

MAR - 5 2004



AEP America's Energy Partner™

REVISION

Date March 1, 2004

Subject Interchange Power Statement and Related Data

From R. L. Reed

To E. K. Wagner - Frankfort D. E. Richey - Canton
R. G. Ronk - Roanoke J. H. Reif - 1RP26
E. D. May - Canton J. Sloat - 1RP28
K. W. Potts - 1RP23 K. Curry - Ft. Wayne
T. L. Stephens - Richmond R. E. Munczinski - 1RP28
J. Geels - Canton O. J. Sever - 1RP28

Enclosed is the Interchange Power Statement and Related Data, issued pursuant to the AEP Interconnection Agreement, indicating actual data for the month of January 2004.

R. L. Reed/RPQ

R. L. Reed

Enclosures

cc:

E. L. Draper, Jr. - 1RP30
J. C. Baker - 1RP23

ACTUAL

INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
JANUARY 2004

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO JANUARY 2004 BUSINESS

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

as Amended

by and among

Appalachian Power Company (APCo),

Columbus Southern Power Company (CSP),

Indiana Michigan Power Company, (I&M),

Kentucky Power Company (KPCo),

Ohio Power Company (OPCo),

and with

American Electric Power Service Corporation

as Agent.

Prepared by:

AEP Energy Services
Wholesale Commercial Accounting Group

CONTENTS

	PAGE NO.
Summary of Settlements with the System Agent, for all Members	1
<u>System Account Settlement</u>	
Recapitulation of Capacity, Energy, Other Charges	2
Calculation of Capacity Settlement	3
Summary of Energy Settlement	4
Reconciliation with Interruptible Customers	5
Reconciliation with regard to Realization and Service Schedule D with Western AEP	6
Calculation of Adjustment	7
Detail of Primary Energy	8
Detail of Economy Energy	9
AEP System Actual Emission Allowances	10
Adjustments to System Account due to Emission Allowances	11
<u>Appendices</u>	
Supporting Cost and Operating Data	I - VIII

		MWh		(\$)		
(SOURCE: PAGE 2)		MEMBER RECEIVED FROM POOL	MEMBER DELIVERED TO POOL	AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)	
I.	ACTUAL	APCO	2,024,645	756,656	36,706,945	11,934,071
	BILLING	KPCO	219,025	191,085	5,316,530	2,358,325
	AMOUNT	I&M	596,807	1,219,757	9,218,061	20,566,282
		OPCO	447,266	1,957,789	6,950,064	45,323,168
		CSP	1,213,533	375,989	27,983,242	5,992,996
	TOTAL		4,501,276	4,501,276	86,174,842	86,174,842
II.	PREVIOUSLY ESTIMATED	APCO	2,025,632	756,605	38,272,761	11,920,614
	BILLING	KPCO	217,488	191,084	5,393,230	2,453,789
	AMOUNT	I&M	597,126	1,217,001	9,198,052	22,308,271
		OPCO	445,833	1,958,590	6,847,530	46,591,241
		CSP	1,212,914	375,713	29,208,191	5,645,849
	TOTAL		4,498,993	4,498,993	88,919,764	88,919,764
III.	ADJUSTMENT TO BE BOOKED NEXT MONTH (I - II)	APCO	(987)	51	(1,565,816)	13,457
		KPCO	1,537	1	(76,700)	(95,464)
		I&M	(319)	2,756	20,009	(1,741,989)
		OPCO	1,433	(801)	102,534	(1,268,073)
		CSP	619	276	(1,224,949)	347,147
	TOTAL		2,283	2,283	(2,744,922)	(2,744,922)
IV.	ADJUSTMENT FOR TRANSMISSION SERVICE (PURCHASES) TO BE BOOKED NEXT MONTH (SEE APPENDIX VI)	APCO			0	14
		KPCO			1,303	0
		I&M			0	184,471
		OPCO			179,960	0
		CSP			3,222	0
	TOTAL				184,485	184,485
V.	CORRECTION TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (This item was omitted from the December estimated IPS for pool settlement)	APCO			1,954	0
		KPCO			445	0
		I&M			1,206	0
		OPCO			1,456	0
		CSP			1,101	0
		West. AEP			0	6,162
	TOTAL				6,162	6,162
VI.	ADJUSTMENT TO ALLOCATION OF TRADING & MARKETING REALIZATION TO BE BOOKED NEXT MONTH (SEE PAGE 6B)	APCO			(161,476)	0
		KPCO			(36,746)	0
		I&M			(99,685)	0
		OPCO			(120,311)	0
		CSP			(90,947)	0
		West. AEP			0	(509,165)
	TOTAL				(509,165)	(509,165)
VI.	ACTUAL THIS MONTH (SEE APPENDIX VI) (Net amounts due System Agent to effect sharing by MLR in revenues and cost of purchases for AEP System cash-settled transactions)	APCO			0	36,744,056
		KPCO			0	8,361,672
		I&M			0	22,683,215
		OPCO			0	27,376,691
		CSP			0	20,695,044
		East. AEP (Co.28)			115,860,678	0
	TOTAL				115,860,678	115,860,678
VII.	ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO			0	36,932,980
		KPCO			0	8,404,664
		I&M			0	22,799,842
		OPCO			0	27,517,438
		CSP			0	20,801,438
		East. AEP (Co.28)			116,456,362	0
	TOTAL				116,456,362	116,456,362
VIII.	ADJUSTMENT TO BE MADE NEXT MONTH	APCO			188,924	0
		KPCO			42,992	0
		I&M			116,627	0
		OPCO			140,747	0
		CSP			106,394	0
		East. AEP (Co.28)			0	595,684
	TOTAL				595,684	595,684

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

SYSTEM ACCOUNT
RECAPITULATION OF CAPACITY, ENERGY, AND OTHER CHARGES

			CAPACITY (PAGE 3)		\$ CAPACITY (PAGE 3)		\$ ENERGY (PAGE 4)	
			SURPLUS/ (DEFICIT)	RATE	CHARGE	CREDIT	CHARGE	CREDIT
			(kW)	\$/kW	A/C 555	A/C 447	A/C 555	A/C 447
					(1)	(2)	(3)	(4)
I.	ACTUAL	APCO	(1,450,100)	8.05	11,673,323	0	25,033,622	11,934,071
	BILLING	KPCO	(222,400)	8.05	1,790,323	0	3,526,207	2,358,325
	AMOUNT	I&M	563,200	12.95	0	7,293,440	9,218,061	13,272,842
		OPCO	2,653,500	7.01	0	18,601,035	6,950,064	26,722,133
		CSP	(1,544,200)	8.05	12,430,829	0	15,552,413	5,992,996
		TOTAL			25,894,475	25,894,475	60,280,367	60,280,367
II.	PREVIOUSLY	APCO			12,297,987	0	25,974,774	11,920,614
	ESTIMATED	KPCO			1,886,127	0	3,507,103	2,453,789
	BILLING	I&M			0	7,804,341	9,198,052	14,503,930
	AMOUNT	OPCO			0	19,475,801	6,847,530	27,115,440
		CSP			13,096,028	0	16,112,163	5,645,849
		TOTAL			27,280,142	27,280,142	61,639,622	61,639,622
III.	ADJUSTMENT	APCO			(624,664)	0	(941,152)	13,457
	TO BE BOOKED	KPCO			(95,804)	0	19,104	(95,464)
	NEXT MONTH	I&M			0	(510,901)	20,009	(1,231,088)
	(I - II)	OPCO			0	(874,766)	102,534	(393,307)
		CSP			(665,199)	0	(559,750)	347,147
		TOTAL			(1,385,667)	(1,385,667)	(1,359,255)	(1,359,255)
					ENERGY MWh		\$ TOTAL OF ALL ABOVE	
					(PAGE 4)	(PAGE 4)	(1)+(3)	(2)+(4)
					FROM POOL	TO POOL	CHARGE	CREDIT
					(7)	(8)		
I.	ACTUAL	APCO			2,024,645	756,656	36,706,945	11,934,071
	BILLING	KPCO			219,025	191,085	5,316,530	2,358,325
	AMOUNT	I&M			596,807	1,219,757	9,218,061	20,566,282
		OPCO			447,266	1,957,789	6,950,064	45,323,168
		CSP			1,213,533	375,989	27,983,242	5,992,996
		TOTAL			4,501,276	4,501,276	86,174,842	86,174,842
II.	PREVIOUSLY	APCO			2,025,632	756,605	38,272,761	11,920,614
	ESTIMATED	KPCO			217,488	191,084	5,393,230	2,453,789
	BILLING	I&M			597,126	1,217,001	9,198,052	22,308,271
	AMOUNT	OPCO			445,833	1,958,590	6,847,530	46,591,241
		CSP			1,212,914	375,713	29,208,191	5,645,849
		TOTAL			4,498,993	4,498,993	88,919,764	88,919,764
III.	ADJUSTMENT	APCO			(987)	51	(1,565,816)	13,457
	TO BE BOOKED	KPCO			1,537	1	(76,700)	(95,464)
	NEXT MONTH	I&M			(319)	2,756	20,009	(1,741,989)
	(I - II)	OPCO			1,433	(801)	102,534	(1,268,073)
		CSP			619	276	(1,224,949)	347,147
		TOTAL			2,283	2,283	(2,744,922)	(2,744,922)

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

MEMBER	MEMBER PRIMARY CAPACITY KW (APPENDIX II) (1)	MEMBER LOAD RATIO (APPENDIX I) (2)	PRIMARY CAPACITY KW RESERVATION (SYS. KW) * (2) (3)	SURPLUS (DEFICIT) CAPACITY KW (4) = (1) - (3)
APCO	5,899,000	0.31714	7,349,100	(1,450,100)
KPCO	1,450,000	0.07217	1,672,400	(222,400)
I&M	5,100,000	0.19578	4,536,800	563,200
OPCO	8,129,000	0.23629	5,475,500	2,653,500
CSP	2,595,000	0.17862	4,139,200	(1,544,200)
TOTAL	23,173,000	1.00000	23,173,000	

MEMBER CAPACITY \$ SETTLEMENT

MEMBER	SURPLUS (DEFICIT) CAPACITY KW (1)	CAPACITY RATE \$/KW * (2)	CREDIT (CHARGE) ** \$ (3)
APCO	(1,450,100)	***** + *****	(11,673,323)
KPCO	(222,400)	***** + *****	(1,790,323)
I&M	563,200	8.75 + 4.20	7,293,440
OPCO	2,653,500	5.18 + 1.83	18,601,035
CSP	(1,544,200)	***** + *****	(12,430,829)

EQUALIZATION CAPACITY RATE: 8.0500124351
(This is the average \$/kW rate paid by deficit members.)

