

AEP GENERATING COMPANY
 ONE RIVERSIDE PLAZA, COLUMBUS, OH 43215
 TELEPHONE (614) 716-3724

KENTUCKY POWER COMPANY
 17TH ST. & CENTRAL AVE.
 ASHLAND, KY 41101

ESTIMATE
 07-Dec-04

UNIT 1
POWER BILL - - November, 2004

IN ACCORDANCE WITH POWER AGREEMENT DATED OCTOBER 1, 1984 (AS AMENDED)
 ENERGY DELIVERED FOR THE MONTH OF November, 2004
 KWH FOR THE MONTH 122,426,000

<u>SUMMARY</u>	<u>TOTAL</u>
Current Month Bill:	
Return on Common Equity	287,374
Return on Other Capital	96,782
Total Return	384,156
Fuel	1,674,749
Purchased Power	0
Other Operating Revenues	(2,625)
Other Operation and Maintenance Exp	227,186
Depreciation Expense	489,972
Taxes Other Than Federal Income Tax	(133,390)
Federal Income Tax	123,162
TOTAL CURRENT UNIT POWER BILL	2,763,210
Prior Month's Adjustment:	
Return on Common Equity & Other Capital	0
Fuel Expense	0
Other Expenses	1,423
TOTAL PRIOR MONTH'S ADJUSTMENTS	1,423
March-June Bill's Corrections	
Return on Common Equity & Other Capital	223,558
Other Expenses	77,625
TOTAL MARCH-JUNE CORRECTIONS	301,182
TOTAL UNIT POWER BILL	3,065,816

AMOUNTS WILL BE PAID DIRECT FROM GENERAL FUNDS.

DUE DATE - - -

December 22, 2004

CC: R. PRICE - COLUMBUS	E. K. WAGNER - KENTUCKY
D. L. HILLE - FT. WAYNE	R. D. RUSSELL - KENTUCKY
S. M. BLOTKAMP - FT. WAYNE	R. E. HERINK - CANTON
D. CROSS - COLUMBUS	M. GIARDINA - COLUMBUS

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
SUMMARY OF MONTHLY POWER BILL**

ESTIMATE
Pg 2 of 18

November, 2004

07-Dec-04

	<u>TOTAL UNIT 1 POWER BILL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>
Return on Common Equity	957,912	287,374	670,538
Return on Other Capital	322,607	96,782	225,825
Total Return	1,280,519	384,156	896,363
+ Fuel	5,582,497	1,674,749	3,907,748
+ Purchased Power	0	0	0
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
+ Other Operation and Maintenance Exp	757,288	227,186	530,102
+ Depreciation Expense	1,633,241	489,972	1,143,269
+ Taxes Other Than Federal Income Tax	(444,634)	(133,390)	(311,244)
+ Federal and State Income Tax	410,543	123,162	287,381
= Total Unit 1 Monthly Power Bill	9,210,703	2,763,210	6,447,493
<u>Determination of Federal Income Tax :</u>			
Total Return (Line 3)	1,280,519	384,156	896,363
+ Unit 1 Schedule M Adjustments	1,647,470	494,241	1,153,229
+ Unit 1 Deferred Federal Income Taxes	(621,103)	(186,332)	(434,771)
- Unit 1 Interest Expense Deduction *	390,970	117,291	273,679
= Subtotal	1,915,915	574,774	1,341,141
x Gross-Up (FIT Rate / 1-FIT Rate)	0.538462	0.538462	0.538462
= Unit 1 Current Federal Income Tax	1,031,647	309,494	722,153
+ Unit 1 Def Fed & State Income Taxes	(621,103)	(186,332)	(434,771)
= Total Unit 1 Fed&State Income Taxes	410,543	123,162	287,381
<u>Proof of Federal Income Tax :</u>			
Total Unit 1 Monthly Power Bill	9,210,703	2,763,210	6,447,493
- Operation and Maintenance Expenses	6,339,785	1,901,935	4,437,850
- Depreciation Expense	1,633,241	489,972	1,143,269
- Taxes Other Than Federal Income Tax	(444,634)	(133,390)	(311,244)
- Unit 1 Interest Expense Deduction *	390,970	117,291	273,679
- Other Operating Revenues	(8,750)	(2,625)	(6,125)
= Pre-Tax Book Income	1,300,092	390,027	910,065
+ Unit 1 Schedule M Adjustments	1,647,470	494,241	1,153,229
= Unit 1 Taxable Income	2,947,562	884,268	2,063,294
x Current Federal Income Tax Rate	35%	35%	35%
= Unit 1 Current Federal Income Tax	1,031,647	309,494	722,153
+ Unit 1 Def Fed & State Income Taxes	(621,103)	(186,332)	(434,771)
= Total Unit 1 Fed&State Income Taxes	410,544	123,162	287,382

