

DEC 13 2004



AEP: America's Energy Partner™

Date **December 3, 2004**

Subject **East Interchange Power Statement and Related Data**

From **R. L. Reed**

To **See Distribution List**

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

R. L. Reed

Enclosures

cc:

- | | | | |
|------------------|-------------|-------------------|--------------|
| T. M. Dooley | - Arena3 | J. Geels | - Arena3 |
| L. L. Dieck | - Arena4 | J. V. Gilbert | - Arena4 |
| N. M. Lycakis | - Arena4 | P. A. May | - Arena4 |
| T. R. Myers | - Arena4 | K. D. Pearce | - Arena4 |
| R. P. Quaintance | - Arena4 | D. B. Roberts | - Arena4 |
| D. L. Woodruff | - Arena4 | B. X. Tierney | - Arena5 |
| C. E. Zebula | - Arena5 | J. C. Baker | - 1RP23 |
| K. W. Potts | - 1RP23 | Deloitte & Touche | - 1RP26 |
| J. H. Reif | - 1RP26 | A. M. Wallace | - 1RP26 |
| R. E. Munczinski | - 1RP28 | W. S. Robinson | - 1RP28 |
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| S. C. Weaver | - 1RP28 | K. E. Walker | - 1RP30 |
| D. E. Richey | - Canton | D. Waldo | - Charleston |
| K. Curry | - Ft. Wayne | M. P. Ryan | - Ft. Wayne |
| T. C. Mosher | - Frankfort | E. K. Wagner | - Frankfort |
| T. L. Stephens | - Richmond | R. G. Ronk | - Roanoke |

ACTUAL

INTERCHANGE POWER STATEMENT
FOR THE MONTH OF
OCTOBER 2004

STATEMENT OF SETTLEMENT TO BE MADE
FOR ELECTRIC POWER AND ENERGY RECEIVED AND DELIVERED
APPLICABLE TO OCTOBER 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

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			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	1,430,277	403,120	32,201,163	9,099,585
	BILLING	KPCO	184,968	152,298	5,215,130	2,590,197
	AMOUNT	I&M	310,169	651,142	6,351,303	17,089,054
		OPCO	260,394	1,596,398	5,479,340	42,448,904
		CSP	786,090	168,940	25,435,440	3,454,636
		TOTAL	2,971,898	2,971,898	74,682,376	74,682,376
II.	PREVIOUSLY	APCO	1,423,825	395,434	30,523,443	8,582,253
	ESTIMATED	KPCO	198,342	180,783	5,247,063	2,665,441
	BILLING	I&M	327,484	766,095	6,376,071	16,926,493
	AMOUNT	OPCO	291,787	1,515,825	5,763,936	40,995,052
		CSP	812,728	196,029	25,014,154	3,755,428
		TOTAL	3,054,166	3,054,166	72,924,667	72,924,667
III.	ADJUSTMENT	APCO	6,452	7,686	1,677,720	517,332
	TO BE BOOKED	KPCO	(13,374)	(28,485)	(31,933)	(75,244)
	NEXT MONTH	I&M	(17,315)	(114,953)	(24,768)	162,561
	(I - II)	OPCO	(31,393)	80,573	(284,596)	1,453,852
		CSP	(26,638)	(27,089)	421,286	(300,792)
		TOTAL	(82,268)	(82,268)	1,757,709	1,757,709
IV.	ADJUSTMENT FOR TRANSMISSION	APCO			3,759	0
	SERVICE (PURCHASES) TO BE	KPCO			881	0
	BOOKED NEXT MONTH	I&M			5,658	0
	(SEE APPENDIX VI)	OPCO			0	12,460
		CSP			2,162	0
		TOTAL			12,460	12,460
V.	ADJUSTMENT TO ALLOCATION OF	APCO			(67,816)	0
	TRADING & MARKETING REALIZATION	KPCO			(15,916)	0
	TO BE BOOKED NEXT MONTH	I&M			(43,619)	0
	(SEE PAGE 6B)	OPCO			(54,473)	0
		CSP			(39,013)	0
		West. AEP			0	(220,837)
		TOTAL			(220,837)	(220,837)
VI.	ADJUSTMENT FOR PJM CHARGES	APCO			0	14,716
	TRANSFERRED FROM	KPCO			0	3,454
	MARKET TO AEE (NON-ECR)	I&M			0	9,465
	TO BE BOOKED NEXT MONTH	OPCO			0	11,821
	(SEE APPENDIX IX)	CSP			0	8,465
		East. AEP (Co. 28)			47,921	0
		TOTAL			47,921	47,921
VII.	ADJUSTMENT FOR PJM CHARGES	APCO			35,349	0
	(NON-ECR) FROM INVOICE	KPCO			8,296	0
	TO BE BOOKED NEXT MONTH	I&M			22,737	0
	(SEE APPENDIX IX)	OPCO			28,395	0
		CSP			20,334	0
		East. AEP (Co. 28)			0	115,111
		TOTAL			115,111	115,111
VIII.	ADJUSTMENT FOR OFFSET OF	APCO			53,658	0
	BUCKEYE PASS-THROUGH CHARGES	KPCO			12,593	0
	ASSOCIATED WITH PJM	I&M			34,512	0
	TO BE BOOKED NEXT MONTH	OPCO			43,101	0
	(SEE APPENDIX X)	CSP			30,866	0
		East. AEP (Co. 28)			0	174,730
		TOTAL			174,730	174,730

		(\$)	
		AMOUNT DUE TO AGENT (CHARGE)	AMOUNT DUE FROM AGENT (CREDIT)
IX. ADJUSTMENT FOR BUCKEYE SHARE OF PJM CONGESTION CHARGES TO BE BOOKED NEXT MONTH (SEE APPENDIX X)	APCO	0	25,222
	KPCO	0	5,919
	I&M	0	16,223
	OPCO	0	20,260
	CSP	0	14,509
	East. AEP (Co. 28)	82,133	0
	TOTAL	82,133	82,133
X. 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	20,357,562
	KPCO	0	4,777,654
	I&M	0	13,093,974
	OPCO	0	16,352,253
	CSP	0	11,710,468
	East. AEP (Co.122)	66,291,911	0
	TOTAL	66,291,911	66,291,911
XI. ESTIMATED THIS MONTH (SEE APPENDIX VI)	APCO	0	21,108,380
	KPCO	0	4,953,863
	I&M	0	13,576,893
	OPCO	0	16,955,334
	CSP	0	12,142,364
	East. AEP (Co.122)	68,736,834	0
	TOTAL	68,736,834	68,736,834
XII. ADJUSTMENT TO BE MADE NEXT MONTH	APCO	750,818	0
	KPCO	176,209	0
	I&M	482,919	0
	OPCO	603,081	0
	CSP	431,896	0
	East. AEP (Co.122)	0	2,444,923
	TOTAL	2,444,923	2,444,923

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 A/C 555	CREDIT A/C 447	CHARGE A/C 555	CREDIT A/C 447	
		kw	\$/kw	(1)	(2)	(3)	(4)	
I.	ACTUAL	APCO	(1,217,200)	8.44	10,270,373	0	21,930,790	9,099,585
	BILLING	KPCO	(220,100)	8.44	1,857,139	0	3,357,991	2,590,197
	AMOUNT	I&M	522,900	13.18	0	6,891,822	6,351,303	10,197,232
		OPCO	2,412,900	7.41	0	17,879,589	5,479,340	24,569,315
		CSP	(1,498,500)	8.44	12,643,899	0	12,791,541	3,454,636
	TOTAL				24,771,411	24,771,411	49,910,965	49,910,965
II.	PREVIOUSLY	APCO			10,372,367	0	20,151,076	8,582,253
	ESTIMATED	KPCO			1,875,582	0	3,371,481	2,665,441
	BILLING	I&M			0	7,078,578	6,376,071	9,847,915
	AMOUNT	OPCO			0	17,938,836	5,763,936	23,056,216
		CSP			12,769,465	0	12,244,689	3,755,428
	TOTAL				25,017,414	25,017,414	47,907,253	47,907,253
III.	ADJUSTMENT	APCO			(101,994)	0	1,779,714	517,332
	TO BE BOOKED	KPCO			(18,443)	0	(13,490)	(75,244)
	NEXT MONTH	I&M			0	(186,756)	(24,768)	349,317
	(I - II)	OPCO			0	(59,247)	(284,596)	1,513,099
		CSP			(125,566)	0	546,852	(300,792)
	TOTAL				(246,003)	(246,003)	2,003,712	2,003,712
				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			1,430,277	403,120	32,201,163	9,099,585
	BILLING	KPCO			184,968	152,298	5,215,130	2,590,197
	AMOUNT	I&M			310,169	651,142	6,351,303	17,089,054
		OPCO			260,394	1,596,398	5,479,340	42,448,904
		CSP			786,090	168,940	25,435,440	3,454,636
	TOTAL				2,971,898	2,971,898	74,682,376	74,682,376
II.	PREVIOUSLY	APCO			1,423,825	395,434	30,523,443	8,582,253
	ESTIMATED	KPCO			198,342	180,783	5,247,063	2,665,441
	BILLING	I&M			327,484	766,095	6,376,071	16,926,493
	AMOUNT	OPCO			291,787	1,515,825	5,763,936	40,995,052
		CSP			812,728	196,029	25,014,154	3,755,428
	TOTAL				3,054,166	3,054,166	72,924,667	72,924,667
III.	ADJUSTMENT	APCO			6,452	7,686	1,677,720	517,332
	TO BE BOOKED	KPCO			(13,374)	(28,485)	(31,933)	(75,244)
	NEXT MONTH	I&M			(17,315)	(114,953)	(24,768)	162,561
	(I - II)	OPCO			(31,393)	80,573	(284,596)	1,453,852
		CSP			(26,638)	(27,089)	421,286	(300,792)
	TOTAL				(82,268)	(82,268)	1,757,709	1,757,709

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

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

MEMBER CAPACITY \$ SETTLEMENT

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

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

NOTES:

