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American Electric Power
1 Riverside Plaza
Columbus, OH 43215
AEP.com

December 14, 2010

Ms. Renee J Jenkins
Secretary of the Commission
Public Utilities Commission of Ohio
180 East Broad Street
Columbus Ohio 43215-3793

Steven T. Nourse
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Re: *In the Matter of the Fuel Adjustment Clauses for Columbus Southern Power Company and Ohio Power Company*, Case Nos. 10-3042-EL-FAC and 10-3043-EL-FAC

Dear Ms. Jenkins:

Pursuant to the Commission approval of a fuel adjustment clause (FAC) for CSP and OPCo in the Companies' ESP cases, 08-917-EL-SSO and 08-918-EL-SSO, the Companies submit their FAC quarterly filing. The schedules attached to this letter provide information for the Commission's review. This filing is for the 1st quarter of 2011.

Column D of Schedule 1 shows that CSP's FAC rates would have slightly increased in the 1st quarter of 2011, based on current fuel cost projections for the 1st quarter of 2011. However, the Companies are proposing no change in the FAC rates for CSP in this filing due to prior communication to customers of their anticipation that a rate increase would not be necessary in the 1st quarter of 2011. Accordingly, no tariff sheets are being submitted as CSP's FAC rates will not change during the 1st quarter of 2011. CSP reserves the right to make rate changes throughout 2011 under the 6% rate cap established for CSP. If a rate increase is necessary in future quarterly fuel filings throughout 2011 based on fuel costs, the Company will address those increases in subsequent quarterly filings within 2011.

The FAC rates being proposed by OPCo to be effective with the first billing cycle of 2011 reflect the percent increase approved by the Commission in the ESP.
Below is a description of the schedules that are attached to this application. There are two sets of schedules, one set for each company. The Companies are including in this submission, actual fuel data for July through September 2010 and forecast information for the 1st quarter (January, February and March) of 2011.

Schedule 1: This schedule shows the current FAC rate by tariff and delivery voltage in Column A. Column B shows the forecast component (FC) rate that would be necessary to recover the estimated fuel expense for the 1st quarter of 2011. Column C shows the reconciliation adjustment (RA) that would be necessary to recover the actual fuel under-recovery experienced through September 2011. Column D is the sum of the FC component and the RA component. If the Companies' FAC were not governed by the ESP rate caps, the rates set out in Column D would be their requested FAC rates. Since the ESP rate caps do apply, the Companies are requesting that the current FAC rates remain in effect as is reflected in Column E.

Schedule 2: This schedule shows the Companies' estimates of the fuel cost by month it is expecting to incur in the 1st quarter of 2011. Schedule 2 calculates the rates by voltage that would be necessary to recover the forecast costs. For CSP, these forecasted (FC) rates are projected to be lower than the current FAC rates. This results in some recovery of CSP's under-recovery balance during the 1st quarter of 2011. Conversely, for OPCo, the FC rates on Schedule 2 are higher than the current FAC rates for some and lower for others, so there is a potential that OPCo's rates may result in some recovery of the balance during the 1st quarter of 2011.

Schedule 3, page 1: This page of schedule 3 shows the under-recovery of fuel expense for the months of July, August and September 2010, as well as, the cumulative balance through September 2010. It also shows the carrying cost associated with the under-recoveries. The "Other Credits/Charges" column reflects adjustments to the FAC deferrals based on prior Commissions orders. Schedule 3 calculates the adjustment to the FAC rates that would be necessary to recover the under-recovery during the 1st quarter of 2011. The rate for OPCo demonstrates that recovery of the deferral over just 3 months would not be practical. It is probable that OPCo will have a long-term deferral to be recovered subsequent to the ESP, as envisioned by the modified ESP approved by the Commission. Under current conditions, CSP may be in a position before the ESP ends to begin recovering its actual fuel expense concurrently upon full recovery of the deferrals.

Schedule 3, page 2: This page of schedule 3 provides monthly data on the actual fuel costs recorded by the Companies from July 2011 through September 2011. The Retail FAC Cost shown in the last column on this page is carried over to page 1 of Schedule 3. Shown on page 2 and included in the total FAC cost is an amount representing the revenue requirement associated with solar panels installed by the Companies to help meet the renewable energy requirements of SB221, as well as other renewable energy costs. Revenues provided by the FAC will first be applied to recovery of renewable energy costs, so that they are not part of the long-term deferral of either Company and thus are by-passable by customers choosing an alternative energy supplier.

Schedule 3, page 3: This page of schedule 3 provides the monthly carrying costs for the Ormet Interim Agreement which are the subject of Case No. 09-1094-EL-FAC. These carrying costs are calculated on the deferral that is included in the FAC for the period January 1, 2009 through September 17, 2009. Any rate discounts provided to Ormet subsequent to September 17 will be recovered through the Economic Development Rider (EDR).

Schedule 4: Schedule 4 sets out the FAC rates by tariff that are currently in. These rates are in compliance with the provision for the capped rate percent increases approved by the Commission in its ESP orders for the Companies.