* From Page 5 of 18 : Line 21 + (Line 28 x Line 31 x Line 32)

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
OPERATING RATIO**

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<u>Line No.</u>		<u>UNIT 1 November, 2004</u>
1	<u>Operating Ratio:</u>	
2	<u>Net In-Service Investment:</u>	
3	Electric Plant In-Service	669,907,056
4	- Accumulated Depreciation	389,475,371
5	+ Materials & Supplies	34,967,517
6	+ Prepayments	7,126
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital ***	(34,444,344)
10	+ Unamortized Debt Expense (A/C 181)	4,321,072
11	- Other Deferred Credits (A/C 253)	100,832,962
12	- Accumulated Deferred FIT	37,620,697
13	- Accumulated Deferred ITC	46,809,522
14	Total Net In-Service Investment	100,019,875
15	<u>Non-In-Service Investment - CWIP :</u>	
16	Construction Work In Progress	6,800,717
17	+ Materials & Supplies	0
18	- Accumulated Deferred FIT	0
19	Total Non-In-Service Investment - CWIP	6,800,717
20	<u>Non-In-Service Investment - Other :</u>	
21	Plant Held for Future Use (A/C 105) **	1,140,676
22	+ Other Deferred Debits (A/C 186) **	1,068,043
23	+ Fuel Inventory Over Allowed Level ****	(4,123,267)
24	Total Non-In-Service Investment - Other	(1,914,548)
25	Total Investment (Lines 14+19+24)	104,906,044
26	Operating Ratio (Line 14/Line 25)	95.3423%
27	Non-In-Service Investment-CWIP Ratio (Line 19/Line 25)	6.4827%
28	Non-In-Service Investment-Other Ratio (Line 24/Line 25)	-1.8250%
29	Total Investment	100.0000%

* As Permitted By FERC

** Excluding Amounts on Lines 7 and 8

*** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and

**** Includes Rockport 1 and 2

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
NET IN-SERVICE INVESTMENT RATIO

<u>Line No.</u>		<u>UNIT 1</u> <u>November, 2004</u>
1	<u>Net In-Service Investment Ratio:</u>	
2	Unit 1 Net In-Service Investment:	
3	Electric Plant In-Service	598,555,029
4	- Accumulated Depreciation	333,258,179
5	+ Materials & Supplies	19,545,392
6	+ Prepayments	3,563
7	+ Plant Held For Future Use (A/C 105) *	0
8	+ Other Deferred Debits (A/C 186) *	0
9	+ Other Working Capital **	24,687,757
10	+ Unamortized Debt Expense (A/C 181)	2,160,536
11	- Other Deferred Credits (A/C 253)	0
12	- Accumulated Deferred FIT	68,942,260
13	- Accumulated Deferred ITC	11,153,908
14	Total Unit 1 Net In-Service Investment	231,597,930
15	Unit 2 Net In-Service Investment:	
16	Electric Plant In-Service	71,352,027
17	- Accumulated Depreciation	56,217,192
18	+ Materials & Supplies	15,422,125
19	+ Prepayments	3,563
20	+ Plant Held For Future Use (A/C 105) *	0
21	+ Other Deferred Debits (A/C 186) *	0
22	+ Other Working Capital **	(59,132,102)
23	+ Unamortized Debt Expense (A/C 181)	2,160,536
24	- Other Deferred Credits (A/C 253)	100,832,962
25	- Accumulated Deferred FIT	(31,321,563)
26	- Accumulated Deferred ITC	35,655,614
27	Total Unit 2 Net In-Service Investment	(131,578,055)
28	Total Net In-Service Investment	100,019,875
29	<u>Net In-Service Investment Ratio:</u>	
30	Unit 1 (Line 14 / Line 28)	231.5500%
31	Unit 2 (Line 27 / Line 28)	-131.5500%
		100.0000%
	* As Permitted By FERC	
	** Accounts 128, 131, 135, 143, 146, 171 and 174, Less Accounts 232-234, 236, 237, 238, 241 and 242	