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

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

SYSTEM ACCOUNT
SUMMARY OF ENERGY SETTLEMENT

		MWH		\$	
		RECEIVED FROM POOL	DELIVERED TO POOL	CHARGE MEMBER A/C 555	CREDIT MEMBER A/C 447
		(MLR SHARE)	(AS SUPPLIED)	(MLR SHARE)	(AS SUPPLIED)
I. AEP EXTERNAL ENERGY					
ENERGY COST	APCO	905,141	948,567	23,636,546	25,893,664
RECOVERY AND MLR	KPCO	212,147	175,770	5,547,188	4,508,989
ALLOCATION FOR ALL	I&M	579,410	410,443	15,203,004	11,579,160
AEP SYSTEM	OPCO	723,811	980,397	18,986,053	23,450,991
DELIVERIES TO	CSP	510,225	415,557	13,596,652	11,536,639
NON-AFFILIATED COS.	AEP	2,930,734	2,930,734	76,969,443	76,969,443
ADJUSTMENT TO	APCO	(545,451)	(545,451)	(16,794,153)	(16,794,153)
PREVENT RECOGNITION	KPCO	(92,728)	(92,728)	(3,104,042)	(3,104,042)
OF SALES BY POOL	I&M	(270,876)	(270,876)	(8,873,944)	(8,873,944)
MEMBERS TO	OPCO	(463,417)	(463,417)	(13,506,713)	(13,506,713)
THEMSELVES	CSP	(246,617)	(246,617)	(8,082,003)	(8,082,003)
(PAGE 7)	AEP	(1,619,089)	(1,619,089)	(50,360,855)	(50,360,855)
SUBTOTAL	APCO	359,690	403,116	6,842,393	9,099,511
AEP EXTERNAL	KPCO	119,419	83,042	2,443,146	1,404,947
ENERGY	I&M	308,534	139,567	6,329,060	2,705,216
	OPCO	260,394	516,980	5,479,340	9,944,278
	CSP	263,608	168,940	5,514,649	3,454,636
	AEP	1,311,645	1,311,645	26,608,588	26,608,588
II. INTERNAL ENERGY AMONG POOL MEMBERS					
PRIMARY	APCO	1,070,587	4	15,088,397	74
ENERGY	KPCO	65,549	69,256	914,845	1,185,250
(PAGE 8)	I&M	1,635	511,575	22,243	7,492,016
	OPCO	0	1,079,418	0	14,625,037
	CSP	522,482	0	7,276,892	0
	AEP	1,660,253	1,660,253	23,302,377	23,302,377
ECONOMY	APCO	0	0	0	0
ENERGY	KPCO	0	0	0	0
(PAGE 9)	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
III. TOTAL SYSTEM ACCOUNT ENERGY					
(I + II)	APCO	1,430,277	403,120	21,930,790	9,099,585
	KPCO	184,968	152,298	3,357,991	2,590,197
	I&M	310,169	651,142	6,351,303	10,197,232
	OPCO	260,394	1,596,398	5,479,340	24,569,315
	CSP	786,090	168,940	12,791,541	3,454,636
	AEP	2,971,898	2,971,898	49,910,965	49,910,965

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	0	0	0	0
COST RECOVERY	KPCO	0	0	0	0
ALLOCATED TO	I&M	0	0	0	0
SPECIAL SERVICE	OPCO	0	0	0	0
CUSTOMERS	CSP	0	0	0	0
	AEP	0	0	0	0
PREVIOUSLY	APCO	0	0	0	0
ESTIMATED	KPCO	0	0	0	0
AMOUNT	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0
ADJUSTMENT	APCO	0	0	0	0
TO BE BOOKED	KPCO	0	0	0	0
NEXT MONTH	I&M	0	0	0	0
	OPCO	0	0	0	0
	CSP	0	0	0	0
	AEP	0	0	0	0

FE: (*) 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.) (\$) <u>(1)</u>	CREDIT MEMBER (1) COST RECOVERY (\$) <u>(2)</u>	CREDIT MEMBER (2) SYSTEM SALES REVENUES (\$) <u>(3)</u>	EXCESS OF REVENUE OVER ENERGY COSTS (\$) <u>(4)=(3)-(1)</u>
APCO	23,636,546	25,893,664	30,538,144	6,901,598
KPCO	5,547,188	4,508,989	7,166,901	1,619,713
I&M	15,203,004	11,579,160	19,642,115	4,439,111
OPCO	18,986,053	23,450,991	24,529,782	5,543,729
CSP	13,596,652	11,536,639	17,566,730	3,970,078
TOTAL	<u>76,969,443</u>	<u>76,969,443</u>	<u>99,443,672</u>	<u>22,474,229</u>

	DEMAND CHARGE PAID TO THIRD PARTIES (\$) <u>(5)</u>	NET REVENUE REALIZED BY THE MEMBERS (I.E., EXCESS OF REVENUE OVER INCURRED COSTS) (\$) <u>(6)=(4)-(5)</u>	(MLR) MEMBER LOAD RATIO THIS MONTH <u>(7)</u>
APCO	374,905	6,526,693	0.30709
KPCO	87,985	1,531,728	0.07207
I&M	241,139	4,197,972	0.19752
OPCO	301,143	5,242,586	0.24667
CSP	215,660	3,754,418	0.17665
TOTAL	<u>1,220,832</u>	<u>21,253,397</u>	<u>1.00000</u>

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 \$502.80/ton for SO2 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:		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%	

CAPACITY REALIZATION:		CAPACITY REALIZATION	AEP % SHARING RATIO
EASTERN AEP:	24,503,000	71.06%	(1)
WESTERN AEP:	9,981,000	28.94%	(2)
TOTAL:	34,484,000	100.00%	

NET REVENUE REALIZED BY THE MEMBERS (Page 6, Col. 6)	ADJUSTMENT TO NET REVENUE FOR SO2 ALLOWANCES (\$ x MLR) (3)	NET REVENUE FROM DEDICATED TRANSACTIONS (EXCLUDABLE) (Appx VIII, Pg 6) (\$ x MLR) (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 MLR) (5)	EXERCISED OPTION PREMIUMS (Appendix VIII, Pg 7) (\$)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
APCO	6,526,693	54,463	36,925	4,591,846	1,082,415	(158,195)
WPCO	1,531,728	12,782	8,665	1,077,646	254,029	(37,126)
I&M	4,197,972	35,091	23,750	2,953,471	696,209	(101,751)
OPCO	5,242,586	43,748	29,660	3,688,399	869,450	(127,070)
CSP	3,754,418	31,329	21,240	2,641,406	622,647	(91,000)
TOTAL	21,253,397	177,353	120,240	14,952,768	3,524,750	(\$515,143)
EXERCISED OPTIONS (Appendix VII, Pg 1)	POWER BROKERS' COMMISSIONS (Appendix VII, Pg 2)	POWER SWAPS NET (Appendix VII, Pg 3)	FINANCIAL SPARK GAS (Appendix VIII, Pg 7)	DOW PURCHASES ASSOCIATED (Appx VIII, page 7)	DOW SALES ASSOCIATED (Appx VIII, page 7)	PJM CHARGES & CREDITS (Appx IX)
(8)	(9)	(10)	(11)	(12)	(13)	(14)
(352,972)	(61,536)	1,437	(1,190,854)	(169,126)	265,353	(1,476,363)
(85,838)	(14,438)	337	(279,407)	(39,692)	62,275	(346,483)
(227,032)	(39,576)	925	(765,763)	(108,781)	170,675	(949,595)
(283,525)	(49,418)	1,195	(956,312)	(135,850)	213,144	(1,185,888)
(203,043)	(35,394)	826	(684,852)	(97,287)	182,641	(849,261)
(1,149,410)	(200,362)	4,680	(3,876,888)	(950,736)	864,088	(4,807,569)
NET OF ALL OF ABOVE (15)-(1)-(2)-(3)-(4)-(5)-(6)-(7)-(8)-(9)-(10)-(11)-(12)-(13)-(14)						
APCO	8,200,545		JANUARY 2004	51,735,465		
WPCO	1,924,564		FEBRUARY 2004	41,832,275		
I&M	5,274,599		MARCH 2004	23,594,599		
OPCO	6,587,120		APRIL 2004	38,259,038		
CSP	4,717,287		MAY 2004	45,914,775		
EASTERN AEP REALIZATION:	26,704,115		JUNE 2004	73,096,145		
LESS TRACTABEL SALE:	0		JULY 2004	77,496,934		
PARIBAS SPARK GAS FUTURES (East):	(5,482,988)		AUGUST 2004	62,936,917		
REFCO FUTURES (East):	(1,064,482)		SEPTEMBER 2004	35,407,665		
WESTERN AEP REALIZATION:	(13,943,045)		OCTOBER 2004			
TOTAL REALIZATION TO BE SHARED:	6,213,600	(2)	NOVEMBER 2004			
			DECEMBER 2004			
			TOTAL	450,275,813		

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 charge for Unit Power
 (5) Margin reclassified between trading and non-trading due to non-trading transactions being booked out with trading transactions.

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	376,871	6,905,101	0.30709	115,733	2,120,487
KPCO	81,508	1,394,876	0.07207	5,874	100,529
I&M	87,593	1,363,008	0.19752	17,301	269,221
OPCO	490,528	7,605,262	0.24667	120,999	1,875,990
CSP	147,451	2,496,898	0.17665	26,047	441,077
TOTAL	1,183,951	19,765,145	1.00000	285,954	4,807,304

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

	MWh	COST (\$)	MLR (APPENDIX I)	ADJUSTMENT	
				MWh	COST (\$)
APCO	204,901	6,227,211	0.30709	62,923	1,912,314
KPCO	7,983	119,190	0.07207	575	8,590
I&M	86,326	2,008,061	0.19752	17,051	396,632
OPCO	195,732	5,595,166	0.24667	48,281	1,380,160
CSP	57,735	1,698,931	0.17665	10,199	300,116
TOTAL	552,677	15,648,559	1.00000	139,029	3,997,812

III. PURCHASED POWER SUPPLIED FOR SYSTEM SALES (3)

	AS ALLOCATED	
	MWh	COST (\$)
APCO	366,795	12,761,352
KPCO	86,279	2,994,923
I&M	236,524	8,208,091
OPCO	294,137	10,250,563
CSP	210,371	7,340,810
TOTAL	1,194,106	41,555,739

IV. TOTAL ADJUSTMENT (I + II + III)

	TOTAL ADJUSTMENT TO PAGE 4	
	MWh	COST (\$)
APCO	545,451	16,794,153
KPCO	92,728	3,104,042
I&M	270,876	8,873,944
OPCO	463,417	13,506,713
CSP	246,617	8,082,003
TOTAL	1,619,089	50,360,855

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 II above).

