

**PJM Capacity Settlement
 12 Months Ending 10/31/11**

	APCO	KPCO	I&M	3 Co. Subtotal	AEP-OH	Total
I. Current Pool (Actual)						
PJM CAPACITY REVENUES	\$22,510,209	\$4,729,502	\$13,543,242	\$40,782,953	\$28,897,720	\$69,680,673
- Based on MLR share of sale						

- II. 3-Company FRR**
 WITH GEN AND WPCO TRANSFER \$52,514,617 \$13,404,835 \$3,759,951 **\$69,679,402**
 - Amos 3 to APCO
 - Mitchell 1&2 APCO (80%); KPCO (20%)

Note:

3-Company FRR assumes 3 Companies sold into RPM auction what was sold during the planning years and allocated to the shortest company(ies). Assumes other unassigned capacity purchases and sales for the period were included in OSS.

Actual PJM Settlement
 12 Months Ending October 31, 2011

RPM Revenues*		Member Load Ratio (MLR)						Total
Month	Revenues	Month	APCO	KPCO	I&M	OPCO	CSP	Total
11/1/2010	\$6,792,085	11/1/2010	0.32375	0.06714	0.19468	0.22780	0.18663	1.00000
12/1/2010	\$7,018,488	12/1/2010	0.32375	0.06714	0.19468	0.22780	0.18663	1.00000
1/1/2011	\$7,018,906	1/1/2011	0.32834	0.06874	0.19270	0.22548	0.18474	1.00000
2/1/2011	\$6,339,279	2/1/2011	0.32728	0.06852	0.19208	0.22476	0.18736	1.00000
3/1/2011	\$7,018,488	3/1/2011	0.32728	0.06852	0.19208	0.22476	0.18736	1.00000
4/1/2011	\$6,792,085	4/1/2011	0.32497	0.06877	0.19278	0.22544	0.18804	1.00000
5/1/2011	\$7,018,488	5/1/2011	0.32497	0.06877	0.19278	0.22544	0.18804	1.00000
6/1/2011	\$4,251,540	6/1/2011	0.32497	0.06877	0.19278	0.22544	0.18804	1.00000
7/1/2011	\$4,393,258	7/1/2011	0.32497	0.06877	0.19278	0.22544	0.18804	1.00000
8/1/2011	\$4,393,258	8/1/2011	0.31181	0.06598	0.19998	0.22920	0.19303	1.00000
9/1/2011	\$4,251,540	9/1/2011	0.31181	0.06598	0.19998	0.22920	0.19303	1.00000
10/1/2011	<u>\$4,393,258</u>	10/1/2011	0.31181	0.06598	0.19998	0.22920	0.19303	1.00000
Total	\$69,680,673	Average	0.32214	0.06776	0.19477	0.22666	0.18866	1.00000

Current Allocation of RPM Revenues						
Month	APCO	KPCO	I&M	AEP-OH	Total	
11/1/2010	\$2,198,938	\$456,021	\$1,322,283	\$2,814,844	\$6,792,085	
12/1/2010	\$2,272,235	\$471,221	\$1,366,359	\$2,908,672	\$7,018,488	
1/1/2011	\$2,304,588	\$482,480	\$1,352,543	\$2,879,296	\$7,018,906	
2/1/2011	\$2,074,719	\$434,367	\$1,217,649	\$2,612,544	\$6,339,279	
3/1/2011	\$2,297,011	\$480,907	\$1,348,111	\$2,892,459	\$7,018,488	
4/1/2011	\$2,207,224	\$467,092	\$1,309,378	\$2,808,391	\$6,792,085	
5/1/2011	\$2,280,798	\$482,661	\$1,353,024	\$2,902,004	\$7,018,488	
6/1/2011	\$1,381,623	\$292,378	\$819,612	\$1,757,927	\$4,251,540	
7/1/2011	\$1,427,677	\$302,124	\$846,932	\$1,816,524	\$4,393,258	
8/1/2011	\$1,369,862	\$289,867	\$878,564	\$1,854,965	\$4,393,258	
9/1/2011	\$1,325,673	\$280,517	\$850,223	\$1,795,128	\$4,251,540	
10/1/2011	<u>\$1,369,862</u>	<u>\$289,867</u>	<u>\$878,564</u>	<u>\$1,854,965</u>	<u>\$4,393,258</u>	
Total	\$22,510,209	\$4,729,502	\$13,543,242	\$28,897,720	\$69,680,673	