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
CALCULATION OF COMMON EQUITY
& OTHER CAPITAL RETURNS

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<u>Line</u> <u>No.</u>		<u>UNIT 1</u> <u>November, 2004</u>
1	<u>Net Capitalization:</u>	
2	Long-Term Debt	44,818,168
3	+ Short-Term Debt	6,097,311
4	+ Preferred Stock	0
5	+ Common Equity	48,494,120
6	- Temporary Cash Investments	0
7	Net Capitalization	99,409,599 =====
8	40% of Net Capitalization	39,763,839
9	<u>Return on Common Equity:</u>	
10	Lesser of Line 5 or Line 8	39,763,839
11	x Equity Return (Monthly Rate)	1.01333%
12	= Equity Return	402,939
13	x Operating Ratio	95.3423%
14	x Net In-Service Investment Ratio	231.5500%
15	= Subtotal	889,549
16	Excess of Line 5 Over Line 8	8,730,281
17	x Weighted Cost of Debt (Monthly Rate)	0.3547%
18	= Return on Equity over 40% of Capitalization	30,966
19	x Operating Ratio	95.3423%
20	x Net In-Service Investment Ratio	231.5500%
21	= Subtotal	68,363 -----
22	Unit 1 Return on Equity (Line 15 + Line 21)	957,912 =====
23	<u>Return on Other Capital:</u>	
24	Long-Term Debt Interest Expense (a/c 427)	171,229
25	+ Short-Term Debt Interest Expense (a/c 430)	5,285
26	+ Other Interest Expense (a/c 428-431)	(30,382)
27	- Temporary Cash Investment Income *	0
28	= Net Interest Expense	146,132
29	+ Preferred Stock Dividends (a/c 437)	0
30	= Net Cost of Other Capital	146,132
31	x Operating Ratio	95.3423%
32	x Net In-Service Investment Ratio	231.5500%
33	= Unit 1 Return on Other Capital	322,607 =====

* Line 6 x Line 19 from Pg 6 of 18

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETERMINATION OF WEIGHTED COST OF DEBT

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<u>Line No.</u>		<u>UNIT 1 November, 2004</u>
1	<u>Debt Balances (Prior Month Ending):</u>	
2	Long-Term Debt	44,818,168
3	+ Short-Term Debt	6,097,311
4	+ Other Debt	0
5	Total Debt Balances (Prior Month Ending)	50,915,479 =====
6	<u>Weighting of Debt Balances :</u>	
7	Long-Term Debt	88.0246%
8	+ Short-Term Debt	11.9754%
9	+ Other Debt	0.0000%
10	Total Debt Balances	100.0000% =====
11	<u>Debt Cost Rates :</u>	
12	Long-Term Debt	4.6610%
13	Short-Term Debt	1.8715%
14	Other Debt	0.0000%
15	<u>Weighted Cost of Debt :</u>	
16	Long-Term Debt	4.1029%
17	+ Short-Term Debt	0.2241%
18	+ Other Debt	0.0000%
19	Total Weighted Cost of Debt	4.3270% =====