PRIMARY ENERGY

DELIVERING MEMBER	RECEIVING MEMBER	MWh	RECEIVED ENERGY	
			\$/MWh	CHARGE (\$)
1. KPCO	APCO	48,034	18.333	880,607
2. I&M	APCO	322,279	14.644	4,719,776
3. OPCO	APCO	700,274	13.549	9,488,014
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	1,070,587	14.094	15,088,397
6. APCO	KPCO	2	18.823	37
7. I&M	KPCO	24,372	14.644	356,928
8. OPCO	KPCO	41,175	13.549	557,880
9. CSP	KPCO	0	0.000	0
10. TOTAL	KPCO	65,549	13.957	914,845
11. APCO	I&M	0	0.000	0
12. KPCO	I&M	19	18.333	348
13. OPCO	I&M	1,616	13.549	21,895
14. CSP	I&M	0	0.000	0
15. TOTAL	I&M	1,635	13.604	22,243
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	2	18.823	37
22. KPCO	CSP	21,203	18.333	304,295
23. I&M	CSP	164,924	14.644	2,415,312
24. OPCO	CSP	336,353	13.549	4,557,248
25. TOTAL	CSP	522,482	13.928	7,276,892
26. TOTAL ALL MEMBERS RECEIVED		1,660,253	14.035	23,302,377

TOTAL DELIVERED BY MEMBER	SUM OF LINES	MWh	DELIVERED ENERGY	
			\$/MWh	CREDIT (\$)
27. APCO	6, 11, 16, & 21	4	18.823	74
28. KPCO	1, 12, 17, & 22	69,256	18.333	1,185,250
29. I&M	2, 7, 18, & 23	511,575	14.644	7,492,016
30. OPCO	3, 8, 13, & 24	1,079,418	13.549	14,625,037
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		1,660,253	14.035	23,302,377

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	0	0.000	0
2. I&M	APCO	0	0.000	0
3. OPCO	APCO	0	0.000	0
4. CSP	APCO	0	0.000	0
5. TOTAL	APCO	0	0.000	0
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		0	0.000	0
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	0	0.000	0
29. I&M	2, 7, 18, & 23	0	0.000	0
30. OPCO	3, 8, 13, & 24	0	0.000	0
31. CSP	4, 9, 14, & 19	0	0.000	0
32. TOTAL ALL MEMBERS DELIVERED:		0	0.000	0

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	SO2 EMISSION ALLOWANCES (b)	SO2 EMISSION ALLOWANCES EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
APCO	AMOS 1	43,924	364,955	0.1204	2,166	260.6880
	AMOS 2	37,897	413,221	0.0917	2,447	224.4173
	AMOS 3	36,997	175,645	0.2106	1,036	218.2180
	CLINCH RIVER 1	31,498	117,305	0.2685	602	161.6452
	CLINCH RIVER 2	24,530	100,322	0.2445	538	131.5478
	CLINCH RIVER 3	26,637	80,990	0.3289	148	48.6761
	GLEN LYN 51	2,803	15,920	0.1760	187	32.9199
	GLEN LYN 52	4,016	22,815	0.1760	268	47.1793
	GLEN LYN 6	34,375	111,780	0.3075	726	223.2622
	KANAWHA RIVER 1	27,498	95,004	0.2894	722	208.9760
	KANAWHA RIVER 2	23,780	86,057	0.2763	573	158.3362
	MOUNTAINEER 1	7,269	25,917	0.2805	250	70.1181
	SPORN 1	16,672	51,090	0.3263	409	133.4674
	SPORN 3	22,579	66,366	0.3402	513	174.5325
	TOTAL	340,475	1,727,387	0.1971	10,585	2,093.9840
KPCO	BIG SANDY 1	30,366	76,866	0.3951	489	193.1800
	BIG SANDY 2	51,142	348,545	0.1467	2,111	309.7470
	ROCKPORT 1 (AEG)	3,634	112,376	0.0323	305	9.8630
	ROCKPORT 2 (AEG)	4,349	110,444	0.0394	300	11.8132
		TOTAL	89,491	648,231	0.1381	3,205
I&M	ROCKPORT 1	12,111	374,530	0.0323	1,017	32.8862
	ROCKPORT 1 (AEG)	8,476	262,144	0.0323	712	23.0214
	ROCKPORT 2	7,496	189,590	0.0395	515	20.3620
	ROCKPORT 2 (AEG)	10,161	257,385	0.0395	698	27.5555
	TANNERS CREEK 1	14,860	63,189	0.2352	384	90.3043
	TANNERS CREEK 2	18,229	63,859	0.2855	388	110.7573
	TANNERS CREEK 3	22,573	81,961	0.2754	504	138.8074
	TANNERS CREEK 4	12,324	305,318	0.0404	4,406	177.8459
	TOTAL	106,230	1,597,976	0.0665	8,624	621.5400

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	SO2 EMISSION ALLOWANCES (b)	SO2 EMISSION ALLOWANCES EXPENDED FOR SYSTEM SALES (5)=(3)*(4)
		(1)	(2)	(3)=(1)/(2)	(4)	(5)=(3)*(4)
OPCO	AMOS 3	76,312	356,613	0.2140	2,268	485.3318
	CARDINAL 1	40,469	318,349	0.1271	4,397	558.9532
	CARDINAL 2	63,841	63,841	1.0000	444	443.9572
	CARDINAL 3	35,497	35,497	1.0000	300	300.1110
	GAVIN 1	3,062	834,808	0.0037	1,167	4.2805
	GAVIN 2	1,471	715,713	0.0021	1,335	2.7438
	KAMMER 1	5,033	102,497	0.0491	1,133	55.6347
	KAMMER 2	4,943	53,935	0.0916	588	53.8886
	KAMMER 3	7,441	95,740	0.0777	1,051	81.6847
	MITCHELL 1	45,328	309,085	0.1467	2,243	328.9409
	MITCHELL 2	40,948	401,027	0.1021	2,870	293.0495
	MUSKINGUM 1	20,337	82,362	0.2469	2,002	494.3381
	MUSKINGUM 2	21,362	95,057	0.2247	2,346	527.2126
	MUSKINGUM 3	27,815	97,440	0.2855	2,287	652.8418
	MUSKINGUM 4	21,356	84,464	0.2528	1,930	487.9840
	MUSKINGUM 5	16,349	219,909	0.0743	2,886	214.5579
	SPORN 2	15,800	43,184	0.3659	339	124.0320
	SPORN 4	17,179	68,047	0.2525	542	136.8322
	SPORN 5	25,985	155,380	0.1672	1,820	304.3680
	TOTAL	490,528	4,132,948	0.1187	31,948	5,550.7425
CSP	BECKJORD 6	5,891	22,314	0.2640	250	66.0012
	CONESVILLE 1	5,098	30,634	0.1664	466	77.5500
	CONESVILLE 2	0	0	0.0000	(3)	0.0000
	CONESVILLE 3	11,235	57,300	0.1961	913	179.0149
	CONESVILLE 4	0	0	0.0000	1	0.0000
	CONESVILLE 5	32,948	201,916	0.1632	415	67.7184
	CONESVILLE 6	38,897	201,780	0.1928	406	78.2644
	PICWAY 5	11,716	30,509	0.3840	484	185.8646
	STUART 1	3,334	62,126	0.0537	535	28.7108
	STUART 2	7,316	62,200	0.1176	473	55.6345
	STUART 3	16,291	67,111	0.2427	512	124.2865
	STUART 4	11,541	58,833	0.1962	449	88.0783
	ZIMMER 1	3,184	204,807	0.0155	584	9.0791
	TOTAL	147,451	999,530	0.1475	5,485	960.2027

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

	ACCOUNT 509		SOURCE ALLOCATION
I. AEP EXTERNAL ENERGY (3)	SO2 COST (\$) <u>(AS SUPPLIED)</u> (1)	SO2 COST (\$) <u>(ADJUSTED)</u> (2)	\$ <u>SO2 ADJUSTMENT</u> (3)=(2)-(1)
APCO	969,375	248,515	(720,860)
KPCO	273,703	36,985	(236,718)
I&M	272,578	40,897	(231,681)
OPCO	2,616,879	447,897	(2,168,982)
CSP	508,179	60,282	(447,897)
AEP	4,640,714	834,576	(3,806,138)
	NOX COST (\$) <u>(AS SUPPLIED)</u> (4)	NOX COST (\$) <u>(ADJUSTED)</u> (5)	\$ <u>NOX ADJUSTMENT</u> (6)=(5)-(4)
APCO	0	0	0
KPCO	0	0	0
I&M	0	0	0
OPCO	0	0	0
CSP	0	0	0
AEP	0	0	0
	SOURCE ALLOCATION <u>(UNADJUSTED)</u> (7)	SOURCE ALLOCATION <u>(ADJUSTED)</u> (8)=(7)+(3)+(6)	
APCO	26,614,524	25,893,664	
KPCO	4,745,707	4,508,989	
I&M	11,810,841	11,579,160	
OPCO	25,619,973	23,450,991	
CSP	11,984,536	11,536,639	
AEP	80,775,581	76,969,443	

	SO2	NOX
NOTES: (1) Market Price (\$/allowance):	502.80	
(2) APCO allowance:	60.60	0.00
KPCO allowance:	70.50	0.00
I&M allowance:	65.80	0.00
OPCO allowance:	77.41	0.00
CSP allowance:	62.78	148.70

(7) From ECR/MLR report "Allocated Sources by Operating Companies - All Deliveries"

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SUPPORTING COST AND OPERATING DATA

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AMERICAN ELECTRIC POWER SYSTEM
MEMBER LOAD RATIO SUMMARY

MONTH ENDING 8/31/2004

MEMBER LOAD RATIO
OCTOBER 2004

	<i>07 5 30</i>				
<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>	
0.30709	0.07207	0.19752	0.24667	0.17665	

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

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

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

<u>TOTAL</u>	<u>APPALACHIAN</u>	<u>KENTUCKY</u>	<u>INDIANA</u>	<u>OHIO</u>	<u>COLUMBUS</u>
20509	<i>7100</i> 6298	<i>1475</i> 1478	4051	5059	3623
E/TIME	01/07 HR 08	01/31 HR 09	07/22 HR 15	08/03 HR 17	07/13 HR 16

20509

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 Summersville)	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

SOURCE: KW RATINGS ARE ESTABLISHED BY THE OPERATING COMMITTEE.

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 Capability 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	335,534,225		
Gavin	2,600,000	989,949,191		
Kammer	630,000	257,699,906		
Mitchell	1,600,000	473,025,193		
Muskingum River	1,425,000	501,486,862		
Sporn	750,000	309,973,742		
Ohio Total	<u>8,472,000</u>	<u>3,204,423,264</u>	378.24	5.18
KENTUCKY POWER COMPANY				
Big Sandy	1,060,000	449,424,921		
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>642,652,484</u>	443.21	6.07

* 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.

