

American Electric Power Service Corporation
Retirement Plan — East

Actuarial Valuation Report

Pension Cost for Fiscal Year Ending December 31, 2002

Employer Contributions for Plan Year Beginning January 1, 2002

April 2002

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Management Summary of Valuation Results

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Financial Results

This report summarizes financial results for AEP East Retirement Plan for East Employees based on actuarial valuations as of January 1, 2002, and January 1, 2001.

	January 1, 2002	January 1, 2001
FAS 87 Pension Cost		
Amount	\$ (40,513,046)	\$ (60,470,982)
Percent of covered pay	(4.0)%	(6.1)%
FAS 87 Funded Position		
Accumulated benefit obligation [ABO]	\$ 2,316,810,024	\$ 2,178,537,225
Fair value of assets [FV]	2,439,495,029	2,800,485,590
ABO funded percentage [FV ÷ ABO]	105.3%	128.5%
Prepaid (accrued) pension cost	\$ 29,051,936	\$ (30,419,046)
Employer Contributions		
Minimum required	\$ 0	\$ 0
Percent of covered pay	0.0%	0.0%
Maximum deductible	\$ 0	\$ 0
Percent of covered pay	0.0%	0.0%
ERISA Funded Position		
Actuarial accrued liability [AAL]	\$ 2,144,892,094	\$ 2,047,658,159
Actuarial value of assets [AV]	2,757,442,009	2,731,080,746
AAL funded percentage [AV ÷ AAL]	128.6%	133.4%
Current liability funded percentage:		
• Selected interest rate	111.8%	114.8%

Discussion of Financial Results

The financial results of American Electric Power Service Corporation's Retirement Plan were affected by the following factors:

- Investment returns during the prior year were lower than expected, which decreased the funded percentage and increased the pension cost.
- Long-term bond yields decreased during the prior year resulting in a lower FAS 87 discount rate, which increased the pension cost.
- Larger than expected salary increases, due to bonus payouts being larger than in the past, along with larger than expected number of terminations and retirements increased pension cost.

Highlights

Economic Assumptions

The discount rate for pension cost purposes is the rate at which the pension obligations could be effectively settled. This rate is based on high-grade bond yields, after allowing for call and default risk. The following bond yields were considered in the selection of the economic assumptions:

	December 31, 2001	December 31, 2000
30-year Treasury	5.48%	5.46%
Merrill Lynch 10+ High Quality	6.88%	7.30%
Moody's Aa	7.08%	7.41%
Moody's Baa	7.92%	8.00%

The assumed rate of return on assets for pension cost purposes is the weighted average of expected long-term asset return assumptions. The salary increase rate is a long-term rate based on current expectations of future pay increases. The assumptions for pension cost purposes are:

	December 31, 2001	December 31, 2000
Discount rate	7.25%	7.50%
Rate of return on assets	9.00%	9.00%
Salary increase rate	Rates vary by age from 3.50% to 8.50%	Rates vary by age from 3.00% to 8.00%

This discount rate decreased to reflect the decrease in Corporate bond yields. The salary scale increased to better reflect anticipated experience.

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Assumptions used to determine statutory contribution limits must be reasonable taking into account the experience of the plan and reasonable expectations. The discount rate used to determine the normal cost and actuarial accrued liability is based on the long-term expected return on assets. The current liability interest rate must be within the permissible range as issued by the IRS. That range and assumptions for contribution purposes are:

	January 1, 2002	January 1, 2001
Discount rate for normal cost and actuarial accrued liability	8.50%	8.50%
Current liability interest rate:		
• Permissible range	5.14% to 6.85%*	5.32% to 6.21%
• Selected rate	6.00%	6.21%
Salary increase rate	Rates vary by age from 3.50% to 8.50%	Rates vary by age from 3.00% to 8.00%

* Maximum rate reflects temporary legislative increase effective for 2002 and 2003 only.

Demographic Assumptions

The cost of providing plan benefits depends on demographic factors such as retirement, mortality, and turnover. Demographic assumptions used in the valuation were selected to reflect the experience of the covered population and reasonable expectations. If actual experience is more favorable than assumed, future plan costs will be lower. Alternatively, if actual experience is less favorable than assumed, future plan costs will be higher. The demographic assumptions have not changed since the prior valuation.

Assets

In the year ended December 31, 2001, the plan's portfolio achieved a (5.6)% investment return (net of expenses), while the capital markets performed as follows:

Large equities [S&P 500]	(11.89)%
Intermediate/small equities [Russell 2500]	1.22%
Non-U.S. equities [EAFE]	(21.21)%
Bonds [Lehman Brothers Aggregate]	8.44%
Cash equivalents [Salomon Brothers 90-Day T-Bill]	4.09%

Changes in Benefits Valued

On June 7, 2001, the Economic Growth and Tax Relief Reconciliation Act was signed into law. EGTRRA contains a number of significant provisions affecting qualified plans, including increases in the maximum pay that can be recognized for pension purposes and the maximum benefit that can be paid from a defined benefit plan, as well as changes affecting the maximum deductible contribution.

The benefits valued for those active as of January 1, 2002, reflect the change in the IRC Section 401(a)(17) pay limit to \$200,000 for all future years. The increase in the IRC Section 415(b) maximum benefit limit to \$160,000 has been reflected for participants commencing benefits on or after January 1, 2002.

There have been no other changes in benefits valued since the prior year.

PBGC Reporting Requirements

Participants must be notified of the plan's funded position if the plan is required to pay a variable PBGC premium and the funded percentage is below a specified "gateway" percentage. The plan will not be required to pay a variable PBGC premium for 2002. Also, the plan's current liability funded percentage is above the "gateway" percentage for both 2002 and 2001. Consequently, no participant notice is required.

Additional financial and actuarial information must be provided to the PBGC if, at the end of the year, all defined benefit plans within the controlled group have an unfunded vested liability of \$50 million or more using assumptions mandated by the PBGC. As of December 31, 2001, unfunded vested liabilities for all defined benefit plans within the controlled group were more than \$50 million. Consequently, additional financial and actuarial information must be provided to the PBGC. The due date for the PBGC filing is 105 days after the end of the company's fiscal year. Towers Perrin has provided AEP with the required actuarial information for this filing in a separate report.

FAS 87 Pension Cost and Funded Position

Pension cost is the amount recognized in AEP's financial statement as the cost of the pension plan and is determined in accordance with Financial Accounting Standard No. 87. The fiscal 2002 pension cost for the plan is \$(40.5) million, or (4.0)% of covered pay.

Under FAS 87, an important measure of funded position is a comparison of the fair value of assets to the accumulated benefit obligation (ABO). The ABO is the present value of accumulated benefits based on service and pay as of the measurement date.

The plan's ABO funded percentage is 105.3% as of January 1, 2002, based on the fair value of assets of \$2,439.5 million and an ABO of \$2,316.8 million. AEP's balance sheet must reflect a minimum liability equal to the unfunded ABO for each pension plan with a funded percentage (fair value of assets divided by ABO) under 100%. To the extent that the minimum liability exceeds the accrued pension cost, an additional liability is recorded together with an offsetting intangible asset and/or a reduction in shareholder' equity (accumulated other comprehensive income).

Disclosures at fiscal year-end are prepared before the corresponding valuation results are available. Therefore, the December 31, 2001 additional minimum liability was derived from the January 1, 2001 valuation results. The December 31, 2002 disclosures will be developed based on the results of the January 1, 2002 valuation, rolled forward to the end of the year and adjusted for the year-end discount rate and asset values, as well as significant changes in plan provisions and participant population. The January 1, 2002, valuation results before that roll-forward process indicate an additional minimum liability of \$0 and a reduction in shareholders' equity of \$0. However, the plan could have a large reduction in shareholder equity depending on 2002 asset returns and year-end discount rates.

Change in Pension Cost and Funded Position

The pension cost increased from \$(60.5) million in fiscal 2001 to \$(40.5) million in fiscal 2002 because:

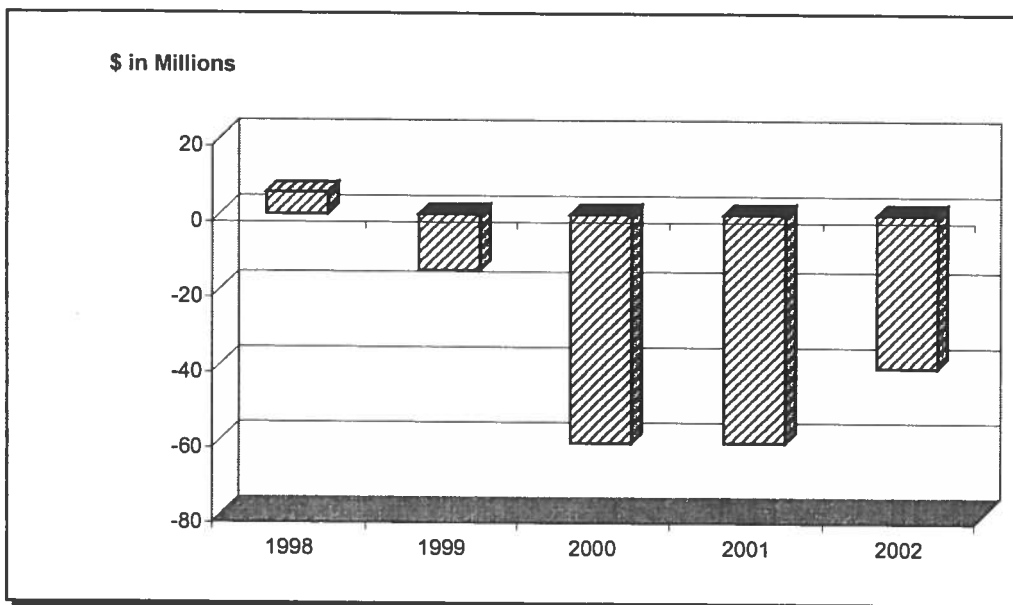
- Expected changes, based on prior year's assumptions, methods, plan provisions and contributions, increased the pension cost \$1.4 million.
- Noninvestment experience increased the pension cost \$14.6 million. The primary source of this change was larger than expected salary increases due to bonus payments and larger than expected retirements and terminations.
- The return on the fair value of plan assets was (5.6)% in fiscal 2001. 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 8.9%, which increased the pension cost \$0.4 million.
- Assumption changes increased the pension cost \$3.2 million.
- Changes in benefits valued, due to EGTRRA, increased the pension cost \$0.4 million.

The ABO funded percentage decreased from 128.5% to 105.3% primarily because of the (5.6)% asset return in 2001.

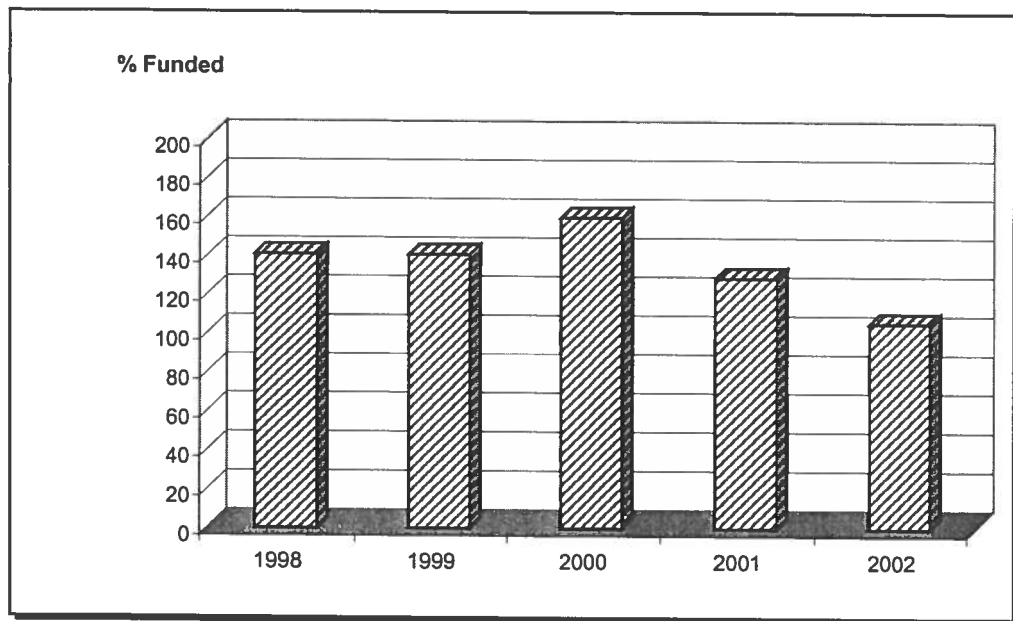
History of Pension Cost and Funded Position

The following charts show the history of the plan's pension cost and ABO funded position:

History of Pension Cost



History of the Accumulated Benefit Obligation Funded Status



History of Pension Cost and ABO Funded Percentage

----- Pension cost -----

<i>Fiscal year</i>	<i>Amount</i>	<i>Percent of covered pay</i>	<i>ABO funded percentage</i>	<i>Discount rate</i>
2002	\$ (40,513,046)	(4.0)%	105.3%	7.25%
2001	(60,470,982)	(6.1)	128.6	7.50
2000	(60,640,552)	(7.3)	159.7	8.00
1999	(14,861,940)	(1.8)	140.5	6.75/7.50*
1998	5,730,497	0.7	140.7	7.00

* FAS 87 pension cost for 1999 was remeasured as of August 1, 1999, as a result of the passage of the Ohio deregulation bill and the resulting decision to update and finalize the timing of the shutdown of the Central Ohio and Windsor coal mines using a discount rate of 7.50% for the remainder of 1999. Thus, the pension cost for 1999 includes seven months at a discount rate of 6.75% and five months at a discount rate of 7.50%.