NOTES:

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

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

SYSTEM ACCOUNT
SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL (MLR SHARE)	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555 (MLR SHARE)	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	1,405,353	1,493,913	28,319,111	30,294,465
RECOVERY AND MLR	KPCO	301,208	219,588	6,444,442	4,579,455
ALLOCATION FOR ALL	I&M	859,162	401,142	17,482,233	10,838,179
AEP SYSTEM	OPCO	1,043,908	1,601,546	21,099,586	29,049,392
DELIVERIES TO	CSP	782,278	675,720	15,949,926	14,533,807
NON-AFFILIATED COS.	AEP	4,391,909	4,391,909	89,295,298	89,295,298
ADJUSTMENT TO	APCO	(739,805)	(739,805)	(18,533,740)	(18,533,740)
PREVENT RECOGNITION	KPCO	(97,441)	(97,441)	(3,090,482)	(3,090,482)
OF SALES BY POOL	I&M	(271,388)	(271,388)	(8,611,610)	(8,611,610)
MEMBERS TO	OPCO	(600,045)	(600,045)	(14,302,062)	(14,302,062)
THEMSELVES	CSP	(301,431)	(301,431)	(8,643,259)	(8,643,259)
(PAGE 7)	AEP	(2,010,110)	(2,010,110)	(53,181,153)	(53,181,153)
SUBTOTAL	APCO	665,548	754,108	9,785,371	11,760,725
AEP EXTERNAL	KPCO	203,767	122,147	3,353,960	1,488,973
ENERGY	I&M	587,774	129,754	8,870,623	2,226,569
	OPCO	443,863	1,001,501	6,797,524	14,747,330
	CSP	480,847	374,289	7,306,667	5,890,548
	AEP	2,381,799	2,381,799	36,114,145	36,114,145
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,356,953	51	15,231,554	741
ENERGY	KPCO	15,258	68,042	172,247	828,549
(PAGE 8)	I&M	4,864	1,089,208	60,563	11,006,445
	OPCO	1,433	953,552	15,121	11,880,302
	CSP	732,621	276	8,240,443	3,891
	AEP	2,111,129	2,111,129	23,719,928	23,719,928
ECONOMY	APCO	1,972	0	5,813	0
ENERGY	KPCO	0	299	0	516
(PAGE 9)	I&M	0	245	0	375
	OPCO	0	1,428	0	4,922
	CSP	0	0	0	0
	AEP	1,972	1,972	5,813	5,813
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	2,024,645	756,656	25,033,622	11,934,071
	KPCO	219,025	191,085	3,526,207	2,358,325
	I&M	596,807	1,219,757	9,218,061	13,272,842
	OPCO	447,266	1,957,789	6,950,064	26,722,133
	CSP	1,213,533	375,989	15,552,413	5,992,996
	AEP	4,501,276	4,501,276	60,280,367	60,280,367

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

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

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL (AS SUPPLIED)	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447 (AS SUPPLIED)
I. AEP POOL ENERGY *					
ENERGY AND ENERGY	APCO	172	2,497	10,884	172,605
COST RECOVERY	KPCO	0	597	0	40,287
ALLOCATED TO	I&M	4,169	550	286,875	39,453
SPECIAL SERVICE	OPCO	1,970	1,308	137,419	89,579
CUSTOMERS	CSP	65	1,424	5,303	98,557
	AEP	<u>6,376</u>	<u>6,376</u>	<u>440,481</u>	<u>440,481</u>
PREVIOUSLY	APCO	172	2,497	10,522	168,763
ESTIMATED	KPCO	0	597	0	39,375
AMOUNT	I&M	4,169	550	282,830	37,962
	OPCO	1,970	1,308	132,176	88,214
	CSP	65	1,424	5,124	96,338
	AEP	<u>6,376</u>	<u>6,376</u>	<u>430,652</u>	<u>430,652</u>
ADJUSTMENT	APCO	0	0	362	3,842
TO BE BOOKED	KPCO	0	0	0	912
NEXT MONTH	I&M	0	0	4,045	1,491
	OPCO	0	0	5,243	1,365
	CSP	0	0	179	2,219
	AEP	<u>0</u>	<u>0</u>	<u>9,829</u>	<u>9,829</u>

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

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

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

	CHARGE MEMBER (MLR * COL. 2 TOT.) (\$) (1)	CREDIT MEMBER (1) COST RECOVERY (\$) (2)	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) (3)	EXCESS OF REVENUE OVER ENERGY COSTS (\$) (4)=(3)-(1)
APCO	28,319,111	30,294,465	44,946,825	16,627,714
KPCO	6,444,442	4,579,455	10,228,341	3,783,899
I&M	17,482,233	10,838,179	27,747,035	10,264,802
OPCO	21,099,586	29,049,392	33,488,279	12,388,693
CSP	15,949,926	14,533,807	25,315,008	9,365,082
TOTAL	89,295,298	89,295,298	141,725,488	52,430,190

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) (5)	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) (6)=(4)-(5)	(MLR) MEMBER LOAD RATIO THIS MONTH (7)
APCO	455,313	16,172,401	0.31714
KPCO	103,613	3,680,286	0.07217
I&M	281,079	9,983,723	0.19578
OPCO	339,238	12,049,455	0.23629
CSP	256,442	9,108,640	0.17862
TOTAL	1,435,685	50,994,505	1.00000

NOTES:

(1) The variable energy costs, which are incurred by the members in supplying energy for AEP System deliveries to non-affiliated companies are recovered as credits. Includes adjustment to account for the difference between market price of \$216.50/ton for emission allowance used in dispatch versus operating companies inventory costs. (See page 11)

(2) The total of the credits reported in the ECR#MLR report for System Sales for Resale (A/C 447).

RECONCILIATION OF ALLOCATION OF TRADING AND MARKETING REALIZATIONS (Schedule D3)

BASE YEAR REALIZATION:		CAPACITY REALIZATION:	
EASTERN AEP:	\$252,860,378	EASTERN AEP:	24,694,000
WESTERN AEP:	\$25,095,575	WESTERN AEP:	10,824,000
TOTAL:	\$277,955,953	TOTAL:	35,518,000

BASE YEAR REALIZATION:		AEP % SHARING RATIO	
EASTERN AEP:	\$252,860,378	90.97%	(1)
WESTERN AEP:	\$25,095,575	9.03%	(2)
TOTAL:	\$277,955,953	100.00%	

NET REVENUE REALIZED BY THE MEMBERS (Page 6, Col. 6)	ADJUSTMENT TO NET REVENUE FOR SO2 ALLOWANCES (\$ x MILL) (3)	NET REVENUE FROM DEDICATED TRANSACTIONS (EXCLUDABLE) (App. VIII, Pg 6) (\$ x MILL) (4)	THIRD PARTY TRANSMISSION PURCH. (Appendix VI, pg 2) (\$)	OFF SYSTEM ENERGY SALES (Appendix VII, pg 1) (\$)	BOOKOUT MARGIN RECLASSIFICATION (Appendix VIII, pg 7) (\$ x MILL) (5)
(1)	(2)	(3)	(4)	(5)	(6)
APCO	16,172,401	-19,030	193,509	2,653,533	1,761,370
WPCO	3,660,266	4,330	44,036	604,307	400,826
T&M	9,983,723	11,748	19,458	1,639,310	1,087,347
OPCO	12,049,455	14,179	144,178	1,976,546	1,312,336
CSP	9,108,610	10,716	108,986	1,492,631	992,041
TOTAL	50,994,505	60,005	610,167	8,373,379	5,553,920

EXERCISED OPTION PREMIUMS (Appendix VIII, pg 7)	EXERCISED OPTIONS (Appendix VII, pg 1) (\$)	POWER BROKERS' COMMISSIONS (Appendix VII, pg 2) (\$)	POWER SWAPS NET (Appendix VII, pg 3) (\$)	FINANCIAL SPARK GAS (Appendix VII, pg 4) (\$)
(7)	(8)	(9)	(10)	(11)
APCO	(637,951)	(1,027,259)	(81,001)	(91,164)
WPCO	(145,176)	(233,769)	(4,779)	(20,746)
T&M	(393,826)	(634,158)	(12,965)	(56,278)
OPCO	(475,315)	(785,376)	(15,647)	(67,921)
CSP	(359,308)	(578,374)	(11,828)	(51,345)
TOTAL	(2,011,576)	(3,239,136)	(66,220)	(287,456)

PRIOR MONTHS' TOTAL REALIZATION (\$)

NET OF ALL OF ABOVE (\$)

(7)-(10)-(2)-(3)-(4)-(5)-(6)-(7)-(8)-(9)-(10)-(11)

JANUARY 2004
FEBRUARY 2004
MARCH 2004
APRIL 2004
MAY 2004
JUNE 2004
JULY 2004
AUGUST 2004
SEPTEMBER 2004
OCTOBER 2004
NOVEMBER 2004
DECEMBER 2004

TOTAL

0

APCO	WPCO	T&M	OPCO	CSP
16,867,162	3,842,935	10,424,964	12,581,993	9,511,218
53,248,272				
LESS TRACTEBEL SALE				
PARIBAS SPARK GAS FUTURES (EENT)				
REFCO FUTURES - DEFERRED				
WESTERN AEP REALIZATION:	1,125,810			
TOTAL REALIZATION TO BE SHARED:	51,733,463			

NOTES:

- (1) From Appendix VIII, page 1
- (2) From Appendix VIII, page 4
- (3) Adjustment for realization sharing due to calculation of SO2 allowances for pool settlement purposes (actual cycle only).
- (4) Excluding demand charges for Unit Power
- (5) Margin reclassified between trading and non-trading due to non-trading transactions being booked out with trading transactions.

