

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 105 Line No.: 8 Column: a

Philip R. Herrington was elected to replace Dennis A. Lantzy, effective July 12, 2013.

Schedule Page: 105 Line No.: 7 Column: a

Lana A. Hillebrand was elected to replace Pablo A. Vegas, effective March 1, 2013.

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IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <ol style="list-style-type: none"> Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. State the estimated annual effect and nature of any important wage scale changes during the year. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest. (Reserved.) If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio. 			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			

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IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. Not Applicable
2. Not Applicable
3. Not Applicable
4. Not Applicable
5. Not Applicable
6. None
7. Not Applicable
8. All 2012 employees shared a \$1,020,412 bonus that was paid in 2013. Effective September 1, 2013, a general wage increase of approximately 2.6% was given to employees except management and clerical personnel.
9. Not Applicable
10. Not Applicable
11. Not Applicable
12. See Notes to the Financial Statements beginning on page 122.
13. See pages 104 and 105.
14. Not Applicable

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	1,321,634,790	1,276,438,565
3	Construction Work in Progress (107)	200-201	16,853,538	32,847,537
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,338,488,328	1,309,286,102
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	572,037,908	531,480,132
6	Net Utility Plant (Enter Total of line 4 less 5)		766,450,419	777,805,970
7	Nuclear Fuel In Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		766,450,419	777,805,970
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		0	0
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (*23.1)	224-225	104,572,665	112,803,661
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		93,118,127	157,823,427
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		197,690,792	270,627,088
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		-2,342,079	558,113
36	Special Deposits (132-134)		2,000	2,000
37	Working Fund (135)		9,750	10,699
38	Temporary Cash Investments (136)		73,077,539	19,330,793
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		31,985,366	34,841,120
41	Other Accounts Receivable (143)		6,528,381	17,371,823
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		627,244,145	632,985,163
45	Fuel Stock (151)	227	13,876,408	28,067,453
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	19,257,952	15,489,802
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	62,428	86,649

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
53	(Less) Noncurrent Portion of Allowances		0	0	
54	Stores Expense Undistributed (163)	227	0	0	
55	Gas Stored Underground - Current (164.1)		0	0	
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0	
57	Prepayments (165)		1,123,444	1,189,331	
58	Advances for Gas (166-167)		0	0	
59	Interest and Dividends Receivable (171)		0	0	
60	Rents Receivable (172)		0	0	
61	Accrued Utility Revenues (173)		0	0	
62	Miscellaneous Current and Accrued Assets (174)		2,702,905	2,503,440	
63	Derivative Instrument Assets (175)		0	0	
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0	
65	Derivative Instrument Assets - Hedges (176)		0	0	
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0	
67	Total Current and Accrued Assets (Lines 34 through 66)		773,628,239	752,416,386	
68	DEFERRED DEBITS				
69	Unamortized Debt Expenses (181)		13,401,209	14,485,787	
70	Extraordinary Property Losses (182.1)	230a	0	0	
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0	
72	Other Regulatory Assets (182.3)	232	6,947,296	39,394,887	
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,867,425	5,250	
74	Preliminary Natural Gas Survey and Investigation Charges (183.1)		0	0	
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0	
76	Clearing Accounts (184)		9,237	0	
77	Temporary Facilities (185)		0	0	
78	Miscellaneous Deferred Debits (186)	233	488,407	103,107	
79	Def. Losses from Disposition of Utility Pkt. (187)		0	0	
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0	
81	Unamortized Loss on Reacquired Debt (189)		0	0	
82	Accumulated Deferred Income Taxes (190)	234	45,248,266	15,008,843	
83	Unrecovered Purchased Gas Costs (191)		0	0	
84	Total Deferred Debits (lines 69 through 83)		67,961,840	68,997,874	
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,805,631,290	1,869,847,318	

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	10,000,000	10,000,000
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	6,478,234	5,293,968
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Required Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		16,478,234	15,293,968
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	600,000,000	600,000,000
19	(Less) Required Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	988,943,399	1,057,082,302
22	Unamortized Premium on Long-Term Debt (225)		280,192	291,235
23	(Less) Unamortized Discount on Long-Term Debt-Debt (226)		853,656	887,297
24	Total Long-Term Debt (lines 18 through 23)		1,588,369,935	1,856,486,240
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		945,928	808,057
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		29,951,684	64,980,165
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		8,382,233	7,954,543
35	Total Other Noncurrent Liabilities (lines 26 through 34)		39,279,845	73,742,765
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		23,316,769	29,144,859
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		0	0
42	Taxes Accrued (236)	262-263	6,019,621	5,631,604
43	Interest Accrued (237)		14,586,049	15,284,211
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
46	Matured Interest (240)		0	0	
47	Tax Collections Payable (241)		22,847	20,516	
48	Miscellaneous Current and Accrued Liabilities (242)		8,216,106	4,893,327	
49	Obligations Under Capital Leases-Current (243)		238,742	147,992	
50	Derivative Instrument Liabilities (244)		0	0	
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0	
52	Derivative Instrument Liabilities - Hedges (245)		0	0	
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0	
54	Total Current and Accrued Liabilities (lines 37 through 53)		52,400,336	55,122,509	
55	DEFERRED CREDITS				
56	Customer Advances for Construction (252)		17,916,384	12,257,277	
57	Accumulated Deferred Investment Tax Credits (255)	266-267	3,393,146	3,393,146	
58	Deferred Gains from Disposition of Utility Plant (256)		0	0	
59	Other Deferred Credits (253)	269	-231	28,029,955	
60	Other Regulatory Liabilities (254)	278	87,793,641	25,521,458	
61	Unamortized Gain on Reacquired Debt (257)		0	0	
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0	
63	Accum. Deferred Income Taxes-Other Property (282)		0	0	
64	Accum. Deferred Income Taxes-Other (283)		0	0	
65	Total Deferred Credits (lines 56 through 64)		109,102,940	69,201,836	
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,805,631,290	1,869,847,318	

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STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.

2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.

3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.

4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.

5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)

6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.

7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	675,649,273	670,819,257		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	493,179,219	486,106,413		
5	Maintenance Expenses (402)	320-323	43,022,047	46,001,591		
6	Depreciation Expense (403)	336-337	48,133,617	58,453,907		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	5,429,672	6,198,472		
15	Income Taxes - Federal (409.1)	262-263	9,208,143	6,903,830		
16	- Other (409.1)	262-263	1,042,842	877,380		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	-8,317,771	-6,888,521		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277				
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		581,697,774	597,653,072		
26	Net Util. Oper Inc (Enter Tot. line 2 less 25) Carry to Pg 117, line 27		83,951,499	73,166,185		