Employer Contributions and ERISA Funded Position

AEP's funding policy is to contribute an amount equal to the net periodic pension cost each year under FAS 87. However, the contribution will not be less than the minimum required contribution nor greater than the maximum deductible contribution. For 2002, the minimum required contribution remains \$0. The maximum deductible contribution under the Internal Revenue Code is \$0.

The funded position, on a contribution basis, is measured by comparing the actuarial value of assets with the actuarial accrued liability (AAL). The actuarial value of assets is a smoothed value that recognizes investment gains and losses over time. The AAL is the funding target, under ERISA, on which the employer contribution limits are based. As the funded percentage for a plan approaches or exceeds 100%, contributions to the plan may be restricted.

The plan's funded percentage (actuarial value of assets divided by AAL) is 128.6% as of January 1, 2002. This percentage is based on an actuarial value of assets of \$2,757.4 million and an AAL of \$2,144.9 million.

Change in Contribution Requirements and Funded Position

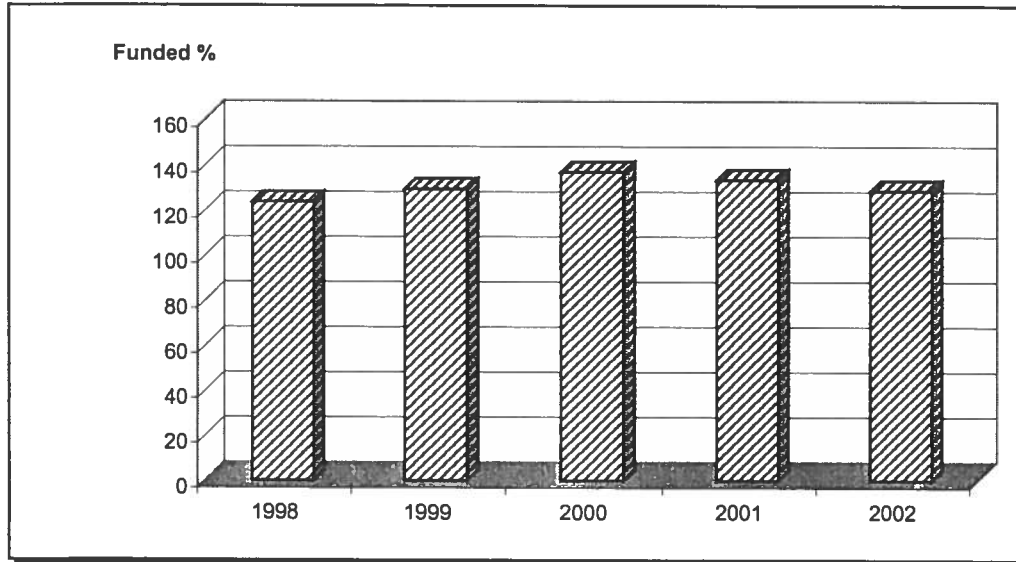
The minimum required contribution remained \$0 for 2002.

The AAL funded percentage decreased from 133.4% at January 1, 2001, to 128.6% at January 1, 2002, primarily because of larger than expected salary increases due to larger bonus payouts and smaller than expected asset returns.

History of Employer Contributions and Funded Position

The following charts show the history of employer contributions and the funding range for 2002, as well as AAL funded position.

History of Actuarial Accrued Liability Funded Percentage



History of Employer Contributions and AAL Funded Percentage and Current Year's Funding Range

----- Employer contributions -----

Year	Amount	Percent of covered pay	AAL funded percentage	Discount rate
2002:				
• Minimum	\$ 0	0.0%	128.6%	8.50%
• Maximum	0	0.0		
2001	0	0.0	133.4	8.50
2000	0	0.0	137.0	8.50
1999	0	0.0	129.4	8.50
1998	0	0.0	123.6	8.50

Current Liability

An alternative measure of funded position compares the actuarial value of assets with the plan's current liability. The current liability is the present value of benefits accrued to the valuation date reflecting IRS restrictions on interest and mortality assumptions.

If the current liability funded percentage is below 100%, quarterly contributions may be required in the following plan year. The plan's current liability funded percentage is 111.8% as of January 1, 2002. This percentage is based on an actuarial value of assets of \$2,757.4 million and a current liability of \$2,466.5 million.

If the current liability funded percentage using the current liability interest rate is below 90%, additional funding requirements, as well as employee notification requirements, may be triggered. The plan's current liability funded percentage on this basis is 111.8% as of January 1, 2002.

Actuarial Certification

American Electric Power Service Corporation retained Towers Perrin to perform a valuation of its pension plan for the purpose of determining (1) its pension cost in accordance with FAS 87 and (2) the minimum required and maximum tax-deductible contributions in accordance with ERISA and allowed by the Internal Revenue Code. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

The consulting actuaries are members of the Society of Actuaries and other professional actuarial organizations and meet their "General Qualification Standard for Prescribed Statements of Actuarial Opinions" relating to pension plans.

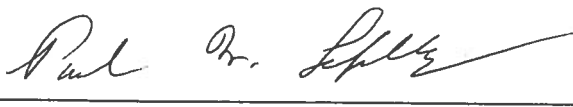
In preparing the results presented in this report, we have relied upon information provided to us regarding plan provisions, plan participants, and plan assets. While the scope of our engagement did not call for us to perform an audit or independent verification of this information, we have reviewed this information for reasonableness but have not audited it. The accuracy of the results presented in this report is dependent upon the accuracy and completeness of the underlying information.

The actuarial assumptions and the accounting policies and methods employed in the development of the pension cost have been selected by the plan sponsor, with the concurrence of Towers Perrin. FAS 87 requires that each significant assumption "individually represent the best estimate of a particular future event."

The actuarial assumptions and methods employed in the development of the contribution limits have been selected by Towers Perrin, with the concurrence of the plan sponsor. The Internal Revenue Code requires the use of reasonable assumptions.

The results shown in this report are reasonable actuarial results. However, a different set of results could also be considered reasonable actuarial results, since the Actuarial Standards of Practice describe a "best-estimate range" for each assumption, rather than a single best-estimate value. 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 information contained in this report was prepared for the internal use of American Electric Power Service Corporation and its auditors in connection with our actuarial valuation of the pension plan. It is not intended nor necessarily suitable for other purposes. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Perrin's prior written consent.



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Towers Perrin

April 2002

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Asset Values

Asset Values for Calculating Pension Cost

Fair value, excluding contributions receivable:

▶ As of January 1, 2001	\$ 2,800,485,590
▶ Contributions	0
▶ Disbursements	(209,551,632)
▶ Investment return	<u>(151,438,929)</u>
▶ As of January 1, 2002	\$ 2,439,495,029
▶ Rate of return	(5.6)%

Market-related value:

▶ As of January 1, 2001	\$ 2,756,415,052
▶ As of January 1, 2002	2,783,962,795
▶ Rate of return	8.9%

Asset Values for Calculating Employer Contributions

Market value, including contributions receivable:

▶ As of January 1, 2001	\$ 2,800,485,590
▶ Contributions	0
▶ Disbursements	(209,551,632)
▶ Investment return	<u>(151,438,929)</u>
▶ As of January 1, 2002	\$ 2,439,495,029
▶ Rate of return	(5.6)%

Actuarial value:

▶ As of January 1, 2001	\$ 2,731,080,746
▶ As of January 1, 2002	2,757,442,009
▶ Rate of return	9.0%
▶ Rate of return (assuming mid-year cash flow for Schedule B of Form 5500)	9.0%

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Basic Results for Pension Cost

	January 1, 2002	January 1, 2001
Service Cost	\$ 50,916,578	\$47,674,484
Obligations		
Accumulated benefit obligation [ABO]:		
▶ Participants currently receiving benefits	\$ 1,220,865,237	\$ 1,098,855,117
▶ Deferred inactive participants	64,479,641	108,317,439
▶ Active participants	<u>1,031,465,146</u>	<u>971,364,669</u>
Total ABO	\$ 2,316,810,024	\$2,178,537,225
Obligation due to future salary increases	<u>35,973,423</u>	<u>21,355,899</u>
Projected benefit obligation [PBO]	\$ 2,352,783,447	\$ 2,199,893,124
Assets		
Fair value [FV]	\$ 2,439,495,029	\$ 2,800,485,590
Unrecognized investment losses (gains)	<u>344,467,766</u>	<u>(44,070,538)</u>
Market-related value	\$ 2,783,962,795	\$ 2,756,415,052
Funded Position		
Unfunded PBO	\$ (86,711,582)	\$ (600,592,466)
Minimum liability [ABO – FV, minimum zero]	0	0
Key Economic Assumptions		
Discount rate	7.25%	7.50%
Rate of return on assets	9.00%	9.00%
Salary increase rate	Rates vary by age from 8.50% to 3.50%	Rates vary by age from 8.00% to 3.00%

Fiscal 2001

Development of Prepaid (Accrued) Pension Cost as of December 31, 2001

Prepaid (accrued) pension cost, as of December 31, 2000	\$ (30,419,046)
Change during fiscal 2001:	
‣ Income (cost) recognized	60,470,982
‣ Employer contributions	0
‣ Effect of curtailments, settlements, and special termination benefits	<u>(1,000,000)</u>
Prepaid (accrued) pension cost, as of December 31, 2001	\$ 29,051,936

	January 1, 2002	January 1, 2001
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Reconciliation of Funded Status

Funded status [FV – PBO]	\$ 86,711,582	\$ 600,592,466
Unrecognized net actuarial loss (gain)	(78,055,157)	(644,018,419)
Unrecognized prior service cost (credit)	40,078,685	42,531,668
Unrecognized transition obligation (asset)	<u>(19,683,174)</u>	<u>(29,524,761)</u>
Prepaid (accrued) pension cost	\$ 29,051,936	\$ (30,419,046)

Balance Sheet Effects

Prepaid pension cost	\$ 29,051,936	\$ 0
Accrued pension cost	0	(30,419,046)
Additional minimum liability	0	0
Intangible asset	0	0
Accumulated other comprehensive income	<u>0</u>	<u>0</u>
Balance sheet effect	\$ 29,051,936	\$ (30,419,046)

The additional minimum liability is equal to the minimum liability, adjusted for the prepaid (accrued) pension cost.

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Pension Cost

	Fiscal 2002	Fiscal 2001
Pension Cost		
Service cost	\$ 50,916,578	\$ 47,674,484
Interest cost	167,096,535	161,396,728
Expected return on assets	(241,690,482)	(239,502,691)
Amortization:		
▶ Transition obligation (asset)	(9,841,587)	(9,841,587)
▶ Prior service cost (credit)	3,951,960	3,846,152
▶ Net loss (gain)	<u>(10,946,050)</u>	<u>(24,044,068)</u>
Pension cost	\$ (40,513,046)	\$ (60,470,982)
Percent of covered pay	(4.0)%	(6.1)%
Per active participant	\$ (2,618)	\$ (3,797)

Change in Pension Cost

Pension cost for fiscal 2001	\$ (60,470,982)
Change from fiscal 2001 to fiscal 2002:	
▶ Expected based on prior valuation	1,370,608
▶ Loss (gain) from noninvestment experience	14,586,097
▶ Loss (gain) from asset experience	380,572
▶ Assumption changes	3,261,049
▶ Plan amendments	<u>359,610</u>
Pension cost for fiscal 2002	\$ (40,513,046)

Selected Financial Statement Disclosure Information

The following information was included in AEP's 2001 pension disclosures. This information was developed by adjusting the prior year's valuation results for the passage of time and other significant changes.

	Fiscal 2001	Fiscal 2000
Change in Benefit Obligation		
PBO, beginning of year	\$2,199,893,124	\$1,935,758,543
Service cost	47,674,484	39,916,513
Interest cost	161,396,728	153,319,671
Plan amendments	0	(76,581,397)
Actuarial loss (gain)	98,483,942	263,735,058
Benefits paid	(209,551,632)	(116,255,264)
Effect of curtailments, settlements, and special termination benefits	<u>0</u>	<u>0</u>
PBO, end of year	\$2,297,896,646	\$2,199,893,124
Change in Plan Assets		
Fair value of plan assets, beginning of year	2,800,485,590	2,790,382,354
Actual return on plan assets	(151,438,929)	126,358,500
Employer contributions	0	0
Benefits paid	<u>(209,551,632)</u>	<u>(116,255,264)</u>
Fair value of plan assets, end of year	\$2,439,495,028	\$2,800,485,590

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The following information was included in AEP's pension disclosures.