Sincerely,

Steven T. Nourse

Schedule 1

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
Summary - Proposed FAC Rate

			Cents Per kWh				
			A	B	C	D	E
				Schedule 2	Schedule 3		Schedule 4
Line	Tariff	Delivery Voltage	Current FAC Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	FAC Rate Permitted Under ESP Cap
1	R-R, R-R-1, RLM, RS-ES, RS-TOD	Secondary	3.56086	3.35790	0.32622	3.68412	4.21352
2	GS-1	Secondary	3.26772	3.35790	0.32622	3.68412	4.07779
3	GS-2	Secondary	3.48211	3.35790	0.32622	3.68412	4.19207
4	GS-2	Primary	3.36854	3.24838	0.31558	3.56396	4.05535
5	GS-2-TOD AND GS-2-LM-TOD	Secondary	3.48211	3.35790	0.32622	3.68412	4.19207
6	GS-3	Secondary	3.38891	3.35790	0.32622	3.68412	3.88835
7	GS-3	Primary	3.27838	3.24838	0.31558	3.56396	3.76153
8	GS-3-LM-TOD	Secondary	3.38891	3.35790	0.32622	3.68412	3.88835
9	GS-4	Sub/Transmission	3.07255	3.18680	0.30960	3.49640	3.39096
10	IRP-D	Secondary	3.23751	3.35790	0.32622	3.68412	3.57303
11	IRP-D	Primary	3.13192	3.24838	0.31558	3.56396	3.45649
12	IRP-D	Sub/Transmission	3.07255	3.18680	0.30960	3.49640	3.39096
13	SL	Secondary	4.00588	3.35790	0.32622	3.68412	4.79251
14	AL	Secondary	4.57832	3.35790	0.32622	3.68412	5.81988
15	SBS	Secondary	3.41400	3.35790	0.32622	3.68412	3.97020
16	SBS	Primary	3.28062	3.24838	0.31558	3.56396	3.76788
17	SBS	Sub/Transmission	3.07255	3.18680	0.30960	3.49640	3.39096

Schedule 2

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
FC Component

Line	Description		Forecast Period January	February	March	Total
1	Fuel & Purchased Power		$ 120,051,098	$ 108,647,197	$ 107,831,495	$ 336,529,790
2	Environmental (Consumables and Allowances)		$ 4,652,676	$ 4,641,033	$ 4,060,317	$ 13,354,026
3	(Gains) and Losses On Sales of Allowances		$ -	$ -	$ (17,100)	$ (17,100)
4	Other					$ -
5	Total Includible FAC Costs		$ 124,703,774	$ 113,288,230	$ 111,874,712	$ 349,866,716
6	Less: Assigned to Off-System (Including AEP Affiliates)		$ 69,401,024	$ 60,887,134	$ 60,442,529	$ 190,730,687
7	FAC for Internal Load		$ 55,302,750	$ 52,401,096	$ 51,432,183	$ 159,136,029
8	Retail Jurisdictional Allocation Ratio	Schedule 3 pg. 2	1.00000	1.00000	1.00000	1.00000
9	FAC for Retail Load Before Renewables		$ 55,302,750	$ 52,401,096	$ 51,432,183	$ 159,136,029
10	Renewables/RECs		$ 1,556,866	$ 1,258,558	$ 1,309,737	$ 4,125,161
11	FAC for Retail Load		$ 56,859,616	$ 53,659,654	$ 52,741,920	$ 163,261,190
12	Retail Non-Shopping Sales - Generation Level Kwh		1,825,538,075	1,691,940,147	1,625,543,053	5,143,021,275
13	FC Component of FAC Rate At Generation Level - Cents/kWh					3.17442

Line	Description		Secondary	Primary	Sub/Trans
14	FC Component of FAC Rate At Generation Level		3.17442	3.17442	3.17442
15	Loss Factor		1.0578	1.0233	1.0039
16	**FC at the Meter Level - Cents/kWh**	Line 14 x Line 15	3.3579	3.24838	3.1868

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2010 through March 2011
RA Component

Actual Period - July 2010 through Sept 2010

Line	Month	Kwh Retail Non-Shopping Sales	Renewable & FAC Revenue	Schedule 3 , p2 FAC Cost	FAC (Over)/Under Recovery	Carrying Charges On (Over)/Under Recovery	Other Credits/Charges	Total (Over)/Under Recovery
1	Beginning Balance							$ 9,626,191
2	Jul-10	2,028,770,725	$ 70,991,642	$ 72,343,388	$ 1,351,746	$ 412,056	$ 3,771,502	$ 5,635,305
3	Aug-10	1,993,965,411	$ 67,593,424	$ 68,182,047	$ 588,623	$ 414,393	$ (575,451)	$ 427,565
4	Sep-10	1,533,385,603	$ 53,015,582	$ 52,868,980	$ (146,602)	$ 415,564	$ (293,760)	$ (24,799)
5	Ending Balance	5,556,121,739	$ 191,600,648	$ 193,394,415	$ 1,793,767	$ 1,242,013	$ 2,902,291	$ 15,564,261
6	Ormet Interim Agreement Deferral		Schedule 3, pg. 3					$ 296,659
7	Total (Over)/Under Recovery Balance							$ 15,860,920
8	Loss Adjusted Retail Sales Billing Period - kWh							5,143,021,275
9	RA Component at Generation - Cents/kWh							0.30840

Line			Secondary	Primary	Sub/Trans
10	RA Component of FAC Rate At Generation Level		0.30840	0.30840	0.30840
11	Loss Factor		1.0576	1.0233	1.0039
12	**RA at the Meter Level - Cents/kWh**	Line 10 x Line 11	**0.32622**	**0.31558**	**0.30960**

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
RA Component

Ormet Interim Rate Deferral

Line	Month	Total Company FAC Cost	Less Assigned OSS And Pool	= Internal Load FAC Cost	Times Retail Allocation Ratio	= Retail FAC before Renewables	+ Renewables	= Retail FAC & Renewable Cost
1	Jul-10	$ 114,219,640	$ 42,479,667	$ 71,739,973	1.00000	$ 71,739,973	$ 603,415	$ 72,343,388
2	Aug-10	$ 103,385,838	$ 35,770,879	$ 67,614,959	1.00000	$ 67,614,959	$ 567,088	$ 68,182,047
3	Sep-10	$ 68,557,689	$ 16,715,360	$ 51,842,329	1.00000	$ 51,842,329	$ 1,026,651	$ 52,868,980
4	Total	$ 286,163,167	$ 94,965,906	$ 191,197,261		$ 191,197,261	$ 2,197,154	$ 193,394,415

