166	78,228	38,275
Public Service Co. of Oklahoma	10,894,736	7,862,546	7,408,813	6,734,469	4,689,893	4,014,984	3,636,226	3,167,310	2,622,424	2,160,712	1,638,401
159 Southwestern Electric Power Co - Distribution	4,456,592	3,231,776	3,057,142	2,787,821	1,934,306	1,595,509	1,394,185	1,114,440	829,272	576,519	325,637
168 Southwestern Electric Power Co - Generation	5,043,423	3,716,033	3,599,443	3,341,664	2,453,756	2,143,894	1,851,171	1,692,869	1,411,808	1,183,589	940,408
161 Southwestern Electric Power Co - Texas - Distribution	2,264,160	1,698,029	1,618,836	1,524,199	1,115,166	1,005,301	915,915	822,956	717,564	606,218	500,941
111 Southwestern Electric Power Co - Texas - Transmission	6,359	5,995	(6,667)	(7,285)	(8,699)	(9,128)	(9,577)	(10,117)	(10,756)	(11,512)	(12,374)
194 Southwestern Electric Power Co - Transmission	651,893	491,339	464,733	425,658	290,651	237,805	201,577	152,209	98,317	46,712	(5,606)
Southwestern Electric Power Co.	12,422,427	9,143,172	8,733,487	8,082,067	5,786,190	4,973,181	4,453,271	3,772,357	3,046,206	2,401,526	1,749,006
119 AEP Texas North Company - Distribution	2,614,843	1,854,027	1,783,180	1,607,244	1,070,165	889,534	765,755	685,434	544,976	412,419	276,776
166 AEP Texas North Company - Generation	298,424	87,213	21,928	(57,631)	(188,240)	(219,546)	(236,673)	(252,702)	(268,747)	(282,893)	(296,476)
192 AEP Texas North Company - Transmission	504,085	360,513	335,214	300,878	200,923	198,091	173,756	145,395	118,797	94,325	67,438
AEP Texas North Co.	3,417,362	2,301,763	2,140,322	1,850,491	1,082,848	868,079	702,838	678,127	395,026	223,861	47,738
230 Kingsport Power Co - Distribution	428,154	294,501	241,201	110,460	12,275	(24,303)	(47,170)	(71,840)	(96,585)	(120,360)	(144,089)
260 Kingsport Power Co - Transmission	132,795	93,047	79,032	43,162	16,705	7,958	2,516	(3,122)	(9,138)	(15,970)	(21,493)
Kingsport Power Co.	560,949	387,548	320,233	163,622	28,980	(16,346)	(44,654)	(74,962)	(106,723)	(136,330)	(166,582)
210 Wheeling Power Co - Distribution	523,525	346,711	271,127	213,583	104,711	58,095	31,002	3,935	(24,889)	(52,060)	(76,911)
200 Wheeling Power Co - Transmission	2,496	(2,943)	(3,383)	(4,889)	(8,182)	(7,876)	(7,876)	(7,899)	(8,028)	(8,428)	(9,065)
Wheeling Power Co.	626,021	343,768	267,744	208,894	96,529	49,878	23,026	(3,964)	(32,917)	(60,488)	(86,976)
103 American Electric Power Service Corporation	53,220,412	37,769,958	30,585,866	25,489,388	14,766,858	10,612,679	7,845,810	4,860,269	1,876,201	(801,276)	(3,506,153)
American Electric Power Service Corp	53,220,412	37,769,958	30,585,866	25,489,388	14,766,858	10,612,679	7,845,810	4,860,269	1,876,201	(801,276)	(3,506,153)
143 AEP Pro Serv, Inc.	28,233	17,616	13,935	7,051	(314)	(4,183)	(7,388)	(10,515)	(13,659)	(16,875)	(19,443)
171 CSW Energy, Inc.	392,813	317,462	275,771	250,503	192,164	178,709	149,096	115,100	82,740	49,561	15,270
293 Elmwood	289,916	246,201	248,607	238,914	185,818	150,828	120,004	85,875	49,213	11,562	(26,514)
292 AEP River Operations LLC	4,278,406	3,868,272	3,947,502	3,910,035	3,407,313	3,081,952	2,785,259	2,405,056	2,001,650	1,661,078	1,283,041
189 Central Coal Company	0	0	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc.	27,950	(2,119)	(4,450)	(7,283)	(11,538)	(13,794)	(15,814)	(17,847)	(19,769)	(21,737)	(23,638)
Miscellaneous	5,017,318	4,447,432	4,481,366	4,399,220	3,773,443	3,393,612	3,031,177	2,677,669	2,100,175	1,683,589	1,228,716
<b>Total</b>	<b>\$172,774,877</b>	<b>\$120,099,146</b>	<b>\$101,657,804</b>	<b>\$78,593,623</b>	<b>\$41,282,338</b>	<b>\$26,988,681</b>	<b>\$17,394,637</b>	<b>\$6,863,148</b>	<b>(\$3,673,985)</b>	<b>(\$13,304,569)</b>	<b>(\$23,104,933)</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
2013 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$356,015,564	\$290,426,971	\$2,855,988	\$13,703,437	(\$18,348,002)	\$95,769	\$12,403,475	\$10,710,667
215 Appalachian Power Co - Generation	302,154,519	248,446,362	2,952,465	11,650,448	(15,695,836)	88,548	10,526,972	9,522,597
150 Appalachian Power Co - Transmission	55,899,993	43,163,368	362,347	2,148,366	(2,726,887)	13,259	1,947,539	1,744,624
Appalachian Power Co. - FERC	<b>\$714,070,076</b>	<b>\$582,036,701</b>	<b>\$6,170,800</b>	<b>\$27,502,251</b>	<b>(\$36,770,725)</b>	<b>\$197,576</b>	<b>\$24,877,986</b>	<b>\$21,977,888</b>
225 Cedar Coal Co	3,977,605	4,271,925	0	151,884	(269,883)	256	138,579	20,836
Appalachian Power Co. - SEC	<b>\$718,047,681</b>	<b>\$586,308,626</b>	<b>\$6,170,800</b>	<b>\$27,654,135</b>	<b>(\$37,040,608)</b>	<b>\$197,832</b>	<b>\$25,016,565</b>	<b>\$21,998,724</b>
211 AEP Texas Central Company - Distribution	\$301,201,723	\$258,902,261	\$4,269,812	\$11,664,368	(\$16,356,398)	\$290,727	\$10,493,777	\$10,362,286
147 AEP Texas Central Company - Generation	8,058,001	13,009,896	0	307,693	(821,913)	0	280,738	(233,482)
169 AEP Texas Central Company - Transmission	29,784,458	25,782,797	569,652	1,159,066	(1,628,853)	32,237	1,037,682	1,169,784
AEP Texas Central Co.	<b>\$339,044,182</b>	<b>\$297,694,954</b>	<b>\$4,839,464</b>	<b>\$13,131,127</b>	<b>(\$18,807,164)</b>	<b>\$322,964</b>	<b>\$11,812,197</b>	<b>\$11,298,588</b>
170 Indiana Michigan Power Co - Distribution	\$187,660,109	\$152,301,336	\$1,746,363	\$7,232,448	(\$9,621,783)	\$49,784	\$6,538,022	\$5,944,834
132 Indiana Michigan Power Co - Generation	122,521,768	99,131,956	1,115,205	4,721,053	(6,262,756)	32,157	4,268,622	3,874,281
190 Indiana Michigan Power Co - Nuclear	232,804,570	201,721,077	4,544,568	9,063,129	(12,743,922)	85,904	8,110,841	9,060,520
120 Indiana Michigan Power Co - Transmission	41,849,984	32,580,319	364,055	1,611,934	(2,058,293)	10,708	1,458,041	1,386,445
280 Ind Mich River Transp Lakin	37,117,633	33,860,273	936,453	1,453,088	(2,139,155)	16,825	1,293,167	1,560,378
Indiana Michigan Power Co. - FERC	<b>\$621,954,064</b>	<b>\$519,594,961</b>	<b>\$8,706,644</b>	<b>\$24,081,652</b>	<b>(\$32,825,909)</b>	<b>\$195,378</b>	<b>\$21,668,693</b>	<b>\$21,826,458</b>
202 Price River Coal	0	0	0	0	0	32	0	32
Indiana Michigan Power Co. - SEC	<b>\$621,954,064</b>	<b>\$519,594,961</b>	<b>\$8,706,644</b>	<b>\$24,081,652</b>	<b>(\$32,825,909)</b>	<b>\$195,410</b>	<b>\$21,668,693</b>	<b>\$21,826,490</b>
110 Kentucky Power Co - Distribution	\$80,098,595	\$63,539,200	\$648,363	\$3,083,306	(\$4,014,150)	\$24,194	\$2,790,611	\$2,532,324
117 Kentucky Power Co - Generation	39,238,018	30,694,286	263,078	1,508,341	(1,939,141)	12,900	1,367,041	1,212,219
180 Kentucky Power Co - Transmission	8,984,302	7,370,071	114,672	347,442	(465,611)	3,861	313,010	313,374
Kentucky Power Co.	<b>\$128,320,915</b>	<b>\$101,603,557</b>	<b>\$1,026,113</b>	<b>\$4,939,089</b>	<b>(\$6,418,902)</b>	<b>\$40,955</b>	<b>\$4,470,662</b>	<b>\$4,057,917</b>
104 Cardinal Operating Company	\$85,290,814	\$80,842,822	\$1,020,149	\$3,295,767	(\$5,107,323)	\$18,876	\$2,971,506	\$2,198,975
270 Cook Coal Terminal	3,714,387	3,621,305	61,064	144,165	(228,779)	963	129,408	106,821
250 Ohio Power Co - Distribution	484,325,650	404,784,198	4,544,447	18,667,405	(25,572,629)	131,694	16,873,760	14,644,677
181 Ohio Power Co - Generation	407,782,109	398,738,608	3,158,513	15,691,684	(25,190,693)	104,403	14,207,006	7,970,913
160 Ohio Power Co - Transmission	82,744,820	66,687,627	698,876	3,186,281	(4,213,055)	25,286	2,882,805	2,580,193
Ohio Power Co. - FERC	<b>\$1,063,857,780</b>	<b>\$954,674,560</b>	<b>\$9,483,049</b>	<b>\$40,985,302</b>	<b>(\$60,312,479)</b>	<b>\$281,222</b>	<b>\$37,064,485</b>	<b>\$27,501,579</b>
290 Conesville Coal Preparation Company	3,889,724	3,999,698	0	148,528	(252,685)	705	135,517	32,065
Ohio Power Co. - SEC	<b>\$1,067,747,504</b>	<b>\$958,674,258</b>	<b>\$9,483,049</b>	<b>\$41,133,830</b>	<b>(\$60,565,164)</b>	<b>\$281,927</b>	<b>\$37,200,002</b>	<b>\$27,533,644</b>
167 Public Service Co of Oklahoma - Distribution	\$174,659,697	\$151,274,299	\$3,237,302	\$6,792,961	(\$9,556,898)	\$182,961	\$6,085,091	\$6,741,417
198 Public Service Co of Oklahoma - Generation	84,793,069	77,426,900	1,907,355	3,310,638	(4,891,518)	93,179	2,954,165	3,373,819
114 Public Service Co of Oklahoma - Transmission	21,403,268	19,404,969	404,338	832,719	(1,225,927)	22,686	745,683	779,499
Public Service Co. of Oklahoma	<b>\$280,856,034</b>	<b>\$248,106,168</b>	<b>\$5,548,995</b>	<b>\$10,936,318</b>	<b>(\$15,674,343)</b>	<b>\$298,826</b>	<b>\$9,784,939</b>	<b>\$10,894,735</b>
159 Southwestern Electric Power Co - Distribution	\$105,366,897	\$95,305,262	\$2,556,860	\$4,121,047	(\$6,021,001)	\$128,735	\$3,670,951	\$4,456,592
168 Southwestern Electric Power Co - Generation	113,704,753	101,336,984	2,897,744	4,452,443	(6,402,061)	133,858	3,961,439	5,043,423
161 Southwestern Electric Power Co - Texas - Distribution	55,539,665	48,123,589	1,138,715	2,164,252	(3,040,254)	66,462	1,934,985	2,264,160
111 Southwestern Electric Power Co - Texas - Transmission	160,412	86,410	0	6,125	(5,459)	104	5,589	6,359
194 Southwestern Electric Power Co - Transmission	17,012,007	16,462,626	412,193	665,340	(1,040,042)	21,709	592,693	651,893
Southwestern Electric Power Co.	<b>\$291,783,734</b>	<b>\$261,314,871</b>	<b>\$7,005,512</b>	<b>\$11,409,207</b>	<b>(\$16,508,817)</b>	<b>\$350,868</b>	<b>\$10,165,657</b>	<b>\$12,422,427</b>
119 AEP Texas North Company - Distribution	\$71,222,835	\$63,844,067	\$1,308,039	\$2,769,577	(\$4,033,410)	\$89,255	\$2,481,382	\$2,614,843
166 AEP Texas North Company - Generation	23,915,680	23,039,495	0	913,215	(1,455,542)	7,536	833,215	298,424
192 AEP Texas North Company - Transmission	11,303,319	10,118,022	294,180	442,848	(639,216)	12,469	393,804	504,085
AEP Texas North Co.	<b>\$106,441,834</b>	<b>\$97,001,584</b>	<b>\$1,602,219</b>	<b>\$4,125,640</b>	<b>(\$6,128,168)</b>	<b>\$109,260</b>	<b>\$3,708,401</b>	<b>\$3,417,352</b>
230 Kingsport Power Co - Distribution	\$13,877,519	\$11,300,753	\$120,480	\$534,511	(\$713,936)	\$3,610	\$483,489	\$428,154
260 Kingsport Power Co - Transmission	4,136,355	3,282,203	36,154	159,326	(207,356)	562	144,109	132,795
Kingsport Power Co.	<b>\$18,013,874</b>	<b>\$14,582,956</b>	<b>\$156,634</b>	<b>\$693,837</b>	<b>(\$921,292)</b>	<b>\$4,172</b>	<b>\$627,598</b>	<b>\$560,949</b>
210 Wheeling Power Co - Distribution	\$17,544,397	\$14,787,986	\$163,926	\$676,189	(\$934,245)	\$6,413	\$611,242	\$523,525
200 Wheeling Power Co - Transmission	766,115	846,889	0	29,254	(53,502)	53	26,691	2,496
Wheeling Power Co.	<b>\$18,310,512</b>	<b>\$15,634,855</b>	<b>\$163,926</b>	<b>\$705,443</b>	<b>(\$987,747)</b>	<b>\$6,466</b>	<b>\$637,933</b>	<b>\$526,021</b>
103 American Electric Power Service Corporation	\$1,522,509,761	\$1,242,779,324	\$19,170,773	\$58,868,754	(\$78,513,771)	\$0	\$53,043,781	\$53,220,412
American Electric Power Service Corp	<b>\$1,522,509,761</b>	<b>\$1,242,779,324</b>	<b>\$19,170,773</b>	<b>\$58,868,754</b>	<b>(\$78,513,771)</b>	<b>\$0</b>	<b>\$53,043,781</b>	<b>\$53,220,412</b>
143 AEP Pro Serv, Inc.	\$1,201,854	\$942,992	\$0	\$45,893	(\$59,574)	\$42	\$41,872	\$28,233
171 CSW Energy, Inc.	5,880,340	4,464,587	232,921	233,434	(282,055)	3,644	204,869	392,813
293 Elmwood	3,467,643	4,826,904	322,596	144,730	(304,944)	6,722	120,812	289,916
292 AEP River Operations LLC	34,955,602	43,268,352	4,259,079	1,497,405	(2,733,520)	37,599	1,217,843	4,278,406
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	382,748	398,454	0	14,615	0	0	13,335	27,950
Miscellaneous	<b>\$45,888,187</b>	<b>\$53,901,289</b>	<b>\$4,814,596</b>	<b>\$1,936,077</b>	<b>(\$3,380,093)</b>	<b>\$48,007</b>	<b>\$1,598,731</b>	<b>\$5,017,318</b>
<b>Total</b>	<b>\$5,158,918,282</b>	<b>\$4,397,197,403</b>	<b>\$68,688,725</b>	<b>\$199,615,109</b>	<b>(\$277,771,978)</b>	<b>\$1,856,687</b>	<b>\$179,735,159</b>	<b>\$172,774,577</b>

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2014 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$329,362,267	\$299,352,628	\$2,840,971	\$14,582,729	(\$18,927,712)	\$95,769	\$8,682,144	\$7,273,901
215 Appalachian Power Co - Generation	279,533,558	258,577,477	2,936,941	12,399,610	(16,349,548)	88,548	7,368,636	6,444,187
150 Appalachian Power Co - Transmission	51,715,010	44,958,928	360,442	2,285,957	(2,842,700)	13,259	1,363,232	1,180,190
Appalachian Power Co. - FERC	\$660,610,835	\$602,889,033	\$6,138,354	\$29,268,296	(\$38,119,960)	\$197,576	\$17,414,012	\$14,898,278
225 Cedar Coal Co	3,679,819	4,328,634	0	161,533	(273,694)	256	97,002	(14,903)
Appalachian Power Co. - SEC	\$664,290,654	\$607,217,667	\$6,138,354	\$29,429,829	(\$38,393,654)	\$197,832	\$17,511,014	\$14,883,375
211 AEP Texas Central Company - Distribution	\$278,652,094	\$268,610,282	\$4,247,361	\$12,418,440	(\$16,983,910)	\$290,197	\$7,345,400	\$7,317,488
147 AEP Texas Central Company - Generation	7,454,734	13,779,590	0	327,241	(871,267)	0	196,510	(347,516)
169 AEP Texas Central Company - Transmission	27,554,629	26,846,265	566,657	1,234,440	(1,697,458)	32,185	726,353	862,177
AEP Texas Central Co.	\$313,661,457	\$309,236,137	\$4,814,018	\$13,980,121	(\$19,552,635)	\$322,382	\$8,268,263	\$7,832,149
170 Indiana Michigan Power Co - Distribution	\$173,610,834	\$155,920,634	\$1,737,180	\$7,697,253	(\$9,858,677)	\$49,784	\$4,576,463	\$4,202,003
132 Indiana Michigan Power Co - Generation	113,349,110	103,614,620	1,109,341	5,024,384	(6,551,430)	32,157	2,987,936	2,602,388
190 Indiana Michigan Power Co - Nuclear	215,375,531	216,223,369	4,520,672	9,652,786	(13,671,547)	85,904	5,677,400	6,265,215
120 Indiana Michigan Power Co - Transmission	38,716,862	33,674,570	362,141	1,715,451	(2,129,203)	10,708	1,020,595	979,692
280 Ind Mich River Transp Lakin	34,338,801	36,238,291	931,529	1,548,262	(2,291,304)	16,825	905,187	1,110,499
Indiana Michigan Power Co. - FERC	\$575,391,138	\$545,671,484	\$8,660,863	\$25,638,136	(\$34,502,161)	\$195,378	\$15,167,581	\$15,159,797
202 Price River Coal	0	0	0	0	0	32	0	32
Indiana Michigan Power Co. - SEC	\$575,391,138	\$545,671,484	\$8,660,863	\$25,638,136	(\$34,502,161)	\$195,410	\$15,167,581	\$15,159,829
110 Kentucky Power Co - Distribution	\$74,101,971	\$65,822,609	\$644,954	\$3,281,166	(\$4,161,886)	\$24,194	\$1,953,363	\$1,741,791
117 Kentucky Power Co - Generation	36,300,443	32,181,904	261,695	1,604,969	(2,034,824)	12,900	956,897	801,637
180 Kentucky Power Co - Transmission	8,311,687	7,897,550	114,089	369,865	(499,353)	3,861	219,100	207,542
Kentucky Power Co.	\$118,714,101	\$105,902,063	\$1,020,718	\$5,256,000	(\$6,696,063)	\$40,955	\$3,129,360	\$2,750,970
104 Cardinal Operating Company	\$78,905,471	\$83,370,619	\$1,014,785	\$3,508,260	(\$5,271,425)	\$18,876	\$2,079,985	\$1,350,481
270 Cook Coal Terminal	3,436,307	3,770,302	60,743	153,510	(238,392)	963	90,583	67,407
250 Ohio Power Co - Distribution	448,066,350	415,363,732	4,520,552	19,867,211	(26,262,957)	131,694	11,811,239	10,067,739
181 Ohio Power Co - Generation	377,253,282	410,096,995	3,141,905	16,698,211	(25,929,947)	104,403	9,944,573	3,959,145
160 Ohio Power Co - Transmission	76,550,085	68,851,178	695,201	3,390,837	(4,353,378)	25,286	2,017,896	1,775,842
Ohio Power Co. - FERC	\$984,211,495	\$981,452,826	\$9,433,186	\$43,618,029	(\$62,056,099)	\$281,222	\$25,944,276	\$17,220,614
290 Conesville Coal Preparation Company	3,598,518	4,072,426	0	157,964	(257,495)	705	94,859	(3,967)
Ohio Power Co. - SEC	\$987,810,013	\$985,525,252	\$9,433,186	\$43,775,993	(\$62,313,594)	\$281,927	\$26,039,135	\$17,216,647
167 Public Service Co of Oklahoma - Distribution	\$161,583,705	\$157,788,246	\$3,220,280	\$7,234,402	(\$9,976,764)	\$182,659	\$4,259,422	\$4,919,999
198 Public Service Co of Oklahoma - Generation	78,444,990	81,956,390	1,897,326	3,526,787	(5,182,005)	93,055	2,067,847	2,403,010
114 Public Service Co of Oklahoma - Transmission	19,800,901	20,467,667	402,212	886,856	(1,294,146)	22,653	521,961	539,536
Public Service Co. of Oklahoma	\$259,829,596	\$260,212,303	\$5,519,818	\$11,648,045	(\$16,452,915)	\$298,367	\$6,849,230	\$7,862,545
159 Southwestern Electric Power Co - Distribution	\$97,478,548	\$101,226,920	\$2,543,416	\$4,390,665	(\$6,400,458)	\$128,573	\$2,569,580	\$3,231,776
168 Southwestern Electric Power Co - Generation	105,192,186	107,818,724	2,882,507	4,744,156	(6,817,250)	133,705	2,772,915	3,716,033
161 Southwestern Electric Power Co - Texas - Distribution	51,381,658	49,989,046	1,132,727	2,305,224	(3,160,748)	66,381	1,354,445	1,699,029
111 Southwestern Electric Power Co - Texas - Transmission	148,403	71,702	0	6,514	(4,534)	103	3,912	5,995
194 Southwestern Electric Power Co - Transmission	15,738,394	16,829,520	410,026	708,867	(1,064,111)	21,686	414,871	491,339
Southwestern Electric Power Co.	\$269,939,189	\$275,935,912	\$6,968,676	\$12,155,426	(\$17,447,101)	\$350,448	\$7,115,723	\$9,143,172
119 AEP Texas North Company - Distribution	\$65,890,699	\$66,784,525	\$1,301,161	\$2,949,522	(\$4,222,706)	\$89,140	\$1,736,910	\$1,854,027
166 AEP Texas North Company - Generation	22,125,220	23,323,603	0	971,231	(1,474,724)	7,475	583,231	87,213
192 AEP Texas North Company - Transmission	10,457,090	10,946,085	292,633	471,881	(692,108)	12,453	275,654	360,513
AEP Texas North Co.	\$98,473,009	\$101,054,213	\$1,593,794	\$4,392,634	(\$6,389,538)	\$109,068	\$2,595,795	\$2,301,753
230 Kingsport Power Co - Distribution	\$12,838,571	\$11,643,774	\$119,846	\$568,836	(\$736,222)	\$3,610	\$338,431	\$294,501
260 Kingsport Power Co - Transmission	3,826,685	3,383,118	35,964	169,559	(213,911)	562	100,873	93,047
Kingsport Power Co.	\$16,665,256	\$15,026,892	\$155,810	\$738,395	(\$950,133)	\$4,172	\$439,304	\$387,548
210 Wheeling Power Co - Distribution	\$16,230,926	\$15,345,346	\$163,064	\$719,647	(\$970,268)	\$6,413	\$427,855	\$346,711
200 Wheeling Power Co - Transmission	708,759	834,921	0	31,112	(52,791)	53	18,683	(2,943)
Wheeling Power Co.	\$16,939,685	\$16,180,267	\$163,064	\$750,759	(\$1,023,059)	\$6,466	\$446,538	\$343,768
103 American Electric Power Service Corporation	\$1,408,526,249	\$1,292,878,200	\$19,069,968	\$62,667,205	(\$81,747,157)	\$0	\$37,129,408	\$37,769,957
American Electric Power Service Corp	\$1,408,526,249	\$1,292,878,200	\$19,069,968	\$62,667,205	(\$81,747,157)	\$0	\$37,129,408	\$37,769,957
143 AEP Pro Serv, Inc.	\$1,111,877	\$957,546	\$0	\$48,808	(\$60,544)	\$42	\$29,310	\$17,616
171 CSW Energy, Inc.	5,440,105	4,906,817	231,696	248,975	(310,252)	3,639	143,404	317,462
293 Elmwood	3,208,036	5,075,149	320,900	154,910	(320,896)	6,722	84,565	246,201
292 AEP River Operations LLC	32,338,632	45,296,106	4,236,684	1,605,547	(2,864,019)	37,599	852,461	3,868,272
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	354,093	426,979	0	15,544	(26,997)	0	9,334	(2,119)
Miscellaneous	\$42,452,743	\$56,662,597	\$4,789,280	\$2,073,784	(\$3,582,708)	\$48,002	\$1,119,074	\$4,447,432
<b>Total</b>	<b>\$4,772,693,090</b>	<b>\$4,571,502,987</b>	<b>\$68,327,549</b>	<b>\$212,506,327</b>	<b>(\$289,050,718)</b>	<b>\$1,855,029</b>	<b>\$125,810,425</b>	<b>\$120,099,145</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2015 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$319,939,323	\$308,952,686	\$2,993,503	\$14,615,629	(\$18,782,192)	\$86,250	\$6,926,861	\$5,840,051
215 Appalachian Power Co - Generation	271,536,197	268,926,034	3,094,625	12,429,527	(16,348,848)	81,866	5,878,907	5,136,077
150 Appalachian Power Co - Transmission	50,235,461	46,706,556	379,794	2,290,798	(2,839,436)	12,132	1,087,625	930,913
Appalachian Power Co. - FERC	\$641,710,981	\$624,585,276	\$6,467,922	\$29,335,954	(\$37,970,476)	\$180,248	\$13,893,393	\$11,907,041
225 Cedar Coal Co	3,574,541	4,359,386	0	161,780	(265,021)	43	77,391	(25,807)
Appalachian Power Co. - SEC	\$645,285,522	\$628,944,662	\$6,467,922	\$29,497,734	(\$38,235,497)	\$180,291	\$13,970,784	\$11,881,234
211 AEP Texas Central Company - Distribution	\$270,679,951	\$268,839,934	\$4,475,401	\$12,453,267	(\$16,343,614)	\$237,577	\$5,860,369	\$6,683,000
147 AEP Texas Central Company - Generation	7,241,457	14,453,203	0	327,741	(878,655)	0	156,781	(394,133)
169 AEP Texas Central Company - Transmission	26,766,300	26,691,997	597,080	1,238,440	(1,622,689)	26,951	579,505	\$19,287
AEP Texas Central Co.	\$304,687,708	\$309,985,134	\$5,072,481	\$14,019,448	(\$18,844,958)	\$264,528	\$6,596,655	\$7,108,154
170 Indiana Michigan Power Co - Distribution	\$168,643,886	\$160,311,621	\$1,830,450	\$7,715,505	(\$9,745,841)	\$44,840	\$3,651,232	\$3,496,186
132 Indiana Michigan Power Co - Generation	110,106,230	108,867,292	1,168,902	5,036,205	(6,618,380)	29,551	2,383,880	2,000,138
190 Indiana Michigan Power Co - Nuclear	209,213,709	221,853,676	4,763,387	9,684,398	(13,487,173)	81,866	4,529,591	5,572,089
120 Indiana Michigan Power Co - Transmission	37,609,186	34,873,877	381,584	1,719,426	(2,120,091)	9,762	814,259	804,940
280 Ind Mich River Transp Lakin	33,356,379	37,224,425	981,543	1,554,101	(2,262,988)	16,001	722,184	1,010,841
Indiana Michigan Power Co. - FERC	\$558,929,390	\$563,130,891	\$9,125,866	\$25,709,635	(\$34,234,473)	\$182,020	\$12,101,126	\$12,884,174
202 Price River Coal	0	0	0	0	0	5	0	5
Indiana Michigan Power Co. - SEC	\$558,929,390	\$563,130,891	\$9,125,866	\$25,709,635	(\$34,234,473)	\$182,025	\$12,101,126	\$12,884,179
110 Kentucky Power Co - Distribution	\$71,981,939	\$68,677,621	\$679,581	\$3,288,591	(\$4,175,126)	\$22,536	\$1,558,448	\$1,374,030
117 Kentucky Power Co - Generation	35,261,900	33,651,919	275,745	1,608,400	(2,045,805)	12,083	763,439	613,862
180 Kentucky Power Co - Transmission	8,073,892	8,514,055	120,193	370,856	(517,596)	3,701	174,804	151,958
Kentucky Power Co.	\$115,317,731	\$110,843,595	\$1,075,519	\$5,267,847	(\$6,738,527)	\$38,320	\$2,496,691	\$2,139,850
104 Cardinal Operating Company	\$76,648,012	\$84,900,282	\$1,069,269	\$3,517,409	(\$5,161,352)	\$17,142	\$1,659,471	\$1,101,939
270 Cook Coal Terminal	3,337,995	3,875,170	64,004	153,971	(235,584)	887	72,269	55,547
250 Ohio Power Co - Distribution	435,247,322	426,915,343	4,763,260	19,914,456	(25,953,508)	117,145	9,423,342	8,264,695
181 Ohio Power Co - Generation	366,460,192	416,871,935	3,310,594	16,735,470	(25,342,938)	94,065	7,934,063	2,731,254
160 Ohio Power Co - Transmission	74,360,013	70,673,069	732,527	3,398,616	(4,296,435)	23,045	1,609,935	1,467,688
Ohio Power Co. - FERC	\$956,053,534	\$1,003,235,799	\$9,939,654	\$43,719,922	(\$60,989,817)	\$252,284	\$20,699,080	\$13,621,123
290 Conesville Coal Preparation Company	3,495,566	4,097,203	0	158,206	(249,082)	629	75,681	(14,566)
Ohio Power Co. - SEC	\$959,549,100	\$1,007,333,002	\$9,939,654	\$43,878,128	(\$61,238,899)	\$252,913	\$20,774,761	\$13,606,557
167 Public Service Co of Oklahoma - Distribution	\$156,960,849	\$157,455,486	\$3,393,177	\$7,257,469	(\$9,572,208)	\$152,670	\$3,398,288	\$4,629,396
198 Public Service Co of Oklahoma - Generation	76,200,705	82,009,634	1,999,193	3,539,252	(4,985,620)	80,740	1,649,787	2,283,352
114 Public Service Co of Oklahoma - Transmission	19,234,404	20,615,701	423,807	889,712	(1,253,292)	19,403	416,435	496,065
Public Service Co. of Oklahoma	\$252,395,958	\$260,080,821	\$5,816,177	\$11,686,433	(\$15,811,120)	\$252,813	\$5,464,510	\$7,408,813
159 Southwestern Electric Power Co - Distribution	\$94,689,719	\$101,857,647	\$2,679,972	\$4,406,859	(\$6,192,242)	\$112,469	\$2,050,084	\$3,057,142
168 Southwestern Electric Power Co - Generation	102,182,673	107,426,539	3,037,269	4,762,153	(6,530,793)	118,503	2,212,311	3,599,443
161 Southwestern Electric Power Co - Texas - Distribution	49,911,646	49,785,337	1,193,544	2,312,972	(3,026,605)	58,311	1,080,614	1,618,836
111 Southwestern Electric Power Co - Texas - Transmission	144,157	268,501	0	6,524	(16,323)	11	3,121	(6,667)
194 Southwestern Electric Power Co - Transmission	15,288,124	16,927,962	432,040	711,480	(1,029,103)	19,320	330,996	464,733
Southwestern Electric Power Co.	\$262,216,319	\$276,265,986	\$7,342,825	\$12,199,988	(\$16,795,066)	\$308,614	\$5,677,126	\$8,733,487
119 AEP Texas North Company - Distribution	\$64,005,588	\$65,963,317	\$1,371,020	\$2,958,882	(\$4,010,115)	\$77,637	\$1,385,756	\$1,783,180
166 AEP Texas North Company - Generation	21,492,225	23,317,974	0	972,717	(1,417,572)	1,465	465,318	21,928
192 AEP Texas North Company - Transmission	10,157,916	11,145,360	308,345	473,693	(677,561)	10,813	219,924	335,214
AEP Texas North Co.	\$95,655,729	\$100,426,651	\$1,679,365	\$4,405,292	(\$6,105,248)	\$89,915	\$2,070,998	\$2,140,322
230 Kingsport Power Co - Distribution	\$12,471,264	\$11,982,936	\$126,281	\$570,153	(\$728,480)	\$3,237	\$270,010	\$241,201
260 Kingsport Power Co - Transmission	3,717,205	3,450,822	37,895	169,952	(209,786)	491	80,480	79,032
Kingsport Power Co.	\$16,188,469	\$15,433,758	\$164,176	\$740,105	(\$938,266)	\$3,728	\$350,490	\$320,233
210 Wheeling Power Co - Distribution	\$15,766,565	\$15,944,296	\$171,819	\$721,356	(\$969,303)	\$5,900	\$341,355	\$271,127
200 Wheeling Power Co - Transmission	688,482	813,549	0	31,160	(49,458)	9	14,906	(3,383)
Wheeling Power Co.	\$16,455,047	\$16,757,845	\$171,819	\$752,516	(\$1,018,761)	\$5,909	\$356,261	\$267,744
103 American Electric Power Service Corporation	\$1,368,228,786	\$1,358,008,453	\$20,093,838	\$62,834,149	(\$82,557,546)	\$0	\$29,622,899	\$30,585,866
American Electric Power Service Corp	\$1,368,228,786	\$1,358,008,453	\$20,093,838	\$62,834,149	(\$82,557,546)	\$0	\$29,622,899	\$30,585,866
143 AEP Pro Serv, Inc.	\$1,080,067	\$960,175	\$0	\$48,883	(\$58,372)	\$40	\$23,384	\$13,935
171 CSW Energy, Inc.	5,284,465	5,527,905	244,136	250,219	(336,058)	3,062	114,412	275,771
293 Elmwood	3,116,255	5,264,310	338,129	156,342	(320,034)	6,701	67,469	248,607
292 AEP River Operations LLC	31,413,435	47,013,301	4,464,152	1,623,785	(2,858,084)	37,531	680,118	3,947,502
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	343,963	451,756	0	15,567	(27,464)	0	7,447	(4,450)
Miscellaneous	\$41,238,185	\$59,217,447	\$5,046,417	\$2,094,796	(\$3,600,012)	\$47,334	\$892,830	\$4,481,365
<b>Total</b>	<b>\$4,636,147,944</b>	<b>\$4,706,428,245</b>	<b>\$71,996,059</b>	<b>\$213,086,071</b>	<b>(\$286,118,373)</b>	<b>\$1,626,390</b>	<b>\$100,375,131</b>	<b>\$101,557,804</b>

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2016 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$312,001,946	\$350,847,043	\$3,092,094	\$14,541,590	(\$21,327,244)	\$84,048	\$5,611,459	\$2,001,947
215 Appalachian Power Co - Generation	264,799,653	268,244,409	3,196,546	12,368,025	(16,306,006)	80,120	4,762,510	4,101,195
150 Appalachian Power Co - Transmission	48,989,169	52,241,328	392,302	2,278,955	(3,175,639)	11,874	881,086	388,578
<b>Appalachian Power Co. - FERC</b>	<b>\$625,790,768</b>	<b>\$671,332,780</b>	<b>\$6,680,942</b>	<b>\$29,188,570</b>	<b>(\$40,808,889)</b>	<b>\$176,042</b>	<b>\$11,255,055</b>	<b>\$6,491,720</b>
225 Cedar Coal Co	3,485,860	4,353,420	0	160,872	(264,635)	0	62,694	(41,069)
<b>Appalachian Power Co. - SEC</b>	<b>\$629,276,628</b>	<b>\$675,686,200</b>	<b>\$6,680,942</b>	<b>\$29,349,442</b>	<b>(\$41,073,524)</b>	<b>\$176,042</b>	<b>\$11,317,749</b>	<b>\$6,450,651</b>
211 AEP Texas Central Company - Distribution	\$263,964,650	\$265,329,467	\$4,622,799	\$12,395,311	(\$16,128,812)	\$230,717	\$4,747,492	\$5,867,507
147 AEP Texas Central Company - Generation	7,061,803	15,046,279	0	325,902	(914,631)	0	127,009	(461,720)
169 AEP Texas Central Company - Transmission	26,102,255	26,223,771	616,745	1,233,082	(1,594,087)	26,282	469,458	751,480
<b>AEP Texas Central Co.</b>	<b>\$297,128,708</b>	<b>\$306,599,517</b>	<b>\$5,239,544</b>	<b>\$13,954,295</b>	<b>(\$18,637,530)</b>	<b>\$256,999</b>	<b>\$5,343,959</b>	<b>\$6,157,267</b>
170 Indiana Michigan Power Co - Distribution	\$164,459,999	\$181,761,289	\$1,890,736	\$7,677,085	(\$11,048,881)	\$43,409	\$2,957,868	\$1,520,218
132 Indiana Michigan Power Co - Generation	107,374,604	109,014,005	1,207,399	5,011,059	(6,626,729)	28,877	1,931,168	1,551,774
190 Indiana Michigan Power Co - Nuclear	204,023,325	224,844,394	4,920,269	9,642,747	(13,667,811)	80,170	3,669,427	4,644,802
120 Indiana Michigan Power Co - Transmission	36,676,139	39,582,412	394,152	1,710,794	(2,406,130)	9,513	659,633	367,962
280 Ind Mich River Transp Lakin	32,528,841	37,798,112	1,013,870	1,547,996	(2,297,667)	15,502	585,042	864,743
<b>Indiana Michigan Power Co. - FERC</b>	<b>\$545,062,908</b>	<b>\$593,000,212</b>	<b>\$9,426,426</b>	<b>\$25,589,682</b>	<b>(\$36,047,218)</b>	<b>\$177,471</b>	<b>\$9,803,138</b>	<b>\$8,949,499</b>
202 Price River Coal	0	0	0	0	0	0	0	0
<b>Indiana Michigan Power Co. - SEC</b>	<b>\$545,062,908</b>	<b>\$593,000,212</b>	<b>\$9,426,426</b>	<b>\$25,589,682</b>	<b>(\$36,047,218)</b>	<b>\$177,471</b>	<b>\$9,803,138</b>	<b>\$8,949,499</b>
110 Kentucky Power Co - Distribution	\$70,196,138	\$79,411,934	\$701,963	\$3,271,947	(\$4,827,282)	\$22,145	\$1,262,501	\$431,274
117 Kentucky Power Co - Generation	34,387,087	38,488,860	284,827	1,600,109	(2,339,656)	11,852	618,463	175,595
180 Kentucky Power Co - Transmission	7,873,587	8,653,508	124,152	369,096	(526,028)	3,639	141,609	112,468
<b>Kentucky Power Co.</b>	<b>\$112,456,812</b>	<b>\$126,554,302</b>	<b>\$1,110,942</b>	<b>\$5,241,152</b>	<b>(\$7,692,966)</b>	<b>\$37,636</b>	<b>\$2,022,573</b>	<b>\$719,337</b>
104 Cardinal Operating Company	\$74,746,451	\$85,448,112	\$1,104,485	\$3,500,521	(\$5,194,209)	\$16,734	\$1,344,340	\$771,871
270 Cook Coal Terminal	3,255,183	3,940,778	66,112	153,278	(239,551)	871	58,546	39,256
250 Ohio Power Co - Distribution	424,449,268	421,614,737	4,920,138	19,815,398	(25,629,061)	113,103	7,633,861	6,853,439
181 Ohio Power Co - Generation	357,368,679	419,165,027	3,419,629	16,650,380	(25,480,148)	91,344	6,427,394	1,108,599
160 Ohio Power Co - Transmission	72,515,215	79,132,709	756,652	3,381,497	(4,810,309)	22,377	1,304,210	654,427
<b>Ohio Power Co. - FERC</b>	<b>\$932,334,796</b>	<b>\$1,009,301,363</b>	<b>\$10,267,016</b>	<b>\$43,501,074</b>	<b>(\$61,353,278)</b>	<b>\$244,429</b>	<b>\$16,768,351</b>	<b>\$9,427,592</b>
290 Conesville Coal Preparation Company	3,408,844	4,081,327	0	157,318	(248,095)	614	61,309	(28,854)
<b>Ohio Power Co. - SEC</b>	<b>\$935,743,640</b>	<b>\$1,013,382,690</b>	<b>\$10,267,016</b>	<b>\$43,658,392</b>	<b>(\$61,601,373)</b>	<b>\$245,043</b>	<b>\$16,829,660</b>	<b>\$9,398,738</b>
167 Public Service Co of Oklahoma - Distribution	\$153,066,807	\$154,846,206	\$3,504,931	\$7,225,786	(\$9,412,771)	\$148,180	\$2,752,957	\$4,219,083
198 Public Service Co of Oklahoma - Generation	74,310,241	81,120,971	2,065,037	3,524,719	(4,931,171)	79,178	1,336,494	2,074,257
114 Public Service Co of Oklahoma - Transmission	18,757,217	20,379,154	437,765	885,848	(1,238,805)	18,956	337,355	441,119
<b>Public Service Co. of Oklahoma</b>	<b>\$246,134,265</b>	<b>\$256,346,331</b>	<b>\$6,007,733</b>	<b>\$11,636,353</b>	<b>(\$15,582,747)</b>	<b>\$246,314</b>	<b>\$4,426,806</b>	<b>\$6,734,459</b>
159 Southwestern Electric Power Co - Distribution	\$92,340,561	\$100,853,283	\$2,768,237	\$4,389,271	(\$6,130,656)	\$110,193	\$1,660,776	\$2,797,821
168 Southwestern Electric Power Co - Generation	99,647,622	106,067,684	3,137,302	4,743,524	(6,447,628)	116,270	1,792,196	3,341,664
161 Southwestern Electric Power Co - Texas - Distribution	48,673,388	48,438,909	1,232,853	2,303,173	(2,944,498)	57,264	875,407	1,524,199
111 Southwestern Electric Power Co - Texas - Transmission	140,581	268,161	0	6,488	(16,301)	0	2,528	(7,285)
194 Southwestern Electric Power Co - Transmission	14,908,841	16,720,020	446,269	708,638	(1,016,374)	18,985	268,140	425,658
<b>Southwestern Electric Power Co.</b>	<b>\$255,710,993</b>	<b>\$272,348,057</b>	<b>\$7,584,661</b>	<b>\$12,151,094</b>	<b>(\$16,555,457)</b>	<b>\$302,712</b>	<b>\$4,599,047</b>	<b>\$8,082,057</b>
119 AEP Texas North Company - Distribution	\$62,417,673	\$65,040,248	\$1,416,175	\$2,945,932	(\$3,953,658)	\$76,192	\$1,122,603	\$1,607,244
166 AEP Texas North Company - Generation	20,959,024	23,073,770	0	967,259	(1,402,605)	760	376,955	(57,631)
192 AEP Texas North Company - Transmission	9,905,908	11,157,784	318,500	471,856	(678,258)	10,619	178,161	300,878
<b>AEP Texas North Co.</b>	<b>\$93,282,605</b>	<b>\$99,271,802</b>	<b>\$1,734,675</b>	<b>\$4,385,047</b>	<b>(\$6,034,521)</b>	<b>\$87,571</b>	<b>\$1,677,719</b>	<b>\$1,850,491</b>
230 Kingsport Power Co - Distribution	\$12,161,864	\$13,311,057	\$130,440	\$567,290	(\$809,151)	\$3,146	\$218,735	\$110,460
260 Kingsport Power Co - Transmission	3,624,985	3,795,966	39,143	169,100	(230,749)	471	65,197	43,162
<b>Kingsport Power Co.</b>	<b>\$15,786,849</b>	<b>\$17,107,023</b>	<b>\$169,583</b>	<b>\$736,390</b>	<b>(\$1,039,900)</b>	<b>\$3,617</b>	<b>\$283,932</b>	<b>\$153,622</b>
210 Wheeling Power Co - Distribution	\$15,375,412	\$15,857,655	\$177,478	\$717,766	(\$963,953)	\$5,760	\$276,532	\$213,583
200 Wheeling Power Co - Transmission	671,401	785,510	0	30,985	(47,749)	0	12,075	(4,689)
<b>Wheeling Power Co.</b>	<b>\$16,046,813</b>	<b>\$16,643,165</b>	<b>\$177,478</b>	<b>\$748,751</b>	<b>(\$1,011,702)</b>	<b>\$5,760</b>	<b>\$288,607</b>	<b>\$208,894</b>
103 American Electric Power Service Corporation	\$1,334,284,386	\$1,355,062,067	\$20,755,628	\$62,535,095	(\$82,371,331)	\$0	\$23,997,547	\$25,489,387
<b>American Electric Power Service Corp</b>	<b>\$1,334,284,386</b>	<b>\$1,355,062,067</b>	<b>\$20,755,628</b>	<b>\$62,535,095</b>	<b>(\$82,371,331)</b>	<b>\$0</b>	<b>\$23,997,547</b>	<b>\$25,489,387</b>
143 AEP Pro Serv, Inc.	\$1,053,271	\$995,901	\$0	\$48,608	(\$60,539)	\$39	\$18,943	\$7,051
171 CSW Energy, Inc.	5,153,363	5,704,635	252,177	249,466	(346,773)	2,948	92,685	250,503
293 Elmwood	3,038,944	5,393,924	349,265	156,366	(327,885)	6,512	54,656	238,914
292 AEP River Operations LLC	30,634,098	47,955,944	4,611,179	1,626,570	(2,915,140)	36,462	550,964	3,910,035
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	335,429	473,721	0	15,480	(28,796)	0	6,033	(7,283)
<b>Miscellaneous</b>	<b>\$40,215,105</b>	<b>\$60,524,125</b>	<b>\$5,212,621</b>	<b>\$2,096,490</b>	<b>(\$3,679,133)</b>	<b>\$45,961</b>	<b>\$723,281</b>	<b>\$4,399,220</b>
<b>Total</b>	<b>\$4,521,129,712</b>	<b>\$4,792,525,491</b>	<b>\$74,367,249</b>	<b>\$212,082,183</b>	<b>(\$291,327,402)</b>	<b>\$1,585,126</b>	<b>\$81,314,018</b>	<b>\$78,593,622</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2017 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$302,303,437	\$356,419,783	\$3,191,421	\$14,512,649	(\$22,531,942)	\$78,793	\$4,147,745	(\$601,334)
215 Appalachian Power Co - Generation	256,568,417	271,662,930	3,299,229	12,345,111	(17,173,832)	74,093	3,520,239	2,064,840
150 Appalachian Power Co - Transmission	47,466,352	53,198,529	404,904	2,274,142	(3,363,074)	11,419	651,261	(21,348)
Appalachian Power Co. - FERC	\$606,338,206	\$681,281,242	\$6,895,554	\$29,131,902	(\$43,068,848)	\$164,305	\$8,319,245	\$1,442,158
225 Cedar Coal Co	3,377,503	4,354,614	0	160,450	(275,287)	0	46,341	(68,496)
Appalachian Power Co. - SEC	\$609,715,709	\$685,635,856	\$6,895,554	\$29,292,352	(\$43,344,135)	\$164,305	\$8,365,586	\$1,373,662
211 AEP Texas Central Company - Distribution	\$255,759,370	\$268,031,625	\$4,771,297	\$12,376,608	(\$16,944,270)	\$32,327	\$3,509,139	\$3,745,101
147 AEP Texas Central Company - Generation	6,842,289	15,213,008	0	325,046	(961,727)	0	93,879	(542,802)
169 AEP Texas Central Company - Transmission	25,290,872	26,505,805	636,557	1,231,692	(1,675,629)	3,887	347,003	543,510
AEP Texas Central Co.	\$287,892,531	\$309,750,438	\$5,407,854	\$13,933,346	(\$19,581,626)	\$36,214	\$3,950,021	\$3,745,809
170 Indiana Michigan Power Co - Distribution	\$159,347,798	\$184,221,294	\$1,951,472	\$7,662,583	(\$11,645,996)	\$37,120	\$2,186,327	\$191,506
132 Indiana Michigan Power Co - Generation	104,036,889	111,147,907	1,246,185	5,001,512	(7,026,485)	26,761	1,427,435	675,408
190 Indiana Michigan Power Co - Nuclear	197,681,307	234,636,557	5,078,323	9,632,173	(14,833,120)	67,613	2,712,280	2,657,269
120 Indiana Michigan Power Co - Transmission	35,536,070	40,240,708	406,813	1,707,480	(2,543,914)	8,588	487,572	66,539
280 Ind Mich River Transp Lakin	31,517,689	39,351,810	1,046,439	1,546,971	(2,487,720)	10,849	432,438	548,977
Indiana Michigan Power Co. - FERC	\$528,119,753	\$609,598,276	\$9,729,232	\$25,550,719	(\$38,537,235)	\$150,931	\$7,246,052	\$4,139,699
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$528,119,753	\$609,598,276	\$9,729,232	\$25,550,719	(\$38,537,235)	\$150,931	\$7,246,052	\$4,139,699
110 Kentucky Power Co - Distribution	\$68,014,107	\$81,211,442	\$724,513	\$3,265,454	(\$5,133,979)	\$21,315	\$933,186	(\$189,511)
117 Kentucky Power Co - Generation	33,318,172	39,395,520	293,976	1,596,758	(2,490,483)	10,918	457,141	(131,690)
180 Kentucky Power Co - Transmission	7,628,839	9,006,243	128,140	368,498	(569,352)	3,227	104,671	35,184
Kentucky Power Co.	\$108,961,118	\$129,613,205	\$1,146,629	\$5,230,710	(\$8,193,814)	\$35,460	\$1,494,998	(\$286,017)
104 Cardinal Operating Company	\$72,422,975	\$87,329,866	\$1,139,965	\$3,494,635	(\$5,520,770)	\$15,877	\$993,677	\$123,384
270 Cook Coal Terminal	3,153,996	4,116,835	68,236	153,073	(260,256)	855	43,274	5,182
250 Ohio Power Co - Distribution	411,255,360	422,609,575	5,078,188	19,778,084	(26,716,291)	96,985	5,642,617	3,879,583
181 Ohio Power Co - Generation	346,259,955	425,804,100	3,529,477	16,616,880	(26,918,240)	82,309	4,750,849	(1,938,725)
160 Ohio Power Co - Transmission	70,261,096	80,159,452	780,958	3,374,880	(5,067,474)	19,325	964,015	71,704
Ohio Power Co. - FERC	\$903,353,382	\$1,020,019,828	\$10,596,824	\$43,417,552	(\$64,483,031)	\$215,351	\$12,394,432	\$2,141,128
290 Conesville Coal Preparation Company	3,302,881	4,089,352	0	156,905	(258,518)	614	45,317	(55,682)
Ohio Power Co. - SEC	\$906,656,263	\$1,024,109,180	\$10,596,824	\$43,574,457	(\$64,741,549)	\$215,965	\$12,439,749	\$2,085,446
167 Public Service Co of Oklahoma - Distribution	\$148,308,760	\$156,335,989	\$3,617,520	\$7,217,316	(\$9,883,159)	\$23,036	\$2,034,866	\$3,009,579
198 Public Service Co of Oklahoma - Generation	72,000,325	83,271,581	2,131,372	3,521,654	(5,264,215)	11,866	987,878	1,388,555
114 Public Service Co of Oklahoma - Transmission	18,174,154	20,514,460	451,827	884,834	(1,296,871)	2,611	249,358	291,759
Public Service Co. of Oklahoma	\$238,483,239	\$260,122,030	\$6,200,719	\$11,623,804	(\$16,444,245)	\$37,513	\$3,272,102	\$4,689,893
159 Southwestern Electric Power Co - Distribution	\$89,470,176	\$103,654,299	\$2,857,161	\$4,386,045	(\$6,552,758)	\$16,285	\$1,227,573	\$1,934,306
168 Southwestern Electric Power Co - Generation	96,550,099	108,601,078	3,238,081	4,740,475	(6,865,481)	15,968	1,324,713	2,453,756
161 Southwestern Electric Power Co - Texas - Distribution	47,160,387	49,253,348	1,272,456	2,300,821	(3,113,670)	8,496	647,063	1,115,166
111 Southwestern Electric Power Co - Texas - Transmission	136,211	269,372	0	6,471	(17,029)	0	1,869	(8,689)
194 Southwestern Electric Power Co - Transmission	14,445,403	17,071,237	460,605	708,116	(1,079,200)	2,932	198,198	290,651
Southwestern Electric Power Co.	\$247,762,276	\$278,849,334	\$7,828,303	\$12,141,928	(\$17,628,138)	\$43,681	\$3,399,416	\$5,785,190
119 AEP Texas North Company - Distribution	\$60,477,434	\$66,029,286	\$1,461,667	\$2,942,441	(\$4,174,202)	\$10,480	\$829,779	\$1,070,165
166 AEP Texas North Company - Generation	20,307,518	22,646,865	0	964,716	(1,431,677)	92	278,629	(188,240)
192 AEP Texas North Company - Transmission	9,597,985	11,589,852	328,731	471,572	(732,681)	1,612	131,689	200,923
AEP Texas North Co.	\$90,382,937	\$100,266,003	\$1,790,398	\$4,378,729	(\$6,338,560)	\$12,184	\$1,240,097	\$1,082,848
230 Kingsport Power Co - Distribution	\$11,783,815	\$13,495,546	\$134,630	\$566,190	(\$853,154)	\$2,930	\$161,679	\$12,275
260 Kingsport Power Co - Transmission	3,512,303	3,812,983	40,400	168,773	(241,047)	389	48,190	16,705
Kingsport Power Co.	\$15,296,118	\$17,308,529	\$175,030	\$734,963	(\$1,094,201)	\$3,319	\$209,869	\$28,980
210 Wheeling Power Co - Distribution	\$14,897,471	\$15,883,741	\$183,179	\$716,412	(\$1,004,129)	\$4,849	\$204,400	\$104,711
200 Wheeling Power Co - Transmission	650,531	759,473	0	30,904	(48,012)	0	8,926	(8,182)
Wheeling Power Co.	\$15,548,002	\$16,643,214	\$183,179	\$747,316	(\$1,052,141)	\$4,849	\$213,326	\$96,529
103 American Electric Power Service Corporation	\$1,292,808,468	\$1,377,846,320	\$21,422,364	\$62,433,037	(\$87,103,902)	\$0	\$17,737,943	\$14,766,858
American Electric Power Service Corp	\$1,292,808,468	\$1,377,846,320	\$21,422,364	\$62,433,037	(\$87,103,902)	\$0	\$17,737,943	\$14,766,858
143 AEP Pro Serv, Inc.	\$1,020,530	\$993,971	\$0	\$48,481	(\$62,836)	\$39	\$14,002	(\$314)
171 CSW Energy, Inc.	4,993,172	6,129,759	260,277	249,567	(387,508)	1,319	68,509	192,164
293 Elmwood	2,944,479	5,947,694	360,485	157,004	(375,998)	3,927	40,400	185,818
292 AEP River Operations LLC	29,681,845	54,053,645	4,759,304	1,636,140	(3,417,132)	21,752	407,249	3,407,313
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	325,002	497,261	0	15,439	(31,436)	0	4,459	(11,538)
Miscellaneous	\$38,965,028	\$67,622,330	\$5,380,066	\$2,106,631	(\$4,274,910)	\$27,037	\$534,619	\$3,773,443
<b>Total</b>	<b>\$4,380,591,442</b>	<b>\$4,877,364,715</b>	<b>\$76,756,152</b>	<b>\$211,747,992</b>	<b>(\$308,334,456)</b>	<b>\$731,458</b>	<b>\$60,103,778</b>	<b>\$41,282,340</b>