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	150,515	4,439,196	2,996,878	1,034,707	2,785,029	211,849
SPORN (APCO)	117,456	2,923,536	2,425,934	236,781	2,349,695	76,239
KANAWHA RIVER	181,061	5,455,455	3,686,765	1,454,811	3,496,727	190,038
CLINCH RIVER	298,617	6,162,021	4,657,670	1,110,140	4,454,830	202,840
AMOS (APCO)	955,417	16,268,665	13,925,231	1,527,344	13,396,006	529,225
MOUNTAINEER	25,917	3,888,647	546,856	3,245,459	431,000	115,856
TOTAL	1,728,983	39,137,520	28,239,334	8,609,242	26,913,287	1,326,047
RATES:		18.823	16.333	2.490	15.566	0.767
<u>KENTUCKY POWER COMPANY</u>						
BIG SANDY	425,411	9,783,121	8,038,073	1,192,634	7,842,391	195,682
ROCKPORT 1 (AEG)	112,376	1,776,987	1,586,401	121,857	1,539,988	46,413
ROCKPORT 2 (AEG)	110,444	2,955,597	1,547,207	110,611	1,527,864	19,343
TOTAL	648,231	14,515,705	11,171,681	1,425,102	10,910,243	261,438
RATES:		18.333	17.234	1.099	16.831	0.403
<u>INDIANA MICHIGAN POWER COMPANY</u>						
TANNERS CREEK 1-3	209,009		3,661,685		3,437,201	224,484
TANNERS CREEK 4	305,318		4,404,667		4,095,160	309,507
TANNERS CREEK TOTAL	514,327	9,959,141	8,066,352	1,155,711	7,532,361	533,991
ROCKPORT 1 (OWNED SHARE)	374,530	5,856,544	5,287,063	391,296	5,132,377	154,686
ROCKPORT 1 (AEG)	262,144	4,146,302	3,700,661	284,332	3,592,391	108,270
ROCKPORT 2 (AEG)	257,385	6,896,394	3,605,699	258,093	3,560,623	45,076
ROCKPORT 2 (LEASED SHARE)	189,590	5,878,570	2,662,170	217,130	2,621,127	41,043
COOK	777,901	24,579,981	4,054,089	12,528,424	4,054,089	0
TOTAL	2,375,877	57,316,932	27,376,034	14,834,986	26,492,968	883,066
RATES:		14.645	11.523	3.122	11.151	0.372
<u>OHIO POWER COMPANY</u>						
SPORN (OPCO)	266,611	7,286,181	5,402,160	1,360,890	5,243,289	158,871
MUSKINGUM	579,232	9,449,207	6,972,076	1,389,579	6,976,934	(4,858)
KAMMER	252,172	6,077,951	3,221,246	2,594,302	2,953,248	267,998
CARDINAL (OPCO)	287,479	4,447,427	4,069,972	125,211	3,972,485	97,487
MITCHELL	710,112	12,420,641	10,420,716	1,173,835	10,208,244	212,472
AMOS (OPCO)	355,017	5,812,988	5,209,380	192,919	5,079,491	129,889
GAVIN	1,550,521	27,647,414	14,652,035	1,687,266	14,002,811	649,224
TOTAL	4,001,144	73,141,809	49,947,585	8,524,002	48,436,502	1,511,083
RATES:		13.549	12.484	1.065	12.106	0.378
<u>COLUMBUS SOUTHERN POWER COMPANY</u>						
CONESVILLE	491,630	11,677,074	7,700,375	1,476,802	6,890,314	810,061
PICWAY	30,509	773,653	499,669	78,804	471,343	28,326
BECKJORD	22,314	432,203	343,395	56,263	335,341	8,054
STUART	250,270	5,183,268	4,330,384	352,686	4,279,353	51,031
ZIMMER	204,807	3,991,315	2,413,023	538,807	2,218,858	194,165
TOTAL	999,530	22,057,513	15,286,846	2,503,362	14,195,209	1,091,637
RATES:		16.546	15.294	1.252	14.202	1.092
SYSTEM TOTAL	9,753,765	206,169,479	132,021,480	35,896,694	126,948,209	5,073,271

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	39,137,520	26,913,287	1,326,047	8,609,242	4,304,621
KPCO	14,515,705	10,910,243	261,438	1,425,102	712,551
I&M	57,316,932	26,492,968	883,066	14,834,986	7,417,493
OPCO	73,141,809	48,436,502	1,511,083	8,524,002	4,262,001
CSP	22,057,513	14,195,209	1,091,637	2,503,362	1,251,681
TOTAL	206,169,479	126,948,209	5,073,271	35,896,694	17,948,347

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	5,630,668	1,728,983	1,728,983	18.823
KPCO	973,989	648,231	648,231	18.333
I&M	8,300,559	2,375,877	2,375,877	14.644
OPCO	5,773,084	4,001,144	4,001,144	13.549
CSP	2,343,318	999,530	999,530	16.546
TOTAL	23,021,618	9,753,765	9,753,765	15.375

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	6,593,565	5,073,000	1.30
KPCO	2,631,473	1,450,000	1.81
I&M	22,523,405	5,089,000	4.43
OPCO	18,932,223	8,472,000	2.23
CSP	5,518,986	2,595,000	2.13
TOTAL	56,199,652	22,679,000	2.48

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	36,925	0	33,166	0	3,759	0
	KPCO	8,665	0	7,784	0	881	0
	I&M	23,750	0	18,092	0	5,658	0
	OPCO	0	90,580	0	78,120	0	12,460
	CSP	21,240	0	19,078	0	2,162	0
	TOTAL	90,580	90,580	78,120	78,120	12,460	12,460
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NET AMOUNT DUE FOR ALL SYSTEM TRANSACTIONS (EXCEPT TRANS. SERVICE) (1)	APCO	0	16,129,969	0	17,006,073	876,104	0
	KPCO	0	3,785,489	0	3,991,099	205,610	0
	I&M	0	10,374,791	0	10,938,301	563,510	0
	OPCO	0	12,956,429	0	13,660,160	703,731	0
	CSP	0	9,278,591	0	9,782,560	503,969	0
	East. AEP (Co. 122)	52,525,269	0	55,378,193	0	0	2,852,924
	TOTAL	52,525,269	52,525,269	55,378,193	55,378,193	2,852,924	2,852,924
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THIRD PARTY SALES (2)	APCO	414,508	4,642,101	416,070	4,518,377	3,991	129,277
	KPCO	97,276	1,089,441	97,640	1,060,404	936	30,337
	I&M	266,608	2,985,791	267,620	2,906,212	2,566	83,157
	OPCO	332,943	3,728,767	334,213	3,629,387	3,206	103,856
	CSP	238,437	2,670,314	239,339	2,599,143	2,295	74,368
	East. AEP (Co. 122)	15,116,414	1,349,772	14,713,523	1,354,882	420,995	12,994
	TOTAL	16,466,186	16,466,186	16,068,405	16,068,405	433,989	433,989
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GROSS TOTAL	APCO	414,508	20,772,070	416,070	21,524,450	880,095	129,277
	KPCO	97,276	4,874,930	97,640	5,051,503	206,546	30,337
	I&M	266,608	13,360,582	267,620	13,844,513	566,076	83,157
	OPCO	332,943	16,685,196	334,213	17,289,547	706,937	103,856
	CSP	238,437	11,948,905	239,339	12,381,703	506,264	74,368
	East. AEP (Co. 122)	67,641,683	1,349,772	70,091,716	1,354,882	420,995	2,865,918
	TOTAL	68,991,455	68,991,455	71,446,598	71,446,598	3,286,913	3,286,913
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NET TOTAL	APCO	0	20,357,562	0	21,108,380	750,818	0
	KPCO	0	4,777,654	0	4,953,863	176,209	0
	I&M	0	13,093,974	0	13,576,893	482,919	0
	OPCO	0	16,352,253	0	16,955,334	603,081	0
	CSP	0	11,710,468	0	12,142,364	431,896	0
	East. AEP (Co. 122)	66,291,911	0	68,736,834	0	0	2,444,923
	TOTAL	66,291,911	66,291,911	68,736,834	68,736,834	2,444,923	2,444,923

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	ACCT	CO. AGNT	CO. ACTUAL BILL	MLR						Total	AMOUNT DUE (TO)/FROM AGENT						NET			
					APCO	KPCO	I&M	OPCO	CSP	APCO		KPCO	I&M	OPCO	CSP						
	Totals			120,240	30,709%	7,207%	19,752%	24,667%	17,665%	100.00%	36,925	8,665	23,750	29,660	21,240	(36,925)	(8,665)	(23,750)	90,580	(21,240)	-
ENTE	Energy Power Serv	4470066 07		7,512	2,307	541	1,484	1,853	1,327	7,512	2,307	541	1,484	1,327	(2,307)	(541)	(1,484)	5,659	(1,327)	-	
EXGN	Exelon Energy	4470066 07		3,194	981	230	631	788	564	3,194	981	230	631	564	(981)	(230)	(631)	2,406	(564)	-	
MISO	Midwest ISO	(3) 4470066 07		109,534	33,637	7,894	21,635	27,019	19,349	109,534	33,637	7,894	21,635	19,349	(33,637)	(7,894)	(21,635)	82,515	(19,349)	-	

Notes: (1) Invoice for Month 2004 transmission.

(2) To be booked in account #4210.020 (more than 2 tiers away).