Monthly Jurisdictional Allocation Ratios

Line	Month	Jurisdictional Sales at Gen Level Kwh			Jurisdictional Ratios	
		Whlse (Wstville)	Retail	Total	Whlse (Wstville)	Retail
Actual						
5	Jul-10	-	2,119,280,726	2,119,280,726	0.00000	1.00000
6	Aug-10	-	2,081,664,229	2,081,664,229	0.00000	1.00000
7	Sep-10	-	1,598,196,179	1,598,196,179	0.00000	1.00000
Forecast						
8	January '11		1,825,538,075	1,825,538,075	0.00000	1.00000
9	February '11		1,691,940,147	1,691,940,147	0.00000	1.00000
10	March '11		1,625,543,053	1,625,543,053	0.00000	1.00000

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
RA Component

Ormet Interim Agreement Deferral

Line	Month	Rate Discount	Carrying Charges	Total Underrecovery Deferral - Ormet
1	Jul-10	$ -	$ 82,587	$ 82,587
2	Aug-10	$ -	$ 93,571	$ 93,571
3	Sep-10	$ -	$ 99,075	$ 99,075
4	Total	$ -	$ 275,232	$ 275,232

COLUMBUS SOUTHERN POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
FAC Rate Calculated Under the ESP Rate Cap

Line	Tariff	Voltage	Capped FAC Rates By Tariff
1	R-R, R-R-1, RLM, RS-ES, RS-TOD	Secondary	4.21352
2	GS-1	Secondary	4.07779
3	GS-2	Secondary	4.19207
4	GS-2	Primary	4.05535
5	GS-2-TOD AND GS-2-LM-TOD	Secondary	4.19207
6	GS-3	Secondary	3.88835
7	GS-3	Primary	3.76153
8	GS-3-LM-TOD	Secondary	3.88835
9	GS-4	Sub/Transmission	3.39096
10	IRP-D	Secondary	3.57303
11	IRP-D	Primary	3.45649
12	IRP-D	Sub/Transmission	3.39096
13	SL	Secondary	4.79251
14	AL	Secondary	5.81988
15	SBS	Secondary	3.97020
16	SBS	Primary	3.76788
17	SBS	Sub/Transmission	3.39096

WORKPAPER OTHER CREDITS - CSP

	Waterford & Darby	Ormet Market Differential Fuel Credit	Ormet Base Revenue Adjustment	Out of Period Adjustments	Carrying Costs on Credits/Charges	Total Other Credits/Charges
Jul-10	$ -	$ -	$ -	$ 4,165,991	$ (394,489)	$ 3,771,502
Aug-10	$ -	$ -	$ -	$ (180,962)	$ (394,489)	$ (575,451)
Sep-10	$ -	$ -	$ -	$ 100,728	$ (394,489)	$ (293,760)
	$ -	$ -	$ -	$ 4,085,757	$ (1,183,466)	$ 2,902,291

Line No.		Voltage Loss Factors	Residential	GS-1	GS-2	GS-3	GS-4/IRP-D
	2009 Revenues						
1	Non-FAC		531,278,381	$34,265,272	$144,312,956	$341,199,875	$58,108,094
2	FAC		226,219,544	$11,130,384	$53,499,313	$211,431,528	$74,939,120
3	Total		757,497,925	45,395,657	197,812,269	552,631,403	133,047,214
4	**2010 Allowable % Increase**		6%	6%	6%	6%	6%
5	2010 Target Revenues		802,947,800	48,119,396	209,681,005	585,789,287	141,030,047
6	2011 Allowable % Increase		6%	6%	6%	6%	6%
7	2011 Target Revenues		851,124,668	51,006,560	222,261,865	620,936,644	149,491,850
	Less:						
8	Non-FAC		531,278,381	34,265,272	144,312,956	341,199,875	58,108,094
	2010 Increases Under Cap						
9	Environmental		6,635,347	759,087	3,563,763	7,126,105	1,262,935
10	ESRP Rider		1,008,505	43,668	126,483	289,048	22,582
11	gridSMART™		(1,246,582)	1,164,208	(15,058)	(1,392,347)	(120,184)
12	Subtotal		537,676,651	36,232,235	147,988,144	347,222,681	59,273,428
13	2011 FAC Target		313,448,017	14,774,325	74,273,721	273,713,963	90,218,422
	kWh by Voltage (September-Dec)						
14	Secondary		7,439,101,236	362,312,064	1,719,237,518	4,660,657,062	
15	Primary				54,299,843	2,458,881,775	
16	Sub/Tran						2,660,557,378
	Loss Adjusted kWh						
17	Secondary	1.0578	7,869,081,287	383,253,701	1,818,609,447	4,930,043,040	0
18	Primary	1.0233	0	0	55,565,029	2,516,173,720	0
19	Sub/Tran	1.0039	0	0	0	0	2,670,933,552
20	Total		7,869,081,287	383,253,701	1,874,174,476	7,446,216,760	2,670,933,552
21	**FAC Rate @ Generation**		0.0398329	0.0385497	0.0396301	0.0367588	0.0337779
	FAC Rate @ Meter						
22	Secondary	1.0578	0.0421352	0.0407779	0.0419207	0.0388835	0.0357303
23	Primary	1.0233			0.0405535	0.0376153	0.0345649
24	Sub/Tran	1.0039					0.0339098
	Revenue Verification						
25	Secondary		313,448,018	14,774,325	72,071,640	181,222,659	0
26	Primary		0	0	2,202,049	92,491,576	0
27	Sub/Tran		0	0	0	0	90,218,436
28	Total		313,448,018	14,774,325	74,273,689	273,714,235	90,218,436
29	Difference		1	0	(32)	272	14

