

37

For an explanation on the derivation and origin of sections "Forecasted Peak Load (MW)" and "MLR" please see Company's response to AG 1st Set Data Requests; Item No. 62; Pages 1 – 9.

Pages 13-36 Electronic presentations of certain sections of actual monthly AEP System Pool Interchange Power Statements.

Pages 37 Please see Company's response to AG 1st Set Data Requests; Item No. 62; Pages 1 – 9.

WITNESS: Errol K Wagner

Test Year in KPCO Rate Case
 KPCO Capacity Payments

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	TOTAL
Baseline	(1,538,912)	(1,459,267)	(1,831,044)	(1,857,139)	(1,793,310)	(1,864,356)	(2,484,659)	(3,034,222)	(3,178,613)	(3,240,968)	(3,249,662)	(3,218,782)	(28,750,934)
Waterford effect	(442,108)	(414,197)	(438,137)	(441,859)	(424,546)	(425,591)	(462,828)	(480,368)	(507,372)	(515,256)	(524,540)	(519,284)	(5,596,087)
Proj. Harvest incremental effect	(233,201)	(216,250)	(232,251)	(234,595)	(224,542)	(218,676)	(250,542)	(263,193)	(279,203)	(282,941)	(290,344)	(287,357)	(3,013,095)
Mon Power incremental effect	21,937	20,244	25,553	25,924	24,769	23,796	20,589	21,171	22,501	22,782	23,458	23,214	275,939
Removing Conesville capacity	118,135	109,394	117,822	119,019	113,867	110,502	127,300	133,939	142,174	144,034	147,968	146,441	1,530,594
MLR Forecast incremental effect	<u>(1,189,905)</u>	<u>(1,145,432)</u>	<u>(775,087)</u>	<u>(772,411)</u>	<u>(750,626)</u>	<u>(815,697)</u>	<u>(14,153)</u>	<u>594,507</u>	<u>626,910</u>	<u>637,156</u>	<u>646,705</u>	<u>640,291</u>	<u>(2,317,742)</u>
Sum of effects	(1,725,142)	(1,646,241)	(1,302,099)	(1,303,922)	(1,261,078)	(1,325,666)	(579,635)	6,056	5,010	5,775	3,248	3,304	(9,120,391)
Baseline plus Sum	(3,264,054)	(3,105,508)	(3,133,143)	(3,161,061)	(3,054,388)	(3,190,022)	(3,064,294)	(3,028,166)	(3,173,603)	(3,235,193)	(3,246,414)	(3,215,478)	(37,871,325)
Adjusted Baseline	<u>(3,264,054)</u>	<u>(3,105,508)</u>	<u>(3,133,143)</u>	<u>(3,161,061)</u>	<u>(3,054,388)</u>	<u>(3,190,022)</u>	<u>(3,064,294)</u>	<u>(3,028,166)</u>	<u>(3,173,603)</u>	<u>(3,235,193)</u>	<u>(3,246,414)</u>	<u>(3,215,478)</u>	<u>(37,871,325)</u>

Historic data for Test Year in KPCO Rate Case

PEAK LOAD DURING PRECEDING 12-MONTHS (MW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6298	6298	6298	6298	6298	6298	7080	7080	7080	7080	7080	7080
KPCO	1478	1478	1478	1478	1478	1478	1615	1685	1685	1685	1685	1685
I&M	4243	4243	4051	4051	4051	4051	4051	4051	4051	4051	4051	4051
OPCO	5121	5121	5059	5059	5059	5059	5059	5059	5059	5059	5059	5059
CSP	<u>3871</u>	<u>3871</u>	<u>3637</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>
TOTAL	21011	21011	20523	20509	20509	20509	21428	21498	21498	21498	21498	21498

MLR

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.29975	0.29975	0.30687	0.30709	0.30709	0.30709	0.33041	0.32933	0.32933	0.32933	0.32933	0.32933
KPCO	0.07034	0.07034	0.07202	0.07207	0.07207	0.07207	0.07537	0.07838	0.07838	0.07838	0.07838	0.07838
I&M	0.20194	0.20194	0.19739	0.19752	0.19752	0.19752	0.18905	0.18844	0.18844	0.18844	0.18844	0.18844
OPCO	0.24373	0.24373	0.24650	0.24667	0.24667	0.24667	0.23609	0.23532	0.23532	0.23532	0.23532	0.23532
CSP	<u>0.18424</u>	<u>0.18424</u>	<u>0.17722</u>	<u>0.17665</u>	<u>0.17665</u>	<u>0.17665</u>	<u>0.16908</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>	<u>2,595,000</u>
TOTAL	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000	23,173,000

Capacity Payment - Credit / (Charge)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(8,952,193)	(8,488,882)	(10,138,914)	(10,270,373)	(9,917,385)	(10,310,285)	(14,728,622)	(14,351,879)	(15,034,850)	(15,329,784)	(15,370,909)	(15,224,847)
KPCO	(1,538,912)	(1,459,267)	(1,831,044)	(1,857,139)	(1,793,310)	(1,864,356)	(2,484,659)	(3,034,222)	(3,178,613)	(3,240,968)	(3,249,662)	(3,218,782)
I&M	5,528,260	5,410,548	6,899,808	6,891,822	6,740,181	7,639,569	9,614,367	9,026,923	9,246,913	9,532,900	9,158,917	9,085,587
OPCO	19,278,147	18,112,030	17,715,144	17,879,589	17,179,848	17,228,106	18,686,443	19,212,962	20,336,840	20,631,189	21,086,092	20,872,020
CSP	<u>(14,315,302)</u>	<u>(13,574,429)</u>	<u>(12,644,994)</u>	<u>(12,643,899)</u>	<u>(12,209,334)</u>	<u>(12,693,034)</u>	<u>(11,087,529)</u>	<u>(10,853,784)</u>	<u>(11,370,290)</u>	<u>(11,593,337)</u>	<u>(11,624,438)</u>	<u>(11,513,978)</u>
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

Test Year in KPCO Rate Case - Including Waterford (830MW in CSP)

PEAK LOAD DURING PRECEDING 12-MONTHS (MW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6298	6298	6298	6298	6298	6298	7080	7080	7080	7080	7080	7080
KPCO	1478	1478	1478	1478	1478	1478	1615	1685	1685	1685	1685	1685
I&M	4243	4243	4051	4051	4051	4051	4051	4051	4051	4051	4051	4051
OPCO	5121	5121	5059	5059	5059	5059	5059	5059	5059	5059	5059	5059
CSP	3871	3871	3637	3623	3623	3623	3623	3623	3623	3623	3623	3623
TOTAL	21011	21011	20523	20509	20509	20509	21428	21498	21498	21498	21498	21498