(3) A portion of the MISO invoice is charged back to CPP (\$48,783)

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	
ENERGY (1)						
I.	ACTUAL	APCO	4,610,099	4,819,855	170,406,758	174,998,604
	THIS MONTH	KPCO	1,081,926	1,131,152	39,992,234	41,069,880
		I&M	2,965,202	3,100,119	109,605,467	112,558,938
		OPCO	3,703,052	3,871,542	136,879,205	140,567,604
		CSP	2,651,901	2,772,557	98,024,533	100,665,939
		TOTAL	15,012,180	15,695,225	554,908,197	569,860,965
II.	PREVIOUS	APCO	4,606,950	4,828,002	170,248,884	174,713,015
	ESTIMATE	KPCO	1,081,190	1,133,069	39,955,183	41,002,856
		I&M	2,963,182	3,105,360	109,503,922	112,375,248
		OPCO	3,700,531	3,878,089	136,752,393	140,338,206
		CSP	2,650,095	2,777,248	97,933,718	100,501,658
		TOTAL	15,001,948	15,721,768	554,394,100	568,930,983
III.	ADJUSTMENT	APCO	3,149	(8,147)	157,874	285,589
	(I-II)	KPCO	736	(1,917)	37,051	67,024
		I&M	2,020	(5,241)	101,545	183,690
		OPCO	2,521	(6,547)	126,812	229,398
		CSP	1,806	(4,691)	90,815	164,281
		TOTAL	10,232	(26,543)	514,097	929,982
EXERCISED OPTIONS & PREMIUMS (2)						
		ACCT. 4470.011	ACCT. 4470.007	TOTAL COSTS TO BE BOOKED ACCT. 4470.011	TOTAL REVENUES TO BE BOOKED ACCT. 4470.007	
I.	ACTUAL	APCO	91,038	89,946	3,853,061	3,500,089
	THIS MONTH	KPCO	21,365	21,110	904,263	821,425
		I&M	58,553	57,853	2,478,286	2,251,254
		OPCO	73,125	72,250	3,094,971	2,811,446
		CSP	52,369	51,741	2,216,429	2,013,386
		TOTAL	296,450	292,900	12,547,010	11,397,600
II.	PREVIOUS	APCO	91,038	89,946	3,853,061	3,500,089
	ESTIMATE	KPCO	21,365	21,110	904,263	821,425
		I&M	58,553	57,853	2,478,286	2,251,254
		OPCO	73,125	72,250	3,094,971	2,811,446
		CSP	52,369	51,741	2,216,429	2,013,386
		TOTAL	296,450	292,900	12,547,010	11,397,600
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

BELOW THE <u>LINE</u>	ALLOCATION BY MLR (MWh)						ALLOCATION BY MLR (\$)					
	FINANCIAL		PHYSICAL BOOKOUT		GAIN		FINANCIAL		PHYSICAL BOOKOUT		GAIN	
	LOSSES		PURCHASES		REVENUES		LOSSES		PURCHASES		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	820,795	820,797		387,061		35,332,288		35,768,167		
	KPCO	0	192,632	192,631		90,837		8,292,025		8,394,320		
	I&M	0	527,935	527,935		248,955		22,725,694		23,006,044		
	OPCO	0	659,303	659,305		310,901		28,380,655		28,730,769		
	CSP	0	472,154	472,152		222,648		20,324,493		20,575,223		
	TOTAL	0	2,672,819	2,672,820		1,260,402		115,055,155		116,474,523		
II. PREVIOUS ESTIMATE	APCO	0	820,771	820,773		387,061		35,327,935		35,767,562		
	KPCO	0	192,627	192,626		90,837		8,291,004		8,394,178		
	I&M	0	527,920	527,920		248,955		22,722,895		23,005,655		
	OPCO	0	659,285	659,287		310,901		28,377,159		28,730,284		
	CSP	0	472,141	472,139		222,648		20,321,990		20,574,875		
	TOTAL	0	2,672,744	2,672,745		1,260,402		115,040,983		116,472,554		
III. ADJUSTMENT (I-II)	APCO	0	24	24		0		4,353		605		
	KPCO	0	5	5		0		1,021		142		
	I&M	0	15	15		0		2,799		389		
	OPCO	0	18	18		0		3,496		485		
	CSP	0	13	13		0		2,503		348		
	TOTAL	0	75	75		0		14,172		1,969		

BROKERS'
COMMISSIONS (3)

	ALLOCATION BY MLR (\$)		
	PURCHASE	SALES	
	COSTS	REVENUES	
	ACCT. 4470.010	ACCT. 4470.006	
I. ACTUAL THIS MONTH	APCO	19,185	(42,351)
	KPCO	4,504	(9,934)
	I&M	12,342	(27,234)
	OPCO	15,409	(34,009)
	CSP	11,037	(24,357)
	TOTAL	62,477	(137,885)
II. PREVIOUS ESTIMATE	APCO	20,694	(42,404)
	KPCO	4,853	(9,949)
	I&M	13,306	(27,282)
	OPCO	16,620	(34,068)
	CSP	11,901	(24,395)
	TOTAL	67,374	(138,098)
III. ADJUSTMENT (I-II)	APCO	(1,509)	53
	KPCO	(349)	15
	I&M	(964)	48
	OPCO	(1,211)	59
	CSP	(864)	38
	TOTAL	(4,897)	213

ACTUAL: October 2004

APPENDIX VII

Page 3 of 4

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	1,437
	THIS MONTH	KPCO	337
		I&M	925
		OPCO	1,155
		CSP	826
		TOTAL	<u>4,680</u>
II.	PREVIOUS	APCO	1,680
	ESTIMATE	KPCO	394
		I&M	1,081
		OPCO	1,350
		CSP	966
		TOTAL	<u>5,471</u>
III.	ADJUSTMENT	APCO	(243)
	(I-II)	KPCO	(57)
		I&M	(156)
		OPCO	(195)
		CSP	(140)
		TOTAL	<u>(791)</u>

SETTLEMENT WITH SYSTEM AGENT ASSOCIATED
WITH MLR ALLOCATIONS OF AEP 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	APCO	0	4,591,846	0	4,464,131	0	127,715
SALES (1)	KPCO	0	1,077,646	0	1,047,673	0	29,973
	I&M	0	2,953,471	0	2,871,326	0	82,145
	OPCO	0	3,688,399	0	3,585,813	0	102,586
	CSP	0	2,641,406	0	2,567,940	0	73,466
	East. AEP (Co.122)	14,952,768	0	14,536,883	0	415,885	0
	TOTAL	14,952,768	14,952,768	14,536,883	14,536,883	415,885	415,885
EXERCISED OPTIONS & PREMIUMS (2)	APCO	352,972	0	352,972	0	0	0
	KPCO	82,838	0	82,838	0	0	0
	I&M	227,032	0	227,032	0	0	0
	OPCO	283,525	0	283,525	0	0	0
	CSP	203,043	0	203,043	0	0	0
	East. AEP (Co.122)	0	1,149,410	0	1,149,410	0	0
	TOTAL	1,149,410	1,149,410	1,149,410	1,149,410	0	0
BELOW THE LINE	APCO	0	48,818	0	52,566	3,748	0
	KPCO	0	11,458	0	12,337	879	0
	I&M	0	31,395	0	33,805	2,410	0
	OPCO	0	39,213	0	42,224	3,011	0
	CSP	0	28,082	0	30,237	2,155	0
	East. AEP (Co.122)	158,966	0	171,169	0	0	12,203
	TOTAL	158,966	158,966	171,169	171,169	12,203	12,203
BROKERS' COMMISSIONS (3)	APCO	61,536	0	63,098	0	0	1,562
	KPCO	14,438	0	14,802	0	0	364
	I&M	39,576	0	40,588	0	0	1,012
	OPCO	49,418	0	50,688	0	0	1,270
	CSP	35,394	0	36,296	0	0	902
	East. AEP (Co.122)	0	200,362	0	205,472	5,110	0
	TOTAL	200,362	200,362	205,472	205,472	5,110	5,110
POWER SWAPS	APCO	0	1,437	0	1,680	243	0
	KPCO	0	337	0	394	57	0
	I&M	0	925	0	1,081	156	0
	OPCO	0	1,155	0	1,350	195	0
	CSP	0	826	0	966	140	0
	East. AEP (Co.122)	4,680	0	5,471	0	0	791
	TOTAL	4,680	4,680	5,471	5,471	791	791
NET BOOKOUTS, OPTIONS, BROKERS' COMMISSIONS, SWAPS & SPARK GAS	APCO	414,508	4,642,101	416,070	4,518,377	3,991	129,277
	KPCO	97,276	1,089,441	97,640	1,060,404	936	30,337
	I&M	266,608	2,985,791	267,620	2,906,212	2,566	83,157
	OPCO	332,943	3,728,767	334,213	3,629,387	3,206	103,856
	CSP	238,437	2,670,314	239,339	2,599,143	2,295	74,368
	East. AEP (Co.122)	15,116,414	1,349,772	14,713,523	1,354,882	420,995	12,994
	TOTAL	16,466,186	16,466,186	16,068,405	16,068,405	433,989	433,989

NOTES:

- (1) Power that did not enter into nor did it flow out of the AEP System, and is not included in the ECR/MLR report.
(2) Sold in previous period(s) and exercised in: October 2004
(3) Actual commissions paid in October 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
CP&L - Unit Power	\$2,198,217	\$2,490,263	\$2,562,529	\$2,705,213	\$2,615,136	\$2,589,883	\$2,699,430	\$2,520,713	\$2,754,889	\$3,003,151	\$2,919,434	\$2,866,195
VEPCo - Unit Power	(\$1,123,105)	\$3,038,022	\$3,527,361	\$2,598,489	\$2,647,320	\$3,486,881	\$321,838	\$0	\$0	\$0	\$0	\$0
Net ECR (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
SO2 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)	(\$1,281,526)	(\$730,367)	(\$486,787)	(\$262,874)	(\$283,600)	(\$769,597)	(\$301,407)	(\$433,753)	(\$428,732)	(\$845,606)	(\$805,598)
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
Less Dedicated												
Transaction Realization (from Pg. 2)	(\$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)
Less LT Pre-Merger Trading Realizations												(\$4,463,194)
Plus 6/30/00 MTM of Open Positions												\$84,178,867
Plus Off System Sales												
Transaction Realization (Above Line) (from Pg. 3)	\$18,397,954	\$25,716,949	(\$14,228,723)	(\$3,750,052)	(\$1,572,486)	\$588,921	\$2,349,698	\$1,065,790	(\$4,066,395)	\$1,643,564	\$6,785,292	(\$12,397,596)
Monthly Total	\$31,636,939	\$41,799,978	(\$10,735,881)	(\$7,16,679)	(\$135,060)	\$3,846,903	\$10,988,707	\$13,320,657	\$3,891,445	\$13,621,776	\$36,108,715	\$109,232,878
12 Mo. Cumulative Total	\$31,636,939	\$73,436,917	\$62,701,036	\$61,994,357	\$61,849,297	\$65,696,200	\$76,684,907	\$90,005,584	\$93,897,009	\$107,518,785	\$143,627,500	\$252,860,378

(1) Reflects the net recorded in the Energy Costing & Reporting System.
 (2) Realization emanating from price differential between market price (charged) and companies' inventory cost.
 (3) Associated with purchased power that flowed into the AEP System (within 2 tiers) (Revised 8/18/00).