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

	BASE YEAR REALIZATION SHARING		CAPACITY REALIZATION SHARING		TOTAL SHARE
STERN AEP:	90.97% x	51,735,465 = \$47,064,471	69.53% x	0 = \$0	\$47,064,471
EASTERN AEP:	9.03% x	51,735,465 = \$4,670,994	30.47% x	0 = \$0	\$4,670,994
					<u>\$51,735,465</u>

EASTERN AEP REALIZATION (Including Misc. Items): \$50,609,655
 LESS EASTERN AEP REALIZATION SHARE: \$47,064,471

TOTAL DOLLAR TRANSFER FROM EASTERN AEP TO WESTERN AEP: \$3,545,184

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

(1)

CURRENT MONTH ACTUAL	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL TOTAL OF ALL ACCOUNTS	PREVIOUS ESTIMATED TOTAL	ADJUSTMENT TO BE BOOKED NEXT MONTH
CO	4470 010	4470 006	4470 011	4470 007	4470 081	4470 082	4470 002	(1,124,319)	(1,285,795)	161,476
	(17,001,397)	(17,625,535)	(482,929)	(331,244)	0	(76,349)	(728,215)	(1,124,319)	(1,285,795)	
CO	(3,868,925)	(4,010,957)	(109,898)	(75,380)	0	(17,374)	(165,717)	(255,857)	(292,603)	36,746
M	(10,495,471)	(10,880,769)	(298,126)	(204,487)	0	(47,133)	(449,549)	(694,075)	(793,760)	99,685
CO	(12,667,151)	(13,132,174)	(359,813)	(246,799)	0	(56,885)	(542,568)	(837,692)	(958,003)	120,311
S	(9,575,549)	(9,927,077)	(271,996)	(186,564)	0	(43,001)	(410,146)	(633,241)	(724,188)	90,947
TAL	(53,608,493)	(55,576,512)	(1,522,762)	(1,044,474)	0	(240,742)	(2,296,195)	(3,545,184)	(4,054,349)	509,165

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

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

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

	MWh	COST (2) (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	917,234	12,687,639	0.31714	290,892	4,023,758
KPCO	118,907	1,447,083	0.07217	8,582	104,436
I&M	82,591	1,192,004	0.19578	16,170	233,371
OPCO	1,132,883	15,385,021	0.23629	267,689	3,635,327
CSP	402,784	5,949,834	0.17862	71,945	1,062,759
TOTAL	2,654,399	36,661,581	1.00000	655,278	9,059,651

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

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	187,104	4,535,108	0.31714	59,338	1,438,264
KPCO	12,742	157,708	0.07217	920	11,382
I&M	78,751	1,576,604	0.19578	15,418	308,668
OPCO	178,480	3,925,097	0.23629	42,173	927,461
CSP	52,899	1,221,692	0.17862	9,449	218,219
TOTAL	509,976	11,416,209	1.00000	127,298	2,903,994

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	389,575	13,071,718
KPCO	87,939	2,974,664
I&M	239,800	8,069,571
OPCO	290,183	9,739,274
CSP	220,037	7,362,281
TOTAL	1,227,534	41,217,508

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	739,805	18,533,740
KPCO	97,441	3,090,482
I&M	271,388	8,611,610
OPCO	600,045	14,302,062
CSP	301,431	8,643,259
TOTAL	2,010,110	53,181,153

NOTES:

(1) The source of the MWh and COST data is the "Allocated Sources by Operating Companies - Summary - All Deliveries - Cash" from the ECR#MLR report.

(2) See Note (1), page 6.

(3) Excludes OVEC and AEG purchases allocated to System Sales (shown in TT above)

PRIMARY ENERGY

RECEIVED ENERGY

DELIVERING MEMBER	RECEIVING MEMBER	MWh	\$/MWh	CHARGE (\$)
1. KPCO	APCO	41,774	12.177	508,683
2. I&M	APCO	706,433	10.105	7,138,505
3. OPCO	APCO	608,746	12.460	7,584,366
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	1,356,953	11.225	15,231,554
6. APCO	KPCO	26	14.544	378
7. I&M	KPCO	7,706	10.105	77,869
8. OPCO	KPCO	7,383	12.460	91,984
9. CSP	KPCO	143	14.103	2,016
10. TOTAL	KPCO	15,258	11.289	172,247
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	130	12.177	1,583
13. OPCO	I&M	4,734	12.460	58,980
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	4,864	12.451	60,563
16. APCO	OPCO	25	14.544	363
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	1,275	10.105	12,883
19. CSP	OPCO	133	14.103	1,875
20. TOTAL	OPCO	1,433	10.552	15,121
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	26,138	12.177	318,283
23. I&M	CSP	373,794	10.105	3,777,188
24. OPCO	CSP	332,689	12.460	4,144,972
25. TOTAL	CSP	732,621	11.248	8,240,443
26. TOTAL ALL MEMBERS RECEIVED		2,111,129	11.236	23,719,928

TOTAL DELIVERED BY MEMBER

DELIVERED ENERGY

SUM OF LINES	MWh	\$/MWh	CREDIT (\$)	
27. APCO	6, 11, 16, & 21	51	14.544	741
28. KPCO	1, 12, 17, & 22	68,042	12.177	828,549
29. I&M	2, 7, 18, & 23	1,089,208	10.105	11,006,445
30. OPCO	3, 8, 13, & 24	953,552	12.460	11,880,302
31. CSP	4, 9, 14, & 19	276	14.103	3,891
32. TOTAL ALL MEMBERS DELIVERED:		2,111,129	11.236	23,719,928

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

ECONOMY ENERGY

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	299	1.726	516
2. I&M	APCO	245	1.531	375
3. OPCO	APCO	1,428	3.447	4,922
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	1,972	2.948	5,813
6. APCO	KPCO	0	0.000	0
7. I&M	KPCO	0	0.000	0
8. OPCO	KPCO	0	0.000	0
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	0	0.000	0
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	0	0.000	0
13. OPCO	I&M	0	0.000	0
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	0	0.000	0
16. APCO	OPCO	0	0.000	0
17. KPCO	OPCO	0	0.000	0
18. I&M	OPCO	0	0.000	0
19. CSP	OPCO	0	0.000	0
20. TOTAL	OPCO	0	0.000	0
21. APCO	CSP	0	0.000	0
22. KPCO	CSP	0	0.000	0
23. I&M	CSP	0	0.000	0
24. OPCO	CSP	0	0.000	0
25. TOTAL	CSP	0	0.000	0
26. TOTAL ALL MEMBERS RECEIVED		1,972	2.948	5,813

TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	0	0.000	0
28. KPCO	1, 12, 17, & 22	299	1.726	516
29. I&M	2, 7, 18, & 23	245	1.531	375
30. OPCO	3, 8, 13, & 24	1,428	3.447	4,922
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		1,972	2.948	5,813

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

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

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR	TOTAL EMISSION ALLOWANCES (b)	EMISSION ALLOWANCES EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	107,217	533,770	0.2009	3,283	659.4477
	AMOS 2	44,341	374,017	0.1186	2,352	278.8377
	AMOS 3	94,426	278,519	0.3390	1,640	556.0075
	CLINCH RIVER 1	43,115	137,591	0.3134	726	227.4966
	CLINCH RIVER 2	45,073	133,097	0.3386	698	236.3761
	CLINCH RIVER 3	45,851	130,517	0.3513	721	253.2894
	GLEN LYN 51	3,723	20,802	0.1790	187	33.4654
	GLEN LYN 52	3,185	17,799	0.1790	160	28.6335
	GLEN LYN 6	34,260	109,365	0.3133	557	174.4875
	KANAWHA RIVER 1	34,191	108,496	0.3151	599	188.7665
	KANAWHA RIVER 2	32,913	105,546	0.3118	572	178.3700
	MOUNTAINEER 1	333,774	844,432	0.3953	4,263	1,685.0126
	SPORN 1	38,221	78,131	0.4892	620	303.2986
	SPORN 3	16,488	36,318	0.4540	292	132.5650
	TOTAL	876,778	2,908,400	0.3015	16,670	4,936.0541
	KPCO	BIG SANDY 1	49,597	175,782	0.2822	1,236
BIG SANDY 2		69,302	537,316	0.1290	3,858	497.5975
ROCKPORT 1 (AEG)		4,906	135,212	0.0363	369	13.3887
ROCKPORT 2 (AEG)		7,836	111,281	0.0704	296	20.8432
TOTAL		131,641	959,591	0.1372	5,759	880.5676
I&M	ROCKPORT 1	16,362	450,715	0.0363	1,229	44.6156
	ROCKPORT 1 (AEG)	11,450	315,461	0.0363	860	31.2146
	ROCKPORT 2	14,878	215,996	0.0689	573	39.4688
	ROCKPORT 2 (AEG)	18,260	259,527	0.0704	688	48.4068
	TANNERS CREEK 1	8,251	51,934	0.1589	291	46.2325
	TANNERS CREEK 2	18,989	73,532	0.2582	421	108.7196
	TANNERS CREEK 3	22,932	108,555	0.2112	604	127.5936
	TANNERS CREEK 4	1,179	210,115	0.0056	3,642	20.4360
TOTAL	112,301	1,685,835	0.0666	8,308	466.6875	

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

		GENERATION ALLOCATED TO SALES TO NON-AFFILIATED SYSTEMS (MWh)	TOTAL GENERATION (MWh)	SYSTEM SALES ALLOCATION FACTOR (3)=(1)/(2)	TOTAL EMISSION ALLOWANCES (b)	EMISSION ALLOWANCES EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
OPCO	AMOS 3	192,610	568,123	0.3390	3,563	1,207.9592
	CARDINAL 1	69,819	386,666	0.1806	5,416	977.9492
	CARDINAL 2	47,515	47,515	1.0000	426	426.0000
	CARDINAL 3	65,377	65,377	1.0000	461	461.0000
	GAVIN 1	14,166	886,911	0.0160	1,409	22.5050
	GAVIN 2	3,491	871,931	0.0040	1,340	5.3650
	KAMMER 1	24,764	117,214	0.2113	1,305	275.7096
	KAMMER 2	21,852	102,189	0.2138	1,148	245.4872
	KAMMER 3	25,964	101,767	0.2551	1,127	287.5336
	MITCHELL 1	222,699	490,620	0.4539	2,799	1,270.5037
	MITCHELL 2	174,950	482,628	0.3625	2,758	999.7599
	MUSKINGUM 1	2,562	128,008	0.0200	2,429	48.6149
	MUSKINGUM 2	42,793	106,889	0.4003	1,982	793.4935
	MUSKINGUM 3	41,079	121,006	0.3395	2,164	734.6326
	MUSKINGUM 4	50,623	124,728	0.4059	2,258	916.4481
	MUSKINGUM 5	11,591	233,567	0.0496	3,372	167.3389
	SPORN 2	38,207	89,848	0.4252	693	294.6916
	SPORN 4	27,878	78,273	0.3562	628	223.6708
	SPORN 5	54,923	246,611	0.2227	1,823	406.0023
		TOTAL	1,132,863	5,249,871	0.2158	37,101
CSP	BECKJORD 6	14,120	28,254	0.4998	261	130.4353
	CONESVILLE 1	9,545	69,041	0.1383	1,298	179.4500
	CONESVILLE 2	11,084	62,937	0.1761	1,217	214.3291
	CONESVILLE 3	22,006	77,595	0.2836	1,311	371.8006
	CONESVILLE 4	89,970	202,790	0.4437	3,273	1,452.1022
	CONESVILLE 5	71,523	212,839	0.3360	611	205.3221
	CONESVILLE 6	52,668	186,261	0.2828	535	151.2790
	PICWAY 5	15,628	38,727	0.4035	929	374.8912
	STUART 1	37,412	96,528	0.3876	747	289.5198
	STUART 2	8,846	63,898	0.1384	800	110.7515
	STUART 3	33,990	82,081	0.4141	933	386.3582
	STUART 4	34,356	103,723	0.3312	883	292.4746
	ZIMMER 1	1,622	238,248	0.0068	602	4.0984
		TOTAL	402,770	1,462,922	0.2753	13,400