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STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		83,951,489	73,166,185			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)						
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)						
33	Revenues From Nonutility Operations (417)						
34	(Less) Expenses of Nonutility Operations (417.1)						
35	Nonoperating Rental Income (418)						
36	Equity In Earnings of Subsidiary Companies (418.1)	119					
37	Interest and Dividend Income (419)		-2,636,539	8,638,674			
38	Allowance for Other Funds Used During Construction (419.1)						
39	Miscellaneous Nonoperating Income (421)		103,463	84,778			
40	Gain on Disposition of Property (421.1)						
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		-2,533,076	8,693,453			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)						
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		32,871	48,206			
46	Life Insurance (426.2)						
47	Penalties (426.3)		85	153			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		4,404	10,980			
49	Other Deductions (426.5)			375			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		37,340	59,714			
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263					
53	Income Taxes-Federal (409.2)	262-263					
54	Income Taxes-Other (409.2)	262-263					
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277					
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277					
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)						
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		-2,570,416	8,633,739			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		73,315,084	71,728,456			
63	Amort. of Debt Disc. and Expense (428)		5,177,778	4,612,598			
64	Amortization of Loss on Required Debt (428.1)						
65	(Less) Amort. of Premium on Debt-Credit (429)		11,042	5,961			
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)						
68	Other Interest Expense (431)		714,987	3,208,161			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)						
70	Net Interest Charges (Total of lines 62 thru 69)		79,196,817	79,543,234			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		2,184,266	2,256,690			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		2,184,266	2,256,690			

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		5,293,968	4,037,278
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,184,266	2,258,690
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31			-1,000,000	(1,000,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-1,000,000	(1,000,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		6,478,234	5,293,968
	APPROPRIATED RETAINED EARNINGS (Account 215)			

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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STATEMENT OF CASH FLOWS			
<p>(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</p> <p>(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</p> <p>(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</p> <p>(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</p>			
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	2,184,268	2,256,690
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	48,133,617	58,453,907
5	Amortization of Debt Expense	5,166,736	4,608,617
6	(Gain)/Loss on Marketable Securities	6,666,978	-4,676,784
7			
8	Deferred Income Taxes (Net)	890,065	2,841,185
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	1,197,836	4,119,114
11	Net (Increase) Decrease in Inventory	10,422,895	-11,834,767
12	Net (Increase) Decrease in Allowances Inventory	24,221	-58,130
13	Net Increase (Decrease) in Payables and Accrued Expenses	-5,529,196	8,116,623
14	Net (Increase) Decrease in Other Regulatory Assets	17,496,853	5,942,308
15	Net Increase (Decrease) in Other Regulatory Liabilities	23,722,585	3,153,047
16	(Less) Allowance for Other Funds Used During Construction		
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-21,701,848	-28,473,953
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	88,675,008	44,445,857
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-36,641,276	-50,505,005
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-36,641,276	-50,505,005
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	13,972,014	-131,176,807
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)	-33,543,766	-81,088,366
45	Proceeds from Sales of Investment Securities (a)	91,582,088	16,383,803

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>
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STATEMENT OF CASH FLOWS			
(*) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) include commercial paper; and (d) identify separately such items as investments, fixed assets, intangibles, etc. (2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet. (3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid. (4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.			
Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	35,369,060	-246,364,375
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	10,000,000	459,403,938
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65	Loan Origination Costs	-4,059,559	-5,377,779
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	5,940,441	454,026,159
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-78,138,904	-235,920,184
74	Preferred Stock		
75	Common Stock	-1,000,000	-1,000,000
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock		
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-73,198,463	217,005,975
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22, 57 and 83)	50,845,605	15,167,457
87			
88	Cash and Cash Equivalents at Beginning of Period	19,901,605	4,734,148
89			
90	Cash and Cash Equivalents at End of period	70,747,210	19,901,605

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: b

Other:

Property Taxes Applicable to Subsequent Years	\$ (199,465)
Income Taxes Receivable	12,501,130
Prepays and Other	36,650
Other Noncurrent Assets	(385,300)
Other Liabilities	(33,654,863)

Total \$(21,701,848)

Schedule Page: 120 Line No.: 18 Column: c

Other:

Property Taxes Applicable to Subsequent Years	\$ 18,480
Income Taxes Receivable	(14,449,233)
Prepays and Other	(190,326)
Other Noncurrent Assets	119,375
Deferred Revenue	(6,967,844)
Other Liabilities	(7,004,405)

Total \$(28,473,953)

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2013	Year/Period of Report End of 2013/Q4
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

This FERC Form 1 represents the financial statements of Ohio Valley Electric Corporation at December 31, 2012. Ohio Valley Electric Corporation's financial statements have been prepared in conformity with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. The following areas represent significant differences between the Uniform System of Accounts and generally accepted accounting principles: (1) the presentation of majority-owned subsidiaries, (2) the disclosure of certain significant non-cash transactions, (3) the presentation of current and non-current portions of long-term debt, deferred taxes, and certain other assets and liabilities, (4) the presentation of preliminary survey and investigation charges, and (5) the gross presentation of certain regulatory assets and regulatory liabilities.

Generally accepted accounting principles require that majority-owned subsidiaries be consolidated for financial reporting purposes. FERC requires majority-owned subsidiaries be reported as set forth in the Uniform System of Accounts and published accounting releases, which require majority-owned subsidiaries to be presented on an unconsolidated basis.

Generally accepted accounting principles require that the current and non-current portions of assets and liabilities be appropriately identified and reported as such on the balance sheet. FERC requires that certain items such as deferred taxes, long-term debt, regulatory assets, and regulatory liabilities be reported as set forth in the Uniform System of Accounts and published accounting releases, which does not recognize any segregation between the current and non-current portions of these items for reporting purposes.

Generally accepted accounting principles require that preliminary survey and investigation charges be recorded as a component of construction work in progress. FERC requires that these items be reported as set forth in the Uniform System of Accounts and published accounting releases, which require preliminary survey and investigation charges be recorded as a deferred debit.

Generally accepted accounting principles allow for net presentation of certain regulatory assets and liabilities when the legal right of offset exists. FERC requires that these items be reported as set forth in the Uniform System of Accounts and published accounting releases, which require gross presentation of certain regulatory assets and liabilities.

Ohio Valley Electric Corporation's Notes to Consolidating Financial Statements have been prepared in conformity with generally accepted accounting principles. Accordingly, certain footnotes do not tie directly to amounts in Ohio Valley Electric Corporation's Financial Statements contained herein.

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Consolidating Financial Statements — The consolidating financial statements include the accounts of Ohio Valley Electric Corporation (OVEC) and its wholly owned subsidiary, Indiana-Kentucky Electric Corporation (IKEC), collectively, the Companies. All intercompany transactions have been eliminated in consolidation.

Organization — The Companies own two generating stations located in Ohio and Indiana with a combined electric production capability of approximately 2,256 megawatts. OVEC is owned by several investor-owned utilities or utility holding companies and two affiliates of generation and transmission rural electric cooperatives. These

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Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

entities or their affiliates comprise the Sponsoring Companies. The Sponsoring Companies purchase power from OVEC according to the terms of the Inter-Company Power Agreement (ICPA), which has a current termination date of June 30, 2040. Approximately 27% of the Companies' employees are covered by a collective bargaining agreement that expires August 31, 2014.

Prior to 2004, OVEC's primary commercial customer was the U.S. Department of Energy (DOE). The contract to provide OVEC-generated power to the DOE was terminated in 2003 and all obligations were settled at that time. Currently, OVEC has an agreement to arrange for the purchase of power (Arranged Power), under the direction of the DOE, for resale directly to the DOE. All purchase costs are billable by OVEC to the DOE.