American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2018 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$294,039,771	\$359,473,764	\$3,277,749	\$14,386,147	(\$22,720,962)	\$865	\$3,395,613	(\$1,660,588)
215 Appalachian Power Co - Generation	249,554,948	272,569,109	3,388,473	12,239,041	(17,228,051)	815	2,881,896	1,282,174
150 Appalachian Power Co - Transmission	45,168,828	53,721,086	415,857	2,254,069	(3,395,504)	126	533,164	(192,288)
Appalachian Power Co. - FERC	\$589,763,547	\$685,763,959	\$7,082,079	\$28,879,257	(\$43,344,517)	\$1,806	\$6,810,673	(\$570,702)
225 Cedar Coal Co	3,285,176	4,323,339	0	158,958	(273,262)	0	37,938	(76,366)
Appalachian Power Co. - SEC	\$593,048,723	\$690,087,298	\$7,082,079	\$29,038,215	(\$43,617,779)	\$1,806	\$6,848,611	(\$647,068)
211 AEP Texas Central Company - Distribution	\$248,768,017	\$267,816,341	\$4,900,361	\$12,274,119	(\$16,927,647)	\$66	\$2,872,809	\$3,119,708
147 AEP Texas Central Company - Generation	6,655,250	14,854,712	0	322,024	(938,910)	0	76,856	(540,030)
169 AEP Texas Central Company - Transmission	24,599,529	26,569,933	653,776	1,221,918	(1,679,384)	10	284,079	480,399
AEP Texas Central Co.	\$280,022,796	\$309,240,986	\$5,554,137	\$13,818,061	(\$19,545,941)	\$76	\$3,233,744	\$3,060,077
170 Indiana Michigan Power Co - Distribution	\$154,991,919	\$185,211,208	\$2,004,259	\$7,596,492	(\$11,706,492)	\$408	\$1,789,859	(\$315,464)
132 Indiana Michigan Power Co - Generation	101,192,971	112,232,148	1,279,894	4,958,301	(7,093,765)	294	1,168,591	313,315
190 Indiana Michigan Power Co - Nuclear	192,277,556	241,846,160	5,215,692	9,556,003	(15,286,171)	744	2,220,449	1,706,717
120 Indiana Michigan Power Co - Transmission	34,564,667	40,526,726	417,817	1,692,679	(2,561,539)	94	399,158	(51,791)
280 Ind Mich River Transp Lakin	30,656,132	40,665,070	1,074,745	1,535,345	(2,570,284)	119	354,021	393,946
Indiana Michigan Power Co. - FERC	\$513,683,245	\$620,481,312	\$9,992,407	\$25,338,820	(\$39,218,251)	\$1,659	\$5,932,088	\$2,046,723
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$513,683,245	\$620,481,312	\$9,992,407	\$25,338,820	(\$39,218,251)	\$1,659	\$5,932,088	\$2,046,723
110 Kentucky Power Co - Distribution	\$66,154,896	\$82,311,400	\$744,111	\$3,237,007	(\$5,202,589)	\$235	\$763,966	(\$457,270)
117 Kentucky Power Co - Generation	32,407,398	39,880,445	301,928	1,582,689	(2,520,690)	120	374,245	(261,708)
180 Kentucky Power Co - Transmission	7,420,299	9,269,955	131,606	365,410	(585,918)	36	85,691	(3,175)
Kentucky Power Co.	\$105,982,593	\$131,461,800	\$1,177,645	\$5,185,106	(\$8,309,197)	\$391	\$1,223,902	(\$722,153)
104 Cardinal Operating Company	\$70,443,244	\$88,284,638	\$1,170,801	\$3,465,151	(\$5,580,134)	\$175	\$813,489	(\$130,518)
270 Cook Coal Terminal	3,067,780	4,261,258	70,882	151,830	(269,338)	9	35,427	(11,990)
250 Ohio Power Co - Distribution	400,013,420	420,577,653	5,215,553	19,607,602	(26,583,105)	1,066	4,619,412	2,860,528
181 Ohio Power Co - Generation	336,794,708	429,362,414	3,624,950	16,471,708	(27,138,356)	906	3,889,354	(3,151,438)
160 Ohio Power Co - Transmission	68,340,462	80,413,709	802,083	3,345,564	(5,082,643)	213	789,205	(145,578)
Ohio Power Co. - FERC	\$878,659,614	\$1,022,899,672	\$10,883,469	\$43,041,855	(\$64,653,576)	\$2,369	\$10,146,887	(\$578,996)
290 Conesville Coal Preparation Company	3,212,595	4,090,157	0	155,446	(258,523)	7	37,100	(65,970)
Ohio Power Co. - SEC	\$881,872,209	\$1,026,989,829	\$10,883,469	\$43,197,301	(\$64,912,099)	\$2,376	\$10,183,987	(\$644,966)
167 Public Service Co of Oklahoma - Distribution	\$144,254,641	\$157,079,191	\$3,715,374	\$7,159,748	(\$9,928,375)	\$77	\$1,665,873	\$2,612,697
198 Public Service Co of Oklahoma - Generation	70,032,188	84,190,997	2,189,026	3,494,528	(5,321,391)	31	808,741	1,170,935
114 Public Service Co of Oklahoma - Transmission	17,677,351	20,799,253	464,049	877,798	(1,314,641)	5	204,141	231,352
Public Service Co. of Oklahoma	\$231,964,140	\$262,069,441	\$6,368,449	\$11,532,074	(\$16,564,407)	\$113	\$2,678,755	\$4,014,984
159 Southwestern Electric Power Co - Distribution	\$87,024,449	\$105,950,853	\$2,934,447	\$4,352,794	(\$6,696,748)	\$45	\$1,004,971	\$1,595,509
168 Southwestern Electric Power Co - Generation	93,910,837	110,296,764	3,325,671	4,704,932	(6,971,437)	32	1,084,496	2,143,694
161 Southwestern Electric Power Co - Texas - Distribution	45,871,226	49,269,012	1,306,876	2,282,782	(3,114,106)	22	529,727	1,005,301
111 Southwestern Electric Power Co - Texas - Transmission	132,488	270,053	0	6,411	(17,069)	0	1,530	(9,128)
194 Southwestern Electric Power Co - Transmission	14,050,528	17,407,647	473,064	702,745	(1,100,271)	9	162,258	237,805
Southwestern Electric Power Co.	\$240,989,528	\$283,194,329	\$8,040,058	\$12,049,664	(\$17,899,631)	\$108	\$2,782,982	\$4,973,181
119 AEP Texas North Company - Distribution	\$58,824,243	\$66,606,380	\$1,501,205	\$2,918,936	(\$4,209,935)	\$17	\$679,311	\$889,534
166 AEP Texas North Company - Generation	19,752,398	22,203,517	0	955,749	(1,403,399)	0	228,104	(219,546)
192 AEP Texas North Company - Transmission	9,335,618	11,318,497	337,623	468,054	(715,399)	4	107,809	198,091
AEP Texas North Co.	\$87,912,259	\$100,128,394	\$1,838,828	\$4,342,739	(\$6,328,733)	\$21	\$1,015,224	\$868,079
230 Kingsport Power Co - Distribution	\$11,461,697	\$13,546,936	\$138,272	\$561,282	(\$856,250)	\$32	\$132,361	(\$24,303)
260 Kingsport Power Co - Transmission	3,416,292	3,801,858	41,493	167,310	(240,301)	4	39,452	7,958
Kingsport Power Co.	\$14,877,989	\$17,348,794	\$179,765	\$728,592	(\$1,096,551)	\$36	\$171,813	(\$16,345)
210 Wheeling Power Co - Distribution	\$14,490,238	\$15,942,466	\$188,134	\$710,235	(\$1,007,662)	\$53	\$167,335	\$58,095
200 Wheeling Power Co - Transmission	632,748	729,989	0	30,616	(46,140)	0	7,307	(8,217)
Wheeling Power Co.	\$15,122,986	\$16,672,455	\$188,134	\$740,851	(\$1,053,802)	\$53	\$174,642	\$49,878
103 American Electric Power Service Corporation	\$1,257,468,686	\$1,389,459,367	\$22,001,838	\$61,909,073	(\$87,822,415)	\$0	\$14,521,428	\$10,612,681
American Electric Power Service Corp	\$1,257,468,686	\$1,389,459,367	\$22,001,838	\$61,909,073	(\$87,822,415)	\$0	\$14,521,428	\$10,612,681
143 AEP Pro Serv, Inc.	\$992,634	\$1,007,432	\$0	\$48,030	(\$63,676)	\$0	\$11,463	(\$4,182)
171 CSW Energy, Inc.	4,856,680	6,212,049	267,318	247,932	(392,640)	13	56,086	178,705
293 Elmwood	2,863,990	6,471,176	370,236	156,493	(409,018)	43	33,074	150,821
292 AEP River Operations LLC	28,870,472	59,696,485	4,888,043	1,633,456	(3,773,186)	239	333,400	3,081,952
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	316,118	518,002	0	15,296	(32,741)	0	3,651	(13,792)
Miscellaneous	\$37,899,894	\$73,905,144	\$5,525,597	\$2,101,207	(\$4,671,261)	\$295	\$437,674	\$3,393,512
<b>Total</b>	<b>\$4,260,845,048</b>	<b>\$4,921,039,149</b>	<b>\$78,832,406</b>	<b>\$209,981,703</b>	<b>(\$311,040,067)</b>	<b>\$6,934</b>	<b>\$49,204,850</b>	<b>\$26,988,582</b>

AMERICAN ELECTRIC POWER  
 QUALIFIED RETIREMENT PLAN  
 ESTIMATED 2019 NET PERIODIC PENSION COST

Exhibit HEC  
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Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$288,534,468	\$361,567,449	\$3,379,325	\$14,117,192	(\$22,883,867)	\$0	\$3,025,484	(\$2,341,866)
215 Appalachian Power Co - Generation	244,882,533	273,312,558	3,493,481	12,011,669	(17,283,032)	0	2,567,763	789,881
150 Appalachian Power Co - Transmission	45,304,409	54,155,992	428,744	2,211,693	(3,424,577)	0	475,048	(309,092)
Appalachian Power Co. - FERC	\$578,721,410	\$689,035,999	\$7,301,550	\$28,340,554	(\$43,571,476)	\$0	\$6,068,295	(\$1,861,077)
225 Cedar Coal Co	3,223,668	4,295,920	0	155,899	(271,654)	0	33,802	(81,953)
Appalachian Power Co. - SEC	\$581,945,078	\$693,331,919	\$7,301,550	\$28,496,453	(\$43,843,130)	\$0	\$6,102,097	(\$1,943,030)
211 AEP Texas Central Company - Distribution	\$244,110,336	\$267,520,879	\$5,052,221	\$12,049,707	(\$16,916,793)	\$0	\$2,559,666	\$2,744,801
147 AEP Texas Central Company - Generation	6,530,644	14,863,758	0	315,827	(939,916)	0	68,478	(555,611)
169 AEP Texas Central Company - Transmission	24,138,953	26,863,597	674,036	1,199,977	(1,698,731)	0	253,114	428,396
AEP Texas Central Co.	\$274,779,933	\$309,248,234	\$5,726,257	\$13,565,511	(\$19,555,440)	\$0	\$2,881,258	\$2,617,586
170 Indiana Michigan Power Co - Distribution	\$152,090,007	\$185,873,023	\$2,066,370	\$7,455,130	(\$11,753,757)	\$0	\$1,594,769	(\$637,488)
132 Indiana Michigan Power Co - Generation	99,298,336	113,214,892	1,319,557	4,865,964	(7,159,190)	0	1,041,212	67,543
190 Indiana Michigan Power Co - Nuclear	188,677,546	250,008,351	5,377,324	9,384,654	(15,809,381)	0	1,978,415	931,012
120 Indiana Michigan Power Co - Transmission	33,917,514	40,787,478	430,765	1,661,111	(2,579,845)	0	355,649	(132,320)
280 Ind Mich River Transp Lakin	30,082,158	41,757,361	1,108,051	1,508,384	(2,640,544)	0	315,432	291,323
Indiana Michigan Power Co. - FERC	\$504,065,561	\$631,651,105	\$10,302,067	\$24,875,243	(\$39,942,717)	\$0	\$5,285,477	\$520,070
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$504,065,561	\$631,651,105	\$10,302,067	\$24,875,243	(\$39,942,717)	\$0	\$5,285,477	\$520,070
110 Kentucky Power Co - Distribution	\$64,916,279	\$83,270,122	\$767,170	\$3,176,506	(\$5,265,621)	\$0	\$680,692	(\$641,253)
117 Kentucky Power Co - Generation	31,800,634	40,315,991	311,285	1,552,959	(2,549,398)	0	333,452	(351,702)
180 Kentucky Power Co - Transmission	7,281,369	9,495,521	135,685	358,695	(600,453)	0	76,350	(29,723)
Kentucky Power Co.	\$103,998,282	\$133,081,634	\$1,214,140	\$5,088,160	(\$8,415,472)	\$0	\$1,090,494	(\$1,022,678)
104 Cardinal Operating Company	\$69,124,336	\$89,397,374	\$1,207,083	\$3,401,286	(\$5,653,080)	\$0	\$724,816	(\$319,895)
270 Cook Coal Terminal	3,010,342	3,968,950	72,253	149,077	(250,978)	0	31,586	1,918
250 Ohio Power Co - Distribution	392,523,973	418,964,838	5,377,181	19,242,829	(26,493,414)	0	4,115,885	2,242,481
181 Ohio Power Co - Generation	330,488,905	432,448,253	3,737,285	16,163,455	(27,346,044)	0	3,465,405	(3,979,899)
160 Ohio Power Co - Transmission	67,060,924	80,784,182	826,939	3,283,113	(5,108,421)	0	703,180	(295,189)
Ohio Power Co. - FERC	\$662,208,480	\$1,025,563,597	\$11,220,741	\$42,239,760	(\$64,851,937)	\$0	\$9,040,852	(\$2,350,584)
290 Conesville Coal Preparation Company	3,152,445	4,094,719	0	152,455	(258,931)	0	33,056	(73,420)
Ohio Power Co. - SEC	\$665,360,925	\$1,029,658,316	\$11,220,741	\$42,392,215	(\$65,110,868)	\$0	\$9,073,908	(\$2,424,004)
167 Public Service Co of Oklahoma - Distribution	\$141,553,763	\$157,368,972	\$3,830,512	\$7,030,904	(\$9,951,292)	\$0	\$1,484,289	\$2,394,413
198 Public Service Co of Oklahoma - Generation	68,720,936	84,747,197	2,256,863	3,432,545	(5,359,024)	0	720,587	1,050,971
114 Public Service Co of Oklahoma - Transmission	17,346,378	21,072,055	478,430	862,022	(1,332,500)	0	181,889	189,841
Public Service Co. of Oklahoma	\$227,621,077	\$263,188,224	\$6,565,805	\$11,325,471	(\$16,642,816)	\$0	\$2,386,765	\$3,635,225
159 Southwestern Electric Power Co - Distribution	\$85,395,092	\$107,577,579	\$3,025,384	\$4,276,087	(\$6,802,713)	\$0	\$895,427	\$1,394,185
168 Southwestern Electric Power Co - Generation	92,152,546	111,744,897	3,428,733	4,622,390	(7,066,235)	0	966,283	1,951,171
161 Southwestern Electric Power Co - Texas - Distribution	45,012,379	49,741,779	1,347,375	2,241,996	(3,145,442)	0	471,986	915,515
111 Southwestern Electric Power Co - Texas - Transmission	130,007	272,429	0	6,287	(17,227)	0	1,363	(9,577)
194 Southwestern Electric Power Co - Transmission	13,787,460	17,728,636	487,724	690,360	(1,121,078)	0	144,571	201,577
Southwestern Electric Power Co.	\$236,477,484	\$287,065,320	\$8,289,216	\$11,837,120	(\$18,152,695)	\$0	\$2,479,630	\$4,453,271
119 AEP Texas North Company - Distribution	\$57,722,877	\$67,266,274	\$1,547,727	\$2,866,375	(\$4,253,611)	\$0	\$605,264	\$765,755
166 AEP Texas North Company - Generation	19,382,574	21,780,050	0	937,357	(1,377,270)	0	203,240	(236,673)
192 AEP Texas North Company - Transmission	9,160,827	11,548,064	348,086	459,859	(730,247)	0	96,058	173,756
AEP Texas North Co.	\$86,266,278	\$100,594,388	\$1,895,813	\$4,263,591	(\$6,361,128)	\$0	\$904,562	\$702,838
230 Kingsport Power Co - Distribution	\$11,247,100	\$13,575,840	\$142,557	\$550,813	(\$858,474)	\$0	\$117,934	(\$47,170)
260 Kingsport Power Co - Transmission	3,352,329	3,789,082	42,779	164,190	(239,604)	0	35,151	2,516
Kingsport Power Co.	\$14,599,429	\$17,364,922	\$185,336	\$715,003	(\$1,098,078)	\$0	\$153,085	(\$44,654)
210 Wheeling Power Co - Distribution	\$14,218,938	\$15,957,469	\$193,964	\$697,020	(\$1,009,077)	\$0	\$149,095	\$31,002
200 Wheeling Power Co - Transmission	620,901	703,938	0	30,027	(44,514)	0	6,511	(7,976)
Wheeling Power Co.	\$14,839,839	\$16,661,407	\$193,964	\$727,047	(\$1,053,591)	\$0	\$155,606	\$23,026
103 American Electric Power Service Corporation	\$1,233,925,109	\$1,400,276,407	\$22,683,665	\$60,770,640	(\$88,547,054)	\$0	\$12,938,559	\$7,845,810
American Electric Power Service Corp	\$1,233,925,109	\$1,400,276,407	\$22,683,665	\$60,770,640	(\$88,547,054)	\$0	\$12,938,559	\$7,845,810
143 AEP Pro Serv, Inc.	\$974,049	\$1,022,966	\$0	\$47,106	(\$64,688)	\$0	\$10,214	(\$7,368)
171 CSW Energy, Inc.	4,765,749	6,646,315	275,602	243,804	(420,282)	0	49,972	149,096
293 Elmwood	2,810,367	7,045,810	381,709	154,371	(445,545)	0	29,469	120,004
292 AEP River Operations LLC	28,329,930	65,866,488	5,039,521	1,613,774	(4,165,095)	0	297,059	2,785,259
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	310,200	538,759	0	15,002	(34,069)	0	3,253	(15,814)
Miscellaneous	\$37,190,295	\$81,120,338	\$5,696,832	\$2,074,057	(\$5,129,679)	\$0	\$389,967	\$3,031,177
<b>Total</b>	<b>\$4,181,069,290</b>	<b>\$4,963,242,214</b>	<b>\$81,275,386</b>	<b>\$206,130,511</b>	<b>(\$313,852,668)</b>	<b>\$0</b>	<b>\$43,841,408</b>	<b>\$17,394,637</b>

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2020 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$283,082,053	\$364,992,820	\$3,434,731	\$13,847,464	(\$23,090,157)	\$0	\$2,689,202	(\$3,118,760)
215 Appalachian Power Co - Generation	240,255,007	274,157,077	3,550,758	11,783,224	(17,343,711)	0	2,282,357	272,628
150 Appalachian Power Co - Transmission	44,448,295	54,205,053	435,774	2,169,264	(3,429,117)	0	422,247	(401,832)
Appalachian Power Co. - FERC	\$567,785,355	\$693,354,950	\$7,421,263	\$27,799,952	(\$43,862,985)	\$0	\$5,393,806	(\$3,247,964)
225 Cedar Coal Co	3,162,751	4,274,771	0	152,857	(270,430)	0	30,045	(87,528)
Appalachian Power Co. - SEC	\$570,948,106	\$697,629,721	\$7,421,263	\$27,952,809	(\$44,133,415)	\$0	\$5,423,851	(\$3,335,492)
211 AEP Texas Central Company - Distribution	\$239,497,401	\$267,863,773	\$5,135,055	\$11,823,178	(\$16,945,584)	\$0	\$2,275,160	\$2,287,809
147 AEP Texas Central Company - Generation	6,407,235	15,235,233	0	309,664	(963,811)	0	60,867	(593,280)
169 AEP Texas Central Company - Transmission	23,682,800	27,162,916	685,087	1,177,709	(1,718,379)	0	224,980	369,397
AEP Texas Central Co.	\$269,587,436	\$310,261,922	\$5,820,142	\$13,310,551	(\$19,627,774)	\$0	\$2,561,007	\$2,063,926
170 Indiana Michigan Power Co - Distribution	\$149,215,974	\$187,253,368	\$2,100,250	\$7,313,170	(\$11,846,013)	\$0	\$1,417,511	(\$1,015,082)
132 Indiana Michigan Power Co - Generation	97,421,903	114,025,134	1,341,192	4,773,257	(7,213,452)	0	925,481	(173,522)
190 Indiana Michigan Power Co - Nuclear	185,112,120	257,207,888	5,465,488	9,210,687	(16,271,472)	0	1,758,514	163,217
120 Indiana Michigan Power Co - Transmission	33,276,577	41,109,444	437,828	1,629,430	(2,600,664)	0	316,118	(217,288)
280 Ind Mich River Transp Lakin	29,513,698	42,936,886	1,126,218	1,480,839	(2,716,271)	0	280,372	171,158
Indiana Michigan Power Co. - FERC	\$494,540,272	\$642,532,720	\$10,470,976	\$24,407,383	(\$40,647,872)	\$0	\$4,697,996	(\$1,071,517)
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$494,540,272	\$642,532,720	\$10,470,976	\$24,407,383	(\$40,647,872)	\$0	\$4,697,996	(\$1,071,517)
110 Kentucky Power Co - Distribution	\$63,689,560	\$84,244,612	\$779,749	\$3,115,826	(\$5,329,478)	\$0	\$605,033	(\$828,870)
117 Kentucky Power Co - Generation	31,199,700	40,762,824	316,389	1,523,184	(2,578,736)	0	296,389	(442,774)
180 Kentucky Power Co - Transmission	7,143,774	9,731,319	137,909	351,926	(615,622)	0	67,864	(57,923)
Kentucky Power Co.	\$102,033,034	\$134,738,755	\$1,234,047	\$4,990,936	(\$8,523,836)	\$0	\$969,286	(\$1,329,567)
104 Cardinal Operating Company	\$67,818,099	\$90,623,439	\$1,226,874	\$3,336,969	(\$5,733,015)	\$0	\$644,253	(\$524,919)
270 Cook Coal Terminal	2,953,456	4,074,234	73,438	146,291	(257,744)	0	28,057	(9,958)
250 Ohio Power Co - Distribution	385,106,477	417,197,478	5,465,343	18,876,482	(26,392,725)	0	3,658,406	1,607,506
181 Ohio Power Co - Generation	324,243,680	436,932,636	3,798,560	15,854,404	(27,641,210)	0	3,080,226	(4,908,020)
160 Ohio Power Co - Transmission	65,793,678	80,630,951	840,498	3,220,455	(5,100,871)	0	625,022	(414,896)
Ohio Power Co. - FERC	\$845,915,390	\$1,029,458,738	\$11,404,713	\$41,434,601	(\$65,125,565)	\$0	\$8,035,964	(\$4,250,287)
290 Conesville Coal Preparation Company	3,092,873	4,103,293	0	149,480	(259,582)	0	29,381	(80,721)
Ohio Power Co. - SEC	\$849,008,263	\$1,033,562,031	\$11,404,713	\$41,584,081	(\$65,385,147)	\$0	\$8,065,345	(\$4,331,008)
167 Public Service Co of Oklahoma - Distribution	\$138,878,832	\$158,055,896	\$3,893,315	\$6,900,231	(\$9,998,924)	\$0	\$1,319,311	\$2,113,933
198 Public Service Co of Oklahoma - Generation	67,422,322	85,753,825	2,293,865	3,369,409	(5,424,954)	0	640,494	878,814
114 Public Service Co of Oklahoma - Transmission	17,018,585	21,014,197	486,274	846,016	(1,329,399)	0	161,672	184,563
Public Service Co. of Oklahoma	\$223,319,739	\$264,823,918	\$6,673,454	\$11,115,656	(\$16,753,277)	\$0	\$2,121,477	\$3,157,310
159 Southwestern Electric Power Co - Distribution	\$83,781,386	\$109,927,818	\$3,074,987	\$4,197,801	(\$6,954,248)	\$0	\$795,900	\$1,114,440
168 Southwestern Electric Power Co - Generation	90,411,145	113,638,516	3,484,949	4,538,033	(7,188,994)	0	858,881	1,692,865
161 Southwestern Electric Power Co - Texas - Distribution	44,161,784	50,055,019	1,369,467	2,200,542	(3,166,578)	0	419,525	822,956
111 Southwestern Electric Power Co - Texas - Transmission	127,550	276,537	0	6,165	(17,494)	0	1,212	(10,117)
194 Southwestern Electric Power Co - Transmission	13,526,919	18,174,158	495,721	677,719	(1,149,733)	0	128,502	152,205
Southwestern Electric Power Co.	\$232,008,784	\$292,072,048	\$8,425,124	\$11,620,260	(\$18,477,047)	\$0	\$2,204,020	\$3,772,351
119 AEP Texas North Company - Distribution	\$56,632,093	\$67,002,954	\$1,573,103	\$2,813,079	(\$4,238,737)	\$0	\$537,989	\$685,434
166 AEP Texas North Company - Generation	19,016,303	21,378,044	0	919,065	(1,352,417)	0	180,650	(252,701)
192 AEP Texas North Company - Transmission	8,987,716	11,780,509	353,793	451,479	(745,258)	0	85,381	145,391
AEP Texas North Co.	\$84,636,112	\$100,161,507	\$1,926,896	\$4,183,623	(\$6,336,412)	\$0	\$804,020	\$578,121
230 Kingsport Power Co - Distribution	\$11,034,564	\$13,623,765	\$144,894	\$540,307	(\$861,866)	\$0	\$104,825	(\$71,841)
260 Kingsport Power Co - Transmission	3,288,979	3,776,438	43,480	161,059	(238,905)	0	31,244	(3,121)
Kingsport Power Co.	\$14,323,543	\$17,400,203	\$188,374	\$701,366	(\$1,100,771)	\$0	\$136,069	(\$74,961)
210 Wheeling Power Co - Distribution	\$13,950,244	\$15,957,162	\$197,144	\$683,749	(\$1,009,481)	\$0	\$132,523	\$3,931
200 Wheeling Power Co - Transmission	609,168	681,718	0	29,441	(43,127)	0	5,787	(7,891)
Wheeling Power Co.	\$14,559,412	\$16,638,880	\$197,144	\$713,190	(\$1,052,608)	\$0	\$138,310	(\$3,960)
103 American Electric Power Service Corporation	\$1,210,607,719	\$1,412,052,080	\$23,055,579	\$59,623,406	(\$89,329,167)	\$0	\$11,500,444	\$4,850,261
American Electric Power Service Corp	\$1,210,607,719	\$1,412,052,080	\$23,055,579	\$59,623,406	(\$89,329,167)	\$0	\$11,500,444	\$4,850,261
143 AEP Pro Serv, Inc.	\$955,642	\$1,039,810	\$0	\$46,187	(\$65,780)	\$0	\$9,078	(\$10,511)
171 CSW Energy, Inc.	4,675,691	7,096,764	280,121	239,516	(448,955)	0	44,418	115,101
293 Elmwood	2,757,260	7,592,174	387,968	152,010	(480,296)	0	26,193	85,871
292 AEP River Operations LLC	27,794,581	72,271,097	5,122,147	1,590,878	(4,572,010)	0	264,041	2,405,051
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	304,338	560,321	0	14,709	(35,447)	0	2,891	(17,841)
Miscellaneous	\$36,487,512	\$88,560,166	\$5,790,236	\$2,043,300	(\$5,602,488)	\$0	\$346,621	\$2,577,661
Total	\$4,102,059,932	\$5,010,433,951	\$82,607,948	\$202,246,561	(\$316,969,814)	\$0	\$38,968,446	\$6,853,141

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2021 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$277,560,984	\$368,805,480	\$3,485,930	\$13,566,661	(\$23,331,445)	\$0	\$2,383,576	(\$3,895,278)
215 Appalachian Power Co - Generation	235,569,212	275,136,312	3,603,687	11,545,324	(17,405,728)	0	2,022,969	(233,748)
150 Appalachian Power Co - Transmission	43,581,401	54,427,701	442,269	2,125,105	(3,443,216)	0	374,259	(501,583)
Appalachian Power Co. - FERC	\$556,711,597	\$698,369,493	\$7,531,886	\$27,237,090	(\$44,180,389)	\$0	\$4,780,804	(\$4,630,609)
225 Cedar Coal Co	3,101,067	4,260,847	0	149,694	(269,551)	0	26,631	(93,226)
Appalachian Power Co. - SEC	\$559,812,664	\$702,630,340	\$7,531,886	\$27,386,784	(\$44,449,940)	\$0	\$4,807,435	(\$4,723,835)
211 AEP Texas Central Company - Distribution	\$234,826,382	\$267,556,999	\$5,211,599	\$11,587,083	(\$16,926,244)	\$0	\$2,016,590	\$1,889,028
147 AEP Texas Central Company - Generation	6,282,272	15,363,213	0	303,257	(971,911)	0	53,949	(614,705)
169 AEP Texas Central Company - Transmission	23,220,955	27,524,216	695,299	1,154,480	(1,741,242)	0	199,411	307,948
AEP Texas Central Co.	\$264,329,559	\$310,444,428	\$5,906,898	\$13,044,820	(\$19,639,397)	\$0	\$2,269,950	\$1,582,271
170 Indiana Michigan Power Co - Distribution	\$146,305,751	\$188,680,451	\$2,131,556	\$7,165,347	(\$11,936,340)	\$0	\$1,256,412	(\$1,383,025)
132 Indiana Michigan Power Co - Generation	95,521,842	114,907,472	1,361,184	4,676,725	(7,269,299)	0	820,301	(411,089)
190 Indiana Michigan Power Co - Nuclear	181,501,800	264,277,266	5,546,958	9,029,194	(16,718,761)	0	1,558,661	(583,948)
120 Indiana Michigan Power Co - Transmission	32,627,570	41,443,670	444,354	1,596,444	(2,621,818)	0	280,192	(300,828)
280 Ind Mich River Transp Lakin	28,938,080	43,984,184	1,143,005	1,452,070	(2,782,536)	0	248,508	61,047
Indiana Michigan Power Co. - FERC	\$484,895,043	\$653,293,043	\$10,627,057	\$23,919,780	(\$41,328,754)	\$0	\$4,164,074	(\$2,617,843)
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$484,895,043	\$653,293,043	\$10,627,057	\$23,919,780	(\$41,328,754)	\$0	\$4,164,074	(\$2,617,843)
110 Kentucky Power Co - Distribution	\$62,447,396	\$85,271,653	\$791,372	\$3,052,654	(\$5,394,472)	\$0	\$536,272	(\$1,014,174)
117 Kentucky Power Co - Generation	30,591,199	41,225,825	321,105	1,492,195	(2,608,036)	0	262,704	(532,032)
180 Kentucky Power Co - Transmission	7,004,446	9,993,984	139,965	344,874	(632,241)	0	60,151	(87,251)
Kentucky Power Co.	\$100,043,041	\$136,491,462	\$1,252,442	\$4,889,723	(\$8,634,749)	\$0	\$859,127	(\$1,633,457)
104 Cardinal Operating Company	\$66,495,414	\$91,870,968	\$1,245,162	\$3,269,964	(\$5,811,959)	\$0	\$571,034	(\$725,799)
Cook Coal Terminal	2,895,853	4,008,316	74,533	143,386	(253,575)	0	24,868	(10,788)
250 Ohio Power Co - Distribution	377,595,582	414,734,442	5,546,958	18,495,000	(28,237,012)	0	3,242,631	1,047,429
181 Ohio Power Co - Generation	317,919,819	441,925,175	3,855,182	15,532,682	(27,957,158)	0	2,730,161	(5,839,133)
160 Ohio Power Co - Transmission	64,510,477	81,058,971	853,026	3,155,219	(5,127,969)	0	553,989	(565,735)
Ohio Power Co. - FERC	\$829,417,145	\$1,033,597,872	\$11,574,713	\$40,596,251	(\$65,387,673)	\$0	\$7,122,683	(\$6,094,026)
290 Conesville Coal Preparation Company	3,032,552	4,124,338	0	146,387	(260,915)	0	26,042	(88,486)
Ohio Power Co. - SEC	\$832,449,697	\$1,037,722,210	\$11,574,713	\$40,742,638	(\$65,648,588)	\$0	\$7,148,725	(\$6,182,512)
167 Public Service Co of Oklahoma - Distribution	\$136,170,219	\$159,501,973	\$3,951,350	\$6,763,930	(\$10,090,445)	\$0	\$1,169,372	\$1,794,207
198 Public Service Co of Oklahoma - Generation	66,107,356	86,784,923	2,328,058	3,303,506	(5,490,205)	0	567,702	709,061
114 Public Service Co of Oklahoma - Transmission	16,686,664	21,292,082	493,522	829,320	(1,346,984)	0	143,298	119,156
Public Service Co. of Oklahoma	\$218,964,239	\$267,578,978	\$6,772,930	\$10,896,756	(\$16,927,634)	\$0	\$1,880,372	\$2,622,424
159 Southwestern Electric Power Co - Distribution	\$82,147,363	\$112,437,660	\$3,120,823	\$4,116,055	(\$7,113,053)	\$0	\$705,447	\$829,272
168 Southwestern Electric Power Co - Generation	88,647,819	115,966,362	3,536,896	4,449,929	(7,336,287)	0	761,270	1,411,808
161 Southwestern Electric Power Co - Texas - Distribution	43,300,478	50,606,031	1,389,880	2,157,287	(3,201,449)	0	371,846	717,564
111 Southwestern Electric Power Co - Texas - Transmission	125,062	282,424	0	6,037	(17,867)	0	1,074	(10,756)
194 Southwestern Electric Power Co - Transmission	13,263,098	18,703,297	503,110	664,521	(1,183,212)	0	113,898	98,317
Southwestern Electric Power Co.	\$227,483,820	\$297,995,774	\$8,550,709	\$11,393,829	(\$18,851,868)	\$0	\$1,953,535	\$3,046,205
119 AEP Texas North Company - Distribution	\$55,527,573	\$67,748,374	\$1,596,552	\$2,757,488	(\$4,285,911)	\$0	\$476,847	\$544,976
166 AEP Texas North Company - Generation	18,645,420	21,006,457	0	900,049	(1,328,915)	0	160,119	(268,747)
192 AEP Texas North Company - Transmission	8,812,425	11,992,497	359,067	442,725	(758,672)	0	75,677	118,797
AEP Texas North Co.	\$82,985,418	\$100,747,328	\$1,955,619	\$4,100,262	(\$6,373,498)	\$0	\$712,643	\$395,026
230 Kingsport Power Co - Distribution	\$10,819,352	\$13,687,790	\$147,054	\$529,369	(\$865,920)	\$0	\$92,912	(\$96,585)
260 Kingsport Power Co - Transmission	3,224,833	3,774,111	44,128	157,799	(238,759)	0	27,694	(9,138)
Kingsport Power Co.	\$14,044,185	\$17,461,901	\$191,182	\$687,168	(\$1,104,679)	\$0	\$120,606	(\$105,723)
210 Wheeling Power Co - Distribution	\$13,678,166	\$16,002,660	\$200,083	\$669,929	(\$1,012,363)	\$0	\$117,462	(\$24,889)
200 Wheeling Power Co - Transmission	597,287	663,730	0	28,832	(41,989)	0	5,129	(8,028)
Wheeling Power Co.	\$14,275,453	\$16,666,390	\$200,083	\$698,761	(\$1,054,352)	\$0	\$122,591	(\$32,917)
103 American Electric Power Service Corporation	\$1,186,996,726	\$1,424,935,513	\$23,399,248	\$58,428,079	(\$90,144,552)	\$0	\$10,193,423	\$1,876,199
American Electric Power Service Corp	\$1,186,996,726	\$1,424,935,513	\$23,399,248	\$58,428,079	(\$90,144,552)	\$0	\$10,193,423	\$1,876,199
143 AEP Pro Serv, Inc.	\$937,003	\$1,058,089	\$0	\$45,231	(\$66,937)	\$0	\$8,047	(\$13,659)
171 CSW Energy, Inc.	4,584,499	7,523,487	284,296	235,026	(475,952)	0	39,370	82,740
293 Elmwood	2,703,484	8,176,489	393,751	149,509	(517,263)	0	23,216	49,213
292 AEP River Operations LLC	27,252,492	78,994,284	5,198,499	1,566,470	(4,997,352)	0	234,033	2,001,650
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	298,402	580,695	0	14,404	(36,736)	0	2,563	(19,769)
Miscellaneous	\$35,775,880	\$96,333,044	\$5,876,546	\$2,010,640	(\$6,094,240)	\$0	\$307,229	\$2,100,175
<b>Total</b>	<b>\$4,022,055,725</b>	<b>\$5,062,300,411</b>	<b>\$83,839,313</b>	<b>\$198,199,240</b>	<b>(\$320,252,251)</b>	<b>\$0</b>	<b>\$34,539,710</b>	<b>(\$3,673,987)</b>

American Electric Power System Retirement Plan

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2022 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$271,653,406	\$372,477,176	\$3,569,895	\$13,282,125	(\$23,583,080)	\$0	\$2,108,443	(\$4,622,617)
215 Appalachian Power Co - Generation	230,555,381	276,075,742	3,690,488	11,304,576	(17,479,504)	0	1,789,460	(694,980)
150 Appalachian Power Co - Transmission	42,653,819	54,253,384	452,922	2,080,308	(3,435,008)	0	331,058	(570,720)
Appalachian Power Co. - FERC	\$544,862,606	\$702,806,302	\$7,713,305	\$26,667,009	(\$44,497,592)	\$0	\$4,228,961	(\$5,888,317)
225 Cedar Coal Co	3,035,064	4,254,852	0	146,471	(269,392)	0	23,557	(99,364)
Appalachian Power Co. - SEC	\$547,897,670	\$707,061,154	\$7,713,305	\$26,813,480	(\$44,766,984)	\$0	\$4,252,518	(\$5,987,681)
211 AEP Texas Central Company - Distribution	\$229,828,362	\$267,006,141	\$5,337,130	\$11,348,957	(\$16,905,270)	\$0	\$1,783,817	\$1,564,634
147 AEP Texas Central Company - Generation	6,148,561	15,491,520	0	296,726	(980,833)	0	47,722	(636,385)
169 AEP Texas Central Company - Transmission	22,726,673	27,918,254	712,047	1,131,140	(1,767,621)	0	176,394	251,960
AEP Texas Central Co.	\$258,703,596	\$310,415,915	\$6,049,177	\$12,776,823	(\$19,653,724)	\$0	\$2,007,933	\$1,180,209
170 Indiana Michigan Power Co - Distribution	\$143,191,795	\$190,366,141	\$2,182,899	\$7,015,702	(\$12,052,873)	\$0	\$1,111,386	(\$1,742,886)
132 Indiana Michigan Power Co - Generation	93,488,765	115,559,217	1,393,971	4,578,988	(7,316,535)	0	725,615	(617,961)
190 Indiana Michigan Power Co - Nuclear	177,638,735	271,271,896	5,680,567	8,846,888	(17,175,353)	0	1,378,747	(1,269,151)
120 Indiana Michigan Power Co - Transmission	31,933,128	41,780,463	455,057	1,563,036	(2,645,295)	0	247,850	(379,352)
280 Ind Mich River Transp Lakin	28,322,165	45,317,025	1,170,537	1,423,302	(2,869,209)	0	219,823	(55,547)
Indiana Michigan Power Co. - FERC	\$474,574,588	\$664,294,742	\$10,883,031	\$23,427,916	(\$42,059,265)	\$0	\$3,683,421	(\$4,064,897)
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$474,574,588	\$664,294,742	\$10,883,031	\$23,427,916	(\$42,059,265)	\$0	\$3,683,421	(\$4,064,897)
110 Kentucky Power Co - Distribution	\$61,118,272	\$86,261,630	\$810,433	\$2,988,645	(\$5,461,583)	\$0	\$474,371	(\$1,188,134)
117 Kentucky Power Co - Generation	29,940,099	41,572,523	328,839	1,460,762	(2,632,129)	0	232,381	(610,147)
180 Kentucky Power Co - Transmission	6,855,364	10,238,004	143,336	337,753	(648,211)	0	53,208	(113,914)
Kentucky Power Co.	\$97,913,735	\$138,072,157	\$1,282,608	\$4,787,160	(\$8,741,923)	\$0	\$759,960	(\$1,912,195)
104 Cardinal Operating Company	\$65,080,133	\$93,041,098	\$1,275,154	\$3,202,270	(\$5,890,819)	\$0	\$505,121	(\$908,274)
270 Cook Coal Terminal	2,834,218	4,148,952	76,328	140,461	(262,687)	0	21,998	(23,900)
250 Ohio Power Co - Distribution	369,558,878	414,141,657	5,680,415	18,108,841	(26,221,032)	0	2,868,339	436,563
181 Ohio Power Co - Generation	311,153,247	446,262,624	3,948,042	15,206,614	(28,254,744)	0	2,415,022	(6,685,066)
160 Ohio Power Co - Transmission	63,137,442	81,590,740	873,573	3,089,136	(5,165,849)	0	490,043	(713,097)
Ohio Power Co. - FERC	\$811,763,918	\$1,039,185,071	\$11,853,512	\$39,747,322	(\$65,795,131)	\$0	\$6,300,523	(\$7,893,774)
290 Conesville Coal Preparation Company	2,968,007	4,171,018	0	143,234	(264,085)	0	23,036	(97,815)
Ohio Power Co. - SEC	\$814,731,925	\$1,043,356,089	\$11,853,512	\$39,890,556	(\$66,059,216)	\$0	\$6,323,559	(\$7,991,589)
167 Public Service Co of Oklahoma - Distribution	\$133,271,987	\$160,356,633	\$4,046,525	\$6,628,916	(\$10,152,846)	\$0	\$1,034,393	\$1,554,988
198 Public Service Co of Oklahoma - Generation	64,700,334	88,357,327	2,384,134	3,237,459	(5,594,270)	0	502,173	529,496
114 Public Service Co of Oklahoma - Transmission	16,331,507	21,614,111	505,410	812,540	(1,368,479)	0	126,757	76,228
Public Service Co. of Oklahoma	\$214,303,828	\$270,328,071	\$6,936,069	\$10,676,915	(\$17,115,595)	\$0	\$1,663,323	\$2,160,712
159 Southwestern Electric Power Co - Distribution	\$80,398,947	\$114,946,464	\$3,195,994	\$4,034,246	(\$7,277,739)	\$0	\$624,018	\$576,519
168 Southwestern Electric Power Co - Generation	86,761,048	118,042,115	3,622,089	4,361,840	(7,473,738)	0	673,398	1,183,589
161 Southwestern Electric Power Co - Texas - Distribution	42,378,875	51,488,258	1,423,358	2,113,872	(3,259,836)	0	328,924	606,218
111 Southwestern Electric Power Co - Texas - Transmission	122,400	290,131	0	5,907	(18,369)	0	950	(11,512)
194 Southwestern Electric Power Co - Transmission	12,980,808	19,278,119	515,228	651,311	(1,220,578)	0	100,751	46,712
Southwestern Electric Power Co.	\$222,642,078	\$304,045,087	\$8,756,669	\$11,167,176	(\$19,250,360)	\$0	\$1,728,041	\$2,401,526
119 AEP Texas North Company - Distribution	\$54,345,730	\$68,641,702	\$1,635,007	\$2,701,599	(\$4,345,992)	\$0	\$421,805	\$412,419
166 AEP Texas North Company - Generation	18,248,573	20,614,598	0	880,666	(1,305,196)	0	141,637	(282,893)
192 AEP Texas North Company - Transmission	8,624,862	12,229,646	367,716	433,977	(774,310)	0	66,942	94,325
AEP Texas North Co.	\$81,219,165	\$101,485,946	\$2,002,723	\$4,016,242	(\$6,425,498)	\$0	\$630,384	\$223,851
230 Kingsport Power Co - Distribution	\$10,589,074	\$13,763,649	\$150,596	\$518,291	(\$871,434)	\$0	\$82,187	(\$120,360)
260 Kingsport Power Co - Transmission	3,156,196	3,793,063	45,191	154,497	(240,155)	0	24,497	(15,970)
Kingsport Power Co.	\$13,745,270	\$17,556,712	\$195,787	\$672,788	(\$1,111,589)	\$0	\$106,684	(\$136,330)
210 Wheeling Power Co - Distribution	\$13,387,042	\$16,059,692	\$204,902	\$655,940	(\$1,016,806)	\$0	\$103,904	(\$52,060)
200 Wheeling Power Co - Transmission	584,575	650,341	0	28,211	(41,176)	0	4,537	(8,428)
Wheeling Power Co.	\$13,971,617	\$16,710,033	\$204,902	\$684,151	(\$1,057,982)	\$0	\$108,441	(\$60,488)
103 American Electric Power Service Corporation	\$1,161,732,808	\$1,437,308,194	\$23,962,860	\$57,221,018	(\$91,001,965)	\$0	\$9,016,812	(\$801,274)
American Electric Power Service Corp	\$1,161,732,808	\$1,437,308,194	\$23,962,860	\$57,221,018	(\$91,001,965)	\$0	\$9,016,812	(\$801,274)
143 AEP Pro Serv, Inc.	\$917,060	\$1,077,959	\$0	\$44,257	(\$68,250)	\$0	\$7,118	(\$16,875)
171 CSW Energy, Inc.	4,486,923	8,007,605	291,144	230,587	(506,995)	0	34,825	49,561
293 Elmwood	2,645,943	8,834,699	403,235	147,152	(599,362)	0	20,537	11,562
292 AEP River Operations LLC	26,672,453	85,506,488	5,323,714	1,544,117	(5,413,772)	0	207,019	1,661,078
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	292,051	601,735	0	14,094	(38,098)	0	2,267	(21,737)
Miscellaneous	\$35,014,430	\$104,028,486	\$6,018,093	\$1,980,207	(\$6,586,477)	\$0	\$271,766	\$1,683,589
<b>Total</b>	<b>\$3,936,450,710</b>	<b>\$5,114,662,586</b>	<b>\$85,858,736</b>	<b>\$194,114,432</b>	<b>(\$323,830,578)</b>	<b>\$0</b>	<b>\$30,552,842</b>	<b>(\$13,304,567)</b>

AMERICAN ELECTRIC POWER  
QUALIFIED RETIREMENT PLAN  
ESTIMATED 2023 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$265,981,195	\$376,968,293	\$3,652,282	\$13,015,142	(\$23,895,557)	\$0	\$1,854,730	(\$5,373,403)
215 Appalachian Power Co - Generation	225,741,310	277,181,217	3,775,658	11,078,728	(17,570,177)	0	1,574,131	(1,141,660)
150 Appalachian Power Co - Transmission	41,763,194	54,453,416	463,375	2,038,266	(3,451,735)	0	291,221	(658,873)
Appalachian Power Co. - FERC	\$533,485,699	\$708,602,926	\$7,891,315	\$26,132,136	(\$44,917,469)	\$0	\$3,720,082	(\$7,173,936)
225 Cedar Coal Co	2,971,691	4,257,767	0	143,443	(269,895)	0	20,722	(105,730)
Appalachian Power Co. - SEC	\$536,457,390	\$712,860,693	\$7,891,315	\$26,275,579	(\$45,187,364)	\$0	\$3,740,804	(\$7,279,666)
211 AEP Texas Central Company - Distribution	\$225,029,471	\$267,584,198	\$5,460,302	\$11,125,685	(\$16,961,833)	\$0	\$1,569,167	\$1,193,321
147 AEP Texas Central Company - Generation	6,020,177	15,940,502	0	290,592	(1,010,449)	0	41,980	(677,877)
169 AEP Texas Central Company - Transmission	22,252,133	28,402,294	728,480	1,109,269	(1,800,387)	0	155,168	192,530
AEP Texas Central Co.	\$253,301,781	\$311,926,994	\$6,188,782	\$12,525,546	(\$19,772,669)	\$0	\$1,766,315	\$707,974
170 Indiana Michigan Power Co - Distribution	\$140,201,904	\$182,745,950	\$2,233,276	\$6,875,311	(\$12,217,929)	\$0	\$977,650	(\$2,131,692)
132 Indiana Michigan Power Co - Generation	91,536,690	116,440,425	1,426,141	4,487,293	(7,381,015)	0	638,300	(829,281)
190 Indiana Michigan Power Co - Nuclear	173,929,580	277,376,225	5,811,664	8,676,066	(17,582,538)	0	1,212,839	(1,881,969)
120 Indiana Michigan Power Co - Transmission	31,266,354	42,169,874	465,559	1,531,692	(2,673,096)	0	218,025	(457,820)
280 Ind Mich River Transp Lakin	27,730,789	46,684,667	1,197,551	1,396,364	(2,959,284)	0	193,371	(171,998)
Indiana Michigan Power Co. - FERC	\$464,665,317	\$675,417,141	\$11,134,191	\$22,966,726	(\$42,813,862)	\$0	\$3,240,185	(\$5,472,760)
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$464,665,317	\$675,417,141	\$11,134,191	\$22,966,726	(\$42,813,862)	\$0	\$3,240,185	(\$5,472,760)
110 Kentucky Power Co - Distribution	\$59,842,103	\$86,841,732	\$829,137	\$2,928,586	(\$5,504,791)	\$0	\$417,289	(\$1,329,779)
117 Kentucky Power Co - Generation	29,314,940	42,022,400	336,428	1,431,264	(2,663,748)	0	204,418	(691,638)
180 Kentucky Power Co - Transmission	6,712,222	10,488,333	146,644	331,076	(664,843)	0	46,805	(140,318)
Kentucky Power Co.	\$95,869,265	\$139,352,465	\$1,312,209	\$4,690,926	(\$8,833,282)	\$0	\$668,512	(\$2,161,735)
104 Cardinal Operating Company	\$63,721,238	\$94,168,103	\$1,304,582	\$3,138,780	(\$5,969,200)	\$0	\$444,338	(\$1,081,500)
270 Cook Coal Terminal	2,775,039	4,301,259	78,090	137,720	(272,652)	0	19,351	(37,491)
250 Ohio Power Co - Distribution	361,842,369	413,540,197	5,811,509	17,746,563	(26,213,805)	0	2,523,185	(132,548)
181 Ohio Power Co - Generation	304,656,267	451,997,156	4,039,155	14,900,653	(28,651,544)	0	2,124,417	(7,587,319)
160 Ohio Power Co - Transmission	61,819,112	82,190,606	893,733	3,027,134	(5,209,962)	0	431,075	(858,020)
Ohio Power Co. - FERC	\$794,814,025	\$1,046,197,321	\$12,127,069	\$38,950,850	(\$66,317,163)	\$0	\$5,542,366	(\$9,696,878)
290 Conesville Coal Preparation Company	2,906,034	4,236,643	0	140,274	(268,556)	0	20,264	(108,018)
Ohio Power Co. - SEC	\$797,720,059	\$1,050,433,964	\$12,127,069	\$39,091,124	(\$66,585,719)	\$0	\$5,562,630	(\$9,804,896)
167 Public Service Co of Oklahoma - Distribution	\$130,489,225	\$162,493,315	\$4,139,912	\$6,498,516	(\$10,300,252)	\$0	\$909,922	\$1,248,098
198 Public Service Co of Oklahoma - Generation	63,349,370	89,991,778	2,439,155	3,175,596	(5,704,468)	0	441,745	352,028
114 Public Service Co of Oklahoma - Transmission	15,990,500	21,882,738	517,074	796,817	(1,387,120)	0	111,504	38,275
Public Service Co. of Oklahoma	\$209,829,095	\$274,367,831	\$7,096,141	\$10,470,929	(\$17,391,840)	\$0	\$1,463,171	\$1,638,401
159 Southwestern Electric Power Co - Distribution	\$78,720,191	\$117,539,417	\$3,269,752	\$3,957,635	(\$7,450,679)	\$0	\$548,929	\$325,637
168 Southwestern Electric Power Co - Generation	84,949,449	120,478,735	3,705,680	4,279,361	(7,636,999)	0	592,366	940,408
161 Southwestern Electric Power Co - Texas - Distribution	41,493,991	52,340,586	1,456,206	2,073,196	(3,317,805)	0	289,344	500,941
111 Southwestern Electric Power Co - Texas - Transmission	119,845	299,666	0	5,785	(18,995)	0	836	(12,374)
194 Southwestern Electric Power Co - Transmission	12,709,764	19,881,953	527,119	638,941	(1,260,293)	0	88,627	(5,606)
Southwestern Electric Power Co.	\$217,993,240	\$310,540,357	\$8,958,757	\$10,954,918	(\$19,684,771)	\$0	\$1,520,102	\$1,749,006
119 AEP Texas North Company - Distribution	\$53,210,974	\$69,669,086	\$1,672,741	\$2,649,224	(\$4,416,238)	\$0	\$371,049	\$276,776
166 AEP Texas North Company - Generation	17,867,537	20,248,559	0	862,462	(1,283,531)	0	124,593	(296,476)
192 AEP Texas North Company - Transmission	8,444,772	12,517,003	376,202	425,786	(793,437)	0	58,887	67,438
AEP Texas North Co.	\$79,523,283	\$102,434,648	\$2,048,943	\$3,937,472	(\$6,493,206)	\$0	\$554,529	\$47,738
230 Kingsport Power Co - Distribution	\$10,367,971	\$13,856,630	\$154,072	\$507,896	(\$878,355)	\$0	\$72,298	(\$144,089)
260 Kingsport Power Co - Transmission	3,090,294	3,796,804	46,234	151,399	(240,675)	0	21,549	(21,493)
Kingsport Power Co.	\$13,458,265	\$17,653,434	\$200,306	\$659,295	(\$1,119,030)	\$0	\$93,847	(\$165,582)
210 Wheeling Power Co - Distribution	\$13,107,516	\$16,103,136	\$209,631	\$642,815	(\$1,020,758)	\$0	\$91,401	(\$76,911)
200 Wheeling Power Co - Transmission	572,369	641,817	0	27,628	(40,684)	0	3,991	(9,065)
Wheeling Power Co.	\$13,679,885	\$16,744,953	\$209,631	\$670,443	(\$1,061,442)	\$0	\$95,392	(\$85,976)
103 American Electric Power Service Corporation	\$1,137,475,453	\$1,452,037,512	\$24,515,882	\$56,089,040	(\$92,042,874)	\$0	\$7,931,796	(\$3,506,154)
American Electric Power Service Corp	\$1,137,475,453	\$1,452,037,512	\$24,515,882	\$56,089,040	(\$92,042,874)	\$0	\$7,931,796	(\$3,506,154)
143 AEP Pro Serv, Inc.	\$897,912	\$1,089,253	\$0	\$43,342	(\$69,046)	\$0	\$6,261	(\$19,443)
171 CSW Energy, Inc.	4,393,235	8,513,590	297,863	226,438	(539,666)	0	30,635	15,270
293 Elmwood	2,590,695	9,498,286	412,541	144,965	(602,085)	0	18,065	(26,514)
292 AEP River Operations LLC	26,115,523	92,589,558	5,446,576	1,523,495	(5,869,138)	0	182,108	1,283,041
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	285,953	622,114	0	13,803	(39,435)	0	1,994	(23,638)
Miscellaneous	\$34,283,318	\$112,312,801	\$6,156,980	\$1,952,043	(\$7,119,370)	\$0	\$239,063	\$1,228,716
<b>Total</b>	<b>\$3,854,256,351</b>	<b>\$5,176,082,793</b>	<b>\$87,840,206</b>	<b>\$190,284,041</b>	<b>(\$328,105,529)</b>	<b>\$0</b>	<b>\$26,876,346</b>	<b>(\$23,104,934)</b>

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**American Electric Power  
Excess Benefit Plan  
Actuarial Valuation Report**

**Pension Cost for Fiscal Year Ending  
December 31, 2013, under U.S. GAAP**

**April 2013**

**TOWERS WATSON** 

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## Purpose and actuarial statement

As requested by American Electric Power (the Company or AEP), this report documents the results of an actuarial valuation of the American Electric Power Excess Benefit Plan (the Plan)

The primary purpose of this valuation is to determine the Net Periodic Benefit Cost/(Income) (Benefit Cost), in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715) for the fiscal year beginning January 1, 2013. It is anticipated that a separate report will be prepared for year-end disclosure purposes.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any such deferred tax allowance should be made in consultation with the Company's tax advisors and auditors.