* Same as GS-4
** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenue
Line 2 - 2009 FAC Revenue
Line 3 - Line 1 Plus Line 2
Line 4 - Allowable 2010 ESP rate increase
Line 5 - Line 3 Times Line 4
Line 6 - Allowable 2011 ESP rate increase
Line 7 - Line 5 Times Line 6
Line 8 - Line 1
Line 9 - Environmental Revenue Requirement
Line 10 - ESRP Rider
Line 11 - gridSMART ™ Rider
Line 12 - Sum of Lines 8,9,10 & 11
Line 13 - Line 7 Minus Line 12

Line 14 through Line 16 - kWh by class per ESP rate Schedules
Line 17 through Line 19 - Lines 14 through 16 Times Voltage Loss Factors
Line 20 - Sum of Lines 17 through 19
Line 21 - Line 13 Divided by Line 20
Lines 22 through Line 24 - Line 21 Times Voltage Loss Factors
Line 25 - Line 22 times Line 14
Line 26 - Line 23 Times Line 15
Line 27 - Line 24 Times Line 16
Line 28 - Sum of Lines 25 through 27
Line 29- Line 13 Minus Line 28

Line No.		Voltage Loss Factors	Joint S.T.	Joint S.T.	AL	SL	SBS	Shopping
	2009 Revenues							
1	Non-FAC		$33,453,486	$110,622	$8,694,139	$3,711,923		$3,883,200
2	FAC		$62,301,979	$57,528	$1,794,969	$1,273,644		$0
3	Total		95,755,465	168,149	10,489,108	4,985,567	0	3,883,200
4	**2010 Allowable % Increase**		6%	6%	6%	6%	6%	6%
5	2010 Target Revenues		101,500,793	178,238	11,118,454	5,284,701	0	4,116,192
6	2011 Allowable % Increase		6%	6%	6%	6%	6%	6%
7	2011 Target Revenues		107,590,841	188,932	11,785,561	5,601,783	0 0	4,363,164
	Less:							
8	Non-FAC		33,453,486	110,622	8,894,139	3,711,923	0	3,883,200
	2010 Increases Under Cap							
9	Environmental		568,493	2,704	70,491	21,857	0	0
10	ESRP Rider		14,035	69	24,827	10,217		10,472
11	gridSMART™		(75,230)	(364)	(133,125)	(49,065)		(43,586)
12	Subtotal		33,960,785	113,031	8,656,331	3,694,932	0	3,850,086
13	2011 FAC Target		73,630,056	75,901	3,129,230	1,906,851	0 0	513,078
	kWh by Voltage (September-Dec)							
14	Secondary				53,767,943	39,788,122		
15	Primary							
16	Sub/Tran		2,232,000,000	1,977,978				
	Loss Adjusted kWh							
17	Secondary	1.0578	0	0	56,875,730	42,087,875		
18	Primary	1.0233	0	0	0	0		
19	Sub/Tran	1.0039	2,240,704,800	1,985,692	0	0		
20	Total		2,240,704,800	1,985,692	56,875,730	42,087,875	0	
21	**FAC Rate @ Generation**		0.0328602	0.0382242	0.0550187	0.0453064		
	FAC Rate @ Meter							
22	Secondary	1.0578	0.0357303 *	0.0357303 *	0.0581988	0.0479251	0.0397020 **	
23	Primary	1.0233	0.0345649	0.0345649			0.0376788 **	
24	Sub/Tran	1.0039	0.0339096	0.0339096			0.0339096 **	
	Revenue Verification							
25	Secondary		0	0	3,129,230	1,906,850	0	
26	Primary		0	0	0	0	0	
27	Sub/Tran		75,686,227	67,072	0	0	0	
28	Total		75,686,227	67,072	3,129,230	1,906,850	0	
29	Difference		2,056,171	(8,829)	0	(1)	0	

* Same as GS-4
** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenue
Line 2 - 2009 FAC Revenue
Line 3 - Line 1 Plus Line 2
Line 4 - Allowable 2010 ESP rate increase
Line 5 - Line 3 Times Line 4
Line 6 - Allowable 2011 ESP rate increase
Line 7 - Line 5 Times Line 6
Line 8 - Line 1
Line 9 - Environmental Revenue Requirement
Line 10 - ESRP Rider
Line 11 - gridSMART ™ Rider
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Line 25 - Line 22 times Line 14
Line 26 - Line 23 Times Line 15
Line 27 - Line 24 Times Line 16
Line 28 - Sum of Lines 25 through 27
Line 29- Line 13 Minus Line 28

Line No.		Voltage Loss Factors	Total
	2009 Revenues		
1	Non-FAC		$1,159,017,948
2	FAC		$642,648,009
3	Total		1,801,665,957
4	**2010 Allowable % Increase**		6%
5	2010 Target Revenues		1,909,765,915
6	2011 Allowable % Increase		
7	2011 Target Revenues		$2,024,351,868
	Less:		
8	Non-FAC		1,159,017,948
	2010 Increases Under Cap		
9	Environmental		$20,010,762
10	ESRP Rider		$1,549,926
11	gridSMART™		($1,910,332)
12	Subtotal		1,178,668,304
13	2011 FAC Target		$845,683,564
	kWh by Voltage (September-Dec)		
14	Secondary		
15	Primary		
16	Sub/Tran		
	Loss Adjusted kWh		
17	Secondary	1.0578	
18	Primary	1.0233	
19	Sub/Tran	1.0039	
20	Total		
21	**FAC Rate @ Generation**		
	FAC Rate @ Meter		
22	Secondary	1.0578	
23	Primary	1.0233	
24	Sub/Tran	1.0039	
	Revenue Verification		
25	Secondary		
26	Primary		
27	Sub/Tran		
28	Total		
29	Difference		