MLR

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.29975	0.29975	0.30688	0.30708	0.30708	0.30708	0.33041	0.32933	0.32933	0.32933	0.32933	0.32933
KPCO	0.07034	0.07034	0.07202	0.07207	0.07207	0.07207	0.07537	0.07838	0.07838	0.07838	0.07838	0.07838
I&M	0.20194	0.20194	0.19739	0.19752	0.19752	0.19752	0.18905	0.18844	0.18844	0.18844	0.18844	0.18844
OPCO	0.24373	0.24373	0.24650	0.24667	0.24667	0.24667	0.23609	0.23532	0.23532	0.23532	0.23532	0.23532
CSP	0.18424	0.18424	0.17722	0.17665	0.17665	0.17665	0.16908	0.16853	0.16853	0.16853	0.16853	0.16853
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000	5,899,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000	3,425,000
TOTAL	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000	24,003,000

Capacity Payment - Credit / (Charge)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(10,764,877)	(10,180,415)	(11,947,242)	(12,094,493)	(11,667,626)	(12,046,880)	(16,678,197)	(16,344,850)	(17,141,936)	(17,468,586)	(17,552,194)	(17,384,144)
KPCO	(1,981,020)	(1,873,464)	(2,269,181)	(2,298,998)	(2,217,856)	(2,289,947)	(2,947,487)	(3,514,590)	(3,685,985)	(3,756,224)	(3,774,202)	(3,738,066)
I&M	3,324,189	3,263,407	4,750,604	4,729,702	4,625,635	5,242,864	7,516,505	7,102,470	7,275,560	7,500,577	7,206,324	7,148,627
OPCO	17,705,976	16,634,958	16,215,179	16,362,224	15,721,867	15,766,029	17,308,286	17,810,082	18,851,898	19,124,754	19,546,441	19,348,000
CSP	(8,284,268)	(7,834,487)	(6,749,360)	(6,698,436)	(6,462,019)	(6,672,066)	(5,199,107)	(5,053,112)	(5,299,536)	(5,400,522)	(5,426,370)	(5,374,416)
TOTAL	0	0	(0)	0	0	0	0	0	0	0	0	0

Capacity Rate (\$/kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	8.3072240381	7.8561966342	8.1444079278	8.2166245082	7.9266245082	8.1842781762	8.2085710259	8.1480661481	8.5454213259	8.7082592443	8.7499385853	8.6661644483
KPCO	8.3072240381	7.8561966342	8.1444079278	8.2166245082	7.9266245082	8.1842781762	8.2085710259	8.1480661481	8.5454213259	8.7082592443	8.7499385853	8.6661644483
I&M	13.1500000000	12.8700000000	13.1200000000	13.1800000000	12.8900000000	14.6100000000	13.3700000000	12.3100000000	12.6100000000	13.0000000000	12.4900000000	12.3900000000
OPCO	7.7700000000	7.3000000000	7.3300000000	7.4100000000	7.1200000000	7.1400000000	7.0300000000	7.1800000000	7.6000000000	7.7100000000	7.8800000000	7.8000000000
CSP	8.3072240381	7.8561966342	8.1444079278	8.2166245082	7.9266245082	8.1842781762	8.2085710259	8.1480661481	8.5454213259	8.7082592443	8.7499385853	8.6661644483

Capacity Surplus

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
I&M	252,790	252,790	362,089	358,855	358,855	358,855	562,192	576,967	576,967	576,967	576,967	576,967
OPCO	2,278,761	2,278,761	2,212,166	2,208,127	2,208,127	2,208,127	2,462,061	2,480,513	2,480,513	2,480,513	2,480,513	2,480,513
TOTAL	2,531,551	2,531,551	2,574,255	2,566,982	2,566,982	2,566,982	3,024,252	3,057,480	3,057,480	3,057,480	3,057,480	3,057,480

Test Year in KPCO Rate Case - Including Waterford (830MW in CSP) and Project Harvest (481MW in APCO)

PEAK LOAD DURING PRECEDING 12-MONTHS (MW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6298	6298	6298	6298	6298	6298	7080	7080	7080	7080	7080	7080
KPCO	1478	1478	1478	1478	1478	1478	1615	1685	1685	1685	1685	1685
I&M	4243	4243	4051	4051	4051	4051	4051	4051	4051	4051	4051	4051
OPCO	5121	5121	5059	5059	5059	5059	5059	5059	5059	5059	5059	5059
CSP	<u>3871</u>	<u>3871</u>	<u>3637</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>	<u>3623</u>
TOTAL	21011	21011	20523	20509	20509	20509	21428	21498	21498	21498	21498	21498

MLR

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.29975	0.29975	0.30688	0.30708	0.30708	0.30708	0.33041	0.32933	0.32933	0.32933	0.32933	0.32933
KPCO	0.07034	0.07034	0.07202	0.07207	0.07207	0.07207	0.07537	0.07838	0.07838	0.07838	0.07838	0.07838
I&M	0.20194	0.20194	0.19739	0.19752	0.19752	0.19752	0.18905	0.18844	0.18844	0.18844	0.18844	0.18844
OPCO	0.24373	0.24373	0.24650	0.24667	0.24667	0.24667	0.23609	0.23532	0.23532	0.23532	0.23532	0.23532
CSP	<u>0.18424</u>	<u>0.18424</u>	<u>0.17722</u>	<u>0.17665</u>	<u>0.17665</u>	<u>0.17665</u>	<u>0.16908</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>	<u>0.16853</u>
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>
TOTAL	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000	24,484,000

Capacity Payment - Credit / (Charge)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(7,988,207)	(7,359,706)	(9,051,491)	(9,174,096)	(8,843,884)	(9,083,683)	(13,831,002)	(13,558,469)	(14,231,065)	(14,496,567)	(14,587,658)	(14,447,249)
KPCO	(2,214,221)	(2,089,714)	(2,501,432)	(2,533,593)	(2,442,399)	(2,508,624)	(3,198,029)	(3,777,783)	(3,965,188)	(4,039,164)	(4,064,545)	(4,025,423)
I&M	2,046,876	2,003,293	3,504,942	3,477,489	3,400,974	3,854,789	6,300,719	5,986,719	6,132,618	6,322,286	6,074,258	6,025,625
OPCO	16,795,069	15,779,151	15,346,073	15,483,032	14,877,084	14,918,873	16,509,954	16,997,371	17,991,646	18,252,052	18,654,496	18,465,111
CSP	<u>(8,829,517)</u>	<u>(8,333,024)</u>	<u>(7,298,092)</u>	<u>(7,252,833)</u>	<u>(6,991,775)</u>	<u>(7,181,355)</u>	<u>(5,781,642)</u>	<u>(5,647,838)</u>	<u>(5,928,011)</u>	<u>(6,038,607)</u>	<u>(6,076,551)</u>	<u>(6,018,063)</u>
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

Capacity Rate (\$/kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	8.1313996114	7.6741627947	7.9852044696	8.0569109204	7.7669109204	7.9775085919	8.0895858632	8.0542732964	8.4538224590	8.6115410795	8.6656530012	8.5822445283
KPCO	8.1313996114	7.6741627947	7.9852044696	8.0569109204	7.7669109204	7.9775085919	8.0895858632	8.0542732964	8.4538224590	8.6115410795	8.6656530012	8.5822445283
I&M	13.1500000000	12.8700000000	13.1200000000	13.1800000000	12.8900000000	14.6100000000	13.3700000000	12.3100000000	12.6100000000	13.0000000000	12.4900000000	12.3900000000
OPCO	7.7700000000	7.3000000000	7.3300000000	7.4100000000	7.1200000000	7.1400000000	7.0300000000	7.1800000000	7.6000000000	7.7100000000	7.8800000000	7.8000000000
CSP	8.1313996114	7.6741627947	7.9852044696	8.0569109204	7.7669109204	7.9775085919	8.0895858632	8.0542732964	8.4538224590	8.6115410795	8.6656530012	8.5822445283