This report is provided subject to the terms set out herein and in our master consulting services agreement dated July 29, 2004 and the accompanying General Terms and Conditions of Business. This report is provided solely for the Company's use and for the specific purposes indicated above. It may not be suitable for use in any other context or for any other purpose.

Except where we expressly agree in writing, this report should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents.

The Company may make a copy of this report available to its auditors, but we make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the Company's auditors in this regard. The Company should draw the provisions of this paragraph to the attention of its auditors when passing this report to them.

In preparing these results, we have relied upon information and data provided to us orally and in writing by AEP and other persons or organizations designated by AEP. We have relied on all the data and information provided, including Plan provisions, membership data and asset information, as being complete and accurate. We have not independently verified the accuracy or completeness of the data or information provided, but we have performed limited checks for consistency.

The results summarized in this report involve actuarial calculations that require assumptions about future events. AEP is responsible for the selection of the assumptions.

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the pension cost have been selected by the plan sponsor. Towers Watson has concurred with these assumptions and methods. ASC 715-30-35 requires that each significant assumption "individually represent the best estimate of a particular future event."

In our opinion, all calculations are in accordance with US GAAP and the procedures followed and the results presented are in conformity with applicable actuarial standards of practice.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Towers Watson Pennsylvania Inc.



Joseph A. Perko, FSA, EA, MAAA  
Senior Consultant



Ryan S. Carney, FSA, EA, MAAA  
Senior Consultant

Towers Watson Pennsylvania Inc.

April 2013

Excess Benefit Plan

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## Section 1: Summary of key results

### Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Ending		December 31, 2013	December 31, 2012
<b>Benefit Cost/ (Income)</b>	Net Periodic Benefit Cost/(Income)	7,353,696	7,108,384
	Immediate Recognition of Benefit Cost/(Income) due to Settlements	0	4,799,853
	<b>Total Benefit Cost/(Income)</b>	<b>7,353,696</b>	<b>11,908,237</b>
Measurement Date		January 1, 2013	January 1, 2012
<b>Plan Assets</b>	Fair Value of Assets (FVA)	0	0
	Market Related Value of Assets (MRVA)	0	0
	Return on Fair Value Assets during Prior Year	N/A	N/A
<b>Benefit Obligations</b>	Accumulated Benefit Obligation (ABO)	(84,704,119)	(90,774,593)
	Projected Benefit Obligation (PBO)	(86,575,004)	(91,108,969)
<b>Funded Ratios</b>	Fair Value of Assets to ABO	0.0%	0.0%
	Fair Value of Assets to PBO	0.0%	0.0%
<b>Accumulated Other Comprehensive (Income)/Loss</b>	Net Transition Obligation/(Asset)	0	0
	Net Prior Service Cost/(Credit)	478,655	976,035
	Net Loss/(Gain)	43,841,210	43,522,476
	<b>Total Accumulated Other Comprehensive (Income)/Loss</b>	<b>44,319,865</b>	<b>44,498,511</b>
<b>Assumptions<sup>1</sup></b>	Discount Rate	3.80%	4.40%
	Expected Long-term Return on Plan Assets	N/A	N/A
	Rate of Compensation/Salary Increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
<b>Participant Data</b>	<b>Census Date</b>	<b>January 1, 2013</b>	<b>January 1, 2012</b>

<sup>1</sup> Rates are expressed on an annual basis where applicable.

## Excess Benefit Plan

## Comments on results

The pension cost declined from \$7,108,384 in fiscal 2012 to \$7,353,696 in fiscal 2013, as set forth below:

All monetary amounts shown in US Dollars

	Pension Cost
Prior year	7,108,384
Change due to:	
▶ Expected based on prior valuation and payments during the prior year	1,444,187
▶ Unexpected noninvestment experience	(1,359,670)
▶ Unexpected investment experience	0
▶ Assumption changes	160,795
▶ Plan amendments	0
▶ Method change	0
▶ Interim events	0
Current year	<u>7,353,696</u>

Significant reasons for these changes include the following:

- The mortality used to convert to different forms of payment was updated, which decreased the pension cost.
- The mortality used to value benefit obligation was updated for an additional year of mortality improvements, which increased the pension cost.
- The discount rate declined 60 basis points compared to the prior year, which increased the pension cost.
- The interest crediting rate decreased from 4.50% to 4.00%, which decreased the pension cost.
- The settlement accounting required during 2012, which generated a one-time charge of approximately \$4.8 million, is not expected to be required during 2013. This figure is not included above.



### **Plan provisions and assumptions**

Appendix A outlines the assumptions and methods used in the valuation. Appendix B outlines our understanding of the principal provisions of the Plan being valued.

#### **Changes in assumptions**

The discount rate decreased from 4.40% to 3.80%.

The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants to RP2000 with projections to 2020 for annuitants and to 2028 for nonannuitants.

The cash balance crediting rate decreased from 4.50% to 4.00%.

The lump sum conversion rate decreased from 6.25% to 5.10%.

The mortality used to convert to 417(e) based forms of payment was updated for an additional year of mortality improvements.

#### **Changes in methods**

None.

#### **Changes in benefits valued**

None.

## Section 2: Accounting exhibits

### 2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars			
Measurement Date	January 1, 2013	January 1, 2012	
<b>A Development of Balance Sheet Asset/(Liability)<sup>1</sup></b>			
1 Projected benefit obligation (PBO) <sup>2</sup>	(86,575,004)	(91,108,969)	
2 Fair value of assets (FVA)	0	0	
3 Net balance sheet asset/(liability)	(86,575,004)	(91,108,969)	
<b>B Current and Noncurrent Allocation<sup>1</sup></b>			
1 Noncurrent assets	0	0	
2 Current liabilities	(7,943,073)	(16,648,047)	
3 Noncurrent liabilities	(78,631,931)	(74,460,922)	
4 Net balance sheet asset/(liability)	(86,575,004)	(91,108,969)	
<b>C Accumulated Benefit Obligation (ABO)</b>	(84,704,119)	(90,774,593)	
<b>D Accumulated Other Comprehensive (Income)/Loss</b>			
1 Net transition obligation/(asset)	0	0	
2 Net prior service cost/(credit)	478,655	976,034	
3 Net loss/(gain)	43,841,210	43,522,476	
4 Accumulated other comprehensive (income)/loss <sup>3</sup>	44,319,865	44,498,510	
<b>E Assumptions and Dates<sup>4</sup></b>			
1 Discount rate	3.80%	4.40%	
2 Rate of compensation/salary increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%	
3 Census date	January 1, 2013	January 1, 2012	

<sup>1</sup> Whether the amounts in this table that differ from those disclosed at year-end must be disclosed in subsequent interim financial statements should be determined.

<sup>2</sup> East PBO = \$49,689,735; West PBO = \$36,885,269

<sup>3</sup> Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

<sup>4</sup> Rates are expressed on an annual basis where applicable.

## 2.2 Summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2013	December 31, 2012
<b>A Total Benefit Cost</b>		
1 Employer service cost	547,672	266,815
2 Interest cost	3,161,150	3,363,830
3 Expected return on assets	0	0
4 Subtotal	3,708,822	3,630,645
5 Net transition obligation/(asset) amortization	0	0
6 Net prior service cost/(credit) amortization	298,793	497,380
7 Net loss/(gain) amortization	3,346,081	2,980,359
8 Amortization subtotal	3,644,874	3,477,739
9 Net periodic benefit cost/(income)	7,353,696	7,108,384
10 Cost of curtailments	0	0
11 Cost of settlements	0	4,799,853
12 Cost of special/contractual termination benefits	0	0
13 Total benefit cost	7,353,696	11,908,237
<b>B Assumptions<sup>1</sup></b>		
1 Discount rate	3.80%	4.40%
2 Long-term rate of return on assets	N/A	N/A
3 Rate of compensation/salary increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
4 Census date	January 1, 2013	January 1, 2012
<b>C Assets at Beginning of Year</b>		
1 Fair market value	0	0
2 Market-related value	0	0
<b>D Cash Flow</b>		
	Expected	Actual
1 Employer contributions	0	0
2 Plan participants' contributions <sup>2</sup>	0	0
3 Benefits paid from the Company	7,943,073	16,262,963
4 Benefits paid from plan assets <sup>2</sup>	0	0

<sup>1</sup> These assumptions were used to calculate Net Periodic Benefit Cost/(Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.

<sup>2</sup> Over the fiscal year.

## Section 3: Data exhibits

### 3.1 Plan participant data

All monetary amounts shown in US Dollars

Census Date	January 1, 2013	January 1, 2012
<b>A Participating Employees</b>		
1 Number	17,631	18,056
2 Total annual plan compensation	1,592,436,325	1,568,072,111
3 Average plan compensation	90,320	86,845
4 Average age (years)	46.8	46.3
5 Average credited service (years)	17.3	16.8
6 Average future working life (years)	10.5149	10.7320
<b>B Participants with Deferred Benefits</b>		
1 Number (non-cash balance)	2	1
2 Total annual pension (non-cash balance)	240,580	450
3 Average annual pension (non-cash balance)	120,290	450
4 Number of cash balance	2	4
5 Total cash balance	406,415	4,174,289
6 Average cash balance	203,208	1,043,572
7 Average age	60.0	58.9
<b>C Participants Receiving Benefits</b>		
1 Number	93	98
2 Total annual pension	6,972,897	6,955,790
3 Average annual pension	74,977	70,977
4 Average age (years)	72.5	72.1

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# Appendix A : Statement of actuarial assumptions and methods

## Actuarial Assumptions and Methods — Pension Cost

### Economic Assumptions

Discount rate		3.80%
Annual rates of increase		
▶ Compensation:		
– Representative rates	<i>Age</i>	<i>Rate</i>
	< 26	11.50%
	26 – 30	9.50%
	31 – 35	7.50%
	36 – 40	6.50%
	41 – 45	5.00%
	46 – 50	4.00%
	> 50	3.50%
– Weighted average		4.95%
▶ Cash balance crediting rate		4.00%
▶ Lump sum/annuity conversion rate		5.10%
▶ Future Social Security wage bases		4.00%
▶ Statutory limits on compensation		3.00%

## Demographic Assumptions

**Inclusion Date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

**Mortality**

▶ **Healthy** Separate rates for (1) non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2028 using Scale AA and (2) annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2020 using Scale AA.

▶ **Disabled** RP2000 – disabled retirees, no projection.

▶ **Lump sum/annuity conversion** Applicable 417(e) IRS Mortality Table

**Termination**

**Rates varying by age and service**

Attained Age	Percentage leaving during the year	
	Less than five years of service	Five or more years of service
< 25	8.00%	8.00%
25 – 29	8.00%	6.00%
30 – 34	8.00%	5.00%
35 – 39	8.00%	3.00%
40 – 49	8.00%	2.50%
> 49	8.00%	4.00%

**Disability**

Rates apply to employees not eligible to retire and vary by age and sex as indicated by the following sample values:

Age	Percentage becoming disabled during the year	
	Male	Female
20	0.060%	0.090%
30	0.060%	0.090%
40	0.074%	0.110%
50	0.178%	0.267%
60	0.690%	1.035%

Excess Benefit Plan

Retirement

Rates varying by age; average retirement age 61:

Percentage retiring during the year	
Age	Rate
55-57	7.00%
58-60	10.00%
61-63	25.00%
64-65	50.00%
66-69	25.00%
70+	100.00%

Benefit commencement date:

- ▶ Preretirement death benefit      The later of the death of the active participant or the date the participant would have attained age 55.
- ▶ Deferred vested benefit      The later of age 55 or termination of employment.
- ▶ Disability benefit      Upon disablement.
- ▶ Retirement benefit      Upon termination of employment.

Form of payment

40% lump sum; 60% annuity for retirement eligible East grandfathered participants and 75% lump sum; 25% annuity for all other participants. Married participants are assumed to elect the 50% joint and survivor annuity and unmarried participants are assumed to elect the single life annuity. No other optional form of payment election is assumed.

Percent married

80% of male participants; 70% of female participants.

Spouse ages

Wives are assumed to be three years younger than husbands.

Valuation pay

2013 base salary pay (Grandfathered) – not estimated due to freeze of final average pay accruals at December 31, 2010.

2013 expanded pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

- (i) 2012 base salary
- (ii) a 15% increase for overtime eligible employees and a target bonus percent increase for incentive-eligible employees

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.



## Methods

Service cost and projected benefit obligation	Projected unit credit
Benefits not valued	All benefits described in the Plan Provisions sections of this report were valued. Towers Watson has reviewed the plan provisions with AEP and is not aware of any significant benefits required to be valued that were not.
Change in assumptions and methods since prior valuation	<p>The discount rate was decreased from 4.40% to 3.80%.</p> <p>The mortality table used to value the benefit obligations was updated from the RP2000 with projections to 2019 for annuitants and to 2027 for nonannuitants to RP2000 with projections to 2020 and 2028, respectively.</p> <p>The cash balance crediting rate was changed from 4.50% to 4.00%.</p> <p>The mortality table used for lump sum/annuity conversions was updated for an additional year of mortality improvements.</p> <p>The lump sum conversion rate was changed from 6.25% to 5.10%.</p>
Data Sources	Towers Watson used participant and asset data as of January 1, 2013, supplied by ACS, the third party database for the AEP pension data with the exception of certain data records that were not provided on the original file but are due benefits. The data for such exceptions was collected from the ACS system. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Appendix B : Summary of principal plan provisions

The Excess Benefit Plan provides a benefit determined in accordance with the provisions of the American Electric Power System's Retirement Plan (a qualified defined benefit plan), without recognition of the statutory maximums on benefits and pay, less the benefit payable from the qualified plan. MICP awards are also included in the definition of pay for the former East Plan grandfathered benefit for executives with base pay in excess of the IRS limit. Certain executives have contracts providing additional benefits. Certain former Central and South West company executives are eligible for a final average pay cash balance benefit (pension equity – type formula) if it produces a larger benefit. The schedule of contribution percentages for this formula is identical to the cash balance formula.

Prior to 2004, all executives had their cash balance pay limited to \$1,000,000. In addition, pay was limited for executives in an uncapped incentive plan to two times base pay for both the final average pay formula and the cash balance formula. Base pay rate is determined at the earlier of year-end or date of termination.

Effective January 1, 2004, pay for all executives is limited to the greater of two times base pay or \$1 million for the cash balance formula only. The executives in the uncapped incentive plan continue to have two times pay limit apply to the former East Plan final average pay formula.

Effective December 31, 2010, accruals under the east grandfathered final average pay formula were discontinued.

### Future Plan Changes

Towers Watson is not aware of any future plan changes that are required to be reflected.

### Changes in Benefits Valued Since Prior Year

None.

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## Appendix C: Results by Business Unit

Summary of key assumptions for Appendix C of 2013 Excess Benefit Plan valuation report:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Discount rate	3.80%	4.40%	4.55%	4.65%	4.80%	4.90%	4.90%	4.90%	4.90%	4.90%	4.90%
Cash balance crediting rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Lump sum conversion rate	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%	5.10%

Expected mortality  
Valuation and data

2013 IRS Applicable Mortality Table  
January 1, 2013

AMERICAN ELECTRIC POWER  
UNQUALIFIED PENSION PLAN  
YEAR PENSION COST FORECAST

Location	ASC 715-30 Cost 2013	Estimated Net Periodic Pension Cost									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
140 Appalachian Power Co - Distribution	\$16,500	\$15,371	\$14,432	\$13,583	\$12,678	\$11,857	\$11,141	\$10,481	\$9,856	\$9,364	\$8,745
215 Appalachian Power Co - Generation	135	123	115	109	102	94	88	83	77	74	69
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	16,635	15,494	14,547	13,692	12,780	11,951	11,229	10,564	9,933	9,438	8,814
225 Cedar Coal Co	0	0	0	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	16,635	15,494	14,547	13,692	12,780	11,951	11,229	10,564	9,933	9,438	8,814
211 AEP Texas Central Company - Distribution	273,351	254,649	241,719	229,167	214,142	200,734	189,175	178,559	168,533	160,434	150,819
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0	0	0	0
AEP Texas Central Co.	273,351	254,649	241,719	229,167	214,142	200,734	189,175	178,559	168,533	160,434	150,819
170 Indiana Michigan Power Co - Distribution	19,273	18,340	18,171	18,126	18,022	18,002	18,203	18,463	18,772	18,554	19,564
132 Indiana Michigan Power Co - Generation	1,563	1,494	1,470	1,456	1,436	1,422	1,428	1,437	1,452	1,429	1,493
190 Indiana Michigan Power Co - Nuclear	35,785	34,080	33,664	33,540	34,102	33,820	34,095	34,485	34,965	34,515	36,256
120 Indiana Michigan Power Co - Transmission	8,750	8,151	7,652	7,200	6,719	6,283	5,901	5,550	5,217	4,956	4,625
280 Ind Mich River Transp Lakin	110	108	112	116	119	125	131	137	144	144	159
Indiana Michigan Power Co. - FERC	65,481	62,173	61,069	60,438	60,398	59,652	59,758	60,072	60,550	59,598	62,097
202 Price River Coal	0	0	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	65,481	62,173	61,069	60,438	60,398	59,652	59,758	60,072	60,550	59,598	62,097
110 Kentucky Power Co - Distribution	3,895	3,058	3,158	3,281	3,393	3,519	3,696	3,880	4,073	4,087	4,491
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Kentucky Power Co.	3,895	3,058	3,158	3,281	3,393	3,519	3,696	3,880	4,073	4,087	4,491
104 Cardinal Operating Company	393	375	369	364	360	356	357	357	361	355	368
270 Cook Coal Terminal	0	0	0	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	8,412	8,182	8,294	8,464	8,598	8,777	9,075	9,398	9,744	9,720	10,514
181 Ohio Power Co - Generation	68,214	62,213	58,398	54,951	51,342	48,007	45,093	42,407	39,864	37,866	35,340
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	77,019	70,770	67,061	63,779	60,300	57,140	54,525	52,162	49,969	47,941	46,222
280 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	77,019	70,770	67,061	63,779	60,300	57,140	54,525	52,162	49,969	47,941	46,222
107 Public Service Co of Oklahoma - Distribution	95,741	89,711	85,613	82,257	78,369	74,671	71,643	68,936	66,445	63,954	62,296
198 Public Service Co of Oklahoma - Generation	31,974	29,840	28,531	27,196	25,531	24,067	22,831	21,703	20,648	19,738	18,805
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	127,715	119,551	114,144	109,453	103,900	98,738	94,474	90,639	87,093	83,692	81,101
159 Southwestern Electric Power Co - Distribution	11,893	11,336	11,099	10,934	10,723	10,583	10,561	10,575	10,619	10,433	10,812
168 Southwestern Electric Power Co - Generation	79,012	73,568	69,859	66,209	61,807	57,874	54,472	51,343	48,384	46,021	43,144
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	7,237	6,741	6,328	5,955	5,556	5,194	4,879	4,589	4,313	4,097	3,822
Southwestern Electric Power Co.	98,142	91,645	87,286	83,098	78,086	73,651	69,912	66,507	63,316	60,551	57,780
119 AEP Texas North Company - Distribution	68,035	63,315	60,043	56,801	52,912	49,458	46,456	43,690	41,069	39,010	36,401
166 AEP Texas North Company - Generation	51,358	47,802	45,285	42,806	39,867	37,266	35,004	32,920	30,945	29,393	27,432
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0	0	0	0
AEP Texas North Co.	119,393	111,117	105,328	99,607	92,779	86,724	81,460	76,610	72,014	68,403	63,841
230 Kingsport Power Co - Distribution	0	0	0	0	0	0	0	0	0	0	0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Kingsport Power Co.	0	0	0	0	0	0	0	0	0	0	0
210 Wheeling Power Co - Distribution	0	0	0	0	0	0	0	0	0	0	0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0	0	0	0
Wheeling Power Co.	0	0	0	0	0	0	0	0	0	0	0
103 American Electric Power Service Corporation	6,405,549	5,751,925	5,465,194	5,202,432	4,854,047	4,579,596	4,361,914	4,164,933	3,981,219	3,815,465	3,665,833
American Electric Power Service Corp	6,405,549	5,751,925	5,465,194	5,202,432	4,854,047	4,579,596	4,361,914	4,164,933	3,981,219	3,815,465	3,665,833
143 AEP Pro Serv, Inc.	0	0	0	0	0	0	0	0	0	0	0
171 CSW Energy, Inc.	147,455	138,231	131,306	125,205	118,596	112,348	107,577	103,303	99,352	95,521	92,711
293 Elmwood	0	0	0	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	18,982	17,818	17,115	16,565	16,455	16,103	15,719	15,397	15,120	14,693	14,733
189 Central Coal Company	0	0	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	79	74	69	65	60	57	53	50	48	45	44
Miscellaneous	166,516	156,123	148,490	141,835	135,111	128,508	123,349	118,750	114,520	110,259	107,491
<b>Total</b>	<b>\$7,353,696</b>	<b>\$6,636,505</b>	<b>\$6,307,996</b>	<b>\$6,006,782</b>	<b>\$5,614,936</b>	<b>\$5,300,213</b>	<b>\$5,049,492</b>	<b>\$4,822,676</b>	<b>\$4,611,220</b>	<b>\$4,419,868</b>	<b>\$4,248,491</b>

## Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
2013 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$219,825	\$0	\$26	\$7,977	\$0	\$1	\$8,496	\$16,500
215 Appalachian Power Co - Generation	1,731	0	0	63	0	5	67	135
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$221,556	\$0	\$26	\$8,040	\$0	\$6	\$8,563	\$16,635
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$221,556	\$0	\$26	\$8,040	\$0	\$6	\$8,563	\$16,635
211 AEP Texas Central Company - Distribution	\$3,626,137	\$0	\$4,817	\$131,745	\$0	(\$3,359)	\$140,148	\$273,351
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$3,626,137	\$0	\$4,817	\$131,745	\$0	(\$3,359)	\$140,148	\$273,351
170 Indiana Michigan Power Co - Distribution	\$117,371	\$0	\$9,964	\$4,620	\$0	\$153	\$4,536	\$19,273
132 Indiana Michigan Power Co - Generation	11,055	0	705	427	0	4	427	1,563
190 Indiana Michigan Power Co - Nuclear	237,638	0	17,933	9,273	0	(606)	9,185	35,785
120 Indiana Michigan Power Co - Transmission	116,780	0	0	4,237	0	0	4,513	8,750
280 Ind Mich River Transp Lakin	0	0	106	4	0	0	0	110
Indiana Michigan Power Co. - FERC	\$482,844	\$0	\$28,708	\$18,561	\$0	(\$449)	\$18,661	\$65,481
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$482,844	\$0	\$28,708	\$18,561	\$0	(\$449)	\$18,661	\$65,481
110 Kentucky Power Co - Distribution	\$11	\$0	\$3,000	\$109	\$0	\$786	\$0	\$3,895
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$11	\$0	\$3,000	\$109	\$0	\$786	\$0	\$3,895
104 Cardinal Operating Company	\$2,984	\$0	\$167	\$114	\$0	(\$3)	\$115	\$393
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	23,652	0	6,398	1,090	0	10	914	8,412
181 Ohio Power Co - Generation	892,317	0	1	32,377	0	1,348	34,488	68,214
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$918,953	\$0	\$6,566	\$33,581	\$0	\$1,355	\$35,517	\$77,019
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$918,953	\$0	\$6,566	\$33,581	\$0	\$1,355	\$35,517	\$77,019
167 Public Service Co of Oklahoma - Distribution	\$1,135,792	\$0	\$11,567	\$41,631	\$0	(\$1,355)	\$43,898	\$95,741
198 Public Service Co of Oklahoma - Generation	409,777	0	1,724	14,931	0	(519)	15,838	31,974
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,545,569	\$0	\$13,291	\$56,562	\$0	(\$1,874)	\$59,736	\$127,715
159 Southwestern Electric Power Co - Distribution	\$92,723	\$0	\$4,770	\$3,537	\$0	\$2	\$3,584	\$11,893
168 Southwestern Electric Power Co - Generation	1,057,169	0	852	38,389	0	(1,088)	40,859	79,012
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	96,548	0	0	3,503	0	2	3,732	7,237
Southwestern Electric Power Co.	\$1,246,440	\$0	\$5,622	\$45,429	\$0	(\$1,084)	\$48,175	\$98,142
119 AEP Texas North Company - Distribution	\$919,311	\$0	\$0	\$33,356	\$0	(\$852)	\$35,531	\$68,035
166 AEP Texas North Company - Generation	692,690	0	0	25,133	0	(547)	26,772	51,358
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,612,001	\$0	\$0	\$58,489	\$0	(\$1,399)	\$62,303	\$119,393
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$74,976,703	\$0	\$465,286	\$2,737,331	\$0	\$0	\$2,897,811	\$6,405,548
American Electric Power Service Corp	\$74,976,703	\$0	\$465,286	\$2,737,331	\$0	\$0	\$2,897,811	\$6,405,548
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,743,607	0	15,805	63,838	0	423	67,390	147,456
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	200,128	0	4,551	7,427	0	(731)	7,735	18,982
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	1,055	0	0	38	0	0	41	79
Miscellaneous	\$1,944,790	\$0	\$20,356	\$71,303	\$0	(\$308)	\$75,166	\$166,517
<b>Total</b>	<b>\$86,575,004</b>	<b>\$0</b>	<b>\$547,672</b>	<b>\$3,161,150</b>	<b>\$0</b>	<b>(\$6,326)</b>	<b>\$3,346,080</b>	<b>\$7,353,696</b>

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2014 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$198,535	\$0	\$25	\$8,323	\$0	\$1	\$7,022	\$15,371
215 Appalachian Power Co - Generation	1,563	0	0	66	0	2	55	123
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$200,098	\$0	\$25	\$8,389	\$0	\$3	\$7,077	\$15,494
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$200,098	\$0	\$25	\$8,389	\$0	\$3	\$7,077	\$15,494
211 AEP Texas Central Company - Distribution	\$3,274,952	\$0	\$4,712	\$137,465	\$0	(\$3,359)	\$115,831	\$254,649
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$3,274,952	\$0	\$4,712	\$137,465	\$0	(\$3,359)	\$115,831	\$254,649
170 Indiana Michigan Power Co - Distribution	\$106,004	\$0	\$9,747	\$4,852	\$0	(\$8)	\$3,749	\$18,340
132 Indiana Michigan Power Co - Generation	9,984	0	690	447	0	4	353	1,494
190 Indiana Michigan Power Co - Nuclear	214,623	0	17,542	9,731	0	(784)	7,591	34,080
120 Indiana Michigan Power Co - Transmission	105,470	0	0	4,421	0	0	3,730	8,151
280 Ind Mich River Transp Lakin	0	0	104	4	0	0	0	108
Indiana Michigan Power Co. - FERC	\$436,081	\$0	\$28,083	\$19,455	\$0	(\$788)	\$15,423	\$62,173
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$436,081	\$0	\$28,083	\$19,455	\$0	(\$788)	\$15,423	\$62,173
110 Kentucky Power Co - Distribution	\$10	\$0	\$2,935	\$123	\$0	\$0	\$0	\$3,058
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$10	\$0	\$2,935	\$123	\$0	\$0	\$0	\$3,058
104 Cardinal Operating Company	\$2,695	\$0	\$163	\$120	\$0	(\$3)	\$95	\$375
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	21,361	0	8,258	1,158	0	10	756	8,182
181 Ohio Power Co - Generation	805,898	0	1	33,779	0	(70)	28,503	62,213
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$829,954	\$0	\$6,422	\$35,057	\$0	(\$63)	\$29,354	\$70,770
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$829,954	\$0	\$6,422	\$35,057	\$0	(\$63)	\$29,354	\$70,770
167 Public Service Co of Oklahoma - Distribution	\$1,025,793	\$0	\$11,315	\$43,470	\$0	(\$1,355)	\$36,281	\$89,711
198 Public Service Co of Oklahoma - Generation	370,091	0	1,686	15,583	0	(519)	13,090	29,840
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,395,884	\$0	\$13,001	\$59,053	\$0	(\$1,874)	\$49,371	\$119,551
159 Southwestern Electric Power Co - Distribution	\$83,743	\$0	\$4,666	\$3,706	\$0	\$2	\$2,962	\$11,336
168 Southwestern Electric Power Co - Generation	954,784	0	833	40,054	0	(1,088)	33,769	73,568
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	87,197	0	0	3,655	0	2	3,084	6,741
Southwestern Electric Power Co.	\$1,125,724	\$0	\$5,499	\$47,415	\$0	(\$1,084)	\$39,815	\$91,645
119 AEP Texas North Company - Distribution	\$830,277	\$0	\$0	\$34,801	\$0	(\$852)	\$29,366	\$63,315
166 AEP Texas North Company - Generation	625,604	0	0	26,222	0	(547)	22,127	47,802
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,455,881	\$0	\$0	\$61,023	\$0	(\$1,399)	\$51,493	\$111,117
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$67,715,341	\$0	\$455,130	\$2,857,324	\$0	\$0	\$2,394,997	\$5,751,923
American Electric Power Service Corp	\$67,715,341	\$0	\$455,130	\$2,857,324	\$0	\$0	\$2,394,997	\$5,751,923
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,574,742	0	15,460	66,652	0	423	55,696	138,231
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	180,746	0	4,452	7,762	0	(789)	6,393	17,818
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	953	0	0	40	0	0	34	74
Miscellaneous	\$1,756,441	\$0	\$19,912	\$74,454	\$0	(\$366)	\$62,123	\$156,123
<b>Total</b>	<b>\$78,190,366</b>	<b>\$0</b>	<b>\$535,719</b>	<b>\$3,299,758</b>	<b>\$0</b>	<b>(\$8,930)</b>	<b>\$2,765,484</b>	<b>\$6,636,503</b>

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2015 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$186,660	\$0	\$26	\$8,064	\$0	\$1	\$6,341	\$14,432
215 Appalachian Power Co - Generation	1,470	0	0	63	0	2	50	115
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$188,130	\$0	\$26	\$8,127	\$0	\$3	\$6,391	\$14,547
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$188,130	\$0	\$26	\$8,127	\$0	\$3	\$6,391	\$14,547
211 AEP Texas Central Company - Distribution	\$3,079,056	\$0	\$4,861	\$133,208	\$0	(\$947)	\$104,597	\$241,719
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$3,079,056	\$0	\$4,861	\$133,208	\$0	(\$947)	\$104,597	\$241,719
170 Indiana Michigan Power Co - Distribution	\$99,663	\$0	\$10,054	\$4,739	\$0	(\$8)	\$3,386	\$18,171
132 Indiana Michigan Power Co - Generation	9,387	0	711	436	0	4	319	1,470
190 Indiana Michigan Power Co - Nuclear	201,785	0	18,095	9,498	0	(784)	6,855	33,664
120 Indiana Michigan Power Co - Transmission	99,181	0	0	4,283	0	0	3,369	7,652
280 Ind Mich River Transp Lakin	0	0	107	5	0	0	0	112
Indiana Michigan Power Co. - FERC	\$409,996	\$0	\$28,967	\$18,961	\$0	(\$788)	\$13,929	\$61,069
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$409,996	\$0	\$28,967	\$18,961	\$0	(\$788)	\$13,929	\$61,069
110 Kentucky Power Co - Distribution	\$9	\$0	\$3,027	\$131	\$0	\$0	\$0	\$3,158
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$9	\$0	\$3,027	\$131	\$0	\$0	\$0	\$3,158
104 Cardinal Operating Company	\$2,534	\$0	\$169	\$117	\$0	(\$3)	\$86	\$369
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	20,084	0	6,456	1,146	0	10	682	8,294
181 Ohio Power Co - Generation	757,692	0	1	32,728	0	(70)	25,739	58,398
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$780,310	\$0	\$6,626	\$33,991	\$0	(\$63)	\$26,507	\$67,061
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$780,310	\$0	\$6,626	\$33,991	\$0	(\$63)	\$26,507	\$67,061
167 Public Service Co of Oklahoma - Distribution	\$964,433	\$0	\$11,672	\$42,162	\$0	(\$983)	\$32,762	\$85,613
198 Public Service Co of Oklahoma - Generation	347,953	0	1,740	15,105	0	(134)	11,820	28,531
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,312,386	\$0	\$13,412	\$57,267	\$0	(\$1,117)	\$44,582	\$114,144
159 Southwestern Electric Power Co - Distribution	\$78,734	\$0	\$4,813	\$3,609	\$0	\$2	\$2,675	\$11,099
168 Southwestern Electric Power Co - Generation	897,672	0	860	38,812	0	(307)	30,494	69,859
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	2	2,785	6,328
194 Southwestern Electric Power Co - Transmission	81,982	0	0	3,541	0	0	0	0
Southwestern Electric Power Co.	\$1,058,388	\$0	\$5,673	\$45,962	\$0	(\$303)	\$35,954	\$87,286
119 AEP Texas North Company - Distribution	\$780,613	\$0	\$0	\$33,718	\$0	(\$193)	\$26,518	\$60,043
166 AEP Texas North Company - Generation	588,183	0	0	25,406	0	(102)	19,981	45,285
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,368,796	\$0	\$0	\$59,124	\$0	(\$295)	\$46,499	\$105,328
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$63,664,839	\$0	\$469,497	\$2,770,248	\$0	\$0	\$2,162,723	\$5,465,192
American Electric Power Service Corp	\$63,664,839	\$0	\$469,497	\$2,770,248	\$0	\$0	\$2,162,723	\$5,465,192
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,480,546	0	15,948	64,640	0	423	50,295	131,306
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	169,934	0	4,592	7,539	0	(789)	5,773	17,115
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	896	0	0	39	0	0	30	69
Miscellaneous	\$1,651,376	\$0	\$20,540	\$72,218	\$0	(\$366)	\$56,098	\$148,490
<b>Total</b>	<b>\$73,513,286</b>	<b>\$0</b>	<b>\$552,629</b>	<b>\$3,199,237</b>	<b>\$0</b>	<b>(\$3,876)</b>	<b>\$2,497,280</b>	<b>\$6,307,994</b>



AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2016 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$175,361	\$0	\$27	\$7,768	\$0	\$1	\$5,787	\$13,583
215 Appalachian Power Co - Generation	1,381	0	0	61	0	2	46	109
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$176,742	\$0	\$27	\$7,829	\$0	\$3	\$5,833	\$13,692
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$176,742	\$0	\$27	\$7,829	\$0	\$3	\$5,833	\$13,692
211 AEP Texas Central Company - Distribution	\$2,892,683	\$0	\$5,044	\$128,334	\$0	\$333	\$95,456	\$229,167
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,892,683	\$0	\$5,044	\$128,334	\$0	\$333	\$95,456	\$229,167
170 Indiana Michigan Power Co - Distribution	\$93,631	\$0	\$10,433	\$4,609	\$0	(\$6)	\$3,090	\$18,126
132 Indiana Michigan Power Co - Generation	8,819	0	738	423	0	4	291	1,456
190 Indiana Michigan Power Co - Nuclear	189,571	0	18,777	9,227	0	(720)	6,256	33,540
120 Indiana Michigan Power Co - Transmission	93,159	0	0	4,126	0	0	3,074	7,200
280 Ind Mich River Transp Lakin	0	0	111	5	0	0	0	116
Indiana Michigan Power Co. - FERC	\$385,180	\$0	\$30,059	\$18,390	\$0	(\$722)	\$12,711	\$60,438
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$385,180	\$0	\$30,059	\$18,390	\$0	(\$722)	\$12,711	\$60,438
110 Kentucky Power Co - Distribution	\$9	\$0	\$3,141	\$140	\$0	\$0	\$0	\$3,281
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$9	\$0	\$3,141	\$140	\$0	\$0	\$0	\$3,281
104 Cardinal Operating Company	\$2,380	\$0	\$175	\$113	\$0	(\$3)	\$79	\$364
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	18,868	0	6,699	1,132	0	10	623	8,464
181 Ohio Power Co - Generation	711,829	0	1	31,525	0	(65)	23,490	54,951
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$733,077	\$0	\$6,875	\$32,770	\$0	(\$58)	\$24,192	\$63,779
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$733,077	\$0	\$6,875	\$32,770	\$0	(\$58)	\$24,192	\$63,779
167 Public Service Co of Oklahoma - Distribution	\$906,057	\$0	\$12,111	\$40,664	\$0	(\$417)	\$29,899	\$82,257
198 Public Service Co of Oklahoma - Generation	326,892	0	1,805	14,557	0	47	10,787	27,196
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,232,949	\$0	\$13,916	\$55,221	\$0	(\$370)	\$40,686	\$109,453
159 Southwestern Electric Power Co - Distribution	\$73,968	\$0	\$4,994	\$3,497	\$0	\$2	\$2,441	\$10,934
168 Southwestern Electric Power Co - Generation	843,337	0	892	37,389	0	99	27,829	66,209
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	77,019	0	0	3,411	0	2	2,542	5,955
Southwestern Electric Power Co.	\$94,324	\$0	\$5,886	\$44,297	\$0	\$103	\$32,812	\$83,098
119 AEP Texas North Company - Distribution	\$733,363	\$0	\$0	\$32,479	\$0	\$122	\$24,200	\$56,801
166 AEP Texas North Company - Generation	552,581	0	0	24,473	0	98	18,235	42,806
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,285,944	\$0	\$0	\$56,952	\$0	\$220	\$42,435	\$99,607
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$59,811,267	\$0	\$487,186	\$2,670,493	\$0	\$0	\$1,973,710	\$5,202,430
American Electric Power Service Corp	\$59,811,267	\$0	\$487,186	\$2,670,493	\$0	\$0	\$1,973,710	\$5,202,430
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,390,930	0	16,549	62,334	0	423	45,899	125,205
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	159,648	0	4,765	7,282	0	(750)	5,268	16,565
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	842	0	0	37	0	0	28	65
Miscellaneous	\$1,551,420	\$0	\$21,314	\$69,653	\$0	(\$327)	\$51,195	\$141,835
<b>Total</b>	<b>\$69,063,595</b>	<b>\$0</b>	<b>\$573,448</b>	<b>\$3,084,079</b>	<b>\$0</b>	<b>(\$818)</b>	<b>\$2,279,030</b>	<b>\$6,006,780</b>

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2017 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$165,451	\$0	\$28	\$7,566	\$0	\$1	\$5,083	\$12,678
215 Appalachian Power Co - Generation	1,303	0	0	60	0	2	40	102
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$166,754	\$0	\$28	\$7,626	\$0	\$3	\$5,123	\$12,780
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$166,754	\$0	\$28	\$7,626	\$0	\$3	\$5,123	\$12,780
211 AEP Texas Central Company - Distribution	\$2,729,205	\$0	\$5,203	\$125,026	\$0	\$65	\$83,848	\$214,142
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,729,205	\$0	\$5,203	\$125,026	\$0	\$65	\$83,848	\$214,142
170 Indiana Michigan Power Co - Distribution	\$88,339	\$0	\$10,762	\$4,531	\$0	\$15	\$2,714	\$18,022
132 Indiana Michigan Power Co - Generation	8,321	0	761	415	0	4	256	1,436
190 Indiana Michigan Power Co - Nuclear	178,858	0	19,370	9,064	0	173	5,495	34,102
120 Indiana Michigan Power Co - Transmission	87,894	0	0	4,019	0	0	2,700	6,719
280 Ind Mich River Transp Lakin	0	0	114	5	0	0	0	119
Indiana Michigan Power Co. - FERC	\$363,412	\$0	\$31,007	\$18,034	\$0	\$192	\$11,165	\$60,398
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$363,412	\$0	\$31,007	\$18,034	\$0	\$192	\$11,165	\$60,398
110 Kentucky Power Co - Distribution	\$8	\$0	\$3,240	\$149	\$0	\$4	\$0	\$3,393
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$8	\$0	\$3,240	\$149	\$0	\$4	\$0	\$3,393
104 Cardinal Operating Company	\$2,246	\$0	\$180	\$111	\$0	\$0	\$69	\$360
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	17,802	0	6,911	1,130	0	10	547	8,598
181 Ohio Power Co - Generation	671,601	0	1	30,708	0	0	20,633	51,342
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$691,649	\$0	\$7,092	\$31,949	\$0	\$10	\$21,249	\$60,300
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$691,649	\$0	\$7,092	\$31,949	\$0	\$10	\$21,249	\$60,300
167 Public Service Co of Oklahoma - Distribution	\$854,852	\$0	\$12,494	\$39,658	\$0	(\$46)	\$26,263	\$78,369
198 Public Service Co of Oklahoma - Generation	308,418	0	1,862	14,187	0	7	9,475	25,531
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,163,270	\$0	\$14,356	\$53,845	\$0	(\$39)	\$35,738	\$103,900
159 Southwestern Electric Power Co - Distribution	\$69,788	\$0	\$5,152	\$3,427	\$0	\$0	\$2,144	\$10,723
168 Southwestern Electric Power Co - Generation	795,676	0	920	36,423	0	19	24,445	61,807
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	3,323	0	0	2,233	5,556
194 Southwestern Electric Power Co - Transmission	72,667	0	0	0	0	0	0	0
Southwestern Electric Power Co.	\$938,131	\$0	\$6,072	\$43,173	\$0	\$19	\$28,822	\$78,086
119 AEP Texas North Company - Distribution	\$691,918	\$0	\$0	\$31,637	\$0	\$17	\$21,258	\$52,912
166 AEP Texas North Company - Generation	521,352	0	0	23,838	0	12	16,017	39,867
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,213,270	\$0	\$0	\$55,475	\$0	\$29	\$37,275	\$92,779
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$56,431,062	\$0	\$502,563	\$2,603,188	\$0	\$0	\$1,733,711	\$4,854,047
American Electric Power Service Corp	\$56,431,062	\$0	\$502,563	\$2,603,188	\$0	\$0	\$1,733,711	\$4,854,047
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,312,322	0	17,071	60,784	0	423	40,318	118,596
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	150,626	0	4,916	7,112	0	(201)	4,628	16,455
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	794	0	0	36	0	0	24	60
Miscellaneous	\$1,463,742	\$0	\$21,987	\$67,932	\$0	\$222	\$44,970	\$135,111
<b>Total</b>	<b>\$65,160,503</b>	<b>\$0</b>	<b>\$591,548</b>	<b>\$3,006,397</b>	<b>\$0</b>	<b>\$505</b>	<b>\$2,001,901</b>	<b>\$5,614,936</b>

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2018 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$157,171	\$0	\$29	\$7,314	\$0	\$0	\$4,514	\$11,857
215 Appalachian Power Co - Generation	1,238	0	0	58	0	0	36	94
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$158,409	\$0	\$29	\$7,372	\$0	\$0	\$4,550	\$11,951
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$158,409	\$0	\$29	\$7,372	\$0	\$0	\$4,550	\$11,951
211 AEP Texas Central Company - Distribution	\$2,592,619	\$0	\$5,399	\$120,878	\$0	\$0	\$74,457	\$200,734
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,592,619	\$0	\$5,399	\$120,878	\$0	\$0	\$74,457	\$200,734
170 Indiana Michigan Power Co - Distribution	\$83,918	\$0	\$11,168	\$4,424	\$0	\$0	\$2,410	\$18,002
132 Indiana Michigan Power Co - Generation	7,904	0	790	405	0	0	227	1,422
190 Indiana Michigan Power Co - Nuclear	169,907	0	20,099	8,840	0	2	4,879	33,820
120 Indiana Michigan Power Co - Transmission	83,495	0	0	3,885	0	0	2,398	6,283
280 Ind Mich River Transp Lakin	0	0	119	6	0	0	0	125
Indiana Michigan Power Co. - FERC	\$345,224	\$0	\$32,176	\$17,560	\$0	\$2	\$9,914	\$59,652
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$345,224	\$0	\$32,176	\$17,560	\$0	\$2	\$9,914	\$59,652
110 Kentucky Power Co - Distribution	\$8	\$0	\$3,362	\$157	\$0	\$0	\$0	\$3,519
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$8	\$0	\$3,362	\$157	\$0	\$0	\$0	\$3,519
104 Cardinal Operating Company	\$2,134	\$0	\$187	\$108	\$0	\$0	\$61	\$356
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	16,911	0	7,171	1,120	0	0	486	8,777
181 Ohio Power Co - Generation	637,990	0	1	29,684	0	0	18,322	48,007
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$657,035	\$0	\$7,359	\$30,912	\$0	\$0	\$18,869	\$57,140
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$657,035	\$0	\$7,359	\$30,912	\$0	\$0	\$18,869	\$57,140
167 Public Service Co of Oklahoma - Distribution	\$812,070	\$0	\$12,964	\$38,386	\$0	(\$1)	\$23,322	\$74,671
198 Public Service Co of Oklahoma - Generation	292,983	0	1,932	13,721	0	0	8,414	24,067
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,105,053	\$0	\$14,896	\$52,107	\$0	(\$1)	\$31,736	\$98,738
159 Southwestern Electric Power Co - Distribution	\$86,295	\$0	\$5,346	\$3,333	\$0	\$0	\$1,904	\$10,583
168 Southwestern Electric Power Co - Generation	755,856	0	955	35,212	0	0	21,707	57,874
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	69,030	0	0	3,212	0	0	1,982	5,194
Southwestern Electric Power Co.	\$891,181	\$0	\$6,301	\$41,757	\$0	\$0	\$25,593	\$73,651
119 AEP Texas North Company - Distribution	\$657,290	\$0	\$0	\$30,582	\$0	\$0	\$18,876	\$49,458
166 AEP Texas North Company - Generation	495,260	0	0	23,043	0	0	14,223	37,266
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,152,550	\$0	\$0	\$53,625	\$0	\$0	\$33,099	\$86,724
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$53,606,915	\$0	\$521,497	\$2,518,424	\$0	\$0	\$1,539,517	\$4,579,596
American Electric Power Service Corp	\$53,606,915	\$0	\$521,497	\$2,518,424	\$0	\$0	\$1,539,517	\$4,579,596
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,248,646	0	17,714	58,827	0	5	35,802	112,348
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	143,088	0	5,101	6,895	0	(2)	4,109	16,103
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	754	0	0	35	0	0	22	57
Miscellaneous	\$1,390,488	\$0	\$22,815	\$65,757	\$0	\$3	\$39,933	\$128,508
<b>Total</b>	<b>\$61,899,482</b>	<b>\$0</b>	<b>\$613,834</b>	<b>\$2,908,549</b>	<b>\$0</b>	<b>\$4</b>	<b>\$1,777,668</b>	<b>\$5,300,213</b>

Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2019 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$149,863	\$0	\$31	\$6,981	\$0	\$0	\$4,129	\$11,141
215 Appalachian Power Co - Generation	1,180	0	0	55	0	0	33	88
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$151,043	\$0	\$31	\$7,036	\$0	\$0	\$4,162	\$11,229
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$151,043	\$0	\$31	\$7,036	\$0	\$0	\$4,162	\$11,229
211 AEP Texas Central Company - Distribution	\$2,472,076	\$0	\$5,669	\$115,401	\$0	\$0	\$68,105	\$189,175
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,472,076	\$0	\$5,669	\$115,401	\$0	\$0	\$68,105	\$189,175
170 Indiana Michigan Power Co - Distribution	\$80,016	\$0	\$11,726	\$4,273	\$0	\$0	\$2,204	\$18,203
132 Indiana Michigan Power Co - Generation	7,537	0	830	390	0	0	208	1,428
190 Indiana Michigan Power Co - Nuclear	162,007	0	21,104	8,528	0	0	4,463	34,095
120 Indiana Michigan Power Co - Transmission	79,613	0	0	3,708	0	0	2,193	5,901
280 Ind Mich River Transp Lakin	0	0	125	6	0	0	0	131
Indiana Michigan Power Co. - FERC	\$329,173	\$0	\$33,785	\$16,905	\$0	\$0	\$9,068	\$59,758
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$329,173	\$0	\$33,785	\$16,905	\$0	\$0	\$9,068	\$59,758
110 Kentucky Power Co - Distribution	\$7	\$0	\$3,531	\$165	\$0	\$0	\$0	\$3,696
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$7	\$0	\$3,531	\$165	\$0	\$0	\$0	\$3,696
104 Cardinal Operating Company	\$2,034	\$0	\$197	\$104	\$0	\$0	\$56	\$357
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	16,124	0	7,529	1,102	0	0	444	9,075
181 Ohio Power Co - Generation	608,327	0	1	28,333	0	0	16,759	45,093
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$626,485	\$0	\$7,727	\$29,539	\$0	\$0	\$17,259	\$54,525
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$626,485	\$0	\$7,727	\$29,539	\$0	\$0	\$17,259	\$54,525
167 Public Service Co of Oklahoma - Distribution	\$774,313	\$0	\$13,613	\$36,698	\$0	\$0	\$21,332	\$71,643
198 Public Service Co of Oklahoma - Generation	279,361	0	2,029	13,106	0	0	7,696	22,831
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,053,674	\$0	\$15,642	\$49,804	\$0	\$0	\$29,028	\$94,474
159 Southwestern Electric Power Co - Distribution	\$63,213	\$0	\$5,614	\$3,206	\$0	\$0	\$1,741	\$10,561
168 Southwestern Electric Power Co - Generation	720,712	0	1,003	33,614	0	0	19,855	54,472
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	65,820	0	0	3,066	0	0	1,813	4,879
Southwestern Electric Power Co.	\$849,745	\$0	\$6,617	\$39,886	\$0	\$0	\$23,409	\$69,912
119 AEP Texas North Company - Distribution	\$626,729	\$0	\$0	\$29,190	\$0	\$0	\$17,266	\$46,456
166 AEP Texas North Company - Generation	472,233	0	0	21,994	0	0	13,010	35,004
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,098,962	\$0	\$0	\$51,184	\$0	\$0	\$30,276	\$81,460
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
280 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$51,114,485	\$0	\$547,568	\$2,406,155	\$0	\$0	\$1,408,190	\$4,361,914
American Electric Power Service Corp	\$51,114,485	\$0	\$547,568	\$2,406,155	\$0	\$0	\$1,408,190	\$4,361,914
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,188,684	0	18,600	56,229	0	0	32,748	107,577
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	136,435	0	5,356	6,604	0	0	3,759	15,719
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	719	0	0	33	0	0	20	53
Miscellaneous	\$1,325,838	\$0	\$23,956	\$62,866	\$0	\$0	\$36,527	\$123,349
<b>Total</b>	<b>\$59,021,488</b>	<b>\$0</b>	<b>\$644,526</b>	<b>\$2,778,941</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,826,024</b>	<b>\$5,049,492</b>