* Same as GS-4
** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenue
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Line 10 - ESRP Rider
Line 11 - gridSMART ™ Rider
Line 12 - Sum of Lines 8,9,10 & 11
Line 13 - Line 7 Minus Line 12

FUEL ADJUSTMENT CLAUSE RIDER

Effective Cycle 1 January 2011, all customer bills subject to the provisions of this Rider, including any bills rendered under special contract, shall be adjusted by the Fuel Adjustment Clause charge per KWH as follows:

Schedule	Secondary	Primary	Subtransmission/ Transmission
	(¢/KWH)	(¢/KWH)	(¢/KWH)
RS, RS-ES, RS-TOD and RDMS	3.18012	--	--
GS-1	3.29131	--	--
GS-2	3.00046	2.89296	2.82345
GS-2 Recreational Lighting, GS-TOD and GS-2-ES	3.00046	--	--
GS-3	2.82459	2.72339	2.65795
GS-3-ES	2.82459	--	--
GS-4	--	2.43472	2.37622
IRP-D	2.52519	2.43472	2.37622
EHG	3.02127	--	--
EHS	2.60641	--	--
SS	2.91048	--	--
OL	4.44636	--	--
SL	3.81544	--	--
SBS	2.91311	2.72600	2.42134

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
Summary - Proposed FAC Rate

			Cents Per kWh				
			A	B	C	D	E
				Schedule 2	Schedule 3		Schedule 4
Line	Tariff	Delivery Voltage	Current FAC Rate	Forecast (FC) Component	Reconciliation (RA) Adjustment Comp.	Total of FC and RA Components	FAC Rate Permitted Under ESP Cap
1	RS, RS-ES, RS-TOD, AND RDMS	Secondary	2.44290	3.03090	6.68622	9.71712	3.18012
2	GS-1	Secondary	2.42730	3.03090	6.68622	9.71712	3.29131
3	GS-2	Secondary	2.30404	3.03090	6.68622	9.71712	3.00046
4	GS-2	Primary	2.22150	2.92231	6.44666	9.36897	2.89286
5	GS-2	Sub/Transmission	2.16812	2.85209	6.29176	9.14385	2.82345
6	GS-2 Rec, GS-TOD AND GS-2-ES	Secondary	2.30404	3.03090	6.68622	9.71712	3.00046
7	GS-3	Secondary	2.28159	3.03090	6.68622	9.71712	2.82459
8	GS-3	Primary	2.19984	2.92231	6.44666	9.36897	2.72339
9	GS-3	Sub/Transmission	2.14699	2.85209	6.29176	9.14385	2.65795
10	GS-3-ES	Secondary	2.28159	3.03090	6.68622	9.71712	2.82459
11	GS-4	Primary	2.05659	2.92231	6.44666	9.36897	2.43472
12	GS-4	Sub/Transmission	2.00717	2.85209	6.29176	9.14385	2.37622
13	IRP-D	Secondary	2.13301	3.03090	6.68622	9.71712	2.52519
14	IRP-D	Primary	2.05659	2.92231	6.44666	9.36897	2.43472
15	IRP-D	Sub/Transmission	2.00717	2.85209	6.29176	9.14385	2.37622
16	EHG	Secondary	2.40514	3.03090	6.68622	9.71712	3.02127
17	EHS	Secondary	2.32055	3.03090	6.68622	9.71712	2.60641
18	SS	Secondary	2.28630	3.03090	6.68622	9.71712	2.91048
19	OL	Secondary	3.01628	3.03090	6.68622	9.71712	4.44636
20	SL	Secondary	2.70546	3.03090	6.68622	9.71712	3.81544
21	SBS	Secondary	2.29305	3.03090	6.68622	9.71712	2.91311
22	SBS	Primary	2.19461	2.92231	6.44666	9.36897	2.72600
23	SBS	Sub/Transmission	2.02740	2.85209	6.29176	9.14385	2.42134

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
FC Component

Line	Description		Forecast Period - 1st Quarter 2011 January	February	March	Total
1	Fuel & Purchased Power		$ 61,105,151	$ 55,411,655	$ 54,550,945	$ 171,067,751
2	Environmental (Consumables and Allowances)		$ 12,796,010	$ 13,987,877	$ 11,927,580	$ 38,711,467
3	(Gains) and Losses On Sales of Allowances		$ (174,623)	$ (174,623)	$ (239,943)	$ (589,189)
4	Other		$ -	$ -	$ -	$ -
5	Total Includible FAC Costs		$ 73,726,538	$ 69,224,909	$ 66,238,582	$ 209,190,029
6	Less: Assigned to Off-System (Including AEP Affiliates)		$ (2,317,178)	$ (1,284,379)	$ (6,060,677)	$ (9,662,234)
7	FAC for Internal Load		$ 76,043,716	$ 70,509,288	$ 72,299,259	$ 218,852,263
8	Retail Jurisdictional Allocation Ratio	Schedule 3 pg. 2	0.92438	0.92461	0.91534	0.92438
9	FAC for Retail Load Before Renewables		$ 70,293,290	$ 65,193,593	$ 66,178,404	$ 202,302,655
10	Renewables/RECs		$ 1,632,139	$ 1,342,408	$ 1,407,876	$ 4,382,423
11	FAC for Retail Load		$ 71,925,429	$ 66,536,001	$ 67,586,280	$ 206,685,078
12	Retail Non-Shopping Sales - Generation Level Kwh		2,548,012,644	2,333,024,187	2,389,672,488	7,270,709,319
13	FC Component of FAC Rate At Generation Level - Cents/kWh					2.84271
			Secondary	Primary	Sub/Trans	
14	FC Component of FAC Rate At Generation Level		2.84271	2.84271	2.84271	
15	Loss Factor		1.0662	1.0280	1.0033	
16	**FC at the Meter Level - Cents/kWh**	**Line 14 x Line 15**	**3.0309**	**2.92231**	**2.85209**	