Capacity Surplus

I&M	155,656	155,656	267,145	263,846	263,846	263,846	471,258	486,330	486,330	486,330	486,330	486,330
OPCO	<u>2,161,528</u>	<u>2,161,528</u>	<u>2,093,598</u>	<u>2,089,478</u>	<u>2,089,478</u>	<u>2,089,478</u>	<u>2,348,500</u>	<u>2,367,322</u>	<u>2,367,322</u>	<u>2,367,322</u>	<u>2,367,322</u>	<u>2,367,322</u>
TOTAL	2,317,184	2,317,184	2,360,743	2,353,324	2,353,324	2,353,324	2,819,758	2,853,652	2,853,652	2,853,652	2,853,652	2,853,652

Test Year in KPCO Rate Case - Including Waterford, Project Harvest, and Monongahela Power (289MW Load and Capacity)

PEAK LOAD DURING PRECEDING 12-MONTHS (MW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6298	6298	6298	6298	6298	6298	7080	7080	7080	7080	7080	7080
KPCO	1478	1478	1478	1478	1478	1478	1615	1685	1685	1685	1685	1685
I&M	4243	4243	4051	4051	4051	4051	4051	4051	4051	4051	4051	4051
OPCO	5121	5121	5059	5059	5059	5059	5059	5059	5059	5059	5059	5059
CSP	4160	4160	3926	3912	3912	3912	3912	3912	3912	3912	3912	3912
TOTAL	21300	21300	20812	20798	20798	20798	21717	21787	21787	21787	21787	21787

MLR

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.29568	0.29568	0.30261	0.30282	0.30282	0.30282	0.32601	0.32496	0.32496	0.32496	0.32496	0.32496
KPCO	0.06939	0.06939	0.07102	0.07106	0.07106	0.07106	0.07437	0.07734	0.07734	0.07734	0.07734	0.07734
I&M	0.19920	0.19920	0.19465	0.19478	0.19478	0.19478	0.18654	0.18594	0.18594	0.18594	0.18594	0.18594
OPCO	0.24042	0.24042	0.24308	0.24324	0.24324	0.24324	0.23295	0.23220	0.23220	0.23220	0.23220	0.23220
CSP	0.19531	0.19531	0.18864	0.18810	0.18810	0.18810	0.18014	0.17956	0.17956	0.17956	0.17956	0.17956
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000	3,714,000
TOTAL	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000	24,773,000

Capacity Payment - Credit / (Charge)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(7,700,975)	(7,269,555)	(8,938,648)	(9,059,645)	(8,734,352)	(8,977,122)	(13,740,493)	(13,467,147)	(14,134,210)	(14,398,404)	(14,486,968)	(14,347,594)
KPCO	(2,192,284)	(2,069,469)	(2,475,879)	(2,507,669)	(2,417,629)	(2,484,827)	(3,177,440)	(3,756,612)	(3,942,687)	(4,016,383)	(4,041,087)	(4,002,209)
I&M	2,172,010	2,125,762	3,647,386	3,621,285	3,541,606	4,014,186	6,403,512	6,078,597	6,226,735	6,419,314	6,167,480	6,118,100
OPCO	16,884,307	15,862,992	15,445,457	15,583,993	14,974,093	15,016,155	16,577,452	17,064,295	18,062,485	18,323,916	18,727,945	18,537,814
CSP	(9,163,058)	(8,649,730)	(7,678,316)	(7,637,964)	(7,363,718)	(7,568,392)	(6,063,031)	(5,919,133)	(6,212,323)	(6,328,443)	(6,367,369)	(6,306,111)
TOTAL	0	0	0	0	0	0	0	0	(0)	(0)	0	(0)

Capacity Rate (\$/kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	8.1500490236	7.6934708293	8.0048530251	8.0767100860	7.7867100860	8.0031411339	8.1003097078	8.0625000909	8.4618568140	8.6200244603	8.6730458907	8.5896053445
KPCO	8.1500490236	7.6934708293	8.0048530251	8.0767100860	7.7867100860	8.0031411339	8.1003097078	8.0625000909	8.4618568140	8.6200244603	8.6730458907	8.5896053445
I&M	13.1500000000	12.8700000000	13.1200000000	13.1800000000	12.8900000000	14.6100000000	13.3700000000	12.3100000000	12.6100000000	13.0000000000	12.4900000000	12.3900000000
OPCO	7.7700000000	7.3000000000	7.3300000000	7.4100000000	7.1200000000	7.1400000000	7.0300000000	7.1800000000	7.6000000000	7.7100000000	7.8800000000	7.8000000000
CSP	8.1500490236	7.6934708293	8.0048530251	8.0767100860	7.7867100860	8.0031411339	8.1003097078	8.0625000909	8.4618568140	8.6200244603	8.6730458907	8.5896053445

Capacity Surplus

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
I&M	165,172	165,172	278,002	274,756	274,756	274,756	478,946	493,793	493,793	493,793	493,793	493,793
OPCO	2,173,013	2,173,013	2,107,156	2,103,103	2,103,103	2,103,103	2,358,101	2,376,643	2,376,643	2,376,643	2,376,643	2,376,643
TOTAL	2,338,184	2,338,184	2,385,158	2,377,859	2,377,859	2,377,859	2,837,048	2,870,436	2,870,436	2,870,436	2,870,436	2,870,436

Test Year in KPCO Rate Case - Including Waterford, Project Harvest, Monongahela Power (289MW Load and Capacity), and Removal of Convesville 1&2 Capacity from CSP

PEAK LOAD DURING PRECEDING 12-MONTHS (MW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6298	6298	6298	6298	6298	6298	7080	7080	7080	7080	7080	7080
KPCO	1478	1478	1478	1478	1478	1478	1615	1685	1685	1685	1685	1685
I&M	4243	4243	4051	4051	4051	4051	4051	4051	4051	4051	4051	4051
OPCO	5121	5121	5059	5059	5059	5059	5059	5059	5059	5059	5059	5059
CSP	4160	4160	3926	3912	3912	3912	3912	3912	3912	3912	3912	3912
TOTAL	21300	21300	20812	20798	20798	20798	21717	21787	21787	21787	21787	21787

MLR

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.29568	0.29568	0.30261	0.30282	0.30282	0.30282	0.32601	0.32496	0.32496	0.32496	0.32496	0.32496
KPCO	0.06939	0.06939	0.07102	0.07106	0.07106	0.07106	0.07437	0.07734	0.07734	0.07734	0.07734	0.07734
I&M	0.19920	0.19920	0.19465	0.19478	0.19478	0.19478	0.18654	0.18594	0.18594	0.18594	0.18594	0.18594
OPCO	0.24042	0.24042	0.24308	0.24324	0.24324	0.24324	0.23295	0.23220	0.23220	0.23220	0.23220	0.23220
CSP	0.19531	0.19531	0.18864	0.18810	0.18810	0.18810	0.18014	0.17956	0.17956	0.17956	0.17956	0.17956
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000
TOTAL	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000