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

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

I. AEP EXTERNAL ENERGY (3)	ACCOUNT 509		SOURCE ALLOCATION
	\$	\$	\$
	<u>(AS SUPPLIED)</u>	<u>(ADJUSTED)</u>	<u>ADJUSTMENT</u>
	(1)	(2)	(3)=(2)-(1)
APCO	1,019,203	188,409	(830,794)
KPCO	189,823	43,932	(145,891)
I&M	93,652	20,586	(73,066)
OPCO	1,957,248	489,698	(1,467,550)
CSP	827,198	161,517	(665,681)
AEP	<u>4,087,124</u>	<u>904,142</u>	<u>(3,182,982)</u>

	SOURCE ALLOCATION <u>(UNADJUSTED)</u>	SOURCE ALLOCATION <u>(ADJUSTED)</u>
	(4)	(5)=(4)+(3)
APCO	31,125,259	30,294,465
KPCO	4,725,346	4,579,455
I&M	10,911,245	10,838,179
OPCO	30,516,942	29,049,392
CSP	15,199,488	14,533,807
AEP	<u>92,478,280</u>	<u>89,295,298</u>

- NOTES:
- | | |
|----------------------------------|--------|
| (1) Market Price (\$/allowance): | 216.50 |
| (2) APCO allowance: | 38.17 |
| KPCO allowance: | 49.89 |
| I&M allowance: | 44.11 |
| OPCO allowance: | 50.15 |
| CSP allowance: | 38.80 |
- (3) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

APPENDICES

SUPPORTING COST AND OPERATING DATA

SYNOPSIS OF CONTENTS

MEMBER LOAD RATIO SUMMARY	I
- Member Load Ratio (MLR) for each month	
- List of maximum MLR demands in each of past 12 months	
- Maximum MLR demands experienced in the past 12 months	
SYSTEM PRIMARY CAPACITY	II
- Kilowatts of Primary Capacity, listed by station	
PRIMARY CAPACITY INVESTMENT COSTS AND RATES, BY STATION, APPLICABLE TO MEMBERS WITH PRIMARY CAPACITY SURPLUS	III
- Kilowatts of capacity as of January 1	
- Installed cost of production plant	
- Weighted average investment cost, \$/KW	
- Member Primary Capacity Investment Rate, \$/KW	
PRIMARY CAPACITY NET PRODUCTION EXPENSES, BY MEMBER	IV
- Net Generation in megawatt-hours (MWH)	
- Total Net Production Expenses	
- Fuel Expenses, Account 501	
- Maintenance Expenses, Accounts 510-515	
CALCULATION OF RATES BASED UPON THIS MONTH'S WEIGHTED COSTS	V
- Member Primary Energy Rates	
- Member Primary Capacity Fixed Operating Rates	
SETTLEMENT WITH SYSTEM AGENT ASSOCIATED WITH MLR ALLOCATIONS OF AEP SYSTEM RECEIPTS AND DELIVERIES	VI-VII
TRADING AND MARKETING REALIZATIONS FOR BASE YEAR AND CURRENT MONTH --- BACKUP DATA FOR SERVICE SCHEDULE D WITH WESTERN AEP	VIII

AMERICAN ELECTRIC POWER SYSTEM
MEMBER LOAD RATIO SUMMARY

MONTH ENDING 12/31/2003

MEMBER LOAD RATIO
JANUARY 2004

<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
0.31714	0.07217	0.19578	0.23629	0.17862

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

MO	TOTAL	APPALACHIAN			KENTUCKY			INDIANA			OHIO			COLUMBUS		
		DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK	DA	HR	PEAK
	17754	21	09	5628	02	08	1267	15	19	3329	18	19	4545	17	19	2985
11	16490	25	08	5010	25	08	1210	25	08	3212	24	19	4273	24	19	2785
10	15194	03	07	4952	03	08	1038	08	12	2980	30	10	4118	28	19	2466
09	16952	02	16	4952	04	15	1030	10	15	3454	10	15	4384	10	17	3132
08	20089	26	16	5657	26	17	1212	21	15	4243	21	16	5106	21	16	3871
07	18762	08	16	5344	08	14	1151	17	17	3577	03	16	5115	08	14	3575
06	18741	26	14	5191	25	16	1081	25	16	3905	26	13	4947	26	15	3617
05	14808	09	15	4263	19	16	953	19	13	2987	06	21	4025	09	16	2580
04	15705	01	08	4532	07	13	986	07	10	3204	07	12	4362	14	10	2621
03	17457	04	08	5374	04	08	1290	10	11	3255	06	10	4710	03	08	2828
02	18324	13	08	5889	13	08	1419	11	08	3399	11	11	4692	12	20	2925
01	20077	23	19	6873	27	09	1564	07	19	3703	21	19	4697	23	19	3240

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
21672	6873	1564	4243	5121	3871

DATE/TIME	01/23 HR 19	01/27 HR 09	08/21 HR 15	08/21 HR 16	08/21 HR 16
-----------	-------------	-------------	-------------	-------------	-------------

ACTUAL: January 2004

APPENDIX II

SYSTEM PRIMARY CAPACITY

STATION	PRIMARY CAPACITY KW
APPALACHIAN POWER COMPANY	
Amos	2,033,000
Clinch River	705,000
Glen Lyn	335,000
Kanawha River	400,000
Mountaineer	1,300,000
Sporn	300,000
TOTAL MEMBER STEAM-ELECTRIC PRIMARY CAPACITY	5,073,000
Smith Mountain (Hydro)	586,000
Others (including Leesville)	240,000
TOTAL MEMBER PRIMARY CAPACITY	5,899,000
KENTUCKY POWER COMPANY	
Big Sandy	1,060,000
Rockport 1 (Purchase from AEG)	195,000
Rockport 2 (Purchase from AEG)	195,000
TOTAL MEMBER STEAM-ELECTRIC PRIMARY CAPACITY	1,450,000
TOTAL MEMBER PRIMARY CAPACITY	1,450,000
INDIANA MICHIGAN POWER COMPANY	
Cook	2,143,000
Rockport 1 (I&M owned)	650,000
Rockport 1 (Purchase from AEG)	455,000
Rockport 2 (I&M leased)	391,000
Rockport 2 (Purchase from AEG)	455,000
Tanners Creek	995,000
TOTAL MEMBER STEAM-ELECTRIC PRIMARY CAPACITY	5,089,000
Others (Hydro)	11,000
TOTAL MEMBER PRIMARY CAPACITY	5,100,000
OHIO POWER COMPANY	
Amos	867,000
Cardinal	600,000
Gavin	2,600,000
Kammer	630,000
Mitchell	1,600,000
Muskingum River	1,425,000
Sporn	750,000
TOTAL MEMBER STEAM-ELECTRIC PRIMARY CAPACITY	8,472,000
Racine (Hydro)	48,000
Ohio's Deficit Capacity (Buckeye)	(391,000)
TOTAL MEMBER PRIMARY CAPACITY	8,129,000
COLUMBUS SOUTHERN POWER COMPANY	
Beckjord	53,000
Conesville	1,504,000
Picway	100,000
Stuart	608,000
Zimmer	330,000
TOTAL MEMBER STEAM-ELECTRIC PRIMARY CAPACITY	2,595,000
TOTAL MEMBER PRIMARY CAPACITY	2,595,000
TOTAL SYSTEM PRIMARY CAPACITY	23,173,000

ACTUAL:
January 2004

APPENDIX III

MEMBER WEIGHTED AVERAGE INVESTMENT COSTS
AND MEMBER PRIMARY CAPACITY INVESTMENT RATES
YEAR 2004

Generating Stations Other than Hydro Classified as Part of <u>Member Primary Capacity</u>	kW Capacity as of <u>12/31/2003</u> (1)	\$ Installed Cost of Production Plant * as of <u>12/31/2003</u> (2)	Member Weighted Average Investment Cost <u>\$/kW</u> (3)=(2)/(1)	Member Primary Capacity Investment Rate <u>\$/kW/Month</u> (4)=(3)*.0137
INDIANA MICHIGAN POWER COMPANY				
Cook	2,143,000	1,800,318,839		
Rockport 1 Ownership Share	650,000	584,297,935		
Rockport 1 Purchased from AEG	455,000	416,022,634		
Rockport 2 Leased Shared	391,000	30,153,317		
Rockport 2 Purchased from AEG	455,000	34,841,680		
Tanners Creek	995,000	384,780,867		
Indiana Total	<u>5,089,000</u>	<u>3,250,415,272</u>	638.71	8.75
OHIO POWER COMPANY				
Amos	867,000	336,754,145		
Cardinal	600,000	336,350,163		
Gavin	2,600,000	989,949,191		
Kammer	630,000	257,539,774		
Mitchell	1,600,000	473,185,325		
Muskingum River	1,425,000	501,486,862		
Sporn	750,000	309,973,742		
Ohio Total	<u>8,472,000</u>	<u>3,205,239,202</u>	378.33	5.18
KENTUCKY POWER COMPANY				
Big Sandy	1,060,000	XXXXXXXX		
Rockport 1 Purchased from AEG	195,000	178,295,415		
Rockport 2 Purchased from AEG	195,000	14,932,148		
Kentucky Total	<u>1,450,000</u>	<u>193,227,563</u>	133.26	1.83

* SOURCE: Line 16 of Schedule entitled "Steam-Electric Generating Plant Statistics (Large Plants)" in the FERC Form No. 1 for the year ending 12/31/2002.