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
RA

Actual Period - July 2010 through September 2010

Line	Month	Kwh Retail Non-Shopping Sales	Renewable & FAC Revenue	Schedule 3 , p2 FAC Cost	FAC (Over)/Under Recovery	Carrying Charges On (Over)/Under Recovery	Other Credits/Charges	Total (Over)/Under Recovery
1	**Beginning Balance**							$ 406,464,015
2	Jul-10	2,451,401,180	$ 57,596,084	$ 68,342,007	$ 10,745,923	$ 3,268,380	$ (140,349)	$ 13,873,955
3	Aug-10	2,386,946,908	$ 54,777,265	$ 69,841,878	$ 15,064,613	$ 3,374,308	$ (372,141)	$ 18,066,780
4	Sep-10	1,975,115,589	$ 43,889,812	$ 57,185,715	$ 13,295,903	$ 3,482,301	$ (139,432)	$ 16,638,773
5	**Ending Balance**	6,813,463,677	$ 156,263,161	$ 195,369,600	$ 39,106,439	$ 10,124,990	$ (651,922)	$ 455,043,522
6	Ormet Interim Agreement Deferral		Schedule 3, pg. 3					$ 907,770
7	Total (Over)/Under Recovery Balance							$ 455,951,292
8	Loss Adjusted Retail Sales Billing Period - kWh							7,270,709,319
9	RA Component at Generation - Cents/kWh							6.27107

Line			Secondary	Primary	Sub/Trans
10	RA Component of FAC Rate At Generation Level		6.27107	6.27107	6.27107
11	Loss Factor		1.0662	1.0280	1.0033
12	**RA at the Meter Level - Cents/kWh**	Line 10 x Line 11	**6.68622**	**6.44666**	**6.29176**

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
RA Component

Monthly Retail FAC Cost

Line	Month	Total Company FAC Cost	Less Assigned OSS And Pool	= Internal Load FAC Cost	Times Retail Allocation Ratio	= Retail FAC before Renewables	+ Renewables	= Retail FAC & Renewable Cost
1	Jul-10	$ 159,756,288	$ 86,358,375	$ 73,397,913	0.92220	$ 67,687,555	$ 654,452	$ 68,342,007
2	Aug-10	$ 150,946,731	$ 76,250,152	$ 74,696,579	0.92636	$ 69,195,923	$ 645,955	$ 69,841,878
3	Sep-10	$ 114,830,128	$ 53,842,110	$ 60,988,018	0.91971	$ 56,091,290	$ 1,094,425	$ 57,185,715
4	Total	$ 425,533,147	$ 216,450,637	$ 209,082,510		$ 192,974,768	$ 2,394,832	$ 195,369,600

Monthly Jurisdictional Allocation Ratios

Line	Month	Jurisdictional Sales at Gen Level Kwh Whlse (WPC)	Jurisdictional Sales at Gen Level Kwh Retail	Jurisdictional Sales at Gen Level Kwh Total	Jurisdictional Ratios Whlse (WPC)	Jurisdictional Ratios Retail
Actual						
5	Jul-10	215,379,943	2,553,171,638	2,768,551,581	0.07780	0.92220
6	Aug-10	197,590,195	2,485,640,230	2,683,230,425	0.07364	0.92636
7	Sep-10	178,894,575	2,049,327,670	2,228,222,245	0.08029	0.91971
Forecast						
8	Jan-11	208,451,434	2,548,012,644	2,756,464,077	0.07562	0.92438
9	Feb-11	190,229,720	2,333,024,187	2,523,253,907	0.07539	0.92461
10	Mar-11	221,029,374	2,389,672,488	2,610,701,862	0.08466	0.91534

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
RA *Component*

Ormet Interim Agreement Deferral

Line	Month	Rate Discount	Carrying Charges	Total Underrecovery Deferral - Ormet
1	Jul-10	$ -	$ 303,030	$ 303,030
2	Aug-10	$ -	$ 303,690	$ 303,690
3	Sep-10	$ -	$ 301,049	$ 301,049
4	Total	$ -	$ 907,770	$ 907,770

Schedule 4

OHIO POWER COMPANY
Calculation of Quarterly FAC For Billing During
January 2011 through March 2011
FAC Rate Calculated Under the ESP Rate Cap