Capacity Payment - Credit / (Charge)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(7,178,984)	(6,784,155)	(8,419,811)	(8,535,654)	(8,232,315)	(8,484,467)	(13,180,968)	(12,890,241)	(13,523,032)	(13,778,640)	(13,852,544)	(13,719,644)
KPCO	(2,074,149)	(1,960,075)	(2,358,057)	(2,388,650)	(2,303,762)	(2,374,326)	(3,050,141)	(3,622,673)	(3,800,513)	(3,872,349)	(3,893,119)	(3,855,769)
I&M	2,826,886	2,766,694	4,285,829	4,263,080	4,169,279	4,725,614	7,027,008	6,650,817	6,812,900	7,023,608	6,748,067	6,694,039
OPCO	17,351,328	16,301,763	15,890,903	16,034,603	15,407,068	15,450,347	16,986,864	17,481,099	18,503,670	18,771,486	19,185,384	18,990,609
CSP	(10,925,082)	(10,324,226)	(9,398,865)	(9,373,379)	(9,040,270)	(9,317,168)	(7,782,764)	(7,619,002)	(7,993,025)	(8,144,106)	(8,187,788)	(8,109,235)
TOTAL	0	0	0	0	0	0	0	0	(0)	(0)	(0)	(0)

Capacity Rate (\$/kW)

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	8.2424299291	7.7891142575	8.0881939327	8.1603163172	7.8703163172	8.1113800502	8.1626547642	8.1116473483	8.5098544278	8.6707045755	8.7172113598	8.6335792064
KPCO	8.2424299291	7.7891142575	8.0881939327	8.1603163172	7.8703163172	8.1113800502	8.1626547642	8.1116473483	8.5098544278	8.6707045755	8.7172113598	8.6335792064
I&M	13.1500000000	12.8700000000	13.1200000000	13.1800000000	12.8900000000	14.6100000000	13.3700000000	12.3100000000	12.6100000000	13.0000000000	12.4900000000	12.3900000000
OPCO	7.7700000000	7.3000000000	7.3300000000	7.4100000000	7.1200000000	7.1400000000	7.0300000000	7.1800000000	7.6000000000	7.7100000000	7.8800000000	7.8000000000
CSP	8.2424299291	7.7891142575	8.0881939327	8.1603163172	7.8703163172	8.1113800502	8.1626547642	8.1116473483	8.5098544278	8.6707045755	8.7172113598	8.6335792064

Capacity Surplus

	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
I&M	214,972	214,972	326,664	323,451	323,451	323,451	525,580	540,278	540,278	540,278	540,278	540,278
OPCO	2,233,118	2,233,118	2,167,927	2,163,914	2,163,914	2,163,914	2,416,339	2,434,693	2,434,693	2,434,693	2,434,693	2,434,693
TOTAL	2,448,091	2,448,091	2,494,591	2,487,365	2,487,365	2,487,365	2,941,919	2,974,971	2,974,971	2,974,971	2,974,971	2,974,971

Test Year in KPCO Rate Case - Including Waterford, Project Harvest, Monongahela Power, Conesville, and MLR Forecast

FORECASTED PEAK LOAD (MW)												
	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
APCO	7438	7438	7438	7438	7438	7438	7438	7438	7438	7438	7438	7438
KPCO	1685	1685	1685	1685	1685	1685	1685	1685	1685	1685	1685	1685
I&M	4102	4102	4102	4102	4102	4102	4102	4102	4102	4102	4102	4102
OPCO	5112	5112	5112	5112	5112	5112	5112	5112	5112	5112	5112	5112
CSP	4394	4394	4394	4394	4394	4394	4394	4394	4394	4394	4394	4394
TOTAL	22731	22731	22731	22731	22731	22731	22731	22731	22731	22731	22731	22731

MLR												
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722	0.32722
KPCO	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413	0.07413
I&M	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046	0.18046
OPCO	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489	0.22489
CSP	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330	0.19330
TOTAL	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Primary Capacity (kW)												
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000	6,380,000
KPCO	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
I&M	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
OPCO	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000	8,129,000
CSP	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000	3,464,000
TOTAL	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000	24,523,000

Capacity Payment - Credit / (Charge)												
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	(14,591,595)	(13,882,830)	(14,006,373)	(14,131,176)	(13,654,307)	(14,260,644)	(13,698,588)	(13,537,083)	(14,187,242)	(14,462,574)	(14,512,737)	(14,374,441)
KPCO	(3,264,054)	(3,105,508)	(3,133,143)	(3,161,061)	(3,054,388)	(3,190,022)	(3,064,294)	(3,028,166)	(3,173,603)	(3,235,193)	(3,246,414)	(3,215,478)
I&M	8,871,234	8,682,341	8,850,995	8,891,472	8,695,833	9,856,177	9,019,650	8,304,554	8,506,940	8,770,041	8,425,986	8,358,524
OPCO	20,310,742	19,082,164	19,160,584	19,369,704	18,611,645	18,663,925	18,376,386	18,768,485	19,866,363	20,153,902	20,598,282	20,389,162
CSP	(11,326,326)	(10,776,167)	(10,872,063)	(10,968,939)	(10,598,782)	(11,069,435)	(10,633,154)	(10,507,790)	(11,012,458)	(11,226,177)	(11,265,115)	(11,157,767)
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0

Capacity Rate (\$/kW)												
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
APCO	8.8736406577	8.4426168147	8.5177471019	8.5936443485	8.3036443485	8.6723783853	8.3305728196	8.2323562405	8.6277397203	8.7951782675	8.8256846528	8.7415818994
KPCO	8.8736406577	8.4426168147	8.5177471019	8.5936443485	8.3036443485	8.6723783853	8.3305728196	8.2323562405	8.6277397203	8.7951782675	8.8256846528	8.7415818994
I&M	13.1500000000	12.8700000000	13.1200000000	13.1800000000	12.8900000000	14.6100000000	13.3700000000	12.3100000000	12.6100000000	13.0000000000	12.4900000000	12.3900000000
OPCO	7.7700000000	7.3000000000	7.3300000000	7.4100000000	7.1200000000	7.1400000000	7.0300000000	7.1800000000	7.6000000000	7.7100000000	7.8800000000	7.8000000000
CSP	8.8736406577	8.4426168147	8.5177471019	8.5936443485	8.3036443485	8.6723783853	8.3305728196	8.2323562405	8.6277397203	8.7951782675	8.8256846528	8.7415818994

Capacity Surplus												
	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
I&M	674,619	674,619	674,619	674,619	674,619	674,619	674,619	674,619	674,619	674,619	674,619	674,619
OPCO	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995	2,613,995
TOTAL	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614	3,288,614