Eastern AEP - Trading and Marketing Realizations for Base Year (July 1999 - June 2000) (from AEP System Internal Resources)
Dedicated 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
Car. 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
VEPCO (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
NCEMC	\$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
VEPCO	(\$440,174)	\$464,119	\$490,918	\$377,172	\$376,177	\$494,578	\$31,830	\$0	\$0	\$0	\$0	\$0
AMP 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
CPP 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
OMEG 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
Radford 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
Sigheoo 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
W 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
Sturgis Mo - Firm	\$0	\$0	\$327,305	\$302,505	\$238,211	\$271,554	\$282,750	\$387,332	\$347,285	\$344,005	\$375,378	\$453,609
AMPO 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
CPP 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
Sigheoo 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
12 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

**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	\$1,741,581	Note 1
March-04	(\$926,685)	
April-04	(\$235,847)	
May-04	(\$444,024)	
June-04	\$2,109,197	
July-04	(\$4,617,951)	
August-04	(\$7,505,000)	
September-04	(\$12,629,900)	
October-04	(\$13,943,045)	
November-04		
December-04		
Cumulative Total	<u><u>(\$35,325,864)</u></u>	

Notes:

(1) The February 2004 West realization has been reduced by \$162,422 resulting from the 1/04 ICR re-run of 3/31/04.

Eastern 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
CP&L - Unil Power	\$3,086,279	\$2,741,508	\$3,401,657	\$3,572,062	\$2,964,036	\$2,889,438	\$2,860,060	\$2,641,406	\$2,656,876	\$2,627,879	\$0	\$0
Net ECR (1)	\$49,247,207	\$41,765,503	\$31,411,992	\$34,981,016	\$36,860,910	\$49,267,328	\$47,915,262	\$37,685,476	\$31,493,062	\$18,668,091	\$0	\$0
Less Purch. Demand Charge	(\$1,435,685)	(\$1,220,832)	(\$1,220,832)	(\$1,220,832)	(\$1,220,832)	(\$1,220,832)	(\$1,433,183)	(\$1,220,832)	(\$1,220,832)	(\$1,220,832)	\$0	\$0
SO2 Differential	\$3,242,988	\$2,968,863	\$2,040,513	\$2,780,264	\$2,680,606	\$5,611,756	\$6,173,077	\$7,515,945	\$5,876,591	\$3,983,491	\$0	\$0
Nox Differential	\$0	\$0	\$0	\$0	\$0	\$7,459,313	\$7,602,082	\$5,749,892	\$5,536,057	\$0	\$0	\$0
Transmission Purchases (2)	(\$610,167)	(\$638,095)	(\$1,325,940)	(\$935,021)	(\$1,237,591)	(\$1,095,656)	(\$1,540,284)	(\$1,007,906)	(\$724,017)	(\$120,240)	\$0	\$0
Net Total	\$53,530,622	\$45,616,947	\$34,307,390	\$39,177,489	\$40,047,129	\$62,911,345	\$61,576,994	\$51,363,981	\$43,617,737	\$23,938,389	\$0	\$0
Less Dedicated												
Transaction Realization (from Pg. 6)	(\$8,400,897)	(\$7,543,957)	(\$7,750,149)	(\$7,800,334)	(\$7,297,443)	(\$6,784,315)	(\$6,410,486)	(\$5,924,374)	(\$5,945,793)	(\$5,480,432)	\$0	\$0
PJM Related Costs & Revenues (Pg. 8)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,824,667)	\$0	\$0
Plus Off System Sales												
Transaction Realization (from Pg. 7)	\$5,479,930	\$2,017,704	(\$2,035,957)	\$7,117,730	\$13,609,113	\$14,839,918	\$26,948,377	\$25,004,310	\$10,365,621	\$6,506,277	\$0	\$0
Monthly Total	\$50,609,655	\$40,090,694	\$24,521,294	\$38,494,885	\$46,358,799	\$70,886,948	\$82,114,885	\$70,443,917	\$48,037,565	\$20,139,567	\$0	\$0
12 Mo. Cumulative Total	\$50,609,655	\$90,700,349	\$115,221,633	\$153,716,518	\$200,076,317	\$271,062,265	\$353,177,150	\$423,621,067	\$471,658,632	\$491,798,199	\$491,798,199	\$491,798,199

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

ACTUAL: October 2004

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

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
4470.006	\$610,463,029	\$684,952,074	\$665,967,414	\$572,872,778	\$501,692,261	\$527,733,349	\$884,932,321	\$978,575,958	\$545,631,610	\$559,860,965	\$0	\$0
4470.006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4470.006	\$5,553,920	(\$3,248,144)	\$351,056	\$910,240	\$5,690,287	\$430,593	\$497,929	(\$587,772)	\$11	\$3,524,760	\$0	\$0
4470.010	(\$602,089,650)	(\$582,500,251)	(\$559,931,502)	(\$557,530,222)	(\$489,771,344)	(\$510,848,563)	(\$849,705,165)	(\$951,014,532)	(\$528,222,176)	(\$554,908,197)	\$0	\$0
4470.010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4470.010	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4470.006	(\$107,120)	(\$81,400)	(\$104,406)	(\$87,156)	(\$115,807)	(\$91,233)	(\$64,456)	(\$67,289)	(\$132,849)	(\$137,865)	\$0	\$0
4470.010	(\$97,244)	(\$113,861)	(\$88,566)	(\$84,850)	(\$65,559)	(\$119,144)	(\$66,032)	(\$74,039)	(\$126,020)	(\$62,477)	\$0	\$0
Net of Above	\$13,722,935	(\$991,602)	\$5,193,996	\$16,080,788	\$17,429,838	\$17,105,002	\$35,594,597	\$26,732,346	\$19,150,576	\$18,277,156	\$0	\$0
4470.007	\$10,987,200	\$9,542,400	\$8,548,864	\$9,486,016	\$5,017,600	\$3,699,200	\$13,875,200	\$23,220,800	\$3,585,600	\$11,397,600	\$0	\$0
4470.007	\$957,285	\$793,367	(\$1,298,828)	(\$1,514,754)	\$51,417	(\$16,864)	(\$2,989,341)	(\$3,017,726)	\$14,257	\$185,988	\$0	\$0
4470.011	(\$14,226,336)	(\$10,764,566)	(\$8,968,256)	(\$11,388,430)	(\$7,635,176)	(\$7,374,144)	(\$27,477,984)	(\$25,879,024)	(\$6,925,936)	(\$12,547,010)	\$0	\$0
4470.011	(\$2,968,841)	(\$1,319,192)	(\$393,137)	\$683,522	(\$605,439)	(\$404,367)	\$773,045	\$1,798,461	(\$315,195)	(\$701,131)	\$0	\$0
4470.082	(\$66,220)	(\$229,635)	(\$61,934)	(\$61,920)	\$43,145	\$148,819	\$562,137	\$398,419	\$334,916	\$4,680	\$0	\$0
4470.082	(\$34,148)	\$23,997	(\$2,053,573)	(\$278,989)	(\$101,111)	\$3,783,794	\$316,413	\$2,153,322	(\$719,186)	(\$773,261)	\$0	\$0
4470.082	(\$2,600,220)	\$116,150	\$1,403,553	\$228,233	\$75,978	\$142,956	\$3,134,799	(\$685,394)	(\$424,023)	(\$291,201)	\$0	\$0
4470.082	\$0	\$0	\$0	\$0	\$0	(\$2,766)	(\$5,481)	(\$701,315)	\$811,182	\$428,666	\$0	\$0
4470.085	\$0	\$0	\$0	\$0	\$0	\$0	\$864,088	\$813,864	\$0	\$864,088	\$0	\$0
5550.033	\$0	\$0	\$0	(\$4,103,164)	(\$2,390,439)	(\$379,755)	(\$41,680)	\$0	\$0	(\$550,736)	\$0	\$0
5550.034	(\$7,951,300)	(\$1,837,509)	(\$2,823,299)	(\$6,047,466)	(\$5,544,025)	(\$403,167)	(\$10,988,804)	(\$1,899,693)	(\$3,636,485)	(\$1,994,137)	\$0	\$0
Net of Above	(\$5,103)	(\$2,237)	(\$3,190)	(\$1,895)	(\$3,146)	(\$1,767)	(\$1,753)	(\$1,181)	(\$5,634)	(\$10,212)	\$0	\$0
4470.081	(\$4,249)	\$4,712,527	(\$5,522,433)	(\$1,173,422)	\$616,463	(\$1,159,843)	\$1,264,810	(\$787,714)	(\$5,102,427)	(\$5,909,854)	\$0	\$0
4470.081	(\$282,353)	\$136,925	\$118,969	\$259,745	\$1,109,963	(\$700,307)	\$1,079,527	\$959,452	(\$36,409)	(\$3,866,676)	\$0	\$0
Net of Above	(\$291,705)	\$4,846,815	(\$5,406,654)	(\$915,572)	\$1,723,300	(\$1,861,917)	\$2,342,594	\$170,557	(\$5,146,470)	(\$9,786,742)	\$0	\$0
Net Off System Trades (Above the Line)	\$5,479,930	\$2,017,704	(\$2,035,957)	\$7,117,730	\$13,609,113	\$14,839,918	\$26,948,377	\$25,004,310	\$10,365,621	\$6,506,277	\$0	\$0
12 Month Cumulative Total	\$5,479,930	\$7,497,634	\$5,461,677	\$12,579,407	\$26,169,520	\$41,028,438	\$67,976,815	\$92,981,125	\$103,346,746	\$109,853,023	\$109,853,023	\$109,853,023

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

October 2004

ACTUAL: Eastern AEP - PJM Related Costs and Revenues for Year 2004

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	Total
Balancing Operating Reserve Charge	4470.098	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$155,897)			(\$155,897)
Balancing Operating Reserve Generator Credit	4470.098	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$261,988			\$261,988
Day-Ahead Operating Reserve Charge	4470.098	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$454,429)			(\$454,429)
Day-Ahead Operating Reserve Generator Credit	4470.098	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$725,601			\$725,601
Capacity Credit Market Credits (Unallocated)	4470.099	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,539			\$8,539
Firm Pt-to-Pt Transmission Svc Chg(OSS)	4470.106	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,679,344)			(\$3,679,344)
Firm Pt-to-Pt Transitional Revenue Neutrality Charges (OSS)	4470.106	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$701,083)			(\$701,083)
Non-Firm Pt-to-Pt Transmission Svc Chg (OSS)	4470.106	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$78,871)			(\$78,871)
Non-Firm Pt-to-Pt Transitional Revenue Neutrality Charges (OSS)	4470.106	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$39,271)			(\$39,271)
Non-Firm Pt-to-Pt Transmission Svc Credit (OSS)	4470.106	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,693			\$13,693
Other Support Facilities Charges (OSS)	4470.107	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Transmission Owner Scheduling System Control & Dispatch Svc Charge (OSS)	4470.110	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$116,679)			(\$116,679)
Transmission Congestion Credits (BGE, PEPCo & OSS)	4470.112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,000			\$65,000
TR Auction Charges (BGE, PEPCo & OSS)	5550.035	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$77,701)			(\$77,701)
PJM Scheduling System Control & Dispatch Service Charges (OSS)	5560.002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$579,135)			(\$579,135)
Monthly Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,807,589)	\$0	\$0	(\$4,807,589)
12 Month Cum. Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,807,589)	(\$4,807,589)	(\$4,807,589)	(\$4,807,589)