Rate Regulation — The proceeds from the sale of power to the Sponsoring Companies are designed to be sufficient for OVEC to meet its operating expenses and fixed costs, as well as earn a return on equity before federal income taxes. In addition, the proceeds from power sales are designed to cover debt amortization and interest expense associated with financings. The Companies have continued and expect to continue to operate pursuant to the cost plus rate of return recovery provisions at least to June 30, 2040, the date of termination of the ICPA.

The accounting guidance for Regulated Operations provides that rate-regulated utilities account for and report assets and liabilities consistent with the economic effect of the way in which rates are established, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be charged and collected. The Companies follow the accounting and reporting requirements in accordance with the guidance for Regulated Operations. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income are deferred on the accompanying consolidating balance sheets and are recognized in income as the related amounts are included in service rates and recovered from or refunded to customers.

The Companies' regulatory assets, liabilities, and amounts authorized for recovery through Sponsor billings at December 31, 2013 and 2012, were as follows:

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Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

	2013		2012	
	OVEC	IKEC	OVEC	IKEC
Regulatory assets:				
Current assets:				
Lease termination costs/liquidated damages	\$ 371,297	\$ -	\$ 5,225,467	\$ -
Unrecognized loss on coal sales	-	-	-	3,051,890
Total	371,297	-	5,225,467	3,051,890
Other assets:				
Unrecognized postemployment benefits	1,119,681	959,183	1,132,247	1,366,512
Pension benefits	4,899,859	3,642,434	17,529,976	13,031,349
Postretirement benefits	-	-	-	16,122,553
Income taxes billable to customers	-	15,828,423	14,950,738	-
Total	6,019,540	20,430,040	33,612,961	30,520,414
Total regulatory assets	\$ 6,390,837	\$ 20,430,040	\$ 38,838,428	\$ 33,572,304
Regulatory liabilities:				
Current liabilities:				
Deferred credit — EIA emission allowance proceeds	\$ 243,047	\$ 32,061	\$ 242,863	\$ 31,824
Deferred revenue — voluntary severance	1,119,940	390,669	-	-
Deferred revenue — advances for construction	17,916,384	5,242,248	12,257,277	7,132,103
Deferred credit — gain on coal sales	246,701	-	-	-
Deferred credit — advance collection of interest	2,215,158	-	2,311,907	-
Total	21,741,230	5,664,978	14,812,047	7,163,927
Other liabilities:				
Postretirement benefits	29,361,372	3,258,085	14,797,778	-
Decommissioning and demolition	9,169,189	9,971,541	6,939,381	7,291,078
Investment tax credits	3,393,146	-	3,393,146	-
Net antitrust settlement	673,070	1,150,859	673,070	1,150,859
Income taxes refundable to customers	44,208,705	-	-	53,596,385
Total	86,805,482	14,380,485	25,803,375	62,038,322
Total regulatory liabilities	\$ 108,546,712	\$ 20,045,463	\$ 40,615,422	\$ 69,202,249

Regulatory Assets — Regulatory assets consist primarily of pension benefit costs, postretirement benefit costs and income taxes billable to customers. Income taxes billable to customers are billed to customers in the period when the related deferred tax liabilities are realized. The fuel related costs, including railcar lease termination costs and liquidated damages, will be billed to customers in 2014. All other regulatory assets are being recovered on a long-term basis.

Regulatory Liabilities — The regulatory liabilities classified as current in the accompanying consolidating balance sheet as of December 31, 2013, consist primarily of interest expense collected from customers in advance of expense recognition, customer billings for construction in progress, and voluntary severance payments collected in advance of expense recognition. These amounts will be credited to customer bills during 2014. In October 2013, OVEC announced a voluntary severance program for active employees who would be retirement-eligible by the end of 2014. Approved employees in the program are entitled to receive a one-time severance payment and would retire on an agreed-upon date after they are retirement-eligible, but not later than January 1, 2015. Total expected costs related to the one-time payments are \$4.6 million for OVEC and \$1.6 million for IKEC, of which \$3.5 million for OVEC and \$1.2 million for IKEC has been expensed in 2013 recorded in the Other Operation under Operating Expenses. As the Companies have collected the entire expected costs from Sponsor Companies as of December 31,

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NOTES TO FINANCIAL STATEMENTS (Continued)			

2013, the remaining \$1.1 million for OVEC and \$0.4 million for IKEC to be expensed during 2014 has been recorded as a current regulatory liability at December 31, 2013. Other regulatory liabilities consist primarily of income taxes refundable to customers, postretirement benefits, and decommissioning and demolition costs. Income taxes refundable to customers are credited to customer bills in the period when the related deferred tax assets are realized. The Companies' ratemaking policy will recover postretirement benefits in an amount equal to estimated benefit accrual cost plus amortization of unfunded liabilities, if any. As a result, related regulatory liabilities are being credited to customer bills on a long-term basis. The remaining regulatory liabilities are awaiting credit to customer bills in a future period that is yet to be determined.

In 2003, the DOE terminated the DOE Power Agreement with OVEC, entitling the Sponsoring Companies to 100% of OVEC's generating capacity under the terms of the ICPA. Under the terms of the DOE Power Agreement, OVEC was entitled to receive a "termination payment" from the DOE to recover unbilled costs upon termination of the agreement. The termination payment included unbilled postretirement benefit costs. In 2003, OVEC recorded a settlement payment of \$97 million for the DOE obligation related to postretirement benefit costs. The regulatory liability for postretirement benefits recorded at December 31, 2013 and December 31, 2012, represents amounts collected in historical billings in excess of the Generally Accepted Accounting Principles (GAAP) net periodic benefit costs, including the DOE termination payment and incremental unfunded plan obligations recognized in the balance sheets but not yet recognizable in GAAP net periodic benefit costs.

Cash and Cash Equivalents — Cash and cash equivalents primarily consist of cash and money market funds and their carrying value approximates fair value. For purposes of these statements, the Companies consider temporary cash investments to be cash equivalents since they are readily convertible into cash and have original maturities of less than three months.

Electric Plant — Property additions and replacements are charged to utility plant accounts. Depreciation expense is recorded at the time property additions and replacements are billed to customers or at the date the property is placed in service if the in-service date occurs subsequent to the customer billing. Customer billings for construction in progress are recorded as deferred revenue-advances for construction. These amounts are closed to revenue at the time the related property is placed in service. Depreciation expense and accumulated depreciation are recorded when financed property additions and replacements are recovered over a period of years through customer debt retirement billing. All depreciable property will be fully billed and depreciated prior to the expiration of the ICPA. Repairs of property are charged to maintenance expense.

Fuel in Storage, Emission Allowances, and Materials and Supplies — The Companies maintain coal, reagent, and oil inventories for use in the generation of electricity and emission allowance inventories for regulatory compliance purposes due to the generation of electricity. These inventories are valued at average cost, less reserves for obsolescence. Materials and supplies consist primarily of replacement parts necessary to maintain the generating facilities and are valued at average cost.