ACTUAL: July 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.29975	6,946,100	(1,047,100)
KPCO	1,450,000	0.07034	1,630,000	(180,000)
I&M	5,100,000	0.20194	4,679,600	420,400
OPCO	8,129,000	0.24373	5,647,900	2,481,100
CSP	2,595,000	0.18424	4,269,400	(1,674,400)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,047,100)	***** + *****	(8,952,193)
KPCO	(180,000)	***** + *****	(1,538,912)
I&M	420,400	8.75 + 4.40	5,528,260
OPCO	2,481,100	5.18 + 2.59	19,278,147
CSP	(1,674,400)	***** + *****	(14,315,302)

EQUALIZATION CAPACITY RATE: 8.5495112873
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: August 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.29975	6,946,100	(1,047,100)
KPCO	1,450,000	0.07034	1,630,000	(180,000)
I&M	5,100,000	0.20194	4,679,600	420,400
OPCO	8,129,000	0.24373	5,647,900	2,481,100
CSP	2,595,000	0.18424	4,269,400	(1,674,400)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,047,100)	***** + *****	(8,488,882)
KPCO	(180,000)	***** + *****	(1,459,267)
I&M	420,400	8.75 + 4.12	5,410,548
OPCO	2,481,100	5.18 + 2.12	18,112,030
CSP	(1,674,400)	***** + *****	(13,574,429)

EQUALIZATION CAPACITY RATE: 8.1070404963
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: September 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.30687	7,111,100	(1,212,100)
KPCO	1,450,000	0.07202	1,668,900	(218,900)
I&M	5,100,000	0.19739	4,574,100	525,900
OPCO	8,129,000	0.24650	5,712,200	2,416,800
CSP	2,595,000	0.17722	4,106,700	(1,511,700)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,212,100)	***** + *****	(10,138,914)
KPCO	(218,900)	***** + *****	(1,831,044)
I&M	525,900	8.75 + 4.37	6,899,808
OPCO	2,416,800	5.18 + 2.15	17,715,144
CSP	(1,511,700)	***** + *****	(12,644,994)

EQUALIZATION CAPACITY RATE: 8.3647507391
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: October 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.30709	7,116,200	(1,217,200)
KPCO	1,450,000	0.07207	1,670,100	(220,100)
I&M	5,100,000	0.19752	4,577,100	522,900
OPCO	8,129,000	0.24667	5,716,100	2,412,900
CSP	2,595,000	0.17665	4,093,500	(1,498,500)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,217,200)	***** + *****	(10,270,373)
KPCO	(220,100)	***** + *****	(1,857,139)
I&M	522,900	8.75 + 4.43	6,891,822
OPCO	2,412,900	5.18 + 2.23	17,879,589
CSP	(1,498,500)	***** + *****	(12,643,899)

EQUALIZATION CAPACITY RATE: 8.4377038627
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: November 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.30709	7,116,200	(1,217,200)
KPCO	1,450,000	0.07207	1,670,100	(220,100)
I&M	5,100,000	0.19752	4,577,100	522,900
OPCO	8,129,000	0.24667	5,716,100	2,412,900
CSP	2,595,000	0.17665	4,093,500	(1,498,500)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,217,200)	***** + *****	(9,917,385)
KPCO	(220,100)	***** + *****	(1,793,310)
I&M	522,900	8.75 + 4.14	6,740,181
OPCO	2,412,900	5.18 + 1.94	17,179,848
CSP	(1,498,500)	***** + *****	(12,209,334)

EQUALIZATION CAPACITY RATE: 8.1477038627
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: December 2004

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.30709	7,116,200	(1,217,200)
KPCO	1,450,000	0.07207	1,670,100	(220,100)
I&M	5,100,000	0.19752	4,577,100	522,900
OPCO	8,129,000	0.24667	5,716,100	2,412,900
CSP	2,595,000	0.17665	4,093,500	(1,498,500)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,217,200)	***** + *****	(10,310,285)
KPCO	(220,100)	***** + *****	(1,864,356)
I&M	522,900	8.75 + 5.86	7,639,569
OPCO	2,412,900	5.18 + 1.96	17,228,106
CSP	(1,498,500)	***** + *****	(12,693,034)

EQUALIZATION CAPACITY RATE: 8.4704935622
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: January 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.33041	7,656,600	(1,757,600)
KPCO	1,450,000	0.07537	1,746,500	(296,500)
I&M	5,100,000	0.18905	4,380,900	719,100
OPCO	8,129,000	0.23609	5,470,900	2,658,100
CSP	2,595,000	0.16908	3,918,100	(1,323,100)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,757,600)	***** + *****	(14,728,622)
KPCO	(296,500)	***** + *****	(2,484,659)
I&M	719,100	9.40 + 3.97	9,614,367
OPCO	2,658,100	5.32 + 1.71	18,686,443
CSP	(1,323,100)	***** + *****	(11,087,529)

EQUALIZATION CAPACITY RATE: 8.3799626910
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: February 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.32933	7,631,600	(1,732,600)
KPCO	1,450,000	0.07838	1,816,300	(366,300)
I&M	5,100,000	0.18844	4,366,700	733,300
OPCO	8,129,000	0.23532	5,453,100	2,675,900
CSP	2,595,000	0.16853	3,905,300	(1,310,300)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,732,600)	***** + *****	(14,351,879)
KPCO	(366,300)	***** + *****	(3,034,222)
I&M	733,300	9.40 + 2.91	9,026,923
OPCO	2,675,900	5.32 + 1.86	19,212,962
CSP	(1,310,300)	***** + *****	(10,853,784)

EQUALIZATION CAPACITY RATE: 8.2834345301
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: March 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.32933	7,631,600	(1,732,600)
KPCO	1,450,000	0.07838	1,816,300	(366,300)
I&M	5,100,000	0.18844	4,366,700	733,300
OPCO	8,129,000	0.23532	5,453,100	2,675,900
CSP	2,595,000	0.16853	3,905,300	(1,310,300)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,732,600)	***** + *****	(15,034,850)
KPCO	(366,300)	***** + *****	(3,178,613)
I&M	733,300	9.40 + 3.21	9,246,913
OPCO	2,675,900	5.32 + 2.28	20,336,840
CSP	(1,310,300)	***** + *****	(11,370,290)

EQUALIZATION CAPACITY RATE: 8.6776231961
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: April 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.32933	7,631,600	(1,732,600)
KPCO	1,450,000	0.07838	1,816,300	(366,300)
I&M	5,100,000	0.18844	4,366,700	733,300
OPCO	8,129,000	0.23532	5,453,100	2,675,900
CSP	2,595,000	0.16853	3,905,300	(1,310,300)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,732,600)	***** + *****	(15,329,784)
KPCO	(366,300)	***** + *****	(3,240,968)
I&M	733,300	9.40 + 3.60	9,532,900
OPCO	2,675,900	5.32 + 2.39	20,631,189
CSP	(1,310,300)	***** + *****	(11,593,337)

EQUALIZATION CAPACITY RATE: 8.8478496421
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