Line	Tariff	Voltage	Capped FAC Rates By Tariff
1	RS, RS-ES, RS-TOD, AND RDMS	Secondary	3.18012
2	GS-1	Secondary	3.29131
3	GS-2	Secondary	3.00046
4	GS-2	Primary	2.89296
5	GS-2	Sub/Transmission	2.82345
6	GS-2 Rec, GS-TOD AND GS-2-ES	Secondary	3.00046
7	GS-3	Secondary	2.82459
8	GS-3	Primary	2.72339
9	GS-3	Sub/Transmission	2.65795
10	GS-3-ES	Secondary	2.82459
11	GS-4	Primary	2.43472
12	GS-4	Sub/Transmission	2.37622
13	IRP-D	Secondary	2.52519
14	IRP-D	Primary	2.43472
15	IRP-D	Sub/Transmission	2.37622
16	EHG	Secondary	3.02127
17	EHS	Secondary	2.60641
18	SS	Secondary	2.91048
19	OL	Secondary	4.44636
20	SL	Secondary	3.81544
21	SBS	Secondary	2.91311
22	SBS	Primary	2.72600
23	SBS	Sub/Transmission	2.42134

WORKPAPER OTHER CREDITS - OPC

	Ormet Market Differential Fuel Credit	Ormet Base Revenue Adjustment	Out of Period Adjustments	Carrying Costs on Credits/Charges	Total Other Credits/Charges
Jul-10	$ -	$ -		$ *(140,349)*	$ *(140,349)*
Aug-10	$ -	$ -	$ (231,486)	$ (140,655)	$ (372,141)
Sep-10	$ -	$ -		$ (139,432)	$ (139,432)
	$ -	$ -		$ (420,435)	$ (651,922)

Line No.		Voltage Loss Factors	Residential	GS-1	GS-2	GS-3
	2009 Revenues					
1	Non-FAC		498,231,312	30,524,280	215,138,048	268,959,552
2	FAC		146,822,581	7,016,769	64,535,577	117,995,927
3	Total		645,053,893	37,541,048	279,673,625	386,955,479
4	**2010 Allowable % Increase**		7%	7%	7%	7%
5	2010 Target Revenues		690,207,666	40,168,922	299,250,779	414,042,362
6	**2011 Allowable % Increase**		8%	8%	8%	8%
7	2011 Target Revenues		745,424,279	43,382,436	323,190,841	447,165,751
	Less:					
8	Non-FAC		498,231,312	30,524,280	215,138,048	268,959,552
	2011 Increases Under Cap					
9	Reliability		732,940	43,946	184,367	208,726
10	Environmental		8,058,783	567,749	4,710,806	5,695,805
11	Subtotal		507,023,035	31,135,974	220,033,222	274,864,082
12	2011 FAC Target		238,401,244	12,246,462	103,157,619	172,301,669
	kWh by Voltage					
13	Secondary		7,496,610,363	372,084,579	2,890,003,090	2,851,667,035
14	Primary				359,221,658	2,464,419,963
15	Sub/Tran				214,358,852	926,957,005
	Loss Adjusted kWh					
16	Secondary	1.0662	7,992,885,969	396,716,578	3,081,321,295	3,040,447,393
17	Primary	1.028	0	0	369,279,864	2,533,423,722
18	Sub/Tran	1.0033	0	0	215,066,236	930,015,963
19	Total		7,992,885,969	396,716,578	3,665,667,395	6,503,887,078
20	**FAC Rate @ Generation**		0.0298267	0.0308695	0.0281416	0.0264921
	FAC Rate @ Meter					
21	Secondary	1.0662	0.0318012	0.0329131	0.0300046	0.0282459
22	Primary	1.028			0.0289296	0.0272339
23	Sub/Tran	1.0033			0.0282345	0.0265795
	Revenue Verification					
24	Secondary		238,401,205	12,246,457	86,713,387	80,547,902
25	Primary		0	0	10,392,139	67,115,767
26	Sub/Tran		0	0	6,052,315	24,638,054
27	Total		238,401,205	12,246,457	103,157,841	172,301,723
28	Difference		(39)	(5)	222	54

* Same as GS-4
** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenues
Line 2 - 2009 FAC Revenues
Line 3 - Line 1 Plus Line 2
Line 4 - Allowable 2010 ESP rate increase
Line 5 - Line 4 Times Line 3
Line 6 - Allowable 2011 ESP rate increase
Line 7 - Line 5 Times Line 6
Line 8 - Line 1
Line 9 - Reliability Revenue Requirement
Line 10 - Environmental Revenue Requirement

Line 11 - Sum of Lines 8,9, & 10
Line 12 - Revised FAC target (Line 7 Minus Line 11
Line 13 through Line 15 - kWh by class per ESP rate Schedules
Line 16 through Line 18 - Lines 13 through 15 Times Voltage Loss Factors
Line 19 - Sum of Lines 16 through 18
Line 20 - Line 12 Divided by Line 19
Lines 21 through Line 23 - Line 20 Times Voltage Loss Factors
Line 24 - Line 21 times Line 16
Line 25 - Line 22 Times Line 17
Line 26 - Line 23 Times Line 18
Line 27 - Sum of Lines 24 through 26
Line 28 - Line 12 Minus Line 27