	December 31, 2001	December 31, 2000
Reconciliation of Funded Status		
Funded status	\$ 141,598,382	\$ 600,592,466
Unrecognized net actuarial loss (gain)	(131,548,788)	(644,018,419)
Unrecognized prior service cost (credit)	38,685,516	42,531,668
Unrecognized transition obligation (asset)	<u>(19,683,174)</u>	<u>(29,524,761)</u>
Prepaid (accrued) pension cost	\$ 29,051,936	\$ (30,419,046)
 Amount Recognized in Statement of Financial Position		
Prepaid pension cost	\$ 29,051,936	\$0
Accrued pension cost	0	(30,419,046)
Additional minimum liability	0	0
Intangible asset	0	0
Accumulated other comprehensive income	<u>0</u>	<u>0</u>
Net amount recognized	\$ 29,051,936	\$ (30,419,046)

Present Value of Accumulated Plan Benefits for FAS 35

	January 1, 2002	January 1, 2001
Actuarial Present Value of Accumulated Plan Benefits		
Vested benefits:		
▶ Participants currently receiving benefits	\$ 1,121,605,768	\$ 1,032,116,675
▶ Other participants	<u>944,922,668</u>	<u>946,801,809</u>
▶ Total vested benefits	\$ 2,066,528,436	\$ 1,978,918,484
Nonvested benefits	<u>64,505,246</u>	<u>49,591,231</u>
Total accumulated benefits	\$ 2,131,033,682	\$ 2,028,509,715
Market value of assets	2,439,495,029	2,800,485,590

Key Assumptions

Interest rate	8.50%	8.50%
Mortality	GAM 83	GAM 83

Change in Actuarial Present Value of Accumulated Plan Benefits

Actuarial present value of accumulated plan benefits as of January 1, 2001	\$ 2,028,509,715
Change from 2001 to 2002:	
▶ Additional benefits accumulated (including the effect of noninvestment experience)	148,376,606
▶ Interest due to decrease in the discount period	163,698,993
▶ Benefits paid	(209,551,632)
▶ Assumption changes	0
▶ Plan amendments	<u>0</u>
Actuarial present value of accumulated plan benefits as of January 1, 2002	\$ 2,131,033,682

Basic Results for Employer Contributions

	January 1, 2002	January 1, 2001
Normal Cost and Liabilities		
Normal cost	\$ 46,400,232	\$ 42,951,852
Actuarial accrued liability [AAL]	2,144,892,094	2,047,658,159
Current liability [CL]:		
▶ Selected interest rate	2,466,528,091	2,379,275,030
Assets		
Market value	\$ 2,439,495,029	\$ 2,800,485,590
Unrecognized investment losses (gains)	<u>317,946,980</u>	<u>(69,404,844)</u>
Actuarial value [AV]	\$ 2,757,442,009	\$ 2,731,080,746
Funded Position		
Unfunded actuarial accrued liability [AAL – AV]	\$ (612,549,915)	\$ (683,422,587)
AAL funded percentage [AV ÷ AAL]	128.6%	133.4%
CL funded percentage:		
▶ Selected interest rate	111.8%	114.8%
Key Economic Assumptions		
Discount rate for normal cost and actuarial accrued liability	8.50%	8.50%
Current liability interest rate:		
▶ Selected	6.00%	6.21%
Salary increase rate	Rates vary by age from 8.50% to 3.50%	Rates vary by age from 8.00% to 3.00%

Minimum Required Employer Contribution

	January 1, 2002	January 1, 2001
Minimum Required Employer Contribution		
Normal cost	\$ 46,400,232	\$ 42,951,852
Amortization amounts	0	0
Interest adjustments	3,944,020	3,650,907
Additional funding charge	0	0
Credit balance with interest	<u>(2,676)</u>	<u>(2,466)</u>
Minimum required contribution before full funding limit	\$ 50,341,576	\$ 46,600,293
Minimum required contribution after full funding limit	0	0
Percent of covered pay	0.0%	0.0%
Per active participant	\$ 0	\$ 0

No quarterly contributions will be required for the 2003 plan year based on this year's valuation results.

Maximum Deductible Employer Contribution

	January 1, 2002	January 1, 2001
Maximum Deductible Employer Contribution		
Maximum deductible contribution before adjustments	\$ 50,344,252	\$ 46,602,759
Allowable deduction, the greatest of:		
▶ Maximum deductible contribution after full funding limit	0	0
▶ Contribution necessary to satisfy minimum funding standards	0	0
▶ Contribution necessary to fund 100% of current liability	0	0
Maximum deductible contribution	0	0
Percent of covered pay	0.0%	0.0%
Per active participant	\$ 0	\$ 0

The above amount represents the maximum deductible contribution for this plan. Deductibility of contributions to a defined contribution plan maintained for the same employees may be affected by the 25% of pay limitation for defined benefit and defined contribution plans combined.

Actuarial Assumptions and Methods

	Pension Cost	Contributions
Economic Assumptions		
▶ Discount rate	7.25%	8.50%
▶ Return on assets	9.00%	N/A
▶ Current liability	N/A	6.00%
▶ FAS 35	N/A	8.50%
Annual rates of increase in:		
	Rates varying by age	
▶ Salaries	<i>Age</i>	<i>Rate</i>
	20	8.50%
	30	6.00%
	40	4.50%
	50	3.50%
	60	3.50%
▶ Cash balance crediting rate and Lump sum interest rate	5.50%	5.75%
▶ Future Social Security wage bases	4.00%	4.00%
▶ Indexed limits on compensation and benefits	3.00%	N/A

Demographic Assumptions

Mortality 1983 Group Annuity Mortality Table (male and female)
 Termination Rates varying by age

<i>Age</i>	<i>Rate</i>
20	10.4%
30	5.9%
40	2.7%
50	0.9%
60	0.9%

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Retirement

Rates varying by age; average retirement age 61

<i>Age</i>	<i>Percent</i>
55	10%
56-59	7%
60-61	16%
62	40%
63	20%
64	44%
65	84%
66-69	50%
70+	100%

Form of payment

Lump sum

Percent married

80% of male participants; 70% of female participants

Spouse ages

Wives are assumed to be three years younger than husbands

Valuation pay

2002 Base Salary Pay (Grandfathered) – estimated as the sum of the following updated one year according to the salary increase assumption:

(i) 2001 base salary for the period January 1, 2001 to November 30, 2001

(ii) The monthly base rate of pay on December 1, 2001.

2002 Expanded Pay (Cash Balance) – sum of the following updated one year according to the salary increase assumption:

(i) 2001 base for the period January 1, 2001, to November 30, 2001

(ii) The monthly base rate of pay on December 1, 2001

(iii) Average incentive paid for 2001, 2000 and 1999

(iv) Average deferred incentive amounts for 2001, 2000 and 1999

Actuarial Methods

Pension cost:

- ▶ Service cost and projected benefit obligation Projected unit credit
- ▶ Market-related value of assets The market value on the valuation date less the following percentages of prior years' investment gains and losses:

- 80% of the prior year
- 60% of the second prior year
- 40% of the third prior year
- 20% of the fourth prior year.

The investment gain or loss is calculated each year by:

- Rolling forward the prior years' fair value of assets with actual contributions, benefit payments, and expected return on investments using the long term yield assumption.
- Comparing the actual fair value of assets to the expected value calculated above.

Contributions:

- ▶ Normal cost and actuarial accrued liability Projected unit credit
- ▶ Actuarial value of assets Same technique as above in market-related value, except the valuation interest rate is used to compute the expected market value. The actuarial value of assets must be within 20% of the fair value, plus contributions receivable.

- ▶ Benefits not valued All benefits were valued except:
 - Any liabilities that may be reinstated in the event of reemployment.
 - Preretirement death benefits for terminated vested participants.
 - The alternate benefit formula for Members who did not elect to withdraw their contributions.
 - Any liabilities relating to Member's unwithdrawn contributions.
 - Liabilities related to special benefits as a result of termination due to restructuring or downsizing.

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Change in Assumptions and Methods Since Prior Valuation

Pension cost Discount rate for benefit obligations changed from 7.50% to 7.25%. The cash balance crediting rate and lump sum interest rate assumptions changed from 5.75% to 5.50%. The salary scale increases changed from a range of 3.00% – 8.00% to a range of 3.50% – 8.50%. Projecting prior year's incentive and overtime pay was changed to projecting a three-year average of incentive and overtime pay.

Contributions Current liability interest rate changed from 6.21% to 6.00%. The salary scale increases changed from a range of 3.00% – 8.00% to a range of 3.50% – 8.50%. Projecting prior year's incentive and overtime pay was changed to projecting a three-year average of incentive and overtime pay.

Assets and Pension Accruals

Towers Perrin used participant data and accrued pension costs as of December 31, 2001, supplied by AEP. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by the Towers Perrin 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.

Participant Data

	January 1, 2002	January 1, 2001
Active		
Number	15,474	15,923
Average age	46.1	45.6
Average past service	18.1	17.7
Average future service	13.2	13.5
Covered pay:		
▶ Total	\$ 1,013,717,214	\$ 985,775,778
▶ Average	65,511	61,921
Deferred Inactive		
Number	4,188	4,030
Average age	48.1	48.1
Annual benefits:		
▶ Total	\$ 20,803,796	\$ 20,682,596
▶ Average	4,967	5,132
Currently Receiving Benefits		
Number	10,719	10,544
Average age	71.2	71.2
Annual benefits:		
▶ Total	\$ 137,077,669	\$ 134,477,481
▶ Average	12,788	12,754
Total Participants Included in Valuation		
Number	30,381	30,497

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Analysis of Inactive Participant Data

Deferred Inactive

<i>Age last birthday</i>	<i>Number</i>	<i>Annual benefit</i>	<i>Average annual benefit</i>
< 40	508	\$ 2,280,730	\$ 4,490
40 - 49	1,805	9,776,255	5,416
50 - 54	965	5,059,428	5,243
55 - 59	611	2,635,171	4,313
60 - 64	223	853,773	3,829
> 64	<u>76</u>	<u>198,439</u>	2,611
Total	4,188	\$ 20,803,796	\$ 4,967

Currently Receiving Benefits

<i>Age last birthday</i>	<i>Number</i>	<i>Annual benefit</i>	<i>Average annual benefit</i>
< 55	207	\$1,073,063	\$5,184
55 - 59	927	13,703,052	14,782
60 - 64	1,599	27,720,822	17,336
65 - 69	1,855	27,474,652	14,811
70 - 74	2,083	27,698,040	13,297
75 - 79	1,922	22,756,770	11,840
80 - 84	1,208	9,947,052	8,234
> 84	<u>918</u>	<u>6,704,218</u>	7,303
Total	10,719	\$ 137,077,669	\$ 12,788

Active Participant Data and Service
 American Electric Power West

AGE Nearest Birthday	COMPLETED YEARS of Service													Total		
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	Over 34				
0-24	Number	4	58	36	16	9										123
	Avg Pay	46,476	32,075	35,053	30,209	33,846										33,302
25-29	Number	2	112	94	106	63	97	3								477
	Avg Pay	66,325	49,676	54,165	35,857	47,395	49,135	70,319								47,278
30-34	Number	3	122	112	91	82	279	179	3							871
	Avg Pay	211,143	65,336	67,364	58,459	59,595	58,508	60,427	68,090							61,653
35-39	Number	6	136	102	92	67	307	653	377	17						1,757
	Avg Pay	81,715	77,930	70,272	57,116	198,020	56,259	62,971	63,857	55,459						68,405
40-44	Number	6	127	100	70	63	261	550	781	1,100	43					3,101
	Avg Pay	90,596	72,472	90,032	70,295	86,902	55,536	61,980	69,325	64,023	58,923					66,054
45-49	Number	10	79	67	51	53	173	390	529	1,299	691	30				3,372
	Avg Pay	147,691	71,936	79,907	67,063	62,743	54,611	60,078	65,874	67,709	67,074	62,366				66,180
50-54	Number	8	60	43	47	44	131	253	349	665	829	706	40			3,175
	Avg Pay	69,136	83,613	88,254	59,139	72,726	59,270	56,980	64,331	65,028	70,518	68,748	63,752			67,013
55-59	Number	3	36	25	15	13	76	116	162	264	335	782	220			2,047
	Avg Pay	52,444	69,212	79,989	55,120	67,595	54,731	53,181	66,222	64,334	65,178	70,608	69,832			66,833
60-64	Number	1	7	10	6	7	34	36	56	82	78	83	113			513
	Avg Pay	40,570	81,192	72,295	31,045	34,870	72,289	44,729	66,750	57,830	66,584	63,422	78,043			65,472
65-69	Number			1		1	8	7	9	5	2	1	3			37
	Avg Pay			72,590		34,379	29,662	34,255	68,460	66,850	74,141	102,055	60,801			53,167
Over 69	Number								1							1
	Avg Pay								0							0
Total	Number	43	737	590	494	402	1,366	2,187	2,266	3,433	1,978	1,602	376			15,474
	Avg Pay	97,994	66,428	71,209	54,640	86,075	56,313	60,403	66,550	65,451	68,007	69,281	71,581			65,511

Average Age = 46.1 Average Service = 18.1

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Reconciliation of Participant Data

	<i>Active</i>	<i>Deferred inactive</i>	<i>Currently receiving benefits</i>	<i>Total</i>
Included in January 1, 2001 valuation	15,923	4,030	10,544	30,497
Change due to:				
▶ New hire and rehire	871	0	0	871
▶ Nonvested termination	(383)	0	0	383
▶ Vested termination	(275)	275	0	0
▶ Retirement	(247)	(98)	345	0
▶ Disability	0	0	0	0
▶ Death without beneficiary	(2)	0	(252)	(254)
▶ Death with beneficiary	0	(18)	18	0
▶ Cashout	(410)	(4)	0	(414)
▶ Miscellaneous	(3)	3	64	64
▶ Net change	(449)	158	175	(116)
Included in January 1, 2002 valuation	15,474	4,188	10,719	30,381

Plan Provisions

Effective Date	May 1, 1955.
Recent Amendments	Effective as of January 1, 2001.
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	
Vesting Service	A period of time from employment date to termination date, and in general, includes periods of severance that are not in excess of 12 months.
Accredited Service	Elapsed time from date of hire.
Grandfathered Employee	If on December 31, 2001, either: <ul style="list-style-type: none">■ Participate in AEP System Retirement Plan, or■ In one-year waiting period for AEP System Retirement Plan participation.
Final Average Pay	Average of the highest 36-consecutive months of base pay out of the last 120 months of employment.
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 base during the 35-year period including the year in which the participant retires, dies, becomes disabled or otherwise terminates employment.
Normal Retirement Date (NRD)	The first day of the calendar month whose first day is nearest the later of the Member's 65 th birthday or the completion of five years of Vesting Service.