ACTUAL: May 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.32933	7,631,600	(1,732,600)
KPCO	1,450,000	0.07838	1,816,300	(366,300)
I&M	5,100,000	0.18844	4,366,700	733,300
OPCO	8,129,000	0.23532	5,453,100	2,675,900
CSP	2,595,000	0.16853	3,905,300	(1,310,300)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,732,600)	***** + *****	(15,370,909)
KPCO	(366,300)	***** + *****	(3,249,662)
I&M	733,300	9.40 + 3.09	9,158,917
OPCO	2,675,900	5.32 + 2.56	21,086,092
CSP	(1,310,300)	***** + *****	(11,624,438)

EQUALIZATION CAPACITY RATE: 8.8715854159

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

NOTES:

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

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

ACTUAL: June 2005

PAGE (3)

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

<u>MEMBER</u>	<u>MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)</u>	<u>MEMBER LOAD RATIO (APPENDIX I) (2)</u>	<u>PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)</u>
APCO	5,899,000	0.32933	7,631,600	(1,732,600)
KPCO	1,450,000	0.07838	1,816,300	(366,300)
I&M	5,100,000	0.18844	4,366,700	733,300
OPCO	8,129,000	0.23532	5,453,100	2,675,900
CSP	2,595,000	0.16853	3,905,300	(1,310,300)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

<u>MEMBER</u>	<u>SURPLUS (DEFICIT) CAPACITY KW (1)</u>	<u>CAPACITY RATE \$/kW * (2)</u>	<u>CREDIT (CHARGE) ** \$ (3)</u>
APCO	(1,732,600)	***** + *****	(15,224,847)
KPCO	(366,300)	***** + *****	(3,218,782)
I&M	733,300	9.40 + 2.99	9,085,587
OPCO	2,675,900	5.32 + 2.48	20,872,020
CSP	(1,310,300)	***** + *****	(11,513,978)

EQUALIZATION CAPACITY RATE: 8.7872835269
 (This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 6/30/2004

MEMBER LOAD RATIO
 JULY 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.29975	0.07034	0.20194	0.24373	0.18424

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
06	19049	17	15	5322	17	14	1174	09	14	3977	09	13	4985	09	16	3591
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785
10	15194	03	07	4592	03	08	1038	08	12	2980	30	10	4118	28	19	2466
09	16952	02	16	4952	04	15	1030	10	15	3454	10	15	4384	10	17	3132
08	20104	26	16	5657	26	17	1212	21	15	4243	21	16	5121	21	16	3871
07	18412	08	16	5344	08	14	1151	17	17	3577	08	15	4765	08	14	3575

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21011	6298	1478	4243	5121	3871

DATE/TIME	01/07 HR 08	01/31 HR 09	08/21 HR 15	08/21 HR 16	08/21 HR 16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 7/31/2004

MEMBER LOAD RATIO
 AUGUST 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.29975	0.07034	0.20194	0.24373	0.18424

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
07	19250	13	16	5366	13	15	1209	22	15	4051	13	17	4986	13	16	3638
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785
10	15194	03	07	4592	03	08	1038	08	12	2980	30	10	4118	28	19	2466
09	16952	02	16	4952	04	15	1030	10	15	3454	10	15	4384	10	17	3132
08	20104	26	16	5657	26	17	1212	21	15	4243	21	16	5121	21	16	3871

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21011	6298	1478	4243	5121	3871

DATE/TIME	01/07 HR 08	01/31 HR 09	08/21 HR 15	08/21 HR 16	08/21 HR 16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 8/31/2004

MEMBER LOAD RATIO
 SEPTEMBER 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.30687	0.72020	0.19739	0.24650	0.17722

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
08	19445	04	16	5509	03	16	1228	03	17	4012	03	17	5059	03	17	3637
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785
10	15194	03	07	4592	03	08	1038	08	12	2980	30	10	4118	28	19	2466
09	16952	02	16	4952	04	15	1030	10	15	3454	10	15	4384	10	17	3132

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
20523	6298	1478	4051	5059	3637

DATE/TIME	01/07 HR 08	01/31 HR 09	07/22 HR 15	08/03 HR 17	08/03 HR 17
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 8/31/2004

MEMBER LOAD RATIO
 OCTOBER 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.30709	0.07207	0.19752	0.24667	0.17665

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785
10	15194	03	07	4592	03	08	1038	08	12	2980	30	10	4118	28	19	2466

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
20509	6298	1478	4051	5059	3623
DATE/TIME	01/07 HR 08	01/31 HR 09	07/22 HR 15	08/03 HR 17	07/13 HR 16

APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 10/31/2004

MEMBER LOAD RATIO
 NOVEMBER 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.30709	0.07207	0.19752	0.24667	0.17665

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
10	14911	18	07	4276	18	08	950	18	09	3090	18	18	4201	18	19	2394
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
20509	6298	1478	4051	5059	3623

DATE/TIME	01/07 HR 08	01/31 HR 09	07/22 HR 15	08/03 HR 17	07/13 HR16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 11/30/2004

MEMBER LOAD RATIO
 DECEMBER 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.30709	0.07207	0.19752	0.24667	0.17665

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
11	16577	15	08	5122	15	09	1220	29	19	3162	30	19	4502	29	19	2571
10	14932	18	07	4276	18	08	950	18	09	3075	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150
12	17774	21	09	5628	02	08	1267	15	19	3349	18	19	4545	17	19	2985

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
20509	6298	1478	4051	5059	3623

DATE/TIME	01/07 HR 08	01/31 HR 09	07/22 HR 15	08/03 HR 17	07/13 HR16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 12/31/2004

MEMBER LOAD RATIO
 JANUARY 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.33041	0.07537	0.18905	0.23609	0.16908

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
12	20008	20	08	7080	20	09	1615	20	11	3354	20	19	4891	20	19	3068
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14932	18	07	4276	18	08	950	18	09	3075	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851
01	19444	07	08	6298	31	09	1478	22	20	3500	29	23	5018	06	20	3150

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21428	7080	1615	4051	5059	3623

DATE/TIME	12/20 HR 08	12/20 HR 09	07/22 HR 15	08/03 HR 17	07/13 HR16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 1/31/2005

MEMBER LOAD RATIO
 FEBRUARY 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32933	0.07838	0.18844	0.23532	0.16853

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
01	20172	24	09	6978	24	08	1685	28	09	3480	18	20	4955	17	19	3074
12	20013	20	08	7080	20	09	1615	20	11	3354	20	19	4898	20	19	3066
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14932	18	07	4276	18	08	950	18	09	3075	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704
02	18247	02	09	5734	16	09	1391	05	19	3390	04	20	4881	03	19	2851

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21498	7080	1685	4051	5059	3623
DATE/TIME	12/20 HR 08	1/24 HR 08	07/22 HR 15	08/03 HR 17	07/13 HR16

APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 2/28/2005

MEMBER LOAD RATIO
 March 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32933	0.07838	0.18844	0.23532	0.16853