Long-Term Investments — Long-term investments consist of marketable securities that are held for the purpose of funding postretirement benefits and decommissioning and demolition costs. These securities have been classified as trading securities in accordance with the provisions of the accounting guidance for Investments — Debt and Equity Securities. Trading securities reflected in Long-Term Investments are carried at fair value with the unrealized gain or loss, reported in Other Income (Expense). The cost of securities sold is based on the specific identification cost method. The fair value of most investment securities is determined by reference to currently available market prices. Where quoted market prices are not available, we use the market price of similar types of securities that are traded in the market to estimate fair value. See Fair Value Measurements in Note 10. Due to tax limitations, the amounts held in the postretirement benefits portfolio have not yet been transferred to the Voluntary Employee Beneficiary Association (VEBA) trusts (see Note 8). Long-term investments primarily consist of municipal bonds, money market mutual fund investments, and mutual funds. Net unrealized gains (losses) recognized during 2013 and 2012

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Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

on securities still held at the balance sheets date were \$(3,698,604) and \$6,250,092, respectively.

Special Deposits — Special deposits at December 31, 2012 consisted of money market mutual funds held by trustees restricted for use in specific construction projects. The fair value of special deposits was \$0 and \$57,938,752 at December 31, 2013 and December 31, 2012, respectively.

Money market mutual funds reflected in special deposits were carried at fair value with the related investment income reported in Other Income. The cost of securities sold is based on the specific identification method. The fair value of money market mutual funds is determined by reference to currently available market prices and, as such, is considered Level 1. There were no unrealized gains or losses recognized on this portfolio during 2013 or 2012. These funds were used for construction in 2013.

Fair Value Measurements of Assets and Liabilities — The accounting guidance for Fair Value Measurements and Disclosures establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Where observable inputs are available, pricing may be completed using comparable securities, dealer values and general market conditions to determine fair value. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets and other observable inputs for the asset or liability.

Unamortized Debt Expense — Unamortized debt expense relates to loan origination costs incurred to secure financing. These costs are being amortized using the effective yield method over the life of the related loans.

Asset Retirement Obligations and Asset Retirement Costs — The Companies recognize the fair value of legal obligations associated with the retirement or removal of long-lived assets at the time the obligations are incurred and can be reasonably estimated. The initial recognition of this liability is accompanied by a corresponding increase in depreciable electric plant. Subsequent to the initial recognition, the liability is adjusted for any revisions to the expected value of the retirement obligation (with corresponding adjustments to electric plant) and for accretion of the liability due to the passage of time.

These asset retirement obligations are primarily related to obligations associated with future asbestos abatement at certain generating stations and certain plant closure costs.

	OVEC	IKEC	Consolidated
Balance — January 1, 2012	\$7,461,167	\$12,348,149	\$19,809,316
Accretion	595,035	834,359	1,429,394
Liabilities settled	(101,659)	(175,672)	(277,331)
Balance — December 31, 2012	7,954,543	13,006,836	20,961,379
Accretion	563,898	887,045	1,450,943
Liabilities settled	(136,208)	(46,005)	(182,213)
Balance — December 31, 2013	<u>\$8,382,233</u>	<u>\$13,847,876</u>	<u>\$22,230,109</u>

The Companies do not recognize liabilities for asset retirement obligations for which the fair value cannot be reasonably estimated. The Companies have asset retirement obligations associated with transmission assets at certain generating stations. However, the retirement date for these assets cannot be determined; therefore, the fair value of the associated liability currently cannot be estimated and no amounts are recognized in the consolidating

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NOTES TO FINANCIAL STATEMENTS (Continued)			

financial statements herein.

Income Taxes — The Companies use the liability method of accounting for income taxes. Under the liability method, the Companies provide deferred income taxes for all temporary differences between the book and tax basis of assets and liabilities which will result in a future tax consequence. The Companies account for uncertain tax positions in accordance with the accounting guidance for Income Taxes.

Use of Estimates — The preparation of consolidating financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidating financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events — In preparing the accompanying financial statements and disclosures, the Companies reviewed subsequent events through April 16, 2014, which is the date the consolidating financial statements were issued.

2. RELATED-PARTY TRANSACTIONS

Transactions with the Sponsoring Companies during 2013 and 2012 included the sale of all generated power to them, the purchase of Arranged Power from them and other utility systems in order to meet the Department of Energy's power requirements, contract barging services, railcar services, and minor transactions for services and materials. The Companies have Power Agreements with Louisville Gas and Electric Company, Duke Energy Ohio, Inc., The Dayton Power and Light Company, Kentucky Utilities Company, Ohio Edison Company, and American Electric Power Service Corporation as agent for the American Electric Power System Companies; and Transmission Service Agreements with Louisville Gas and Electric Company, Duke Energy Ohio, Inc., The Dayton Power and Light Company, The Toledo Edison Company, Ohio Edison Company, Kentucky Utilities Company, and American Electric Power Service Corporation as agent for the American Electric Power System Companies.

At December 31, 2013 and 2012, balances due from the Sponsoring Companies are as follows:

	2013	2012
Accounts receivable	<u>\$31,129,486</u>	<u>\$34,343,741</u>

During 2013 and 2012, American Electric Power accounted for approximately 43% of operating revenues from Sponsoring Companies and Buckeye Power accounted for approximately 18%. No other Sponsoring Company accounted for more than 10%.

American Electric Power Company, Inc. and subsidiary company owned 43.47% of the common stock of OVEC as of December 31, 2013. The following is a summary of the principal services received from the American Electric Power Service Corporation as authorized by the Companies' Boards of Directors:

	2013	2012
General services	\$ 3,384,509	\$ 3,216,482
Specific projects	<u>10,964,133</u>	<u>12,746,357</u>
Total	<u>\$14,348,642</u>	<u>\$15,962,839</u>

General services consist of regular recurring operation and maintenance services. Specific projects primarily represent nonrecurring plant construction projects and engineering studies, which are approved by the Companies'

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Boards of Directors. The services are provided in accordance with the service agreement dated December 15, 1956, between the Companies and the American Electric Power Service Corporation.

3. COAL SUPPLY

The Companies have coal supply agreements with certain nonaffiliated companies that expire at various dates from the year 2014 through 2017. Pricing for coal under these contracts is subject to contract provisions and adjustments. The Companies currently have approximately 90% of their 2014 coal requirements under contract. These contracts are based on rates in effect at the time of purchase.

4. ELECTRIC PLANT

Electric plant at December 31, 2013 and 2012, consists of the following:

	2013		2012	
	OVEC	IKEC	OVEC	IKEC
Steam production plant	\$1,260,372,091	\$1,322,057,011	\$1,217,022,377	\$681,118,185
Transmission plant	49,751,152	27,104,610	47,748,711	27,029,283
General plant	11,492,623	1,003,168	11,648,553	1,051,445
Intangible	18,924	7,640	18,924	7,640
	<u>1,321,634,790</u>	<u>1,350,172,429</u>	<u>1,276,438,565</u>	<u>709,206,553</u>
Less accumulated depreciation	<u>572,037,909</u>	<u>610,453,315</u>	<u>531,480,132</u>	<u>583,883,559</u>
	749,596,881	739,719,114	744,958,433	125,322,994
Construction in progress	<u>18,720,964</u>	<u>11,862,831</u>	<u>32,852,787</u>	<u>612,632,109</u>
Total electric plant	<u>\$ 768,317,845</u>	<u>\$ 751,581,945</u>	<u>\$ 777,811,220</u>	<u>\$737,955,103</u>

All property additions and replacements are fully depreciated on the date the property is placed in service, unless the addition or replacement relates to a financed project. The majority of financed projects placed in service over the past 5 years have been recorded to steam production plant with depreciable lives ranging from 32 to 45 years. However, as the Companies' policy is to bill in accordance with the principal billings of the debt agreements, all financed projects are being depreciated in amounts equal to the principal payments on outstanding debt.