*From RTO & Commodity Settlements (E. Gleckler)

AEP PJM PLANNING CAPACITY POSITION

8/9/2011

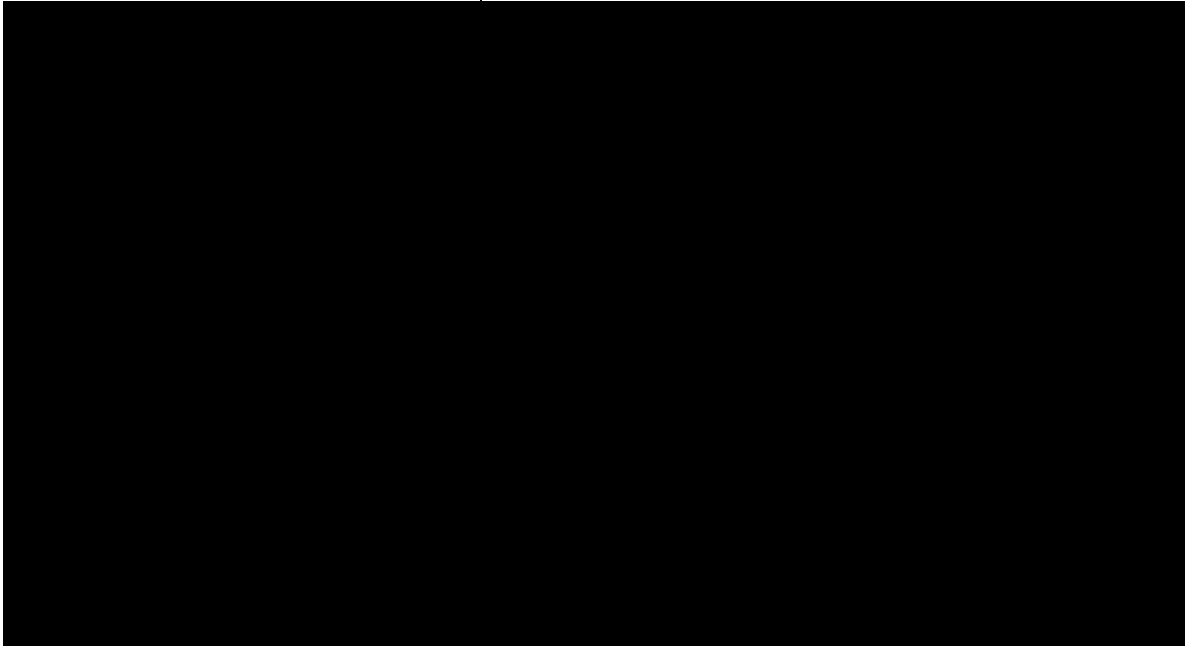
CURRENT CAPACITY POSITION

	LOAD OBLIGATION
	Diversified AEP Internal Load <u>Monongahela Power (incl in AEP after 2010)</u>
	Total AEP Zone Load
	Monongahela Power Purchase Offset NCEMC Load Assigned As AEP Zonal Load Demand Side Management (per CLR)
	TOTAL AEP PEAK OBLIGATION
	<i>Reserve Margin/Forecast Pool Requirement</i>
A	TOTAL AEP UCAP OBLIGATION
	CAPACITY RESOURCES
	Gross ICAP Capacity Unit-Specific ICAP Sales - Buckeye <u>Unit-Specific ICAP Sales - Other Bilateral Sales</u>
	ICAP Capacity Less Unit-Specific Deals <i>AEP Fleet EFORD (rolling average 10/1/09-9/30/10)</i>
	TOTAL AEP UCAP Capacity (incl wind)
	Unit-Specific Transferred (UCAP)
	Demand Resources/Interruptible (ICAP)
	<i>Demand Resource Factor</i> <i>Reserve Margin/Forecast Pool Requirement</i>
	Demand Resources Credit (UCAP) Existing Wind Generation Dresden Combined Cycle (UCAP)
B	TOTAL NET AEP UCAP CAPACITY
C = B - A	BASE AEP CAPACITY POSITION (UCAP)
D	FRR Threshold Quantity
E = C - D	NET AEP UCAP AVAIL FOR RPM AUCTION
F	TOTAL COMMITTED UCAP TO RPM <i>Base Auction Clearing Price (\$/MW-day)</i>
G = E - F	REMAINING AVAILABLE CAPACITY (UCAP)