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Cash Balance Benefit

The sum of the opening balance, interest credits and company credits converted to a monthly annuity.

Opening Balance

For those participating or eligible for the AEP System Retirement Plan on 12/31/2000, opening balance is calculated as follows:

- Present value of monthly normal retirement benefit earned as of 12/31/2000 and payable at age 65 (or current age if older)
 - Present value determined based on 5.70% interest and IRS regulated mortality 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 whole years as of December 31, 2000.

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

Account grows through annual interest credits and company contributions.

Interest Credits

Interest credits are applied to 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%.

Cash Balance Benefit

The sum of the opening balance, interest credits and company credits converted to a monthly annuity.

Opening Balance

For those participating or eligible for the AEP System Retirement Plan on 12/31/2000, opening balance is calculated as follows:

- Present value of monthly normal retirement benefit earned as of 12/31/2000 and payable at age 65 (or current age if older)
 - Present value determined based on 5.70% interest and IRS regulated mortality 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 whole years as of December 31, 2000.

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

Account grows through annual interest credits and company contributions.

Interest Credits

Interest credits are applied to 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%.

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Company Credits

Applied to account balance on December 31.

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

Age Plus Years of Service	Annual Company Credit
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 (i) + (ii) + (iii):

- (i) 1.1% of Final Average Pay x Accredited Service
- (ii) 0.5% of Final Average Pay Less Covered Compensation x Accredited Service up to 35 years
- (iii) 1.33% of Final Average Pay x Accredited Service between 35 and 45 years.

Service continues to accrue and Final Average Pay grows through December 31, 2010.

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.

Disability

All Members who become permanently and totally disabled.

Vested

All Members who terminate employment after completion of five years of Vesting Service.

Preretirement Death

Beneficiary of Member who dies after becoming vested.

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 retirement and whose grandfathered benefit exceeds their Cash Balance Benefit.

Monthly 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:

- (1) The monthly retirement precedes age 62 reduced by 3% per year, and
- (2) The Cash Balance Benefit determined as of the Early Retirement Date for all other employees, the Cash Balance Benefit determined as of the Early Retirement Date.

Non-Grandfathered Employees receive (2).

Disability The greater of:

- (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 he received benefits under the Company's LTD plan
- (2) The Cash Balance Benefit with continued Company Credits while disabled.

Benefit (1) applies for Grandfathered Employees only.

Vested The accrued Normal Retirement Benefit (better of Cash Balance and Grandfathered Benefits) payable at Normal Retirement Date or actuarially reduced and payable at any age.

Preretirement Death Better of

- (1) Prior plan death benefit or Grandfathered Benefit and
- (2) Annuity equivalent of Cash Balance account.

Benefit (1) applies for Grandfathered Employees only.

Surviving Spouse Benefits

A benefit payable for life equal to 30% of the single life annuity payable to the Member. The spouse's benefit is actuarially reduced for each year by which the spouse is more than 10 years younger than the Member.

Form 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 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 1/1/2002

The following are available for those hired on or after 1/1/2002:

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

Member 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 one appearing in this table. However, the number of non-electing Members is so small that special plan provisions for that group have not been included in this summary.

Future Plan Changes

No future plan changes were recognized in determining pension cost. Towers Perrin is not aware of any future plan changes which are required to be reflected.

Changes in Benefits Valued Since Prior Year

On June 7, 2001, the Economic Growth and Tax Relief Reconciliation Act was signed into law. EGTRRA contains a number of significant provisions affecting qualified plans, including increases in the maximum pay that can be recognized for pension purposes and the maximum benefit that can be paid from a defined benefit plan, as well as changes affecting the maximum deductible contribution.

The benefits valued for those active as of January 1, 2002, reflect the change in the IRC Section 401(a)(17) pay limit to \$200,000 for all future years. The increase in the IRC Section 415(b) maximum benefit limit to \$160,000 has been reflected for participants commencing benefits on or after January 1, 2002.

There have been no other changes in benefits valued since the prior year.

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AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - EAST
 Summary of Plan Participants for the 2002 Valuation

Company	Vested Actives	Non-Vested Actives	Total Actives	Retirees Receiving Benefits	Beneficiaries	Deferred Vesteds	Total Inactives	Total Participants
AEP Energy Services, Inc.	43	77	120	0	0	4	4	124
AEP Fiber Venture, LLC	0	0	0	0	0	0	0	0
AEP Pro Serv, Inc.	3	1	4	0	0	2	2	6
AEP T & D Services, LLC	1	0	1	0	0	0	0	1
American Electric Power Service Corporation	3,721	1,105	4,827	1,033	198	1,120	2,351	7,178
Appalachian Power Co - Distribution	1,281	37	1,318	1,270	412	454	2,136	3,454
Appalachian Power Co - Generation	1,193	21	1,214	685	216	226	1,137	2,351
Appalachian Power Co - Transmission	327	5	332	64	3	32	99	431
C3 Communications, Inc.	6	11	17	0	0	1	1	18
Cardinal Operating Company	283	2	285	124	42	39	205	490
Central Power and Light Co - Distribution	2	0	2	0	0	0	0	2
Central Power and Light Co - Generation	0	0	0	0	0	0	0	0
Central Power and Light Co - Nuclear	0	0	0	0	0	0	0	0
Central Power and Light Co - Transmission	1	0	1	0	0	0	0	1
Columbus Southern Power Co - Distribution	631	124	755	879	258	335	1,472	2,227
Columbus Southern Power Co - Generation	374	3	377	326	117	152	595	972
Columbus Southern Power Co - Transmission	60	2	62	73	20	22	115	177
Conesville Coal Preparation Company	12	2	14	3	1	0	4	18
Cook Coal Terminal	12	2	14	0	0	0	0	14
CSW Energy, Inc.	0	0	0	0	0	0	0	0
Elmwood	62	48	110	0	0	0	0	110
EnerShop Inc.	0	0	0	0	0	0	0	0
Indiana Michigan Power Co - Distribution	592	51	643	820	258	259	1,337	1,980
Indiana Michigan Power Co - Generation	465	9	474	266	80	235	581	1,055
Indiana Michigan Power Co - Nuclear	805	461	1,266	232	47	320	599	1,865
Indiana Michigan Power Co - Transmission	175	5	180	75	7	29	111	291
Indiana Michigan Power Co - Distribution	269	6	275	188	75	105	378	653
Kentucky Power Co - Distribution	157	0	157	63	15	29	107	264
Kentucky Power Co - Generation	57	3	60	4	15	7	11	71
Kentucky Power Co - Transmission	49	0	49	53	15	22	90	139
Kingsport Power Co - Distribution	8	1	9	4	1	0	5	14
Kingsport Power Co - Transmission	0	34	34	2	0	0	2	36
LIG Liquids Company, L.L.C.	0	66	66	0	0	1	1	67
Louisiana Intrastate Gas Company, L.L.C.	114	123	237	0	0	0	0	237
Memco	911	61	972	996	326	268	1,590	2,562
Ohio Power Co - Distribution	948	8	956	814	241	448	1,503	2,459
Ohio Power Co - Generation	238	2	240	100	33	41	174	414
Ohio Power Co - Transmission	2	1	3	0	0	0	0	3
Public Service Co of Oklahoma - Distribution	0	0	0	0	0	0	0	0
Public Service Co of Oklahoma - Generation	2	0	2	0	0	0	0	2
Public Service Co of Oklahoma - Transmission	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Distribution	0	0	0	0	0	0	0	0
Southwestern Electric Power Co - Generation	0	0	0	0	0	0	0	0
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	0	0	0
Southwestern Electric Power Co - Distribution	223	100	323	107	41	20	168	491
Water Transportation (Lakn)	0	0	0	0	0	0	0	0
West Texas Utilities Co - Distribution	1	1	2	0	0	0	0	2
West Texas Utilities Co - Generation	0	0	0	0	0	0	0	0
West Texas Utilities Co - Transmission	63	2	65	71	28	15	114	179
Wheeling Power Co - Distribution	8	0	8	9	4	2	15	23
Wheeling Power Co - Transmission	13,096	2,378	15,474	8,281	2,438	4,188	14,907	30,381
Total								

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AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - EAST
 Funded Status of Present Value of Accumulated Plan Benefits (FAS 35) as of January 1, 2002

	Present Value of Vested Benefits	Present Value of Non-Vested Benefits	Present Value of Accumulated Plan Benefits	Market Value of Assets	Percent Funded
AEP Energy Services, Inc.	\$1,151,365	\$306,310	\$1,457,675	\$1,701,064	116.7%
AEP Fiber Venture, LLC	-	-	-	-	0.0%
AEP Pro Serv, Inc.	379,722	31,103	410,825	500,811	121.9%
AEP T & D Services, LLC	17,319	1,494	18,813	20,845	110.8%
American Electric Power Service Corporation	500,546,084	22,648,697	523,194,781	608,327,905	116.3%
Appalachian Power Co - Distribution	235,775,823	4,193,205	239,969,028	272,409,342	113.5%
Appalachian Power Co - Generation	166,531,537	5,063,855	171,595,392	194,820,670	113.5%
Appalachian Power Co - Transmission	32,432,082	1,256,926	33,689,008	38,884,776	115.4%
C3 Communications, Inc.	150,844	69,213	220,057	313,454	142.4%
Cardinal Operating Company	40,274,501	1,325,059	41,599,560	47,501,906	114.2%
Central Power and Light Co - Distribution	187,689	11,313	199,002	215,507	108.3%
Central Power and Light Co - Generation	-	-	-	-	0.0%
Central Power and Light Co - Nuclear	-	-	-	-	0.0%
Central Power and Light Co - Transmission	109,596	6,111	115,707	124,931	108.0%
Columbus Southern Power Co - Distribution	185,222,828	3,048,374	188,271,202	213,309,796	113.3%
Columbus Southern Power Co - Generation	73,950,546	1,878,860	75,829,406	85,840,267	113.2%
Columbus Southern Power Co - Transmission	19,160,118	345,480	19,505,598	21,968,352	112.6%
Conesville Coal Preparation Company	1,442,842	162,088	1,604,930	1,892,914	117.9%
Cook Coal Terminal	1,115,321	62,787	1,178,108	1,413,709	120.0%
CSW Energy, Inc.	-	19,404	66,643	75,323	113.0%
Elmwood	47,239	-	-	-	0.0%
EnerShop Inc.	-	-	-	-	0.0%
Indiana Michigan Power Co - Distribution	124,311,034	2,266,011	126,577,045	143,825,622	113.6%
Indiana Michigan Power Co - Generation	63,451,054	1,750,726	65,201,780	74,647,152	114.5%
Indiana Michigan Power Co - Nuclear	79,863,792	6,899,252	86,763,044	102,110,121	117.7%
Indiana Michigan Power Co - Transmission	27,571,292	740,003	28,311,295	32,558,979	115.0%
Kentucky Power Co - Distribution	42,331,324	954,617	43,285,941	49,238,756	113.8%
Kentucky Power Co - Generation	21,075,031	655,575	21,730,606	24,753,795	113.9%
Kentucky Power Co - Transmission	3,573,985	203,027	3,777,012	4,390,649	116.2%
Kingsport Power Co - Distribution	9,335,740	143,884	9,479,624	10,775,146	113.7%
Kingsport Power Co - Transmission	1,295,189	54,533	1,349,722	1,523,526	112.9%
LIG Liquids Company, L.L.C.	259,371	42,012	301,383	351,389	116.6%
Louisiana Intrastate Gas Company, L.L.C.	770,928	72,125	843,053	958,082	113.6%
Memco	247,647	24,765	272,412	296,939	109.0%
Ohio Power Co - Distribution	183,574,103	3,456,091	187,030,194	211,498,102	113.1%
Ohio Power Co - Generation	176,019,787	4,260,320	180,280,107	205,782,589	114.1%
Ohio Power Co - Transmission	40,730,526	1,186,747	41,917,273	47,695,099	113.8%
Public Service Co of Oklahoma - Distribution	120,527	10,808	131,335	148,444	113.0%
Public Service Co of Oklahoma - Generation	-	-	-	-	0.0%
Public Service Co of Oklahoma - Transmission	255,958	14,301	270,259	284,866	105.4%
Southwestern Electric Power Co - Distribution	-	-	-	-	0.0%
Southwestern Electric Power Co - Generation	-	-	-	-	0.0%
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	0.0%
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	0.0%
Southwestern Electric Power Co - Transmission	-	-	-	-	0.0%
Water Transportation (Lakin)	18,581,978	1,134,166	19,716,144	22,437,841	114.1%
West Texas Utilities Co - Distribution	41,246	4,679	45,925	55,154	120.1%
West Texas Utilities Co - Generation	-	-	-	-	0.0%
West Texas Utilities Co - Transmission	13,229,088	220,649	13,449,737	15,190,053	112.9%
Wheeling Power Co - Distribution	1,393,380	20,676	1,414,056	1,591,151	112.5%
Wheeling Power Co - Transmission	-	-	-	-	0.0%
	\$2,066,528,436	\$64,505,246	\$2,131,033,682	\$2,783,962,795	130.6%