ACTUAL:
January 2004

APPENDIX IV

PRODUCTION EXPENSES INCURRED
STEAM-ELECTRIC STATIONS ALLOCATED TO SYSTEM PRIMARY CAPACITY

	NET GENERATION MWh	TOTAL NET PRODUCTION EXPENSES (\$)	FUEL A/C 501 (\$)	MAINTENANCE A/C 510-515 (\$)	FUEL A/C 151 (\$)	FUEL A/C 152 (\$)
<u>APPALACHIAN POWER COMPANY</u>						
GLEN LYN	147,966	3,126,758	2,433,432	161,885	2,310,504	122,928
SPORN (APCO)	114,449	2,022,392	1,440,511	314,119	1,383,341	57,170
KANAWHA RIVER	214,042	3,539,254	2,770,312	447,859	2,704,874	65,438
CLINCH RIVER	401,205	6,632,116	5,780,794	490,018	5,558,070	222,724
AMOS (APCO)	1,189,718	19,182,866	16,773,866	1,556,309	16,352,888	420,978
MOUNTAINEER	844,432	12,350,497	11,238,630	855,040	10,931,704	306,926
TOTAL	2,911,812	46,853,883	40,437,545	3,825,230	39,241,381	1,196,164
RATES:		14.545	13.888	0.657	13.477	0.411
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	713,098	9,326,297	8,405,846	472,722	8,171,462	234,384
ROCKPORT 1 (AEG)	135,212	1,759,548	1,611,632	90,107	1,571,026	40,606
ROCKPORT 2 (AEG)	111,281	2,722,472	1,340,158	92,341	1,306,984	33,174
TOTAL	959,591	13,808,317	11,357,636	655,170	11,049,472	308,164
RATES:		12.177	11.836	0.341	11.515	0.321
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	234,021		3,907,610		3,742,467	165,143
TANNERS CREEK 4	210,115		2,863,134		2,565,817	297,317
TANNERS CREEK TOTAL	444,136	8,446,484	6,770,744	878,121	6,308,284	462,460
ROCKPORT 1 (OWNED SHARE)	450,715	5,865,954	5,372,498	300,356	5,237,103	135,395
ROCKPORT 1 (AEG)	315,461	4,105,612	3,760,072	210,249	3,665,336	94,736
ROCKPORT 2 (AEG)	259,527	6,352,434	3,125,486	215,463	3,048,120	77,366
ROCKPORT 2 (LEASED SHARE)	215,996	5,807,454	2,609,222	185,161	2,544,568	64,654
COOK	1,503,522	23,022,856	6,774,316	5,842,356	6,774,316	0
TOTAL	3,189,357	53,600,794	28,412,338	7,631,706	27,577,727	834,611
RATES:		10.105	8.909	1.196	8.647	0.262
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	414,732	6,075,936	5,243,121	341,849	5,037,829	205,292
MUSKINGUM	714,198	9,901,272	7,357,047	1,438,467	7,397,234	(40,187)
KAMMER	321,170	4,467,467	3,448,211	490,420	3,312,091	136,120
CARDINAL (OPCO)	275,462	5,486,751	4,605,984	782,029	4,355,517	250,467
MITCHELL	973,248	14,820,367	13,385,975	835,860	13,299,403	86,572
AMOS (OPCO)	564,711	8,479,629	7,663,784	508,376	7,509,829	153,955
GAVIN	1,758,842	28,807,295	17,806,645	1,734,538	16,779,920	1,026,725
TOTAL	5,022,363	78,038,717	59,510,767	6,131,539	57,691,823	1,818,944
RATES:		12.459	11.849	0.610	11.487	0.362
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	811,463	13,873,424	11,285,020	857,310	10,901,103	383,917
PICWAY	38,727	804,621	587,873	48,109	562,865	25,008
BECKJORD	28,254	468,885	393,622	46,049	380,462	13,160
STUART	346,230	5,808,583	4,988,160	399,786	4,765,650	222,510
ZIMMER	238,248	3,170,871	2,592,958	217,924	2,517,061	75,897
TOTAL	1,462,922	24,126,384	19,847,633	1,569,178	19,127,141	720,492
RATES:		14.104	13.568	0.536	13.075	0.493
SYSTEM TOTAL	13,546,045	216,428,095	159,565,919	19,812,823	154,687,544	4,878,375

CALCULATION OF
PRIMARY ENERGY RATES AND PRIMARY CAPACITY FIXED OPERATING RATES

PRODUCTION EXPENSES OF STEAM-ELECTRIC PRIMARY CAPACITY (FROM APPENDIX IV):

COMPANY	(\$) TOTAL NET PRODUCTION EXPENSE (*) (1)	(\$) FUEL EXPENSE A/C 151 (*) (2)	(\$) FUEL EXPENSE A/C 152 (3)	MAINTENANCE EXPENSE (4)	(\$) ONE-HALF MAINTENANCE EXPENSE (5)
APCO	46,853,883	39,241,381	1,196,164	3,825,230	1,912,615
KPCO	13,808,317	11,049,472	308,164	655,170	327,585
I&M	53,600,794	27,577,727	834,611	7,631,706	3,815,853
OPCO	78,038,717	57,691,823	1,818,944	6,131,539	3,065,770
CSP	24,126,384	19,127,141	720,492	1,569,178	784,589
TOTAL	216,428,095	154,687,544	4,878,375	19,812,823	9,906,412

CALCULATION OF MEMBER PRIMARY RATES:

COMPANY	(\$) UNADJUSTED PART OF PRODUCTION EXPENSE (6)=(3)+(5)	UNADJUSTED NET GENERATION MWh (APPENDIX IV) (7)	ADJUSTED NET GENERATION (*) MWh (APPENDIX IV) (8)	PRIMARY ENERGY RATE MILLS/kWh (9)=(5)/(7) +(2)/(8)+(3)/(7)
APCO	3,108,779	2,911,812	2,911,812	14.544
KPCO	635,749	959,591	959,591	12.177
I&M	4,650,464	3,189,357	3,189,357	10.105
OPCO	4,884,714	5,022,363	5,022,363	12.460
CSP	1,505,081	1,462,922	1,462,922	14.103
TOTAL	14,784,787	13,546,045	13,546,045	12.510

CALCULATION OF MEMBER PRIMARY CAPACITY FIXED OPERATING RATES:

COMPANY	(\$) TOTAL FIXED OPERATING EXPENSE (10)=(1)-(2)-(6)	CAPABILITY OF STEAM-ELECTRIC MEMBER PRIMARY CAPACITY, kW (APPENDIX II) (11)	(\$/kW) MEMBER PRIMARY CAPACITY FIXED OPERATING RATE (12)=(10)/(11)
APCO	4,503,723	5,073,000	0.89
KPCO	2,123,096	1,450,000	1.46
I&M	21,372,603	5,089,000	4.20
OPCO	15,462,180	8,472,000	1.83
CSP	3,494,162	2,595,000	1.35
TOTAL	46,955,764	22,679,000	2.07

NOTE:

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

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

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
TRANSMISSION SERVICE (PURCHASES)	APCO	129,504	0	129,518	0	0	14
	KPCO	44,036	0	42,733	0	1,303	0
	I&M	0	289,091	0	104,620	0	184,471
	OPCO	6,565	0	0	173,395	179,960	0
	CSP	108,986	0	105,764	0	3,222	0
	TOTAL	289,091	289,091	278,015	278,015	184,485	184,485
NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	30,949,196	0	30,996,994	47,798	0
	KPCO	0	7,042,964	0	7,053,841	10,877	0
	I&M	0	19,105,873	0	19,135,381	29,508	0
	OPCO	0	23,059,141	0	23,094,753	35,612	0
	CSP	0	17,431,246	0	17,458,167	26,921	0
	East. AEP (Co. 122)	97,588,420	0	97,739,136	0	0	150,716
	TOTAL	97,588,420	97,588,420	97,739,136	97,739,136	150,716	150,716
THIRD PARTY SALES (2)	APCO	1,113,070	6,907,930	1,114,422	7,050,408	149,442	8,316
	KPCO	253,300	1,572,008	253,607	1,604,430	34,007	1,892
	I&M	687,136	4,264,478	687,969	4,352,430	92,254	5,135
	OPCO	829,316	5,146,866	830,332	5,253,017	111,342	6,207
	CSP	626,898	3,890,696	627,670	3,970,941	84,169	4,696
	East. AEP (Co. 122)	21,781,978	3,509,720	22,231,226	3,514,000	26,246	471,214
	TOTAL	25,291,698	25,291,698	25,745,226	25,745,226	497,460	497,460
GROSS TOTAL	APCO	1,113,070	37,857,126	1,114,422	38,047,402	197,240	8,316
	KPCO	253,300	8,614,972	253,607	8,658,271	44,884	1,892
	I&M	687,136	23,370,351	687,969	23,487,811	121,762	5,135
	OPCO	829,316	28,206,007	830,332	28,347,770	146,954	6,207
	CSP	626,898	21,321,942	627,670	21,429,108	111,090	4,696
	East. AEP (Co. 122)	119,370,398	3,509,720	119,970,362	3,514,000	26,246	621,930
	TOTAL	122,880,118	122,880,118	123,484,362	123,484,362	648,176	648,176
NET TOTAL	APCO	0	36,744,056	0	36,932,980	188,924	0
	KPCO	0	8,361,672	0	8,404,664	42,992	0
	I&M	0	22,683,215	0	22,799,842	116,627	0
	OPCO	0	27,376,691	0	27,517,438	140,747	0
	CSP	0	20,695,044	0	20,801,438	106,394	0
	East. AEP (Co. 122)	115,860,678	0	116,456,362	0	0	595,684
	TOTAL	115,860,678	115,860,678	116,456,362	116,456,362	595,684	595,684

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

AEP SYSTEM MLR ALLOCATION OF EXPENSES FOR TRANSMISSION SERVICE TO BE RECORDED
 IN ACCOUNT 4470.066 (POWER TRADING TRANSMISSION EXPENSE - NON ASSOCIATED - ABOVE)
 AND IN ACCOUNT 4210.020 (POWER TRADING TRANSMISSION EXPENSE - NON ASSOCIATED - BELOW)

Pwr Code	Customer	CO.	ACTUAL	MLR						Total	AMOUNT DUE (TO)/FROM AGENT						NET	
				ACCT	AGNT	BILL	APCO	KPCO	I&M		OPCO	CSP	APCO	KPCO	I&M	OPCO		CSP
	Totals		610,167			610,167	193,509	44,036	119,458	144,178	108,986	610,167	(129,504)	(44,036)	289,091	(6,565)	(108,986)	-
AE	Ameren Energy, Inc.		388,352	4470066 04		388,352	123,162	28,027	76,032	91,764	69,367	388,352	(123,162)	(28,027)	312,320	(91,764)	(69,367)	-
WM	ComEd Wholesale Marketing	(1)	17,367	4470066 04		17,367	5,508	1,253	3,400	4,104	3,102	17,367	(5,508)	(1,253)	13,967	(4,104)	(3,102)	-
JKE	Duke Power Company		5,879	4470066 02		5,879	1,865	424	1,151	1,389	1,050	5,879	4,014	(424)	(1,151)	(1,389)	(1,050)	-
JTE	Energy Power Serv		74,429	4470066 07		74,429	23,604	5,372	14,572	17,587	13,294	74,429	(23,604)	(5,372)	(14,572)	56,842	(13,294)	-
C	Georgia Transmission Corporation		1,510	4470066 02		1,510	479	109	295	357	270	1,510	1,031	(109)	(295)	(357)	(270)	-
RA	Lower Colorado River Authority		2,830	4470066 04		2,830	898	204	554	669	505	2,830	(898)	(204)	2,276	(669)	(505)	-
:SO	Midwest ISO	(3)	2,119	4470066 07		2,119	672	153	415	501	378	2,119	(672)	(153)	(415)	1,618	(378)	-
:SO	Midwest ISO		51,850	4470066 07		51,850	16,444	3,742	10,151	12,252	9,261	51,850	(16,444)	(3,742)	(10,151)	39,598	(9,261)	-
MP	PJM Interconnection Pool		9,215	4470066 07		9,215	2,922	666	1,804	2,177	1,646	9,215	(2,922)	(666)	(1,804)	7,038	(1,646)	-
AM	TVA Bulk Power Trading		56,616	4470066 02		56,616	17,955	4,086	11,084	13,378	10,113	56,616	38,661	(4,086)	(11,084)	(13,378)	(10,113)	-

Notes: (1) Invoice for December 2003 transmission.
 (2) To be booked in account #4210.020 (more than 2 tiers away).
 (3) Invoice for FERC true-up.