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2020 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$143,346	\$0	\$32	\$6,674	\$0	\$0	\$3,775	\$10,481
215 Appalachian Power Co - Generation	1,129	0	0	53	0	0	30	83
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$144,475	\$0	\$32	\$6,727	\$0	\$0	\$3,805	\$10,564
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$144,475	\$0	\$32	\$6,727	\$0	\$0	\$3,805	\$10,564
211 AEP Texas Central Company - Distribution	\$2,364,572	\$0	\$5,952	\$110,341	\$0	\$0	\$62,266	\$178,559
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,364,572	\$0	\$5,952	\$110,341	\$0	\$0	\$62,266	\$178,559
170 Indiana Michigan Power Co - Distribution	\$76,537	\$0	\$12,312	\$4,136	\$0	\$0	\$2,015	\$18,463
132 Indiana Michigan Power Co - Generation	7,209	0	871	376	0	0	190	1,437
190 Indiana Michigan Power Co - Nuclear	154,962	0	22,160	8,244	0	0	4,081	34,485
120 Indiana Michigan Power Co - Transmission	76,151	0	0	3,545	0	0	2,005	5,550
280 Ind Mich River Transp Lakin	0	0	131	6	0	0	0	137
Indiana Michigan Power Co. - FERC	\$314,859	\$0	\$35,474	\$16,307	\$0	\$0	\$8,291	\$60,072
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$314,859	\$0	\$35,474	\$16,307	\$0	\$0	\$8,291	\$60,072
110 Kentucky Power Co - Distribution	\$7	\$0	\$3,707	\$173	\$0	\$0	\$0	\$3,880
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$7	\$0	\$3,707	\$173	\$0	\$0	\$0	\$3,880
104 Cardinal Operating Company	\$1,946	\$0	\$206	\$100	\$0	\$0	\$51	\$357
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	15,423	0	7,906	1,086	0	0	406	9,398
181 Ohio Power Co - Generation	581,872	0	1	27,084	0	0	15,322	42,407
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$599,241	\$0	\$8,113	\$28,270	\$0	\$0	\$15,779	\$52,162
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$599,241	\$0	\$8,113	\$28,270	\$0	\$0	\$15,779	\$52,162
167 Public Service Co of Oklahoma - Distribution	\$740,640	\$0	\$14,293	\$35,140	\$0	\$0	\$19,503	\$68,936
198 Public Service Co of Oklahoma - Generation	267,212	0	2,130	12,537	0	0	7,036	21,703
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$1,007,852	\$0	\$16,423	\$47,677	\$0	\$0	\$26,539	\$90,639
159 Southwestern Electric Power Co - Distribution	\$60,464	\$0	\$5,894	\$3,089	\$0	\$0	\$1,592	\$10,575
168 Southwestern Electric Power Co - Generation	689,371	0	1,053	32,137	0	0	18,153	51,343
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	62,958	0	0	2,931	0	0	1,658	4,589
Southwestern Electric Power Co.	\$812,793	\$0	\$6,947	\$38,157	\$0	\$0	\$21,403	\$66,507
119 AEP Texas North Company - Distribution	\$599,475	\$0	\$0	\$27,904	\$0	\$0	\$15,786	\$43,690
166 AEP Texas North Company - Generation	451,697	0	0	21,025	0	0	11,895	32,920
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,051,172	\$0	\$0	\$48,929	\$0	\$0	\$27,681	\$76,610
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$48,891,649	\$0	\$574,948	\$2,302,520	\$0	\$0	\$1,287,462	\$4,164,931
American Electric Power Service Corp	\$48,891,649	\$0	\$574,948	\$2,302,520	\$0	\$0	\$1,287,462	\$4,164,931
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,136,991	0	19,530	53,833	0	0	29,940	103,303
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	130,502	0	5,624	6,336	0	0	3,437	15,397
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	688	0	0	32	0	0	18	50
Miscellaneous	\$1,268,181	\$0	\$25,154	\$60,201	\$0	\$0	\$33,395	\$118,750
<b>Total</b>	<b>\$56,454,801</b>	<b>\$0</b>	<b>\$676,750</b>	<b>\$2,659,302</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,486,621</b>	<b>\$4,822,674</b>

## Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2021 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$137,085	\$0	\$34	\$6,368	\$0	\$0	\$3,454	\$9,856
215 Appalachian Power Co - Generation	1,079	0	0	50	0	0	27	77
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$138,164	\$0	\$34	\$6,418	\$0	\$0	\$3,481	\$9,933
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$138,164	\$0	\$34	\$6,418	\$0	\$0	\$3,481	\$9,933
211 AEP Texas Central Company - Distribution	\$2,261,294	\$0	\$6,250	\$105,308	\$0	\$0	\$56,975	\$168,533
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,261,294	\$0	\$6,250	\$105,308	\$0	\$0	\$56,975	\$168,533
170 Indiana Michigan Power Co - Distribution	\$73,194	\$0	\$12,928	\$4,000	\$0	\$0	\$1,844	\$18,772
132 Indiana Michigan Power Co - Generation	6,894	0	915	363	0	0	174	1,452
190 Indiana Michigan Power Co - Nuclear	148,193	0	23,268	7,963	0	0	3,734	34,965
120 Indiana Michigan Power Co - Transmission	72,825	0	0	3,382	0	0	1,835	5,217
280 Ind Mich River Transp Lakin	0	0	138	6	0	0	0	144
Indiana Michigan Power Co. - FERC	\$301,106	\$0	\$37,249	\$15,714	\$0	\$0	\$7,587	\$60,550
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$301,106	\$0	\$37,249	\$15,714	\$0	\$0	\$7,587	\$60,550
110 Kentucky Power Co - Distribution	\$7	\$0	\$3,892	\$181	\$0	\$0	\$0	\$4,073
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$7	\$0	\$3,892	\$181	\$0	\$0	\$0	\$4,073
104 Cardinal Operating Company	\$1,861	\$0	\$217	\$97	\$0	\$0	\$47	\$361
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	14,750	0	8,301	1,071	0	0	372	9,744
181 Ohio Power Co - Generation	556,457	0	1	25,843	0	0	14,020	38,864
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$573,068	\$0	\$8,519	\$27,011	\$0	\$0	\$14,439	\$49,969
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$573,068	\$0	\$8,519	\$27,011	\$0	\$0	\$14,439	\$49,969
167 Public Service Co of Oklahoma - Distribution	\$708,291	\$0	\$15,008	\$33,591	\$0	\$0	\$17,846	\$66,445
198 Public Service Co of Oklahoma - Generation	255,541	0	2,237	11,972	0	0	6,439	20,648
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$963,832	\$0	\$17,245	\$45,563	\$0	\$0	\$24,285	\$87,093
159 Southwestern Electric Power Co - Distribution	\$57,823	\$0	\$6,189	\$2,973	\$0	\$0	\$1,457	\$10,619
168 Southwestern Electric Power Co - Generation	659,261	0	1,105	30,668	0	0	16,611	48,384
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	60,208	0	0	2,796	0	0	1,517	4,313
Southwestern Electric Power Co.	\$777,292	\$0	\$7,294	\$36,437	\$0	\$0	\$19,585	\$63,316
119 AEP Texas North Company - Distribution	\$573,291	\$0	\$0	\$26,624	\$0	\$0	\$14,445	\$41,069
166 AEP Texas North Company - Generation	431,968	0	0	20,061	0	0	10,884	30,945
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$1,005,259	\$0	\$0	\$46,685	\$0	\$0	\$25,329	\$72,014
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$46,756,191	\$0	\$603,696	\$2,199,455	\$0	\$0	\$1,178,066	\$3,981,218
American Electric Power Service Corp	\$46,756,191	\$0	\$603,696	\$2,199,455	\$0	\$0	\$1,178,066	\$3,981,218
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,087,330	0	20,507	51,449	0	0	27,396	99,352
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	124,802	0	5,905	6,070	0	0	3,145	15,120
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	658	0	0	31	0	0	17	48
Miscellaneous	\$1,212,790	\$0	\$26,412	\$57,550	\$0	\$0	\$30,558	\$114,520
<b>Total</b>	<b>\$53,989,003</b>	<b>\$0</b>	<b>\$710,591</b>	<b>\$2,540,322</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,360,305</b>	<b>\$4,611,219</b>

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2022 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$130,627	\$0	\$35	\$6,161	\$0	\$0	\$3,168	\$9,364
215 Appalachian Power Co - Generation	1,029	0	0	49	0	0	25	74
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$131,656	\$0	\$35	\$6,210	\$0	\$0	\$3,193	\$9,438
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$131,656	\$0	\$35	\$6,210	\$0	\$0	\$3,193	\$9,438
211 AEP Texas Central Company - Distribution	\$2,154,772	\$0	\$6,562	\$101,621	\$0	\$0	\$52,251	\$160,434
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,154,772	\$0	\$6,562	\$101,621	\$0	\$0	\$52,251	\$160,434
170 Indiana Michigan Power Co - Distribution	\$69,746	\$0	\$13,574	\$3,289	\$0	\$0	\$1,691	\$18,554
132 Indiana Michigan Power Co - Generation	6,569	0	960	310	0	0	159	1,429
190 Indiana Michigan Power Co - Nuclear	141,212	0	24,431	6,660	0	0	3,424	34,515
120 Indiana Michigan Power Co - Transmission	69,395	0	0	3,273	0	0	1,683	4,956
280 Ind Mich River Transp Lakin	0	0	144	0	0	0	0	144
Indiana Michigan Power Co. - FERC	\$286,922	\$0	\$39,109	\$13,532	\$0	\$0	\$6,957	\$59,598
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$286,922	\$0	\$39,109	\$13,532	\$0	\$0	\$6,957	\$59,598
110 Kentucky Power Co - Distribution	\$7	\$0	\$4,087	\$0	\$0	\$0	\$0	\$4,087
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$7	\$0	\$4,087	\$0	\$0	\$0	\$0	\$4,087
104 Cardinal Operating Company	\$1,773	\$0	\$228	\$84	\$0	\$0	\$43	\$355
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	14,055	0	8,716	663	0	0	341	9,720
181 Ohio Power Co - Generation	530,245	0	1	25,007	0	0	12,858	37,866
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$546,073	\$0	\$8,945	\$25,754	\$0	\$0	\$13,242	\$47,941
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$546,073	\$0	\$8,945	\$25,754	\$0	\$0	\$13,242	\$47,941
167 Public Service Co of Oklahoma - Distribution	\$674,926	\$0	\$15,758	\$31,830	\$0	\$0	\$16,366	\$63,954
198 Public Service Co of Oklahoma - Generation	243,503	0	2,349	11,484	0	0	5,905	19,738
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$918,429	\$0	\$18,107	\$43,314	\$0	\$0	\$22,271	\$83,692
159 Southwestern Electric Power Co - Distribution	\$55,099	\$0	\$6,498	\$2,599	\$0	\$0	\$1,336	\$10,433
168 Southwestern Electric Power Co - Generation	628,205	0	1,161	29,627	0	0	15,233	46,021
181 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	2,706	0	0	1,391	4,097
194 Southwestern Electric Power Co - Transmission	57,372	0	0	0	0	0	0	0
Southwestern Electric Power Co.	\$740,676	\$0	\$7,659	\$34,932	\$0	\$0	\$17,960	\$60,551
119 AEP Texas North Company - Distribution	\$546,285	\$0	\$0	\$25,763	\$0	\$0	\$13,247	\$39,010
166 AEP Texas North Company - Generation	411,620	0	0	19,412	0	0	9,981	29,393
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$957,905	\$0	\$0	\$45,175	\$0	\$0	\$23,228	\$68,403
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$44,553,659	\$0	\$633,881	\$2,101,201	\$0	\$0	\$1,080,381	\$3,815,464
American Electric Power Service Corp	\$44,553,659	\$0	\$633,881	\$2,101,201	\$0	\$0	\$1,080,381	\$3,815,464
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	1,036,109	0	21,532	48,864	0	0	25,125	95,521
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	118,923	0	6,200	5,609	0	0	2,884	14,693
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	627	0	0	30	0	0	15	45
Miscellaneous	\$1,155,659	\$0	\$27,732	\$54,503	\$0	\$0	\$28,024	\$110,259
<b>Total</b>	<b>\$51,445,758</b>	<b>\$0</b>	<b>\$746,117</b>	<b>\$2,426,242</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,247,507</b>	<b>\$4,419,867</b>

## Excess Benefit Plan

AMERICAN ELECTRIC POWER  
NONQUALIFIED RETIREMENT PLAN  
ESTIMATED 2023 NET PERIODIC PENSION COST

Location	Projected Benefit Obligation	Market-Related Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortization of Prior Service Cost	Amortization of Gain/Loss	Net Periodic Pension Cost
140 Appalachian Power Co - Distribution	\$124,895	\$0	\$37	\$5,805	\$0	\$0	\$2,903	\$8,745
215 Appalachian Power Co - Generation	983	0	0	46	0	0	23	69
150 Appalachian Power Co - Transmission	0	0	0	0	0	0	0	0
Appalachian Power Co. - FERC	\$125,878	\$0	\$37	\$5,851	\$0	\$0	\$2,926	\$8,814
225 Cedar Coal Co	0	0	0	0	0	0	0	0
Appalachian Power Co. - SEC	\$125,878	\$0	\$37	\$5,851	\$0	\$0	\$2,926	\$8,814
211 AEP Texas Central Company - Distribution	\$2,060,215	\$0	\$6,891	\$96,042	\$0	\$0	\$47,886	\$150,819
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas Central Co.	\$2,060,215	\$0	\$6,891	\$96,042	\$0	\$0	\$47,886	\$150,819
170 Indiana Michigan Power Co - Distribution	\$66,685	\$0	\$14,253	\$3,761	\$0	\$0	\$1,550	\$19,564
132 Indiana Michigan Power Co - Generation	6,281	0	1,008	339	0	0	146	1,493
190 Indiana Michigan Power Co - Nuclear	135,016	0	25,653	7,465	0	0	3,138	36,256
120 Indiana Michigan Power Co - Transmission	66,349	0	0	3,083	0	0	1,542	4,625
280 Ind Mich River Transp Lakin	0	0	152	7	0	0	0	159
Indiana Michigan Power Co. - FERC	\$274,331	\$0	\$41,066	\$14,655	\$0	\$0	\$6,376	\$62,097
202 Price River Coal	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$274,331	\$0	\$41,066	\$14,655	\$0	\$0	\$6,376	\$62,097
110 Kentucky Power Co - Distribution	\$6	\$0	\$4,291	\$200	\$0	\$0	\$0	\$4,491
117 Kentucky Power Co - Generation	0	0	0	0	0	0	0	0
180 Kentucky Power Co - Transmission	0	0	0	0	0	0	0	0
Kentucky Power Co.	\$6	\$0	\$4,291	\$200	\$0	\$0	\$0	\$4,491
104 Cardinal Operating Company	\$1,695	\$0	\$239	\$90	\$0	\$0	\$39	\$368
270 Cook Coal Terminal	0	0	0	0	0	0	0	0
250 Ohio Power Co - Distribution	13,438	0	9,152	1,050	0	0	312	10,514
181 Ohio Power Co - Generation	506,976	0	1	23,555	0	0	11,784	35,340
160 Ohio Power Co - Transmission	0	0	0	0	0	0	0	0
Ohio Power Co. - FERC	\$522,109	\$0	\$9,392	\$24,695	\$0	\$0	\$12,135	\$46,222
290 Conesville Coal Preparation Company	0	0	0	0	0	0	0	0
Ohio Power Co. - SEC	\$522,109	\$0	\$9,392	\$24,695	\$0	\$0	\$12,135	\$46,222
167 Public Service Co of Oklahoma - Distribution	\$645,308	\$0	\$16,546	\$30,751	\$0	\$0	\$14,999	\$82,296
198 Public Service Co of Oklahoma - Generation	232,818	0	2,466	10,932	0	0	5,411	18,809
114 Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Public Service Co. of Oklahoma	\$878,126	\$0	\$19,012	\$41,683	\$0	\$0	\$20,410	\$81,105
159 Southwestern Electric Power Co - Distribution	\$52,681	\$0	\$6,823	\$2,765	\$0	\$0	\$1,224	\$10,812
168 Southwestern Electric Power Co - Generation	600,638	0	1,219	27,964	0	0	13,961	43,144
161 Southwestern Electric Power Co - Texas - Distribution	0	0	0	0	0	0	0	0
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	54,854	0	0	2,549	0	0	1,275	3,824
Southwestern Electric Power Co.	\$708,173	\$0	\$8,042	\$33,278	\$0	\$0	\$16,460	\$57,780
119 AEP Texas North Company - Distribution	\$522,313	\$0	\$0	\$24,268	\$0	\$0	\$12,140	\$36,408
166 AEP Texas North Company - Generation	393,557	0	0	18,285	0	0	9,147	27,432
192 AEP Texas North Company - Transmission	0	0	0	0	0	0	0	0
AEP Texas North Co.	\$915,870	\$0	\$0	\$42,553	\$0	\$0	\$21,287	\$63,840
230 Kingsport Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260 Kingsport Power Co - Transmission	0	0	0	0	0	0	0	0
Kingsport Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
210 Wheeling Power Co - Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
200 Wheeling Power Co - Transmission	0	0	0	0	0	0	0	0
Wheeling Power Co.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
103 American Electric Power Service Corporation	\$42,598,535	\$0	\$665,575	\$2,010,139	\$0	\$0	\$990,122	\$3,665,837
American Electric Power Service Corp	\$42,598,535	\$0	\$665,575	\$2,010,139	\$0	\$0	\$990,122	\$3,665,837
143 AEP Pro Serv, Inc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
171 CSW Energy, Inc.	990,642	0	22,608	47,078	0	0	23,026	92,712
293 Elmwood	0	0	0	0	0	0	0	0
292 AEP River Operations LLC	113,704	0	6,510	5,585	0	0	2,643	14,738
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc.	599	0	0	28	0	0	14	42
Miscellaneous	\$1,104,945	\$0	\$29,118	\$52,691	\$0	\$0	\$25,683	\$107,492
<b>Total</b>	<b>\$49,188,188</b>	<b>\$0</b>	<b>\$783,424</b>	<b>\$2,321,787</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,143,285</b>	<b>\$4,248,497</b>



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By accepting a copy of this Report the Recipient agrees that it has read and understands the following:

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2. Recipient is responsible for its own due diligence with respect to all matters relating to this Report.

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**American Electric Power**  
**Non-UMWA Postretirement Health Care Plan**  
Actuarial Valuation Report  
Postretirement Welfare Cost for Fiscal Year Ending  
December 31, 2013 under U.S. GAAP

Employer Contributions for Plan Year Beginning  
January 1, 2013

April 2013

TOWERS WATSON 



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# Purpose and actuarial statement

## Purposes of valuation

American Electric Power retained Towers Watson Pennsylvania Inc. ("Towers Watson"), to perform an actuarial valuation of its postretirement welfare programs for the purpose of determining the following:

- (1) The value of benefit obligations as of January 1, 2013, and American Electric Power's postretirement welfare cost for fiscal year ending December 31, 2013, in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715-60). It is anticipated that a separate report will be prepared for year-end financial reporting and disclosure purposes.
- (2) Plan reporting information in accordance with FASB Accounting Standards Codification Topic 965 (ASC 965).
- (3) Expected contributions under the plan sponsor's funding policy for the 2013 plan year.
- (4) The estimated maximum tax-deductible contribution for the tax year in which the 2013 plan year ends as allowed by the Internal Revenue Code. The maximum tax-deductible contribution should be finalized in consultation with American Electric Power's tax advisor.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

## Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, claims data, contributions and assets (if any) provided by American Electric Power and other persons or organizations designated by American Electric Power. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. We have relied on all the information provided as complete and accurate. The results presented in this report are dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data and information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by American Electric Power, may produce materially different results that could require that a revised report be issued.

## Assumptions and methods under the Internal Revenue Code for contribution limit purposes

The actuarial assumptions and methods employed in the development of the contribution limits have been selected by the plan sponsor, with the concurrence of Towers Watson. The Internal Revenue Code requires the use of reasonable assumptions (taking into account the experience of the plan and reasonable expectations) which, in combination, offer the actuary's best estimate of anticipated experience under the plan. We believe that the assumptions used in our valuation are reasonable and appropriate for the purposes for which they have been used.

## Assumptions and methods under ASC 715-60

The actuarial assumptions and methods employed in the development of the postretirement welfare cost have been selected by the plan sponsor with the concurrence of Towers Watson, except for the expected rate of return on plan assets selected for fiscal 2013. Evaluation of the expected rate of return assumption was outside the scope of Towers Watson's assignment and would have required substantial additional work that we were not engaged to perform. ASC 715-60 requires that each significant assumption "individually represent the best estimate of a particular future event".

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with American Electric Power's tax advisors and auditors.

## Effects of Health Care Reform

In March 2010, the Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act (HCERA) were enacted. The key aspects of the Acts affecting American Electric Power's benefit obligation and cost of providing retiree medical benefits are:

- Availability of subsidies from the Early Retiree Reinsurance Program (ERRP)
- Preventive care benefits covered at 100% beginning in 2011
- Mandatory coverage for adult children until age 26 beginning in 2011
- Loss of the tax free status of the Retiree Drug Subsidy (RDS) beginning in 2013
- Excise ("Cadillac") tax on high-cost plans beginning in 2018
- Elimination of lifetime maximums beginning in 2011
- Transitional reinsurance fees beginning in 2014

All subsequent measurements for tax purposes reflect the new law.

This valuation reflects our understanding of the relevant provisions of PPACA and HCERA. The IRS has yet to issue final guidance with respect to many aspects of this law. It is possible that future guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect the results shown in this report.

## Nature of actuarial calculations

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated or selected by Towers Watson, we consider reasonable and within the "best-estimate range" as described by the Actuarial Standards of Practice. Other actuarial assumptions could also be considered to be reasonable and within the best-estimate range. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Assumptions may be made, in consultation with American Electric Power, about participant data or other factors. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. The numbers shown in this report are not rounded. This is for

convenience only and should not imply precision; by their nature, actuarial calculations are not precise.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs or contribution requirements reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; increases or reductions expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this valuation to analyze the potential range of future postretirement welfare contributions, but we can do so upon request.

See Basis for Valuation in Section 1 below for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

### Limitations on use

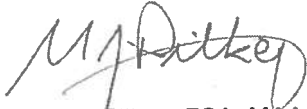
This report is provided subject to the terms set out herein and in our master consulting services agreement dated July 29, 2004, and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of American Electric Power and its auditors in connection with our actuarial valuation of the postretirement welfare plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. American Electric Power may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require American Electric Power to provide them this report, in which case American Electric Power will use best efforts to notify Towers Watson in advance of this distribution, and will include the non-reliance notice included at the end of this report. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Watson's prior written consent. In the absence of such consent and an express assumption of responsibility, we accept no responsibility whatsoever for any consequences arising from any third party relying on this report or any advice relating to its contents. There are no intended third-party beneficiaries of this report or the work underlying it.



### Professional Qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to postretirement welfare plans. Our objectivity is not impaired by any relationship between American Electric Power and our employer, Towers Watson Pennsylvania Inc.



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Towers Watson Pennsylvania Inc.

April 2013

## Section 1: Summary of key results

### Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		January 1, 2013	January 1, 2012
<b>Benefit Cost/ (Income)</b>	Net Periodic Postretirement Benefit Cost/(Income)	(\$27,206,006)	79,411,104
Measurement Date		January 1, 2013	January 1, 2012
<b>Plan Assets</b>	Fair Value of Assets (FVA)	1,568,431,705	1,409,476,218
<b>Benefit Obligations</b>	Accumulated Postretirement Benefit Obligation (APBO)	1,702,312,240	2,081,914,603
<b>Funded Status</b>	Funded Status	(133,880,535)	(672,438,385)
<b>Accumulated Other Comprehensive (Income)/Loss</b>	Net Transition Obligation/(Asset)	0	0
	Net Prior Service Cost/(Credit)	(761,590,889)	(209,991,409)
	Net Loss/(Gain)	895,454,738	882,308,046
	Total Accumulated Other Comprehensive (Income)/Loss	133,863,849	672,316,637
<b>Assumptions<sup>1</sup></b>	Discount Rate	3.950%	4.750%
	Expected Long-term Return on Plan Assets	7.000%	7.250%
	Rate of Compensation/Salary Increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
	Current Health Care Cost Trend Rate	6.750%	7.000%
	Ultimate Health Care Cost Trend Rate	5.000%	5.000%
	Year of Ultimate Trend Rate	2020	2020
<b>Participant Data</b>	Census Date	January 1, 2013	January 1, 2012
Plan reporting (ASC 965) for Plan Year Beginning		January 1, 2013	January 1, 2012
	Present value of accumulated benefits	1,702,879,344	2,090,410,662
	Market value of assets	1,568,431,705	1,409,476,218
	Plan reporting discount rate	3.95%	4.75%
Employer Contributions (net of Medicare subsidy)		Plan Year 2013	Plan Year 2012
<b>Cash Flow</b>	Funding Policy contributions	0	79,411,104
	Maximum Tax Deductible contributions	39,444,442 (est.)	53,433,750
	Actual contributions	N/A	N/A
	Expected benefit payments and expenses, net of participant contributions	94,082,956	105,293,002

### Employer Contributions

Employer contributions are the amounts paid by American Electric Power to provide for postretirement benefits, net of participant contributions and Medicare subsidy. Most participants receiving benefits are required to contribute toward the cost of the plan. In 2013, participant contributions were 28% of benefit payments and expenses.

<sup>1</sup> Rates are expressed on an annual basis where applicable.

American Electric Power's funding policy is to contribute an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). American Electric Power maximizes its contribution to the 401(h) account and contributes the remainder to the various VEBAs. American Electric Power may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

### Postretirement welfare cost and funded position

The cost of the postretirement welfare plan is determined in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The Fiscal 2013 postretirement welfare benefit cost for the plan is \$(27,206,006). Under U.S. GAAP, the funded position (fair value of plan assets less the projected benefit obligation, or "APBO") of each postretirement welfare plan at the plan sponsor's fiscal year-end (measurement date) is required to be reported as a liability. The APBO is the actuarial present value of benefits attributed to service rendered prior to the measurement date, taking into consideration expected future pay increases for pay-related plans. The plan's (underfunded) APBO as of January 1, 2013 was \$(133,880,535), based on the fair value of plan assets of \$1,568,431,705 and the APBO of \$1,702,312,240.

Fiscal year-end financial reporting information and disclosures are prepared before detailed participant data and full valuation results are available. Therefore, the postretirement benefit asset (liability) at January 1, 2013 was derived from a roll forward of the January 1, 2012 valuation results, adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population. The next fiscal year financial reporting information will be developed based on the results of the January 1, 2013 valuation, projected to the end of the year and similarly adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population.

### Change in postretirement welfare cost and funded position

The postretirement welfare cost decreased from \$79,411,104 in fiscal 2012 to \$(27,206,006) in fiscal 2013 and the funded position increased from \$(672,438,385) on January 1, 2012 to \$(133,880,535) on January 1, 2013, as set forth below:

All monetary amounts shown in US Dollars	
	Postretirement Welfare Cost
Prior year	79,411,104
Change due to:	
▶ Expected based on prior valuation and contributions during prior year	(6,557,107)
▶ Unexpected noninvestment experience	(4,185,071)
▶ Unexpected investment experience	(11,834,839)
▶ Assumption changes	17,630,494
▶ Changes in substantive plan	(101,785,583)
▶ Changes due to Affordable Care Act	114,996
Current year	(27,206,006)

Non-UMWA Postretirement Health Care Plan

Significant reasons for these changes include the following:

- On average, per capita claims costs increased less than expected, which decreased the postretirement welfare cost.

All monetary amounts shown in US Dollars

	2013	2012
Medical (Overall Average)		
Under age 65		
▶ Aetna	9,066	9,129
▶ Lumenos	8,970	8,992
Age 65 and older		
▶ COB	4,003	3,766
▶ MOB	2,948	2,793
▶ CSP	1,978	1,632
Medicare Part D Subsidy		
▶ MOB/COB	N/A	(573)
▶ CSP	(223)	(223)

See Appendix A for additional details on per capita claims costs assumptions including assumed claims costs by age and/or morbidity adjustments applied.

- The discount rate decreased 80 basis points since the prior year which increased the postretirement welfare cost.
- The expected return on the fair value of assets was decreased from 7.25% to 7.00% which increased the postretirement welfare cost.
- Actual asset returns during 2012 were more than the assumed rate of 7.25% which decreased the postretirement welfare cost.
- The plan was amended effective January 1, 2013 as follows for plan participants that retire on or after January 1, 2013:
  - Employer provided subsidies will be capped annually at a maximum level of \$11,500 for retirees under age 65 and \$3,800 for retirees over age 65 times employer cost sharing percentage
  - The cost sharing formula used to determine pre-65 retiree contributions will be determined based on pre-65 retiree claims experience only (prior cost-sharing formula was based on blend of active and pre-65 retiree paid claims experience).
  - Employees hired on or after January 1, 2014 are not eligible to participate in the plan.

## Basis for valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued. The most recent plan change reflected in this valuation was effective on January 1, 2013.

## Changes in Assumptions

- Per capita claims costs were updated to reflect more recent retiree claims experience.
- Discount rate was changed from 4.75% to 3.95%.
- Mortality was updated for an additional year of mortality improvements.
- The expected return on assets was decreased from 7.25% to 7.00% for postretirement welfare costs purposes. The expected return on assets used to calculate funding requirements was also reduced by 25 basis points for each funding vehicle.

## Changes in Methods

None.

## Changes in Benefits Valued

Non-UMWA Postretirement Welfare Plan coverage was changed as follows for plan participants that retire on or after January 1, 2013:

- Employer provided subsidies will be capped annually at a maximum level of \$11,500 for retirees under age 65 and \$3,800 for retirees over age 65 times employer cost sharing percentage
- The cost sharing formula used to determine pre-65 retiree contributions will be determined based on pre-65 retiree claims experience only (prior cost-sharing formula was based on blend of active and pre-65 retiree paid claims experience).
- Employees hired on or after January 1, 2014 are not eligible to participate in the plan.

## Section 2 : Actuarial exhibits

### 2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars

Measurement Date	January 1, 2013	January 1, 2012
<b>A Development of Balance Sheet Asset/(Liability)<sup>1</sup></b>		
1 Accumulated postretirement benefit obligation (APBO)	1,702,312,240	2,081,914,603
2 Fair value of assets (FVA)	1,568,431,705	1,409,476,218
3 Net balance sheet asset/(liability)	(133,880,535)	(672,438,385)
<b>B Current and Noncurrent Allocation</b>		
1 Noncurrent assets	0	0
2 Current liabilities	0	0
3 Noncurrent liabilities	(133,880,535)	(672,438,385)
4 Net balance sheet asset/(liability)	(133,880,535)	(672,438,385)
<b>C Accumulated Other Comprehensive (Income)/Loss</b>		
1 Net transition obligation/(asset)	0	0
2 Net prior service cost/(credit)	(761,590,889)	(209,991,409)
3 Net loss/(gain)	895,454,738	882,308,046
4 Accumulated other comprehensive (income)/loss <sup>2</sup>	133,863,849	672,316,637
<b>D Assumptions and Dates</b>		
1 Discount rate	3.95%	4.75%
2 Rate of compensation/salary increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
3 Current health care cost trend rate	6.75%	7.00%
4 Ultimate health care cost trend rate	5.00%	5.00%
5 Year of ultimate trend rate	2020	2020
6 Census date	January 1, 2013	January 1, 2012

<sup>1</sup> Whether the amounts in this table that differ from those disclosed at year-end must be disclosed in subsequent interim financial statements should be determined.

<sup>2</sup> Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

## 2.2 Summary and comparison of postretirement benefit cost and cash flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	December 31, 2013	December 31, 2012
<b>A Total Postretirement Benefit Cost</b>		
1 Employer service cost	21,325,637	45,618,526
2 Interest cost	66,243,553	98,586,126
3 Expected return on assets	(106,553,009)	(100,962,629)
4 Subtotal	(18,983,819)	43,242,023
5 Net prior service cost/(credit) amortization	(69,056,806)	(18,197,236)
6 Net loss/(gain) amortization	60,834,619	54,366,317
7 Transition obligation/(asset) amortization	0	0
8 Amortization subtotal	(8,222,187)	36,169,081
9 Net periodic postretirement benefit cost/(income)	(27,206,006)	79,411,104
<b>B Assumptions<sup>1</sup></b>		
1 Discount rate	3.95 %	4.75 %
2 Long-term rate of return on assets	7.00 %	7.25 %
3 Rate of compensation/salary increase	Rates vary by age from 3.5% to 11.5%	Rates vary by age from 3.5% to 11.5%
4 Current health care cost trend rate	6.75 %	7.00 %
5 Ultimate health care cost trend rate	5.00 %	5.00 %
6 Year ultimate trend rate is expected	2020	2020
<b>C Census Date</b>	January 1, 2013	January 1, 2012
<b>D Assets at Beginning of Year</b>		
1 Fair market value	1,568,431,705	1,409,476,218
<b>E Cash Flow</b>		
	Expected	Actual
1 Employer contributions	0	91,703,429
2 Plan participants' contributions	36,831,590	34,979,641
3 Benefits paid from plan assets	94,082,956	146,894,905
4 Expected Medicare subsidy on current year benefit payments	N/A	N/A

<sup>1</sup> These assumptions were used to calculate the Net Postretirement Benefit Cost/ (Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.

### 2.3 Information for deferred tax calculations

The following information is provided for purposes of determining the deferred portion of the tax provision and the deferred tax asset associated with the postretirement welfare cost and obligation, respectively. This information reflects the tax-exempt status of the Retiree Drug Subsidy ("RDS") payment at the valuation date.

All monetary amounts shown in US Dollars

	Book Basis Net of Part D Subsidy	Tax Basis Net of Part D Subsidy after 2012
<b>A Postretirement Welfare Cost</b>		
1 Fiscal 2013	(27,206,006)	(45,021,502)
2 Fiscal 2012	79,411,104	60,232,651
<b>B Funded Position</b>		
1 Overfunded (underfunded) APBO	(133,880,535)	(133,880,535)



## 2.4 Detailed results for postretirement welfare cost and funded position

All monetary amounts shown in US Dollars

Detailed results	January 1, 2013	January 1, 2012
<b>A Service Cost</b>		
1 Medical	17,844,928	42,695,197
2 Life insurance	3,475,991	2,917,895
3 Dental	4,718	5,434
4 Total	21,325,637	45,618,526
<b>B Accumulated Postretirement Benefit Obligation [APBO]</b>		
1 Medical <sup>1</sup> :		
a Participants currently receiving benefits	920,847,291	918,775,833
b Fully eligible active participants	24,157,727	28,042,063
c Other participants	391,590,878	810,303,446
d Total	1,336,595,896	1,757,121,342
2 Life insurance:		
a Participants currently receiving benefits	258,635,009	235,712,726
b Fully eligible active participants	5,716,564	3,176,542
c Other participants	79,722,542	64,833,547
d Total	344,074,115	303,722,815
3 Dental:		
a Participants currently receiving benefits	20,798,974	20,216,181
b Fully eligible active participants	0	0
c Other participants	843,255	854,265
d Total	21,642,229	21,070,446
4 All Benefits:		
a Participants currently receiving benefits	1,200,281,274	1,174,704,740
b Fully eligible active participants	29,874,291	31,218,605
c Other participants	472,156,675	875,991,258
d Total	1,702,312,240	2,081,914,603
<b>C Assets</b>		
1 Fair value [FV]	1,568,431,705	1,409,476,218
<b>D Funded Position</b>		
1 Overfunded (underfunded) APBO	(133,880,535)	(672,438,385)
2 APBO funded percentage	92.1%	67.7%

<sup>1</sup> The Transitional Reinsurance Fee was allocated among the different segments of the medical liability in proportion to the total medical liability.

**E Amounts in Accumulated Other Comprehensive Income**

1	Prior service cost (credit)	(761,590,889)	(209,991,409)
2	Net actuarial loss (gain)	895,454,738	882,308,046
3	Transition obligation (asset)	0	0
4	Total	133,863,849	672,316,637

**F Effect of Change in Health Care Cost Trend Rate**

1	One-percentage-point increase:		
a	Sum of service cost and interest cost	4,434,775	22,315,137
b	APBO	95,451,772	247,031,434
2	One-percentage-point decrease:		
a	Sum of service cost and interest cost	(2,924,226)	(17,691,663)
b	APBO	(72,246,544)	(202,165,118)

## 2.5 ASC 965 (plan reporting) information (formerly SOP 92-6, as amended by SOP 01-2)

All monetary amounts shown in US Dollars

Summary of Present Value of Benefits	January 1, 2013	January 1, 2012
<b>A Medical (ignoring Retiree Drug Subsidy)</b>		
1 Current retirees	921,414,395	927,248,639
2 Active participants fully eligible for participants	24,157,727	28,042,063
3 Other active participants	391,590,878	810,326,699
4 Total	1,337,163,000	1,765,617,401
<b>B Life Insurance</b>		
1 Current retirees	258,635,009	235,712,726
2 Active participants fully eligible for participants	5,716,564	3,176,542
3 Other active participants	79,722,542	64,833,547
4 Total	344,074,115	303,722,815
<b>C Dental</b>		
1 Current retirees	20,798,974	20,216,181
2 Active participants fully eligible for participants	0	0
3 Other active participants	843,255	854,265
4 Total	21,642,229	21,070,446
<b>D Total (ignoring Retiree Drug Subsidy)</b>		
1 Current retirees	1,200,848,378	1,183,177,546
2 Active participants fully eligible for participants	29,874,291	31,218,605
3 Other active participants	472,156,675	876,014,511
4 Total	1,702,879,344	2,090,410,662

### Actuarial assumptions and methods

The key actuarial assumptions used for plan reporting calculations are the same as those used to determine the postretirement welfare cost and are shown in the Actuarial Assumptions and Methods section, except that the Retiree Drug Subsidy (RDS) associated with Medicare Part D is not reflected. For the prior valuation, a discount rate of 4.75% was used. The same plan provisions shown in Appendix B were used to determine the present value of accumulated benefits.

Reconciliation of Present Value of Benefits		Fiscal 2012	Fiscal 2011
<b>A Medical (ignoring Retiree Drug Subsidy)</b>			
1	Benefit obligation, beginning of year	1,765,617,401	2,036,526,041
2	Service cost	42,695,197	45,632,251
3	Interest cost	82,868,101	105,958,057
4	Participant contributions	29,426,161	29,426,384
5	Actuarial (gain)/loss	123,767,283	248,044,421
6	Plan amendments	(578,273,313)	(570,494,402)
7	Gross benefits paid	(128,937,830)	(129,475,351)
8	Benefit obligation, end of year	1,337,163,000	1,765,617,401
<b>B Life Insurance</b>			
1	Benefit obligation, beginning of year	303,722,815	281,596,922
2	Service cost	2,917,895	2,491,337
3	Interest cost	14,287,347	14,598,794
4	Participant contributions	1,686,524	1,778,472
5	Actuarial (gain)/loss	33,305,895	15,445,167
6	Plan amendments	0	0
7	Gross benefits paid	(11,846,361)	(12,187,877)
8	Benefit obligation, end of year	344,074,115	303,722,815
<b>C Dental</b>			
1	Benefit obligation, beginning of year	21,070,446	20,594,669
2	Service cost	5,434	5,040
3	Interest cost	857,492	922,458
4	Participant contributions	3,969,765	3,223,114
5	Actuarial (gain)/loss	1,856,905	2,461,828
6	Plan amendments	0	0
7	Gross benefits paid	(6,117,813)	(6,136,663)
8	Benefit obligation, end of year	21,642,229	21,070,446
<b>D Total (ignoring Retiree Drug Subsidy)</b>			
1	Benefit obligation, beginning of year	2,090,410,662	2,338,717,632
2	Service cost	45,618,526	48,128,628
3	Interest cost	98,012,940	121,479,309
4	Participant contributions	35,082,450	34,427,970
5	Actuarial (gain)/loss	158,930,083	265,951,416
6	Plan amendments	(578,273,313)	(570,494,402)
7	Gross benefits paid	(146,902,004)	(147,799,891)
8	Benefit obligation, end of year	1,702,879,344	2,090,410,662

## 2.6 Basic results for employer contributions - VEBA's

All monetary amounts shown in US Dollars

	Estimated December 31, 2013	December 31, 2012
<b>A Qualified Asset Account Limits [QAAL]</b>	813,904,013	832,132,048
<b>B Assets</b>		
1 Market value	1,258,050,060	1,266,699,171
2 Unrecognized investment losses (gains)	0	0
3 Actuarial value [AV]	1,258,050,060	1,266,699,171
<b>C Funded Position</b>		
1 Unfunded account limits [QAAL – FV]	(444,146,047)	(434,567,123)
<b>D Employer Contributions (to all<sup>1</sup> funding vehicles)</b>		
1 Maximum deductible available	39,444,442	31,031,335
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	0	1,008,523
c Total deductions available [a + b]	0	1,008,523
3 Other non-deductible current year additions	0	68,292,490
4 Total additions [2.c + 3]	0	69,301,013
a Life insurance VEBA	0	0
b Union medical and dental VEBAs	0	1,008,523
c Non-union medical and dental VEBAs	0	68,292,490
d 401(h) – not included in amounts shown above	0	22,402,415

<sup>1</sup> Includes 401(h) account.

2.7 VEBA deduction limits

All monetary amounts shown in US Dollars

Life Insurance	2012	2011
<b>A Qualified Asset Account Limit (QAAL)</b>		
1 December 31 actuarial accrued liability	171,324,145	171,230,166
2 Unrecognized liability	0	0
3 QAAL	171,324,145	171,230,166
<b>B Assets</b>		
1 Market value as of December 31	140,292,810	133,223,965
2 Unrecognized investment losses (gains)	0	0
3 Actuarial value [AV]	140,292,810	133,223,965
<b>C Funded position</b>		
1 Unfunded account limit [QAAL - AV]	31,031,335	38,006,201
2 Contributions received in trust, but not yet deducted		
2009	0	0
2010	0	0
2011	0	0
2012	0	N/A
Total	0	0
<b>D Employer deductions for contributions to VEBAs</b>		
1 Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	31,031,335	38,006,201
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	0	0
c Total deductions available [a + b]	0	0
3 Other non-deductible current year additions	0	0
4 Total additions [2.c + 3]	0	0

<sup>1</sup> Includes amounts not contributed.

All monetary amounts shown in US Dollars

Union Medical and Dental	2012	2011
<b>A Qualified Asset Account Limit (QAAL)</b>		
1 December 31 present value of projected benefits	253,933,697	378,762,035
2 Unrecognized liability	<u>0</u>	<u>0</u>
3 QAAL	253,933,697	378,762,035
<b>B Assets</b>		
1 Market value as of December 31	419,870,918	381,071,661
2 Unrecognized investment losses (gains)	<u>0</u>	<u>0</u>
3 Actuarial value [AV]	419,870,918	381,071,661
<b>C Funded position</b>		
1 Unfunded account limit [QAAL - AV]	(165,937,221)	(2,309,626)
2 Contributions received in trust, but not yet deducted		
2009	0	0
2010	0	0
2011	0	0
2012	<u>0</u>	N/A
Total	0	0
<b>D Employer deductions for contributions to VEBAs</b>		
1 Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	0	0
2 Qualified additions		
a Prior years' carryover	0	0
b Current year additions	<u>1,008,523</u>	<u>683,796</u>
c Total deductions available [a + b]	1,005,523	683,796
3 Other non-deductible current year additions	0	0
4 Total additions [2.c + 3]	<u>1,008,523</u>	<u>683,796</u>

<sup>1</sup> Includes amounts not contributed.

Non-UMWA Postretirement Health Care Plan

All monetary amounts shown in US Dollars

Non-union Medical and Dental		2012	2011
<b>A Qualified Asset Account Limit (QAAL)</b>			
1	December 31 present value of projected benefits	435,066,680	435,066,680
2	Unrecognized liability	0	0
3	QAAL	435,066,680	435,066,680
<b>B Assets</b>			
1	Market value as of December 31	653,137,033	653,137,033
2	Unrecognized investment losses (gains)	0	0
3	Actuarial value [AV]	653,137,033	653,137,033
<b>C Funded position</b>			
1	Unfunded account limit [QAAL - AV]	(218,070,353)	(218,070,353)
2	Contributions received in trust, but not yet deducted		
	2008	0	0
	2009	105,440,603	105,440,603
	2010	73,467,453	73,467,453
	2011	39,162,297	39,162,297
	2012	68,292,490	N/A
	Total	286,362,843	218,070,353
<b>D Employer deductions for contributions to VEBAs</b>			
1	Maximum deduction available <sup>1</sup> [C.1 + Total of C.2]	0	0
2	Qualified additions		
a	Prior years' carryover	0	35,498,836
b	Current year additions	0	0
c	Total deductions available [a + b]	0	35,498,836
3	Other non-deductible current year additions	68,292,490	3,663,461
4	Total additions [2.c + 3]	68,292,490	39,162,297

<sup>1</sup> Includes amounts not contributed.



## 2.8 Cumulative nondeductible contributions

All monetary amounts shown in US Dollars

**Non-union Retiree Medical and Dental VEBAs**

	<b>Contributions Made by December 31, 2012, but Not Deducted as of December 31, 2011</b>	<b>Deductible in 2012</b>	<b>Remaining Nondeductible Contributions as of December 31, 2012</b>
2005	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	105,440,603	0	105,440,603
2010	73,467,453	0	73,467,453
2011	39,162,297	0	39,162,297
2012	68,292,490	0	68,292,490
Total	286,362,843	0	286,362,843

**Retiree Life Insurance VEBAs**

	<b>Contributions Made by December 31, 2012, but Not Deducted as of December 31, 2011</b>	<b>Deductible in 2012</b>	<b>Remaining Nondeductible Contributions as of December 31, 2012</b>
2005	0	0	0
2006	0	0	0
2007	0	0	0
2008	0	0	0
2009	0	0	0
2010	0	0	0
2011	0	0	0
2012	0	0	0
Total	0	0	0

## 2.9 Development of maximum deductible contribution – 401(h)

All monetary amounts shown in US Dollars

**Plan Year Beginning** **January 1, 2013**

### A Development of Maximum Deductible Contribution

1	Present value of projected benefits	329,121,161
2	Fair value of assets	301,732,534
3	Unfunded surplus [1 - 2]	27,388,627
4	Average present value of future service	12
5	Preliminary maximum deductible contribution	
a	10% of unfunded surplus [10% x A.3]	2,738,863
b	Aggregate normal cost [A.3 / A.4]	2,282,386
c	Greater of A.5.a and A.5.b	2,738,863
6	Preliminary maximum 2013 contribution [1.0778 x A.5.c]	2,951,946
7	Subordination test (development shown below)	26,718,508
8	Maximum deductible contribution ignoring expenses [lesser of A.6 and A.7]	2,951,946
9	Total trust expenses paid from 401(h) account	1,295,762
10	Maximum deductible contribution including expenses [A.8 + A.9]	4,247,708

### B Subordination Test

Year-by-year minimum of actual pension plan contribution and pension plan normal cost with interest

Year	West Plan	East Plan	Combined Plan
1992	9,766,169	N/A	N/A
1993	22,392,743	N/A	N/A
1994	21,208,326	N/A	N/A
1995	21,683,436	N/A	N/A
1996	20,271,648	N/A	N/A
1997	0	N/A	N/A
1998	0	N/A	N/A
1999	0	N/A	N/A
2000	0	N/A	N/A
2001	0	N/A	N/A
2002	0	N/A	N/A
2003	19,197,145	39,165,054 *	N/A
2004	18,614,338	56,614,811	N/A
2005	16,222,550	55,872,817	N/A
2006	0	0	N/A
2007	0	0	N/A
2008	N/A	N/A	0
2009	N/A	N/A	100,540,448
2010	N/A	N/A	125,586,018
2011	N/A	N/A	62,751,522
2012	N/A	N/A	68,599,791
2013	N/A	N/A	0
Cumulative pension contributions not for past service	149,356,355	151,652,681	658,486,816
	x 1/3	x 1/3	x 1/3
	49,785,452	50,550,894	219,495,605
Cumulative 401(h) contributions before plan year 2013	49,785,452	50,550,894	192,777,098
Subordination limit	0	0	26,718,508

\* Includes only portion of normal cost and contributions after 401(h) account adoption for indicated years.

## 2.10 Expected benefit disbursements, administrative expenses, and participant contributions

All monetary amounts shown in US Dollars

	January 1, 2013	January 1, 2012
<b>A Medical and Dental</b>		
1 Gross disbursements	114,982,040	124,905,081
2 Participant contributions	(33,396,799)	(28,872,722)
3 Net disbursements	81,585,241	96,032,359
<b>B Life Insurance</b>		
1 Gross disbursements	15,932,506	15,472,124
2 Participant contributions	(3,434,791)	(3,416,581)
3 Net disbursements	12,497,715	12,055,543
<b>C Gross without RDS</b>		
1 Gross disbursements	130,914,546	128,402,155
2 Participant contributions	(36,831,590)	(31,605,212)
3 Net disbursements	94,082,956	96,796,943
<b>D RDS*</b>		
1 Gross disbursements	(67,791)	(8,496,059)
2 Participant contributions	0	0
3 Net disbursements	(67,791)	(8,496,059)
<b>E Net with RDS</b>		
1 Gross disbursements	130,982,337	136,898,214
2 Participant contributions	(36,831,590)	(31,605,212)
3 Net disbursements	94,150,747	105,293,002

\* 2011-2012 RDS payments expected to be received in 2013-2014.

## Section 3 : Data exhibits

### 3.1 Plan participant data

All monetary amounts shown in US Dollars

Census Date	January 1, 2013	January 1, 2012
-------------	-----------------	-----------------

#### A Participating Employees

1 Number		
a Fully eligible	466	313
b Other	18,111	18,369
c Total participating employees	18,577	18,682
2 Total annual compensation/salary	\$1,315,622,699	\$1,314,068,650
3 Average compensation/salary	\$72,722	\$70,339
4 Average age (years)	46.44	45.80
5 Average credited service (years)	16.99	16.30
6 Average future working life (years)		
a to full retirement age	11.921	12.400
b to full eligibility age	10.988	11.370

#### B Retirees and Surviving Spouses

1 Retirees and Surviving Spouses		
a Number under 65	3,640	4,230
b Number 65 and older	12,826	12,865
c Total	16,466	17,095
d Average age (years)	73.1	72.3
e. Age Distribution at January 1, 2013		

Age	Number
Under 55	15
55-59	893
60-64	2,732
65-69	3,676
70-74	2,656
75-79	2,177
80-84	2,083
85 and over	2,234

Census Date	January 1, 2013	January 1, 2012
<b>C Dependents</b>		
1 Number	8,509	9,024
2 Average Age	68.0	67.2
3 Age Distribution at January 1, 2013		
	<b>Age</b>	<b>Number</b>
	Under 55	360
	55-59	1,023
	60-64	2,110
	65-69	1,920
	70-74	1,268
	75-79	965
	80-84	571
	85 and over	292

Non-UMWA Postretirement Health Care Plan

3.2 Age and service distribution of participating employees

		All monetary amounts shown in US Dollars								
		Attained Years of Credited Service and Number								
Attained Age		0-4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34	Total
Under 25	Count	323	10							333
	Total Earnings	\$14,636,689	\$499,921							\$15,136,610
	Average Earnings	\$45,315	\$49,992							\$45,455
25-29	Count	754	427	7						1188
	Total Earnings	\$39,612,290	\$24,980,306	\$420,022						\$65,012,618
	Average Earnings	\$52,536	\$58,502	\$60,003						\$54,724
30-34	Count	681	852	205	2					1740
	Total Earnings	\$38,085,416	\$53,835,962	\$13,750,599	\$104,530					\$105,776,508
	Average Earnings	\$55,926	\$63,188	\$67,076	\$52,265					\$60,791
35-39	Count	504	716	439	99					1758
	Total Earnings	\$30,064,800	\$47,247,299	\$31,713,480	\$7,083,967					\$116,109,547
	Average Earnings	\$59,652	\$65,988	\$72,240	\$71,555					\$66,046
40-44	Count	391	625	437	298	172	4			1927
	Total Earnings	\$24,588,580	\$42,113,083	\$33,709,669	\$23,006,455	\$14,333,427	\$261,519			\$138,012,734
	Average Earnings	\$62,886	\$67,381	\$77,139	\$77,203	\$83,334	\$65,380			\$71,621
45-49	Count	280	462	408	320	604	411	28		2513
	Total Earnings	\$17,946,681	\$32,107,285	\$31,633,869	\$24,324,951	\$50,306,366	\$33,351,544	\$2,015,701		\$191,686,397
	Average Earnings	\$64,095	\$69,496	\$77,534	\$76,015	\$83,289	\$81,147	\$71,989		\$76,278
50-54	Count	193	371	275	266	503	1035	1074	48	3765
	Total Earnings	\$12,361,461	\$25,871,134	\$22,063,041	\$19,749,483	\$39,168,063	\$86,600,059	\$86,506,005	\$3,621,578	\$295,940,825
	Average Earnings	\$64,049	\$69,734	\$80,229	\$74,246	\$77,869	\$83,672	\$80,546	\$75,450	\$78,603
55-59	Count	148	223	198	171	348	561	1145	645	3439
	Total Earnings	\$9,484,104	\$15,878,759	\$16,904,261	\$12,937,467	\$26,129,687	\$45,359,922	\$96,613,677	\$52,709,029	\$276,016,907
	Average Earnings	\$64,082	\$71,205	\$85,375	\$75,658	\$75,085	\$80,855	\$84,379	\$81,719	\$80,261
60-64	Count	65	101	106	77	124	179	239	331	1222
	Total Earnings	\$4,059,048	\$7,019,251	\$8,826,265	\$5,362,425	\$8,785,813	\$14,104,498	\$19,860,045	\$28,490,454	\$96,507,799
	Average Earnings	\$62,447	\$69,498	\$83,267	\$69,642	\$70,853	\$78,796	\$83,096	\$86,074	\$78,975
65-69	Count	3	26	30	12	16	23	24	33	167
	Total Earnings	\$168,284	\$2,210,860	\$2,558,695	\$879,151	\$1,070,985	\$2,023,434	\$2,184,897	\$3,087,598	\$14,183,905
	Average Earnings	\$56,095	\$85,033	\$85,290	\$73,263	\$66,937	\$87,975	\$91,037	\$93,564	\$84,934
70 & over	Count			9	3	1	1	1	1	16
	Total Earnings			\$666,581	\$274,755	\$92,109	\$48,228	\$107,222	\$49,953	\$1,238,848
	Average Earnings			\$74,065	\$91,585	\$92,109	\$48,228	\$107,222	\$49,953	\$77,428
Total	Count	3342	3813	2114	1248	1768	2214	2511	1058	18068
	Total Earnings	\$191,007,353	\$251,763,861	\$162,246,483	\$93,723,185	\$139,886,451	\$181,749,203	\$207,287,547	\$87,958,613	\$1,315,622,696
	Average Earnings	\$57,154	\$66,028	\$76,749	\$75,099	\$79,121	\$82,091	\$82,552	\$83,137	\$72,815
Average:	Age	46	Number of Participants:			Fully eligible	466	Males	14,849	
	Service	17				Other	17,602	Females	3,219	

Census data as of January 1, 2013

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# Appendix A : Statement of actuarial assumptions and methods

## Actuarial Assumptions and Methods — Postretirement Welfare Cost and Funding/Tax Deductions Based on Plan Year beginning January 1, 2013

### Economic Assumptions

	Postretirement Welfare Cost	Plan Reporting	Employer Contributions
Discount rate <sup>1</sup>	3.95 %	3.95 %	N/A
Rates of return on assets, pre-tax: <sup>1</sup>			
401(h) accounts	N/A	N/A	7.78 %
Life insurance and union medical/dental	N/A	N/A	6.85 %
Non-union medical/dental	N/A	N/A	6.89 %
Aggregate	7.00 %	N/A	N/A
Annual rates of compensation increase <sup>1</sup>			
Representative rates	Age	Rate	
	< 26	11.50%	
	26 – 30	9.50	
	31 – 35	7.50	
	36 – 40	6.50	
	41 – 45	5.00	
	46 – 50	4.00	
	> 50	3.50	
Weighted average	4.95%		
Medical cost trend rate <sup>2</sup>	2013	6.75%	
	2014	6.50%	
	2015	6.25%	
	2016	6.00%	
	2017	5.75%	
	2018	5.50%	
	2019	5.25%	
	2020+	5.00%	
Dental cost trend rate <sup>2</sup>	2013+	5.00%	

<sup>1</sup> Only discount rate and asset return assumptions vary between the reporting standards. All other assumptions are consistent throughout.