Realization Sharing Calculations

	East Detail	East Realization	West Realization	Total Realization	West Share of Realization	East Share of Realization	Eastern Funds To West	Account Number
Bookout Purchases	(\$554,908,197)		(\$9,433,330)					
Energy Purch. - B/O Margin Reclass (Note 1)	\$0		(\$875,000)					
Gas Commission	(\$82,477)							
		(\$554,970,874)	(\$10,308,336)	(\$565,279,010)	(\$163,613,554)	(\$401,665,456)	(\$153,305,218)	4470.010
Bookout Sales	\$569,890,965		\$173,879					
Less Tractebel Sale	\$0							
Energy Sales - B/O Margin Reclass (Note 1)	\$3,524,750		\$0					
Sales Commission	(\$137,885)							
		\$573,247,830	\$173,879	\$573,421,709	\$165,970,365	\$407,451,344	\$165,796,486	4470.006
Exercised Option - Purchases	(\$12,547,010)							
Exercised Purchase Option Premiums	(\$701,131)		(\$272,306)					
		(\$13,248,141)	(\$272,306)	(\$13,520,449)	(\$3,913,340)	(\$9,607,109)	(\$3,641,032)	4470.011
Exercised Option - Sales	\$11,397,800							
Exercised Sales Option Premiums	\$185,988		\$58,557					
		\$11,583,588	\$58,557	\$11,642,145	\$3,369,686	\$8,272,459	\$3,311,129	4470.007
Non-Dedicated Spark Gas Commission	(\$10,212)		(\$2,364,935)					
Non-Dedicated Spark Gas Paribas Futures	(\$5,909,854)		(\$4,086)					
Non-Dedicated Swaps - Net	(\$3,886,676)		(\$1,547,320)					
		(\$9,786,742)	(\$3,916,341)	(\$13,703,083)	(\$3,966,201)	(\$9,736,882)	(\$49,860)	4470.081
Power Swaps - Net	\$4,680							
Paribas Power Commissions	\$426,886		\$170,818					
Power Futures (REFCO)	(\$73,281)		(\$116,529)					
Power Future Accruals (REFCO)	(\$291,201)		(\$309,442)					
		(\$632,896)	(\$255,153)	(\$888,049)	(\$257,047)	(\$631,042)	(\$1,894)	4470.082
Dow Sales - Associated	\$864,088							
		\$864,088		\$864,088	\$250,100	\$613,988	\$250,100	4470.088
Dow Purchases - Associated	(\$550,736)							
		(\$550,736)		(\$550,736)	(\$159,404)	(\$391,332)	(\$159,404)	5550.033/5550.034
ECR/ICR Realizations	\$18,668,091		\$576,657					
Less Purchase Demand Charge	(\$1,220,832)							
Less Realization on Dedicated Transactions	(\$5,480,432)							
Unit Power - CP&L	\$2,627,879							
SO2 Realizations	\$3,983,491							
NOx Realizations	\$0							
Transmission Purchases	(\$120,240)							
Total ECR/ICR Realization		\$18,457,957	\$576,657	\$19,034,614	\$5,509,352	\$13,525,262	\$4,932,695	4470.002
Operating Reserve Charge/Credit	\$377,263							
		\$377,263		\$377,263	\$109,194	\$268,069	\$109,194	4470.098
Capacity Credit Market	\$8,539							
		\$8,539		\$8,539	\$2,472	\$6,067	\$2,472	4470.099
Point-to-Point Transmission	(\$4,484,876)							
		(\$4,484,876)		(\$4,484,876)	(\$1,298,096)	(\$3,186,780)	(\$1,298,096)	4470.106
Other Support Facilities Charges	\$0							
		\$0		\$0	\$0	\$0	\$0	4470.107
Transmission Owner System Control & Dispatch	(\$116,679)							
		(\$116,679)		(\$116,679)	(\$33,771)	(\$82,908)	(\$33,771)	4470.110
Transmission Congestion Credits	\$65,000							
		\$65,000		\$65,000	\$18,814	\$46,186	\$18,814	4470.112
FTR Auction Charges	(\$77,701)							
		(\$77,701)		(\$77,701)	(\$22,490)	(\$55,211)	(\$22,490)	5550.035
PJM Scheduling System Control & Dispatch	(\$579,135)							
		(\$579,135)		(\$579,135)	(\$167,624)	(\$411,511)	(\$167,624)	5560.002
Total		\$20,156,645	(\$13,943,045)	\$6,213,600	\$1,788,456	\$4,415,144	\$15,741,501	

Base Year	\$0	0.00%
Capacity	\$6,213,600	100.00%
	\$6,213,600	100.00%

Eastern AEP's Share of Total Realization	\$4,415,144
Western AEP's Share of Total Realization	\$1,788,456
	\$6,213,600

Eastern AEP Funds to Western AEP

Base Year Realizations		
Eastern AEP Realization	\$252,880,378	90.97%
Western AEP Realization	\$25,095,575	9.03%
	\$277,955,953	100.00%

Capacity (MW) Realization Sharing		
	24,503,000	71.06%
	9,981,000	28.94%
	34,484,000	100.00%

EASTERN FUNDS TO WESTERN AEP

ALLOCATION BY OPERATING COMPANY

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	
MLR	4470.010	4470.006	4470.011	4470.007	4470.081	4470.082	4470.088	5550.034 (Other Cos.)	4470.002	
APCO	0.30709	(47,078,499)	(50,914,443)	(1,118,125)	(1,016,815)	(15,312)	(582)	(76,803)	(48,951)	(1,514,781)
KPCO	0.07207	(11,048,707)	(11,948,953)	(262,409)	(238,633)	(3,593)	(136)	(18,025)	(11,488)	(355,499)
I&M	0.19752	(30,280,847)	(32,748,122)	(719,177)	(654,014)	(9,848)	(374)	(49,400)	(31,486)	(974,306)
OPCO	0.24667	(37,815,798)	(40,897,019)	(898,133)	(816,756)	(12,299)	(467)	(61,692)	(39,320)	(1,216,748)
CSP	0.17665	(27,081,367)	(29,287,949)	(643,188)	(584,911)	(6,808)	(335)	(44,180)	(28,159)	(871,361)
TOTAL	1.00000	(153,305,218)	(165,796,486)	(3,641,032)	(3,311,129)	(49,860)	(1,894)	(250,100)	(159,404)	(4,932,695)

	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	ACCOUNT NO.	TOTAL OF ALL ACCOUNTS
	4470.098	4470.099	4470.106	4470.107	4470.110	4470.112	5550.035	5560.002	
APCO	(33,532)	(759)	398,632	0	10,371	(5,778)	6,906	51,475	(4,834,058)
KPCO	(7,870)	(178)	93,554	0	2,434	(1,356)	1,621	12,081	(1,134,491)
I&M	(21,568)	(488)	256,400	0	6,670	(3,716)	4,442	33,109	(3,109,261)
OPCO	(26,935)	(610)	320,201	0	8,330	(4,641)	5,548	41,348	(3,882,957)
CSP	(19,289)	(437)	229,309	0	5,966	(3,323)	3,973	29,611	(2,780,734)
TOTAL	(109,194)	(2,472)	1,298,096	0	33,771	(18,814)	22,490	167,624	(15,741,501)

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

PJM CHARGES TRANSFERRED FROM MARKET TO AEE

PJM CHARGE DESCRIPTION	CHARGE/ CREDIT	ACCOUNT NO.	AP AMT	XP AMT	IW AMT	OP AMT	CS AMT	SEP AMT TOTAL	LESS BUCKEYE CHARGES	PJM CHARGES FOR STA SHARING
Balancing Operating Reserve Charge (Internal *)	CHARGE	4470108	279,409	69,974	179,715	224,435	160,727	909,899		
Balancing Operating Reserve Charge (OSS *)	CHARGE	4470098	47,874	11,236	30,793	38,455	27,539	195,897		195,897
Balancing Operating Reserve Generator Credit (Internal *)	CREDIT	4470098	(469,592)	(110,995)	(302,016)	(377,167)	(270,104)	(1,529,036)		
Balancing Operating Reserve Generator Credit (OSS *)	CREDIT	4470098	(80,454)	(18,881)	(51,748)	(64,625)	(46,280)	(261,988)		(261,988)
Day-Ahead Operating Reserve Charge (Internal *)	CHARGE	4470108	814,457	191,142	523,858	654,212	468,507	2,662,176		
Day-Ahead Operating Reserve Charge (OSS *)	CHARGE	4470098	139,551	32,751	89,759	112,094	80,275	454,429		454,429
Day-Ahead Operating Reserve Generator Credit (Internal *)	CREDIT	4470108	(1,300,487)	(305,203)	(836,459)	(1,044,600)	(748,079)	(4,234,809)		
Day-Ahead Operating Reserve Generator Credit (OSS *)	CREDIT	4470098	(222,825)	(52,294)	(143,321)	(178,964)	(128,177)	(725,601)		(725,601)
Regulation Charge (Unallocated)	CHARGE	4470098	725,910	170,362	466,905	583,087	417,972	2,363,836		
Regulation Credit (Unallocated)	CREDIT	4470098	(1,271,822)	(298,480)	(818,035)	(1,021,951)	(731,601)	(4,141,929)		
Transmission Loss Charge (Day-Ahead and Balancing) (Internal *)	CHARGE	4470094	318,898	74,841	205,115	256,155	183,442	1,038,491		
Transmission Loss Charge (Day-Ahead and Balancing) (OSS *)	CHARGE	4470094	54,641	12,823	35,145	43,890	31,431	177,930		
Transmission Loss Credit (Internal *)	CREDIT	4470094	(265,470)	(62,302)	(170,790)	(213,238)	(152,708)	(864,468)		
Transmission Loss Credit (OSS *)	CREDIT	4470094	(45,485)	(10,675)	(29,247)	(36,537)	(26,165)	(148,120)		
TOTAL PJM CHARGES TRANSFERRED FROM MARKET TO AEE (ACTUAL)			(1,273,316)	(299,305)	(820,295)	(1,024,414)	(733,622)	(4,152,972)		
TOTAL PJM CHARGES TRANSFERRED FROM MARKET TO AEE (ESTIMATED)			(1,260,620)	(295,951)	(810,830)	(1,012,953)	(725,197)	(4,105,081)		
TOTAL PJM CHARGES TRANSFERRED FROM MARKET TO AEE (ADJUSTMENT)	(1)		(12,696)	(3,354)	(9,465)	(11,461)	(8,425)	(47,891)		