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AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - EAST
 Summary of FAS 87 Valuation Results as of January 1, 2002

	Actives	Number of Participants Deferred Vested & Retirees	Total	Valuation Earnings	Service Cost	Accumulated Benefit Obligation	Projected Benefit Obligation
AEP Energy Services, Inc.	120	4	124	8,939,016	\$299,872	1,640,600	\$1,640,600
AEP Fiber Venture, LLC	-	-	-	-	-	-	-
AEP Pro Serv. Inc.	4	2	6	461,638	23,877	463,327	483,010
AEP T & D Services, LLC	1	-	1	28,298	1,558	20,104	20,104
American Electric Power Service Corporation	4,827	1,120	7,178	362,115,653	17,175,927	569,073,472	566,704,957
Appalachian Power Co - Distribution	1,318	454	3,454	74,658,315	3,745,875	260,179,085	262,726,582
Appalachian Power Co - Generation	1,214	226	2,351	76,509,967	4,276,041	186,240,530	187,895,791
Appalachian Power Co - Transmission	332	32	431	20,293,633	1,045,738	36,757,188	37,502,621
C3 Communications, Inc.	17	1	18	1,704,856	61,865	265,210	302,312
Cardinal Operating Company	285	39	490	17,730,823	997,704	44,987,420	45,813,456
Central Power and Light Co - Distribution	2	-	2	42,231	3,675	207,847	207,847
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	1	-	1	25,966	2,430	120,490	120,490
Columbus Southern Power Co - Distribution	755	335	2,227	42,050,868	2,254,079	204,397,630	205,727,723
Columbus Southern Power Co - Generation	377	152	972	23,895,036	1,436,640	82,392,490	82,789,084
Columbus Southern Power Co - Transmission	62	22	177	3,802,935	221,113	21,115,490	21,187,489
Conesville Coal Preparation Company	14	4	18	994,871	54,364	1,745,391	1,825,631
Cook Coal Terminal	14	-	14	1,051,602	55,086	1,265,737	1,363,459
CSW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	110	-	110	1,080,195	42,640	72,646	72,646
EnerShop Inc.	-	-	-	-	-	-	-
Indiana Michigan Power Co - Distribution	643	259	1,980	36,501,297	1,914,960	137,458,478	138,713,356
Indiana Michigan Power Co - Generation	474	346	1,055	30,661,184	1,621,006	71,257,781	71,993,827
Indiana Michigan Power Co - Nuclear	1,266	320	1,865	106,108,463	4,885,364	96,135,946	98,480,628
Indiana Michigan Power Co - Transmission	180	29	291	11,440,621	604,020	30,959,893	31,401,674
Kentucky Power Co - Distribution	275	105	653	16,097,282	826,505	47,079,294	47,488,570
Kentucky Power Co - Generation	157	29	264	9,318,241	533,186	23,742,980	23,873,924
Kentucky Power Co - Transmission	60	7	71	3,734,432	178,935	4,160,559	4,234,584
Kingsport Power Co - Distribution	49	22	139	2,819,252	139,299	10,313,846	10,392,145
Kingsport Power Co - Generation	14	-	14	536,527	34,178	1,451,222	1,469,372
Kingsport Power Co - Transmission	34	5	36	1,806,501	92,228	338,899	338,899
LIG Liquids Company, L.L.C.	66	2	67	3,811,596	212,483	924,027	924,027
Memco	237	-	237	169,820	169,820	286,384	286,384
Ohio Power Co - Distribution	972	268	2,562	4,161,844	2,832,466	202,300,620	203,980,425
Ohio Power Co - Generation	956	448	2,459	53,673,663	3,367,904	196,552,642	198,468,070
Ohio Power Co - Transmission	240	41	414	61,797,629	840,062	45,346,972	45,999,782
Public Service Co of Oklahoma - Distribution	3	-	3	15,149,633	5,639	143,168	143,168
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	323	20	491	15,501,289	734,251	21,041,719	21,698,158
Water Transportation (Lakin)	-	-	-	-	-	-	-
West Texas Utilities Co - Distribution	2	-	2	88,298	3,489	53,194	53,194
West Texas Utilities Co - Generation	-	-	-	-	-	-	-
West Texas Utilities Co - Transmission	65	15	179	3,534,604	191,487	14,515,280	14,650,124
Wheeling Power Co - Distribution	8	2	23	541,928	26,746	1,527,723	1,534,594
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	15,474	4,188	30,381	\$1,012,834,406	\$50,916,578	\$2,316,810,024	\$2,352,783,447

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - EAST
2002 NET PERIODIC PENSION COST

ML - 4

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$299,872	\$1,640,600	\$1,941,262	\$134,895	(\$168,531)	(\$11,740)	\$254,496
AEP Fiber Venture, LLC	-	483,010	571,528	35,237	(49,617)	(3,456)	6,040
AEP Pro Serv, Inc.	1,558	20,104	23,788	1,506	(2,065)	(144)	855
American Electric Power Service Corporation	17,175,927	586,704,957	694,226,566	41,979,616	(60,269,467)	(4,198,251)	(5,312,175)
Appalachian Power Co - Distribution	3,745,875	262,726,582	310,874,777	18,524,202	(26,988,678)	(1,879,977)	(6,598,678)
Appalachian Power Co - Generation	4,276,041	187,895,791	222,330,233	13,359,091	(19,301,659)	(1,344,515)	(3,011,042)
Appalachian Power Co - Transmission	1,045,738	37,502,621	44,375,483	2,679,743	(3,852,470)	(268,355)	(395,344)
C3 Communications, Inc.	61,865	302,312	357,715	25,316	(31,055)	(2,163)	53,963
Cardinal Operating Company	997,704	45,813,456	54,209,391	3,254,143	(4,706,203)	(327,825)	(782,181)
Central Power and Light Co - Distribution	3,675	207,847	245,938	14,704	(21,351)	(1,487)	(4,459)
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	2,430	120,490	142,571	8,545	(12,377)	(862)	(2,265)
Columbus Southern Power Co - Distribution	2,254,079	205,727,723	243,430,107	14,458,143	(21,133,451)	(1,472,114)	(5,893,343)
Columbus Southern Power Co - Generation	1,436,640	82,789,084	97,961,302	5,855,068	(8,504,537)	(692,409)	(1,805,238)
Columbus Southern Power Co - Transmission	221,113	21,187,489	25,070,383	1,488,249	(2,176,492)	(151,610)	(618,741)
Conesville Coal Preparation Company	54,364	1,825,631	2,160,203	130,690	(187,539)	(13,064)	(15,548)
Cook Coal Terminal	55,086	1,363,459	1,613,331	98,612	(140,062)	(9,756)	3,880
CSW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	42,640	72,646	85,959	8,014	(7,463)	(520)	42,672
EnerShop Inc.	1,914,960	136,713,356	164,134,452	9,775,972	(14,249,570)	(992,583)	(3,551,028)
Indiana Michigan Power Co - Distribution	1,621,006	71,983,827	85,187,668	5,117,437	(7,395,590)	(515,162)	(1,172,309)
Indiana Michigan Power Co - Generation	4,885,364	96,480,628	116,528,533	7,185,630	(10,116,456)	(704,892)	(1,249,846)
Indiana Michigan Power Co - Nuclear	604,020	31,401,674	37,156,455	2,224,920	(3,225,748)	(224,899)	(621,507)
Kentucky Power Co - Distribution	826,505	47,488,570	56,191,492	3,358,689	(4,878,280)	(339,811)	(1,032,896)
Kentucky Power Co - Generation	533,186	23,873,924	28,249,143	1,686,694	(2,452,457)	(170,833)	(393,410)
Kentucky Power Co - Transmission	178,955	4,234,584	5,010,629	306,612	(434,999)	(30,301)	20,447
Kingsport Power Co - Distribution	139,259	10,392,145	12,296,646	732,108	(1,067,537)	(74,362)	(270,492)
Kingsport Power Co - Generation	34,178	1,469,372	1,738,654	104,521	(150,942)	(10,514)	(22,757)
LIG Liquids Company, L.L.C.	92,228	338,899	401,007	29,970	(34,814)	(2,425)	84,960
Louisiana Intrastate Gas Company, L.L.C.	212,483	924,027	1,093,367	79,006	(94,921)	(6,612)	189,956
Memco	169,820	286,384	338,868	31,714	(29,419)	(2,049)	170,065
Ohio Power Co - Distribution	2,832,466	203,980,425	241,362,593	14,376,884	(20,953,959)	(1,459,611)	(5,204,219)
Ohio Power Co - Generation	3,367,904	198,466,070	234,840,025	14,030,907	(20,387,700)	(1,420,167)	(4,409,096)
Ohio Power Co - Transmission	840,062	45,999,782	54,429,863	3,256,137	(4,725,343)	(329,158)	(958,303)
Public Service Co of Oklahoma - Distribution	5,639	143,168	169,405	10,345	(14,707)	(1,024)	252
Public Service Co of Oklahoma - Generation	4,066	274,740	325,090	19,382	(26,223)	(1,966)	(6,741)
Public Service Co of Oklahoma - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Distribution	734,251	21,698,158	25,674,639	1,559,420	(2,228,951)	(155,264)	(90,544)
Southwestern Electric Power Co - Generation	3,489	53,194	62,943	3,940	(5,464)	(381)	1,584
Southwestern Electric Power Co - Texas - Distribution	191,487	14,650,124	17,334,957	1,031,735	(1,504,939)	(104,831)	(386,548)
Southwestern Electric Power Co - Texas - Generation	26,746	1,534,594	1,815,829	108,539	(157,642)	(10,981)	(33,338)
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Water Transportation (Lakin)	-	-	-	-	-	-	-
West Texas Utilities Co - Distribution	-	-	-	-	-	-	-
West Texas Utilities Co - Generation	-	-	-	-	-	-	-
West Texas Utilities Co - Transmission	-	-	-	-	-	-	-
Wheeling Power Co - Distribution	-	-	-	-	-	-	-
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$50,916,578	\$2,352,783,447	\$2,783,962,795	\$167,096,555	(\$241,690,482)	(\$16,835,677)	(\$40,513,046)