<sup>2</sup> 0% trend assumed for non-union VEBA account limit.



**Participation Assumptions**

Inclusion Date	The valuation date coincident with or next following the date on which the employee is hired.	
New or rehired employees	It was assumed there will be no new or rehired employees.	
	<i>Current Retirees</i>	<i>Future Retirees</i>
Participation:	Based on valuation census data.	95%.
Percent married	Based on valuation census data.	69% for males, 50% for females.
Spouse age	Based on valuation census data.	Wife three years younger than husband.

**Demographic Assumptions**

Mortality Preretirement: RP2000, projected to 2028.  
Postretirement: RP2000, projected to 2020.

Disabled mortality (through age 65) Rates vary by age and sex.

Representative rates:

Age	Males	Females
30	2.60%	2.60%
40	2.60	2.60
50	3.10	3.10
60	6.20	6.20

Disability Rates apply to employees not eligible to retire and vary by age and sex.

Representative rates:

Percentage becoming disabled during the year		
Age	Males	Females
20	0.060%	0.090%
30	0.060	0.090
40	0.074	0.110
50	0.178	0.270
60	0.690	1.035

Termination  
 (not due to disability  
 or retirement)

Rates apply to employees not eligible to retiree and vary by age and service.

Representative rates:

Percentage leaving during the year		
Age	0 – 5 Years	5+ Years
20	8.0%	8.0%
30	8.0	5.0
40	8.0	2.5
50	8.0	4.0
60	8.0	4.0

Retirement

Rates vary by age.

Representative rates:

Percentage retiring during the year	
Age	Rate
55 – 57	7.0%
58 – 60	10.0
61 – 63	25.0
64 – 65	50.0
66 – 69	25.0
70	100.0

## 2013 Per Capita Claims Costs

## Medical

Prior to age 65	Age	Aetna	Lumenos
	< 50	5,768	5,708
	50 – 54	6,738	6,667
	55 – 59	7,504	7,425
	60 – 64	10,209	10,102
	Average	9,066	8,970

Age 65 and after (net of Medicare)	Age	COB	MOB	CSP
	65 – 69	3,312	2,638	1,508
	70 – 74	3,846	3,051	1,764
	75 – 79	4,144	3,268	1,915
	80 – 84	4,318	3,382	1,990
	85 – 89	4,481	3,488	2,065
	90 – 94	4,305	3,329	2,035
	≥ 95	3,798	2,907	1,885
	Average	4,003	2,948	1,978

Medicare Part D	Age	MOB/COB	CSP
	65 – 69	N/A	(190)
	70 – 74	N/A	(215)
	75 – 79	N/A	(223)
	80 – 84	N/A	(221)
	85 – 89	N/A	(219)
	90 – 94	N/A	(200)
	≥ 95	N/A	(162)
	Average	N/A	(223)

Employer Group Waiver Plan (EGWP)	Age	MOB/COB
	65 – 69	(808)
	70 – 74	(913)
	75 – 79	(945)
	80 – 84	(937)
	85 – 89	(929)
	90 – 94	(848)
	≥ 95	(687)
	Average	(891)

Expected EGWP subsidies increase in future years at rates different than the annual trend assumption due to the progressive filling in of the Standard Part D "donut hole" between now and 2020.

2013	7.6%
2014	9.3
2015	7.1
2016	10.4
2017	9.9
2018	9.5
2019	9.7
2020+	5.0

Dental	\$310
Medicare covered charges trend rate	Same as medical cost trend.
Retiree contribution trend rate	Same as medical cost trend.
Administrative expenses	Included in claims costs shown above.

**Basis for Per Capita Claims Cost Assumptions**

Pre-65 retiree medical rates	Aetna, Medco, Lumenos and Magellan supplied data on retiree medical claims incurred in 2011. Claim experience rates are calculated for Aetna and Lumenos plans by dividing incurred claims by covered lives and trending forward two years to 2013. Adjustments for benefit, geographic and vendor efficiency differences are also made. Medical and prescription drug claim rates are then multiplied by plan change factors representing the effect of any substantive plan design changes for 2013. Aetna and Lumenos cost models are developed separately by age-grading these claims rates over standard Towers Watson morbidity curves for both medical and prescription drugs to develop the quinquennial cost models.
Post-65 retiree medical rates	2013 monthly claim rates are calculated separately for MOB, COB and CSP Medicare-eligible plans by dividing 2011 incurred claims by covered lives and trending forward two years to 2013. Prescription drug claim rates are then multiplied by pricing change factors representing the effect of any substantive design changes for 2013. MOB and COB cost models are developed separately by age-grading these claim rates over standard Towers Watson morbidity curves for both medical and prescription drugs to develop the quinquennial cost models.
Dental rates	MetLife supplied data on dental claims incurred in 2011. Claims experience for all active and retired employees was analyzed to derive the dental claim rates.
Medicare Part D Retiree Drug Subsidy (RDS)	We calibrated our modelling tool to reflect the 2013 cost of the current prescription drug plans for AEP's post-65 retirees. The tool employs a continuance table of annual retiree drug utilization levels, developed from analyzing the experience of several large Towers Watson clients.
	After the plan-specific benefit provisions have been calibrated to current costs, the Modeler trends costs forward to 2013. Actuarial

equivalence was determined using the following two-prong approach outlined in the regulations for Medicare Part D:

*Gross Value Test* – The Modeler calculates the value of standard Medicare Part D coverage and compares it to AEP’s plan costs. AEP’s plans passed this test by being richer than the projected value of standard Medicare part D coverage for these groups.

*Net Value Test* – The net value prong of the test compares the value of Standard Part D coverage in 2013 minus the greater of \$374.04 per year (the national average Part D premium) and 25.5% of the gross value of Part D to the projected 2013 value of AEP coverage minus the average projected 2013 retiree contribution rate. For this purpose, retiree contributions were assumed to apply pro rata between the value of medical benefits and prescription drug benefits.

When the plans are deemed to be actuarially equivalent, the tool calculates the average expected value of the employer subsidy in 2012, using the continuance table calibrated to AEP’s plan costs. This produced a 2013 per person employer subsidy of \$223 for CSP.

Employer Group Waiver Plan  
(EGWP)

Estimated plan cost offsets associated with transitioning to an EGWP arrangement were developed using the same post-65 retiree prescription drug continuance table that was used in the Retiree Drug Subsidy payment estimates. AEP’s plan-specific benefit provisions were calibrated to current costs to estimate the level of pharmaceutical company discounts and reinsurance dollars that the plan would receive for participants who enter or exceed the Standard Medicare Part D “donut hole.” An estimate of direct monthly government payments under the EGWP was provided by Express Scripts based on average Part D plan payments risk-adjusted for AEP’s post-65 retiree population.

To account for the gradual fill-in of the “donut hole” through 2020, higher trend levels are applied to estimated direct monthly EGWP payments between 2013 (effective date of plan change) and 2020, after which EGWP plan cost offsets are assumed to increase at the valuation trend rate assumption.

### Additional Assumptions

Excise tax

To determine impact of the excise tax on the non-UMWA postretirement plan, we projected future gross plan costs using the valuation trend assumption and compared these on a year-by-year basis to the excise tax thresholds beginning in 2018 and projected to future years using CPI (CPI + 1% for 2019). The expected cost of each non-UMWA benefit combination, which were blended pre-65/post-65 based on headcounts, exceeded these thresholds at various points in time, but no earlier than 2040.

The amount of the excise tax valued was 40% times the portion of the cost exceeding the thresholds, grossed up by 35% to account for the nondeductibility of these charges for AEP’s administrators.

Timing of benefit payments

Benefit payments are assumed to be made uniformly throughout the year and on average at mid-year.

## Methods

Census date	January 1, 2013
Measurement date	January 1, 2013
Service cost and APBO	Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.
Market-related value of assets	The fair value of assets on the measurement date.
Amortization of unamortized amounts:	
Prior service cost (credit)	Increase in APBO resulting from a plan amendment is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan. Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first recognized and every year thereafter until such time as it is fully amortized. The annual amortization payment is determined in the first year as the increase in APBO due to the plan change divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the Plan. Reductions in APBO first reduce any unrecognized prior service cost; any remaining amount is amortized on a straight-line basis as described above.
Net loss (gain)	Amortization of the net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of Net Periodic Postretirement Benefit Cost/(Income) for a year.  Net loss (gain) in excess of 10% of the greater of APBO or the market-related value of assets is amortized on a straight-line basis over the average expected remaining service of active participants expected to benefit under the plan.
ASC 965 (formerly SOP 92-6)	
APBO	Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the expected full eligibility date is counted in allocating costs.
Funding policy	AEP's funding policy is to contribute an amount equal to the postretirement welfare cost plus retiree drug subsidy payments received (the sum of which can be no less than zero). AEP maximizes its contribution to the 401(h) account and contributes the remainder to the VEBA.

**Benefits Not Valued**

All benefits described in the Plan Provisions section of this report were valued. Life insurance benefits in excess of \$50,000 and health care benefits for key employees were not included in determining the maximum deductible contribution.

Towers Watson has reviewed the plan provisions with AEP and based on that review is not aware of any significant benefits required to be valued that were not included.

**Change in Assumptions and Methods Since Prior Valuation**

The discount rate for APBO was changed from 4.75% to 3.95%.

Mortality was updated to reflect an additional year of mortality improvements.

Per capita claims costs were updated to reflect 2011 claims experience.

**Data Sources**

American Electric Power (AEP), through its third party administrator, furnished active participant data as of January 1, 2013. AEP provided inactive participant data as of January 1, 2013. AEP also provided the accrued postretirement benefit costs as of December 31, 2012. Health plan vendors furnished the claims cost data. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

# Appendix B : Summary of substantive plan provisions

## Health Care Benefits

Eligibility	Participants are eligible upon retirement after age 55 with ten years of service or upon attaining age 55 with ten years of service after becoming permanently disabled. If involuntary termination, then eligible after age 50 with ten years of service.  Employees hired on or after January 1, 2014 are not eligible to participate in the plan.
Surviving spouse	After the death of a retiree or active employee eligible to retire, surviving spouses are eligible until death or remarriage. Surviving children are also eligible, subject to the limiting age provision outlined above.
Dependent	Eligible dependents are spouse, unmarried children under age 19 (age 25 if a full-time student) and unmarried disabled children of any age.

**Benefits**

The AEP Post-65 Medical Plan provides broad medical coverage with a deductible of \$200, 80% coinsurance and a maximum annual out-of-pocket expense of \$2,000 per person. Discounted charges and different benefits (\$250 deductible, 85% coinsurance and a \$2,500 out-of-pocket maximum) may be obtained by pre-65 retirees electing to use network providers.

Pre-65 retirees who live in areas designated as "Network Area" will have reduced benefits (\$500 deductible, 70% coinsurance, \$5,000 out-of-pocket maximum) if they do not use network providers. Alternatively, these retirees can elect coverage under consumer driven health plan designs.

Prescription drug benefits are provided under a separate plan with the following copayments for those who do not enroll in a consumer driven health plan:

	<i>Generic</i>	<i>Brand Name Formulary</i>	<i>Brand Name Nonformulary</i>
30-day retail	\$5 copay	20% \$20 minimum \$100 maximum	20% \$35 minimum \$100 maximum
90-day retail	\$12 copay	20% \$50 minimum \$200 maximum	20% \$90 minimum \$200 maximum

Prescription drug benefits are also subject to a \$50 deductible and a \$1,000 out-of-pocket maximum per person.



Benefits after age 65 are coordinated with Medicare using the carve-out method. Participants have the option to "buy up" to exclusion coordination of benefits coverage. Exclusion coordination is provided to East retirees who attained age 65 prior to January 1, 2001.

Deductibles and out-of-pocket maximums are assumed to increase over time at approximately the same rate as benefit costs.

Postretirement contributions

Participant contributions are determined as a percentage of plan costs and vary by points (age at retirement plus service) as follows:

<i>Points</i>	<i>Retiree Cost</i>
65-69	46%
70-74	42
75-79	36
80-84	32
85-89	26
90-94	22
95+	20
Grandfathered	20

For participants retiring on or after January 1, 2013, AEP's subsidy is capped at \$11,500 and \$3,500 times employer cost sharing percentage for pre-65 and post-65 participants, respectively.

For East participants who retired prior to January 1, 1989, and West participants who retired prior to January 1, 1993, no contributions are required.

For East participants who retired on or after January 1, 1989, and West participants who retired on or after January 1, 1993, the 20% "Grandfathered" contributions are in effect if they retired by December 31, 2000, or attained age 50 and had ten or more years of service with the company on that date. The percentages described above are applied to plan costs that differ from the per capita claims costs assumed in the valuation as follows:

The Medicare status of dependents is not used to determine whether "pre-65" or "post-65" rates apply. The pre-65 plan rates used to calculate participant contributions are a blend of pre-65 retiree costs and active employee costs for those participants retired prior to January 1, 2013, only.

For purposes of determining retiree contribution rates, AEP excludes the government's monthly direct payment amount from offsetting the plan cost to which the contribution percentages are applied.

Disabled employee contributions

Disabled employees have a waiver of premium provision where no contributions are made while an employee remains disabled.

If an employee retires while disabled and became disabled before January 1, 2001, the waiver of premium provision continues for life. If an employee retires while disabled and became disabled after January 1, 2001, the employee will continue to accrue points as if actively-at-work until age 65 and be subject to the same contribution schedule as normal retirees.

Those participants retiring after January 1, 2013, pay a percentage of true pre-65 retiree costs.

**Life Insurance Benefits**

**Grandfathered participants** Participants over age 50 with ten years of service as of December 31, 2000.

**Grandfathered benefits** Grandfathered participants have the option of keeping current coverage. Active employee coverage for grandfathered East participants is one times final base pay at no cost with the option to buy up to two times base pay. The entire amount of coverage (basic plus supplemental) in force prior to retirement can be carried into retirement subject to reduction beginning at age 66. Current coverage for grandfathered West participants is one and one-half times final base pay prior to age 60, one times final base pay from age 60 to 64 and one-half times final base pay after age 65.

*Life Insurance Benefit Reduction Table  
for Grandfathered East Participants*

<i>Years of Coverage</i>	<i>Age 66</i>	<i>Age 67</i>	<i>Age 68</i>	<i>Age 69</i>	<i>Age 70 or Over</i>
10 – 11	65%	55%	45%	35%	25%
11 – 12	70	60	50	40	30
12 – 13	75	65	55	45	35
13 – 14	80	70	60	50	40
14 – 15	85	75	65	55	45
15 or more	90	80	70	60	50

**Grandfathered contributions** Grandfathered East retirees must contribute \$0.60/\$1,000 of coverage (basic + supplemental) per month. West retirees are not required to contribute to the cost of coverage.

**Nongrandfathered benefits** \$30,000 for those hired before January 1, 2011. No benefit for those hired on or after January 1, 2011.

**Dental Benefits**

**Eligibility** Participants, including retirees and surviving dependents, are eligible upon retirement after age 55 with ten years of service. There is a one-time election and if coverage terminates there is no opportunity to reenroll.

Employees hired on or after January 1, 2014 are not eligible to participate in the plan.

**Benefits** The AEP Dental Plan provides dental coverage with a deductible of \$50 single/\$150 family, 100% coinsurance for preventive care, 80% coinsurance for basic restorative care, 50% coinsurance for major restorative care and 50% coinsurance for orthodontia.

Most retirees pay the full cost of dental coverage if they enroll. CSW employees who retire before January 1, 1993, contribute nothing to enroll for dental coverage. Former CSW employees retiring after January 1, 1993, who were either retired or had attained age 50 with ten years of service as of January 1, 2001, pay 30%.

### Changes in Benefits Valued Since Prior Year

Non-UMWA Postretirement Welfare Plan coverage was changed as follows for plan participants that retire on or after January 1 2013:

- Employer provided subsidies will be capped annually at a maximum level of \$11,500 for retirees under age 65 and \$3,800 for retirees over age 65 times employer cost sharing percentage
- The cost sharing formula used to determine pre-65 retiree contributions will be determined based on pre-65 retiree claims experience only (prior cost-sharing formula was based on blend of active and pre-65 retiree paid claims experience).
- Employees hired on or after January 1, 2014 are not eligible to participate in the plan.

### Overview of Benefits Provided by Funding Vehicles

Funding vehicle	Provides for
Non-union postretirement medical/dental VEBAs	100% of medical benefits to non-union employees before 2016 and 50% of retiree medical benefits thereafter.  100% of dental benefits to non-union employees.
Union postretirement medical/dental VEBAs	100% of medical/dental benefits to union employees.
Postretirement life insurance VEBA	Life insurance benefits for all retirees.
401(h) account	50% of retiree medical benefits after 2015 for non-union retirees.

## Appendix C : Results by business unit

Summary of key assumptions for Appendix C of 2013 Non-UMWA Postretirement Health Care Plan valuation report:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Discount rate	3.95%	4.55%	4.70%	4.80%	4.95%	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
Expected return on assets	7.00%	6.50%	6.25%	6.25%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Initial medical trend	6.75%	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%	5.00%	5.00%	5.00%

Expected mortality 2013 IRS Applicable Mortality Table

Valuation and data January 1, 2013

Per capita claims costs 2013 cost models based on actual claims experience through September 30, 2012

Includes Transitional Reinsurance Fees and Comparative Effectiveness fees under Health Care Reform

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AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
SUMMARY OF PLAN PARTICIPANTS FOR THE 2013 VALUATION

Location	Nonretired Participants			Retired Participants			Total
	Active	Disabled	Total	Retiree	Dependent Spouse	Surviving Spouse	
140 Appalachian Power Co - Distribution	1,018	49	1,067	1,149	753	354	2,256
215 Appalachian Power Co - Generation	944	59	1,003	898	634	201	1,733
150 Appalachian Power Co - Transmission	149	13	162	135	104	7	246
<b>Appalachian Power Co. - FERC</b>	<b>2,111</b>	<b>121</b>	<b>2,232</b>	<b>2,182</b>	<b>1,491</b>	<b>562</b>	<b>4,235</b>
225 Cedar Coal Co.	0	0	0	14	7	16	37
<b>Appalachian Power Co. - SEC</b>	<b>2,111</b>	<b>121</b>	<b>2,232</b>	<b>2,196</b>	<b>1,498</b>	<b>578</b>	<b>4,272</b>
211 AEP Texas Central Company - Distribution	870	34	904	916	570	265	1,751
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0
169 AEP Texas Central Company - Transmission	119	0	119	83	48	29	160
<b>AEP Texas Central Co.</b>	<b>989</b>	<b>34</b>	<b>1,023</b>	<b>999</b>	<b>618</b>	<b>294</b>	<b>1,911</b>
170 Indiana Michigan Power Co - Distribution	605	5	610	691	397	231	1,319
132 Indiana Michigan Power Co - Generation	398	8	406	279	188	83	550
190 Indiana Michigan Power Co - Nuclear	1,153	13	1,166	389	261	51	701
120 Indiana Michigan Power Co - Transmission	135	2	137	123	87	11	221
280 Water Transportation (Lakin)	338	19	357	123	50	29	202
<b>Indiana Michigan Power Co. - FERC</b>	<b>2,629</b>	<b>47</b>	<b>2,676</b>	<b>1,605</b>	<b>983</b>	<b>405</b>	<b>2,993</b>
202 Price River Coal Co.	0	0	0	0	0	0	0
<b>Indiana Michigan Power Co. - SEC</b>	<b>2,629</b>	<b>47</b>	<b>2,676</b>	<b>1,605</b>	<b>983</b>	<b>405</b>	<b>2,993</b>
110 Kentucky Power Co - Distribution	244	19	263	180	98	59	337
117 Kentucky Power Co - Generation	100	14	114	104	77	18	199
180 Kentucky Power Co - Transmission	43	2	45	15	13	0	28
<b>Kentucky Power Co.</b>	<b>387</b>	<b>35</b>	<b>422</b>	<b>299</b>	<b>188</b>	<b>77</b>	<b>564</b>
104 Cardinal Operating Company	312	9	321	198	137	42	377
270 Cook Coal Terminal	14	0	14	9	7	1	17
250 Ohio Power Co - Distribution	1,477	32	1,509	1,757	1,048	438	3,243
181 Ohio Power Co - Generation	1,010	48	1,058	1,241	834	304	2,379
160 Ohio Power Co - Transmission	232	6	238	231	166	47	444
<b>Ohio Power Co. - FERC</b>	<b>3,045</b>	<b>95</b>	<b>3,140</b>	<b>3,436</b>	<b>2,192</b>	<b>832</b>	<b>6,460</b>
290 Conesville Coal Preparation Company	0	0	0	14	12	0	26
<b>Ohio Power Co. - SEC</b>	<b>3,045</b>	<b>95</b>	<b>3,140</b>	<b>3,450</b>	<b>2,204</b>	<b>832</b>	<b>6,486</b>
167 Public Service Co of Oklahoma - Distribution	673	21	694	543	348	162	1,053
198 Public Service Co of Oklahoma - Generation	365	7	372	214	137	59	410
114 Public Service Co of Oklahoma - Transmission	81	3	84	57	39	16	112
<b>Public Service Co. of Oklahoma</b>	<b>1,119</b>	<b>31</b>	<b>1,150</b>	<b>814</b>	<b>524</b>	<b>237</b>	<b>1,575</b>
159 Southwestern Electric Power Co - Distribution	547	10	557	326	207	87	620
168 Southwestern Electric Power Co - Generation	595	10	605	276	188	74	538
161 Southwestern Electric Power Co - Texas - Distribution	236	5	241	153	101	39	293
111 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	86	2	88	57	35	17	109
<b>Southwestern Electric Power Co.</b>	<b>1,464</b>	<b>27</b>	<b>1,491</b>	<b>812</b>	<b>531</b>	<b>217</b>	<b>1,560</b>
119 AEP Texas North Co - Distribution	254	13	267	241	143	64	448
166 AEP Texas North Co - Generation	0	0	0	118	66	41	225
192 AEP Texas North Co - Transmission	61	0	61	37	20	8	65
<b>AEP Texas North Co.</b>	<b>315</b>	<b>13</b>	<b>328</b>	<b>396</b>	<b>229</b>	<b>113</b>	<b>738</b>
230 Kingsport Power Co - Distribution	42	3	45	48	29	18	95
260 Kingsport Power Co - Transmission	12	1	13	7	3	1	11
<b>Kingsport Power Co.</b>	<b>54</b>	<b>4</b>	<b>58</b>	<b>55</b>	<b>32</b>	<b>19</b>	<b>106</b>
210 Wheeling Power Co - Distribution	49	2	51	64	44	30	138
200 Wheeling Power Co - Transmission	0	0	0	3	2	9	14
<b>Wheeling Power Co.</b>	<b>49</b>	<b>2</b>	<b>51</b>	<b>67</b>	<b>46</b>	<b>39</b>	<b>152</b>
103 American Service Corporation	4,781	60	4,841	2,650	1,630	235	4,515
<b>American Electric Power Service Corp</b>	<b>4,781</b>	<b>60</b>	<b>4,841</b>	<b>2,650</b>	<b>1,630</b>	<b>235</b>	<b>4,515</b>
143 AEP Pro Serv, Inc.	0	0	0	1	1	0	2
171 CSW Energy, Inc.	30	0	30	8	1	0	9
293 Elmwood	104	7	111	16	3	0	19
292 AEP River Operations LLC	1,014	10	1,024	52	21	0	73
189 Central Coal Company	0	0	0	0	0	0	0
400 AEP Energy Inc.	0	0	0	0	0	0	0
<b>Miscellaneous</b>	<b>1,148</b>	<b>17</b>	<b>1,165</b>	<b>77</b>	<b>26</b>	<b>0</b>	<b>103</b>
<b>Total</b>	<b>18,091</b>	<b>486</b>	<b>18,577</b>	<b>13,420</b>	<b>8,509</b>	<b>3,046</b>	<b>24,975</b>

TOWERS WATSON 

Towers Watson Confidential

## Non-UMWA Postretirement Health Care Plan

**AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
2013 NET PERIODIC POSTRETIREMENT BENEFIT COST**

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$145,968,409	\$8,809,933	\$134,488,536	\$1,260,151	\$5,643,217	(\$9,136,616)	(\$5,097,397)	\$5,216,395	(\$2,114,250)
215 Appalachian Power Co - Generation	123,001,130	7,093,686	113,327,548	1,133,496	4,764,574	(7,699,023)	(4,162,884)	4,395,625	(1,568,212)
150 Appalachian Power Co - Transmission	19,634,385	889,332	18,090,213	172,061	764,960	(1,228,977)	(781,538)	701,663	(371,831)
Appalachian Power Co. - FERC	<b>\$288,603,924</b>	<b>\$16,792,951</b>	<b>\$265,906,297</b>	<b>\$2,565,708</b>	<b>\$11,172,751</b>	<b>(\$18,064,616)</b>	<b>(\$10,041,819)</b>	<b>\$10,313,683</b>	<b>(\$4,054,293)</b>
225 Cedar Coal Co.	1,310,305	144,511	1,207,254	0	48,931	(82,016)	(8,202)	46,826	5,539
Appalachian Power Co. - SEC	<b>\$289,914,229</b>	<b>\$16,937,462</b>	<b>\$267,113,551</b>	<b>\$2,565,708</b>	<b>\$11,221,682</b>	<b>(\$18,146,632)</b>	<b>(\$10,050,021)</b>	<b>\$10,360,509</b>	<b>(\$4,048,754)</b>
211 AEP Texas Central Company - Distribution	\$104,303,496	\$6,007,430	\$96,100,413	\$1,053,192	\$4,044,091	(\$6,528,680)	(\$3,881,048)	\$3,727,438	(\$1,585,007)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	9,525,244	562,187	8,776,119	127,079	370,271	(596,215)	(391,921)	340,399	(150,387)
AEP Texas Central Co.	<b>\$113,828,740</b>	<b>\$6,569,617</b>	<b>\$104,876,532</b>	<b>\$1,180,271</b>	<b>\$4,414,362</b>	<b>(\$7,124,895)</b>	<b>(\$4,288,306)</b>	<b>\$4,067,837</b>	<b>(\$1,760,731)</b>
170 Indiana Michigan Power Co - Distribution	\$73,238,195	\$4,845,829	\$67,478,283	\$716,514	\$2,826,433	(\$4,584,206)	(\$2,601,438)	\$2,617,274	(\$1,025,423)
132 Indiana Michigan Power Co - Generation	42,116,439	2,280,443	38,804,137	511,374	1,639,196	(2,636,199)	(1,850,054)	1,505,093	(830,590)
190 Indiana Michigan Power Co - Nuclear	64,145,582	2,915,680	59,100,771	1,501,994	2,536,052	(4,015,071)	(3,561,730)	2,292,336	(1,246,419)
120 Indiana Michigan Power Co - Transmission	14,866,810	811,467	13,697,591	145,401	577,111	(930,560)	(596,815)	531,287	(273,576)
280 Water Transportation (Lakin)	16,251,382	691,443	14,973,271	344,000	641,994	(1,017,224)	(811,278)	580,767	(261,741)
Indiana Michigan Power Co. - FERC	<b>\$210,618,408</b>	<b>\$11,544,862</b>	<b>\$194,054,053</b>	<b>\$3,219,283</b>	<b>\$8,220,786</b>	<b>(\$13,183,260)</b>	<b>(\$9,421,315)</b>	<b>\$7,526,767</b>	<b>(\$3,637,749)</b>
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	<b>\$210,618,408</b>	<b>\$11,544,862</b>	<b>\$194,054,053</b>	<b>\$3,219,283</b>	<b>\$8,220,786</b>	<b>(\$13,183,260)</b>	<b>(\$9,421,315)</b>	<b>\$7,526,767</b>	<b>(\$3,637,749)</b>
110 Kentucky Power Co - Distribution	\$27,706,262	\$1,456,115	\$25,527,267	\$276,848	\$1,076,853	(\$1,734,221)	(\$1,210,578)	\$990,124	(\$600,974)
117 Kentucky Power Co - Generation	16,255,225	813,567	14,976,812	118,341	630,844	(1,017,465)	(611,828)	580,904	(299,204)
180 Kentucky Power Co - Transmission	3,152,495	128,619	2,904,563	51,717	124,051	(197,324)	(198,150)	112,659	(107,047)
Kentucky Power Co.	<b>\$47,113,981</b>	<b>\$2,398,301</b>	<b>\$43,408,642</b>	<b>\$446,906</b>	<b>\$1,831,748</b>	<b>(\$2,949,010)</b>	<b>(\$2,020,556)</b>	<b>\$1,683,687</b>	<b>(\$1,007,225)</b>
104 Cardinal Operating Company	\$27,951,096	\$1,538,900	\$25,752,847	\$377,958	\$1,088,899	(\$1,749,546)	(\$1,116,823)	\$998,873	(\$400,639)
270 Cook Coal Terminal	1,710,962	81,237	1,576,401	11,544	66,450	(107,094)	(67,747)	61,144	(35,703)
250 Ohio Power Co - Distribution	185,032,541	11,477,511	170,480,419	1,674,231	7,150,432	(11,581,761)	(5,890,961)	6,612,408	(2,035,651)
181 Ohio Power Co - Generation	153,115,998	9,292,591	141,073,993	1,258,435	5,916,039	(9,584,006)	(4,763,607)	5,471,825	(1,701,314)
160 Ohio Power Co - Transmission	29,131,458	1,549,960	26,840,377	255,062	1,130,452	(1,823,428)	(1,031,548)	1,041,055	(428,407)
Ohio Power Co. - FERC	<b>\$396,942,055</b>	<b>\$23,940,199</b>	<b>\$365,724,037</b>	<b>\$3,577,230</b>	<b>\$15,352,272</b>	<b>(\$24,845,835)</b>	<b>(\$12,870,686)</b>	<b>\$14,185,305</b>	<b>(\$4,601,714)</b>
290 Conesville Coal Preparation Company	1,727,667	101,913	1,591,792	0	66,250	(108,140)	(51,555)	61,741	(31,704)
Ohio Power Co. - SEC	<b>\$398,669,722</b>	<b>\$24,042,112</b>	<b>\$367,316,829</b>	<b>\$3,577,230</b>	<b>\$15,418,522</b>	<b>(\$24,953,976)</b>	<b>(\$12,922,241)</b>	<b>\$14,247,046</b>	<b>(\$4,633,418)</b>
167 Public Service Co of Oklahoma - Distribution	\$60,538,216	\$3,439,621	\$55,777,110	\$782,125	\$2,354,879	(\$3,789,275)	(\$2,477,659)	\$2,163,422	(\$966,508)
198 Public Service Co of Oklahoma - Generation	29,253,176	1,445,768	26,952,523	487,207	1,146,468	(1,831,047)	(1,498,642)	1,045,405	(650,609)
114 Public Service Co of Oklahoma - Transmission	7,483,156	432,601	6,894,633	102,691	291,180	(468,394)	(313,349)	267,422	(120,450)
Public Service Co. of Oklahoma	<b>\$97,274,549</b>	<b>\$5,317,990</b>	<b>\$89,624,266</b>	<b>\$1,372,023</b>	<b>\$3,792,527</b>	<b>(\$6,088,716)</b>	<b>(\$4,289,650)</b>	<b>\$3,476,249</b>	<b>(\$1,737,567)</b>
159 Southwestern Electric Power Co - Distribution	\$42,089,186	\$2,140,799	\$38,779,028	\$634,723	\$1,645,723	(\$2,634,493)	(\$1,794,965)	\$1,504,119	(\$644,893)
168 Southwestern Electric Power Co - Generation	40,935,558	1,950,814	37,716,128	730,812	1,607,666	(2,562,284)	(2,137,691)	1,462,892	(898,605)
161 Southwestern Electric Power Co - Texas - Distribution	20,012,228	1,021,117	18,436,341	247,369	780,282	(1,252,626)	(942,674)	715,166	(452,465)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	6,890,443	379,128	6,348,535	79,722	267,906	(431,294)	(280,205)	246,240	(117,631)
Southwestern Electric Power Co.	<b>\$109,927,414</b>	<b>\$5,491,858</b>	<b>\$101,282,032</b>	<b>\$1,692,626</b>	<b>\$4,301,577</b>	<b>(\$6,880,699)</b>	<b>(\$5,155,535)</b>	<b>\$3,928,417</b>	<b>(\$2,113,614)</b>
119 AEP Texas North Co - Distribution	\$29,265,656	\$1,519,023	\$28,964,021	\$328,827	\$1,139,272	(\$1,831,828)	(\$1,276,048)	\$1,045,851	(\$593,926)
166 AEP Texas North Co - Generation	7,693,318	579,341	7,088,267	0	292,555	(481,549)	(67,677)	274,932	18,261
192 AEP Texas North Co - Transmission	4,140,043	169,309	3,814,444	79,049	163,343	(259,138)	(233,844)	147,950	(102,640)
FERC and SEC Total	<b>\$41,099,017</b>	<b>\$2,267,673</b>	<b>\$37,866,732</b>	<b>\$407,876</b>	<b>\$1,595,170</b>	<b>(\$2,672,515)</b>	<b>(\$1,577,869)</b>	<b>\$1,468,733</b>	<b>(\$678,305)</b>
230 Kingsport Power Co - Distribution	\$5,387,479	\$380,493	\$4,963,774	\$51,821	\$207,802	(\$337,219)	(\$177,403)	\$192,529	(\$62,470)
260 Kingsport Power Co - Transmission	936,586	45,114	862,927	9,798	36,500	(58,624)	(40,419)	33,470	(19,275)
Kingsport Power Co.	<b>\$6,324,065</b>	<b>\$405,607</b>	<b>\$5,826,701</b>	<b>\$61,619</b>	<b>\$244,302</b>	<b>(\$395,843)</b>	<b>(\$217,822)</b>	<b>\$225,999</b>	<b>(\$81,745)</b>
210 Wheeling Power Co - Distribution	\$7,755,170	\$509,691	\$7,145,254	\$63,022	\$298,850	(\$485,420)	(\$259,071)	\$277,142	(\$105,477)
200 Wheeling Power Co - Transmission	414,220	42,326	381,643	0	15,534	(25,927)	(2,613)	14,803	1,797
Wheeling Power Co.	<b>\$8,169,390</b>	<b>\$552,017</b>	<b>\$7,526,897</b>	<b>\$63,022</b>	<b>\$314,384</b>	<b>(\$511,347)</b>	<b>(\$261,684)</b>	<b>\$291,945</b>	<b>(\$103,680)</b>
103 American Service Corporation	\$363,021,781	\$18,211,560	\$334,471,466	\$5,496,912	\$14,200,293	(\$22,722,660)	(\$17,282,218)	\$12,973,115	(\$7,334,558)
American Electric Power Service Corp	<b>\$363,021,781</b>	<b>\$18,211,560</b>	<b>\$334,471,466</b>	<b>\$5,496,912</b>	<b>\$14,200,293</b>	<b>(\$22,722,660)</b>	<b>(\$17,282,218)</b>	<b>\$12,973,115</b>	<b>(\$7,334,558)</b>
143 AEP Pro Serv, Inc.	\$175,337	\$13,733	\$161,547	\$0	\$6,657	(\$10,975)	(\$1,133)	\$6,266	\$815
171 CSW Energy, Inc.	544,265	8,205	501,460	21,837	22,201	(34,067)	(47,052)	19,450	(17,631)
293 Elmwood	3,043,333	52,874	2,803,986	155,715	125,328	(190,492)	(276,067)	108,758	(76,758)
292 AEP River Operations LLC	12,588,009	269,087	11,598,009	1,064,609	534,015	(787,923)	(1,245,634)	449,851	14,918
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	<b>\$16,350,943</b>	<b>\$343,899</b>	<b>\$15,065,002</b>	<b>\$1,242,161</b>	<b>\$688,201</b>	<b>(\$1,023,457)</b>	<b>(\$1,569,886)</b>	<b>\$584,325</b>	<b>(\$78,656)</b>
<b>Total</b>	<b>\$1,702,312,240</b>	<b>\$94,082,958</b>	<b>\$1,568,431,703</b>	<b>\$21,325,637</b>	<b>\$66,243,554</b>	<b>(\$106,553,009)</b>	<b>(\$69,056,803)</b>	<b>\$60,834,619</b>	<b>(\$27,206,002)</b>

Location	ASC 715-60 Cost										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Estimated Net Periodic Postretirement Benefit Cost										
140 Appalachian Power Co - Distribution	(\$2,114,250)	(\$3,244,023)	(\$3,311,334)	(\$3,599,423)	(\$4,181,978)	(\$4,397,453)	(\$4,519,077)	(\$4,618,592)	(\$4,695,101)	(\$4,746,802)	(\$4,151,525)
215 Appalachian Power Co - Generation	(\$1,568,212)	(\$2,530,230)	(\$2,582,442)	(\$2,823,924)	(\$3,321,820)	(\$3,508,399)	(\$3,610,988)	(\$3,697,814)	(\$3,766,096)	(\$3,813,647)	(\$3,288,863)
150 Appalachian Power Co - Transmission	(\$371,831)	(\$522,940)	(\$528,853)	(\$567,607)	(\$650,840)	(\$684,715)	(\$704,397)	(\$722,539)	(\$737,481)	(\$750,103)	(\$661,578)
Appalachian Power Co. - FERC	(4,054,293)	(6,297,192)	(6,422,628)	(6,990,953)	(8,154,637)	(8,590,566)	(8,834,461)	(9,038,944)	(9,198,677)	(9,310,551)	(8,101,966)
225 Cedar Coal Co	\$5,539	(\$2,588)	(\$3,882)	(\$6,815)	(\$11,252)	(\$12,737)	(\$13,485)	(\$13,899)	(\$14,067)	(\$14,017)	(\$10,327)
Appalachian Power Co. - SEC	(4,048,754)	(6,299,780)	(6,426,510)	(6,997,768)	(8,166,889)	(8,603,303)	(8,847,946)	(9,052,843)	(9,212,744)	(9,324,568)	(8,112,294)
211 AEP Texas Central Company - Distribution	(\$1,585,007)	(\$2,419,547)	(\$2,459,636)	(\$2,659,601)	(\$3,080,399)	(\$3,234,769)	(\$3,325,553)	(\$3,399,755)	(\$3,458,486)	(\$3,500,742)	(\$3,050,223)
147 AEP Texas Central Company - Generation	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$15,337)	(\$9,145)
169 AEP Texas Central Company - Transmission	(\$150,387)	(\$232,758)	(\$235,358)	(\$252,605)	(\$290,870)	(\$304,330)	(\$311,513)	(\$317,283)	(\$321,336)	(\$323,964)	(\$278,975)
AEP Texas Central Co.	(1,750,731)	(2,667,643)	(2,710,332)	(2,927,644)	(3,386,607)	(3,554,437)	(3,652,434)	(3,732,376)	(3,795,160)	(3,840,044)	(3,338,343)
170 Indiana Michigan Power Co - Distribution	(\$1,025,423)	(\$1,609,146)	(\$1,643,137)	(\$1,784,836)	(\$2,068,637)	(\$2,169,776)	(\$2,224,543)	(\$2,264,883)	(\$2,292,657)	(\$2,309,683)	(\$1,972,986)
132 Indiana Michigan Power Co - Generation	(\$830,590)	(\$1,185,971)	(\$1,200,284)	(\$1,279,565)	(\$1,447,630)	(\$1,507,818)	(\$1,538,969)	(\$1,564,192)	(\$1,583,166)	(\$1,591,299)	(\$1,383,200)
190 Indiana Michigan Power Co - Nuclear	(\$1,246,419)	(\$1,929,054)	(\$1,927,055)	(\$2,025,896)	(\$2,279,203)	(\$2,357,419)	(\$2,386,348)	(\$2,405,241)	(\$2,414,522)	(\$2,412,326)	(\$2,015,326)
120 Indiana Michigan Power Co - Transmission	(\$273,576)	(\$391,718)	(\$397,004)	(\$425,390)	(\$486,113)	(\$508,948)	(\$522,435)	(\$534,037)	(\$543,635)	(\$551,681)	(\$479,015)
280 Water Transportation (Lakin)	(\$261,741)	(\$428,398)	(\$428,999)	(\$455,522)	(\$520,927)	(\$542,749)	(\$552,988)	(\$559,883)	(\$563,509)	(\$564,890)	(\$479,163)
Indiana Michigan Power Co. - FERC	(3,637,749)	(5,544,288)	(5,596,480)	(6,971,210)	(8,802,511)	(9,086,711)	(9,225,304)	(9,328,237)	(9,397,490)	(9,429,880)	(6,329,708)
202 Price River Coal Co	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Indiana Michigan Power Co. - SEC	(3,637,749)	(5,544,288)	(5,596,480)	(6,971,210)	(8,802,511)	(9,086,711)	(9,225,304)	(9,328,237)	(9,397,490)	(9,429,880)	(6,329,708)
110 Kentucky Power Co - Distribution	(\$800,974)	(\$822,722)	(\$832,848)	(\$886,281)	(\$1,000,190)	(\$1,041,051)	(\$1,065,590)	(\$1,086,494)	(\$1,100,399)	(\$1,108,922)	(\$983,233)
117 Kentucky Power Co - Generation	(\$299,204)	(\$419,533)	(\$426,770)	(\$460,720)	(\$527,451)	(\$553,869)	(\$570,181)	(\$584,074)	(\$596,270)	(\$606,050)	(\$536,240)
180 Kentucky Power Co - Transmission	(\$107,047)	(\$136,615)	(\$137,132)	(\$142,230)	(\$155,557)	(\$159,871)	(\$161,935)	(\$164,182)	(\$165,321)	(\$167,086)	(\$148,931)
Kentucky Power Co.	(1,007,225)	(1,378,870)	(1,396,750)	(1,489,231)	(1,683,198)	(1,754,791)	(1,797,706)	(1,834,760)	(1,861,990)	(1,882,058)	(1,668,404)
104 Cardinal Operating Company	(\$400,639)	(\$645,142)	(\$652,478)	(\$703,878)	(\$814,030)	(\$853,764)	(\$874,199)	(\$891,229)	(\$904,351)	(\$911,839)	(\$780,051)
230 Cook Coal Terminal	(\$35,703)	(\$48,075)	(\$49,051)	(\$52,824)	(\$59,961)	(\$62,881)	(\$64,494)	(\$65,644)	(\$66,395)	(\$66,801)	(\$59,547)
250 Ohio Power Co - Distribution	(\$995,425)	(\$2,438,327)	(\$2,519,196)	(\$2,881,846)	(\$3,621,010)	(\$3,895,022)	(\$4,052,577)	(\$4,176,051)	(\$4,270,482)	(\$4,337,038)	(\$3,747,467)
181 Ohio Power Co - Generation	(\$578,757)	(\$1,737,460)	(\$1,804,739)	(\$2,112,345)	(\$2,729,587)	(\$2,964,053)	(\$3,104,689)	(\$3,213,905)	(\$3,303,920)	(\$3,369,811)	(\$2,895,690)
160 Ohio Power Co - Transmission	(\$2,591,190)	(\$2,815,359)	(\$2,827,681)	(\$2,883,870)	(\$3,051,449)	(\$3,079,778)	(\$3,103,945)	(\$3,123,054)	(\$3,138,081)	(\$3,152,038)	(\$2,712,038)
Ohio Power Co. - FERC	(4,601,714)	(7,884,362)	(7,853,144)	(8,634,762)	(10,228,791)	(10,827,168)	(11,175,736)	(11,450,773)	(11,668,201)	(11,823,569)	(10,194,792)
290 Conesville Coal Preparation Company	(\$31,704)	(\$42,044)	(\$43,548)	(\$47,439)	(\$54,610)	(\$57,704)	(\$59,754)	(\$61,247)	(\$62,328)	(\$62,867)	(\$56,685)
Ohio Power Co. - SEC	(4,633,418)	(7,726,406)	(7,896,692)	(8,682,201)	(10,283,401)	(10,884,872)	(11,235,490)	(11,512,020)	(11,730,529)	(11,886,436)	(10,251,477)
167 Public Service Co of Oklahoma - Distribution	(\$966,508)	(\$1,481,725)	(\$1,501,362)	(\$1,612,363)	(\$1,854,305)	(\$1,939,068)	(\$1,987,158)	(\$2,024,441)	(\$2,049,330)	(\$2,069,433)	(\$1,783,377)
198 Public Service Co of Oklahoma - Generation	(\$650,609)	(\$925,562)	(\$931,156)	(\$981,614)	(\$1,096,798)	(\$1,136,731)	(\$1,155,921)	(\$1,170,986)	(\$1,178,862)	(\$1,184,161)	(\$1,030,030)
114 Public Service Co of Oklahoma - Transmission	(\$120,450)	(\$186,947)	(\$188,368)	(\$201,748)	(\$230,796)	(\$241,175)	(\$246,190)	(\$250,851)	(\$253,556)	(\$255,461)	(\$220,498)
Public Service Co. of Oklahoma	(1,737,567)	(2,594,233)	(2,620,885)	(2,795,724)	(3,181,898)	(3,316,973)	(3,389,268)	(3,446,277)	(3,481,747)	(3,509,054)	(3,033,905)
159 Southwestern Electric Power Co - Distribution	(\$644,893)	(\$1,026,579)	(\$1,035,012)	(\$1,107,678)	(\$1,275,848)	(\$1,335,139)	(\$1,366,766)	(\$1,391,635)	(\$1,410,838)	(\$1,422,520)	(\$1,344,350)
168 Southwestern Electric Power Co - Generation	(\$898,605)	(\$1,295,151)	(\$1,301,200)	(\$1,370,948)	(\$1,532,594)	(\$1,587,865)	(\$1,610,005)	(\$1,629,629)	(\$1,642,837)	(\$1,649,740)	(\$1,430,077)
161 Southwestern Electric Power Co - Texas - Distribution	(\$452,485)	(\$623,703)	(\$629,883)	(\$667,096)	(\$747,085)	(\$776,862)	(\$792,167)	(\$805,711)	(\$815,069)	(\$822,940)	(\$726,674)
111 Southwestern Electric Power Co - Texas - Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
194 Southwestern Electric Power Co - Transmission	(\$117,631)	(\$175,891)	(\$177,617)	(\$190,526)	(\$218,588)	(\$228,275)	(\$233,705)	(\$238,686)	(\$242,391)	(\$245,495)	(\$213,669)
Southwestern Electric Power Co.	(2,113,614)	(3,121,325)	(3,143,713)	(3,336,249)	(3,774,116)	(3,928,142)	(4,002,614)	(4,065,662)	(4,111,136)	(4,136,696)	(3,714,769)
119 AEP Texas North Co - Distribution	(\$593,926)	(\$836,289)	(\$846,493)	(\$902,186)	(\$1,021,734)	(\$1,062,763)	(\$1,086,779)	(\$1,106,530)	(\$1,120,530)	(\$1,130,849)	(\$994,602)
166 AEP Texas North Co - Generation	\$18,261	(\$26,481)	(\$31,827)	(\$49,626)	(\$81,253)	(\$93,877)	(\$102,700)	(\$109,586)	(\$115,466)	(\$119,929)	(\$94,169)
192 AEP Texas North Co - Transmission	(\$102,640)	(\$143,753)	(\$144,252)	(\$151,490)	(\$168,539)	(\$173,858)	(\$178,284)	(\$178,262)	(\$179,218)	(\$179,467)	(\$155,531)
FERC and SEC Total	(678,305)	(1,006,523)	(1,022,672)	(1,103,302)	(1,271,526)	(1,330,498)	(1,365,763)	(1,394,378)	(1,415,214)	(1,430,245)	(1,244,302)
230 Kingsport Power Co - Distribution	(\$62,470)	(\$104,719)	(\$106,687)	(\$116,965)	(\$138,813)	(\$146,834)	(\$150,910)	(\$154,657)	(\$157,697)	(\$159,632)	(\$137,302)
260 Kingsport Power Co - Transmission	(\$19,275)	(\$26,990)	(\$27,400)	(\$29,456)	(\$33,133)	(\$34,356)	(\$35,122)	(\$35,502)	(\$36,067)	(\$36,541)	(\$31,203)
Kingsport Power Co.	(81,745)	(131,709)	(134,087)	(146,421)	(171,946)	(181,190)	(186,032)	(190,159)	(193,764)	(196,173)	(168,505)
210 Wheeling Power Co - Distribution	(\$105,477)	(\$164,597)	(\$168,470)	(\$183,745)	(\$214,285)	(\$225,074)	(\$231,835)	(\$237,222)	(\$241,007)	(\$243,910)	(\$212,651)
200 Wheeling Power Co - Transmission	\$1,797	(\$754)	(\$1,159)	(\$2,103)	(\$3,612)	(\$4,117)	(\$4,381)	(\$4,525)	(\$4,568)	(\$4,524)	(\$3,295)
Wheeling Power Co.	(103,680)	(165,351)	(169,629)	(185,848)	(217,897)	(229,191)	(236,216)	(241,747)	(245,575)	(248,434)	(215,946)
103 American Service Corporation	(\$7,334,558)	(\$10,566,282)	(\$10,644,079)	(\$11,284,680)	(\$12,748,731)	(\$13,261,206)	(\$13,519,652)	(\$13,729,326)	(\$13,882,384)	(\$13,990,813)	(\$11,857,605)
American Electric Power Service Corp	(7,334,558)	(10,566,282)	(10,644,079)	(11,284,680)	(12,748,731)	(13,261,206)	(13,519,652)	(13,729,326)	(13,882,384)	(13,990,813)	(11,857,605)
143 AEP Pro Serv, Inc.	\$815	(\$238)	(\$460)	(\$909)	(\$1,625)	(\$1,676)	(\$1,849)	(\$1,736)	(\$1,888)	(\$2,035)	(\$1,699)
171 CSW Energy, Inc.	(\$17,631)	(\$25,477)	(\$25,065)	(\$25,485)	(\$27,677)	(\$28,326)	(\$28,504)	(\$28,699)	(\$28,918)	(\$29,175)	(\$24,788)
293 Elmwood	(\$76,758)	(\$124,228)	(\$121,489)	(\$123,282)	(\$134,821)	(\$137,317)	(\$136,707)	(\$135,259)	(\$133,807)	(\$132,233)	(\$111,522)
292 AEP River Operations LLC	\$14,918	(\$274,134)	(\$249,814)	(\$243,536)	(\$283,880)	(\$284,675)	(\$265,239)	(\$246,413)	(\$228,433)	(\$208,397)	(\$92,303)
189 Central Coal Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
400 AEP Energy, Inc	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	(78,656)	(424,077)	(396,828)	(393,212)	(448,003)	(451,994)	(432,299)	(412,107)	(393,146)	(371,840)	(230,312)
Total	(\$27,206,002)	(\$41,626,488)	(\$42,158,558)	(\$45,313,391)	(\$52,135,724)	(\$54,583,309)	(\$55,890,725)	(\$56,939,883)	(\$57,720,880)	(\$58,246,242)	(\$50,165,569)



Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2014 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$130,124,292	\$9,226,164	\$135,212,926	\$1,010,845	\$5,759,088	(\$8,519,147)	(\$5,097,397)	\$3,602,588	(\$3,244,023)
215 Appalachian Power Co - Generation	110,184,585	7,412,197	114,493,458	907,864	4,887,955	(7,213,708)	(4,162,884)	3,050,543	(2,530,230)
150 Appalachian Power Co - Transmission	17,658,250	966,426	18,348,793	137,810	787,979	(1,158,073)	(781,538)	488,882	(522,940)
Appalachian Power Co. - FERC	\$257,967,127	\$17,604,787	\$268,055,177	\$2,056,519	\$11,435,022	(\$16,888,928)	(\$10,041,818)	\$7,142,013	(\$6,297,192)
225 Cedar Coal Co	1,144,727	143,103	1,189,493	0	48,866	(74,945)	(8,202)	31,693	(2,588)
Appalachian Power Co. - SEC	\$259,111,854	\$17,747,890	\$269,244,670	\$2,056,519	\$11,483,888	(\$16,963,873)	(\$10,050,020)	\$7,173,706	(\$6,299,780)
211 AEP Texas Central Company - Distribution	\$93,190,683	\$6,149,930	\$96,834,993	\$842,424	\$4,140,152	(\$6,101,129)	(\$3,881,048)	\$2,580,054	(\$2,419,547)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	8,460,253	535,434	8,791,099	101,316	377,506	(553,887)	(391,921)	234,228	(232,758)
AEP Texas Central Co.	\$101,650,936	\$6,685,364	\$105,626,092	\$943,740	\$4,517,658	(\$6,655,016)	(\$4,288,307)	\$2,814,282	(\$2,667,643)
170 Indiana Michigan Power Co - Distribution	\$65,064,810	\$4,987,773	\$67,609,231	\$576,215	\$2,874,457	(\$4,259,748)	(\$2,601,438)	\$1,801,368	(\$1,609,146)
132 Indiana Michigan Power Co - Generation	37,271,496	2,397,378	38,729,033	411,882	1,660,851	(2,440,139)	(1,850,054)	1,031,889	(1,185,871)
190 Indiana Michigan Power Co - Nuclear	57,268,704	3,174,749	59,508,251	1,207,257	2,589,234	(3,749,342)	(3,561,730)	1,585,527	(1,929,054)
120 Indiana Michigan Power Co - Transmission	13,288,631	831,295	13,800,296	115,980	591,208	(869,997)	(596,815)	367,906	(391,718)
280 Water Transportation (Lakin)	14,622,248	765,270	15,194,065	274,762	660,598	(957,308)	(811,278)	404,828	(428,398)
Indiana Michigan Power Co. - FERC	\$187,615,889	\$12,156,465	\$194,848,876	\$2,585,896	\$8,376,148	(\$12,276,534)	(\$9,421,316)	\$5,191,518	(\$5,544,288)
202 Price River Coal Co	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$187,615,889	\$12,156,465	\$194,848,876	\$2,585,896	\$8,376,148	(\$12,276,534)	(\$9,421,316)	\$5,191,518	(\$5,544,288)
110 Kentucky Power Co - Distribution	\$24,581,602	\$1,528,500	\$25,542,889	\$222,439	\$1,094,197	(\$1,809,340)	(\$1,210,578)	\$680,560	(\$822,722)
117 Kentucky Power Co - Generation	14,604,740	871,601	15,175,872	94,889	649,225	(956,162)	(611,828)	404,343	(419,533)
180 Kentucky Power Co - Transmission	2,787,923	140,816	2,898,947	41,310	125,562	(182,523)	(198,150)	77,186	(136,615)
Kentucky Power Co.	\$41,974,265	\$2,540,917	\$43,615,708	\$358,638	\$1,868,984	(\$2,748,025)	(\$2,020,556)	\$1,162,089	(\$1,378,870)
104 Cardinal Operating Company	\$24,904,249	\$1,619,922	\$25,878,153	\$302,202	\$1,110,450	(\$1,630,464)	(\$1,116,823)	\$689,493	(\$645,142)
270 Cook Coal Terminal	1,532,125	87,707	1,592,040	9,395	68,166	(100,307)	(67,747)	42,418	(48,075)
250 Ohio Power Co - Distribution	165,384,811	11,745,970	171,852,341	1,339,786	7,321,721	(10,827,628)	(5,890,962)	4,578,802	(3,478,281)
181 Ohio Power Co - Generation	137,200,988	9,377,557	142,566,363	1,009,287	6,077,602	(8,982,453)	(4,763,607)	3,798,512	(2,860,659)
160 Ohio Power Co - Transmission	26,175,590	1,591,546	27,199,211	203,888	1,164,461	(1,713,698)	(1,031,548)	724,691	(652,206)
Ohio Power Co. - FERC	\$355,197,763	\$24,422,702	\$369,088,108	\$2,864,558	\$15,742,400	(\$23,254,550)	(\$12,870,686)	\$9,833,916	(\$7,684,362)
290 Conesville Coal Preparation Company	1,594,559	124,177	1,656,916	0	69,759	(104,395)	(51,555)	44,147	(42,044)
Ohio Power Co. - SEC	\$356,792,322	\$24,546,879	\$370,745,024	\$2,864,558	\$15,812,159	(\$23,358,945)	(\$12,922,241)	\$9,878,063	(\$7,726,406)
167 Public Service Co of Oklahoma - Distribution	\$54,151,650	\$3,485,271	\$56,269,302	\$627,914	\$2,414,062	(\$3,545,271)	(\$2,477,659)	\$1,499,229	(\$1,481,725)
198 Public Service Co of Oklahoma - Generation	25,934,794	1,577,594	26,948,999	390,671	1,162,318	(1,697,933)	(1,498,642)	718,024	(925,562)
114 Public Service Co of Oklahoma - Transmission	6,631,482	479,566	6,890,812	82,275	294,687	(434,158)	(313,349)	183,598	(186,947)
Public Service Co. of Oklahoma	\$86,717,926	\$5,542,431	\$90,109,113	\$1,100,860	\$3,871,067	(\$5,677,362)	(\$4,289,649)	\$2,400,851	(\$2,594,233)
159 Southwestern Electric Power Co - Distribution	\$37,380,354	\$2,285,226	\$38,842,148	\$508,229	\$1,672,520	(\$2,447,266)	(\$1,794,965)	\$1,034,903	(\$1,026,579)
168 Southwestern Electric Power Co - Generation	36,219,560	2,157,964	37,635,960	584,984	1,626,059	(2,371,269)	(2,137,691)	1,002,766	(1,295,151)
161 Southwestern Electric Power Co - Texas - Distribution	17,810,624	1,105,027	18,507,125	197,414	794,506	(1,166,049)	(942,674)	493,100	(623,703)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	6,155,162	411,512	6,395,865	63,200	273,678	(402,974)	(280,205)	170,410	(175,891)
Southwestern Electric Power Co.	\$97,565,700	\$5,959,729	\$101,381,098	\$1,353,827	\$4,366,768	(\$6,387,658)	(\$5,155,536)	\$2,701,179	(\$3,121,325)
119 AEP Texas North Co - Distribution	\$26,045,779	\$1,653,980	\$27,064,324	\$263,977	\$1,159,884	(\$1,705,199)	(\$1,276,048)	\$721,097	(\$836,289)
166 AEP Texas North Co - Generation	6,979,908	562,924	7,252,864	0	304,922	(456,970)	(67,677)	193,244	(26,481)
192 AEP Texas North Co - Transmission	3,685,175	191,684	3,829,287	63,096	166,234	(241,266)	(233,844)	102,027	(143,753)
FERC and SEC Total	\$36,710,862	\$2,408,588	\$38,146,475	\$327,073	\$1,631,040	(\$2,403,435)	(\$1,577,569)	\$1,016,368	(\$1,006,623)
230 Kingsport Power Co - Distribution	\$4,789,878	\$334,246	\$4,977,191	\$41,361	\$212,302	(\$313,590)	(\$177,403)	\$132,611	(\$104,719)
260 Kingsport Power Co - Transmission	832,338	50,224	864,887	7,782	37,096	(54,493)	(40,419)	23,044	(26,990)
Kingsport Power Co.	\$5,622,216	\$384,470	\$5,842,078	\$49,143	\$249,398	(\$368,083)	(\$217,822)	\$165,655	(\$131,709)
210 Wheeling Power Co - Distribution	\$6,884,765	\$512,733	\$7,154,000	\$50,582	\$304,023	(\$450,741)	(\$259,071)	\$190,610	(\$164,597)
200 Wheeling Power Co - Transmission	365,104	42,604	379,382	0	15,654	(23,903)	(2,613)	10,108	(754)
Wheeling Power Co.	\$7,249,869	\$555,337	\$7,533,382	\$50,582	\$319,677	(\$474,644)	(\$261,684)	\$200,718	(\$165,351)
103 American Service Corporation	\$325,470,674	\$19,529,260	\$338,198,514	\$4,441,707	\$14,571,664	(\$21,308,337)	(\$17,282,218)	\$9,010,902	(\$10,566,282)
American Electric Power Service Corp	\$325,470,674	\$19,529,260	\$338,198,514	\$4,441,707	\$14,571,664	(\$21,308,337)	(\$17,282,218)	\$9,010,902	(\$10,566,282)
143 AEP Pro Serv, Inc.	\$158,569	\$14,607	\$164,770	\$0	\$6,886	(\$10,381)	(\$1,133)	\$4,390	(\$238)
171 CSW Energy, Inc.	494,996	10,923	514,353	17,218	23,060	(32,407)	(47,052)	13,704	(25,477)
293 Elmwood	2,774,257	80,336	2,882,747	126,485	130,176	(181,629)	(276,067)	76,807	(124,228)
292 AEP River Operations LLC	11,595,404	411,449	12,048,853	852,493	557,123	(759,143)	(1,245,634)	321,027	(274,134)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$15,023,226	\$517,316	\$15,610,723	\$996,196	\$717,245	(\$983,560)	(\$1,569,886)	\$415,928	(\$424,077)
<b>Total</b>	<b>\$1,521,405,739</b>	<b>\$98,574,645</b>	<b>\$1,580,901,753</b>	<b>\$17,128,739</b>	<b>\$67,785,691</b>	<b>(\$99,605,372)</b>	<b>(\$69,056,805)</b>	<b>\$42,121,259</b>	<b>(\$41,626,488)</b>



AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2015 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$125,808,461	\$9,522,669	\$133,948,828	\$1,038,449	\$5,740,591	(\$8,103,682)	(\$5,097,397)	\$3,110,705	(\$3,311,334)
215 Appalachian Power Co - Generation	106,986,813	7,680,919	113,910,186	932,656	4,893,786	(6,891,326)	(4,162,884)	2,645,326	(2,582,442)
150 Appalachian Power Co - Transmission	17,360,997	968,619	18,484,469	141,573	800,120	(1,118,271)	(781,538)	429,263	(528,853)
Appalachian Power Co. - FERC	\$250,156,271	\$18,172,207	\$266,344,483	\$2,112,678	\$11,434,497	(\$16,113,279)	(\$10,041,818)	\$6,185,294	(\$6,422,628)
225 Cedar Coal Co.	1,035,189	139,880	1,102,179	0	45,404	(66,880)	(8,202)	25,596	(3,882)
Appalachian Power Co. - SEC	\$251,191,460	\$18,312,087	\$267,446,662	\$2,112,678	\$11,479,901	(\$16,179,959)	(\$10,050,020)	\$6,210,890	(\$6,426,510)
211 AEP Texas Central Company - Distribution	\$90,682,926	\$6,384,332	\$96,551,235	\$865,429	\$4,154,928	(\$5,841,146)	(\$3,881,048)	\$2,242,201	(\$2,459,636)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	8,281,234	558,400	8,817,132	104,083	381,138	(533,418)	(391,921)	204,760	(235,358)
AEP Texas Central Co.	\$98,964,160	\$6,922,732	\$105,368,367	\$969,512	\$4,536,066	(\$6,374,564)	(\$4,288,307)	\$2,446,961	(\$2,710,332)
170 Indiana Michigan Power Co - Distribution	\$62,602,371	\$5,134,431	\$68,653,520	\$591,950	\$2,850,859	(\$4,032,397)	(\$2,601,438)	\$1,547,889	(\$1,643,137)
132 Indiana Michigan Power Co - Generation	36,408,293	2,551,851	38,764,361	422,924	1,671,787	(2,345,162)	(1,850,054)	900,221	(1,200,284)
190 Indiana Michigan Power Co - Nuclear	57,047,220	3,487,654	60,738,882	1,240,224	2,658,491	(3,674,574)	(3,561,730)	1,410,534	(1,927,055)
120 Indiana Michigan Power Co - Transmission	12,972,771	852,514	13,812,270	119,147	595,516	(835,813)	(596,815)	320,761	(397,004)
280 Water Transportation (Lakin)	14,576,874	854,556	15,520,178	282,265	678,528	(938,938)	(811,278)	380,424	(428,999)
Indiana Michigan Power Co. - FERC	\$183,607,529	\$12,881,006	\$195,489,211	\$2,656,510	\$8,455,181	(\$11,826,684)	(\$9,421,316)	\$4,539,829	(\$5,596,480)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$183,607,529	\$12,881,006	\$195,489,211	\$2,656,510	\$8,455,181	(\$11,826,684)	(\$9,421,316)	\$4,539,829	(\$5,596,480)
110 Kentucky Power Co - Distribution	\$24,014,771	\$1,598,815	\$25,568,824	\$228,513	\$1,102,294	(\$1,546,860)	(\$1,210,578)	\$593,783	(\$832,848)
117 Kentucky Power Co - Generation	14,266,379	918,290	15,189,591	97,480	653,769	(918,938)	(611,828)	352,747	(426,770)
180 Kentucky Power Co - Transmission	2,772,991	158,995	2,952,438	42,438	128,632	(178,616)	(198,150)	68,564	(137,132)
Kentucky Power Co.	\$41,054,141	\$2,676,100	\$43,710,853	\$368,431	\$1,884,695	(\$2,644,414)	(\$2,020,556)	\$1,015,094	(\$1,396,750)
104 Cardinal Operating Company	\$24,337,245	\$1,664,913	\$25,912,166	\$310,454	\$1,119,766	(\$1,567,631)	(\$1,116,823)	\$601,756	(\$652,478)
270 Cook Coal Terminal	1,499,810	102,334	1,596,866	9,652	68,567	(96,607)	(67,747)	37,084	(49,051)
250 Ohio Power Co - Distribution	159,936,297	12,003,578	170,286,157	1,376,373	7,302,850	(10,301,953)	(5,890,962)	3,954,540	(3,559,540)
181 Ohio Power Co - Generation	132,945,229	9,560,550	141,548,433	1,036,849	6,075,065	(8,563,381)	(4,763,607)	3,287,167	(2,927,907)
160 Ohio Power Co - Transmission	25,574,373	1,693,161	27,229,352	209,456	1,172,508	(1,647,318)	(1,031,548)	632,345	(664,557)
Ohio Power Co. - FERC	\$344,292,954	\$25,024,536	\$366,572,974	\$2,942,784	\$15,738,756	(\$22,176,890)	(\$12,870,686)	\$8,512,892	(\$7,853,144)
290 Conesville Coal Preparation Company	1,517,707	133,069	1,615,921	0	68,241	(97,780)	(51,555)	37,526	(43,548)
Ohio Power Co. - SEC	\$345,810,661	\$25,157,605	\$368,188,895	\$2,942,784	\$15,806,997	(\$22,274,650)	(\$12,922,241)	\$8,550,418	(\$7,896,692)
167 Public Service Co of Oklahoma - Distribution	\$52,926,044	\$3,707,437	\$56,351,015	\$645,061	\$2,431,718	(\$3,409,117)	(\$2,477,659)	\$1,308,635	(\$1,501,362)
198 Public Service Co of Oklahoma - Generation	25,532,784	1,697,585	27,185,072	401,339	1,179,469	(1,644,639)	(1,498,642)	631,317	(931,156)
114 Public Service Co of Oklahoma - Transmission	6,433,779	454,712	6,850,124	84,522	295,797	(414,418)	(313,349)	159,080	(188,368)
Public Service Co. of Oklahoma	\$84,892,607	\$5,859,714	\$90,386,211	\$1,130,922	\$3,906,984	(\$5,468,174)	(\$4,289,649)	\$2,099,032	(\$2,620,885)
159 Southwestern Electric Power Co - Distribution	\$36,732,920	\$2,381,263	\$39,109,995	\$522,108	\$1,695,669	(\$2,366,072)	(\$1,794,965)	\$908,248	(\$1,035,012)
168 Southwestern Electric Power Co - Generation	35,744,295	2,329,178	38,057,394	600,959	1,654,120	(2,302,392)	(2,137,691)	883,804	(1,301,200)
161 Southwestern Electric Power Co - Texas - Distribution	17,439,737	1,165,759	18,588,304	202,805	802,119	(1,123,343)	(942,674)	431,210	(629,883)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,991,960	396,406	6,379,714	64,926	275,465	(385,959)	(280,205)	148,156	(177,617)
Southwestern Electric Power Co.	\$95,908,912	\$6,272,606	\$102,116,407	\$1,390,798	\$4,427,373	(\$6,177,766)	(\$5,155,536)	\$2,371,418	(\$3,143,713)
119 AEP Texas North Co - Distribution	\$25,439,632	\$1,739,696	\$27,085,892	\$271,186	\$1,167,995	(\$1,638,639)	(\$1,276,048)	\$629,013	(\$846,493)
166 AEP Texas North Co - Generation	6,623,995	542,016	7,052,650	0	298,737	(426,670)	(67,677)	163,783	(31,827)
192 AEP Texas North Co - Transmission	3,668,595	219,609	3,905,999	64,819	170,369	(236,305)	(233,844)	90,709	(144,252)
FERC and SEC Total	\$35,732,222	\$2,501,321	\$38,044,541	\$336,005	\$1,637,101	(\$2,301,614)	(\$1,577,569)	\$883,605	(\$1,022,572)
230 Kingsport Power Co - Distribution	\$4,640,700	\$331,808	\$4,941,011	\$42,490	\$212,402	(\$298,921)	(\$177,403)	\$114,745	(\$106,687)
260 Kingsport Power Co - Transmission	814,948	56,430	867,683	7,995	37,367	(52,493)	(40,419)	20,150	(27,400)
Kingsport Power Co.	\$5,455,646	\$388,238	\$5,808,694	\$50,485	\$249,769	(\$351,414)	(\$217,822)	\$134,895	(\$134,087)
210 Wheeling Power Co - Distribution	\$6,628,657	\$528,548	\$7,057,613	\$51,963	\$301,711	(\$426,971)	(\$259,071)	\$163,898	(\$168,470)
200 Wheeling Power Co - Transmission	333,228	42,304	354,792	0	14,679	(21,464)	(2,613)	8,239	(1,159)
Wheeling Power Co.	\$6,961,885	\$570,852	\$7,412,405	\$51,963	\$316,390	(\$448,435)	(\$261,684)	\$172,137	(\$169,629)
103 American Service Corporation	\$320,221,526	\$20,708,194	\$340,943,823	\$4,562,997	\$14,783,814	(\$20,626,381)	(\$17,282,218)	\$7,917,709	(\$10,644,079)
American Electric Power Service Corp	\$320,221,526	\$20,708,194	\$340,943,823	\$4,562,997	\$14,783,814	(\$20,626,381)	(\$17,282,218)	\$7,917,709	(\$10,644,079)
143 AEP Pro Serv, Inc.	\$148,651	\$17,855	\$158,271	\$0	\$6,572	(\$9,575)	(\$1,133)	\$3,676	(\$460)
171 CSW Energy, Inc.	516,713	13,393	550,151	17,688	24,806	(33,283)	(47,052)	12,776	(25,065)
293 Elmwood	2,907,604	117,581	3,095,762	129,939	140,033	(187,287)	(276,067)	71,893	(121,489)
292 AEP River Operations LLC	12,410,134	510,903	13,213,223	875,773	612,569	(799,372)	(1,245,634)	306,850	(249,814)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$15,983,102	\$659,732	\$17,017,407	\$1,023,400	\$783,980	(\$1,029,517)	(\$1,569,886)	\$395,195	(\$396,828)
<b>Total</b>	<b>\$1,485,783,851</b>	<b>\$102,910,187</b>	<b>\$1,581,932,476</b>	<b>\$17,596,485</b>	<b>\$68,268,251</b>	<b>(\$95,703,572)</b>	<b>(\$69,056,805)</b>	<b>\$36,737,083</b>	<b>(\$42,158,558)</b>

Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2016 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$121,866,879	\$9,702,079	\$131,945,468	\$1,074,604	\$5,671,070	(\$7,972,247)	(\$5,097,397)	\$2,724,547	(\$3,599,423)
215 Appalachian Power Co - Generation	104,108,943	7,871,277	112,718,922	965,128	4,856,859	(6,810,564)	(4,162,884)	2,327,537	(2,823,924)
150 Appalachian Power Co - Transmission	17,165,335	1,028,048	18,584,936	146,502	806,584	(1,122,916)	(781,538)	383,761	(567,607)
Appalachian Power Co. - FERC	\$243,141,157	\$18,601,404	\$263,249,326	\$2,186,234	\$11,334,513	(\$15,905,727)	(\$10,041,818)	\$5,435,845	(\$6,990,953)
225 Cedar Coal Co	931,556	135,549	1,008,597	0	41,500	(60,940)	(8,202)	20,827	(6,815)
Appalachian Power Co. - SEC	\$244,072,713	\$18,736,953	\$264,257,923	\$2,186,234	\$11,376,013	(\$15,966,667)	(\$10,050,020)	\$5,456,672	(\$6,997,768)
211 AEP Texas Central Company - Distribution	\$88,469,296	\$6,495,155	\$95,785,850	\$895,560	\$4,135,456	(\$5,787,455)	(\$3,881,048)	\$1,977,886	(\$2,659,601)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	8,128,155	577,856	8,800,367	107,707	381,615	(531,725)	(391,921)	181,719	(252,605)
AEP Texas Central Co.	\$96,597,451	\$7,073,011	\$104,686,217	\$1,003,267	\$4,517,071	(\$6,319,180)	(\$4,288,307)	\$2,169,605	(\$2,927,544)
170 Indiana Michigan Power Co - Distribution	\$60,317,824	\$5,197,373	\$65,308,206	\$612,560	\$2,801,383	(\$3,945,851)	(\$2,601,438)	\$1,348,510	(\$1,784,836)
132 Indiana Michigan Power Co - Generation	35,601,193	2,698,496	38,545,469	437,649	1,665,860	(2,328,947)	(1,850,054)	795,927	(1,279,565)
190 Indiana Michigan Power Co - Nuclear	56,898,963	3,803,049	61,604,600	1,283,405	2,702,550	(3,722,197)	(3,561,730)	1,272,076	(2,025,896)
120 Indiana Michigan Power Co - Transmission	12,709,981	867,004	13,761,117	123,295	595,433	(831,457)	(596,815)	284,154	(425,390)
280 Water Transportation (Lakin)	14,540,181	934,785	15,742,678	292,093	689,777	(951,185)	(811,278)	325,071	(455,522)
Indiana Michigan Power Co. - FERC	\$180,068,142	\$13,600,707	\$194,960,070	\$2,749,002	\$8,455,003	(\$11,779,637)	(\$9,421,316)	\$4,025,738	(\$5,971,210)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$180,068,142	\$13,500,707	\$194,960,070	\$2,749,002	\$8,455,003	(\$11,779,637)	(\$9,421,316)	\$4,025,738	(\$5,971,210)
110 Kentucky Power Co - Distribution	\$23,515,604	\$1,672,402	\$25,460,383	\$236,469	\$1,100,432	(\$1,538,336)	(\$1,210,578)	\$525,732	(\$886,281)
117 Kentucky Power Co - Generation	13,962,090	993,656	15,116,778	100,874	651,454	(913,367)	(611,828)	312,147	(460,720)
180 Kentucky Power Co - Transmission	2,757,955	157,085	2,986,042	43,916	130,764	(180,419)	(188,150)	61,659	(142,230)
Kentucky Power Co.	\$40,235,649	\$2,823,143	\$43,663,203	\$381,259	\$1,882,650	(\$2,632,122)	(\$2,020,556)	\$899,538	(\$1,489,231)
104 Cardinal Operating Company	\$23,867,930	\$1,754,912	\$25,841,847	\$321,263	\$1,119,457	(\$1,561,384)	(\$1,116,823)	\$533,609	(\$703,878)
270 Cook Coal Terminal	1,461,330	116,461	1,582,184	9,988	67,861	(95,597)	(67,747)	32,671	(52,824)
250 Ohio Power Co - Distribution	155,087,430	12,202,608	167,913,412	1,424,294	7,223,133	(10,145,458)	(5,890,962)	3,467,251	(3,921,742)
181 Ohio Power Co - Generation	129,226,297	9,894,390	139,913,522	1,072,949	6,019,682	(8,453,683)	(4,763,607)	2,889,080	(3,235,579)
160 Ohio Power Co - Transmission	25,017,256	1,682,501	27,086,224	216,749	1,171,325	(1,636,571)	(1,031,548)	559,305	(720,740)
Ohio Power Co. - FERC	\$334,660,243	\$25,650,872	\$362,337,189	\$3,045,243	\$15,601,458	(\$21,892,693)	(\$12,870,686)	\$7,481,916	(\$8,634,762)
290 Conesville Coal Preparation Company	1,438,736	126,032	1,557,722	0	66,070	(94,119)	(51,555)	32,165	(47,439)
Ohio Power Co. - SEC	\$336,098,979	\$25,776,904	\$363,894,911	\$3,045,243	\$15,667,528	(\$21,986,812)	(\$12,922,241)	\$7,514,081	(\$8,682,201)
167 Public Service Co of Oklahoma - Distribution	\$51,786,326	\$3,796,241	\$56,069,139	\$667,520	\$2,427,743	(\$3,387,741)	(\$2,477,659)	\$1,157,774	(\$1,612,363)
198 Public Service Co of Oklahoma - Generation	25,168,619	1,793,034	27,250,105	415,312	1,185,500	(1,646,472)	(1,498,642)	562,688	(981,614)
114 Public Service Co of Oklahoma - Transmission	6,297,482	470,763	6,818,294	87,465	295,312	(411,967)	(313,349)	140,791	(201,748)
Public Service Co. of Oklahoma	\$83,252,427	\$6,060,038	\$90,137,538	\$1,170,297	\$3,908,555	(\$5,446,180)	(\$4,289,649)	\$1,861,253	(\$2,795,724)
159 Southwestern Electric Power Co - Distribution	\$36,213,455	\$2,436,803	\$39,208,367	\$540,286	\$1,706,386	(\$2,369,000)	(\$1,794,965)	\$809,615	(\$1,107,678)
168 Southwestern Electric Power Co - Generation	35,322,971	2,506,601	38,244,238	621,882	1,665,900	(2,310,746)	(2,137,691)	789,707	(1,370,948)
161 Southwestern Electric Power Co - Texas - Distribution	17,110,704	1,217,311	18,525,787	209,866	802,514	(1,119,342)	(942,674)	382,540	(667,096)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,878,163	411,743	6,364,297	67,187	275,611	(364,536)	(280,205)	131,417	(190,526)
Southwestern Electric Power Co.	\$94,525,293	\$6,572,258	\$102,342,689	\$1,439,221	\$4,450,411	(\$6,183,624)	(\$5,155,536)	\$2,113,279	(\$3,336,249)
119 AEP Texas North Co - Distribution	\$24,894,405	\$1,820,998	\$26,953,213	\$280,628	\$1,165,210	(\$1,628,534)	(\$1,276,048)	\$556,558	(\$902,186)
166 AEP Texas North Co - Generation	6,318,604	554,722	6,841,163	0	290,136	(413,348)	(67,677)	141,263	(49,626)
192 AEP Texas North Co - Transmission	3,648,311	251,317	3,950,032	67,076	172,378	(238,664)	(233,844)	81,564	(151,490)
FERC and SEC Total	\$34,861,320	\$2,627,037	\$37,744,408	\$347,704	\$1,627,724	(\$2,286,546)	(\$1,577,569)	\$779,385	(\$1,103,302)
230 Kingsport Power Co - Distribution	\$4,519,359	\$335,695	\$4,893,117	\$43,969	\$211,077	(\$295,646)	(\$177,403)	\$101,038	(\$116,965)
260 Kingsport Power Co - Transmission	796,053	69,101	861,888	8,273	36,969	(52,076)	(40,419)	17,797	(29,456)
Kingsport Power Co.	\$5,315,412	\$404,796	\$5,755,005	\$52,242	\$248,046	(\$347,722)	(\$217,822)	\$118,835	(\$146,421)
210 Wheeling Power Co - Distribution	\$6,390,960	\$530,878	\$6,919,503	\$53,772	\$296,755	(\$418,082)	(\$259,071)	\$142,881	(\$183,745)
200 Wheeling Power Co - Transmission	302,628	41,544	327,656	0	13,541	(19,797)	(2,613)	6,766	(2,103)
Wheeling Power Co.	\$6,693,588	\$572,422	\$7,247,159	\$53,772	\$310,296	(\$437,879)	(\$261,684)	\$149,647	(\$185,848)
103 American Service Corporation	\$315,756,254	\$21,524,125	\$341,869,807	\$4,721,865	\$14,872,425	(\$20,656,036)	(\$17,282,218)	\$7,059,284	(\$11,284,680)
American Electric Power Service Corp	\$315,756,254	\$21,524,125	\$341,869,807	\$4,721,865	\$14,872,425	(\$20,656,036)	(\$17,282,218)	\$7,059,284	(\$11,284,680)
143 AEP Pro Serv, Inc.	\$136,031	\$18,875	\$147,281	\$0	\$6,082	(\$8,899)	(\$1,133)	\$3,041	(\$909)
171 CSW Energy, Inc.	540,501	12,045	585,201	18,304	26,537	(35,358)	(47,052)	12,084	(25,485)
293 Elmwood	3,030,208	130,645	3,280,811	134,463	148,805	(198,229)	(276,067)	67,746	(123,282)
292 AEP River Operations LLC	13,257,254	554,261	14,353,650	906,265	666,703	(867,259)	(1,245,634)	296,389	(243,536)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$16,963,994	\$715,826	\$18,366,943	\$1,059,032	\$848,127	(\$1,109,745)	(\$1,569,886)	\$379,260	(\$393,212)
<b>Total</b>	<b>\$1,454,441,222</b>	<b>\$106,387,220</b>	<b>\$1,574,725,873</b>	<b>\$18,209,138</b>	<b>\$68,163,849</b>	<b>(\$95,146,150)</b>	<b>(\$69,056,805)</b>	<b>\$32,516,577</b>	<b>(\$45,313,391)</b>

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2017 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$117,178,436	\$9,713,885	\$129,609,050	\$1,103,949	\$5,617,463	(\$8,137,951)	(\$5,097,397)	\$2,331,958	(\$4,181,978)
215 Appalachian Power Co - Generation	100,573,062	7,960,364	111,242,131	991,483	4,832,806	(6,984,721)	(4,162,884)	2,001,496	(3,321,820)
150 Appalachian Power Co - Transmission	16,841,436	1,081,368	18,628,022	150,503	814,660	(1,169,625)	(781,538)	335,160	(650,840)
Appalachian Power Co. - FERC	\$234,592,934	\$18,765,617	\$259,479,203	\$2,245,935	\$11,264,929	(\$16,292,297)	(\$10,041,818)	\$4,668,614	(\$8,154,637)
225 Cedar Coal Co.	825,308	123,107	912,859	0	37,843	(57,317)	(8,202)	16,424	(11,252)
Appalachian Power Co. - SEC	\$235,418,242	\$18,878,724	\$260,392,062	\$2,245,935	\$11,302,772	(\$16,349,614)	(\$10,050,020)	\$4,685,038	(\$8,165,889)
211 AEP Texas Central Company - Distribution	\$85,737,849	\$6,575,041	\$94,833,158	\$920,016	\$4,128,798	(\$5,954,427)	(\$3,881,048)	\$1,706,262	(\$3,080,399)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	0	0	(15,337)
169 AEP Texas Central Company - Transmission	7,922,517	600,839	8,762,960	110,648	382,951	(550,213)	(391,921)	157,665	(290,870)
AEP Texas Central Co.	\$93,660,366	\$7,175,880	\$103,596,118	\$1,030,664	\$4,511,749	(\$6,504,640)	(\$4,288,307)	\$1,863,927	(\$3,386,607)
170 Indiana Michigan Power Co - Distribution	\$57,681,788	\$5,106,115	\$63,800,832	\$629,288	\$2,761,548	(\$4,005,955)	(\$2,601,438)	\$1,147,920	(\$2,068,637)
132 Indiana Michigan Power Co - Generation	34,496,309	2,771,423	38,155,773	449,600	1,662,058	(2,395,742)	(1,850,054)	686,508	(1,447,630)
190 Indiana Michigan Power Co - Nuclear	56,250,420	4,027,294	62,217,621	1,318,452	2,751,188	(3,906,548)	(3,561,730)	1,119,435	(2,279,203)
120 Indiana Michigan Power Co - Transmission	12,378,732	884,723	13,891,902	126,662	597,385	(859,893)	(596,815)	246,348	(486,113)
280 Water Transportation (Lakin)	14,374,789	976,517	15,899,706	300,069	702,529	(998,318)	(811,278)	286,071	(520,927)
Indiana Michigan Power Co. - FERC	\$175,182,038	\$13,766,072	\$193,765,834	\$2,824,071	\$8,474,708	(\$12,166,256)	(\$9,421,316)	\$3,486,282	(\$6,802,511)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$175,182,038	\$13,766,072	\$193,765,834	\$2,824,071	\$8,474,708	(\$12,166,256)	(\$9,421,316)	\$3,486,282	(\$6,802,511)
110 Kentucky Power Co - Distribution	\$22,842,464	\$1,777,430	\$25,265,656	\$242,926	\$1,099,267	(\$1,586,391)	(\$1,210,578)	\$454,586	(\$1,000,190)
117 Kentucky Power Co - Generation	13,520,907	970,432	14,955,242	103,629	650,686	(939,016)	(611,828)	269,078	(527,451)
180 Kentucky Power Co - Transmission	2,735,122	189,042	3,025,271	45,115	132,999	(189,952)	(198,150)	54,431	(155,557)
Kentucky Power Co.	\$39,098,493	\$2,936,904	\$43,246,169	\$391,670	\$1,882,952	(\$2,715,359)	(\$2,020,556)	\$778,095	(\$1,683,198)
104 Cardinal Operating Company	\$23,210,657	\$1,736,472	\$25,672,908	\$330,036	\$1,122,806	(\$1,611,962)	(\$1,116,823)	\$461,913	(\$814,030)
270 Cook Coal Terminal	1,401,995	119,262	1,550,723	10,261	66,991	(97,367)	(67,747)	27,901	(59,961)
250 Ohio Power Co - Distribution	149,325,046	12,196,093	165,165,861	1,463,188	7,165,810	(10,370,508)	(5,890,962)	2,971,705	(4,660,767)
181 Ohio Power Co - Generation	124,583,050	9,824,884	137,799,166	1,102,249	5,981,193	(8,652,195)	(4,763,607)	2,479,317	(3,853,043)
160 Ohio Power Co - Transmission	24,362,719	1,715,897	26,947,184	222,668	1,175,021	(1,691,972)	(1,031,548)	484,840	(840,991)
Ohio Power Co. - FERC	\$322,883,467	\$25,592,608	\$357,135,842	\$3,128,402	\$15,511,821	(\$22,424,004)	(\$12,870,686)	\$6,425,676	(\$10,228,791)
290 Conesville Coal Preparation Company	1,358,691	122,253	1,502,825	0	64,266	(94,360)	(51,555)	27,039	(54,610)
Ohio Power Co. - SEC	\$324,242,168	\$25,714,861	\$358,638,667	\$3,128,402	\$15,576,087	(\$22,518,364)	(\$12,922,241)	\$6,452,715	(\$10,283,401)
167 Public Service Co of Oklahoma - Distribution	\$50,341,244	\$3,840,626	\$55,681,583	\$685,748	\$2,431,929	(\$3,496,160)	(\$2,477,659)	\$1,001,837	(\$1,854,305)
198 Public Service Co of Oklahoma - Generation	24,612,593	1,829,779	27,223,565	426,653	1,194,703	(1,709,325)	(1,498,642)	489,813	(1,096,798)
114 Public Service Co of Oklahoma - Transmission	6,119,049	468,396	6,768,175	89,853	295,888	(424,963)	(313,349)	121,775	(230,796)
Public Service Co. of Oklahoma	\$81,072,886	\$6,138,801	\$89,673,323	\$1,202,254	\$3,922,520	(\$5,630,448)	(\$4,289,649)	\$1,613,425	(\$3,181,898)
159 Southwestern Electric Power Co - Distribution	\$35,498,809	\$2,522,695	\$39,264,621	\$555,040	\$1,722,983	(\$2,465,365)	(\$1,794,965)	\$706,459	(\$1,275,848)
168 Southwestern Electric Power Co - Generation	34,592,828	2,606,027	38,262,531	638,864	1,680,249	(2,402,445)	(2,137,691)	688,429	(1,532,594)
161 Southwestern Electric Power Co - Texas - Distribution	16,659,525	1,221,860	18,426,814	215,597	805,443	(1,156,991)	(942,674)	331,540	(747,085)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,724,602	431,291	6,331,884	69,022	276,239	(397,569)	(280,205)	113,925	(218,588)
Southwestern Electric Power Co.	\$92,475,764	\$6,781,873	\$102,285,850	\$1,478,523	\$4,484,914	(\$6,422,370)	(\$5,155,536)	\$1,840,353	(\$3,774,116)
119 AEP Texas North Co - Distribution	\$24,162,100	\$1,925,504	\$26,725,283	\$288,291	\$1,163,214	(\$1,678,039)	(\$1,276,048)	\$480,848	(\$1,021,734)
166 AEP Texas North Co - Generation	5,965,836	543,450	6,598,708	0	282,021	(414,323)	(67,677)	118,726	(81,253)
192 AEP Texas North Co - Transmission	3,583,480	279,793	3,963,625	68,908	173,952	(248,870)	(233,844)	71,315	(168,539)
FERC and SEC Total	\$33,711,416	\$2,748,747	\$37,287,616	\$357,199	\$1,619,187	(\$2,341,232)	(\$1,577,569)	\$670,889	(\$1,271,526)
230 Kingsport Power Co - Distribution	\$4,374,056	\$351,929	\$4,838,068	\$45,170	\$210,147	(\$303,775)	(\$177,403)	\$87,048	(\$138,813)
260 Kingsport Power Co - Transmission	760,946	65,338	841,669	8,499	36,490	(52,847)	(40,419)	15,144	(33,133)
Kingsport Power Co.	\$5,135,002	\$417,267	\$5,679,737	\$53,669	\$246,637	(\$356,622)	(\$217,822)	\$102,192	(\$171,946)
210 Wheeling Power Co - Distribution	\$6,120,146	\$527,266	\$6,769,388	\$55,240	\$292,789	(\$425,039)	(\$259,071)	\$121,796	(\$214,285)
200 Wheeling Power Co - Transmission	270,625	40,335	299,334	0	12,410	(18,795)	(2,613)	5,386	(3,612)
Wheeling Power Co.	\$6,390,771	\$567,601	\$7,068,722	\$55,240	\$305,199	(\$443,834)	(\$261,684)	\$127,182	(\$217,897)
103 American Service Corporation	\$309,255,255	\$22,187,091	\$342,061,912	\$4,850,808	\$15,005,753	(\$21,477,536)	(\$17,282,218)	\$6,154,462	(\$12,748,731)
American Electric Power Service Corp	\$309,255,255	\$22,187,091	\$342,061,912	\$4,850,808	\$15,005,753	(\$21,477,536)	(\$17,282,218)	\$6,154,462	(\$12,748,731)
143 AEP Pro Serv, Inc.	\$121,443	\$19,884	\$134,326	\$0	\$5,525	(\$8,434)	(\$1,133)	\$2,417	(\$1,625)
171 CSW Energy, Inc.	564,946	13,622	624,877	18,804	28,563	(39,235)	(47,052)	11,243	(27,677)
293 Elmwood	3,136,470	146,256	3,469,195	138,135	158,517	(217,825)	(276,067)	62,419	(134,821)
292 AEP River Operations LLC	14,068,019	599,719	15,560,393	931,013	727,788	(977,013)	(1,245,634)	279,966	(283,880)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$17,890,878	\$779,481	\$19,788,791	\$1,087,952	\$920,393	(\$1,242,507)	(\$1,569,886)	\$356,045	(\$448,003)
<b>Total</b>	<b>\$1,413,533,269</b>	<b>\$108,093,302</b>	<b>\$1,563,484,801</b>	<b>\$18,706,387</b>	<b>\$68,252,871</b>	<b>(\$98,168,782)</b>	<b>(\$69,056,805)</b>	<b>\$28,130,605</b>	<b>(\$52,135,724)</b>

Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2018 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$113,074,439	\$9,746,052	\$127,402,237	\$1,142,385	\$5,524,893	(\$7,994,307)	(\$5,097,397)	\$2,026,973	(\$4,397,453)
215 Appalachian Power Co - Generation	97,478,769	8,088,242	109,830,421	1,026,003	4,772,778	(6,891,701)	(4,162,884)	1,747,405	(3,508,399)
150 Appalachian Power Co - Transmission	16,562,422	1,168,067	18,661,066	155,743	815,137	(1,170,955)	(781,538)	296,898	(684,715)
Appalachian Power Co. - FERC	\$227,115,630	\$19,002,361	\$255,893,724	\$2,324,131	\$11,112,808	(\$16,056,963)	(\$10,041,818)	\$4,071,276	(\$8,590,566)
225 Cedar Coal Co.	732,840	115,062	825,699	0	34,139	(51,811)	(8,202)	13,137	(12,737)
Appalachian Power Co. - SEC	\$227,848,470	\$19,117,423	\$256,719,423	\$2,324,131	\$11,146,947	(\$16,108,774)	(\$10,050,020)	\$4,084,413	(\$8,603,303)
211 AEP Texas Central Company - Distribution	\$83,391,878	\$6,586,266	\$93,958,563	\$952,048	\$4,095,113	(\$5,895,765)	(\$3,881,048)	\$1,494,883	(\$3,234,769)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	7,739,201	605,297	8,719,844	114,500	381,516	(547,158)	(391,921)	138,733	(304,330)
AEP Texas Central Co.	\$91,131,079	\$7,191,563	\$102,678,407	\$1,066,548	\$4,476,629	(\$6,442,923)	(\$4,288,307)	\$1,633,616	(\$3,554,437)
170 Indiana Michigan Power Co - Distribution	\$55,421,713	\$5,069,150	\$62,444,265	\$651,198	\$2,705,262	(\$3,918,288)	(\$2,601,438)	\$993,490	(\$2,169,776)
132 Indiana Michigan Power Co - Generation	33,507,168	2,820,286	37,752,902	465,254	1,645,272	(2,368,940)	(1,850,054)	600,650	(1,507,818)
190 Indiana Michigan Power Co - Nuclear	55,744,794	4,098,321	62,808,284	1,364,358	2,781,804	(3,941,130)	(3,561,730)	999,281	(2,357,419)
120 Indiana Michigan Power Co - Transmission	12,099,121	894,871	13,632,215	131,072	595,308	(855,402)	(596,815)	216,889	(508,948)
280 Water Transportation (Lakin)	14,260,687	1,012,281	16,067,676	310,516	710,600	(1,008,224)	(811,278)	255,637	(542,749)
Indiana Michigan Power Co. - FERC	\$171,033,483	\$13,894,909	\$192,705,342	\$2,922,396	\$8,438,246	(\$12,091,984)	(\$9,421,316)	\$3,065,947	(\$7,086,711)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$171,033,483	\$13,894,909	\$192,705,342	\$2,922,396	\$8,438,246	(\$12,091,984)	(\$9,421,316)	\$3,065,947	(\$7,086,711)
110 Kentucky Power Co - Distribution	\$22,189,108	\$1,768,502	\$25,000,717	\$251,384	\$1,089,140	(\$1,568,759)	(\$1,210,578)	\$397,762	(\$1,041,051)
117 Kentucky Power Co - Generation	13,175,277	991,982	14,844,732	107,237	646,028	(931,486)	(611,828)	236,180	(553,869)
180 Kentucky Power Co - Transmission	2,697,676	185,745	3,039,502	46,688	133,958	(190,724)	(198,150)	48,359	(159,871)
Kentucky Power Co.	\$38,062,061	\$2,946,229	\$42,884,951	\$405,307	\$1,869,126	(\$2,690,969)	(\$2,020,556)	\$682,301	(\$1,754,791)
104 Cardinal Operating Company	\$22,703,848	\$1,768,227	\$25,580,680	\$341,527	\$1,119,694	(\$1,605,151)	(\$1,116,823)	\$406,989	(\$853,764)
270 Cook Coal Terminal	1,346,746	129,374	1,517,394	10,618	65,320	(95,214)	(67,747)	24,142	(62,861)
250 Ohio Power Co - Distribution	144,339,095	12,277,507	162,628,475	1,514,132	7,059,399	(10,204,703)	(5,890,962)	2,587,423	(4,934,711)
181 Ohio Power Co - Generation	120,655,562	9,940,482	135,943,973	1,140,626	5,902,801	(8,530,289)	(4,763,607)	2,162,872	(4,087,597)
160 Ohio Power Co - Transmission	23,810,454	1,788,031	26,827,505	230,421	1,169,472	(1,683,387)	(1,031,548)	426,826	(888,216)
Ohio Power Co. - FERC	\$312,855,705	\$25,903,621	\$352,498,027	\$3,237,324	\$15,316,686	(\$22,118,744)	(\$12,870,686)	\$5,608,252	(\$10,827,168)
290 Conesville Coal Preparation Company	1,288,043	129,109	1,451,252	0	61,826	(91,064)	(51,555)	23,089	(67,704)
Ohio Power Co. - SEC	\$314,143,748	\$26,032,730	\$353,949,279	\$3,237,324	\$15,378,512	(\$22,209,808)	(\$12,922,241)	\$5,631,341	(\$10,884,872)
167 Public Service Co of Oklahoma - Distribution	\$49,135,294	\$3,815,671	\$55,361,286	\$709,624	\$2,422,009	(\$3,473,841)	(\$2,477,659)	\$880,799	(\$1,939,068)
198 Public Service Co of Oklahoma - Generation	24,166,612	1,882,575	27,228,792	441,508	1,195,760	(1,708,568)	(1,498,642)	433,211	(1,136,731)
114 Public Service Co of Oklahoma - Transmission	5,977,634	477,644	6,735,067	92,981	294,654	(422,616)	(313,349)	107,155	(241,175)
Public Service Co. of Oklahoma	\$79,279,540	\$6,175,890	\$89,326,145	\$1,244,113	\$3,912,423	(\$5,605,025)	(\$4,289,649)	\$1,421,165	(\$3,316,973)
159 Southwestern Electric Power Co - Distribution	\$34,910,962	\$2,573,231	\$39,334,572	\$574,365	\$1,727,835	(\$2,468,188)	(\$1,794,965)	\$625,814	(\$1,335,139)
168 Southwestern Electric Power Co - Generation	33,971,969	2,703,831	38,276,598	661,107	1,681,539	(2,401,802)	(2,137,691)	608,982	(1,587,865)
161 Southwestern Electric Power Co - Texas - Distribution	16,298,491	1,263,223	18,363,692	223,103	802,837	(1,152,295)	(942,674)	292,167	(776,862)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,583,684	417,295	6,291,199	71,425	275,176	(394,764)	(280,205)	100,093	(228,275)
Southwestern Electric Power Co.	\$90,765,106	\$6,957,580	\$102,266,061	\$1,530,000	\$4,487,387	(\$6,417,049)	(\$5,155,536)	\$1,627,056	(\$3,928,142)
119 AEP Texas North Co - Distribution	\$23,457,513	\$1,875,660	\$26,429,843	\$298,328	\$1,152,893	(\$1,658,435)	(\$1,276,048)	\$420,499	(\$1,062,763)
166 AEP Texas North Co - Generation	5,648,878	535,585	6,364,654	0	271,911	(399,373)	(67,677)	101,262	(93,877)
192 AEP Texas North Co - Transmission	3,512,024	278,213	3,957,037	71,307	174,020	(248,298)	(233,844)	62,957	(173,858)
FERC and SEC Total	\$32,618,415	\$2,689,458	\$36,761,534	\$369,635	\$1,598,824	(\$2,306,106)	(\$1,577,569)	\$584,718	(\$1,330,498)
230 Kingsport Power Co - Distribution	\$4,235,806	\$357,078	\$4,772,530	\$46,743	\$207,364	(\$299,469)	(\$177,403)	\$75,931	(\$146,834)
260 Kingsport Power Co - Transmission	733,388	60,501	826,316	8,795	35,971	(51,850)	(40,419)	13,147	(34,356)
Kingsport Power Co.	\$4,969,194	\$417,579	\$5,598,846	\$55,538	\$243,335	(\$351,319)	(\$217,822)	\$89,078	(\$181,190)
210 Wheeling Power Co - Distribution	\$5,883,078	\$508,309	\$6,628,530	\$57,163	\$287,305	(\$415,931)	(\$259,071)	\$105,460	(\$225,074)
200 Wheeling Power Co - Transmission	240,337	38,368	270,790	0	11,180	(16,992)	(2,613)	4,308	(4,117)
Wheeling Power Co.	\$6,123,415	\$546,677	\$6,899,320	\$57,163	\$298,485	(\$432,923)	(\$261,684)	\$109,768	(\$229,191)
103 American Service Corporation	\$303,937,019	\$22,502,088	\$342,449,242	\$5,019,696	\$15,041,136	(\$21,488,197)	(\$17,282,218)	\$5,448,377	(\$13,261,206)
American Electric Power Service Corp	\$303,937,019	\$22,502,088	\$342,449,242	\$5,019,696	\$15,041,136	(\$21,488,197)	(\$17,282,218)	\$5,448,377	(\$13,261,206)
143 AEP Pro Serv, Inc.	\$106,042	\$12,113	\$119,479	\$0	\$5,053	(\$7,497)	(\$1,133)	\$1,901	(\$1,676)
171 CSW Energy, Inc.	592,863	14,770	667,985	19,459	30,554	(41,915)	(47,052)	10,628	(28,326)
293 Elmwood	3,254,871	160,892	3,667,300	142,944	167,577	(230,118)	(276,067)	58,347	(137,317)
292 AEP River Operations LLC	14,979,849	684,299	16,877,964	963,428	788,070	(1,059,068)	(1,245,634)	268,529	(284,675)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$18,933,625	\$872,074	\$21,332,728	\$1,125,831	\$991,254	(\$1,338,598)	(\$1,569,886)	\$339,405	(\$451,994)
<b>Total</b>	<b>\$1,378,845,155</b>	<b>\$109,344,200</b>	<b>\$1,553,560,278</b>	<b>\$19,357,682</b>	<b>\$67,882,304</b>	<b>(\$97,483,675)</b>	<b>(\$69,056,805)</b>	<b>\$24,717,185</b>	<b>(\$54,583,309)</b>