ANTICIPATED CAPACITY POSITION

	POTENTIAL FORECAST ADJUSTMENTS
	Projected PJM Load Reduction (2/18/11 estimates) Projected Load Reduction - AEP Forecast (see Note) Projected ILR/DR Increase Demand-Side Mgmt (EE as Capacity) Cook 1 EFORD Return EFORD Change (rates shown below) Planned Renewables (Wind/Biomass/Solar) Planned Natural Gas Generation "Accelerated" EPA Rulemaking Impacts <u>"Run of River" Hydro Rating Reduction</u>
H	TOTAL ADJUSTMENTS
I = (G or E) + H	REMAINING AVAIL AFTER ADJUSTMENTS
J = I + D	Length Including Threshold Quantity

**"Stand Alone" Allocation of FRR Obligation
 Including WPCO Transfer from AEP Ohio to APCO**



I. Load Obligation*

TOTAL AEP PEAK OBLIGATION

Reserve Margin/Forecast Pool Requirement

TOTAL AEP UCAP OBLIGATION

*From Generation Forecasting (P.Pan)
 8/11 Capacity Update

**II. Actual Contribution to PJM Peaks
 Used for Allocation of Obligation***

APCo
 I&M
 KPCo
 AEP Ohio
Total

*Form Economic Forecasting (R. Holliday)

III. Initial Capacity Obligation (pre-WPCO)


APCo
 I&M
 KPCo
 AEP Ohio
Total

IV. Load Obligation Allocation with WPCO


APCo
 I&M
 KPCo
 AEP Ohio
Total

**Wheeling Power Company Load at the time of PJM's 5 Summer CPs
WPCO**

2009	
8/10/2009 1700	Peak 1
8/18/2009 1600	Peak 2
8/17/2009 1700	Peak 3
8/11/2009 1700	Peak 4
8/20/2009 1700	Peak 5
	avg



2010	
7/7/2010 1700	Peak 1
7/6/2010 1700	Peak 2
7/23/2010 1700	Peak 3
8/10/2010 1700	Peak 4
8/11/2010 1700	Peak 5
	avg