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2004 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$359,252	\$1,708,504	\$1,838,070	\$140,309	(\$158,813)	\$2,756	\$343,504
AEP Fiber Venture, LLC							
AEP Pro Serv, Inc.	28,605	503,002	541,147	36,651	(46,756)	811	19,312
AEP T & D Services, LLC	1,867	20,936	22,524	1,566	(1,946)	34	1,520
American Electric Power Service Corporation	20,577,077	610,988,637	657,323,393	43,664,730	(56,794,178)	985,496	8,433,126
Appalachian Power Co - Distribution	4,487,627	273,600,818	294,349,530	19,267,787	(25,432,443)	441,305	(1,235,724)
Appalachian Power Co - Generation	5,122,776	195,672,786	210,511,770	13,895,342	(18,188,677)	315,611	1,145,052
Appalachian Power Co - Transmission	1,252,813	39,054,852	42,016,604	2,787,311	(3,630,326)	62,994	472,791
C3 Communications, Inc.	74,115	314,825	338,700	26,332	(29,264)	508	71,691
Cardinal Operating Company	1,195,268	47,709,672	51,327,769	3,384,768	(4,434,831)	76,953	222,158
Central Power and Light Co - Distribution	4,403	216,450	232,864	15,294	(20,120)	349	(74)
Central Power and Light Co - Generation							
Central Power and Light Co - Nuclear							
Central Power and Light Co - Transmission	2,911	125,477	134,993	8,888	(11,664)	202	338
Columbus Southern Power Co - Distribution	2,700,428	214,242,780	230,490,033	15,038,511	(19,914,843)	345,563	(1,830,340)
Columbus Southern Power Co - Generation	1,721,121	86,215,719	92,753,949	6,090,098	(8,014,144)	199,062	(63,863)
Columbus Southern Power Co - Transmission	264,897	22,064,438	23,737,710	1,547,989	(2,050,990)	35,589	(202,515)
Conesville Coal Preparation Company	65,129	1,901,194	2,045,372	135,937	(176,725)	3,067	27,408
Cook Coal Terminal	65,994	1,419,892	1,527,571	102,571	(131,985)	2,290	38,869
CSW Energy, Inc.							
Elmwood	51,084	75,653	81,390	8,336	(7,032)	122	52,509
EnerShop Inc.							
Indiana Michigan Power Co - Distribution	2,294,157	144,454,693	155,409,517	10,168,392	(13,427,722)	232,999	(732,174)
Indiana Michigan Power Co - Generation	1,941,995	74,973,647	80,659,326	5,322,857	(6,969,142)	120,929	416,639
Indiana Michigan Power Co - Nuclear	5,852,796	102,556,735	110,334,197	7,474,070	(9,533,116)	185,419	3,959,130
Indiana Michigan Power Co - Transmission	723,627	32,701,387	35,181,320	2,314,231	(3,039,743)	52,746	50,861
Kentucky Power Co - Distribution	990,168	49,454,119	53,204,507	3,493,511	(4,596,986)	79,767	(33,539)
Kentucky Power Co - Generation	638,767	24,862,064	26,747,496	1,764,801	(2,311,042)	40,101	132,627
Kentucky Power Co - Transmission	214,367	4,409,853	4,744,277	319,128	(409,916)	7,113	130,692
Kingsport Power Co - Distribution	166,883	10,822,275	11,642,990	761,496	(1,005,980)	17,456	(60,146)
Kingsport Power Co - Transmission	40,946	1,530,199	1,646,232	108,717	(142,238)	2,468	9,893
LIG Liquids Company, L.L.C.	110,491	352,928	379,690	31,173	(32,806)	569	109,427
Louisiana Intrastate Gas Company, L.L.C	254,559	982,272	1,035,247	82,177	(89,448)	1,552	248,841
Memo	203,447	298,237	320,854	32,987	(27,723)	481	209,193
Ohio Power Co - Distribution	3,393,347	212,423,161	228,532,423	14,953,991	(19,745,701)	342,628	(1,055,735)
Ohio Power Co - Generation	4,034,811	206,682,650	222,356,576	14,594,125	(19,212,094)	333,369	(249,788)
Ohio Power Co - Transmission	1,006,410	47,903,710	51,536,522	3,386,842	(4,452,868)	77,266	17,650
Public Service Co of Oklahoma - Distribution	6,756	149,094	160,400	10,760	(13,859)	240	3,897
Public Service Co of Oklahoma - Generation							
Public Service Co of Oklahoma - Transmission	4,871	286,111	307,809	20,160	(26,595)	461	(1,103)
Southwestern Electric Power Co - Distribution							
Southwestern Electric Power Co - Generation							
Southwestern Electric Power Co - Transmission							
Southwestern Electric Power Co - Texas - Distribution							
Southwestern Electric Power Co - Texas - Transmission							
Water Transportation (Lakin)	879,646	22,596,243	24,309,845	1,622,017	(2,100,424)	36,447	437,686
West Texas Utilities Co - Distribution							
West Texas Utilities Co - Generation	4,180	55,396	59,597	4,059	(5,149)	89	3,219
West Texas Utilities Co - Transmission							
Wheeling Power Co - Distribution	229,405	15,256,492	16,413,479	1,073,150	(1,418,160)	24,608	(90,997)
Wheeling Power Co - Transmission	32,042	1,598,111	1,719,305	112,896	(148,552)	2,578	(1,036)
Total	\$60,999,000	\$2,450,165,000	\$2,635,975,000	\$17,873,000	(\$227,754,000)	\$3,952,000	\$11,001,000

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
ESTIMATED 2006 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$404,731	\$1,703,132	\$1,699,515	\$143,250	(\$146,313)	\$2,756	\$404,423
AEP Fiber Venture, LLC	32,226	501,420	500,355	37,420	(43,076)	811	27,381
AEP Pro Serv, Inc.	2,103	20,870	20,826	1,599	(1,793)	34	1,943
AEP T & D Services, LLC	23,181,976	609,067,519	607,773,806	44,579,960	(52,324,037)	985,496	16,423,395
American Electric Power Service Corporation	5,055,726	272,740,541	272,161,216	19,671,647	(23,430,713)	441,305	1,737,965
Appalachian Power Co - Distribution	5,771,280	195,057,536	194,643,217	14,186,593	(16,757,087)	315,611	3,516,397
Appalachian Power Co - Transmission	1,411,410	38,932,053	38,849,358	2,845,734	(3,344,592)	62,994	975,546
C3 Communications, Inc.	83,498	313,835	313,168	26,884	(26,961)	508	83,929
Cardinal Operating Company	1,346,579	47,559,659	47,458,639	3,455,714	(4,085,776)	78,953	793,471
Central Power and Light Co - Distribution	4,960	215,769	215,311	15,615	(18,536)	349	2,388
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	3,280	125,083	124,817	9,074	(10,746)	202	1,811
Columbus Southern Power Co - Distribution	3,042,281	213,569,141	213,115,502	15,353,724	(18,347,390)	345,563	394,178
Columbus Southern Power Co - Generation	1,939,002	85,944,633	85,762,079	6,217,448	(7,383,369)	139,062	912,443
Columbus Southern Power Co - Transmission	298,431	21,995,061	21,948,342	1,580,435	(1,889,561)	36,589	24,894
Conesville Coal Preparation Company	73,374	1,895,216	1,891,190	138,786	(162,815)	3,067	52,411
Cook Coal Terminal	74,348	1,415,428	1,412,421	104,720	(121,597)	2,290	59,762
CSW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	57,550	75,415	75,255	8,511	(6,479)	122	59,704
EmerShop Inc.	-	-	-	-	-	-	-
Indiana Michigan Power Co - Distribution	2,584,580	144,000,487	143,694,617	10,381,525	(12,370,856)	232,999	828,248
Indiana Michigan Power Co - Generation	2,187,837	74,737,909	74,579,159	5,434,427	(6,420,617)	120,929	1,322,575
Indiana Michigan Power Co - Nuclear	6,593,670	102,234,288	102,017,113	7,630,730	(8,782,786)	165,419	5,607,033
Indiana Michigan Power Co - Transmission	815,233	32,598,565	32,529,323	2,362,738	(2,800,482)	52,746	430,225
Kentucky Power Co - Distribution	1,115,516	49,298,621	49,193,907	3,566,737	(4,235,167)	79,767	526,852
Kentucky Power Co - Generation	719,630	24,783,891	24,731,248	1,801,792	(2,129,145)	40,101	432,378
Kentucky Power Co - Transmission	241,505	4,395,987	4,386,650	325,817	(377,652)	7,113	196,782
Kingsport Power Co - Distribution	188,009	10,788,247	10,765,332	777,457	(926,801)	17,456	56,120
Kingsport Power Co - Generation	46,129	1,525,378	1,522,138	110,996	(131,043)	2,468	28,550
Kingsport Power Co - Transmission	124,478	351,816	351,069	31,827	(30,224)	569	126,650
LIG Liquids Company, L.L.C.	286,784	959,247	957,209	83,900	(82,407)	1,552	289,828
Memco	229,202	297,300	296,668	33,678	(25,541)	481	237,821
Ohio Power Co - Distribution	3,822,918	211,755,244	211,305,457	15,267,432	(18,191,561)	342,628	1,241,417
Ohio Power Co - Generation	4,545,587	206,032,783	205,595,151	14,900,024	(17,699,954)	333,369	2,079,026
Ohio Power Co - Transmission	1,133,813	47,753,087	47,651,856	3,457,832	(4,102,393)	77,266	566,518
Public Service Co of Oklahoma - Distribution	7,611	148,625	148,309	10,985	(12,768)	240	6,068
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	5,488	285,212	284,606	20,582	(24,502)	461	2,029
Southwestern Electric Power Co - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Water Transportation (Lakin)	991,003	22,525,194	22,477,349	1,656,015	(1,935,104)	36,447	748,360
West Texas Utilities Co - Distribution	-	-	-	-	-	-	-
West Texas Utilities Co - Generation	4,709	55,222	55,104	4,184	(4,744)	89	4,239
West Texas Utilities Co - Transmission	258,446	15,208,521	15,176,217	1,095,644	(1,306,540)	24,608	72,158
Wheeling Power Co - Distribution	36,098	1,593,086	1,589,702	115,262	(136,860)	2,578	17,079
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$68,721,000	\$2,442,461,000	\$1,437,273,000	\$177,447,000	(\$209,829,000)	\$3,952,000	\$40,292,000

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2007 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$423,018	\$1,705,530	\$1,703,132	\$144,473	(\$146,402)	\$2,593	\$423,682
AEP Fiber Venture, LLC	33,682	502,126	501,420	37,739	(43,102)	763	29,082
AEP Pro Serv, Inc.	2,198	20,900	20,870	1,613	(1,794)	32	2,048
AEP T & D Services, LLC	24,229,400	609,924,840	609,067,519	44,960,573	(52,355,706)	927,144	17,761,411
American Electric Power Service Corporation	5,284,158	273,124,450	272,740,541	19,839,599	(23,444,894)	415,175	2,094,037
Appalachian Power Co - Distribution	6,032,042	195,332,098	195,057,536	14,307,715	(16,767,230)	296,923	3,869,450
Appalachian Power Co - Generation	1,475,181	38,986,853	38,932,053	2,870,030	(3,346,616)	59,264	1,057,859
Appalachian Power Co - Transmission	87,271	314,277	313,835	27,114	(26,977)	478	87,885
C3 Communications, Inc.	1,407,422	47,625,604	47,559,659	3,485,218	(4,088,249)	72,397	876,788
Cardinal Operating Company	5,184	216,073	215,769	15,748	(18,548)	328	2,713
Central Power and Light Co - Distribution	-	-	-	-	-	-	-
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	3,428	125,259	125,083	9,152	(10,752)	190	2,018
Columbus Southern Power Co - Distribution	3,179,740	213,869,760	213,569,141	15,484,810	(18,358,495)	325,102	631,157
Columbus Southern Power Co - Generation	2,026,611	86,065,608	85,944,633	6,270,834	(7,387,838)	130,828	1,040,436
Columbus Southern Power Co - Transmission	311,915	22,026,021	21,995,061	1,593,929	(1,890,705)	33,482	48,621
Conesville Coal Preparation Company	76,689	1,897,884	1,895,216	139,971	(162,914)	2,885	56,631
Cook Coal Terminal	77,708	1,417,420	1,415,428	105,615	(121,671)	2,155	63,806
CSPW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	60,151	75,521	75,415	8,583	(6,483)	115	62,366
EnerShop Inc.	-	-	-	-	-	-	-
Indiana Michigan Power Co - Distribution	2,701,358	144,203,182	144,000,487	10,470,160	(12,378,344)	219,203	1,012,377
Indiana Michigan Power Co - Generation	2,286,689	74,843,110	74,737,909	5,480,824	(6,424,503)	113,769	1,456,779
Indiana Michigan Power Co - Nuclear	6,891,590	102,378,172	102,234,268	7,695,879	(8,788,102)	155,625	5,954,991
Indiana Michigan Power Co - Transmission	852,067	32,644,451	32,598,565	2,362,911	(2,802,187)	49,623	482,414
Kentucky Power Co - Distribution	1,165,918	49,368,014	49,298,621	3,597,189	(4,237,731)	75,044	600,420
Kentucky Power Co - Generation	752,144	24,818,777	24,783,891	1,817,176	(2,130,434)	37,727	476,613
Kentucky Power Co - Transmission	252,417	4,402,175	4,395,987	328,598	(377,881)	6,692	209,826
Kingsport Power Co - Distribution	196,504	10,803,432	10,788,247	784,095	(927,362)	16,422	69,658
Kingsport Power Co - Generation	48,214	1,527,525	1,525,378	111,943	(131,122)	2,322	31,357
Kingsport Power Co - Transmission	130,102	352,312	351,816	32,099	(30,242)	536	132,484
LIG Liquids Company, L.L.C.	299,741	960,597	959,247	84,616	(82,457)	1,460	303,361
Memco	239,558	297,718	297,300	33,966	(25,556)	453	248,421
Ohio Power Co - Distribution	3,995,648	212,053,310	211,755,244	15,397,782	(18,202,572)	322,341	1,513,199
Ohio Power Co - Generation	4,750,969	206,322,794	206,032,783	15,027,237	(17,710,667)	313,630	2,381,169
Ohio Power Co - Transmission	1,185,042	47,820,304	47,753,087	3,487,354	(4,104,876)	72,691	640,211
Public Service Co of Oklahoma - Distribution	7,955	148,834	148,625	11,079	(12,776)	226	6,484
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	5,736	285,613	285,212	20,758	(24,517)	434	2,411
Southwestern Electric Power Co - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	1,035,779	22,556,901	22,525,194	1,670,154	(1,936,275)	34,289	803,946
Water Transportation (Lakin)	-	-	-	-	-	-	-
West Texas Utilities Co - Distribution	4,922	55,299	55,222	4,220	(4,747)	84	4,479
West Texas Utilities Co - Generation	-	-	-	-	-	-	-
West Texas Utilities Co - Transmission	270,123	15,229,928	15,208,521	1,104,998	(1,307,331)	23,151	90,941
Wheeling Power Co - Distribution	37,730	1,595,328	1,593,086	116,246	(136,942)	2,425	19,458
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$71,826,000	\$2,445,899,000	\$2,442,461,000	\$178,962,000	(\$208,955,000)	\$3,718,000	\$44,551,000