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2019 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$109,995,665	\$9,533,671	\$124,990,914	\$1,199,504	\$5,377,596	(\$7,842,657)	(\$5,097,397)	\$1,843,877	(\$4,519,077)
215 Appalachian Power Co - Generation	95,189,308	7,842,281	108,166,068	1,077,303	4,665,885	(6,786,968)	(4,162,884)	1,595,676	(3,610,988)
150 Appalachian Power Co - Transmission	16,365,235	1,146,340	18,596,239	163,530	806,114	(1,166,836)	(781,538)	274,333	(704,397)
Appalachian Power Co. - FERC	\$221,550,208	\$18,522,292	\$251,753,221	\$2,440,337	\$10,849,595	(\$15,796,461)	(\$10,041,818)	\$3,713,886	(\$8,834,461)
225 Cedar Coal Co	651,917	106,337	740,790	0	30,270	(46,481)	(8,202)	10,928	(13,485)
Appalachian Power Co. - SEC	\$222,202,125	\$18,628,629	\$252,494,011	\$2,440,337	\$10,879,865	(\$15,842,942)	(\$10,050,020)	\$3,724,814	(\$8,847,946)
211 AEP Texas Central Company - Distribution	\$81,852,773	\$6,586,762	\$93,011,419	\$999,650	\$4,019,780	(\$5,836,078)	(\$3,881,048)	\$1,372,113	(\$3,325,583)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	7,629,920	605,098	8,670,075	120,225	376,292	(544,011)	(391,921)	127,902	(311,513)
AEP Texas Central Co.	\$89,482,693	\$7,191,860	\$101,681,484	\$1,119,875	\$4,396,072	(\$6,380,089)	(\$4,288,307)	\$1,500,016	(\$3,652,434)
170 Indiana Michigan Power Co - Distribution	\$53,709,023	\$4,996,821	\$61,030,949	\$683,758	\$2,622,220	(\$3,829,437)	(\$2,601,438)	\$800,334	(\$2,224,563)
132 Indiana Michigan Power Co - Generation	32,797,408	2,795,438	37,268,541	488,517	1,611,224	(2,338,445)	(1,850,054)	549,789	(1,538,969)
190 Indiana Michigan Power Co - Nuclear	55,792,633	4,183,372	63,398,609	1,432,574	2,785,544	(3,977,998)	(3,561,730)	935,262	(2,386,348)
120 Indiana Michigan Power Co - Transmission	11,930,630	883,679	13,557,083	137,626	587,409	(850,650)	(596,815)	199,995	(522,435)
280 Water Transportation (Lakin)	14,269,522	1,067,321	16,214,826	326,042	710,458	(1,017,413)	(811,278)	239,203	(552,988)
Indiana Michigan Power Co. - FERC	\$168,499,216	\$13,926,631	\$191,470,008	\$3,068,517	\$8,316,855	(\$12,013,943)	(\$9,421,316)	\$2,824,583	(\$7,225,304)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$168,499,216	\$13,926,631	\$191,470,008	\$3,068,517	\$8,316,855	(\$12,013,943)	(\$9,421,316)	\$2,824,583	(\$7,225,304)
110 Kentucky Power Co - Distribution	\$21,761,130	\$1,782,573	\$24,727,734	\$263,953	\$1,067,811	(\$1,551,562)	(\$1,210,578)	\$364,786	(\$1,065,590)
117 Kentucky Power Co - Generation	12,936,560	979,178	14,700,147	112,599	634,563	(922,373)	(611,828)	216,858	(570,181)
180 Kentucky Power Co - Transmission	2,692,575	176,885	3,059,642	49,020	134,039	(191,980)	(198,150)	45,136	(161,935)
Kentucky Power Co.	\$37,390,265	\$2,938,636	\$42,487,523	\$425,572	\$1,836,413	(\$2,665,915)	(\$2,020,556)	\$626,780	(\$1,797,706)
104 Cardinal Operating Company	\$22,396,842	\$1,751,581	\$25,450,110	\$358,603	\$1,105,467	(\$1,596,888)	(\$1,116,823)	\$375,442	(\$874,199)
270 Cook Coal Terminal	1,293,310	129,838	1,469,622	11,149	62,637	(92,213)	(67,747)	21,680	(64,494)
250 Ohio Power Co - Distribution	140,635,119	12,178,209	159,807,316	1,589,839	6,878,848	(10,027,241)	(5,890,962)	2,357,492	(5,092,224)
181 Ohio Power Co - Generation	117,758,507	9,923,266	133,812,031	1,197,657	5,759,810	(8,396,145)	(4,763,607)	1,974,007	(4,228,278)
160 Ohio Power Co - Transmission	23,422,316	1,788,745	26,615,382	241,942	1,150,435	(1,670,004)	(1,031,548)	392,633	(916,542)
Ohio Power Co. - FERC	\$305,506,094	\$25,771,639	\$347,154,461	\$3,399,190	\$14,956,997	(\$21,782,491)	(\$12,870,686)	\$5,121,254	(\$11,175,736)
290 Conesville Coal Preparation Company	1,220,760	131,189	1,387,181	0	58,377	(87,040)	(51,555)	20,464	(59,754)
Ohio Power Co. - SEC	\$306,726,854	\$25,902,828	\$348,541,842	\$3,399,190	\$15,015,374	(\$21,869,531)	(\$12,922,241)	\$5,141,718	(\$11,235,490)
167 Public Service Co of Oklahoma - Distribution	\$48,451,256	\$3,875,748	\$55,056,413	\$745,105	\$2,387,759	(\$3,454,560)	(\$2,477,659)	\$812,197	(\$1,987,158)
198 Public Service Co of Oklahoma - Generation	23,921,305	1,913,223	27,182,396	463,583	1,183,723	(1,705,582)	(1,498,642)	400,997	(1,155,927)
114 Public Service Co of Oklahoma - Transmission	5,887,625	466,564	6,690,260	97,630	290,620	(419,786)	(313,349)	98,695	(246,190)
Public Service Co. of Oklahoma	\$78,260,186	\$6,255,535	\$88,929,069	\$1,306,318	\$3,862,102	(\$5,679,928)	(\$4,289,649)	\$1,311,889	(\$3,389,268)
159 Southwestern Electric Power Co - Distribution	\$34,639,931	\$2,625,794	\$39,362,248	\$603,083	\$1,714,287	(\$2,489,816)	(\$1,794,965)	\$580,675	(\$1,366,736)
168 Southwestern Electric Power Co - Generation	33,610,784	2,640,882	38,192,802	694,162	1,666,539	(2,396,439)	(2,137,691)	563,424	(1,610,005)
161 Southwestern Electric Power Co - Texas - Distribution	16,061,208	1,232,993	18,250,765	234,258	792,171	(1,145,159)	(942,674)	269,237	(792,167)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,512,990	402,172	6,264,553	74,996	272,164	(393,075)	(280,205)	92,415	(233,705)
Southwestern Electric Power Co.	\$89,824,913	\$6,901,841	\$102,070,368	\$1,606,499	\$4,445,161	(\$6,404,489)	(\$5,155,536)	\$1,505,751	(\$4,002,614)
119 AEP Texas North Co - Distribution	\$23,033,074	\$1,877,421	\$26,173,077	\$313,244	\$1,132,168	(\$1,642,251)	(\$1,276,048)	\$388,108	(\$1,086,779)
166 AEP Texas North Co - Generation	5,385,204	532,723	6,119,346	0	258,667	(383,963)	(67,677)	90,273	(102,700)
192 AEP Texas North Co - Transmission	3,479,138	282,665	3,953,434	74,872	172,428	(248,061)	(233,844)	58,321	(176,284)
FERC and SEC Total	\$31,897,416	\$2,692,809	\$36,245,857	\$388,116	\$1,563,263	(\$2,274,275)	(\$1,577,569)	\$534,702	(\$1,365,763)
230 Kingsport Power Co - Distribution	\$4,132,835	\$336,129	\$4,696,247	\$49,080	\$202,804	(\$294,670)	(\$177,403)	\$69,279	(\$150,910)
260 Kingsport Power Co - Transmission	717,653	60,448	815,488	9,235	35,200	(51,168)	(40,419)	12,030	(35,122)
Kingsport Power Co.	\$4,850,488	\$396,577	\$5,511,735	\$58,315	\$238,004	(\$345,838)	(\$217,822)	\$81,309	(\$186,032)
210 Wheeling Power Co - Distribution	\$5,719,237	\$510,471	\$6,498,917	\$60,021	\$279,122	(\$407,780)	(\$259,071)	\$95,873	(\$231,835)
200 Wheeling Power Co - Transmission	213,149	36,410	242,207	0	9,856	(15,197)	(2,613)	3,573	(4,381)
Wheeling Power Co.	\$5,932,386	\$546,881	\$6,741,124	\$60,021	\$288,978	(\$422,977)	(\$261,684)	\$99,446	(\$236,216)
103 American Service Corporation	\$301,495,763	\$22,346,038	\$342,597,419	\$5,270,679	\$14,934,416	(\$21,496,556)	(\$17,282,218)	\$5,054,027	(\$13,519,652)
American Electric Power Service Corp	\$301,495,763	\$22,346,038	\$342,597,419	\$5,270,679	\$14,934,416	(\$21,496,556)	(\$17,282,218)	\$5,054,027	(\$13,519,652)
143 AEP Pro Serv, Inc.	\$98,982	\$12,680	\$112,476	\$0	\$4,682	(\$7,057)	(\$1,133)	\$1,859	(\$1,849)
171 CSW Energy, Inc.	628,106	15,263	713,733	20,432	32,371	(44,784)	(47,052)	10,529	(28,504)
293 Elmwood	3,404,500	183,157	3,868,621	150,091	174,939	(242,740)	(276,067)	57,070	(136,707)
292 AEP River Operations LLC	16,047,048	702,341	18,234,675	1,011,599	843,946	(1,144,150)	(1,245,634)	269,000	(265,239)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$20,178,636	\$913,441	\$22,929,505	\$1,182,122	\$1,055,938	(\$1,438,731)	(\$1,569,886)	\$338,258	(\$432,299)
<b>Total</b>	<b>\$1,356,740,941</b>	<b>\$108,641,706</b>	<b>\$1,541,699,755</b>	<b>\$20,325,561</b>	<b>\$66,832,441</b>	<b>(\$96,735,214)</b>	<b>(\$69,056,805)</b>	<b>\$22,743,292</b>	<b>(\$55,890,725)</b>

Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2020 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$107,039,094	\$9,470,676	\$122,633,812	\$1,259,479	\$5,232,889	(\$7,691,819)	(\$5,097,397)	\$1,678,256	(\$4,618,592)
215 Appalachian Power Co - Generation	93,090,215	7,794,080	106,652,696	1,131,168	4,563,803	(6,689,454)	(4,162,884)	1,459,553	(3,697,814)
150 Appalachian Power Co - Transmission	16,188,539	1,179,368	18,547,076	171,707	796,780	(1,163,307)	(781,538)	253,819	(722,539)
Appalachian Power Co. - FERC	\$216,317,848	\$18,444,124	\$247,833,584	\$2,562,354	\$10,593,472	(\$15,544,580)	(\$10,041,818)	\$3,391,628	(\$9,038,944)
225 Cedar Coal Co.	575,850	97,256	659,747	0	26,655	(41,381)	(8,202)	9,029	(13,899)
Appalachian Power Co. - SEC	\$216,893,698	\$18,541,380	\$248,493,331	\$2,562,354	\$10,620,127	(\$15,585,961)	(\$10,050,020)	\$3,400,657	(\$9,052,843)
211 AEP Texas Central Company - Distribution	\$80,285,441	\$6,625,989	\$91,982,371	\$1,049,633	\$3,942,176	(\$5,769,304)	(\$3,881,048)	\$1,258,788	(\$3,399,755)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	7,521,339	611,214	8,617,136	126,236	370,959	(540,483)	(391,921)	117,926	(317,283)
AEP Texas Central Co.	\$87,806,780	\$7,237,203	\$100,599,507	\$1,176,869	\$4,313,135	(\$6,309,787)	(\$4,288,307)	\$1,376,714	(\$3,732,376)
170 Indiana Michigan Power Co - Distribution	\$52,018,180	\$4,897,221	\$59,596,802	\$717,946	\$2,541,042	(\$3,738,021)	(\$2,601,438)	\$815,588	(\$2,264,883)
132 Indiana Michigan Power Co - Generation	32,101,711	2,831,525	36,778,667	512,943	1,576,425	(2,306,826)	(1,850,054)	503,320	(1,564,192)
190 Indiana Michigan Power Co - Nuclear	55,827,379	4,271,248	63,960,970	1,504,203	2,788,724	(4,011,750)	(3,561,730)	875,312	(2,405,241)
120 Indiana Michigan Power Co - Transmission	11,771,986	888,152	13,487,088	144,507	579,633	(845,934)	(596,815)	184,572	(534,037)
280 Water Transportation (Lakin)	14,238,701	1,096,565	16,313,163	342,344	708,996	(1,023,192)	(811,278)	223,247	(559,883)
Indiana Michigan Power Co. - FERC	\$165,957,957	\$13,984,711	\$190,136,670	\$3,221,943	\$8,194,820	(\$11,925,723)	(\$9,421,316)	\$2,602,039	(\$7,328,237)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$165,957,957	\$13,984,711	\$190,136,670	\$3,221,943	\$8,194,820	(\$11,925,723)	(\$9,421,316)	\$2,602,039	(\$7,328,237)
110 Kentucky Power Co - Distribution	\$21,310,321	\$1,844,463	\$24,415,060	\$277,151	\$1,044,168	(\$1,531,358)	(\$1,210,578)	\$334,123	(\$1,086,494)
117 Kentucky Power Co - Generation	12,704,544	973,217	14,555,492	118,229	623,279	(912,947)	(611,828)	199,193	(584,074)
180 Kentucky Power Co - Transmission	2,698,749	191,264	3,091,935	51,471	134,116	(193,932)	(198,150)	42,313	(184,182)
Kentucky Power Co.	\$36,713,614	\$3,008,944	\$42,062,487	\$446,851	\$1,801,563	(\$2,638,237)	(\$2,020,556)	\$576,629	(\$1,834,750)
104 Cardinal Operating Company	\$22,109,331	\$1,778,379	\$25,330,479	\$376,533	\$1,091,185	(\$1,588,774)	(\$1,118,823)	\$346,650	(\$891,229)
270 Cook Coal Terminal	1,237,258	126,938	1,417,516	11,706	59,907	(88,909)	(67,747)	19,399	(65,644)
250 Ohio Power Co - Distribution	136,925,397	12,047,842	156,874,304	1,669,331	6,698,573	(9,839,445)	(5,890,962)	2,146,841	(5,215,662)
181 Ohio Power Co - Generation	114,792,708	9,737,254	131,517,064	1,257,539	5,617,700	(8,248,992)	(4,763,607)	1,799,824	(4,337,536)
160 Ohio Power Co - Transmission	23,025,948	1,812,946	28,380,640	254,039	1,130,426	(1,654,642)	(1,031,548)	361,022	(940,703)
Ohio Power Co. - FERC	\$298,090,642	\$25,503,359	\$341,620,003	\$3,569,148	\$14,597,791	(\$21,420,762)	(\$12,870,686)	\$4,673,736	(\$11,450,773)
290 Conesville Coal Preparation Company	1,147,948	127,174	1,315,195	0	54,800	(82,491)	(51,555)	17,999	(61,247)
Ohio Power Co. - SEC	\$299,238,690	\$25,630,533	\$342,835,198	\$3,569,148	\$14,652,591	(\$21,503,253)	(\$12,922,241)	\$4,691,735	(\$11,512,020)
167 Public Service Co of Oklahoma - Distribution	\$47,708,372	\$3,914,348	\$54,659,090	\$782,360	\$2,351,162	(\$3,428,319)	(\$2,477,659)	\$748,015	(\$2,024,441)
198 Public Service Co of Oklahoma - Generation	23,655,388	1,976,891	27,101,784	486,762	1,169,877	(1,699,874)	(1,498,642)	370,891	(1,170,986)
114 Public Service Co of Oklahoma - Transmission	5,809,311	488,729	6,655,680	102,512	286,359	(417,457)	(313,349)	91,084	(250,851)
Public Service Co. of Oklahoma	\$77,173,071	\$6,379,968	\$88,416,554	\$1,371,634	\$3,807,398	(\$5,545,650)	(\$4,289,649)	\$1,209,990	(\$3,446,277)
159 Southwestern Electric Power Co - Distribution	\$34,331,507	\$2,680,496	\$39,333,326	\$633,237	\$1,698,871	(\$2,467,059)	(\$1,794,965)	\$538,281	(\$1,391,635)
168 Southwestern Electric Power Co - Generation	33,330,603	2,737,253	38,186,598	728,870	1,651,739	(2,395,134)	(2,137,691)	522,587	(1,629,629)
161 Southwestern Electric Power Co - Texas - Distribution	15,854,644	1,257,442	18,164,536	245,971	781,722	(1,139,313)	(942,674)	248,583	(605,711)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,457,978	408,877	6,253,161	78,746	269,408	(392,210)	(280,205)	85,575	(238,686)
Southwestern Electric Power Co.	\$88,974,732	\$7,084,068	\$101,937,621	\$1,686,824	\$4,401,740	(\$6,393,716)	(\$5,155,536)	\$1,395,026	(\$4,065,662)
119 AEP Texas North Co - Distribution	\$22,601,065	\$1,908,708	\$25,893,855	\$328,906	\$1,110,362	(\$1,624,110)	(\$1,276,048)	\$354,360	(\$1,106,530)
166 AEP Texas North Co - Generation	5,111,148	516,128	5,855,800	0	245,241	(367,287)	(67,677)	80,137	(109,586)
192 AEP Texas North Co - Transmission	3,443,773	298,357	3,945,502	78,616	170,440	(247,469)	(233,844)	53,995	(178,262)
FERC and SEC Total	\$31,155,986	\$2,723,193	\$35,695,157	\$407,522	\$1,526,043	(\$2,238,866)	(\$1,577,569)	\$488,492	(\$1,394,378)
230 Kingsport Power Co - Distribution	\$4,048,590	\$336,423	\$4,638,436	\$51,534	\$198,666	(\$290,931)	(\$177,403)	\$63,477	(\$154,657)
260 Kingsport Power Co - Transmission	701,640	51,467	803,863	9,697	34,639	(50,420)	(40,419)	11,001	(35,502)
Kingsport Power Co.	\$4,750,230	\$387,890	\$5,442,299	\$61,231	\$233,305	(\$341,351)	(\$217,822)	\$74,478	(\$190,159)
210 Wheeling Power Co - Distribution	\$5,547,909	\$514,782	\$6,356,194	\$63,022	\$270,514	(\$398,672)	(\$259,071)	\$86,985	(\$237,222)
200 Wheeling Power Co - Transmission	186,595	34,178	213,780	0	8,571	(13,409)	(2,613)	2,926	(4,525)
Wheeling Power Co.	\$5,734,504	\$548,960	\$6,569,974	\$63,022	\$279,085	(\$412,081)	(\$261,684)	\$89,911	(\$241,747)
103 American Service Corporation	\$299,354,820	\$22,461,179	\$342,968,363	\$5,534,211	\$14,836,735	(\$21,511,609)	(\$17,282,218)	\$4,693,555	(\$13,729,326)
American Electric Power Service Corp	\$299,354,820	\$22,461,179	\$342,968,363	\$5,534,211	\$14,836,735	(\$21,511,609)	(\$17,282,218)	\$4,693,555	(\$13,729,326)
143 AEP Pro Serv, Inc.	\$90,984	\$3,468	\$104,240	\$0	\$4,508	(\$6,538)	(\$1,133)	\$1,427	(\$1,736)
171 CSW Energy, Inc.	665,646	16,198	762,625	21,454	34,295	(47,833)	(47,052)	10,437	(28,699)
293 Elmwood	3,546,373	184,415	4,063,050	157,596	182,451	(254,842)	(276,067)	55,603	(135,259)
292 AEP River Operations LLC	17,200,252	757,186	19,706,188	1,062,179	903,369	(1,236,008)	(1,245,634)	269,681	(246,413)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$21,503,255	\$961,267	\$24,636,103	\$1,241,229	\$1,124,623	(\$1,545,221)	(\$1,569,886)	\$337,148	(\$412,107)
Total	\$1,335,257,237	\$108,949,296	\$1,529,793,264	\$21,341,838	\$65,791,165	(\$95,951,455)	(\$69,056,805)	\$20,935,374	(\$56,939,883)

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2021 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$104,060,786	\$9,456,000	\$120,172,075	\$1,322,453	\$5,086,030	(\$7,534,350)	(\$5,097,397)	\$1,528,163	(\$4,695,101)
215 Appalachian Power Co - Generation	90,991,106	7,784,535	105,078,872	1,187,726	4,460,892	(6,588,061)	(4,162,884)	1,336,231	(3,766,096)
150 Appalachian Power Co - Transmission	15,977,658	1,203,417	18,451,411	180,292	785,964	(1,156,836)	(781,538)	234,637	(737,481)
Appalachian Power Co. - FERC	\$211,029,550	\$18,443,952	\$243,702,358	\$2,690,471	\$10,332,886	(\$15,279,247)	(\$10,041,818)	\$3,099,031	(\$9,188,677)
225 Cedar Coal Co.	505,249	88,958	583,475	0	23,297	(36,582)	(8,202)	7,420	(14,067)
Appalachian Power Co. - SEC	\$211,534,799	\$18,532,910	\$244,285,833	\$2,690,471	\$10,356,183	(\$15,315,829)	(\$10,050,020)	\$3,106,451	(\$9,212,744)
211 AEP Texas Central Company - Distribution	\$78,651,261	\$6,716,408	\$90,828,501	\$1,102,115	\$3,860,045	(\$5,694,615)	(\$3,881,048)	\$1,155,017	(\$3,458,486)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	7,407,320	609,098	8,554,164	132,548	365,573	(536,315)	(391,921)	108,779	(321,336)
AEP Texas Central Co.	\$86,058,581	\$7,325,506	\$99,382,665	\$1,234,663	\$4,225,618	(\$6,230,930)	(\$4,288,307)	\$1,263,796	(\$3,795,160)
170 Indiana Michigan Power Co - Distribution	\$50,379,947	\$4,791,092	\$58,180,060	\$753,843	\$2,462,771	(\$3,647,677)	(\$2,601,438)	\$739,844	(\$2,292,657)
132 Indiana Michigan Power Co - Generation	31,359,554	2,908,889	36,214,820	538,590	1,538,311	(2,270,537)	(1,850,054)	460,524	(1,583,166)
190 Indiana Michigan Power Co - Nuclear	55,849,058	4,364,410	64,495,930	1,579,413	2,791,294	(4,043,659)	(3,561,730)	820,160	(2,414,522)
120 Indiana Michigan Power Co - Transmission	11,607,974	899,285	13,405,187	151,732	571,438	(840,456)	(596,815)	170,466	(543,635)
280 Water Transportation (Lakin)	14,193,476	1,098,475	16,390,992	359,461	707,528	(1,027,655)	(811,278)	208,435	(563,509)
Indiana Michigan Power Co. - FERC	\$163,390,009	\$14,062,151	\$188,686,989	\$3,383,039	\$8,071,342	(\$11,829,984)	(\$9,421,316)	\$2,399,429	(\$7,397,490)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$163,390,009	\$14,062,151	\$188,686,989	\$3,383,039	\$8,071,342	(\$11,829,984)	(\$9,421,316)	\$2,399,429	(\$7,397,490)
110 Kentucky Power Co - Distribution	\$20,787,177	\$1,823,778	\$24,005,567	\$291,009	\$1,018,965	(\$1,505,061)	(\$1,210,578)	\$305,266	(\$1,100,399)
117 Kentucky Power Co - Generation	12,472,835	995,289	14,403,951	124,140	611,326	(903,075)	(611,828)	183,167	(596,270)
180 Kentucky Power Co - Transmission	2,693,072	180,756	3,110,029	54,045	134,222	(194,987)	(198,150)	39,549	(165,321)
Kentucky Power Co.	\$35,953,084	\$2,999,823	\$41,519,547	\$469,194	\$1,764,513	(\$2,603,123)	(\$2,020,556)	\$527,982	(\$1,861,990)
104 Cardinal Operating Company	\$21,798,670	\$1,824,820	\$25,173,665	\$395,360	\$1,075,289	(\$1,578,297)	(\$1,116,823)	\$320,120	(\$904,351)
270 Cook Coal Terminal	1,181,933	121,418	1,364,927	12,291	57,280	(85,576)	(67,747)	17,357	(66,395)
250 Ohio Power Co - Distribution	133,245,459	11,975,059	153,875,286	1,752,798	6,518,766	(9,647,418)	(5,890,962)	1,956,749	(5,310,067)
181 Ohio Power Co - Generation	111,930,693	9,749,954	129,260,446	1,320,416	5,476,027	(8,104,158)	(4,763,607)	1,643,735	(4,427,587)
160 Ohio Power Co - Transmission	22,597,467	1,818,654	26,096,137	266,741	1,109,287	(1,636,132)	(1,031,548)	331,850	(959,802)
Ohio Power Co. - FERC	\$290,754,222	\$25,489,905	\$335,770,461	\$3,747,606	\$14,236,649	(\$21,051,681)	(\$12,870,686)	\$4,269,811	(\$11,668,201)
290 Conesville Coal Preparation Company	1,075,574	120,681	1,242,101	0	51,307	(77,875)	(51,555)	15,795	(62,328)
Ohio Power Co. - SEC	\$291,829,796	\$25,610,586	\$337,012,562	\$3,747,606	\$14,287,956	(\$21,129,456)	(\$12,922,241)	\$4,285,606	(\$11,730,529)
167 Public Service Co of Oklahoma - Distribution	\$46,927,546	\$3,845,672	\$54,193,138	\$821,478	\$2,315,418	(\$3,397,712)	(\$2,477,659)	\$689,145	(\$2,049,330)
198 Public Service Co of Oklahoma - Generation	23,335,136	1,952,584	26,948,016	511,100	1,155,539	(1,689,542)	(1,498,642)	342,683	(1,178,862)
114 Public Service Co of Oklahoma - Transmission	5,709,453	483,953	6,593,423	107,638	281,694	(413,384)	(313,349)	83,845	(253,556)
Public Service Co. of Oklahoma	\$75,972,135	\$6,282,209	\$87,734,577	\$1,440,216	\$3,752,651	(\$5,500,638)	(\$4,289,649)	\$1,115,673	(\$3,481,747)
159 Southwestern Electric Power Co - Distribution	\$33,983,119	\$2,769,022	\$39,244,581	\$664,899	\$1,680,668	(\$2,460,492)	(\$1,794,965)	\$499,052	(\$1,410,838)
168 Southwestern Electric Power Co - Generation	32,973,959	2,850,950	38,079,177	765,314	1,632,733	(2,387,425)	(2,137,691)	484,232	(1,842,837)
161 Southwestern Electric Power Co - Texas - Distribution	15,624,895	1,240,055	18,044,031	258,270	771,174	(1,131,295)	(942,674)	229,456	(815,069)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,397,255	404,470	6,232,889	82,683	266,650	(390,779)	(280,205)	79,260	(242,391)
Southwestern Electric Power Co.	\$87,979,228	\$7,264,497	\$101,600,678	\$1,771,166	\$4,351,225	(\$6,369,991)	(\$5,165,636)	\$1,292,000	(\$4,111,136)
119 AEP Texas North Co - Distribution	\$22,131,625	\$1,905,648	\$25,558,170	\$345,351	\$1,087,562	(\$1,602,404)	(\$1,276,048)	\$325,009	(\$1,120,530)
166 AEP Texas North Co - Generation	4,840,261	515,337	5,589,658	0	231,581	(350,451)	(67,677)	71,081	(115,466)
192 AEP Texas North Co - Transmission	3,394,472	304,272	3,920,024	82,547	168,001	(245,771)	(233,844)	49,849	(179,218)
FERC and SEC Total	\$30,366,358	\$2,725,257	\$35,067,852	\$427,898	\$1,487,144	(\$2,198,626)	(\$1,577,569)	\$445,939	(\$1,415,214)
230 Kingsport Power Co - Distribution	\$3,962,367	\$342,306	\$4,575,843	\$54,111	\$194,295	(\$286,889)	(\$177,403)	\$58,189	(\$157,697)
260 Kingsport Power Co - Transmission	694,509	53,346	802,037	10,182	34,256	(50,285)	(40,419)	10,199	(36,067)
Kingsport Power Co.	\$4,656,876	\$395,652	\$5,377,880	\$64,293	\$228,551	(\$337,174)	(\$217,822)	\$68,388	(\$193,764)
210 Wheeling Power Co - Distribution	\$5,366,663	\$509,809	\$6,197,561	\$66,173	\$261,644	(\$388,564)	(\$259,071)	\$78,811	(\$241,007)
200 Wheeling Power Co - Transmission	160,988	31,786	185,913	0	7,337	(11,656)	(2,613)	2,364	(4,568)
Wheeling Power Co.	\$5,527,651	\$541,595	\$6,383,474	\$66,173	\$268,981	(\$400,220)	(\$261,684)	\$81,175	(\$245,675)
103 American Service Corporation	\$297,264,587	\$22,409,075	\$343,288,800	\$5,810,920	\$14,746,452	(\$21,522,954)	(\$17,282,218)	\$4,365,416	(\$13,882,384)
American Electric Power Service Corp	\$297,264,587	\$22,409,075	\$343,288,800	\$5,810,920	\$14,746,452	(\$21,522,954)	(\$17,282,218)	\$4,365,416	(\$13,882,384)
143 AEP Pro Serv, Inc.	\$92,024	\$3,627	\$106,272	\$0	\$4,557	(\$6,663)	(\$1,133)	\$1,351	(\$1,888)
171 CSW Energy, Inc.	705,197	17,648	814,380	22,527	36,310	(51,059)	(47,052)	10,356	(28,918)
293 Elmwood	3,702,005	198,529	4,275,171	165,476	190,357	(268,038)	(276,067)	54,365	(133,907)
292 AEP River Operations LLC	18,408,614	863,504	21,258,741	1,115,288	964,422	(1,332,845)	(1,245,634)	270,336	(228,433)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$22,907,840	\$1,083,308	\$26,454,564	\$1,303,291	\$1,195,646	(\$1,658,605)	(\$1,569,886)	\$336,408	(\$393,146)
<b>Total</b>	<b>\$1,313,440,944</b>	<b>\$109,232,569</b>	<b>\$1,516,795,421</b>	<b>\$22,408,930</b>	<b>\$64,736,262</b>	<b>(\$95,097,530)</b>	<b>(\$69,056,805)</b>	<b>\$19,288,263</b>	<b>(\$57,720,880)</b>

Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2022 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G/L)	
140 Appalachian Power Co - Distribution	\$101,013,269	\$9,286,296	\$117,542,276	\$1,388,576	\$4,939,702	(\$7,369,177)	(\$5,097,397)	\$1,391,494	(\$4,746,802)
215 Appalachian Power Co - Generation	88,855,189	7,612,116	103,394,745	1,247,112	4,360,327	(6,482,214)	(4,162,884)	1,224,012	(3,813,647)
150 Appalachian Power Co - Transmission	15,740,497	1,236,959	18,316,147	189,307	773,607	(1,148,310)	(781,538)	216,831	(750,103)
Appalachian Power Co. - FERC	\$205,608,955	\$18,135,371	\$239,253,168	\$2,824,995	\$10,073,636	(\$14,999,701)	(\$10,041,818)	\$2,832,337	(\$9,310,551)
225 Cedar Coal Co.	439,588	80,187	511,519	0	20,199	(32,069)	(8,202)	6,055	(14,017)
Appalachian Power Co. - SEC	\$206,048,543	\$18,215,558	\$239,764,687	\$2,824,995	\$10,093,835	(\$15,031,770)	(\$10,050,020)	\$2,838,392	(\$9,324,568)
211 AEP Texas Central Company - Distribution	\$76,897,013	\$6,740,603	\$89,478,828	\$1,157,221	\$3,773,635	(\$5,609,834)	(\$3,881,048)	\$1,059,284	(\$3,500,742)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(15,337)	0	(15,337)
169 AEP Texas Central Company - Transmission	7,296,343	598,844	8,490,258	139,175	360,559	(532,287)	(391,921)	100,510	(323,964)
AEP Texas Central Co.	\$84,193,356	\$7,339,447	\$97,970,086	\$1,296,396	\$4,134,194	(\$6,142,121)	(\$4,288,307)	\$1,169,794	(\$3,840,044)
170 Indiana Michigan Power Co - Distribution	\$48,805,469	\$4,661,676	\$56,791,607	\$791,535	\$2,388,391	(\$3,560,484)	(\$2,601,438)	\$672,313	(\$2,309,683)
132 Indiana Michigan Power Co - Generation	30,527,566	2,824,098	35,522,854	565,520	1,499,771	(2,227,064)	(1,850,054)	420,528	(1,591,299)
190 Indiana Michigan Power Co - Nuclear	55,855,355	4,332,998	64,995,081	1,658,384	2,796,383	(4,074,791)	(3,561,730)	769,428	(2,412,326)
120 Indiana Michigan Power Co - Transmission	11,431,859	923,623	13,302,477	159,319	562,320	(833,983)	(596,815)	157,478	(551,681)
280 Water Transportation (Lakin)	14,161,990	1,091,469	16,479,345	377,434	707,021	(1,033,153)	(811,278)	195,086	(564,890)
Indiana Michigan Power Co. - FERC	\$160,782,239	\$13,833,864	\$187,091,364	\$3,552,192	\$7,953,886	(\$11,729,475)	(\$9,421,316)	\$2,214,833	(\$7,429,880)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$160,782,239	\$13,833,864	\$187,091,364	\$3,552,192	\$7,953,886	(\$11,729,475)	(\$9,421,316)	\$2,214,833	(\$7,429,880)
110 Kentucky Power Co - Distribution	\$20,273,373	\$1,740,943	\$23,590,746	\$305,559	\$995,819	(\$1,478,995)	(\$1,210,578)	\$279,273	(\$1,108,922)
117 Kentucky Power Co - Generation	12,213,012	1,009,519	14,211,452	130,347	598,163	(890,971)	(611,828)	168,239	(606,050)
180 Kentucky Power Co - Transmission	2,700,583	205,107	3,142,485	56,747	134,130	(197,014)	(198,150)	37,201	(167,086)
Kentucky Power Co.	\$35,186,968	\$2,955,569	\$40,944,683	\$492,653	\$1,728,112	(\$2,566,980)	(\$2,020,556)	\$484,713	(\$1,882,058)
104 Cardinal Operating Company	\$21,444,499	\$1,805,607	\$24,953,506	\$415,128	\$1,058,881	(\$1,564,431)	(\$1,116,823)	\$295,406	(\$911,839)
270 Cook Coal Terminal	1,130,086	112,482	1,315,004	12,906	54,916	(62,443)	(67,747)	15,567	(66,801)
250 Ohio Power Co - Distribution	129,541,964	11,827,601	150,739,180	1,840,438	6,339,842	(9,450,419)	(5,890,962)	1,784,487	(5,376,614)
181 Ohio Power Co - Generation	108,977,182	9,652,650	126,809,340	1,386,437	5,332,635	(7,950,165)	(4,763,607)	1,501,199	(4,493,501)
160 Ohio Power Co - Transmission	22,154,841	1,814,304	25,780,083	280,078	1,087,716	(1,616,252)	(1,031,548)	305,191	(974,815)
Ohio Power Co. - FERC	\$283,248,672	\$25,212,644	\$329,697,113	\$3,934,987	\$13,873,990	(\$20,663,710)	(\$12,870,686)	\$3,901,850	(\$11,823,569)
290 Conesville Coal Preparation Company	1,006,200	103,483	1,170,847	0	48,232	(73,405)	(51,555)	13,881	(62,867)
Ohio Power Co. - SEC	\$284,254,772	\$25,316,127	\$330,767,960	\$3,934,987	\$13,922,222	(\$20,737,115)	(\$12,922,241)	\$3,915,711	(\$11,886,436)
167 Public Service Co of Oklahoma - Distribution	\$46,218,770	\$3,882,845	\$53,781,642	\$862,552	\$2,280,772	(\$3,371,778)	(\$2,477,659)	\$636,680	(\$2,069,433)
198 Public Service Co of Oklahoma - Generation	23,049,191	1,975,707	26,820,777	536,655	1,141,813	(1,681,498)	(1,498,642)	317,511	(1,184,161)
114 Public Service Co of Oklahoma - Transmission	5,614,832	485,944	6,533,598	113,020	277,138	(409,616)	(313,349)	77,346	(255,461)
Public Service Co. of Oklahoma	\$74,882,793	\$6,344,496	\$87,136,017	\$1,512,227	\$3,699,723	(\$5,462,892)	(\$4,289,649)	\$1,031,537	(\$3,509,054)
159 Southwestern Electric Power Co - Distribution	\$33,559,664	\$2,796,850	\$39,051,100	\$698,144	\$1,660,269	(\$2,448,264)	(\$1,794,965)	\$462,296	(\$1,422,520)
168 Southwestern Electric Power Co - Generation	32,521,056	2,807,554	37,842,543	803,580	1,612,876	(2,372,494)	(2,137,691)	447,989	(1,645,740)
161 Southwestern Electric Power Co - Texas - Distribution	15,414,284	1,258,722	17,936,555	271,184	760,725	(1,124,512)	(942,674)	212,337	(822,940)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,342,118	406,494	6,216,260	86,817	264,024	(389,721)	(280,205)	73,590	(245,495)
Southwestern Electric Power Co.	\$86,837,122	\$7,269,620	\$101,046,458	\$1,859,725	\$4,297,894	(\$6,334,991)	(\$5,185,536)	\$1,196,212	(\$4,136,696)
119 AEP Texas North Co - Distribution	\$21,658,890	\$1,916,413	\$25,202,978	\$362,619	\$1,064,293	(\$1,580,072)	(\$1,276,048)	\$298,359	(\$1,130,849)
166 AEP Texas North Co - Generation	4,556,505	509,790	5,302,095	0	217,390	(332,409)	(67,677)	62,767	(119,929)
192 AEP Texas North Co - Transmission	3,340,748	308,192	3,887,401	86,674	165,399	(243,716)	(233,844)	46,020	(179,467)
FERC and SEC Total	\$29,556,143	\$2,734,395	\$34,392,474	\$449,293	\$1,447,082	(\$2,156,197)	(\$1,577,569)	\$407,146	(\$1,430,245)
230 Kingsport Power Co - Distribution	\$3,868,467	\$334,746	\$4,501,472	\$56,817	\$189,879	(\$282,215)	(\$177,403)	\$53,290	(\$159,632)
260 Kingsport Power Co - Transmission	685,601	56,270	797,787	10,691	33,759	(50,016)	(40,419)	9,444	(36,541)
Kingsport Power Co.	\$4,554,068	\$391,016	\$5,299,259	\$67,508	\$223,638	(\$332,231)	(\$217,822)	\$62,734	(\$196,173)
210 Wheeling Power Co - Distribution	\$5,184,671	\$514,924	\$6,033,049	\$69,482	\$252,493	(\$378,235)	(\$259,071)	\$71,421	(\$243,910)
200 Wheeling Power Co - Transmission	136,539	29,110	158,881	0	6,169	(9,961)	(2,613)	1,881	(4,524)
Wheeling Power Co.	\$5,321,210	\$544,034	\$6,191,930	\$69,482	\$258,662	(\$388,196)	(\$261,684)	\$73,302	(\$248,434)
103 American Service Corporation	\$295,412,884	\$22,247,123	\$343,751,898	\$6,101,464	\$14,671,652	(\$21,551,128)	(\$17,282,218)	\$4,069,417	(\$13,990,813)
American Electric Power Service Corp	\$295,412,884	\$22,247,123	\$343,751,898	\$6,101,464	\$14,671,652	(\$21,551,128)	(\$17,282,218)	\$4,069,417	(\$13,990,813)
143 AEP Pro Serv, Inc.	\$92,954	\$3,798	\$108,164	\$0	\$4,599	(\$6,781)	(\$1,133)	\$1,280	(\$2,035)
171 CSW Energy, Inc.	746,386	19,800	868,519	23,653	38,393	(54,451)	(47,052)	10,282	(29,175)
293 Elmwood	3,859,309	208,565	4,490,816	173,750	198,468	(281,547)	(276,067)	53,163	(132,233)
292 AEP River Operations LLC	19,624,820	908,803	22,836,069	1,171,052	1,027,527	(1,431,681)	(1,245,634)	270,339	(208,397)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$24,323,469	\$1,140,966	\$28,303,668	\$1,368,455	\$1,268,987	(\$1,774,460)	(\$1,569,886)	\$335,064	(\$371,840)
<b>Total</b>	<b>\$1,291,353,567</b>	<b>\$108,332,215</b>	<b>\$1,502,660,384</b>	<b>\$23,529,377</b>	<b>\$63,699,887</b>	<b>(\$94,207,556)</b>	<b>(\$69,056,805)</b>	<b>\$17,788,855</b>	<b>(\$58,246,242)</b>



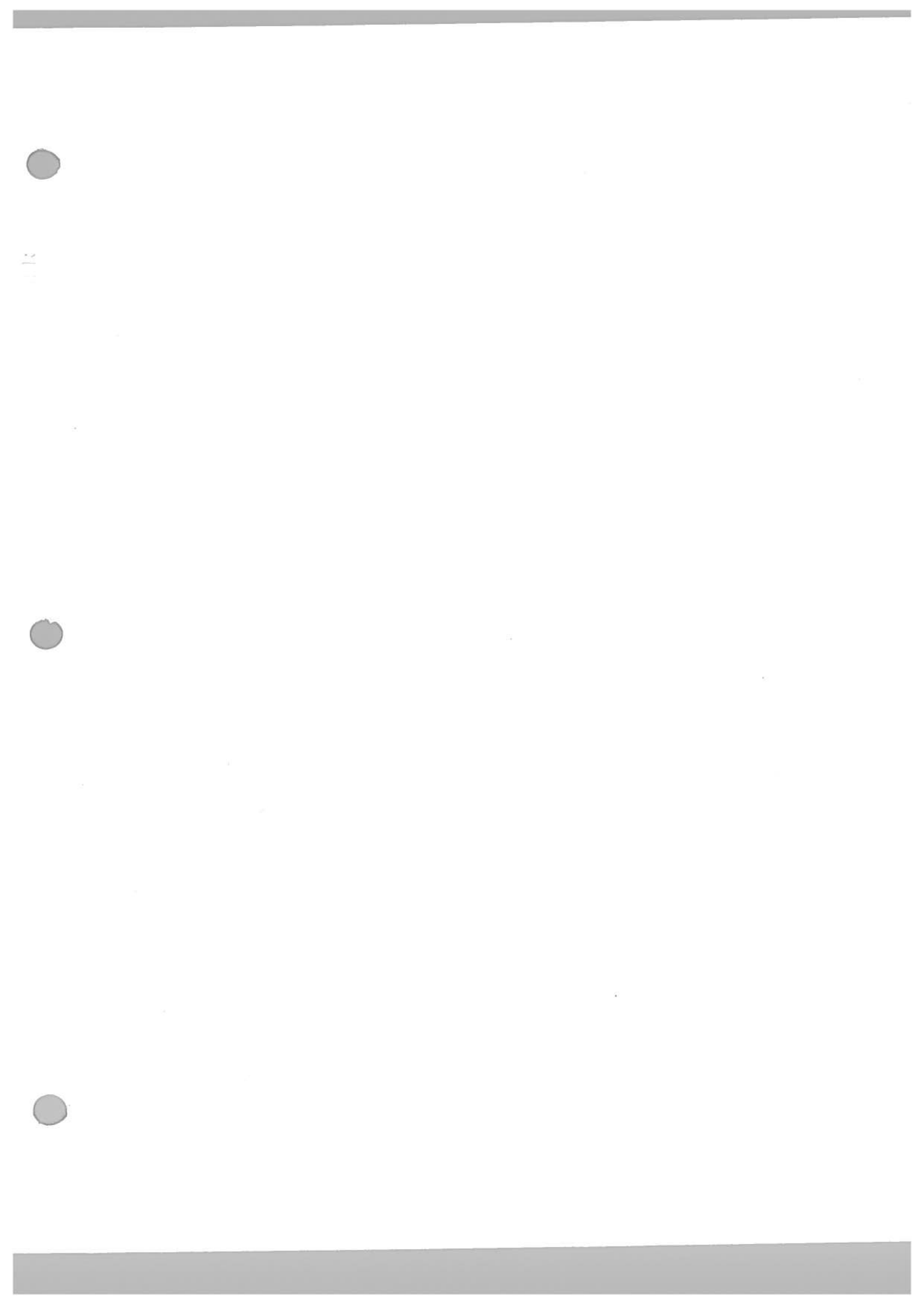
## Non-UMWA Postretirement Health Care Plan

AMERICAN ELECTRIC POWER  
NON-UMWA POSTRETIREMENT WELFARE PLAN  
ESTIMATED 2023 NET PERIODIC POSTRETIREMENT BENEFIT COST

Location	Accumulated Postretirement Benefit Obligation	Expected Net Benefit Payments	Fair Value of Assets	Service Cost	Interest Cost	Expected Return on Assets	Amortizations		Net Periodic Postretirement Benefit Cost
							PSC	(G)/L	
140 Appalachian Power Co - Distribution	\$98,055,251	\$9,203,994	\$114,905,470	\$1,458,005	\$4,795,881	(\$7,204,617)	(\$4,467,938)	\$1,267,144	(\$4,151,525)
215 Appalachian Power Co - Generation	86,850,512	7,310,593	101,775,262	1,309,468	4,269,760	(6,381,348)	(3,609,091)	1,122,348	(3,288,863)
150 Appalachian Power Co - Transmission	15,466,452	1,284,478	18,124,271	198,772	759,060	(1,136,399)	(682,880)	199,869	(661,578)
Appalachian Power Co. - FERC	\$200,372,215	\$17,799,065	\$234,805,003	\$2,966,245	\$9,824,701	(\$14,722,364)	(\$8,759,909)	\$2,589,361	(\$8,101,966)
225 Cedar Coal Co.	379,600	72,425	444,832	0	17,364	(27,891)	(4,705)	4,905	(10,327)
Appalachian Power Co. - SEC	\$200,751,815	\$17,871,490	\$235,249,835	\$2,966,245	\$9,842,065	(\$14,750,255)	(\$8,764,615)	\$2,594,266	(\$8,112,294)
211 AEP Texas Central Company - Distribution	\$75,087,266	\$6,650,208	\$87,990,572	\$1,215,082	\$3,687,419	(\$5,517,042)	(\$3,406,017)	\$970,335	(\$3,050,223)
147 AEP Texas Central Company - Generation	0	0	0	0	0	0	(9,145)	0	(9,145)
169 AEP Texas Central Company - Transmission	7,197,233	594,078	8,434,035	146,134	356,024	(528,817)	(345,324)	93,008	(278,975)
AEP Texas Central Co.	\$82,284,499	\$7,244,286	\$96,424,607	\$1,361,216	\$4,043,443	(\$6,045,859)	(\$3,760,486)	\$1,063,343	(\$3,338,343)
170 Indiana Michigan Power Co - Distribution	\$47,323,719	\$4,490,648	\$55,456,022	\$831,112	\$2,319,827	(\$3,477,114)	(\$2,258,364)	\$611,553	(\$1,972,986)
132 Indiana Michigan Power Co - Generation	29,768,759	2,799,940	34,884,345	593,796	1,463,481	(2,187,262)	(1,637,929)	384,694	(1,383,220)
190 Indiana Michigan Power Co - Nuclear	55,977,124	4,343,465	65,596,464	1,741,303	2,806,459	(4,112,923)	(3,173,544)	723,379	(2,015,326)
120 Indiana Michigan Power Co - Transmission	11,229,875	908,987	13,159,683	167,285	552,887	(825,116)	(519,192)	145,121	(479,015)
280 Water Transportation (Lakin)	14,154,976	1,084,372	16,587,426	396,306	707,797	(1,040,038)	(726,149)	182,921	(479,163)
Indiana Michigan Power Co. - FERC	\$158,454,453	\$13,627,412	\$185,683,920	\$3,729,802	\$7,850,451	(\$11,642,453)	(\$8,315,176)	\$2,047,668	(\$6,329,708)
202 Price River Coal Co.	0	0	0	0	0	0	0	0	0
Indiana Michigan Power Co. - SEC	\$168,454,453	\$13,627,412	\$185,683,920	\$3,729,802	\$7,850,451	(\$11,642,453)	(\$8,315,176)	\$2,047,668	(\$6,329,708)
110 Kentucky Power Co - Distribution	\$19,833,808	\$1,730,250	\$23,242,131	\$320,837	\$974,659	(\$1,457,290)	(\$1,077,746)	\$256,307	(\$983,233)
117 Kentucky Power Co - Generation	11,932,003	1,014,946	13,982,448	136,864	584,166	(876,705)	(534,759)	154,194	(536,240)
180 Kentucky Power Co - Transmission	2,686,353	188,960	3,147,987	59,584	133,957	(197,380)	(179,807)	34,715	(148,931)
Kentucky Power Co.	\$34,452,164	\$2,934,156	\$40,372,566	\$517,285	\$1,692,782	(\$2,631,376)	(\$1,792,312)	\$445,216	(\$1,668,404)
104 Cardinal Operating Company	\$21,112,901	\$1,750,965	\$24,741,029	\$435,884	\$1,044,546	(\$1,551,272)	(\$982,046)	\$272,837	(\$780,051)
270 Cook Coal Terminal	1,085,426	96,304	1,271,950	13,551	53,097	(79,752)	(60,470)	14,027	(69,547)
250 Ohio Power Co - Distribution	125,894,643	11,655,651	147,528,899	1,932,460	6,164,588	(9,250,118)	(5,113,014)	1,626,906	(4,639,178)
181 Ohio Power Co - Generation	106,043,604	9,403,012	124,266,575	1,455,759	5,194,216	(7,791,561)	(4,095,316)	1,370,376	(3,866,526)
160 Ohio Power Co - Transmission	21,708,331	1,840,066	25,438,780	294,082	1,065,232	(1,595,021)	(894,315)	280,532	(849,490)
Ohio Power Co. - FERC	\$275,844,905	\$24,745,998	\$323,247,233	\$4,131,736	\$13,521,679	(\$20,267,724)	(\$11,145,161)	\$3,564,678	(\$10,194,792)
290 Conesville Coal Preparation Company	950,949	93,973	1,114,364	0	45,679	(69,871)	(44,782)	12,289	(56,685)
Ohio Power Co. - SEC	\$276,795,854	\$24,839,971	\$324,361,597	\$4,131,736	\$13,567,358	(\$20,337,595)	(\$11,189,943)	\$3,576,967	(\$10,251,477)
167 Public Service Co of Oklahoma - Distribution	\$45,479,249	\$3,919,653	\$53,294,591	\$905,680	\$2,244,887	(\$3,341,591)	(\$2,179,870)	\$587,717	(\$1,783,377)
198 Public Service Co of Oklahoma - Generation	22,751,952	2,014,617	26,661,741	563,488	1,127,187	(1,671,701)	(1,343,022)	294,018	(1,030,030)
114 Public Service Co of Oklahoma - Transmission	5,519,046	469,323	6,467,462	118,671	273,000	(405,512)	(277,978)	71,321	(220,498)
Public Service Co. of Oklahoma	\$73,750,247	\$6,403,593	\$86,423,794	\$1,587,839	\$3,644,874	(\$5,418,804)	(\$3,800,870)	\$953,056	(\$3,033,905)
159 Southwestern Electric Power Co - Distribution	\$33,121,227	\$2,768,748	\$38,812,915	\$733,051	\$1,640,591	(\$2,433,585)	(\$1,712,425)	\$428,018	(\$1,344,350)
168 Southwestern Electric Power Co - Generation	32,129,958	2,755,240	37,651,303	843,759	1,596,460	(2,380,751)	(1,924,753)	415,208	(1,430,077)
161 Southwestern Electric Power Co - Texas - Distribution	15,187,471	1,315,588	17,797,349	284,743	748,537	(1,115,901)	(840,317)	196,284	(726,674)
11 Southwestern Electric Power Co - Texas - Transmission	0	0	0	0	0	0	0	0	0
194 Southwestern Electric Power Co - Transmission	5,286,465	407,529	6,194,913	91,158	261,407	(388,423)	(246,127)	68,316	(213,669)
Southwestern Electric Power Co.	\$85,725,121	\$7,247,105	\$100,456,480	\$1,952,711	\$4,246,995	(\$6,298,660)	(\$4,723,621)	\$1,107,806	(\$3,714,769)
119 AEP Texas North Co - Distribution	\$21,169,389	\$1,919,755	\$24,807,224	\$380,750	\$1,040,405	(\$1,555,422)	(\$1,133,902)	\$273,567	(\$994,602)
166 AEP Texas North Co - Generation	4,264,105	500,402	4,996,866	0	202,858	(313,305)	(38,826)	55,104	(94,169)
192 AEP Texas North Co - Transmission	3,284,629	306,160	3,849,073	91,008	162,834	(241,338)	(210,481)	42,446	(155,531)
FERC and SEC Total	\$28,718,123	\$2,726,317	\$33,653,163	\$471,758	\$1,406,097	(\$2,110,065)	(\$1,383,209)	\$371,117	(\$1,244,302)
230 Kingsport Power Co - Distribution	\$3,780,417	\$314,696	\$4,430,059	\$59,658	\$186,078	(\$277,766)	(\$154,123)	\$48,853	(\$137,302)
260 Kingsport Power Co - Transmission	673,781	50,247	789,566	11,226	33,340	(49,506)	(34,970)	8,707	(31,203)
Kingsport Power Co.	\$4,454,198	\$364,943	\$5,219,625	\$70,884	\$219,416	(\$327,272)	(\$189,093)	\$57,560	(\$168,505)
210 Wheeling Power Co - Distribution	\$4,991,722	\$508,678	\$5,498,520	\$72,956	\$243,130	(\$366,767)	(\$226,477)	\$64,507	(\$212,651)
200 Wheeling Power Co - Transmission	113,598	26,197	133,119	0	5,083	(8,347)	(1,499)	1,468	(3,295)
Wheeling Power Co.	\$5,105,320	\$532,875	\$5,982,639	\$72,956	\$248,213	(\$375,114)	(\$227,976)	\$66,975	(\$215,946)
103 American Service Corporation	\$293,938,877	\$22,018,389	\$344,450,548	\$6,406,535	\$14,618,325	(\$21,597,182)	(\$15,083,783)	\$3,798,500	(\$11,857,605)
American Electric Power Service Corp	\$293,938,877	\$22,018,389	\$344,450,548	\$6,406,535	\$14,618,325	(\$21,597,182)	(\$15,083,783)	\$3,798,500	(\$11,857,605)
143 AEP Pro Serv, Inc.	\$93,755	\$4,279	\$109,866	\$0	\$4,628	(\$6,889)	(\$650)	\$1,212	(\$1,699)
171 CSW Energy, Inc.	788,632	22,231	924,154	24,836	40,526	(57,945)	(42,396)	10,191	(24,788)
293 Elmwood	4,022,962	216,789	4,714,284	182,438	206,966	(295,587)	(257,327)	51,988	(111,522)
292 AEP River Operations LLC	20,914,596	955,843	24,508,647	1,229,605	1,094,444	(1,536,702)	(1,149,924)	270,274	(92,303)
189 Central Coal Company	0	0	0	0	0	0	0	0	0
400 AEP Energy, Inc	0	0	0	0	0	0	0	0	0
Miscellaneous	\$25,819,945	\$1,199,142	\$30,256,951	\$1,436,879	\$1,346,564	(\$1,897,123)	(\$1,450,297)	\$333,665	(\$230,312)
Total	\$1,270,250,616	\$107,009,679	\$1,488,535,725	\$24,705,846	\$62,726,583	(\$93,331,757)	(\$60,681,380)	\$16,415,139	(\$50,165,569)

Effect of Additional Pension Contributions Recorded As Prepaid Pension Asset in Reducing Pension Cost  
Kentucky Power Company

	Plan Contribution	Less Qualified FAS 87 Cost	Additional Contribution	Investment Return		Balance of Plan Assets
				Rate	Amount	
					<b>FAS 87 Savings</b>	
2005 Contributions	15,775,528	1,486,940	14,288,588			14,288,588
2006 Return on 2005 Balance				8.50%	1,214,530	15,503,118
2007 Return on 2006 Balance				8.50%	1,317,765	16,820,883
2008 Return on 2007 Balance				8.00%	1,345,671	18,166,554
2009 Return on 2008 Balance				8.00%	1,453,324	19,619,878
2010 Return on 2009 Balance				8.00%	1,569,590	21,189,468
2010 Contributions	6,183,898	2,995,603	3,188,295			24,377,763
2011 Return on 2010 Balance				7.75%	1,889,277	26,267,040
2011 Contributions	10,535,000	2,894,613	7,640,387			33,907,427
2012 Return on 2011 Balance				7.25%	2,458,288	36,365,715
2012 Contributions	4,902,000	3,244,941	1,657,059			38,022,774
2013 Return on 2012 Balance				6.50%	2,471,480	40,494,255
Total Additional Contributions Above	<u>37,396,426</u>	<u>10,622,097</u>	26,774,329			
Cumulative Other Years			(466,274)			
Prepaid Pension Balance at March 2013			<u>26,308,055</u>			
				2012	2013	
Actual Total Pension Cost (Qualified and SERP)				3,245,663	4,061,812	
Prepaid Contribution Savings Above				2,458,288	2,471,480	
Pension Cost Without Contribution Savings				<u>5,703,951</u>	<u>6,533,292</u>	



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**THE APPLICATION FOR A GENERAL )  
ADJUSTMENT OF ELECTRIC RATES ) Case No. 2013-00197  
OF KENTUCKY POWER COMPANY )**

**DIRECT TESTIMONY OF**

**JOHN M. MCMANUS**

**ON BEHALF OF KENTUCKY POWER COMPANY**



**DIRECT TESTIMONY OF  
JOHN M. MCMANUS, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**CASE NO. 2013-00197**

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**DIRECT TESTIMONY OF  
JOHN M. MCMANUS, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**I. INTRODUCTION**

1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A. My name is John M. McManus. I am employed by American Electric Power  
3 Service Corporation as Vice President - Environmental Services. American  
4 Electric Power Service Corporation (AEPSC) is a wholly owned subsidiary of  
5 American Electric Power Company, Inc. (AEP), the parent of Kentucky Power  
6 Company (Kentucky Power or the Company). My business address is 1 Riverside  
7 Plaza, Columbus, Ohio 43215.

**II. BACKGROUND**

8 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
9 **BUSINESS EXPERIENCE.**

10 A. I earned a Bachelor of Science Degree in Environmental Engineering from  
11 Rensselaer Polytechnic Institute in 1976 and undertook graduate studies there  
12 from 1976-77. I joined AEPSC's Environmental Engineering Division in  
13 September 1977. After holding various positions in the environmental division  
14 over the years, I was appointed as Manager, Environmental Services in December  
15 2002 and remained in that position until April 2003. I was appointed to my  
16 current position as Vice President - Environmental Services in April 2003. I am  
17 also a registered professional engineer in the State of Ohio.