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETERMINATION OF UNIT 1 MATERIALS AND SUPPLIES**

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<u>Line No.</u>		<u>UNIT 1</u> <u>November, 2004</u>
1	<u>Unit 1 Materials and Supplies:</u>	
2	Fuel Stock - Coal (per Line 23)	12,666,340
3	Fuel Stock Expenses - Undistributed (152)	477,776
4	Fuel Stock - Oil (151.20)	608,952
5	Plant Materials & Operating Supplies	5,792,324
6	Merchandise	0
7	Undistributed Stores Expense	0
8	Total Materials & Supplies	<u>19,545,392</u>
9	<u>Support of Coal Inventory Value:</u>	
10	Actual Coal Inventory (a/c 151.10)	8,543,073
11	+ Equivalent Inventory re: Deferred Return	6,480,293,491
12	= Imputed Coal Inventory	<u>6,488,836,564</u>
13	<u>Coal Inventory W/68 Day Supply Cap</u>	
14	Tons Consumed	2,243,428
15	/ Hours Available *	7142.90
16	= Tons Consumed per Hour	314.08
17	x 24 Hours per Day	24
18	= Tons Consumed Per Day	7537.92
19	x 68 days	68
20	= 68 day Supply (Tons)	512,579
21	x Coal Cost per Ton (per a/c 151.10 at End of Prior Month)	24.711
22	= 68 day Coal Inventory	<u>12,666,340</u>
23	Lesser of Imputed or Capped Coal Inventory	<u>12,666,340</u>
24	Imputed Inventory Minus Line 23	<u>6,476,170,224</u>
25	<u>Accumulated Deferred Inventory Return - Unit 1 (Memo Item):</u>	
26	Beginning Balance	59,691,599
27	+ Current Month Return on Beginning Balance	554,946
28	+ Current Month Deferral	0
29	- Current Month Recovery	31,284
30	= Ending Balance **	<u>60,215,261</u>

* Excludes Forced Outages, Scheduled Outages, and Curtailments

** May Not Be Less Than Zero

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OTHER OPERATING REVENUES

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1 November, 2004</u>
1	450	Forfeited Discounts	0
2	451	Miscellaneous Service Revenues	0
3	453	Sales of Water and Water Power	0
4	454.10	Rent From Electric Property - Associated Companies	0
5	454.20	Rent From Electric Property - Non-Associated Companies	0
6	455	Interdepartmental Rents	0
7	456	Other Electric Revenues	(8,750)
8	411.8	Proceeds/gains From Sale of Emission Allowances	0
9		Total Other Operating Revenues	<hr/> (8,750) <hr/>

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF OPERATION & MAINTENANCE EXPENSES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2004</u>
1	500,502-509	Steam Power Generation - Operation	254,753
2	501	Fuel - Operation	5,582,497
3	510-515	Steam Power Generating - Maintenance	283,903
4		Total Steam Power Generation Expenses	6,121,153
5	555-557	Other Power Supply Expenses	772
6	560-567.1	Transmission Expenses - Operation	0
7	568-574	Transmission Expenses - Maintenance	0
8		Total Transmission Expenses	0
9	580-589	Distribution Expenses - Operation	0
10	590-598	Distribution Expenses - Maintenance	0
11		Total Distribution Expenses	0
12	901-905	Customer Accounts Expenses - Operation	0
13	906-910	Customer Service and Informational Expenses - Operation	0
14	911-917	Sales Expenses - Operation	0
15	920-933	Administrative and General Expenses - Operation	211,796
16	935	Administrative and General Expenses - Maintenance	6,063
17		Total Administrative & General Exp.	217,860
18		Total Operation & Maintenance Expenses	6,339,785

AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF DEPRECIATION EXPENSE
AND AMORTIZATION EXPENSES

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2004</u>
1	403	Depreciation Expense	1,592,816
2	404	Amortization of Limited-Term Electric Plant	40,425
3	405	Amortization of Other Electric Plant	0
4	406	Amortization of Electric Plant Acquisition Adjustments	0
5	407	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs	0

6		Total Depreciation Exp. & Amortization	1,633,241 =====

AEP GENERATING COMPANY
ROCKPORT POWER BILL Pg 11 of 18
DETAIL OF TAXES OTHER THAN FEDERAL INCOME TAXES

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2004</u>
BS1			
1	408.1	Taxes Other Than Federal Income Taxes, Utility Operating Income	(490,984)
2	409.1	State Income Taxes	46,350
3		Total Taxes Other than FIT	<hr style="border: none; border-top: 1px solid black;"/> (444,634) =====