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

		MWh		(\$)	
		<u>PURCHASES</u>	<u>SALES</u>	<u>ALLOCATION BY MLR</u>	
				TOTAL COSTS TO BE BOOKED	TOTAL REVENUES TO BE BOOKED
		ACCT. 4470.010	ACCT. 4470.006	ACCT. 4470.010	ACCT. 4470.006
<u>ENERGY (1)</u>					
I.	ACTUAL				
	THIS MONTH				
	APCO	4,734,927	4,763,361	190,946,712	193,602,245
	KPCO	1,077,505	1,083,978	43,452,810	44,057,117
	I&M	2,923,019	2,940,567	117,877,112	119,516,452
	OPCO	3,527,835	3,549,012	142,267,763	144,246,309
	CSP	2,666,813	2,682,830	107,545,253	109,040,906
	TOTAL	14,930,099	15,019,748	602,089,650	610,463,029
II.	PREVIOUS ESTIMATE				
	APCO	4,734,902	4,763,423	190,771,732	193,576,707
	KPCO	1,077,500	1,083,993	43,412,991	44,051,305
	I&M	2,923,001	2,940,605	117,769,092	119,500,686
	OPCO	3,527,813	3,549,057	142,137,393	144,227,281
	CSP	2,666,795	2,682,863	107,446,701	109,026,523
	TOTAL	14,930,011	15,019,941	601,537,909	610,382,502
III.	ADJUSTMENT (I-II)				
	APCO	25	(62)	174,980	25,538
	KPCO	5	(15)	39,819	5,812
	I&M	18	(38)	108,020	15,766
	OPCO	22	(45)	130,370	19,028
	CSP	18	(33)	98,552	14,383
	TOTAL	88	(193)	551,741	80,527
<u>EXERCISED OPTIONS (2)</u>					
		ACCT. 4470.011	ACCT. 4470.007	TOTAL COSTS TO BE BOOKED ACCT. 4470.011	TOTAL REVENUES TO BE BOOKED ACCT. 4470.007
I.	ACTUAL				
	THIS MONTH				
	APCO	103,898	81,189	4,511,740	3,484,481
	KPCO	23,642	18,476	1,026,715	792,946
	I&M	64,136	50,119	2,785,232	2,151,074
	OPCO	77,408	60,490	3,361,541	2,596,165
	CSP	58,516	45,726	2,541,108	1,962,534
	TOTAL	327,600	256,000	14,226,336	10,987,200
II.	PREVIOUS ESTIMATE				
	APCO	103,898	81,189	4,511,740	3,484,481
	KPCO	23,642	18,476	1,026,715	792,946
	I&M	64,136	50,119	2,785,232	2,151,074
	OPCO	77,408	60,490	3,361,541	2,596,165
	CSP	58,516	45,726	2,541,108	1,962,534
	TOTAL	327,600	256,000	14,226,336	10,987,200
III.	ADJUSTMENT (I-II)				
	APCO	0	0	0	0
	KPCO	0	0	0	0
	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	TOTAL	0	0	0	0

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

BELOW THE <u>LINE</u>	ALLOCATION BY MLR (MWh)						ALLOCATION BY MLR (\$)		
	FINANCIAL		PHYSICAL BOOKOUT		GAIN		FINANCIAL		GAIN
	LOSSES		PURCHASES		REVENUES		LOSSES		REVENUES
	ACCT. 4210.023		ACCT. 4210.022		ACCT. 4210.018		ACCT. 4210.023	ACCT. 4210.022	ACCT. 4210.018
I. ACTUAL THIS MONTH	APCO	0	959,355		1,018,962	802,812	39,728,154		44,783,363
	KPCO	0	218,321		231,877	182,689	9,040,742		10,191,132
	I&M	0	592,239		629,029	495,595	24,525,376		27,646,109
	OPCO	0	714,788		759,191	598,141	29,600,068		33,366,529
	CSP	0	540,332		573,897	452,158	22,375,742		25,222,943
	TOTAL	0	3,025,035		3,212,956	2,531,395	125,270,082		141,210,076
II. PREVIOUS ESTIMATE	APCO	0	959,355		1,018,962	802,887	39,729,587		44,777,907
	KPCO	0	218,321		231,877	182,706	9,041,068		10,189,890
	I&M	0	592,239		629,028	495,643	24,526,262		27,642,741
	OPCO	0	714,788		759,191	598,199	29,601,136		33,362,464
	CSP	0	540,332		573,897	452,202	22,376,549		25,219,870
	TOTAL	0	3,025,035		3,212,955	2,531,637	125,274,602		141,192,872
III. ADJUSTMENT (I-II)	APCO	0	0		0	(75)	(1,433)		5,456
	KPCO	0	0		0	(17)	(326)		1,242
	I&M	0	0		1	(48)	(886)		3,368
	OPCO	0	0		0	(58)	(1,068)		4,065
	CSP	0	0		0	(44)	(807)		3,073
	TOTAL	0	0		1	(242)	(4,520)		17,204

BROKERS'
COMMISSIONS (3)

	ALLOCATION BY MLR (\$)		
	PURCHASE	SALES	
	COSTS	REVENUES	
	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	30,836	(33,974)
	KPCO	7,021	(7,731)
	I&M	19,041	(20,972)
	OPCO	22,979	(25,314)
	CSP	17,367	(19,129)
	TOTAL	97,244	(107,120)
II. PREVIOUS ESTIMATE	APCO	32,603	(33,559)
	KPCO	7,420	(7,639)
	I&M	20,130	(20,716)
	OPCO	24,300	(25,009)
	CSP	18,369	(18,899)
	TOTAL	102,822	(105,822)
III. ADJUSTMENT (I-II)	APCO	(1,767)	(415)
	KPCO	(399)	(92)
	I&M	(1,089)	(256)
	OPCO	(1,321)	(305)
	CSP	(1,002)	(230)
	TOTAL	(5,578)	(1,298)

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

		(\$)	
<u>POWER SWAPS</u>		<u>ALLOCATION BY MLR</u>	
		TOTAL NET	
		TO BE BOOKED	
		ACCT. 4470.082	
I.	ACTUAL	APCO	(21,001)
	THIS MONTH	KPCO	(4,779)
		I&M	(12,965)
		OPCO	(15,647)
		CSP	(11,828)
		TOTAL	(66,220)
II.	PREVIOUS	APCO	(21,001)
	ESTIMATE	KPCO	(4,779)
		I&M	(12,965)
		OPCO	(15,647)
		CSP	(11,828)
		TOTAL	(66,220)
III.	ADJUSTMENT	APCO	0
	(I-II)	KPCO	0
		I&M	0
		OPCO	0
		CSP	0
		TOTAL	0

<u>FINANCIAL GAS</u>	REALIZED	BROKER	SWAPS	TOTAL
<u>MARKET TESTING</u>	OPTIONS	COMMISSIONS	NET	
	ACCT. 4560.049	ACCT. 4560.049	ACCT. 4560.049	ACCT. 4560.049

NOTE: This data will no longer be presented on the IPS, but will be booked from the gas off-system spreadsheets for sharing among the nine AEP operating companies.

I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

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

PHYSICAL GAS <u>MARKET TESTING</u>			<u>ALLOCATION BY MLR (MMBTU)</u>		<u>ALLOCATION BY MLR (\$)</u>	
			PURCHASES	SALES	PURCHASES	SALES
			ACCT. 4560.048	ACCT. 4560.047	ACCT. 4560.048	ACCT. 4560.047
I.	ACTUAL THIS MONTH	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS ESTIMATE	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT (I-II)	APCO	0	0	0	0
		KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

FINANCIAL <u>SPARK GAS</u>	BROKER	FINANCIALS	TOTAL
	COMMISIONS	NET	
	ACCT. 4470.081	ACCT. 4470.081	ACCT. 4470.081

NOTE: This data will no longer be presented on the IPS, but will be booked from the gas off-system spreadsheets for sharing among the nine AEP operating companies:

I.	ACTUAL THIS MONTH	APCO	0	0	0
		KPCO	0	0	0
		I&M	0	0	0
		OPCO	0	0	0
		CSP	0	0	0
		TOTAL	0	0	0
II.	PREVIOUS ESTIMATE	APCO	0	0	0
		KPCO	0	0	0
		I&M	0	0	0
		OPCO	0	0	0
		CSP	0	0	0
		TOTAL	0	0	0
III.	ADJUSTMENT (I-II)	APCO	0	0	0
		KPCO	0	0	0
		I&M	0	0	0
		OPCO	0	0	0
		CSP	0	0	0
		TOTAL	0	0	0

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

(\$)

ALLOCATION BY MLR

<u>POWER</u> <u>DEFERRALS</u>	<u>GREATER THAN 1 YEAR</u>		<u>LESS THAN 1 YEAR</u>		<u>EXPENSES</u> <u>PAYMENTS</u> <u>ACCT. 1860.002</u>
	<u>PREMIUM</u>	<u>PREMIUM</u>	<u>PREMIUM</u>	<u>PREMIUM</u>	
	<u>PAYMENTS</u>	<u>REVENUES</u>	<u>PAYMENTS</u>	<u>REVENUES</u>	
	<u>ACCT. 1750.010</u>	<u>ACCT. 2440.010</u>	<u>ACCT. 1750.009</u>	<u>ACCT. 2440.009</u>	

NOTE: This data will no longer be presented on the IPS, but will be booked from the gas off-system spreadsheets for sharing among the nine AEP operating companies.

I.	ACTUAL	APCO	0	0	0	0
	THIS MONTH	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
II.	PREVIOUS	APCO	0	0	0	0
	ESTIMATE	KPCO	0	0	0	0
	(See Note 1)	I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0
III.	ADJUSTMENT	APCO	0	0	0	0
	(I-II)	KPCO	0	0	0	0
		I&M	0	0	0	0
		OPCO	0	0	0	0
		CSP	0	0	0	0
		TOTAL	0	0	0	0

<u>GAS</u> <u>DEFERRALS</u>	<u>PREMIUM</u> <u>PAYMENTS</u> <u>ACCT. 1750.009</u>	<u>PREMIUM</u> <u>REVENUES</u> <u>ACCT. 2440.009</u>
--------------------------------	--	--

NOTE: This data will no longer be presented on the IPS, but will be booked from the gas off-system spreadsheets for sharing among the nine AEP operating companies.