5. BORROWING ARRANGEMENTS AND NOTES

OVEC has an unsecured bank revolving line of credit agreement with a borrowing limit of \$275 million as of December 31, 2013 and December 31, 2012. The \$275 million line of credit has an expiration date of June 18, 2015. At December 31, 2013 and 2012, OVEC had borrowed \$30 million and \$60 million, respectively, under this line of credit. Interest expense related to line of credit borrowings was \$634,109 in 2013 and \$3,139,158 in 2012. During 2013 and 2012, OVEC incurred annual commitment fees of \$737,792 and \$412,458, respectively, based on the borrowing limits of the line of credit.

6. LONG-TERM DEBT

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The following amounts were outstanding at December 31, 2013 and 2012:

	Interest Rate	2013	2012
Senior 2006 Notes:			
2006A due February 15, 2026	5.80 %	\$ 277,326,804	\$ 292,095,074
2006B due June 15, 2040	6.40	60,418,362	61,252,481
Senior 2007 Notes:			
2007A-A due February 15, 2026	5.90	125,578,853	132,475,263
2007A-B due February 15, 2026	5.90	31,625,801	33,362,594
2007A-C due February 15, 2026	5.90	31,877,625	33,628,247
2007B-A due June 15, 2040	6.50	30,188,693	30,609,314
2007B-B due June 15, 2040	6.50	7,602,725	7,708,654
2007B-C due June 15, 2040	6.50	7,663,261	7,770,034
Senior 2008 Notes:			
2008A due February 15, 2026	5.92	39,185,975	41,334,943
2008B due February 15, 2026	6.71	78,865,206	83,014,206
2008C due February 15, 2026	6.71	80,487,688	84,578,521
2008D due June 15, 2040	6.91	43,681,707	44,242,121
2008E due June 15, 2040	6.91	44,440,700	45,010,851
Series 2009 Notes:			
2009A due February 15, 2013	1.96	-	100,000,000
Series 2009 Bonds:			
2009A due February 1, 2026	0.48	25,000,000	25,000,000
2009B due February 1, 2026	0.48	25,000,000	25,000,000
2009C due February 1, 2026	0.60	25,000,000	25,000,000
2009D due February 1, 2026	0.60	25,000,000	25,000,000
2009E due October 1, 2019	5.63	100,000,000	100,000,000
Series 2010 Bonds:			
2010A due June 29, 2014	2.16	50,000,000	50,000,000
2010B due June 29, 2016	2.16	50,000,000	50,000,000
Series 2012 Bonds:			
2012A due June 1, 2032 (a)	5.00	77,080,192	77,091,234
2012A due June 1, 2039 (a)	5.00	122,346,343	122,312,703
2012B due June 1, 2040	0.60	50,000,000	50,000,000
2012C due June 1, 2040	0.60	50,000,000	50,000,000
Series 2013 Notes:			
2013A due February 15, 2018	1.67	100,000,000	-
Total debt		1,558,369,935	1,596,486,240
Current portion of long-term debt		290,496,381	238,138,903
Total long-term debt		<u>\$1,267,873,554</u>	<u>\$1,358,347,337</u>

(a) 2012A Bonds are net of unamortized discount of \$573,465 at December 31, 2013 and \$596,063 at December 31, 2012

All of the OVEC amortizing unsecured senior notes have maturities scheduled for February 15, 2026, or June 15,

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2040, as noted in the previous table.

During 2009, OVEC issued \$100 million variable rate non-amortizing unsecured senior notes (2009A Notes) in private placement, a series of four \$25 million variable rate non-amortizing tax exempt pollution control bonds (2009A, B, C, and D Bonds), and \$100 million fixed rate non-amortizing tax exempt pollution control bonds (2009E Bonds). The variable rates listed above reflect the interest rate in effect at December 31, 2013.

The 2009 Series A, B, C, and D Bonds are secured by irrevocable transferable direct-pay letters of credit, expiring August 12, 2016, and August 21, 2016, issued for the benefit of the owners of the bonds. The interest rate on the bonds are adjusted weekly, and bondholders may require repurchase of the bonds at the time of such interest rate adjustments. OVEC has entered into an agreement to provide for the remarketing of the bonds if such repurchase is required. The 2009A, B, C, and D Series Bonds are current, as they are callable at any time.

In December 2010, OVEC established a borrowing facility under which OVEC borrowed, in 2011, \$100 million variable rate bonds due February 1, 2040. In June 2011, the \$100 million variable rate bonds were issued as two \$50 million non-amortizing pollution control revenue bonds (Series 2010A and 2010B) with initial interest periods of three years and five years, respectively.

During 2012, OVEC issued \$200 million fixed rate tax-exempt midwestern disaster relief revenue bonds (2012A Bonds) and two series of \$50 million variable rate tax-exempt midwestern disaster relief revenue bonds (2012B and 2012C Bonds). The 2012A, 2012B, and 2012C Bonds will begin amortizing June 1, 2027, to their respective maturity dates. The variable rates listed above reflect the interest rate in effect at December 31, 2013.

The 2012B and 2012C Bonds are secured by irrevocable transferable direct-pay letters of credit, expiring June 28, 2014, and June 28, 2015, issued for the benefit of the owners of the bonds. The interest rates on the bonds are adjusted weekly, and bondholders may require repurchase of the bonds at the time of such interest rate adjustments. OVEC has entered into agreements to provide for the remarketing of the bonds if such repurchase is required. The 2012B and 2012C Bonds are current, as they are callable at any time.

In 2013, the \$100 million 2009A Notes were retired on February 15, 2013, with funding from the issuance of \$100 million 2013A variable rate non-amortizing unsecured senior notes (2013A Notes). The 2013A Notes mature on February 15, 2018.

The annual maturities of long-term debt as of December 31, 2013, are as follows:

2014	\$ 290,496,381
2015	42,977,594
2016	95,536,872
2017	48,461,307
2018	51,460,006
2019-2040	<u>1,029,437,775</u>
Total	<u>\$1,558,369,935</u>

Note that the 2014 current maturities of long-term debt include \$200 million of remarketable variable-rate bonds. The Companies expect cash maturities of only \$40,496,382 to the extent the remarketing agents are successful in their ongoing efforts to remarket the bonds through the contractual maturity dates in February 2026 and June 2040.