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF UNIT 1 SCHEDULE 'M' ADJUSTMENTS
AND DEFERRED FEDERAL INCOME TAX**

UNIT 1
November, 2004

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>TOTAL</u>	<u>KPCO SHARE</u>	<u>I&M SHARE</u>	<u>I&M SHARE</u>
1		<u>Unit 1 Schedule 'M' Adjustments*</u>				
2	N/A	Excess ACRS Over Normalization Base Depreciation	11,500	3,450	8,050	0
3	N/A	Deferred Purchased Power Costs	0	0	0	0
4	N/A	Excess Normalization Base Over Book Depreciation	13,000	3,900	9,100	0
5	N/A	Other Unit 1 Schedule 'M' Adjustments	1,622,970	486,891	1,136,079	0
6		Total Unit 1 Schedule 'M' Adjustments	<u>1,647,470</u>	<u>494,241</u>	<u>1,153,229</u>	<u>0</u>
7		<u>Unit 1 Deferred Federal Income Tax</u>				
8	410.1	Excess ACRS Over Norm. Base Depr. (Line 2 x FIT Rate * -1)	(509,915)	(152,975)	(356,940)	0
9	410.1	Deferred Purchased Power Costs (Line 4 x FIT Rate * -1)	0	0	0	0
10	410.1&411.1	Other Unit 1 Schedule 'M' Adjustments - Utility - Clearing Accounts	0	0	0	0
11	410.1	Feedback of Deferred State Income Taxes	0	0	0	0
12	411.1	Feedback of Accumulated DFIT re: ABFUDC - Unit 1 Negative Amount Denotes Reduction.	(77,746)	(23,324)	(54,422)	0
13	411.1	Feedback of Accumulated DFIT re: Overheads Capitalized - Unit 1	(3,277)	(983)	(2,294)	0
14	411.1	Feedback of Accumulated DFIT re: Other Schedule 'M' Adj.-Utility	(30,165)	(9,050)	(21,115)	0
15		Total Unit 1 Deferred Federal and State Income Tax	<u>(621,103)</u>	<u>(186,332)</u>	<u>(434,771)</u>	<u>0</u>

* Positive Amount Denotes Increase In Taxable Income,
Negative Amount Denotes Reduction.

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1**

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<u>Line</u>	<u>Account</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2004</u>
<u>No.</u>	<u>No.</u>		
1		<u>ELECTRIC PLANT IN SERVICE</u>	
2	101	Electric Plant In Service	590,337,090
3	102	Electric Plant Purchased	0
4	103	Experimental Elec. Plant Unclassified	0
5	103.1	Electric Plant In Process of Reclassification	0
6	104	Electric Plant Leased to Others	0
7	106	Completed Construction Not Classified	8,217,939
8	114	Electric Plant Acquisition Adjustments	0
9	116	Other Electric Plant Adjustments	0
10	118	Other Utility Plant	0
11		Total Electric Plant In Service	598,555,029
12	105	Plant Held For Future Use	0
13		<u>ACCUMULATED DEPRECIATION</u>	
14	108	Accumulated Provision for Depreciation of Electric Utility Plant	331,275,081
15	110	Accumulated Provision for Depreciation and Amort. of Elec. Utility Plant	0
16	111	Accumulated Provision for Amortization of Electric Utility Plant	1,983,098
17	115	Accumulated Provision for Amortization of Electric Plant Acquisition Adjustments	0
18	119	Accumulated Provision for Depreciation and Amortization of Other Utility Plant	0
19		Total Accumulated Depreciation	333,258,179
20		<u>MATERIAL AND SUPPLIES</u>	
21	151	Fuel Stock	13,275,292
22	152	Fuel Stock Expenses - Undistributed	477,776
23	153	Residuals	0
24	154	Plant Materials and Operating Supplies	5,792,324
25	155	Merchandise	0
26	156	Other Materials and Supplies	0
27	163	Stores Expense Undistributed	0
28		Total Materials and Supplies (In-Service Portion)	19,545,392
29	165	Prepayments	3,563
30	186	Other Deferred Debits	0