I.	ACTUAL	APCO	0	0
	THIS MONTH	KPCO	0	0
		I&M	0	0
		OPCO	0	0
		CSP	0	0
		TOTAL	0	0
II.	PREVIOUS	APCO	0	0
	ESTIMATE	KPCO	0	0
		I&M	0	0
		OPCO	0	0
		CSP	0	0
		TOTAL	0	0
III.	ADJUSTMENT	APCO	0	0
	(I-II)	KPCO	0	0
		I&M	0	0
		OPCO	0	0
		CSP	0	0
		TOTAL	0	0

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH ALR ALLOCATIONS OF ASP SYSTEM
BOOKOUTS AND OPTIONS

		ACTUAL SETTLEMENT		PREVIOUS ESTIMATE		ADJUSTMENT AMOUNT	
		AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT	AMOUNT DUE TO AGENT \$ CHARGE	AMOUNT DUE FROM AGENT \$ CREDIT
THIRD PARTY SALES (1)	APCO	0	2,655,533	0	2,804,975	149,442	0
	IPCO	0	604,307	0	638,314	34,007	0
	I&M	0	1,639,340	0	1,731,594	92,254	0
	OPCO	0	1,978,546	0	2,089,888	111,342	0
	CSP	0	1,495,633	0	1,579,822	84,169	0
	East. AEP (Co.122)	8,373,379	0	8,644,593	0	0	471,214
	TOTAL	8,373,379	6,373,379	8,644,593	8,644,593	471,214	471,214
EXERCISED OPTIONS & PREMIUMS (2)	APCO	1,027,259	0	1,027,259	0	0	0
	IPCO	233,769	0	233,769	0	0	0
	I&M	634,158	0	634,158	0	0	0
	OPCO	765,376	0	765,376	0	0	0
	CSP	578,574	0	578,574	0	0	0
	East. AEP (Co.122)	0	3,239,136	0	3,239,136	0	0
	TOTAL	3,239,136	3,239,136	3,239,136	3,239,136	0	0
BELOW THE LINE	APCO	0	4,252,397	0	4,245,433	0	6,964
	IPCO	0	967,701	0	966,116	0	1,585
	I&M	0	2,625,138	0	2,620,856	0	4,282
	OPCO	0	3,168,320	0	3,163,129	0	5,191
	CSP	0	2,395,043	0	2,391,119	0	3,924
	East. AEP (Co.122)	13,408,599	0	13,386,633	0	21,966	0
	TOTAL	13,408,599	13,408,599	13,386,633	13,386,633	21,966	21,966
BROKERS' COMMISSIONS (3)	APCO	64,810	0	66,162	0	0	1,352
	IPCO	14,732	0	15,099	0	0	307
	I&M	40,013	0	40,646	0	0	633
	OPCO	48,293	0	49,309	0	0	1,016
	CSP	36,496	0	37,268	0	0	772
	East. AEP (Co.122)	0	204,364	0	208,644	4,280	0
	TOTAL	204,364	204,364	208,644	208,644	4,280	4,280
POWER SWAPS	APCO	21,001	0	21,001	0	0	0
	IPCO	4,779	0	4,779	0	0	0
	I&M	12,965	0	12,965	0	0	0
	OPCO	15,647	0	15,647	0	0	0
	CSP	11,828	0	11,828	0	0	0
	East. AEP (Co.122)	0	66,220	0	66,220	0	0
	TOTAL	66,220	66,220	66,220	66,220	0	0
FINANCIAL GAS MARKET TEST	APCO	0	0	0	0	0	0
	IPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
PHYSICAL GAS MARKET TEST	APCO	0	0	0	0	0	0
	IPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
FINANCIAL SPARK GAS & BROKERS' COMMISSIONS	APCO	0	0	0	0	0	0
	IPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
POWER & GAS DEFERRALS	APCO	0	0	0	0	0	0
	IPCO	0	0	0	0	0	0
	I&M	0	0	0	0	0	0
	OPCO	0	0	0	0	0	0
	CSP	0	0	0	0	0	0
	East. AEP (Co.122)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & SPARK GAS	APCO	1,113,070	6,907,930	1,114,422	7,050,408	149,442	8,316
	IPCO	253,100	1,572,008	253,607	1,604,430	34,007	1,892
	I&M	687,136	4,264,478	687,969	4,352,430	92,254	5,135
	OPCO	829,316	5,146,866	830,332	5,253,017	111,342	6,207
	CSP	626,898	3,890,696	627,670	3,970,941	84,169	4,696
	East. AEP (Co.122)	21,781,978	3,509,720	22,231,226	3,314,000	26,246	471,214
	TOTAL	25,291,698	25,291,698	25,745,226	25,745,226	497,460	497,460

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/ALR report.
- (2) Sold in previous period(s) and exercised in January 2004.
- (3) Actual commissions paid in January 2004.

Eastern AEP - Trading and Marketing Realizations for Base Year (July 1999 - June 2000) (from AEP System Internal Resources)

Activity	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00
28L - Unit Power	\$2,198,217	\$2,490,283	\$2,582,529	\$2,705,213	\$2,615,136	\$2,589,883	\$2,699,430	\$2,520,713	\$2,754,689	\$3,003,151	\$2,919,434	\$2,866,195
3PCo - Unit Power	(\$1,123,105)	\$3,038,022	\$3,527,361	\$2,598,489	\$2,647,320	\$3,406,881	\$321,838	\$0	\$0	\$0	\$0	\$0
4LECR (1)	\$12,753,184	\$23,169,345	\$11,364,685	\$10,435,970	\$8,342,770	\$10,921,779	\$15,541,702	\$19,298,751	\$14,450,922	\$18,450,442	\$36,100,304	\$48,806,985
22 Differential (2)	\$563,599	\$612,545	\$389,855	\$250,844	\$197,348	\$184,492	\$950,379	\$710,467	\$661,136	\$793,923	\$679,673	\$554,549
Transmission Purchases (3)	(\$730,874)	(\$1,281,528)	(\$730,367)	(\$486,787)	(\$262,874)	(\$283,600)	(\$769,697)	(\$301,407)	(\$433,753)	(\$428,732)	(\$845,606)	(\$805,698)
Net Total	\$13,661,021	\$28,028,669	\$17,134,063	\$15,503,729	\$13,539,700	\$16,899,435	\$18,743,752	\$22,228,524	\$17,432,994	\$21,818,784	\$38,853,805	\$51,422,031
Gas Dedicated												
Transaction Realization	(\$422,036)	(\$11,945,640)	(\$13,641,221)	(\$12,470,356)	(\$12,102,274)	(\$13,621,453)	(\$10,104,743)	(\$9,973,647)	(\$9,475,154)	(\$9,840,572)	(\$9,530,382)	(\$9,507,230)
Gas LT Pre-Merger												
Trading Realizations												(\$4,463,194)
Gas 6/30/00 MTM of												
Open Positions												\$84,178,867
Gas Off System Sales												
Transaction Realization	\$18,397,954	\$25,716,949	(\$14,228,723)	(\$3,750,052)	(\$1,572,486)	\$588,921	\$2,349,698	\$1,065,780	(\$4,066,395)	\$1,643,564	\$6,785,292	(\$12,397,596)
Gas (from Pg. 3)												
Monthly Total	\$31,636,939	\$41,799,978	(\$10,735,881)	(\$716,679)	(\$135,060)	\$3,846,903	\$10,988,707	\$13,320,657	\$3,891,445	\$13,621,776	\$36,108,715	\$109,232,878
Mo. Cumulative Total	\$31,636,939	\$73,436,917	\$62,701,036	\$61,984,357	\$61,849,297	\$65,696,200	\$76,684,907	\$90,005,564	\$93,897,009	\$107,518,785	\$143,627,500	\$252,860,378
) Reflects the net recorded in the Energy Costing & Reporting System.												
) Realization emanating from price differential between market price (charged) and companies' inventory cost.												
) Associated with purchased power that flowed into the AEP System (within 2 tiers) (Revised 8/18/00).												

ACTUAL: January 2004

Eastern AEP - Trading and Marketing Realizations for Base Year (July 1999 - June 2000) (from AEP System Internal Resources)
 Indicated Long Term Transactions

Company	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00
Ir. P & L Unit Power)	\$2,198,217	\$2,490,283	\$2,582,529	\$2,705,213	\$2,615,136	\$2,589,883	\$2,699,430	\$2,520,713	\$2,754,689	\$3,003,151	\$2,919,434	\$2,866,195
	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500	\$587,500
PCO Dem. Chg. Unit Power)	(\$1,123,105)	\$3,038,022	\$3,527,361	\$2,598,489	\$2,647,320	\$3,486,881	\$0	\$0	\$0	\$0	\$0	\$0
	\$1,229,179	\$1,168,979	\$1,192,072	\$1,160,847	\$1,176,827	\$1,200,568	\$0	\$0	\$0	\$0	\$0	\$0
EMC LT Cap	\$1,434,782	\$1,434,959	\$1,434,938	\$1,435,076	\$1,434,976	\$1,435,066	\$1,947,500	\$1,947,662	\$1,947,457	\$1,947,685	\$1,947,569	\$1,947,605
PCO LT Cap	(\$440,174)	\$464,119	\$490,918	\$377,172	\$376,177	\$494,578	\$31,830	\$0	\$0	\$0	\$0	\$0
AP Ohio Limited	\$65,071	\$65,037	\$65,019	\$64,945	\$65,082	\$65,051	\$65,000	\$64,972	\$64,983	\$77,994	\$97,525	\$97,535
IP Limited	\$325,086	\$299,017	\$325,080	\$260,073	\$260,060	\$259,949	\$260,000	\$260,035	\$195,020	\$227,523	\$259,964	\$325,026
AEG Firm	(\$1,475,010)	\$829,290	\$727,061	\$572,763	\$566,959	\$730,197	\$966,518	\$952,857	\$846,110	\$848,635	\$887,079	\$968,600
dford Firm	(\$337,727)	\$545,462	\$474,413	\$477,657	\$427,911	\$465,336	\$590,957	\$571,093	\$360,280	\$316,608	\$324,179	\$344,073
ehoo Firm (Block)	(\$160,092)	\$142,607	\$132,810	\$146,292	\$122,651	\$137,505	\$156,614	\$153,483	\$153,879	\$154,699	\$153,552	\$153,528
Va Pwr Firm	(\$426,024)	\$549,676	\$436,146	\$485,546	\$469,876	\$608,622	\$755,434	\$664,239	\$578,923	\$549,919	\$508,438	\$575,863
irgls Mo - Firm	\$0	\$0	\$327,305	\$302,505	\$238,211	\$271,554	\$282,750	\$387,332	\$347,285	\$344,005	\$375,378	\$453,609
IPO Mo - NF	(\$504,573)	\$85,796	\$631,992	\$769,971	\$627,963	\$704,942	\$1,193,822	\$1,278,285	\$1,054,569	\$1,191,774	\$902,662	\$752,338
P Mo - 2NF	(\$686,371)	\$75,807	\$545,327	\$347,865	\$334,174	\$408,155	\$343,576	\$363,979	\$362,269	\$348,249	\$345,619	\$210,821
ehoo Mo - 2NF	(\$264,723)	\$169,086	\$160,750	\$178,422	\$151,451	\$175,666	\$223,812	\$221,497	\$222,190	\$242,830	\$221,483	\$224,537
Total	\$422,036	\$11,945,640	\$13,641,221	\$12,470,356	\$12,102,274	\$13,621,453	\$10,104,743	\$9,973,647	\$9,475,154	\$9,840,572	\$9,530,382	\$9,507,230
Month Cum. Total	\$422,036	\$12,367,676	\$26,008,897	\$38,479,253	\$50,581,527	\$64,202,980	\$74,307,723	\$84,281,370	\$93,756,524	\$103,597,096	\$113,127,478	\$122,634,708