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AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2008 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/(Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$439,190	\$1,702,309	\$1,705,530	\$145,219	(\$146,311)	\$2,593	\$440,691
AEP Fiber Venture, LLC	-	-	-	-	-	-	-
AEP Pro Serv, Inc.	34,970	501,178	502,126	37,934	(43,076)	763	30,592
AEP T & D Services, LLC	2,282	20,860	20,900	1,621	(1,793)	32	2,142
American Electric Power Service Corporation	25,155,721	608,773,266	609,924,840	45,192,709	(52,323,289)	927,144	18,952,286
Appalachian Power Co - Distribution	5,486,178	272,608,775	273,124,450	19,942,033	(23,430,378)	415,175	2,413,008
Appalachian Power Co - Generation	6,262,654	194,963,300	195,332,098	14,381,587	(16,756,848)	296,923	4,184,317
Appalachian Power Co - Transmission	1,531,579	38,913,244	38,986,853	2,884,848	(3,344,544)	59,264	1,131,147
C3 Communications, Inc.	90,607	313,683	314,277	27,254	(26,961)	478	91,378
Cardinal Operating Company	1,461,229	47,536,682	47,626,604	3,503,213	(4,085,717)	72,397	951,121
Central Power and Light Co - Distribution	5,382	215,665	216,073	15,830	(18,536)	328	3,004
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	3,559	125,022	125,259	9,199	(10,745)	190	2,203
Columbus Southern Power Co - Distribution	3,301,306	213,465,962	213,869,760	15,564,760	(18,347,128)	325,102	844,040
Columbus Southern Power Co - Generation	2,104,091	85,903,111	86,065,608	6,303,211	(7,383,263)	130,828	1,154,867
Columbus Southern Power Co - Transmission	323,840	21,984,435	22,026,021	1,602,158	(1,889,534)	33,482	69,946
Conesville Coal Preparation Company	79,621	1,894,300	1,897,884	140,693	(162,813)	2,885	60,387
Cook Coal Terminal	80,679	1,414,744	1,417,420	106,160	(121,595)	2,155	67,397
CSW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	62,450	75,379	75,521	8,628	(6,479)	115	64,714
EnerShop Inc.	-	-	-	-	-	-	-
Indiana Michigan Power Co - Distribution	2,804,635	143,930,918	144,203,182	10,524,219	(12,370,679)	219,203	1,177,377
Indiana Michigan Power Co - Generation	2,374,112	74,701,801	74,843,110	5,509,122	(6,420,525)	113,769	1,576,478
Indiana Michigan Power Co - Nuclear	7,155,064	102,184,877	102,378,172	7,735,614	(8,782,660)	155,625	6,263,642
Indiana Michigan Power Co - Transmission	884,643	32,582,816	32,644,451	2,395,214	(2,800,452)	49,623	529,028
Kentucky Power Co - Distribution	1,210,492	49,274,804	49,368,014	3,615,761	(4,235,107)	75,044	666,191
Kentucky Power Co - Generation	780,900	24,771,917	24,818,777	1,826,558	(2,129,115)	37,727	516,070
Kentucky Power Co - Transmission	262,067	4,393,864	4,402,175	330,295	(377,647)	6,692	221,407
Kingsport Power Co - Distribution	204,016	10,783,035	10,803,432	788,143	(926,788)	16,422	81,793
Kingsport Power Co - Generation	50,057	1,524,641	1,527,525	112,521	(131,041)	2,322	33,859
Kingsport Power Co - Transmission	135,076	351,646	352,312	32,264	(30,224)	536	137,653
LIG Liquids Company, L.L.C.	311,201	958,783	960,597	85,053	(82,406)	1,460	315,308
Memco	248,717	297,156	297,718	34,141	(25,540)	453	257,770
Ohio Power Co - Distribution	4,148,406	211,652,941	212,053,310	15,477,282	(18,191,301)	322,341	1,756,729
Ohio Power Co - Generation	4,932,604	205,933,244	206,322,794	15,104,824	(17,699,701)	313,630	2,651,358
Ohio Power Co - Transmission	1,230,348	47,730,017	47,820,304	3,505,359	(4,102,334)	72,691	706,064
Public Service Co of Oklahoma - Distribution	8,259	148,553	148,834	11,136	(12,768)	226	6,853
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	5,955	285,074	285,613	20,865	(24,502)	434	2,752
Southwestern Electric Power Co - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Water Transportation (Lakin)	1,075,378	22,514,312	22,556,901	1,678,777	(1,935,077)	34,289	853,367
West Texas Utilities Co - Distribution	-	-	-	-	-	-	-
West Texas Utilities Co - Generation	5,110	55,195	55,299	4,242	(4,744)	84	4,692
West Texas Utilities Co - Transmission	-	-	-	-	-	-	-
West Texas Utilities Co - Transmission	280,450	15,201,173	15,229,928	1,110,704	(1,306,522)	23,151	107,783
Wheeling Power Co - Distribution	39,172	1,592,316	1,595,328	116,846	(136,858)	2,425	21,586
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$74,572,000	\$2,441,281,000	\$2,445,899,000	\$179,886,000	(\$209,825,000)	\$3,718,000	\$48,351,000

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2008 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$453,460	\$1,685,465	\$1,702,309	\$145,228	(\$145,411)	\$2,593	\$455,870
AEP Fiber Venture, LLC							
AEP Pro Serv, Inc.	36,106	496,219	501,178	37,936	(42,811)	763	31,995
AEP T & D Services, LLC	2,356	20,654	20,860	1,621	(1,782)	32	2,227
American Electric Power Service Corporation	25,973,083	602,749,573	608,773,266	45,195,473	(52,001,357)	927,144	20,094,343
Appalachian Power Co - Distribution	5,664,435	269,911,364	272,608,775	19,943,252	(23,286,217)	415,175	2,736,646
Appalachian Power Co - Generation	6,466,141	193,034,176	194,963,300	14,382,467	(16,653,747)	296,923	4,491,784
Appalachian Power Co - Transmission	1,581,343	38,528,205	38,913,244	2,885,025	(3,323,966)	59,264	1,201,666
C3 Communications, Inc.	93,551	310,579	313,663	27,256	(26,795)	478	94,490
Cardinal Operating Company	1,508,707	47,066,316	47,536,662	3,503,427	(4,060,579)	72,397	1,023,952
Central Power and Light Co - Distribution	5,557	213,531	215,665	15,831	(18,422)	328	3,294
Central Power and Light Co - Generation							
Central Power and Light Co - Nuclear							
Central Power and Light Co - Transmission	3,875	123,785	125,022	9,200	(10,679)	190	2,385
Columbus Southern Power Co - Distribution	3,408,572	211,353,758	213,465,962	15,565,712	(18,234,243)	325,102	1,065,143
Columbus Southern Power Co - Generation	2,172,457	85,053,117	85,903,111	6,303,597	(7,337,836)	130,828	1,269,046
Columbus Southern Power Co - Transmission	334,363	21,768,903	21,984,435	1,602,256	(1,877,908)	33,482	92,192
Conesville Coal Preparation Company	82,208	1,875,557	1,894,300	140,702	(161,811)	2,885	63,984
Cook Coal Terminal	83,300	1,400,746	1,414,744	106,166	(120,847)	2,155	70,774
CSW Energy, Inc.							
Elimwood	64,479	74,633	75,379	8,628	(6,439)	115	66,784
EnerShop Inc.							
Indiana Michigan Power Co - Distribution	2,895,763	142,506,749	143,930,918	10,524,862	(12,294,566)	219,203	1,345,262
Indiana Michigan Power Co - Generation	2,451,252	73,962,642	74,701,801	5,509,459	(6,381,021)	113,769	1,693,459
Indiana Michigan Power Co - Nuclear	7,387,547	101,173,777	102,184,877	7,736,087	(8,728,623)	155,625	6,550,635
Indiana Michigan Power Co - Transmission	913,387	32,260,415	32,582,816	2,395,361	(2,783,221)	49,623	575,149
Kentucky Power Co - Distribution	1,249,824	48,787,240	49,274,804	3,615,982	(4,209,049)	75,044	731,801
Kentucky Power Co - Generation	806,273	24,526,804	24,771,917	1,826,670	(2,116,015)	37,727	554,655
Kentucky Power Co - Transmission	270,562	4,350,387	4,393,864	330,315	(375,323)	6,692	232,265
Kingsport Power Co - Distribution	210,645	10,676,339	10,783,035	788,191	(921,086)	16,422	94,173
Kingsport Power Co - Transmission	51,683	1,509,555	1,524,641	112,528	(130,235)	2,322	36,299
Kingsport Power Co - Generation	139,465	348,167	351,646	32,266	(30,038)	536	142,230
Louisiana IntraState Gas Company, L.L.C.	321,312	949,296	958,783	85,058	(91,899)	1,460	325,932
Memo	256,798	294,216	297,156	34,143	(25,363)	453	266,011
Ohio Power Co - Distribution	4,283,197	209,558,676	211,652,941	15,478,229	(18,079,375)	322,341	2,004,392
Ohio Power Co - Generation	5,092,875	203,895,575	205,933,244	15,105,748	(17,590,799)	313,630	2,921,454
Ohio Power Co - Transmission	1,270,324	47,257,738	47,730,017	3,505,574	(4,077,094)	72,691	771,496
Public Service Co of Oklahoma - Distribution	8,527	147,083	148,553	11,137	(12,689)	226	7,201
Public Service Co of Oklahoma - Generation							
Public Service Co of Oklahoma - Transmission	6,149	282,253	285,074	20,866	(24,351)	434	3,098
Southwestern Electric Power Co - Distribution							
Southwestern Electric Power Co - Generation							
Southwestern Electric Power Co - Texas - Distribution							
Southwestern Electric Power Co - Texas - Transmission							
Southwestern Electric Power Co - Texas - Generation							
Southwestern Electric Power Co - Texas - Transmission							
Water Transportation (Lakin)	1,110,319	22,291,537	22,514,312	1,678,880	(1,923,170)	34,289	900,317
West Texas Utilities Co - Distribution							
West Texas Utilities Co - Generation	5,276	54,649	55,195	4,242	(4,715)	84	4,888
West Texas Utilities Co - Transmission	289,563	15,050,761	15,201,173	1,110,771	(1,298,483)	23,151	125,002
Wheeling Power Co - Distribution	40,445	1,576,561	1,592,316	116,853	(136,016)	2,425	23,708
Wheeling Power Co - Transmission							
Total	\$76,995,000	\$2,417,125,000	\$2,441,281,000	\$179,897,000	(\$208,534,000)	\$3,718,000	\$52,076,000

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AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2010 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/ (Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$466,087	\$1,564,482	\$1,685,465	\$144,917	(\$143,731)	\$2,593	\$469,865
AEP Fiber Venture, LLC	-	-	-	-	-	-	-
AEP Pro Serv., Inc.	37,112	490,041	496,219	37,855	(42,316)	763	33,414
AEP T & D Services, LLC	2,422	20,387	20,654	1,618	(1,761)	32	2,310
American Electric Power Service Corporation	26,696,328	595,245,393	602,749,573	45,098,498	(51,400,633)	927,144	21,321,337
Appalachian Power Co - Distribution	5,822,167	266,550,991	269,911,364	19,900,460	(23,017,213)	415,175	3,120,590
Appalachian Power Co - Generation	6,646,197	190,630,917	193,034,176	14,351,607	(16,461,362)	296,923	4,833,365
Appalachian Power Co - Transmission	1,625,377	38,048,532	38,528,205	2,878,834	(3,285,567)	59,264	1,277,909
C3 Communications, Inc.	96,156	306,713	310,579	27,197	(26,485)	478	97,346
Cardinal Operating Company	1,550,719	46,480,345	47,066,316	3,495,910	(4,013,671)	72,397	1,105,355
Central Power and Light Co - Distribution	5,712	210,873	213,531	15,797	(18,209)	328	3,628
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	3,777	122,244	123,785	9,180	(10,556)	190	2,591
Columbus Southern Power Co - Distribution	3,503,487	208,722,421	211,353,758	15,532,313	(18,023,600)	325,102	1,337,303
Columbus Southern Power Co - Generation	2,232,952	83,994,212	85,053,117	6,280,071	(7,253,069)	130,828	1,400,782
Columbus Southern Power Co - Transmission	343,673	21,786,903	21,786,903	1,598,818	(1,856,215)	33,482	119,758
Conesville Coal Preparation Company	84,497	1,852,206	1,875,557	140,400	(159,942)	2,885	67,841
Cook Coal Terminal	85,619	1,383,306	1,400,746	105,939	(119,451)	2,155	74,261
CSW Energy, Inc.	-	-	-	-	-	-	-
Elmwood	66,275	73,703	74,633	8,610	(6,364)	115	68,635
EnerShop Inc.	-	-	-	-	-	-	-
Indiana Michigan Power Co - Distribution	2,976,398	140,732,552	142,506,749	10,502,280	(12,152,538)	219,203	1,545,342
Indiana Michigan Power Co - Generation	2,519,509	73,041,813	73,962,642	5,497,638	(6,307,307)	113,769	1,823,609
Indiana Michigan Power Co - Nuclear	7,593,260	99,914,777	101,173,777	7,719,488	(8,627,789)	155,625	6,840,583
Indiana Michigan Power Co - Transmission	938,821	31,858,776	32,260,415	2,390,221	(2,751,069)	49,823	627,586
Kentucky Power Co - Distribution	1,284,626	48,179,843	48,787,240	3,608,224	(4,160,426)	75,044	807,468
Kentucky Power Co - Generation	828,724	24,221,447	24,526,804	1,822,750	(2,091,571)	37,727	597,631
Kentucky Power Co - Transmission	278,116	4,296,225	4,350,387	329,607	(370,988)	6,692	243,427
Kingsport Power Co - Distribution	216,511	10,543,419	10,676,339	786,500	(910,445)	16,422	108,988
Kingsport Power Co - Generation	53,122	1,490,761	1,509,555	112,287	(128,730)	2,322	39,001
Kingsport Power Co - Transmission	143,349	343,832	348,167	32,197	(29,691)	536	146,391
LiG Liquids Company, L.L.C.	-	-	-	-	-	-	-
Louisiana Intrastate Gas Company, L.L.C	330,260	937,478	949,296	84,876	(80,953)	1,460	335,643
Memco	263,949	290,553	294,216	34,070	(25,090)	453	273,382
Ohio Power Co - Distribution	4,402,466	206,949,689	209,558,676	15,445,017	(17,870,521)	322,341	2,299,305
Ohio Power Co - Generation	5,234,691	201,357,092	203,895,575	15,073,336	(17,387,589)	313,630	3,234,088
Ohio Power Co - Transmission	1,305,698	46,665,383	47,257,738	3,498,052	(4,029,995)	72,691	846,446
Public Service Co of Oklahoma - Distribution	8,765	145,252	147,083	11,113	(12,543)	226	7,561
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	6,320	276,739	282,253	20,822	(24,070)	434	3,506
Southwestern Electric Power Co - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Transmission	1,141,237	22,014,010	22,291,537	1,675,277	(1,900,954)	34,289	949,849
Water Transportation (Lakin)	-	-	-	-	-	-	-
West Texas Utilities Co - Distribution	-	-	-	-	-	-	-
West Texas Utilities Co - Generation	5,423	53,968	54,649	4,233	(4,660)	84	5,080
West Texas Utilities Co - Transmission	297,626	14,863,380	15,050,761	1,108,388	(1,283,483)	23,151	145,682
Wheeling Power Co - Distribution	41,571	1,556,932	1,576,561	116,603	(134,444)	2,425	26,154
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$79,139,000	\$2,387,032,000	\$2,417,125,000	\$179,511,000	(\$206,125,000)	\$3,718,000	\$56,243,000