PJM CHARGES (NON-ECR) FROM INVOICE

PJM CHARGE DESCRIPTION	CHARGE/ CREDIT	ACCOUNT NO.	AP AMT	XP AMT	IW AMT	OP AMT	CS AMT	SEP AMT TOTAL	LESS BUCKEYE CHARGES	PJM CHARGES FOR STA SHARING
Spinning Reserve Charges (Unallocated)	CHARGE	4470094	160	38	103	129	92	522		
Synchronous Condensing Charge (Unallocated)	CHARGE	4470097	40,181	9,430	25,844	32,275	23,114	130,845		
FTL Auction Charges (BGE + PEPCO, OSS)	CHARGE	9560038	23,861	9,600	15,348	19,167	13,726	77,701		77,701
FTL Auction Charges (Internal)	CHARGE	4470101								
PJM Scheduling System Control and Dispatch Service Charges (Internal *)	CHARGE	5560003	1,037,941	243,596	647,616	833,742	597,079	3,379,990		
PJM Scheduling System Control and Dispatch Service Charges (OSS *)	CHARGE	5560003	177,846	41,738	114,391	142,895	102,304	579,135		579,135
Transmission Owner Scheduling System Control and Dispatch Service Charges (Internal *)	CHARGE	4180081	50,710	11,901	32,617	40,733	29,170	165,132		
Transmission Owner Scheduling System Control and Dispatch Service Charges (OSS *)	CHARGE	4470104	930,030	124,391	340,915	425,746	304,694	1,725,975		1,725,975
Receive Supply and Voltage Control from Generation Sources Service Charges (Unallocated)	CHARGE	4470104	12,728	2,987	6,187	10,224	7,322	41,448		48,453
Black Start Service Charges (Unallocated)	CHARGE	4560059								
Network Integration Transmission Service Charges (Internal *)	CHARGE	4470107	528,710	124,081	340,066	424,686	304,134	1,721,677		
Network Integration Transmission Service Charges (OSS *)	CHARGE	4470106	1,129,890	265,170	726,744	907,584	649,956	3,679,344		3,679,344
Firm Point-to-Point Transmission Service Charges (OSS)	CHARGE	4470106	215,296	50,327	138,478	172,936	123,846	701,083		701,083
Non-Firm Point-to-Point Transmission Service Charges (OSS)	CHARGE	4470106	24,220	5,684	15,579	19,485	13,993	78,871		78,871
Non-Firm Point-to-Point Transitional Revenue Neutrality Charges (OSS)	CHARGE	4470106	12,060	2,830	7,757	9,687	6,937	39,271		39,271
Transitional Market Expansion Charge (Internal *)	CHARGE	5970006	11,639	2,729	7,480	9,341	6,690	37,870		
Transitional Market Expansion Charge (OSS *)	CHARGE	5970006	1,993	468	1,282	1,601	1,146	6,489		
Expansion Integration Charges (Internal *)	CHARGE	5970006	308,202	72,331	199,236	247,564	177,290	1,003,623		
Expansion Integration Charges (OSS *)	CHARGE	5970006	92,808	12,393	33,966	42,418	30,377	171,963		
Other Support Facilities Charges (Internal)	CHARGE	4470107	37,045	8,694	23,818	29,757	21,310	120,634		(0)
Other Support Facilities Charges (Unallocated)	CHARGE	4470107	(2,824)	(663)	(1,817)	(2,269)	(1,625)	(9,197)		
Adj. to Network Integration Transmission Service Charges for Buckeye load in Dayton zone - Oct 2004 (OSS)	CHARGE	4470107								
Transmission Congestion Credits (BGE + PEPCO, OSS)	CREDIT	4470112	(19,961)	(4,685)	(12,839)	(16,034)	(11,482)	(65,000)		(65,000)
Transmission Congestion Credits (Internal)	CREDIT	4470101	(282,414)	(59,230)	(162,353)	(202,752)	(145,199)	(821,955)		
Spinning Reserve Credits (Unallocated)	CREDIT	4470094	(5,991)	(1,408)	(3,883)	(4,812)	(3,446)	(19,506)		
Capacity Credit Market Credits (Unallocated)	CREDIT	4470099	(343)	(81)	(221)	(276)	(198)	(1,118)		(8,539)
Receive Supply and Voltage Control from Generation Sources Service Credits (Unallocated)	CREDIT	4470104	(440,076)	(107,974)	(295,920)	(369,256)	(264,693)	(1,498,179)		
Black Start Service Credits (Unallocated)	CREDIT	4470104	(10,670)	(2,504)	(6,863)	(8,571)	(6,188)	(34,747)		
Non-Firm Point-to-Point Transmission Service Credits	CREDIT	4470106	(4,205)	(987)	(2,709)	(3,378)	(2,419)	(13,693)		(13,693)
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ACTUAL)			3,439,847	807,092	2,211,863	2,762,294	1,978,197	11,198,173		
TOTAL PJM CHARGES (NON-ECR) FROM INVOICE (ESTIMATED)			3,403,498	795,736	2,189,126	2,733,859	1,957,823	11,083,062		
TOTAL PJM CHARGES TRANSFERRED FROM MARKET TO AEE (ADJUSTMENT)	(1)		35,349	8,296	22,737	28,395	20,334	115,111		

Note:
(1) The results shown on this appendix are tabulated for system settlement on IPS, page 1, Items VI and VII.

OFFSET OF BUCKEYE PASS-THROUGH CHARGES ASSOCIATED WITH PJM

PJM CHARGE DESCRIPTION	CHARGE/ CREDIT	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	BUCKEYE PASS-THROUGH TOTAL
PJM Service Fee	Charge	4580064	34,249	8,038	22,029	27,510	19,701	111,527
Balancing Operating Reserve	Charge	4470098	-	-	-	-	-	-
Day Ahead Operating Reserve	Charge	4470098	-	-	-	-	-	-
Balancing Operating Reserve	Charge	4470108	16,637	3,904	10,701	13,363	9,570	54,175
Day Ahead Operating Reserve	Charge	4470108	48,495	11,381	31,192	38,953	27,896	157,917
Regulation	Charge	4470095	41,866	9,825	26,928	33,629	24,083	136,332
Spinning Reserve	Charge	4470096	9	2	6	7	5	30
Synchronous Condensing	Charge	4470097	2,317	544	1,491	1,861	1,333	7,546
Transmission Loss	Charge	4470094	-	-	-	-	-	-
Allegheny Transmission Congestion	Charge	4470101	1,437	337	924	1,154	827	4,680
Capacity Credit Market	Charge	4470099	2,279	535	1,466	1,831	1,311	7,421
PJM Scheduling System Control and Dispatch Service Charges	Charge	5560003	61,804	14,504	39,752	49,644	35,552	201,256
Transmission Owner Scheduling System Control and Dispatch Service Charges	Charge	4470110	14,879	3,492	9,570	11,952	8,559	48,453
Reactive Supply and Voltage Control from Generation Sources Service Charges	Charge	4470104	37,326	8,760	24,008	29,982	21,471	121,947
Black Start Service Charges	Charge	4470105	959	225	617	770	552	3,123.16
Network Integration Transmission Service Charges	Charge	4470107	462,997	108,659	297,799	371,902	266,334	1,507,692.01
Transitional Market Expansion Charges	Charge	5570008	692	163	445	556	398	2,255
Expansion Integration Charges	Charge	5570006	18,351	4,307	11,803	14,740	10,556	59,758
Other Support Facilities Charges	Charge	4470107	37,045	8,694	23,828	29,757	21,310	120,634
Adj. To Network Integration Transmission Service for Buckeye in Dayton Zone	Charge	4470107	(2,824)	(663)	(1,817)	(2,269)	(1,625)	(9,197)
Excess Energy Credit	Credit	4470111	(1,147,057)	(269,199)	(737,786)	(921,374)	(659,832)	(3,735,248)
Balancing Operating Reserve Generator	Credit	4470112	-	-	-	-	-	-
Day-Ahead Operating Reserve Generator	Credit	4470101	-	-	-	-	-	-
Balancing Operating Reserve Generator	Credit	4470096	(23,141)	(5,431)	(14,884)	(18,588)	(13,312)	(75,357)
Day-Ahead Operating Reserve Generator	Credit	4470099	(64,092)	(15,042)	(41,224)	(51,482)	(36,868)	(208,708)
Regulation	Credit	4470104	(62,680)	(14,710)	(40,316)	(50,348)	(36,056)	(204,111)
Spinning Reserve	Credit	4470105	(295)	(69)	(190)	(237)	(170)	(961)
Capacity Credit Market	Credit	4470106	-	-	-	-	-	-
Transmission Loss	Credit	4470108	-	-	-	-	-	-
Reactive Supply and Voltage Control from Generation Sources Service	Credit	4470098	-	-	-	-	-	-
Black Start Service	Credit	4470098	-	-	-	-	-	-
TOTAL OFFSET OF BUCKEYE PASS-THROUGH CHARGES (ACTUAL)			(552,996)	(129,781)	(355,687)	(444,194)	(318,105)	(1,689,236)
TOTAL OFFSET OF BUCKEYE PASS-THROUGH CHARGES (ESTIMATED)			(606,654)	(142,374)	(390,199)	(487,295)	(348,971)	(1,975,493)
TOTAL OFFSET OF BUCKEYE PASS-THROUGH CHARGES (ADJUSTMENT)	(1)		53,658	12,593	34,512	43,101	30,866	174,730

BUCKEYE SHARE OF PJM CONGESTION CHARGES

PJM CHARGE DESCRIPTION	CHARGE/ CREDIT	ACCOUNT NO.	AP AMT	KP AMT	IA AMT	OP AMT	CS AMT	AP AMT TOTAL
Transmission Implicit Congestion Charge	CHARGE	4470092	86,856	20,384	55,865	69,766	49,962	282,833
TOTAL BUCKEYE SHARE OF PJM CONGESTION CHARGES (ACTUAL)			86,856	20,384	55,865	69,766	49,962	282,833
TOTAL BUCKEYE SHARE OF PJM CONGESTION CHARGES (ESTIMATED)			112,078	26,303	72,088	90,026	64,471	364,966
TOTAL BUCKEYE SHARE OF PJM CONGESTION CHARGES (ADJUSTMENT)	(1)		(25,222)	(5,919)	(16,223)	(20,260)	(14,509)	(82,133)

Note:
 1) The results shown on this appendix are tabulated for system settlement on IPS, page 1, items VIII and IX.