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7. INCOME TAXES

OVEC and IKEC file a consolidated federal income tax return. The effective tax rate varied from the statutory federal income tax rate due to differences between the book and tax treatment of various transactions as follows:

	2013	2012
Income tax expense at 35% statutory rate	\$1,076,125	\$1,102,283
State income taxes — net of federal benefit	-	549
Temporary differences flowed through to customer bills	(212,144)	(224,609)
Permanent differences and other	<u>26,396</u>	<u>15,310</u>
Income tax provision	<u>\$ 890,377</u>	<u>\$ 893,533</u>

Components of the income tax provision were as follows:

	2013	2012
Current income tax (benefit)/expense	\$ -	\$ (9,609,247)
Deferred income tax expense/(benefit)	<u>890,377</u>	<u>10,502,780</u>
Total income tax provision	<u>\$890,377</u>	<u>\$ 893,533</u>

OVEC and IKEC record deferred tax assets and liabilities based on differences between book and tax basis of assets and liabilities measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets and liabilities are adjusted for changes in tax rates. The deferred tax assets recorded in the accompanying consolidating balance sheets consist primarily of the net deferred taxes on depreciation, postretirement benefits obligation, asset retirement obligations, regulatory assets, and regulatory liabilities.

To the extent that the Companies have not reflected credits in customer billings for deferred tax assets, they have recorded a regulatory liability representing income taxes refundable to customers under the applicable agreements among the parties. The regulatory liability was \$28,320,282 and \$38,645,647 at December 31, 2013 and 2012, respectively.

Deferred income tax assets (liabilities) at December 31, 2013 and 2012, consisted of the following:

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	2013	2012
Deferred tax assets:		
Deferred revenue — advances for construction	\$ 8,110,780	\$ 6,789,730
AMT credit carryforwards	2,574,572	2,574,572
Federal net operating loss	61,312,280	9,392,878
Postretirement benefit obligation	14,770,267	28,748,763
Pension liability	1,684,610	9,207,805
Postemployment benefit obligation	728,074	875,010
Asset retirement obligations	7,785,586	7,340,209
Miscellaneous accruals	2,131,262	2,742,592
Regulatory liability — other	1,288,943	-
Regulatory liability — investment tax credits	1,188,372	1,188,204
Regulatory liability — net antitrust settlement	638,789	638,700
Regulatory liability — asset retirement costs	6,703,602	4,983,191
Regulatory liability — postretirement benefits	10,283,147	-
Regulatory liability — income taxes refundable to customers	13,856,458	13,844,317
Total deferred tax assets	133,056,742	88,325,971
Deferred tax liabilities:		
Prepaid expenses	(679,165)	(622,408)
Electric plant	(85,468,227)	(29,477,415)
Unrealized gain/loss on marketable securities	(3,580,925)	(5,616,658)
Regulatory asset — postretirement benefits	-	(463,906)
Regulatory asset — pension benefits	(2,991,742)	(10,701,897)
Regulatory asset — unrecognized postemployment benefits	(728,074)	(875,010)
Total deferred tax liabilities	(93,448,133)	(47,757,294)
Valuation allowance	(10,195,362)	-
Deferred income tax assets	\$ 29,413,247	\$ 40,568,677
Current deferred income taxes	\$ 9,980,768	\$ 18,302,793
Non-current deferred income taxes	19,432,479	22,265,884

The breakout of deferred income taxes between OVEC and IKEC is as follows:

	2013		2012	
	OVEC	IKEC	OVEC	IKEC
Current deferred tax asset	\$ 7,392,140	\$ 2,588,628	\$15,008,843	\$ 3,293,950
Non-current deferred tax asset	37,856,126	-	-	50,295,839
Non-current deferred tax liability	-	18,423,647	28,029,955	-

During 2013, due to trends in market factors surrounding U.S. coal-fired generation and wholesale power prices, the Companies recorded a valuation allowance in order to recognize only those deferred tax assets that are more likely than not of realization through the end of the ICPA contract term in 2040.

The accounting guidance for Income Taxes addresses the determination of whether the tax benefits claimed or

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expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Companies may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. The Companies have not identified any uncertain tax positions as of December 31, 2013 and 2012, and accordingly, no liabilities for uncertain tax positions have been recognized.

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (the PPAC Act). The PPAC Act is a comprehensive health care reform bill that includes revenue-raising provisions of nearly \$400 billion over 10 years through tax increases on high-income individuals, excise taxes on high-cost group health plans, and new fees on selected health-care-related industries. In addition, on March 30, 2010, President Obama signed into law the reconciliation measure, which modifies certain provisions of the PPAC Act.

An employer offering retiree prescription drug coverage that is at least as valuable as Medicare Part D coverage is currently entitled to a federal retiree drug subsidy. Employers can currently claim a deduction for the entire cost of providing the prescription drug coverage even though a portion of the cost is offset by the subsidy they receive. However, the PPAC Act repealed the current rule permitting a deduction of the portion of the drug coverage expense that is offset by the Medicare Part D subsidy. This provision of the PPAC Act as modified by the reconciliation measure is effective for taxable years beginning after December 31, 2012. As the law has been in effect for 2013, there is no additional adjustment in 2013 or going forward.

During 2013 and 2012, the passage of the PPAC Act resulted in a reduction of the postemployment benefits deferred tax asset of approximately \$0 and \$80,000 and a reduction to the related regulatory liability (income taxes refundable to customers) of approximately \$0 and \$80,000, respectively.

The Companies file income tax returns with the Internal Revenue Service and the states of Ohio, Indiana, and the Commonwealth of Kentucky. The Companies are no longer subject to federal tax examinations for tax years 2007 and earlier. The Companies are currently under audit by the Internal Revenue Service for the tax years ended December 31, 2008 through December 31, 2012. The Companies are no longer subject to State of Indiana tax examinations for tax years 2007 and earlier. The Companies are no longer subject to Ohio and the Commonwealth of Kentucky examinations for tax years 2006 and earlier.

8. PENSION PLAN, OTHER POSTRETIREMENT AND POSTEMPLOYMENT BENEFITS

The Companies have a noncontributory qualified defined benefit pension plan (the Pension Plan) covering substantially all of their employees. The benefits are based on years of service and each employee's highest consecutive 36-month compensation period. Employees are vested in the Pension Plan after five years of service with the Companies.

Funding for the Pension Plan is based on actuarially determined contributions, the maximum of which is generally the amount deductible for income tax purposes and the minimum being that required by the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The full cost of the pension benefits and related obligations has been allocated to OVEC and IKEC in the accompanying consolidating financial statements. The allocated amounts represent approximately a 57% and 43% split between OVEC and IKEC, respectively, as of December 31, 2013, and approximately a 57% and 43% split between OVEC and IKEC, respectively, as of December 31, 2012. The Pension Plan's assets as of December 31, 2013, consist of investments in equity and debt securities.

In addition to the Pension Plan, the Companies provide certain health care and life insurance benefits (Other Postretirement Benefits) for retired employees. Substantially all of the Companies' employees become eligible for

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these benefits if they reach retirement age while working for the Companies. These and similar benefits for active employees are provided through employer funding and insurance policies. In December 2004, the Companies established Voluntary Employee Beneficiary Association (VEBA) trusts. In January 2011, the Companies established an IRC Section 401(h) account under the Pension Plan.

All of the trust funds' investments for the pension and postemployment benefit plans are diversified and managed in compliance with all laws and regulations. Management regularly reviews the actual asset allocation and periodically rebalances the investments to targeted allocation when appropriate. The investments are reported at fair value under the Fair Value Measurements and Disclosures accounting guidance.

All benefit plan assets are invested in accordance with each plan's investment policy. The investment policy outlines the investment objectives, strategies, and target asset allocations by plan. Benefit plan assets are reviewed on a formal basis each quarter by the OVEC/IKEC Qualified Plan Trust Committee.