Unit Names	UCAP					Check	
	APCO	KPCO	IM	OPCO			
AMOS 1							ICAP Resources
AMOS 2							Buckeye Removal
AMOS 3							- Cardinal 2
BECKJORD							- Cardinal 3
BERRIEN SPRINGS 1-12							- Mone
BIG SANDY 1							Total
BIG SANDY 2							Net ICAP
BUCHANAN 1-10							EFORD
BUCK-BYLLESBY							UCAP
CARDINAL 1							Wind UCAP
CARDINAL 2							UCAP Resources
CARDINAL 3							Demand Response
CEREDO 1							
CEREDO 2							UCAP Resources
CEREDO 3							UCAP Obligation
CEREDO 4							Net Position above Req'd MW %
CEREDO 5							
CEREDO 6							Assume 3 Company for Allocations
CLAYTOR 1							Capacity Purchases
CLAYTOR 2							Allocate to Shortest
CLAYTOR 3							New Resources
CLAYTOR 4							New Length
CLIFFY CREEK 1 OVEC							Length Percent
CLIFFY CREEK 2 OVEC							New Resources
CLIFFY CREEK 3 OVEC							
CLIFFY CREEK 4 OVEC							Capacity Sales
CLIFFY CREEK 5 OVEC							Non-dedicated (convert to UCAP)
CLIFFY CREEK 6 OVEC							PJM Sale
CLINCH RIVER 1							Allocate to Longest Obligation
CLINCH RIVER 2							Net Position
CLINCH RIVER 3							New Position
CONESVILLE 3							Sale Allocation
CONESVILLE 4							Total
CONESVILLE 5							Non-dedicated
CONESVILLE 6							PJM Auction
CONSTANTINE 1-4							Final Position %
COOK NUCLEAR 1							
COOK NUCLEAR 2							
DARBY 1							
DARBY 2							
DARBY 3							
DARBY 4							
DARBY 5							
DARBY 6							
ELKHART 1-3							
GAVIN 1							
GAVIN 2							
GLEN LYN 5							
GLEN LYN 6							
KAMMER 1							
KAMMER 2							
KAMMER 3							
KANAWHA RIVER 1							
KANAWHA RIVER 2							
KYGER CREEK 1 OVEC							
KYGER CREEK 2 OVEC							
KYGER CREEK 3 OVEC							
KYGER CREEK 4 OVEC							
KYGER CREEK 5 OVEC							
LAWRENCEBURG 1							
LAWRENCEBURG 2							
LAWRENCEBURG 3							
LAWRENCEBURG 4							
LAWRENCEBURG 5							
LAWRENCEBURG 6							
LEESVILLE 1-2							
LONDON 1-3							
MARMET 1-3							
MITCHELL 1 AEP							
MITCHELL 2 AEP							
R.P MONE 1							
R.P MONE 2							
R.P MONE 3							
MOTTVILLE 1-4							
MOUNTAINEER 1							
MUSKINGUM RIVER 1							
MUSKINGUM RIVER 2							
MUSKINGUM RIVER 3							
MUSKINGUM RIVER 4							
MUSKINGUM RIVER 5							
NIAGARA 1-2							
PICWAY 5							
RACINE 1-2							
REUSENS 1-5							
ROCKPORT 1							
ROCKPORT 2							
SMITH MOUNTAIN 1							
SMITH MOUNTAIN 2							
SMITH MOUNTAIN 3							
SMITH MOUNTAIN 4							
SMITH MOUNTAIN 5							
SPORN 1							
SPORN 2							
SPORN 3							
SPORN 4							
SPORN 5							
STUART 1							
STUART 2							
STUART 3							
STUART 4							
STUART DIESEL 1-4							
SUMMERSVILLE 1-2							
TANNERS CREEK 1							
TANNERS CREEK 2							
TANNERS CREEK 3							
TANNERS CREEK 4							
TWIN BRANCH 1-8							
WATERFORD 1							
WATERFORD 2							
WATERFORD 3							
WATERFORD 4							
WINFIELD 1-3							
ZIMMER 1							

Sum of MWs	ResourceName
DEAL	CARDINAL 2
	CARDINAL 3
	CONESVILLE 4
	R.P MONE 1
	R.P MONE 2
	R.P MONE 3
	AMOS 1
	AMOS 2
	AMOS 3
	BIG SANDY 2
	CARDINAL 1
	CLINCH RIVER 1
	CLINCH RIVER 2
	CLINCH RIVER 3
	CONESVILLE 5
	CONESVILLE 6
	COOK NUCLEAR 1
	COOK NUCLEAR 2
	GAVIN 1
	GAVIN 2
	MOUNTAINEER 1
	MUSKINGUM RIVER 5
	ROCKPORT 1
	ROCKPORT 2
	WATERFORD 1
	TANNERS CREEK 4
	BIG SANDY 1
	ZELDA 1 RIVERSIDE
	ZELDA 2 RIVERSIDE
	CEREDO 1
	CEREDO 2
	CEREDO 3
	CEREDO 4
	CEREDO 5
	KERR DAM 1
	KERR DAM 2
	KERR DAM 3
	KERR DAM 4
	KERR DAM 5
	KERR DAM 6
	KERR DAM 7
	PHILPOTT 1-3
	CEREDO 1
	CEREDO 2
	CEREDO 3
	CEREDO 4
	CEREDO 5
	CEREDO 6
	DARBY 1
	DARBY 2
	DARBY 3
	DARBY 4
	DARBY 6
	CEREDO 1
	CEREDO 2
	CEREDO 3
	CEREDO 4
	DARBY 1
	DARBY 2
	DARBY 3
	DARBY 4
	DARBY 6
	DARBY 5
	DARBY 3
	DARBY 4
	DARBY 3
	DARBY 4
	DARBY 6