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2011 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/(Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$344,340	\$1,639,326	\$1,664,482	\$143,456	(\$141,681)	\$2,593	\$348,708
AEP Fiber Venture, LLC							
AEP Pro Serv, Inc.	27,418	482,635	490,041	37,473	(41,712)	763	23,942
AEP T & D Services, LLC	1,789	20,088	20,397	1,601	(1,736)	32	1,686
American Electric Power Service Corporation	19,722,946	586,249,503	595,245,393	44,644,024	(50,667,496)	927,144	14,626,617
Appalachian Power Co - Distribution	4,301,351	262,522,629	266,550,991	19,699,916	(22,688,914)	415,175	1,727,529
Appalachian Power Co - Generation	4,910,135	187,749,929	190,630,917	14,206,980	(16,226,570)	296,923	3,187,469
Appalachian Power Co - Transmission	1,200,811	37,473,508	38,048,532	2,849,823	(3,238,704)	59,264	871,193
C3 Communications, Inc.	71,039	302,077	306,713	26,923	(26,107)	478	72,332
Cardinal Operating Company	1,145,654	45,777,891	46,480,345	3,460,680	(3,956,423)	72,397	722,307
Central Power and Light Co - Distribution	4,220	207,686	210,873	15,658	(17,950)	328	2,236
Central Power and Light Co - Generation							
Central Power and Light Co - Nuclear							
Central Power and Light Co - Transmission	2,790	120,396	122,244	9,087	(10,405)	190	1,663
Columbus Southern Power Co - Distribution	2,586,336	205,568,018	208,722,421	15,375,788	(17,786,526)	325,102	522,701
Columbus Southern Power Co - Generation	1,649,679	82,724,815	83,994,212	6,226,684	(7,149,617)	130,828	857,574
Columbus Southern Power Co - Transmission	253,902	21,171,041	21,495,907	1,582,706	(1,829,739)	33,482	40,351
Conesville Coal Preparation Company	62,426	1,824,214	1,852,206	138,985	(157,660)	2,885	46,635
Cook Coal Terminal	63,255	1,362,401	1,383,306	104,871	(117,748)	2,155	52,533
CSW Energy, Inc.							
Elmwood	48,963	72,590	73,703	8,523	(6,274)	115	51,327
EnerShop Inc.							
Indiana Michigan Power Co - Distribution	2,198,930	138,605,674	140,732,552	10,396,444	(11,979,204)	219,203	835,372
Indiana Michigan Power Co - Generation	1,861,385	71,937,939	73,041,813	5,442,236	(6,217,345)	113,769	1,200,045
Indiana Michigan Power Co - Nuclear	5,609,815	98,404,178	99,914,172	7,641,695	(8,504,729)	155,625	4,902,406
Indiana Michigan Power Co - Transmission	693,590	31,377,297	31,858,776	2,366,134	(2,711,630)	49,623	397,516
Kentucky Power Co - Distribution	949,067	47,451,705	48,179,843	3,571,862	(4,101,085)	75,044	494,889
Kentucky Power Co - Generation	612,252	23,855,391	24,221,447	1,804,382	(2,061,738)	37,727	392,623
Kentucky Power Co - Transmission	205,469	4,231,297	4,296,225	326,285	(365,696)	6,692	172,750
Kingsport Power Co - Distribution	159,956	10,384,078	10,543,419	778,574	(897,460)	16,422	57,492
Kingsport Power Co - Generation	38,246	1,468,231	1,490,761	111,155	(126,894)	2,322	25,829
Kingsport Power Co - Transmission	105,904	338,636	343,832	31,873	(29,267)	536	109,046
Louisiana IntraState Gas Company, L.L.C.	243,992	923,310	937,478	84,021	(79,799)	1,460	249,674
Memo	195,003	286,162	290,553	33,726	(24,732)	453	204,450
Ohio Power Co - Distribution	3,252,493	203,822,077	206,949,689	15,289,372	(17,615,630)	322,341	1,248,576
Ohio Power Co - Generation	3,867,331	198,314,001	201,357,092	14,921,436	(17,139,586)	313,630	1,962,811
Ohio Power Co - Transmission	964,635	45,964,073	46,669,383	3,462,801	(3,972,514)	72,691	527,613
Public Service Co of Oklahoma - Distribution	6,475	143,057	145,252	11,001	(12,364)	226	5,339
Public Service Co of Oklahoma - Generation							
Public Service Co of Oklahoma - Transmission	4,869	274,527	278,739	20,612	(23,726)	434	1,988
Southwestern Electric Power Co - Distribution							
Southwestern Electric Power Co - Generation							
Southwestern Electric Power Co - Texas - Distribution							
Southwestern Electric Power Co - Texas - Transmission							
Southwestern Electric Power Co - Transmission							
Water Transportation (Lakli)	843,133	21,681,314	22,014,010	1,658,395	(1,873,840)	34,289	661,976
West Texas Utilities Co - Distribution							
West Texas Utilities Co - Generation	4,006	53,153	53,968	4,190	(4,594)	84	3,687
West Texas Utilities Co - Transmission	219,883	14,638,751	14,863,380	1,097,218	(1,265,176)	23,151	75,076
Wheeling Power Co - Distribution	30,712	1,533,403	1,556,932	115,428	(132,527)	2,425	16,038
Wheeling Power Co - Transmission							
Total	\$58,467,000	\$2,350,957,000	\$2,387,032,000	\$177,702,000	(\$203,185,000)	\$3,718,000	\$36,702,000

AMERICAN ELECTRIC POWER COMPANY RETIREMENT PLAN - AEP East
 ESTIMATED 2012 NET PERIODIC PENSION COST

Company	Service Cost	Projected Benefit Obligation	Market-Related Value of Assets	Interest Cost	Expected Return on Assets	Amortization Charges/(Credits)	Net Periodic Pension Cost
AEP Energy Services, Inc.	\$488,008	\$1,606,801	\$1,639,326	\$137,748	(\$139,433)	\$1,046	\$487,369
AEP Fiber Venture, LLC	-	473,059	482,635	35,982	(41,051)	308	34,097
AEP Pro Serv, Inc.	2,535	19,690	20,088	1,538	(1,709)	13	2,377
AEP T & D Services, LLC	27,951,868	574,617,810	586,249,503	42,867,578	(49,863,539)	374,049	21,329,977
American Electric Power Service Corporation	6,095,990	257,313,956	262,522,829	18,916,030	(22,328,802)	167,489	2,850,618
Appalachian Power Co - Distribution	6,958,775	184,024,810	187,749,929	13,641,666	(15,969,098)	119,792	4,751,134
Appalachian Power Co - Transmission	1,701,821	36,730,002	37,473,508	2,736,425	(3,187,315)	23,910	1,274,841
Appalachian Power Co - Transmission	100,678	296,084	302,077	25,852	(25,693)	193	101,030
C3 Communications, Inc.	1,623,651	44,869,619	45,777,891	3,322,975	(3,893,645)	29,208	1,082,189
Cardinal Operating Company	5,981	203,565	207,686	15,015	(17,665)	133	3,464
Central Power and Light Co - Distribution	-	-	-	-	-	-	-
Central Power and Light Co - Generation	-	-	-	-	-	-	-
Central Power and Light Co - Nuclear	-	-	-	-	-	-	-
Central Power and Light Co - Transmission	3,955	118,008	120,396	8,726	(10,240)	77	2,517
Columbus Southern Power Co - Distribution	3,668,260	201,489,373	205,568,018	14,763,965	(17,484,619)	131,160	1,078,766
Columbus Southern Power Co - Generation	2,337,970	81,083,484	82,724,815	5,978,916	(7,036,172)	52,762	1,333,495
Columbus Southern Power Co - Transmission	359,837	20,750,990	21,171,041	1,519,728	(1,800,706)	13,508	92,367
Conesville Coal Preparation Company	88,471	1,788,020	1,824,214	133,455	(155,159)	1,164	67,931
Cook Coal Terminal	89,646	1,335,369	1,362,401	100,698	(115,879)	869	75,334
CSW Energy, Inc.	69,392	71,149	72,590	8,184	(6,174)	46	71,448
Elmwood	-	-	-	-	-	-	-
EnerShop Inc.	3,116,382	135,855,619	138,605,674	9,982,756	(11,789,126)	88,436	1,398,447
Indiana Michigan Power Co - Distribution	2,638,005	70,510,628	71,937,939	5,225,682	(6,118,692)	45,899	1,790,894
Indiana Michigan Power Co - Generation	7,950,380	96,451,755	98,404,178	7,337,622	(8,369,782)	62,786	6,981,006
Indiana Michigan Power Co - Nuclear	982,975	30,754,745	31,377,297	2,271,982	(2,668,801)	20,020	606,176
Indiana Michigan Power Co - Transmission	1,345,044	46,510,223	47,451,705	3,429,733	(4,038,012)	30,276	789,041
Kentucky Power Co - Distribution	867,700	23,382,079	23,855,391	1,732,583	(2,029,024)	15,221	586,480
Kentucky Power Co - Generation	291,197	4,147,344	4,231,297	313,302	(359,894)	2,700	247,304
Kentucky Power Co - Transmission	226,693	10,178,049	10,384,078	747,594	(883,219)	6,525	97,693
Kingsport Power Co - Distribution	55,621	1,439,100	1,468,231	106,732	(124,881)	937	38,409
Kingsport Power Co - Transmission	150,091	331,917	338,636	30,604	(28,803)	216	152,108
LIG Liquids Company, L.L.C.	345,792	904,990	923,310	80,677	(78,532)	589	348,526
Louisiana Intrastate Gas Company, L.L.C.	276,363	280,484	286,162	32,384	(24,340)	183	284,590
Memco	4,609,520	199,778,072	203,822,077	14,680,988	(17,336,117)	130,046	2,084,436
Ohio Power Co - Distribution	5,480,885	194,379,281	198,314,001	14,327,692	(16,867,627)	126,532	3,067,482
Ohio Power Co - Generation	1,367,106	45,052,106	45,964,073	3,325,011	(3,909,481)	29,327	811,963
Ohio Power Co - Transmission	9,177	140,218	143,057	10,563	(12,168)	91	7,664
Public Service Co of Oklahoma - Distribution	6,617	269,080	274,527	19,792	(23,350)	175	3,234
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Distribution	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Generation	-	-	-	-	-	-	-
Public Service Co of Oklahoma - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Distribution	1,194,911	21,251,138	21,681,314	1,592,405	(1,844,107)	13,934	957,042
Southwestern Electric Power Co - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Distribution	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Generation	-	-	-	-	-	-	-
Southwestern Electric Power Co - Texas - Transmission	-	-	-	-	-	-	-
Water Transportation (Lakin)	5,678	52,098	53,153	4,024	(4,521)	34	5,215
West Texas Utilities Co - Distribution	311,624	14,348,306	14,638,751	1,053,559	(1,245,101)	9,340	129,421
West Texas Utilities Co - Generation	43,526	1,502,979	1,533,403	110,835	(130,424)	978	24,915
West Texas Utilities Co - Transmission	-	-	-	-	-	-	-
Wheeling Power Co - Distribution	-	-	-	-	-	-	-
Wheeling Power Co - Generation	-	-	-	-	-	-	-
Wheeling Power Co - Transmission	-	-	-	-	-	-	-
Total	\$82,861,000	\$2,304,312,000	\$2,350,957,000	\$170,631,000	(\$199,961,000)	\$1,500,000	\$55,031,000