AEP GENERATING COMPANY
 ROCKPORT POWER BILL Pg 13a of 18
 OTHER WORKING CAPITAL, UNAMORTIZED DEBT EXPENSE,
AND OTHER DEFERRED CREDITS

<u>Line No.</u>	<u>Account No.</u>	<u>Description *</u>	<u>UNIT 1</u> <u>November, 2004</u>
1	128	Other Special Funds	0
2	131	Cash	0
3	135	Other Intra Company Adjustments	0
4	143	Accounts Receivable-Miscellaneous	0
5	146	Accounts Receivable-Associated Company	10,371,376
6	171	Interest and Dividends Receivable	0
7	174	Miscellaneous Current and Accrued Assets	0
8	232	Accounts Payable-General	(348,879)
9	234	Accounts Payable-Associated Company	(7,131,628)
10	236	Taxes Accrued	(5,533,530)
11	237	Interest Accrued	(303,750)
12	238	Dividends Declared	0
13	241	Tax Collections Payable	0
14	242	Misc Current and Accrued Liabilities	27,634,169
15		Total Other Working Capital	<u>24,687,757</u> =====
16	181	Unamortized Debt Expense	<u>2,160,536</u>
17	253	Other Deferred Credits	<u>0</u>

* debit <credit>

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET IN-SERVICE INVESTMENT UNIT 1

UNIT 1
November, 2004

<u>Line</u> <u>No.</u>	<u>Account</u> <u>No.</u>	<u>Description</u>	
31		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
32	190	-Accumulated Deferred Income Taxes	418,318
33	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
34	282	+Accumulated Deferred Income Taxes - Other Property	68,655,618
35	283	+Accumulated Deferred Income Taxes - Other	704,960
36		Total Accumulated Deferred Income Taxes (In-Service Portion)	68,942,260
37	255	+Accumulated Deferred Investment Tax Credits	11,153,908
38	186.50	-Accumulated Deferred Investment Tax Credit	0
39		Total Accumulated Deferred Investment Tax Credits	11,153,908
40		Total Net In-Service Investment - Unit 1	231,597,930

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
 DETAIL OF NON-IN-SERVICE INVESTMENT - CWIP AND OTHER

UNIT 1

November, 2004

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
		<u>Non-In-Service Investment - CWIP</u>	
1	107	Construction Work In Process	6,800,717
2		MATERIAL AND SUPPLIES	
3	151	Fuel Stock	0
4	152	Fuel Stock Expenses - Undistributed	0
5	153	Residuals	0
6	154	Plant Materials and Operating Supplies	0
7	155	Merchandise	0
8	156	Other Material and Supplies	0
9	163	Stores Expense Undistributed	0
10		Total Material and Supplies (CWIP Portion)	0
11		<u>ACCUMULATED DEFERRED INCOME TAXES</u>	
12	190	-Accumulated Deferred Income Taxes	0
13	281	+Accumulated Deferred Income Taxes - Accelerated Amortization Property	0
14	282	+Accumulated Deferred Income Taxes - Other Property	0
15	283	+Accumulated Deferred Income Taxes - Other	0
16		Total Accumulated Deferred Income Taxes (CWIP Portion)	0
17		TOTAL NON-IN-SERVICE INVESTMENT - CWIP	6,800,717
		<u>Non-In-Service Investment - Other</u>	
18	105	Plant Held for Future Use	1,140,676
19	186	Other Deferred Debits	1,068,043
20	151.10	Fuel Inventory Over Allowed Level *	(4,123,267)
21		Total Non-In-Service Investment - Other	(1,914,548)
		* INCLUDES ROCKPORT 1 AND 2	
		UNIT 1	(4,123,267)
		UNIT 2	0
		TOTAL	(4,123,267)