Line No.		Voltage Loss Factors	GS-4/IRP-D	Joint S.T.	Joint S.T.	OL	SL
	2009 Revenues						
1	Non-FAC		176,911,551	46,005,137	130,377	8,858,319	7,575,716
2	FAC		123,906,185	39,713,120	35,255	1,176,465	1,285,754
3	Total		300,817,736	85,718,257	165,632	10,034,784	8,861,470
4	**2010 Allowable % Increase**		7%	7%	7%	7%	7%
5	2010 Target Revenues		321,874,977	91,718,535	177,227	10,737,219	9,481,773
6	**2011 Allowable % Increase**		8%	8%	8%	8%	8%
7	2011 Target Revenues		347,624,975	99,056,018	191,405	11,596,197	10,240,315
	Less:						
8	Non-FAC		176,911,551	46,005,137	130,377	8,858,319	7,575,716
	2011 Increases Under Cap						
9	Reliability		48,210	8,570	63	16,062	16,215
10	Environmental		5,280,168	1,370,881	3,888	132,425	117,547
11	Subtotal		182,239,929	47,384,588	134,328	9,006,806	7,709,477
12	2011 FAC Target		165,385,046	51,671,430	57,077	2,589,391	2,530,838
	kWh by Voltage						
13	Secondary					58,236,191	66,331,404
14	Primary		183,800,544				
15	Sub/Tran		6,771,686,594	2,232,000,000	2,013,996		
	Loss Adjusted kWh						
16	Secondary	1.0662	0	0	0	62,091,427	70,722,543
17	Primary	1.028	188,946,959	0	0	0	0
18	Sub/Tran	1.0033	6,794,033,160	2,239,365,600	2,020,642	0	0
19	Total		6,982,980,119	2,239,365,600	2,020,642	62,091,427	70,722,543
20	**FAC Rate @ Generation**		0.0236840	0.0230741	0.0282469	0.0417029	0.0357854
	FAC Rate @ Meter						
21	Secondary	1.0662	0.0252519	0.0252519 *	0.0252519 *	0.0444636	0.0381544
22	Primary	1.028	0.0243472	0.0243472	0.0243472		
23	Sub/Tran	1.0033	0.0237622	0.0237622	0.0237622		
	Revenue Verification						
24	Secondary		0	0	0	2,589,391	2,530,835
25	Primary		4,475,029	0	0	0	0
26	Sub/Tran		160,910,171	53,037,230	47,857	0	0
27	Total		165,385,200	53,037,230	47,857	2,589,391	2,530,835
28	Difference		154	1,365,800	(9,220)	(0)	(3)

* Same as GS-4

** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenues
Line 2 - 2009 FAC Revenues
Line 3 - Line 1 Plus Line 2
Line 4 - Allowable 2010 ESP rate increase
Line 5 - Line 4 Times Line 3
Line 6 - Allowable 2011 ESP rate increase
Line 7 - Line 5 Times Line 6
Line 8 - Line 1
Line 9 - Reliability Revenue Requirement
Line 10 - Environmental Revenue Requirement
Line 11 - Fuel Recovered from January through July 2010
Line 12 - Revised FAC target (Line 10 Minus Line 11
Line 13 through Line 15 - kWh by class per ESP rate Schedules
Line 16 through Line 18 - Lines 13 through 15 Times Voltage Loss Factors
Line 19 - Sum of Lines 16 through 18
Line 20 - Line 12 Divided by Line 19
Lines 21 through Line 23 - Line 20 Times Voltage Loss Factors
Line 24 - Line 21 times Line 16
Line 25 - Line 22 Times Line 17
Line 26 - Line 23 Times Line 18
Line 27 - Sum of Lines 24 through 26
Line 28 - Line 12 Minus Line 27

Line No.		Voltage Loss Factors	EHG	EHS	SS	SBS	Total
	2009 Revenues						
1	Non-FAC		1,301,960	5,960	2,958,606	170,739	$1,256,771,555
2	FAC		495,168	9,688	1,036,200	21,179	$504,049,868
3	Total		1,797,127	15,648	3,994,805	191,918	1,760,821,423
4	**2010 Allowable % Increase**		7%	7%	7%	7%	7%
5	2010 Target Revenues		1,922,926	16,744	4,274,442	205,352	1,884,078,923
6	**2011 Allowable % Increase**		8%	8%	8%	8%	8%
7	2011 Target Revenues		2,076,760	18,084	4,616,397	221,780	2,034,805,237
	Less:						
8	Non-FAC		1,301,960	5,960	2,958,606	170,739	1,256,771,555
	2011 Increases Under Cap						
9	Reliability		1,941	4	3,066	177	1,264,288
10	Environmental		17,842	(103)	60,291	3,781	26,019,862
11	Subtotal		1,321,742	5,861	3,021,963	174,698	1,284,055,705
12	2011 FAC Target		755,018	12,223	1,594,434	47,082	750,749,532
	kWh by Voltage						
13	Secondary		24,990,056	468,949	54,762,462		
14	Primary						
15	Sub/Tran					1,160,674	
	Loss Adjusted kWh						
16	Secondary	1.0662	26,644,398	499,993	58,409,061		
17	Primary	1.028	0	0	0		
18	Sub/Tran	1.0033	0	0	0		
19	Total		26,644,398	499,993	58,409,061	0	
20	**FAC Rate @ Generation**		0.0283368	0.0244458	0.0272977		
	FAC Rate @ Meter						
21	Secondary	1.0662	0.0302127	0.0260641	0.0291048	0.0291311 **	
22	Primary	1.028				0.0272600 **	
23	Sub/Tran	1.0033				0.0242134 **	
	Revenue Verification						
24	Secondary		755,017	12,223	1,594,433	0	
25	Primary		0	0	0	0	
26	Sub/Tran		0	0	0	28,104	
27	Total		755,017	12,223	1,594,433	28,104	
28	Difference		(1)	0	(1)	(18,978)	

* Same as GS-4
** Composite of GS-2, GS-3 & GS-4

Line 1 - 2009 Non-FAC Revenues
Line 2 - 2009 FAC Revenues
Line 3 - Line 1 Plus Line 2
Line 4 - Allowable 2010 ESP rate increase
Line 5 - Line 4 Times Line 3
Line 6 - Allowable 2011 ESP rate increase
Line 7 - Line 5 Times Line 6
Line 8 - Line 1
Line 9 - Reliability Revenue Requirement
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Line 27 - Sum of Lines 24 through 26
Line 28 - Line 12 Minus Line 27