	2010	2011
WIND PURCHASE		
Sum of MWs		
ResourceName		
CAMP GROVE WF		
FIELD MOUNTAIN WF		
FOWLER RIDGE 2 WF		
FOWLER RIDGE 3 WF		
FOWLER RIDGE WF		
GRAND RIDGE 2 WF		
GRAND RIDGE 3 WF		
Grand Total		

Three Company FRR

APCO

Month	Days
PY 10/11	
nov	30
dec	31
jan	31
feb	28
mar	31
apr	30
may	31
PY 11/12	
jun	30
jul	31
aug	31
sep	30
oct	31

UCAP	
Payment	Price
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$110.00
	\$110.00
	\$110.00
	\$110.00
	\$110.00

Totals
Average

KPCO

Month	Days
PY 10/11	
nov	30
dec	31
jan	31
feb	28
mar	31
apr	30
may	31
PY 11/12	
jun	30
jul	31
aug	31
sep	30
oct	31

UCAP	
Payment	Price
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$110.00
	\$110.00
	\$110.00
	\$110.00
	\$110.00

Totals
Average

I&M

Month	Days
PY 10/11	
nov	30
dec	31
jan	31
feb	28
mar	31
apr	30
may	31
PY 11/12	
jun	30
jul	31
aug	31
sep	30
oct	31

UCAP	
Payment	Price
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$110.00
	\$110.00
	\$110.00
	\$110.00
	\$110.00

Totals

3 Company

Month	Days
PY 10/11	
nov	30
dec	31
jan	31
feb	28
mar	31
apr	30
may	31
PY 11/12	
jun	30
jul	31
aug	31
sep	30
oct	31

UCAP	
Payment	Price
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$174.29
	\$110.00
	\$110.00
	\$110.00
	\$110.00
	\$110.00