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION**

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**UNIT 1
November, 2004**

<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	
1		<u>COMMON CAPITAL STOCK</u>	
2	201	Common Stock Issued	1,000,000
3	202	Common Stock Subscribed	0
4	203	Common Stock Liability for Conversion	0
5	209	Reduction In Par or Stated Value of Capital Stock	0
6	210	Gain on Resale or Cancellation of Reacquired Capital Stock	0
7	212	Installments Received on Capital Stock	0
8	214	Capital Stock Expense	0
9	217	Reacquired Capital Stock	0
10		Total Common Capital Stock	1,000,000
11		<u>OTHER PAID-IN CAPITAL</u>	
12	207	Premium on Capital Stock	0
13	208	Donations Received from Stockholders	23,434,000
14	211	Miscellaneous Paid-In Capital	0
15	213	Discount on Capital Stock	0
16		Total Other Paid-In Capital	23,434,000
17		<u>RETAINED EARNINGS</u>	
18	215	Appropriated Retained Earnings	0
19	215.1	Appropriated Retained Earnings- Amortization Reserve, Federal	0
20	216	Unappropriated Retained Earnings	24,060,120
21		Total Retained Earnings	24,060,120
22		Total Common Equity	48,494,120
23		<u>PREFERRED CAPITAL STOCK</u>	
24	204	Preferred Stock Issued	0
25	205	Preferred Stock Subscribed	0
26	206	Preferred Stock Liability for Conversion	0
27		Total Preferred Capital Stock	0

AEP GENERATING COMPANY
 ROCKPORT POWER BILL
DETAIL OF NET CAPITALIZATION (Cont'd)

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<u>Line No.</u>	<u>Account No.</u>	<u>Description</u>	<u>UNIT 1</u> <u>November, 2004</u>
28		<u>LONG-TERM DEBT</u>	
29	221	Bonds	0
30	222	Reacquired Bonds	0
31	223	Advances from Associated Companies	0
32	224	Other Long-Term Debt	45,000,000
33	225	Unamortized Premium on Long-Term Debt-Credit	0
34	226	Unamortized Discount on Long-Term Debt-Debit	(181,832)
35		Total Long-Term Debt	44,818,168
		<u>SHORT-TERM DEBT</u>	
36	231.02	Notes Payable (Short-Term Debt)	0
37	231.03	Unamortized Discount	0
	233.00	Notes Payable, Assoc Co(Money Pool)	6,097,311
38		Total Short-Term Debt	6,097,311
39		<u>TEMPORARY CASH INVESTMENTS</u>	
40	132	Interest Special Deposits	0
41	133	Dividend Special Deposits	0
42	134	Other Special Deposits	0
43	136, 145	Temporary Cash Investments	0
44		Total Temporary Cash Investments	0
45		NET CAPITALIZATION	99,409,599

**AEP GENERATING COMPANY
ROCKPORT POWER BILL
DETERMINATION OF RATE OF RETURN (Net & Pre-Tax)**

<u>Line No.</u>		<u>UNIT 1</u> <u>November, 2004</u>
1	<u>Capitalization Balances (Prior Month Ending) :</u>	
2	Long-Term Debt	44,818,168
3	+ Short-Term Debt	6,097,311
4	+ Preferred Stock	0
5	+ Common Equity	48,494,120
6	- Capitalization Offsets	0
7	Total Capitalization Balances	99,409,599
		=====
8	<u>Weighting of Capitalization Balances :</u>	
9	Long-Term Debt	45.0843%
10	+ Short-Term Debt	6.1335%
11	+ Preferred Stock	0.0000%
12	+ Common Equity	48.7821%
13	- Capitalization Offsets	-0.0001%
14	Total Capitalization	100.0000%
		=====
15	<u>Capitalization Cost Rates :</u>	
16	Long-Term Debt	4.6610%
17	Short-Term Debt	1.8715%
18	Preferred Stock	0.0000%
19	Common Equity	12.1600%
20	Capitalization Offsets	4.3270%
21	<u>Rate of Return (Net of Tax) :</u>	
22	Long-Term Debt	2.1014%
23	+ Short-Term Debt	0.1148%
24	+ Preferred Stock	0.0000%
25	+ Common Equity	5.9319%
26	- Capitalization Offsets	0.0000%
27	Total Rate of Return (Net of Tax)	8.1481%
		=====
28	Weighted Net Cost of Debt	2.2162%
29	+ Pre-Tax Common Equity (Line 25 / .65)	9.1260%
30	= Rate of Return (Pre-Tax)	11.3422%
		=====

ROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT

500	SUPERVISION AND ENGINEERING	52,014
501	FUEL	5,582,497
502	STEAM EXPENSES	36,688
503	STEAM FROM OTHER SOURCES	0
504	STEAM TRANSFERRED - CR	0
505	ELECTRIC EXPENSES	50,018
506	MISC. STEAM POWER EXPENSES	116,033
507	RENTS	0
508	OPERATION SUPPLIES AND EXPENSES	0
509	CARRYING CHARGES - ALLOWANCES	0

TOTAL OPERATION EXPENSE 5,837,250

510	MAINTENANCE SUPER. AND ENGINEERING	44,699
511	MAINTENANCE OF STRUCTURES	14,573
512	MAINTENANCE OF BOILER PLANT	140,357
513	MAINTENANCE OF ELECTRIC PLANT	62,042
514	MAINTENANCE OF MISC. STEAM PLANT	22,232
515	MAINTENANCE NORMALIZING	0

TOTAL MAINTENANCE EXPENSES 283,903

555	PURCHASED POWER	0
556	SYSTEM CONTROL AND LOAD DISPATCHING	0
557	OTHER POWER SUPPLY EXPENSES	772

TOTAL OTHER SUPPLY EXPENSES 772

IS FUEL IN BALANCE
ON PAGE 2

AMOUNT MUST BE ZERO

0

NO OF DAYS IN CURRENT MO
NO OF DAYS IN CURRENT YEAR
CURRENT YEAR IS
CURRENT MONTH IS
THIS BILLING IS FOR MONTH OF

30
366
2004
11
November, 2004

A E P GENERATING COMPANY

November, 2004
ESTIMATEROCK PORT OPERATION & MAINTENANCE EXPENSES UNIT 1
50% OWNERSHIP INTEREST OF ROCKPORT PLANT

901	SUPERVISION	0
902	METER READING EXPENSES	0
903	CUSTOMER RECORDS AND COLLECTION EXPENSES	0
904	UNCOLLECTIBLE ACCOUNTS	0
905	MISCELLANEOUS CUSTOMER ACCOUNTS EXPENSES	0
	TOTAL CUSTOMER ACCOUNTS EXPENSES	0
906	CUSTOMER SERVICE AND INFORMATIONAL EXP	0
907	SUPERVISION	0
908	CUSTOMER ASSISTANCE EXPENSES	0
909	INFORMATIONAL AND INSTRUCTIONAL ADVERTISING EXPENSES	0
910	MISCELLANEOUS CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	0
	TOTAL CUSTOMER SERVICES EXPENSES	0
911	SUPERVISION	0
912	DEMONSTRATION AND SELLING EXPENSES	0
913	ADVERTISING EXPENSES	0
916	MISCELLANEOUS SALES EXPENSES (MAJOR)	0
917	SALES EXPENSES (NON-MAJOR)	0
	TOTAL SALES EXPENSES	0
920	ADMIN. & GENERAL SALARIES	31,842
921	OFFICE SUPPLIES AND EXPENSES	8,929
922	ADMINISTRATIVE EXPENSES TRANSF - CR	0
923	OUTSIDE SERVICES	116,530
924	PROPERTY INSURANCE	20,548
925	INJURIES AND DAMAGES	4,874
926	EMPLOYEE PENSIONS AND BENEFITS	28,731
927	FRANCHISE REQUIREMENTS	0
928	REGULATORY COMMISSION	0
929	DUPLICATE CHARGES-CREDIT	0
930	MISCELLANEOUS GENERAL EXPENSES	286
931	RENTS	58
933	TRANSPORTATION EXPENSE	0
	TOTAL ADM & GEN EXPENSES OPERATION	211,796
935	MAINTENANCE OF GENERAL PLANT	6,063
	TOTAL ADM & GEN EXPENSES	217,860
	TOTAL AEG OPERATION & MAINTENANCE EXPENSES	6,339,785
	ACCOUNT 40190 TOTAL FOR CROSS FOOT	6,339,785
	-----DIFFERENCE-----	0