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

MO	TOTAL	<u>APPALACHIAN</u>			<u>KENTUCKY</u>			<u>INDIANA</u>			<u>OHIO</u>			<u>COLUMBUS</u>		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
02	18109	11	08	5869	02	08	1319	02	08	3426	01	08	4717	10	20	2778
01	20172	24	09	6978	24	08	1685	28	09	3480	18	20	4955	17	19	3074
12	20013	20	08	7080	20	09	1615	20	11	3354	20	19	4898	20	19	3066
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14933	18	07	4276	18	08	950	18	09	3076	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535
03	17166	23	08	5557	23	08	1351	16	12	3224	12	11	4330	16	20	2704

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21498	7080	1685	4051	5059	3623

DATE/TIME	12/20 HR 08	1/24 HR 08	07/22 HR 15	08/03 HR 17	07/13 HR16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 3/31/2005

MEMBER LOAD RATIO
 April 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32933	0.07838	0.18844	0.23532	0.16853

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
03	16845	03	07	5882	03	08	1429	21	08	2872	03	07	3800	01	20	2862
02	18109	11	08	5869	02	08	1319	02	08	3426	01	08	4717	10	20	2778
01	20157	24	09	6978	24	08	1685	28	09	3465	18	20	4955	17	19	3074
12	20013	20	08	7080	20	09	1615	20	11	3354	20	19	4898	20	19	3066
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14933	18	07	4276	18	08	950	18	09	3076	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380
04	15851	06	07	4927	05	08	1167	05	11	2974	13	12	4248	01	20	2535

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21498	7080	1685	4051	5059	3623
DATE/TIME	12/20 HR 08	1/24 HR 08	07/22 HR 15	08/03 HR 17	07/13 HR16

APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 4/30/2005

MEMBER LOAD RATIO
 MAY 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32933	0.07838	0.18844	0.23532	0.16853

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
04	15175	02	20	4578	02	20	1075	19	14	2936	25	11	4242	02	20	2344
03	18222	03	08	6054	03	08	1429	01	20	3198	01	21	4679	01	20	2862
02	18109	11	08	5869	02	08	1319	02	08	3426	01	08	4717	10	20	2778
01	20157	24	09	6978	24	08	1685	28	09	3465	18	20	4955	17	19	3074
12	20013	20	08	7080	20	09	1615	20	11	3354	20	19	4898	20	19	3066
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14933	18	07	4276	18	08	950	18	09	3076	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590
05	17488	25	14	5017	25	13	1132	12	16	3396	14	12	4563	21	15	3380

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21498	7080	1685	4051	5059	3623

DATE/TIME	12/20 HR 08	1/24 HR 08	07/22 HR 15	08/03 HR 17	07/13 HR16
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APPENDIX I

AMERICAN ELECTRIC POWER SYSTEM
 MEMBER LOAD RATIO SUMMARY

MONTH ENDING 5/31/2005

MEMBER LOAD RATIO
 June 2005

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.32933	0.07838	0.18844	0.23532	0.16853

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
05	15891	03	07	4593	03	08	1112	10	14	3090	11	13	4301	11	17	2795
04	15175	02	20	4578	02	20	1075	19	14	2936	25	11	4242	02	20	2344
03	18222	03	08	6054	03	08	1429	01	20	3198	01	21	4679	01	20	2862
02	18109	11	08	5869	02	08	1319	02	08	3426	01	08	4717	10	20	2778
01	20157	24	09	6978	24	08	1685	28	09	3465	18	20	4955	17	19	3074
12	20013	20	08	7080	20	09	1615	20	11	3354	20	19	4898	20	19	3066
11	16583	15	08	5122	15	09	1220	29	19	3162	30	19	4508	29	19	2571
10	14933	18	07	4276	18	08	950	18	09	3076	18	18	4230	18	19	2401
09	17242	01	16	4785	01	17	1060	15	15	3722	07	14	4573	06	17	3102
08	19429	04	16	5508	03	16	1228	03	17	4012	03	17	5059	03	17	3622
07	19230	13	16	5366	13	15	1209	22	15	4051	13	17	4981	13	16	3623
06	19053	17	15	5322	17	14	1174	09	14	3977	09	13	4990	09	16	3590

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21498	7080	1685	4051	5059	3623
DATE/TIME	12/20 HR 08	1/24 HR 08	07/22 HR 15	08/03 HR 17	07/13 HR16

**BACK-UP INFO FOR KY CAPACITY
 SETTLEMENT CALCULATIONS
 ANNUALIZED ASSUMPTIONS
 (MLRs & Associated Peak Demands)**

	Actual Demand (MW)	Adj.(6) (MW)	Adj.(7) (MW)	Adj.(8) (MW)	Adjusted Demand (MW)	MLR
APCO(1)	7080		358	0	7438	0.32722
KPCO(2)	1685				1685	0.07413
I&M(3)	4102				4102	0.18046
OPCO(4)	5470		(358)		5112	0.22489
CSP(5)	4105	289			4394	0.19330
Adjusted AEP Demand					22,731	1.00000

Note: (1) Actual: 12/20/04
 (2) Actual: 01/24/05
 (3) Actual: 06/29/05
 (4) Actual: 07/26/05
 (5) Actual: 07/25/05
 (6) Monongahela Power load.
 (7) Century/Pechiney load
 (8) Reduction of line losses.

Kentucky Power Company

REQUEST

Please provide a copy of the Company's most recent cash working capital lead/lag study

RESPONSE

The Company has not prepared a cash working capital lead/lag study.

WITNESS: Errol K Wagner

Kentucky Power Company

REQUEST

Please provide a copy of the Company's daily cash flow model, including all inputs translating accrual amounts to cash flow amounts and any other input assumptions. If the Company does not have its own daily cash flow model, then please provide the AEP model.

RESPONSE

C O N F I D E N T I A L

The requested information is confidential and the Company has requested confidential protection in the form of a Motion for Confidential Treatment.

WITNESS: Errol K Wagner

AEP Consolidated Cash (\$000)

Investment Beginning Balance
Prior Day Cash in Bank

Funds Available

CP Maturities
CP Issued
Net CP Activity

Operations:

Daily Operation Position w/o Credit
Current Day Cash in Bank
Net from Operations

Financing & Other Act.: IC Bor.

AEP Credit Factoring & Conduit
VEBA Medical Ins. Premiums
Equity Funding
SO2 purchases
Dividends paid
Lease payment
Taxes
LTD Redemptions/Interest
Misc (e.g. Pension Funding, ICP)
LTD Issuances
Asset Sales / (Acquisition)
Legal Settlements
Total Financing Activity

Net Daily Position (Ops.+Fin.)