Totals

Unit Names	Unit
AMOS 1	AMOS 1
AMOS 2	AMOS 2
AMOS 3	AMOS 3
BECKJORD	BECKJORD
BERRIEN SPRINGS 1-12	BERRIEN SPRINGS 1-12
BIG SANDY 1	BIG SANDY 1
BIG SANDY 2	BIG SANDY 2
BUCHANAN 1-10	BUCHANAN 1-10
BUCK-BYLLESBY	BUCK-BYLLESBY
CARDINAL 1	CARDINAL 1
CARDINAL 2	CARDINAL 2
CARDINAL 3	CARDINAL 3
CEREDO 1	CEREDO 1
CEREDO 2	CEREDO 2
CEREDO 3	CEREDO 3
CEREDO 4	CEREDO 4
CEREDO 5	CEREDO 5
CEREDO 6	CEREDO 6
CLAYTOR 1	CLAYTOR 1
CLAYTOR 2	CLAYTOR 2
CLAYTOR 3	CLAYTOR 3
CLAYTOR 4	CLAYTOR 4
CLIFTY CREEK 1 OVEC	CLIFTY CREEK 1 OVEC
CLIFTY CREEK 2 OVEC	CLIFTY CREEK 2 OVEC
CLIFTY CREEK 3 OVEC	CLIFTY CREEK 3 OVEC
CLIFTY CREEK 4 OVEC	CLIFTY CREEK 4 OVEC
CLIFTY CREEK 5 OVEC	CLIFTY CREEK 5 OVEC
CLIFTY CREEK 6 OVEC	CLIFTY CREEK 6 OVEC
CLINCH RIVER 1	CLINCH RIVER 1
CLINCH RIVER 2	CLINCH RIVER 2
CLINCH RIVER 3	CLINCH RIVER 3
CONESVILLE 3	CONESVILLE 3
CONESVILLE 4	CONESVILLE 4
CONESVILLE 5	CONESVILLE 5
CONESVILLE 6	CONESVILLE 6
CONSTANTINE 1-4	CONSTANTINE 1-4
COOK NUCLEAR 1	COOK NUCLEAR 1
COOK NUCLEAR 2	COOK NUCLEAR 2
DARBY 1	DARBY 1
DARBY 2	DARBY 2
DARBY 3	DARBY 3
DARBY 4	DARBY 4
DARBY 5	DARBY 5
DARBY 6	DARBY 6
ELKHART 1-3	ELKHART 1-3
GAVIN 1	GAVIN 1
GAVIN 2	GAVIN 2
GLEN LYN 5	GLEN LYN 5
GLEN LYN 6	GLEN LYN 6
KAMMER 1	KAMMER 1
KAMMER 2	KAMMER 2
KAMMER 3	KAMMER 3
KANAWHA RIVER 1	KANAWHA RIVER 1
KANAWHA RIVER 2	KANAWHA RIVER 2
KYGER CREEK 1 OVEC	KYGER CREEK 1 OVEC
KYGER CREEK 2 OVEC	KYGER CREEK 2 OVEC
KYGER CREEK 3 OVEC	KYGER CREEK 3 OVEC
KYGER CREEK 4 OVEC	KYGER CREEK 4 OVEC
KYGER CREEK 5 OVEC	KYGER CREEK 5 OVEC
LAWRENCEBURG 1	LAWRENCEBURG 1
LAWRENCEBURG 2	LAWRENCEBURG 2
LAWRENCEBURG 3	LAWRENCEBURG 3
LAWRENCEBURG 4	LAWRENCEBURG 4
LAWRENCEBURG 5	LAWRENCEBURG 5
LAWRENCEBURG 6	LAWRENCEBURG 6
LEESVILLE 1-2	LEESVILLE 1-2
LONDON 1-3	LONDON 1-3
MARMET 1-3	MARMET 1-3
MITCHELL 1 AEP	MITCHELL 1 AEP
MITCHELL 2 AEP	MITCHELL 2 AEP
R.P MONE 1	R.P MONE 1
R.P MONE 2	R.P MONE 2
R.P MONE 3	R.P MONE 3
MOTTVILLE 1-4	MOTTVILLE 1-4
MOUNTAINEER 1	MOUNTAINEER 1
MUSKINGUM RIVER 1	MUSKINGUM RIVER 1
MUSKINGUM RIVER 2	MUSKINGUM RIVER 2
MUSKINGUM RIVER 3	MUSKINGUM RIVER 3
MUSKINGUM RIVER 4	MUSKINGUM RIVER 4
MUSKINGUM RIVER 5	MUSKINGUM RIVER 5
NIAGARA 1-2	NIAGARA 1-2
PICWAY 5	Picway 5
RACINE 1-2	RACINE 1-2
REUSENS 1-5	REUSENS 1-5
ROCKPORT 1	ROCKPORT 1
ROCKPORT 2	ROCKPORT 2
SMITH MOUNTAIN 1	SMITH MOUNTAIN 1
SMITH MOUNTAIN 2	SMITH MOUNTAIN 2
SMITH MOUNTAIN 3	SMITH MOUNTAIN 3
SMITH MOUNTAIN 4	SMITH MOUNTAIN 4
SMITH MOUNTAIN 5	SMITH MOUNTAIN 5
SPORN 1	SPORN 1
SPORN 2	SPORN 2
SPORN 3	SPORN 3
SPORN 4	SPORN 4
SPORN 5	SPORN 5
STUART 1	STUART 1
STUART 2	STUART 2
STUART 3	STUART 3
STUART 4	STUART 4
STUART DIESEL 1-4	STUART DIESEL 1-4
SUMMERSVILLE 1-2	SUMMERSVILLE 1-2
TANNERS CREEK 1	TANNERS CREEK 1
TANNERS CREEK 2	TANNERS CREEK 2
TANNERS CREEK 3	TANNERS CREEK 3
TANNERS CREEK 4	TANNERS CREEK 4
TWIN BRANCH 1-8	TWIN BRANCH 1-8
WATERFORD 1	WATERFORD 1
WATERFORD 2	WATERFORD 2
WATERFORD 3	WATERFORD 3
WATERFORD 4	WATERFORD 4
WINFIELD 1-3	WINFIELD 1-3
ZIMMER 1	ZIMMER 1
Totals	