The investment philosophies for the benefit plans support the allocation of assets to minimize risks and optimize net returns.

Investment strategies include:

- Maintaining a long-term investment horizon.
- Diversifying assets to help control volatility of returns at acceptable levels.
- Managing fees, transaction costs, and tax liabilities to maximize investment earnings.
- Using active management of investments where appropriate risk/return opportunities exist.
- Keeping portfolio structure style neutral to limit volatility compared to applicable benchmarks.

The target asset allocation for each portfolio is as follows:

Pension Plan Assets	Target
Domestic equity	15.0 %
International and global equity	15.0
Fixed income	70.0
VEBA Plan Assets	Target
Domestic equity	20.0 %
International and global equity	20.0
Fixed income	57.0
Cash	3.0

Each benefit plan contains various investment limitations. These limitations are described in the investment policy statement and detailed in customized investment guidelines. These investment guidelines require appropriate portfolio diversification and define security concentration limits. Each investment manager's portfolio is compared to an appropriate diversified benchmark index.

Equity investment limitations:

- No security in excess of 5% of all equities.
- Cash equivalents must be less than 10% of each investment manager's equity portfolio.

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Individual securities must be less than 15% of each manager's equity portfolio.

No investment in excess of 5% of an outstanding class of any company.

- No securities may be bought or sold on margin or other use of leverage.

Fixed Income Limitations — As of December 31, 2013, the Pension Plan fixed income allocation consists of managed accounts composed of U.S. Government, corporate, and municipal obligations. The VEBA benefit plans' fixed income allocation is composed of a variety of fixed income managed accounts and mutual funds. Investment limitations for these fixed income funds are defined by manager prospectus.

Cash Limitations — Cash and cash equivalents are held in each trust to provide liquidity and meet short-term cash needs. Cash equivalent funds are used to provide diversification and preserve principal. The underlying holdings in the cash funds are investment grade money market instruments, including money market mutual funds, certificates of deposit, treasury bills, and other types of investment-grade short-term debt securities. The cash funds are valued each business day and provide daily liquidity. Projected Pension Plan and Other Postretirement Benefits obligations and funded status as of December 31, 2013 and 2012, are as follows:

	Pension Plan		Other Postretirement Benefits	
	2013	2012	2013	2012
Change in projected benefit obligation:				
Projected benefit obligation — beginning of year	\$195,007,159	\$192,294,158	\$190,323,891	\$171,866,123
Service cost	6,825,230	7,050,298	7,375,556	6,411,493
Interest cost	8,357,208	8,383,604	8,180,654	7,442,065
Plan participants' contributions	-	-	979,846	908,758
Benefits paid	(4,289,481)	(3,536,952)	(5,067,595)	(4,449,852)
Net actuarial (gain)/loss	(23,604,558)	(9,114,566)	(39,654,091)	7,821,460
Medicare subsidy	-	-	300,508	323,844
Plan amendments	(3,173,345)	-	305,374	-
Expenses paid from assets	(75,251)	(69,383)	-	-
Projected benefit obligation — end of year	<u>179,046,962</u>	<u>195,007,159</u>	<u>162,744,143</u>	<u>190,323,891</u>
Change in fair value of plan assets:				
Fair value of plan assets — beginning of year	164,445,834	141,371,363	108,226,268	94,948,011
Actual return on plan assets	4,000,880	21,180,806	9,279,474	10,538,257
Expenses paid from assets	(75,251)	(69,383)	-	-
Employer contributions	6,422,687	5,500,000	6,852,241	5,957,250
Plan participants' contributions	-	-	979,846	908,758
Medicare subsidy	-	-	300,508	323,844
Benefits paid	(4,289,481)	(3,536,952)	(5,067,595)	(4,449,852)
Fair value of plan assets — end of year	<u>170,504,669</u>	<u>164,445,834</u>	<u>120,570,742</u>	<u>108,226,268</u>
(Underfunded) status — end of year	<u>\$ (8,542,293)</u>	<u>\$ (30,561,325)</u>	<u>\$ (42,173,401)</u>	<u>\$ (82,097,623)</u>

See Note 1 for information regarding regulatory assets related to the Pension Plan and Other Postretirement Benefits plan.

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On December 8, 2003, the President of the United States of America signed into law the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act). The Act introduced a prescription drug benefit to retirees as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a prescription drug benefit that is actuarially equivalent to the benefit provided by Medicare. The Companies believe that the coverage for prescription drugs is at least actuarially equivalent to the benefits provided by Medicare for most current retirees because the benefits for that group substantially exceed the benefits provided by Medicare, thereby allowing the Companies to qualify for the subsidy. The Companies' employer contributions for Other Postretirement Benefits in the above table are net of subsidies received of \$300,508 and \$323,844 for 2013 and 2012, respectively. The Companies have accounted for the subsidy as a reduction of the benefit obligation detailed in the above table. In June 2013, the Companies converted the prescription drug program for retirees over the age of 65 to a group-based company sponsored Medicare Part D program, or Employer Group Waiver Plan, or EGWP. Beginning in June 2013, the Companies use the Part D subsidies delivered through the EGWP each year to reduce net company retiree medical costs. Accordingly, the Companies no longer receive subsidies directly from the Medicare program and no subsidies have been included in the benefit obligation.

The accumulated benefit obligation for the Pension Plan was \$156,748,676 and \$167,595,378 at December 31, 2013 and 2012, respectively.

Components of Net Periodic Benefit Cost — The Companies record the expected cost of Other Postretirement Benefits over the service period during which such benefits are earned.

Pension expense is recognized as amounts are contributed to the Pension Plan and billed to customers. The accumulated difference between recorded pension expense and the yearly net periodic pension expense, as calculated under the accounting guidance for Compensation — Retirement Benefits, is billable as a cost of operations under the ICPA when contributed to the pension fund. This accumulated difference has been recorded as a regulatory asset in the accompanying consolidating balance sheets.

	Pension Plan		Other Postretirement Benefits	
	2013	2012	2013	2012
Service cost	\$ 6,825,230	\$ 7,050,298	\$ 7,375,556	\$ 6,411,493
Interest cost	8,357,208	8,383,604	8,180,654	7,442,065
Expected return on plan assets	(9,088,934)	(8,522,609)	(5,562,089)	(5,516,937)
Amortization of prior service cost	189,437	189,437	(385,000)	(379,000)
Recognized actuarial loss	428,567	2,086,365	1,828,893	1,577,730
Total benefit cost	<u>\$ 6,711,508</u>	<u>\$ 9,187,095</u>	<u>\$ 11,438,014</u>	<u>\$ 9,535,351</u>
Pension and other postretirement benefits expense recognized in the consolidating statements of income and retained earnings and billed to Sponsoring Companies under the ICPA	<u>\$ 6,422,687</u>	<u>\$ 5,500,000</u>	<u>\$ 5,400,000</u>	<u>\$ 5,500,000</u>