ACTUAL:

January 2004

Item AEP - Trading and Marketing Realizations for Base Year (July 1999 - June 2000)
of System Sales - Above the Line Trading Activities Account 447 Subaccounts Only

Type of Activity	Account	Jul-99	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	1/00 & 2/00 Adjustment	Mar-00	Apr-00	May-00	Jun-00
Net Sales	4470.008	\$657,853,570	\$901,477,542	\$1,137,936,711	\$521,049,752	\$457,980,779	\$668,402,058	\$485,514,894	\$692,481,948	(\$98,475,458)	\$703,198,421	\$865,489,788	\$1,359,908,237	\$1,472,809,035
Net Purchases	4470.010	(\$842,477,724)	(\$885,288,383)	(\$1,150,961,783)	(\$522,047,857)	(\$458,111,554)	(\$661,406,469)	(\$480,920,634)	(\$878,748,205)	\$97,879,483	(\$703,198,421)	(\$659,684,733)	(\$1,346,883,111)	(\$1,472,889,496)
Net Options - Sales	4470.007	\$39,627,050	\$28,117,600	\$6,767,200	\$2,591,200	\$3,471,200	\$1,987,600	\$3,908,000	\$4,812,800	\$0	\$2,275,200	\$992,000	\$2,309,600	\$18,386,200
Net Options - Purchases	4470.011	(\$27,286,700)	(\$15,608,800)	(\$7,330,000)	(\$4,937,200)	(\$5,989,200)	(\$7,952,400)	(\$15,928,800)	(\$18,082,400)	\$0	(\$8,922,400)	(\$5,008,000)	(\$7,741,800)	(\$28,571,200)
Net Commission (Above Line)	4470.008	(\$152,598)	\$0	(\$312,907)	(\$208,888)	(\$159,954)	(\$248,900)	(\$117,858)	(\$193,898)	\$0	(\$280,304)	(\$381,486)	(\$519,868)	(\$139,787)
Net Commission (Above Line)	4470.010	(\$153,644)	\$0	(\$321,984)	(\$199,259)	(\$153,857)	(\$222,968)	(\$106,106)	(\$206,482)	\$0	(\$312,061)	(\$383,998)	(\$467,848)	(\$185,348)
Net System Trades (Above the Line)		\$18,397,954	\$25,718,949	(\$14,228,723)	(\$2,750,052)	(\$1,572,488)	\$588,921	\$2,349,898	\$1,065,780	\$1,404,027	(\$5,470,422)	\$1,643,564	\$8,785,292	(\$12,387,596)
Net Cumulative Total		\$18,397,954	\$44,114,903	\$28,888,180	\$28,136,128	\$24,563,842	\$25,132,563	\$27,482,261	\$28,548,041	\$29,952,088	\$24,481,846	\$28,125,210	\$32,810,502	\$20,512,906

The adjustment for January and February 2000 reflects the reclassification of Bookouts to accounts 4210.012 and 4265.005 that were incorrectly charged to accounts 4470.006 and 4470.010. The transactions being reclassified were more than two liters away.

**Western AEP - Trading and Marketing Realizations for Base Year
(July 1999 - June 2000) (from CSW Generation Resources)**

<u>Month</u>	<u>Amount</u>
July-99	\$14,422,489
August-99	\$4,245,600
September-99	\$1,840,715
October-99	\$63,256
November-99	\$175,651
December-99	\$88,741
January-00	\$842,661
February-00	\$450,386
March-00	\$84,263
April-00	\$248,857
May-00	\$2,016,489
June-00	<u>\$616,467</u>
Base Year Total	\$25,095,575

**Western AEP - Trading and Marketing Realizations for Year 2004
(from CSW Generation Resources)**

<u>Period</u>	<u>Realization Amount</u>
January-04	\$1,125,810
February-04	
March-04	
April-04	
May-04	
June-04	
July-04	
August-04	
September-04	
October-04	
November-04	
December-04	
Cumulative Total	<u><u>\$1,125,810</u></u>

ACTUAL:	January 2004	February 2004	March 2004	April 2004	May 2004	June 2004	July 2004	August 2004	September 2004	October 2004	November 2004	December 2004
Internal AEP - Trading and Marketing Realizations for Year 2004 (from AEP System Internal Resources)												
Activity	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Unit Power	\$3,086,279	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ECR (1)	\$49,247,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purch. Demand Charge	(\$1,435,685)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Differential	\$3,242,988	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transmission Purchases (2)	(\$610,167)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$53,530,622	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dedicated Transaction Realization (on Pg. 2)	(\$8,400,897)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Off System Sales Transaction Realization (on Pg. 3)	\$5,479,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Monthly Total	\$50,609,655	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Yo. Cumulative Total	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655	\$50,609,655

Reflects the net recorded in the Energy Costing & Reporting System. Associated with purchased power that flowed into the AEP System (within 2 tiers).

Term AEP - Trading and Marketing Realizations for Year 2004
System Sales - Above the Line Trading Activities Account 447 & 555 Subaccounts Only

Type of Activity	Account	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
Energy Sales	4470.006	\$610,463,029	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas Tractabel Sale	4470.006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Sales - BIO Margin Reclass (Note 1)	4470.006	\$5,553,920	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Purchases	4470.010	(\$602,089,650)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
If System Purchases Not Subject to Sharing	4470.010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Purch. - BIO Margin Reclass (Note 1)	4470.010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Commissions (Above Line)	4470.006	(\$107,120)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Energy Commissions (Above Line)	4470.010	(\$97,244)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net of Above		\$13,722,935	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exercised Options - Sales	4470.007	\$10,987,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exercised Sales Option Premiums	4470.007	\$957,265	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exercised Options - Purchases	4470.011	(\$4,226,356)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exercised Purchase Option Premiums	4470.011	(\$2,968,841)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Swaps - Net	4470.082	(\$66,220)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lower Futures (REFCO)	4470.082	(\$34,148)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lower Futures Deferred Loss (REFCO)	4470.082	(\$2,600,220)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net of Above		(\$7,951,300)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Ded. Spark Gas Broker Commissions	4470.081	(\$5,103)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Dedicated Spark Gas Paribas Futures	4470.081	(\$4,249)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Dedicated Swaps - Net	4470.081	(\$282,353)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net of Above		(\$291,705)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
If System Trades (Above the Line)		\$5,479,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Month Cumulative Total		\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930	\$5,479,930

1. Current month margin reclassified between trading and non-trading due to non-trading transactions being booked out with trading transactions.

January 2004

Actual: Realization sharing Calculations

Account	East Detail	East Realization	West Realization	Total Realization	West Share of Realization	East Share of Realization	Eastern Funds To West	Account Number	
Bookout Purchases	(\$102,089,850)								
Energy Purch. - B/O Margin Reclasse (Note 1)									
Purchases Commission									
Bookout Sales	\$810,463,029								
Less Traciebel Sale									
Energy Sales - B/O Margin Reclasse (Note 1)									
Sales Commission									
Exercised Option - Purchases									
Exercised Purchase Option Premiums									
Exercised Option - Sales									
Exercised Sales Option Premiums									
Non-Dedicated Spark Gas Commission									
Non-Dedicated Spark Gas Paribas Futures									
Non-Dedicated Swaps - Net									
Power Swaps - Net									
Power Futures (REFCO)									
Power Futures Deferred (REFCO)									
ECR/ICR Realizations									
Less Purchase Demand Charge									
Less Realization on Dedicated Transactions									
Unit Power - CP&L									
SO2 Realizations									
Transmission Purchases									
Total ECR/ICR Realization									
Total		\$45,129,725	\$1,954,884	\$47,084,618	\$4,251,089	\$42,833,530	\$2,298,195	4470.002	
Total West Realizations		\$50,609,655	\$1,125,810	\$51,735,465	\$4,870,994	\$47,084,471	\$3,545,184		
Total AEP Realizations		\$51,735,465		\$51,735,465		\$51,735,465			
Eastern AEP's Share of Total Realization		\$47,084,471		\$47,084,471		\$47,084,471			
Western AEP's Share of Total Realization		\$4,651,000		\$4,651,000		\$4,651,000			
Eastern AEP Funds to Western AEP		\$3,545,184		\$3,545,184		\$3,545,184			
Base Year Realizations									
Eastern AEP Realization		80.97%							
Western AEP Realization		9.03%							
		100.00%							
Capacity (MW) Realization Sharing									
Base Year Capacity		24,694,000		24,694,000		24,694,000			
Capacity		10,824,000		10,824,000		10,824,000			
		35,518,000		35,518,000		35,518,000			
Realization Sharing Ratios									
Base Year Capacity		\$51,735,465		\$51,735,465		\$51,735,465			
Capacity		\$0		\$0		\$0			
		100.00%		100.00%		100.00%			
Account <td>MLR</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACCOUNT NO.</td> <td>ACTUAL</td>	MLR	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACTUAL
APCO	0.31714	4470.010	4470.006	4470.011	4470.007	4470.081	4470.082	4470.002	TOTAL OF ALL ACCOUNTS
XPCO	0.07217	(17,001,397)	(17,625,535)	(482,929)	(331,244)	0	(76,349)	(728,215)	(1,124,319)
I&M	0.19578	(3,868,925)	(4,010,957)	(109,898)	(75,380)	0	(17,374)	(165,717)	(255,857)
OPCO	0.23629	(10,495,471)	(10,880,769)	(398,126)	(204,487)	0	(47,133)	(449,549)	(694,075)
CSP	0.17862	(12,667,151)	(13,132,174)	(359,813)	(246,799)	0	(56,865)	(542,568)	(837,692)
TOTAL	1.00000	(9,575,549)	(9,927,077)	(371,996)	(186,564)	0	(43,001)	(410,146)	(633,241)
		(53,608,493)	(53,576,512)	(1,522,762)	(1,044,474)	0	(240,742)	(2,296,195)	(3,945,184)

Note 1: Current month margin reclassified between trading and non-trading due to non-trading transactions being booked out with trading transactions.