Investment Ending Balance
Current Day Cash in Bank

Total Funds Available (Gross Cash)
Two-week Change
Verification check no's (actual invest
IAA CBP Balance
Unexplained
IAA CBP Balance Var

Operations Forecasted for the Day
Actuals for Operations
Variance

Forecasted for AEP Credit
Actuals for AEP Credit
Variance

Forecasted for Finance & Other
Actuals for Finance & Other
Variance

Forecasted Cash Balance
Forecasted Cash Balance

Variance

LTD Issuances not happen
Cumulative
Stess Case - No LTD Issuances
1,185,400
Monthly Forecast

AEP Consolidated Cash (\$000)
Investment Beginning Balance
Prior Day Cash in Bank
Funds Available
CP Maturities
CP Issued
Net CP Activity
Operations:
Daily Operation Position w/o Credit
Current Day Cash in Bank
Net from Operations
Financing & Other Act.: IC Bor.
AEP Credit Factoring & Conduit
VEBA Medical Ins. Premiums
Equity Funding
SO2 purchases
Dividends paid
Lease payment
Taxes
LTD Redemptions/Interest
Misc (e.g. Pension Funding, ICP)
LTD Issuances
Asset Sales / (Acquisition)
Legal Settlements
Total Financing Activity
<u>Net Daily Position (Ops.+Fin.)</u>
Investment Ending Balance
<u>Current Day Cash in Bank</u>
Total Funds Available (Gross Cash)
Two-week Change
Verification check no's (actual invest)
IAA CBP Balance
Unexplained
IAA CBP Balance Var
Operations Forecasted for the Day
Actuals for Operations
Variance
Forecasted for AEP Credit
Actuals for AEP Credit
Variance
Forecasted for Finance & Other
Actuals for Finance & Other
Variance
Forecasted Cash Balance
Forecasted Cash Balance
Variance
LTD Issuances not happen
Cumulative
Stress Case - No LTD Issuances
1,195,400
Monthly Forecast

AEP Consolidated Cash (\$000)

Investment Beginning Balance
Prior Day Cash in Bank

Funds Available

CP Maturities
CP Issued
Net CP Activity

Operations:

Daily Operation Position w/o Credit
Current Day Cash in Bank
Net from Operations

Financing & Other Act.: IC Bor.

AEP Credit Factoring & Conduit
VEBA Medical Ins. Premiums
Equity Funding
SO2 purchases
Dividends paid
Lease payment
Taxes
LTD Redemptions/Interest
Misc (e.g. Pension Funding, ICP)
LTD Issuances
Asset Sales / (Acquisition)
Legal Settlements
Total Financing Activity

Net Daily Position (Ops.+Fin.)

Investment Ending Balance
Current Day Cash in Bank

Total Funds Available (Gross Cash)
Two-week Change }
Verification check no's (actual invest }
IAA CBP Balance
Unexplained
IAA CBP Balance Var

Operations Forecasted for the Day
Actuals for Operations
Variance

Forecasted for AEP Credit
Actuals for AEP Credit
Variance

Forecasted for Finance & Other
Actuals for Finance & Other
Variance

Forecasted Cash Balance
Forecasted Cash Balance

Variance

LTD Issuances not happen
Cumulative
Stress Case - No LTD Issuances
1,195,400
Monthly Forecast

AEP Consolidated Cash (\$000)
 Investment Beginning Balance
 Prior Day Cash in Bank

Funds Available

CP Maturities
 CP Issued
Net CP Activity

Operations:
 Daily Operation Position w/o Credit
 Current Day Cash in Bank
 Net from Operations

Financing & Other Act.: IC Bor.
 AEP Credit Factoring & Conduit
 VEBA Medical Ins. Premiums
 Equity Funding
 SO2 purchases
 Dividends paid
 Lease payment
 Taxes
 LTD Redemptions/Interest
 Misc (e.g. Pension Funding, ICP)
 LTD Issuances
 Asset Sales / (Acquisition)
 Legal Settlements
 Total Financing Activity

Net Daily Position (Ops.+Fin.)

Investment Ending Balance
Current Day Cash in Bank

Total Funds Available (Gross Cash) ,
 Two-week Change
 Verification check no's (actual invest
 IAA CBP Balance
 Unexplained
 IAA CBP Balance Var

Operations Forecasted for the Day
 Actuals for Operations
 Variance

Forecasted for AEP Credit
 Actuals for AEP Credit
 Variance

Forecasted for Finance & Other
 Actuals for Finance & Other
 Variance

Forecasted Cash Balance
 Forecasted Cash Balance

Variance

LTD Issuances not happen
 Cumulative
 Stress Case - No LTD Issuances
 1,195,400
 Monthly Forecast

Kentucky Power Company

REQUEST

Please describe the Company's daily, weekly, and monthly cash flow planning process, including the basis for projecting the timing of receipts and disbursements.

RESPONSE

KPCo does not have its own daily cash flow model, but rather is integrated into American Electric Power Company's consolidated Financial Forecasting mode. Financial Forecasting is responsible for coordinating the development of AEP's Corporate Financial Plan (often referred to as the budget or forecast). The basic output from the forecasting process consists of traditional financial statements (Income Statement, Balance Sheet and Cash Flow), as well as related statistics. The quarterly updates of the financial forecast allows Financial Forecasting to advise management where they are and whether or not AEP is on track to meet the financial target. This allows management to know when they are off track and allows them to get back on track with the financial plan and forecast. If it is not possible to get back on track and the financial plans and forecasts have to be revised, Financial Forecasting personnel work with management to ensure they have a good understanding of what caused the difference. Even though the plan is updated on a quarterly basis, the approved forecast is used for the entire forecast year to track and monitor performance. Generally, in the fourth quarter of the year, the next year's financial plan and forecast is reviewed and approved. The following year's financial plan and forecast is also developed to support longer term planning.

In compiling the financial plans and forecasts, there is actually very little information that is created within the Financial Forecasting. Most of the information used in developing the plans and forecasts is obtained from the functional business units and operating companies. The major components of the forecast that are provided by other groups include: production costing and off-system sales margins (Commercial Operations), O&M and Capital Spending (from operating companies and business functions via Corporate Budgeting), Internal Sales forecast (Economic Analysis), Rate changes (various Regulatory Services functions in AEPSC and operating companies), State and Federal taxes (Tax Department); Investment companies (directly from the each company) and the Financing Plan (Corporate Finance). Financial Forecasting reviews all data received for reasonableness and consistency. The financial forecast is broken out by month and is broken out based on the information provided by the business units / operating companies.

Kentucky Power Company

REQUEST

Please provide a copy of the most recent cash working capital lead/lag studies prepared by or for each of the other AEP operating utilities for ratemaking purposes.

RESPONSE

The cash working capital lead/lag studies are voluminous. The most recent lead/lag studies for the following AEP operating utilities will be made available for inspection at the office of Stites and Harbison PLLC, 421 West Main Street, Frankfort, KY 40602 during normal business hours:

1. Columbus Southern Power Company
2. Ohio Power Company
3. Appalachian Power Company
4. Public Service Company of Oklahoma
5. Southwestern Power Company
- 6 AEP Texas Central Company

Lead/lag studies are not available for the remaining operating utilities.

WITNESS: Ranie K. Wohnhas

Kentucky Power Company

REQUEST

Refer to Section V, Work paper S-2 page 2. Please provide the computational support for the apportionment factors for WV and OH state income taxes. In addition, please indicate whether the WV and OH state income taxes reflected in the GRCF on this schedule are ratemaking allocations of the income tax expense in WV and OH

RESPONSE

See response to Commission Staff 2nd Set Question No. 71b. The WV and OH income taxes reflected in the GRCF mirror actual expense.

WITNESS: Errol K Wagner