1 **Q. WHAT ARE YOUR RESPONSIBILITIES AS VICE PRESIDENT-**  
2 **ENVIRONMENTAL SERVICES?**

3 A. I am responsible for oversight of environmental support for all generation and  
4 energy delivery facilities owned by AEP operating companies. I am AEP's listed  
5 Designated Representative on Title IV Acid Rain Program matters and the listed  
6 NO<sub>x</sub> Authorized Account Representative on NO<sub>x</sub> State Implementation Plan  
7 (NO<sub>x</sub> SIP Call) Program matters. Environmental Services provides permitting  
8 and compliance support, guidance, procedures, recommendations and training for  
9 AEP's operating companies in order to maintain and improve their environmental  
10 programs and enhance compliance with environmental laws, regulations, and  
11 policies. As part of this effort, Environmental Services is also involved in the  
12 development process for environmental regulations, coordinating with operating  
13 company staffs to support AEP's corporate strategies and values concerning the  
14 environment.

15 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

16 A. Yes, I have testified before the Kentucky Public Service Commission on a  
17 number of occasions as well as before the Virginia State Corporation  
18 Commission, Indiana Utility Regulatory Commission, Public Service  
19 Commission of West Virginia, Public Utilities Commission of Ohio, and I have  
20 submitted testimony before the Public Utility Commission of Texas.

### **III. PURPOSE OF TESTIMONY**

21 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
22 **PROCEEDING?**



1 A. The purpose of my testimony is to describe the applicable environmental rules  
2 that affect the generating units owned by Kentucky Power. In addition, my  
3 testimony addresses anticipated rules that will require further environmental  
4 projects to be performed at the Mitchell generating station located approximately  
5 twelve miles south of Moundsville, West Virginia. The Mitchell Plant is owned  
6 by Ohio Power Company; however, Kentucky Power has, through Case No.  
7 2012-00578 before this Commission, sought authorization to transfer an  
8 undivided 50% interest in the Mitchell plant from Ohio Power to Kentucky  
9 Power. Kentucky Power also purchases 393 megawatts (MW) of the output of the  
10 Rockport Plant, which is operated by Indiana Michigan Power (I&M), an affiliate  
11 of Kentucky Power. I will also discuss already-complete and future  
12 environmental projects at the Rockport Plant, and how they are required as a  
13 result of the same environmental regulations.

14 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

15 A. Yes. I am sponsoring Exhibit No. JMM-1, which is a list of environmental  
16 control projects that have been undertaken at the Big Sandy, Mitchell, and  
17 Rockport Plants, or are expected to be undertaken in the future, to comply with  
18 the rules and regulations stemming from the Clean Air Act (“CAA”), including  
19 the requirements of the Clean Air Interstate Rule (“CAIR”) and the Mercury and  
20 Air Toxics Standard (“MATS”) Rule. Some of the related projects are also  
21 required to address compliance requirements for coal combustion wastes and by-  
22 products under the Clean Water Act (“CWA”) and the Resource Conservation and  
23 Recovery Act (“RCRA”).

**IV. CURRENT USEPA ENVIRONMENTAL REGULATIONS**

1    **Q.    PLEASE DESCRIBE THE REGULATORY PROGRAMS THAT DRIVE**  
2           **THE NEED FOR THE ENVIRONMENTAL CONTROLS CURRENTLY**  
3           **INSTALLED AT THE BIG SANDY AND MITCHELL PLANTS.**

4    A.    The following major known, existing federal rulemakings, and previously-  
5           established requirements, create the need for the environmental controls currently  
6           installed on the Big Sandy, Mitchell, and Rockport generating plants:

7           1.   **Clean Air Interstate Rule (CAIR)** - The U.S. EPA promulgated the  
8           CAIR in order to significantly reduce emissions of SO<sub>2</sub> and NO<sub>x</sub> primarily  
9           from the power generation sector in two phases with compliance deadlines  
10          in 2009/2010 and 2015. These emissions reductions are implemented  
11          through an interstate cap and trade program. The cap and trade program  
12          provides emission allowances for SO<sub>2</sub> and NO<sub>x</sub> for sources and for states.  
13          Electric generating units' compliance with the annual NO<sub>x</sub> reduction  
14          requirements began January 1, 2009 and with the ozone season (summer)  
15          NO<sub>x</sub> reduction requirements May 1, 2009. Electric generating units'  
16          compliance with the annual SO<sub>2</sub> reduction requirements began January 1,  
17          2010. As of these dates, operators of electric generating units must hold  
18          enough CAIR allowances in their respective accounts to account for every  
19          ton of NO<sub>x</sub> or SO<sub>2</sub> emitted.

20          2.   **Cross-State Air Pollution Rule (CSAPR)** – The CSAPR was initially  
21          proposed by the USEPA in August 2010 as the Clean Air Transport Rule  
22          (CATR). This rule was to serve as a replacement for the Clean Air  
23          Interstate Rule (CAIR), which was remanded to EPA in 2008 by the D.C.  
24          Circuit Court of Appeals. The CSAPR addresses National Ambient Air  
25          Quality Standards (NAAQS) for ozone and particulate matter, and is  
26          focused on the reduction of emissions of sulfur dioxide (SO<sub>2</sub>) and nitrogen  
27          oxides (NO<sub>x</sub>) within 28 eastern, southern and mid-western states—

1 including Kentucky, Indiana and West Virginia.<sup>1</sup> Along with other  
2 requirements, the final CSAPR established state-specific annual emission  
3 “budgets” for SO<sub>2</sub> and NO<sub>x</sub>. The EPA’s approach for obtaining these  
4 emission reductions requires each state to limit its emissions to a  
5 prescribed cap. Based on this cap, each emitting unit within affected  
6 states was allocated a specified budget of NO<sub>x</sub> and SO<sub>2</sub> allowances for the  
7 applicable compliance period, whether annual or ozone season. An annual  
8 cap for SO<sub>2</sub> and NO<sub>x</sub> and an ozone season cap for NO<sub>x</sub> emissions was  
9 established for each affected state. Allowance trading within and between  
10 states is allowed on a regional basis.

11 The CSAPR was stayed on December 30, 2011 by the D.C. Circuit  
12 Court of Appeals, and was subsequently vacated by the same Court.  
13 USEPA and DOJ have appealed the ruling to the Supreme Court. The  
14 USEPA petitioned the United States Supreme Court to review the vacatur  
15 decision on the CSAPR, and the Court announced on June 24, 2013 that it  
16 has accepted the petition. A decision from the Court on the review is not  
17 expected until sometime in the first half of 2014. In the absence of the  
18 CSAPR, the CAIR remains in effect.

- 19 3. **Mercury and Air Toxics Standard (MATS)** - The Mercury and Air  
20 Toxics Standard (MATS) Rule creates additional federal environmental  
21 requirements that necessitate new environmental control retrofits at the  
22 Rockport Plant. This rule replaced the former Clean Air Mercury Rule  
23 (CAMR) that was vacated in 2008 by the D.C. Circuit Court of Appeals.  
24 The final MATS Rule became effective on April 16, 2012, with  
25 compliance required within three years of this date (with the possibility of  
26 a one-year compliance extension in certain circumstances). This rule  
27 regulates emissions of hazardous air pollutants (HAPs) from coal and oil-  
28 fired electric generating units. HAPs regulated by this rule are: 1)  
29 mercury; 2) several non-mercury metals such as arsenic, lead, cadmium

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<sup>1</sup> Final CSAPR issued by the USEPA on July 6, 2011 and published in the Federal Register on August 8, 2011.

1 and selenium; 3) various acid gases including hydrochloric acid (HCl);  
2 and 4) many organic HAPs. The MATS Rule includes stringent emission  
3 rate limits for several individual HAPs, including mercury. In addition,  
4 this rule contains alternative stringent emission rate limits for surrogates  
5 representing two classes of HAPs, acid gases and non-mercury particulate  
6 metal HAPs. The surrogates for the non-mercury particulate metal and  
7 acid gas HAPs are filterable particulate matter (PM) and HCl respectively.  
8 The rule regulates organic HAPs through work practice standards. AEP  
9 does not anticipate making any new significant capital expenditures at the  
10 Mitchell Plant to achieve compliance with the MATS Rule.

11 4. **NSR Consent Decree** - In December 2007, AEP, Kentucky Power and its  
12 affiliated eastern Operating Companies entered into a Consent Decree that  
13 settled outstanding litigation with the U.S. Department of Justice, EPA,  
14 numerous states, and other litigants that stemmed from differences in  
15 interpretation of various New Source Review requirements associated with  
16 coal unit maintenance practices. The AEP Companies admitted no  
17 violations of law and all claims against them were released. There have  
18 been three modifications to the initial Consent Decree, but only the third  
19 modification is relevant to Kentucky Power. For the Big Sandy, Mitchell,  
20 and Rockport plants, the Consent Decree called for the following schedule  
21 of NO<sub>x</sub> and SO<sub>2</sub> controls:

- 22 • Big Sandy Unit 2: Install a Flue Gas Desulfurization system  
23 (“FGD”) for SO<sub>2</sub> emission reduction by December 31, 2015  
24 (revised to Retrofit, Retire, or Repower by the same date in the  
25 Third Proposed Modification to the Consent Decree)
- 26 • Big Sandy Unit 2: Continuously operate the existing Selective  
27 Catalytic Reduction (SCR) system to minimize NO<sub>x</sub> emissions  
28 starting January 1, 2009
- 29 • Big Sandy Unit 1: Install Low-NO<sub>x</sub> Burner technology *and* limit  
30 the sulfur content of its coal to no greater than 1.75 lb. per million  
31 British thermal units (MMBtu), on an annual average basis, by the  
32 effective date of the Consent Decree.
- 33 • Mitchell Units 1 and 2: install and continuously operate SCR  
34 systems by January 1, 2009.

- 1 • Mitchell Units 1 and 2: install and continuously operate Flue Gas  
2 Desulfurization (FGD) systems by December 31, 2007.
- 3 • Rockport Units 1 and 2: install and continuously operate Dry  
4 Sorbent Injection (“DSI”) by April 16, 2015<sup>2</sup>
- 5 • Rockport Units 1 and 2: install and continuously operate SCR  
6 systems on the generating units by December 31, 2017 and  
7 December 31, 2019, respectively
- 8 • Rockport Units 1 and 2: Retrofit, Retire, Re-Power, or Refuel by  
9 December 31, 2025 and December 31, 2028, respectively.

10

#### V. FUTURE USEPA ENVIRONMENTAL REGULATIONS

11 **Q. PLEASE DISCUSS OTHER PROPOSED AND EMERGING**  
12 **ENVIRONMENTAL REGULATIONS THAT MAY CREATE THE NEED**  
13 **FOR ADDITIONAL ENVIRONMENTAL CONTROL RETROFITS AT**  
14 **KENTUCKY POWER PLANTS.**

15 **A.** The following proposed and anticipated environmental regulations have the  
16 potential to establish more stringent requirements and the subsequent need for  
17 upgrades to and/or new installation of environmental control systems at the  
18 Mitchell and Rockport generating plants:

- 19 1. **New 1-hour SO<sub>2</sub> National Ambient Air Quality Standard (“NAAQS”)**  
20 – In 2010, the EPA revised the NAAQS for SO<sub>2</sub>, establishing a new 1-  
21 hour standard, which is significantly more stringent than the prior  
22 standards. Final designations on whether an area meets the new standard  
23 are expected from EPA in June 2013.

24 States must submit proposed State Implementation Plans (“SIPs”)  
25 to EPA for areas designated as “in attainment” or “unclassifiable” by June  
26 2013, and by February 2015 for areas designated as “nonattainment”.

27 These SIPs will detail any necessary SO<sub>2</sub> emissions reductions to either

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<sup>2</sup> The proposed Third Joint Modification to the Consent Decree was filed by AEP, the Department of Justice, the EPA and other parties on February 22, 2013 in United States District Court for the Southern District of Ohio, Eastern Division. The Third Joint Modification was entered on May 14<sup>th</sup>, 2013.

1 maintain attainment or bring a non-attainment area into attainment. Non-  
2 attainment areas must then achieve attainment by August 2018. The scope  
3 and timing of potential emission reductions at Kentucky Power's plants is  
4 uncertain.

- 5 2. **Greenhouse Gas ("GHG") Regulations** – EPA continues to move  
6 forward in implementing a regulatory approach for controlling GHG  
7 emissions from power plants. In 2010, EPA promulgated the GHG  
8 Tailoring Rule that establishes thresholds for regulating GHG emissions  
9 from new power plants or from existing units that undergo major  
10 modifications. Also, on March 27, 2012, EPA proposed New Source  
11 Performance Standards ("NSPS") for new fossil fuel power plants with a  
12 carbon dioxide ("CO<sub>2</sub>") emission limit of 1,000 lb./MWh, which is  
13 equivalent to the rate EPA assumes for a new natural gas combined cycle  
14 unit. It is expected that EPA will propose GHG NSPS requirements for  
15 existing fossil fuel units, but the agency has indicated that it currently has  
16 no plans regarding the development or timing of this proposal.
- 17 3. **Clean Water Act "316(b)" Rule** – EPA proposed the 316(b) Rule on  
18 April 20, 2011 and recently extended the deadline for finalizing the rule to  
19 June 27, 2013. The rule is applicable to cooling water intake systems and  
20 is designed to establish technology standards around the need for, and  
21 construction of, cooling water intake structures that would lessen the  
22 impact of impingement and entrainment on fish and other aquatic  
23 organisms. Kentucky Power's generating plants could be required to  
24 upgrade cooling water system intake screens as a result of this rule.
- 25 4. **Steam Electric Effluent Limitations Guidelines ("ELG")** – EPA is  
26 currently conducting a rulemaking to update the technology-based effluent  
27 limitations guideline (40 CFR 423) for steam electric generating facilities.  
28 Updates to the guidelines could lead to more stringent wastewater  
29 discharge limitations at Kentucky Power's plants. EPA issued a proposed  
30 rule in April, 2013 and has announced a schedule to issue a final rule in  
31 May, 2014.

1           **5. Coal Combustion Residuals (“CCR”) Rule** – EPA proposed the CCR  
2 Rule in June 2010 to address the disposal of coal combustion byproducts (coal  
3 ash, etc.). The CCR Rule could require the conversion of all “wet” ash  
4 systems to dry systems; the possible relining or closing of ash ponds; as well as  
5 the possible construction of waste water treatment facilities by approximately  
6 the end of 2018. Based on the preliminary assumption that these residual  
7 materials may be categorized as “Subtitle D”, or non-hazardous materials<sup>3</sup>,  
8 Kentucky Power’s plants could require plant modifications and capital  
9 expenditures to address these requirements. The schedule for issuance of a  
10 final rule is uncertain.

11  
12           Each of these environmental regulations has the potential to result in additional  
13 environmental control requirements for Kentucky Power’s generating plants that  
14 would necessitate capital investments to achieve compliance.

#### **VI. BIG SANDY PLANT ENVIRONMENTAL COMPLIANCE**

15   **Q. PLEASE DISCUSS THE CURRENT STATUS OF ENVIRONMENTAL**  
16   **CONTROLS AT BIG SANDY UNITS 1 AND 2.**

17   A. Big Sandy Unit 2 currently operates with SCR and low NO<sub>x</sub> burner (“LNB”)  
18 systems for NO<sub>x</sub> control, and an electrostatic precipitator (“ESP”) for particulate  
19 matter control. Big Sandy Unit 1 currently operates with LNBS with over-fire air  
20 (“OFA”) for NO<sub>x</sub> control, and an ESP for particulate matter control. These  
21 controls allow the Big Sandy units to operate in compliance with existing  
22 requirements, including the CAIR NO<sub>x</sub> program.

23   **Q. DOES KENTUCKY POWER PLAN TO CONTINUE BURNING COAL AT**  
24   **THE BIG SANDY PLANT PAST THE EFFECTIVE DATE FOR THE**

---

<sup>3</sup> As set forth under the current RCRA

1        **MATS RULE?**

2        A.    No. Kentucky Power has announced that rather than retrofit Big Sandy Unit 2  
3            with environmental controls, the Company will retire the unit, in 2015<sup>4</sup> and will  
4            retire or convert Unit 1 to burn natural gas before or during 2016. As a result of  
5            that decision, there are no major environmental retrofits that must be made to the  
6            generating units at the Big Sandy Plant to maintain compliance with future  
7            regulations because Unit 2 will no longer be operational, and Unit 1 will no  
8            longer be burning coal when these regulations become effective.

9                   There will be projects associated with the eventual closure of the ash pond  
10            located at the Big Sandy Plant. Kentucky Power is currently in the very early  
11            stages of working with the Commonwealth of Kentucky to determine what scope  
12            of work is necessary to safely close the pond after the Big Sandy Plant is retired,  
13            but at this point no detailed work plan or cost estimates have been created. The  
14            closure of the fly ash pond is expected to be a multi-year, phased project.

15        **VII. MITCHELL PLANT ENVIRONMENTAL COMPLIANCE**

16        **Q.    PLEASE DISCUSS THE CURRENT STATUS OF AIR EMISSIONS  
17            CONTROLS AT THE MITCHELL PLANT.**

18        A.    Each Mitchell unit currently operates with a FGD system, SCR system, LNBs,  
19            ESP, and mitigates SO<sub>3</sub> emissions with trona injection.

20        **Q.    DESCRIBE THE REGULATORY PROGRAMS THAT DROVE THE  
21            NEED FOR THE INITIAL INSTALLATION OF THESE CONTROLS AT  
22            MITCHELL PLANT.**

---

<sup>4</sup> Although the MATS rulemaking implementation date is April 16, 2015, a request will be submitted to the Kentucky Department of Environmental Protection to operate Unit 2 until June 1, 2015, consistent with the PJM capacity planning year.



1 A. The primary federal statute that drove the initial need for these environmental  
2 controls is the CAA, as implemented in the West Virginia State Implementation  
3 Plan ("SIP"). The electrostatic precipitators at Mitchell Plant allow the units to  
4 operate in compliance with the particulate emissions limitations in the WV SIP.  
5 The FGD systems at Mitchell allow the units to operate in compliance with the  
6 CAA Title IV and CAIR SO<sub>2</sub> programs. The LNBS and SCRs at Mitchell allow  
7 the plant to operate in compliance with the Title IV and CAIR NO<sub>x</sub> programs.

8 **Q. WILL THE EXISTING ENVIRONMENTAL CONTROLS AT THE**  
9 **MITCHELL PLANT MEET THE COMPLIANCE NEEDS OF THE MATS**  
10 **RULE?**

11 A. Yes. The emission control systems currently in place are expected to be sufficient  
12 for the Mitchell Plant to meet the requirements of the MATS Rule.

13 **Q. WILL ADDITIONAL MAJOR ENVIRONMENTAL CONTROLS BE**  
14 **REQUIRED AT THE MITCHELL PLANT TO MEET PROPOSED AND**  
15 **ANTICIPATED REGULATORY COMPLIANCE NEEDS?**

16 A. Currently, the following environmental projects are underway for the purpose of  
17 meeting more stringent limits in the facilities' National Pollutant Discharge  
18 Elimination System ("NPDES") permit:

- 19 • Mitchell Units 1&2 Dry Fly Ash Conversion
- 20 • Mitchell Haul Road and New Landfill

21 Consideration is currently being given to the installation of wastewater treatment  
22 technology as a component of these projects. These projects are also expected to  
23 satisfy the anticipated requirements of the CCR Rule, although there may be a

1 need to re-line the bottom ash pond for compliance with the CCR Rule as well.

2 Finally, additional waste water treatment technology may be needed at  
3 Mitchell Units 1 and 2 for compliance with the emerging ELG Rule. The  
4 Company also anticipates a need to upgrade the cooling water intake system to  
5 comply with a revised 316(b) Rule.

**VIII. ROCKPORT PLANT ENVIRONMENTAL COMPLIANCE**

6 **Q. PLEASE DISCUSS THE CURRENT STATUS OF AIR EMISSIONS**  
7 **CONTROLS AT THE ROCKPORT PLANT.**

8 A. Both units at the Rockport Plant currently operate with LNBs and OFA for NO<sub>x</sub>  
9 reduction, ESPs for particulate control, and activated carbon injection ("ACI") to  
10 achieve mercury reduction. The units consume a high percentage of low-sulfur  
11 coal from the Powder River Basin to minimize SO<sub>2</sub> emissions.

12 **Q. DESCRIBE THE REGULATORY PROGRAMS THAT DROVE THE**  
13 **NEED FOR THE INITIAL INSTALLATION OF THESE CONTROLS AT**  
14 **THE ROCKPORT PLANT.**

15 A. The primary federal statute that drove the initial need for these environmental  
16 controls is the CAA, as implemented in the Indiana SIP. The electrostatic  
17 precipitators at the Rockport Plant allow the units to operate in compliance with  
18 the particulate emissions limitations in the Indiana SIP. The LNBs and OFA at  
19 Rockport allow the plant to operate in compliance with the Title IV and CAIR  
20 NO<sub>x</sub> programs.

21 The ACI system at the Rockport Plant was planned for compliance with  
22 the CAMR, which was vacated after the system at Rockport was under  
23 construction. With minor upgrades, this ACI system will be capable of

1 complying with the mercury emission rate limit under the MATS Rule.

2 **Q. WHAT PROJECTS ARE PLANNED AT THE ROCKPORT PLANT TO**  
3 **COMPLY WITH FUTURE REGULATIONS?**

4 A. Both units at the Rockport Plant will be retrofit with DSI systems prior to the  
5 effective date of the MATS Rule. These systems will reduce acid gas emissions  
6 in a manner sufficient to comply with the MATS Rule.

7 **Q. PLEASE SUMMARIZE THE PROJECTS LISTED IN JMM-1, AND**  
8 **DESCRIBE WHY EACH PROJECT IS NECESSARY TO MEET**  
9 **EXISTING OR FUTURE ENVIRONMENTAL REGULATIONS.**

10 A. The Dry Fly Ash Conversion project at the Mitchell Plant, and associated Haul  
11 Road and Landfill work is needed to comply with NPDES and RCRA  
12 requirements associated with the current NPDES permit, future waste water  
13 discharge rules and anticipated rules concerning the handling of solid wastes.

14 The ACI system that began operation on both Rockport units in 2009 was  
15 originally designed for fleet compliance with the CAMR, or which Rockport was  
16 an integral piece, and therefore construction had commenced on this project prior  
17 to the vacatur of the CAMR. However, with the mercury emission limits captured  
18 in the MATS Rule, the ACI system will still be required for the Rockport Plant to  
19 maintain compliance with that future regulation.

20 The DSI system that is to be installed on both units at the Rockport Plant  
21 is also planned for compliance with the MATS Rule. The DSI system will reduce  
22 the emission rates of acid gases at the Rockport Plant, which are limited under the  
23 MATS Rule. The DSI system, which was included specifically in the Third

1 Proposed Joint Modification to the NSR Consent Decree, must be installed by the  
2 day that MATS is to be effective, and this system would still be required in the  
3 absence of the Third Proposed Modification of the NSR Consent Decree.

#### VII. CONCLUSION

4 **Q. PLEASE SUMMARIZE THE ENVIRONMENTAL REQUIREMENTS**  
5 **FOR THE BIG SANDY, MITCHELL, AND ROCKPORT PLANTS.**

6 A. The environmental regulations facing Kentucky Power are stringent and will  
7 require reductions in the emissions of several air pollutants. The compliance  
8 requirements contained in the MATS Rule as well as the promise of potential  
9 future regulation of solid wastes and more stringent waste water standards will  
10 require the reduction of multiple emissions from Kentucky Power's generating  
11 plants. These emission reductions will be achieved through existing, planned, and  
12 anticipated environmental retrofits at the Mitchell and Rockport Plants.

13 **Q. PLEASE SUMMARIZE THE REQUIREMENTS FOR THE NEW**  
14 **PROJECTS LISTED IN THE KENTUCKY ENVIRONMENTAL**  
15 **SURCHARGE TARIFF FOR THIS FILING.**

16 A. The new projects added to the tariff, as listed in JMM-1, will meet the compliance  
17 requirements of federal statutes that include the CAA, the RCRA, and the CWA.  
18 The placement in-service of these projects will allow the Company to remain in  
19 compliance with environmental regulations and permitting so that these units can  
20 continue to provide Kentucky Power's customers with reliable generation.

21 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

22 A. Yes.

Generating Unit	Project Description	In-Service Date (Actual/Proposed)	Applicable Environmental Program
Big Sandy Unit 1	Repower, Retrofit, Refuel, Retire	Before or During 2016	MATS, Third Modification to the NSR Consent Decree
Big Sandy 1 and 2	Fly Ash Pond Closure	4th Quarter 2019	401 KAR 45
Mitchell Units 1 and 2	Dry Fly Ash Disposal Conversion	3rd Quarter 2014	NPDES, RCRA
Mitchell Units 1 and 2	Haul Road and Landfill	3rd Quarter 2014	RCRA, NPDES
Rockport Units 1 and 2	ACI	3rd Quarter 2009	Former CAMR, MATS
Rockport Units 1 and 2	DSI	April, 16, 2015	MATS, Third Modification to the NSR Consent Decree

Acronym/Abbreviation	Definition
ACI	Activated Carbon Injection, used for reduction of mercury emissions
CAMR	Clean Air Mercury Rule, vacated in 2008
DSI	Dry Sorbent Injection
KAR	Kentucky Administrative Regulations
LNBS	Low nitrogen oxide (NOx) Burners
MATS	Mercury and Air Toxics Standard
NPDES	National Pollution Discharge Elimination System
NSR	New Source Review
RCRA	Resource Conservation and Recovery Act



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**THE APPLICATION FOR A GENERAL )  
ADJUSTMENT OF ELECTRIC RATES ) Case No. 2013-00197  
OF KENTUCKY POWER COMPANY )**

**DIRECT TESTIMONY OF**

**THOMAS E. MITCHELL**

**ON BEHALF OF KENTUCKY POWER COMPANY**

**VERIFICATION**

The undersigned, Thomas E. Mitchell, being duly sworn, deposes and says he is Manager Director, Regulatory Accounting Services for American Electric Power Service Corporation and that he has personal knowledge of the matters set forth in the forgoing testimony and the information contained therein is true and correct to the best of his information, knowledge and belief.

  
\_\_\_\_\_  
Thomas E. Mitchell

STATE OF OHIO

)

) Case No. 2013-00197

County of FRANKLIN

)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Thomas E. Mitchell, this the 17<sup>th</sup> day of June, 2013.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: Aug 18, 2017



**DIRECT TESTIMONY OF  
THOMAS E. MITCHELL, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**CASE NO. 2013-00197**

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**DIRECT TESTIMONY OF  
THOMAS E. MITCHELL, ON BEHALF OF  
KENTUCKY POWER COMPANY  
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

**I. INTRODUCTION**

1 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

2 A. My name is Thomas E. Mitchell and my business address is 1 Riverside Plaza,  
3 Columbus, Ohio 43215. I am employed by American Electric Power Service  
4 Corporation (AEPSC), a subsidiary of American Electric Power Company, Inc.  
5 (AEP), as Managing Director of Regulatory Accounting Services. AEP is the  
6 parent company of Kentucky Power Company (Kentucky Power or Company).

**II. BACKGROUND**

7 **Q. WHAT ARE YOUR RESPONSIBILITIES AS MANAGING DIRECTOR**  
8 **OF REGULATORY ACCOUNTING SERVICES?**

9 A. My primary responsibilities include providing the AEP System operating  
10 subsidiaries, including Kentucky Power, with accounting support for regulatory  
11 filings. This support includes the preparation of cost-of-service adjustments,  
12 accounting schedules, and accounting testimony. I direct a group of professionals  
13 who provide accounting expertise, compile necessary historical accounting  
14 schedules, present expert accounting testimony and respond to data requests in  
15 connection with rate filings with eleven regulatory commissions and the Federal  
16 Energy Regulatory Commission (FERC).

17 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**  
18 **PROFESSIONAL EXPERIENCE.**

1 A. I received a Bachelor of Science Degree in Accounting from Virginia Polytechnic  
2 Institute and State University (Virginia Tech) in 1977. I also hold a Master of  
3 Business Administration Degree from Virginia Tech and a Bachelor of Arts  
4 Degree in Government from the University of Notre Dame. I have been a  
5 Certified Public Accountant since 1978. I was first employed by Appalachian  
6 Power Company (APCo) in 1979, and, except for employment with Norfolk  
7 Southern Corporation as an Assistant Accounting Manager (1984-1985), have  
8 held various positions in APCo's and AEP's Accounting Department  
9 continuously since that date. In 1998, I was promoted to Director, Accounting  
10 Policy & Research, and in 2008 I was promoted to my present position as  
11 Managing Director of Regulatory Accounting Services. I have served as  
12 Chairman of the Accounting Standards Committee of the Edison Electric Institute  
13 (EEI) and am currently Chairman of the Joint Accounting Liaison Committee of  
14 the EEI which meets annually with the FERC Accounting Staff to discuss  
15 accounting issues of mutual interest to EEI and the FERC.

16 **Q. HAVE YOU PREVIOUSLY TESTIFIED OR SUBMITTED TESTIMONY**  
17 **IN ANY REGULATORY PROCEEDINGS?**

18 A. Yes, I have submitted testimony and testified in proceedings before The Public  
19 Utilities Commission of Ohio (PUCO) on behalf of Ohio Power Company  
20 (OPCo), an affiliate of Kentucky Power, on several matters including the Electric  
21 Security Plan and Earnings Test. I have also filed testimony with the PUCO on  
22 an OPCo distribution case. In addition, I have filed accounting testimony and  
23 testified on behalf of Appalachian Power Company (APCo) and Wheeling Power

1 Company before the Public Service Commission of West Virginia, and on behalf  
2 of APCo before both the Virginia State Corporation Commission and the FERC.  
3 I have also filed accounting testimony on behalf of Indiana Michigan Power  
4 Company before the Indiana Utility Regulatory Commission.

### III. PURPOSE OF DIRECT TESTIMONY

5 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS**  
6 **PROCEEDING?**

7 A. The purpose of my direct testimony is to support certain ratemaking adjustments  
8 to the test year ended March 31, 2013. The ratemaking adjustments that I sponsor  
9 mainly involve the removal of non-recurring or out-of-period items from revenue  
10 and expenses and certain adjustments to rate base to include the proposed transfer  
11 of an undivided 50% interest in the Mitchell Generating Station, Units 1 and 2  
12 (Mitchell Plant) from OPCo related to the Company's request to the Commission  
13 in Case No. 2012-00578. Also, I support adjustments for the amortization of  
14 various regulatory assets and deferred costs that other Company witnesses  
15 propose be recovered in this proceeding.

16 Additionally, I support going-level adjustments to incentive compensation  
17 expense and depreciation expense for Kentucky Power as well as the depreciation  
18 expense for the proposed-to-be transferred Mitchell Plant. I also support  
19 adjustments to remove the Big Sandy Plant depreciation expense and operations  
20 and maintenance expenses (O&M) and to establish those costs as a regulatory  
21 asset to be recovered with a weighted average cost of capital (WACC) rate over

1 five years. The Company's request to record and recover this regulatory asset is  
2 discussed in the testimony of Company witness Wohnhas.

3 Finally, I discuss over/under deferral accounting for the proposed Big Sandy Plant  
4 depreciation and O&M deferral discussed by Company witness Wohnhas and the  
5 proposed PJM rider mechanism discussed by Company witness Vaughan.

6 The values I used in my adjustments are Kentucky Power jurisdictional amounts  
7 which have been provided by Company witness Munsey who supports Kentucky  
8 Power's jurisdictional cost of service allocation.

9 **Q. ARE YOU SPONSORING ANY EXHIBITS INCLUDED IN YOUR**  
10 **TESTIMONY?**

11 A. Yes. I am sponsoring TEM Exhibit 1.

12 **Q. WAS THIS EXHIBIT PREPARED BY YOU OR UNDER YOUR**  
13 **SUPERVISION?**

14 A. Yes.

#### IV. REMOVAL OF REVENUE AND EXPENSES

15 **Q. WHAT ADJUSTMENTS ARE YOU PROPOSING TO REMOVE FROM**  
16 **REVENUE AND EXPENSES?**

17 A. The table below summarizes the adjustments that the Company proposes to  
18 remove from Kentucky Power revenues and expenses recorded in the test year  
19 that are either non-recurring or out-of-period and should not be included in the  
20 proposed Kentucky Power going-level cost of service calculations:

Adjustment to Remove:	Section V, WP S-4 Adjustment pg. #	Jurisdictional Increase (Decrease)	Revenue /O&M
Kentucky Power Severance Costs	44	\$(1,085,383)	O&M
Mitchell Plant Severance Costs	56	\$(270,416)	O&M
Kentucky Power Repositioning Study Costs	45	\$(431,083)	O&M
Mitchell Plant Repositioning Study Costs	57	\$(201,809)	O&M
Environmental Surcharge Provision for Refund	30	\$1,635,430	Revenue

1

2 **Q. WHAT IS THE PURPOSE OF THE O&M ADJUSTMENTS FOR THE**  
3 **REMOVAL OF SEVERANCE COSTS IN SECTION V, WORKPAPER S-4,**  
4 **PAGES 44 AND 56?**

5 A. O&M expense adjustments in Section V, Workpaper S-4, pages 44 and 56  
6 decrease Kentucky Power's operating expenses by \$1,085,383 and \$270,416,  
7 respectively to remove test year severance expense related to cost reduction  
8 initiatives. The \$1,085,383 is the severance expense recorded in the test year by  
9 Kentucky Power related to both Kentucky Power and AEPSC employees. The  
10 \$270,416 is the severance expense included in the test year Mitchell Plant  
11 expenses (calculated at the 50% Kentucky Power share) that Company witness  
12 Vaughan proposes to include in the Kentucky Power March 31, 2013 test year.  
13 These adjustments reduce the going-level expenses for Kentucky Power as they  
14 are expected to be non-recurring.

1 **Q. WHAT IS THE PURPOSE OF THE O&M ADJUSTMENTS FOR THE**  
2 **REMOVAL OF REPOSITIONING STUDY COSTS IN SECTION V,**  
3 **WORKPAPER S-4, PAGES 45 AND 57?**

4 A. O&M expense adjustments in Section V, Workpaper S-4, pages 45 and 57  
5 decrease Kentucky Power's operating expenses by \$431,083 and \$201,809,  
6 respectively to remove test year repositioning study costs expense related to cost  
7 reduction initiatives. The \$431,083 is the repositioning study costs expense  
8 recorded in the test year by Kentucky Power. The \$201,809 is the repositioning  
9 study costs expense included in the test year Mitchell Plant expenses (calculated  
10 at the 50% Kentucky Power share) that Company witness Vaughan proposes to  
11 include in the Kentucky Power March 31, 2013 test year. These adjustments  
12 reduce the going-level expenses for Kentucky Power as they are expected to be  
13 non-recurring.

14 **Q. WHAT IS THE PURPOSE OF THE REVENUE ADJUSTMENT FOR THE**  
15 **REMOVAL OF THE ENVIRONMENTAL SURCHARGE PROVISION**  
16 **FOR REFUND IN SECTION V, WORKPAPER S-4, PAGE 30?**

17 A. The revenue adjustment in Section V, Workpaper S-4, page 30 increases  
18 Kentucky Power's revenue by \$1,635,430 to remove an environmental surcharge  
19 estimated provision for refund (charge to Account 449) recorded in the test year  
20 (July 2012) related to certain amounts that were incorrectly collected through the  
21 environmental surcharge applicable to the periods January 2011 through June  
22 2011 and July 2011 through December 2011. This provision was reversed by  
23 Kentucky Power in 2013 when the actual refunds of the over collected

1 environmental costs were made following Commission approval of the  
2 Company's requests (Case Nos. 2012-00273 and 2012-00504) to reduce  
3 Kentucky Power customers' bills in January 2013 (approximately \$453,000) and  
4 in June 2013 (approximately \$704,000), respectively. The increase to Kentucky  
5 Power revenues eliminates the out-of-period revenue refund provision.

**V. MITCHELL PLANT RATE BASE ADJUSTMENTS**

6 **Q. WHAT ADJUSTMENTS ARE YOU PROPOSING RELATED TO**  
7 **INCLUSION OF THE MITCHELL PLANT IN RATE BASE?**

8 A. I am supporting the inclusion in Kentucky Power's rate base of 50% of the value  
9 of gross Electric Plant In Service (FERC Accounts 101 and 106) less 50% of the  
10 value of Accumulated Provision for Depreciation (FERC Account 108) for the  
11 Mitchell Plant together with the related rate base items of Materials and Supplies  
12 (M&S) (FERC Accounts 151, 152, 154 and 158.1) and Construction Work in  
13 Progress (FERC Account 107) as of March 31, 2013. However, cash working  
14 capital is supported by Company witness Vaughan and accumulated deferred  
15 federal income taxes (ADFIT) is supported by Company witness Bartsch. The  
16 adjustment in Section V, Workpaper S-4, page 59 shows the addition of the  
17 respective 50% amounts for Mitchell Plant into rate base for the items I sponsor  
18 for Gross Electric Plant in Service (EPIS) of \$882,167,970; Accumulated  
19 Provision for Depreciation of \$283,170,159; M&S of \$42,424,390; and  
20 Construction Work in Progress of \$39,608,974.

21 **Q. HOW WERE THE AMOUNTS THAT THE COMPANY INCLUDED IN**  
22 **RATE BASE FOR THE 50% OF MITCHELL PLANT DETERMINED?**



1 A. The generation assets related to Mitchell Plant were identified by the Mitchell  
2 Plant location as indicated in OPCo's property records which also included the  
3 associated accumulated depreciation.

4 M&S was obtained directly from plant specific inventory reports, except for  
5 emission allowances which were allocated from the total OPCo allowances to the  
6 Mitchell Plant based on the Mitchell Plant percentage of the EPA's original OPCo  
7 allowance issuances.

8 **Q. ARE THERE OTHER MITCHELL PLANT ADJUSTMENTS RELATED**  
9 **TO KENTUCKY POWER'S RATE BASE YOU WOULD LIKE TO**  
10 **ADDRESS?**

11 A. Yes, the Mitchell Plant property values obtained from OPCo's property records  
12 also included the non-cash amounts related to Asset Retirement Obligations  
13 (AROs). Since AROs are not included in Kentucky Power's rate base (reference  
14 Kentucky Power Schedule 13) I have similarly removed the ARO amounts related  
15 to Mitchell Plant included in EPIS and Accumulated Provision for Depreciation  
16 as shown in Section V, Workpaper S-4, page 68 in the amount of \$2,694,878 for  
17 EPIS and \$573,773 for Accumulated Provision for Depreciation.

18

**VI. AMORTIZATION AND RECOVERY OF REGULATORY ASSETS AND**  
**DEFERRED COSTS**

19 **Q. WHAT AMORTIZATION ADJUSTMENTS ARE YOU SPONSORING?**

20 A. I am sponsoring the amortization of various regulatory assets and deferred costs  
21 listed in the table below. The recovery of these assets is supported by Company

1 witness Wohnhas, with the exception of the Postretirement Benefit (PRB)  
 2 amortization. Company witness Bartsch discusses the origin of the PRB  
 3 regulatory asset, and Company witness McCoy supports the 12-year amortization  
 4 period for the PRB related cost.

Deferred Cost	Account	Section V, WP S-4 Adjustment pg. #	Proposed Amortization Periods (Years)	Annual Jurisdictional Amortization Increase to Expense
PRB	182.3	25	12	\$214,887
IGCC	183	26	27	\$48,732
CCS FEED Study	182.3	27	27	\$31,843
CARRS Site	183	28	27	\$95,579
Preliminary Big Sandy FGD Costs	183	33	27	\$1,025,615

5  
 6 **Q. HOW WERE THE ANNUAL AMORTIZATIONS CALCULATED?**

7 A. I obtained the deferred total company balance as of March 31, 2013 for each  
 8 regulatory asset and deferred cost from Kentucky Power's financial records and  
 9 divided those balances by the proposed amortization periods provided to me by  
 10 Company witnesses McCoy and Wohnhas as discussed above. The amortization  
 11 period was 12 years for the PRB regulatory asset and 27 years for the others based  
 12 on the estimated remaining life of the Mitchell Plant.

13 **Q. WILL THERE BE ANY OVER OR UNDER RECOVERY OF THE**  
 14 **AMOUNTS PROVIDED FOR THE RECOVERY OF THE PROPOSED**  
 15 **AMORTIZATION OF THESE DEFERRED ASSETS?**

16 A. No, the amortization will be calculated using Commission approved amortization  
 17 periods on a straight-line basis as the recovery is included in base rates and not in  
 18 a separate rider/tracker mechanism.

1 **Q. IS KENTUCKY POWER PROPOSING ANY RECOVERY OF CARRYING**  
2 **CHARGES ON THESE DEFERRED REGULATORY ASSETS AND**  
3 **DEFERRED COSTS?**

4 A. No, Kentucky Power is proposing only to recover the incurred cost of these  
5 deferrals, without any carrying charges.

6 **Q. IF THE COMMISSION DOES NOT APPROVE THE PROPOSED**  
7 **RECOVERY AND AMORTIZATION OF THESE DEFERRED**  
8 **REGULATORY ASSETS AND DEFERRED COSTS, HOW WILL**  
9 **KENTUCKY POWER'S NET INCOME BE AFFECTED?**

10 A. Kentucky Power would have to recognize any deferred cost as a write-off  
11 following the issuance of an order by the Commission that disallowed the  
12 recovery of these deferred assets. Any write-off would reduce Kentucky Power's  
13 net income and its equity balance.

14 **VII. INCENTIVE COMPENSATION ADJUSTMENTS AND**  
15 **ANNUALIZATION OF DEPRECIATION EXPENSE USING NEW**  
16 **DEPRECIATION RATES**

17 **Q. WHAT IS THE PURPOSE OF THE INCENTIVE COMPENSATION**  
18 **ADJUSTMENTS IN SECTION V, WORKPAPER S-4, PAGES 35 AND 47**  
19 **OF WORKPAPER S-4?**

20 A. O&M expense adjustments in Section V, Workpaper S-4, pages 35 and 47  
21 decrease Kentucky Power's recorded test year incentive compensation expense by  
22 \$2,064,501 and \$751,686, respectively. These adjustments are necessary to  
23 reflect an annual level of incentive compensation at a base payout level of one

1 times the incentive target to be paid to employees. The \$2,064,501 adjustment  
2 reduces the incentive compensation expense recorded by Kentucky Power for  
3 both Kentucky Power and AEPSC employees in the test year and the \$751,686  
4 adjustment also reduces the incentive compensation expense related to the  
5 Mitchell Plant OPCo and AEPSC employees (calculated at 50%) included in the  
6 test year Mitchell Plant expenses that Company witness Vaughan proposes to  
7 include in the Kentucky Power March 31, 2013 test year. Company witness  
8 Carlin discusses the two incentive plans (Incentive Compensation Program and  
9 Long-Term Incentive Program) that these adjustments relate to.

10 **Q. WHAT IS THE PURPOSE OF THE DEPRECIATION ANNUALIZATION**  
11 **EXPENSE ADJUSTMENTS IN SECTION V, WORKPAPER S-4, PAGES**  
12 **46 AND 61?**

13 A. The depreciation annualization adjustments increase Kentucky Power's annual  
14 functional depreciation expense by \$16,405,498 and \$3,533,283 for additional  
15 annualized depreciation expense by applying the Company's functional  
16 depreciation rates proposed by Company witness Davis to the March 31, 2013  
17 Kentucky Power depreciable plant balances and to 50% of the March 31, 2013  
18 Mitchell Plant depreciable balances, respectively.

**VIII. BIG SANDY PLANT DEFERRAL AND AMORTIZATION/RECOVERY**  
**OF O&M AND DEPRECIATION EXPENSES**

19 **Q. PLEASE DISCUSS THE PROPOSED REMOVAL OF BIG SANDY PLANT**  
20 **PRODUCTION O&M AND DEPRECIATION EXPENSES FROM**  
21 **KENTUCKY POWER'S TEST YEAR EXPENSES.**

1 A. As explained by Company witness Wohnhas, the Company is proposing that the  
2 Big Sandy Plant depreciation and production O&M going-level expense be  
3 removed from the March 31, 2013 test year and that the estimated Big Sandy  
4 Plant depreciation and O&M expenses for the 17-month period from January 1,  
5 2014 through May 31, 2015, prior to the anticipated retirement of Big Sandy Plant  
6 Unit 2 and the potential retirement of Big Sandy Plant Unit 1, be recovered over 5  
7 years starting January 1, 2014, along with carrying charges at a WACC rate. Page  
8 66 of workpaper S-4 removes the adjusted test year Big Sandy Plant production  
9 depreciation expense of \$23,789,528 (FERC Account 403) and Big Sandy Plant  
10 Production O&M expenses of \$19,616,728 related to FERC Accounts 500, 502,  
11 505, 506, 510, 511, 512, 513 and 514 from the Kentucky Power test year  
12 expenses.

13 **Q. HOW WERE THE AMORTIZATION AMOUNTS CALCULATED TO**  
14 **RECOVER THE BIG SANDY PLANT DEPRECIATION EXPENSE AND**  
15 **PRODUCTION O&M EXPENSES?**

16 A. First, the respective amounts removed from Kentucky Power's test year were  
17 divided by 12 months and multiplied by 17 months to estimate the total deferral of  
18 the Big Sandy Plant depreciation expense and O&M production expenses for 17  
19 months. This calculation totaled \$62,428,625 as shown on TEM Exhibit 1 page 1.  
20 Next, I then calculated a pre-tax WACC carrying charge of 11.16% as shown on  
21 TEM Exhibit 1 page 2 on the unpaid deferral using a five year recovery period  
22 provided by Company witness Wohnhas, which totaled \$12,860,539 (TEM  
23 Exhibit 1 page 1). Thus, the total to be collected related to the 17-month deferral

1 period is \$75,289,164 (TEM Exhibit 1 page 1). Finally, amortizing the  
2 \$75,289,164 equates to a monthly charge of \$1,254,819 based upon a five year  
3 recovery/amortization period. The jurisdictional allocations of the annual  
4 recovery of the 17-month Big Sandy Plant deferral over five years shown in  
5 Section V, Workpaper S-4, page 67 is \$14,831,965, consisting of \$8,129,400 for  
6 depreciation expense and \$6,702,565 for production O&M expenses. See TEM  
7 Exhibit 1 page 1 for the calculation of the total company carrying charges and the  
8 proposed amortization.

9 **Q. WILL THERE BE ANY OVER OR UNDER RECOVERY OF THE**  
10 **AMOUNTS PROVIDED FOR THE PROPOSED FIVE-YEAR RECOVERY**  
11 **OF THE PROPOSED AMORTIZATION OF THE DEFERRAL OF BIG**  
12 **SANDY PLANT DEPRECIATION EXPENSE AND PRODUCTION O&M**  
13 **EXPENSE?**

A. Yes, as described in the section below, the accounting for the deferral and  
amortization of such Big Sandy Plant costs will use over or under recovery in  
order to compare the actual incurred cost including a carrying charge as described  
above, to the revenue provided for the recovery allowed by the Commission.

**IX. OVER/UNDER RECOVERY OF DEFERRAL ACCOUNTING**

14 **Q. WHAT IS THE BASIS FOR OVER/UNDER DEFERRAL ACCOUNTING**  
15 **FOR THE PJM RIDER AND THE BIG SANDY PLANT DEPRECIATION**  
16 **EXPENSE AND O&M PRODUCTION EXPENSE RECOVERY**  
17 **PROPOSED BY COMPANY WITNESSES VAUGHAN AND WOHNHAS,**  
18 **RESPECTIVELY?**

1 A. Financial Accounting Standards Board's Accounting Standards Codification  
2 (FASB ASC) 980 requires deferral accounting when a regulatory commission  
3 requires future rates to be reduced to refund an over recovery and when a  
4 regulatory commission provides for the future recovery of incurred expenses or it  
5 is probable that a regulatory commission will provide for such future recovery of  
6 an incurred expense. Therefore, in order to record regulatory liabilities or  
7 regulatory assets and perform regulatory deferral over/under recovery true-up  
8 accounting, it must be probable that the regulatory liability will be refunded or  
9 that the regulatory asset will be recovered in the future.

10 **Q. WHAT IS NEEDED TO ESTABLISH PROBABILITY AND THUS MEET**  
11 **THE ACCOUNTING CRITERIA FOR RECORDING A REGULATORY**  
12 **LIABILITY OR ASSET FOR THE PJM RIDER MECHANISM AND THE**  
13 **BIG SANDY PLANT DEPRECIATION EXPENSE AND O&M**  
14 **PRODUCTION EXPENSE RECOVERY?**

15 A. In order to meet the probability standard, the final order in this proceeding should  
16 clearly provide for both the future recovery or the future refund in the next  
17 applicable filing of any difference between incurred expenses (plus a carrying  
18 cost where appropriate) compared with the actual revenues collected.

19 **Q. HOW WILL THE OVER/UNDER ACCOUNTING WORK FOR THE BIG**  
20 **SANDY PLANT DEPRECIATION EXPENSE AND PRODUCTION O&M**  
21 **EXPENSE RECOVERY?**

22 A. Each month the actual Big Sandy Plant depreciation expense, production O&M  
23 expenses, debt carrying charges and equity carrying charges will be compared to

1 the amounts collected in base rates . As discussed earlier in my testimony, the  
2 proposed annual recovery in base rates for the Big Sandy Plant O&M and  
3 depreciation is \$14,831,965 as shown in Section V, Workpaper S-4, page 67  
4 which would be \$1,235,997 monthly. Any difference in costs incurred including  
5 carrying charges versus the revenue provided will be deferred on the balance  
6 sheet as a regulatory asset or regulatory liability. A final true-up will be  
7 determined to refund/collect the remaining balance as discussed by Company  
8 witness Wohnhas.

9 **Q. HOW WILL THE OVER/UNDER ACCOUNTING WORK FOR THE PJM**  
10 **RIDER MECHANISM RECOMMENDED BY WITNESS VAUGHAN?**

11 A. If the monthly actual incurred PJM rider charges and credits are less than the  
12 respective monthly amounts (1/12 of Company witness Vaughan's recommended  
13 net level of approximately \$56 million shown on AEV Exhibit 2) included in the  
14 monthly approved revenues, the Company will credit a regulatory liability and  
15 charge the appropriate accounts. Similarly, if the monthly actual incurred PJM  
16 rider charges and credits are more than the respective monthly amounts (1/12 of  
17 Company witness Vaughan's recommended net level of approximately \$56  
18 million shown on AEV Exhibit 2) included in the monthly approved revenues, the  
19 Company will charge a regulatory asset while crediting the appropriate accounts.

20 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

21 A. Yes.



Annual Revenue 44,067,265 A WACC - Pre Tax 11.16% 0

Period	Deferral	Amortrization	Carrying Charge	Deferral Balance	Annual Amortization
1	3,672,272	(1,254,819.41) B		2,417,453	
2	3,672,272	(1,254,819)	22,492	4,857,397	
3	3,672,272	(1,254,819)	45,193	7,320,043	
4	3,672,272	(1,254,819)	68,106	9,805,602	
5	3,672,272	(1,254,819)	91,232	12,314,286	
6	3,672,272	(1,254,819)	114,572	14,846,311	
7	3,672,272	(1,254,819)	138,130	17,401,894	
8	3,672,272	(1,254,819)	161,908	19,981,254	
9	3,672,272	(1,254,819)	185,906	22,584,613	
10	3,672,272	(1,254,819)	210,128	25,212,194	
11	3,672,272	(1,254,819)	234,575	27,864,221	
12	3,672,272	(1,254,819)	259,250	30,540,924	
13	3,672,272	(1,254,819)	284,154	33,242,531	
14	3,672,272	(1,254,819)	309,289	35,969,272	
15	3,672,272	(1,254,819)	334,659	38,721,384	
16	3,672,272	(1,254,819)	360,265	41,499,102	
17	3,672,272	(1,254,819)	386,109	44,302,663	
18		(1,254,819)	412,193	43,460,037	
19		(1,254,819)	404,353	42,609,571	
20		(1,254,819)	396,441	41,751,192	
21		(1,254,819)	388,454	40,884,827	
22		(1,254,819)	380,394	40,010,401	
23		(1,254,819)	372,258	39,127,840	
24		(1,254,819)	364,047	38,237,068	
25		(1,254,819)	355,759	37,338,007	
26		(1,254,819)	347,394	36,430,582	
27		(1,254,819)	338,951	35,514,713	
28		(1,254,819)	330,430	34,590,324	
29		(1,254,819)	321,829	33,657,334	
30		(1,254,819)	313,149	32,715,663	
31		(1,254,819)	304,387	31,765,231	
32		(1,254,819)	295,545	30,805,956	
33		(1,254,819)	286,619	29,837,756	
34		(1,254,819)	277,611	28,860,548	
35		(1,254,819)	268,519	27,874,247	
36		(1,254,819)	259,343	26,878,771	
37		(1,254,819)	250,081	25,874,032	
38		(1,254,819)	240,733	24,859,946	
39		(1,254,819)	231,298	23,836,425	
40		(1,254,819)	221,775	22,803,380	
41		(1,254,819)	212,163	21,760,724	
42		(1,254,819)	202,462	20,708,366	
43		(1,254,819)	192,671	19,646,218	
44		(1,254,819)	182,789	18,574,188	
45		(1,254,819)	172,815	17,492,183	
46		(1,254,819)	162,748	16,400,112	
47		(1,254,819)	152,587	15,297,879	
48		(1,254,819)	142,332	14,185,392	
49		(1,254,819)	131,981	13,062,553	
50		(1,254,819)	121,534	11,929,268	
51		(1,254,819)	110,990	10,785,439	
52		(1,254,819)	100,348	9,630,967	
53		(1,254,819)	89,607	8,465,755	
54		(1,254,819)	78,766	7,289,701	
55		(1,254,819)	67,824	6,102,706	
56		(1,254,819)	56,780	4,904,667	
57		(1,254,819)	45,633	3,695,480	
58		(1,254,819)	34,383	2,475,044	
59		(1,254,819)	23,028	1,243,252	
60		(1,254,819)	11,567	0	
	62,428,625	(75,289,164)	12,860,539		

Section V,  
 WP 5-4 pg. 66  
 8,253,198 C X (BX12)  
 6,804,635 D X (B X 12)  
 15,057,833 B X 12

	Section V, WP 5-4 pg. 67		Monthly Amount	17 Months
A - Depreciation	24,151,805.00	54.81% C	2,012,650	34,215,057
O&M	<u>19,915,460.00</u>	45.19% D	1,659,622	<u>28,213,568</u>
	44,067,265.00			62,428,625