The following table presents the classification of Pension Plan assets within the fair value hierarchy at December 31, 2013 and 2012:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2013			
Domestic equity mutual funds	\$ 16,572,985	\$ -	\$ -
Common stock - domestic	8,480,137	-	-
International and global equity mutual funds	24,557,818	-	-
International and global private investment funds	-	5,102,504	-
Cash equivalents	5,211,961	-	-
U.S. Treasury securities	-	7,505,362	-
Corporate debt securities	-	94,537,258	-
Municipal debt securities	-	8,536,644	-
Total fair value	<u>\$ 54,822,901</u>	<u>\$ 115,681,768</u>	<u>\$ -</u>
2012			
Domestic equity	\$ 23,558,247	\$ -	\$ -
International and global equity	17,292,251	8,550,837	-
Cash equivalents	4,924,712	-	-
U.S. Treasury securities	-	6,804,928	-
Corporate debt securities	-	92,091,492	-
Municipal debt securities	-	11,223,367	-
Total fair value	<u>\$ 45,775,210</u>	<u>\$ 118,670,624</u>	<u>\$ -</u>

The following table presents the classification of VEBA and 401(h) account assets within the fair value hierarchy at December 31, 2013 and 2012:

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Ohio Valley Electric Corporation			
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	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2013			
Domestic equity mutual funds	\$ 40,105,729	\$ -	\$ -
International and global equity mutual funds	22,737,909	-	-
International and global private investment funds	-	4,267,427	-
Fixed income mutual funds	33,485,886	-	-
Fixed income securities	-	13,940,290	-
Cash equivalents	6,033,501	-	-
Total fair value	<u>\$ 102,363,025</u>	<u>\$ 18,207,717</u>	<u>\$ -</u>
2012			
Domestic equity mutual funds	\$ 21,360,870	\$ -	\$ -
International and global equity	22,601,305	-	-
Fixed income mutual funds	48,177,536	-	-
Fixed income securities	-	13,581,890	-
Cash equivalents	2,504,667	-	-
Total fair value	<u>\$ 94,644,378</u>	<u>\$ 13,581,890</u>	<u>\$ -</u>

Pension Plan and Other Postretirement Benefit Assumptions — Actuarial assumptions used to determine benefit obligations at December 31, 2013 and 2012, were as follows:

	Pension Plan		Other Postretirement Benefits			
	2013	2012	2013		2012	
			Medical	Life	Medical	Life
Discount rate	5.15 %	4.29 %	5.20 %	5.20 %	4.40 %	4.30 %
Rate of compensation increase	3.00	3.00	N/A	3.00	N/A	3.00

Actuarial assumptions used to determine net periodic benefit cost for the years ended December 31, 2013 and 2012, were as follows:

	Pension Plan		Other Postretirement Benefits			
	2013	2012	2013		2012	
			Medical	Life	Medical	Life
Discount rate	4.29 %	4.40 %	4.40 %	4.30 %	4.40 %	4.40 %
Expected long-term return on plan assets	5.50	6.00	4.95	5.75	5.60	6.50
Rate of compensation increase	3.00	4.00	N/A	3.00	N/A	4.00

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In selecting the expected long-term rate of return on assets, the Companies considered the average rate of earnings expected on the funds invested or to be invested to provide for plan benefits. This included considering the Pension Plan and VEBA trusts' asset allocation, as well as the target asset allocations for the future, and the expected returns likely to be earned over the life of the Pension Plan and the VEBAs.

Assumed health care cost trend rates at December 31, 2013 and 2012, were as follows:

	2013	2012
Health care trend rate assumed for next year — participants under 65	7.50 %	8.00 %
Health care trend rate assumed for next year — participants over 65	7.50	8.00
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate) — participants under 65	5.00	5.00
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate) — participants over 65	5.00	5.00
Year that the rate reaches the ultimate trend rate	2019	2019

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage Point Increase	One-Percentage Point Decrease
Effect on total service and interest cost	\$ 3,631,271	\$ (2,784,708)
Effect on postretirement benefit obligation	28,284,656	(22,171,247)

Pension Plan and Other Postretirement Benefit Assets — The asset allocation for the Pension Plan and VEBA trusts at December 31, 2013 and 2012, by asset category was as follows:

Asset category:	Pension Plan		VEBA Trusts	
	2013	2012	2013	2012
Equity securities	32 %	30 %	42 %	41 %
Debt securities	68	70	58	59

Pension Plan and Other Postretirement Benefit Contributions — The Companies expect to contribute \$6,600,000 to their Pension Plan and \$7,759,496 to their Other Postretirement Benefits plan in 2014.

Estimated Future Benefit Payments — The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Years Ending December 31	Pension Plan	Other Postretirement Benefits
2014	\$5,416,910	\$5,923,496
2015	6,126,992	6,300,880
2016	7,042,389	6,852,055
2017	7,848,396	7,425,451
2018	8,664,325	7,890,713
Five years thereafter	56,948,180	47,510,450

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Postemployment Benefits — The Companies follow the accounting guidance in Compensation — Non-Retirement Postemployment Benefits and accrue the estimated cost of benefits provided to former or inactive employees after employment but before retirement. Such benefits include, but are not limited to, salary continuations, supplemental unemployment, severance, disability (including workers' compensation), job training, counseling, and continuation of benefits, such as health care and life insurance coverage. The cost of such benefits and related obligations has been allocated to OVEC and IKEC in the accompanying consolidating financial statements. The allocated amounts represent approximately a 56% and 44% split between OVEC and IKEC, respectively, as of December 31, 2013, and approximately a 45% and 55% split between OVEC and IKEC, respectively, as of December 31, 2012. The liability is offset with a corresponding regulatory asset and represents unrecognized postemployment benefits billable in the future to customers. The accrued cost of such benefits was \$2,078,864 and \$2,498,759 at December 31, 2013 and 2012, respectively.

Defined Contribution Plan — The Companies have a trustee-defined contribution supplemental pension and savings plan that includes 401(k) features and is available to employees who have met eligibility requirements. The Companies' contributions to the savings plan equal 100% of the first 1% and 50% of the next 5% of employee-participants' contributions. Benefits to participating employees are based solely upon amounts contributed to the participants' accounts and investment earnings. By its nature, the plan is fully funded at all times. The employer contributions for 2013 and 2012 were \$1,956,546 and \$1,942,045, respectively.

9. ENVIRONMENTAL MATTERS

Title IV of the 1990 Clean Air Act Amendments (CAAAAs) required the Companies to reduce sulfur dioxide (SO₂) emissions in two phases: Phase I in 1995 and Phase II in 2000. The Companies selected a fuel switching strategy to comply with the emission reduction requirements. The Companies also purchased additional SO₂ allowances. Historically, the cost of these purchased allowances has been inventoried and included on an average cost basis in the cost of fuel consumed when used.

Title IV of the 1990 CAAAs also required the Companies to comply with a nitrogen oxides (NO_x) emission rate limit of 0.84 lb/mmBtu in 2000. The Companies installed overfire air systems on all eleven units at the plants to comply with this limit. The total capital cost of the eleven overfire air systems was approximately \$8.2 million.

During 2002 and 2003, Ohio and Indiana finalized respective NO_x State Implementation Plan (SIP) Call regulations that required further significant NO_x emission reductions for coal-burning power plants during the ozone control period. The Companies installed selective catalytic reduction (SCR) systems on ten of their eleven units to comply with these rules. The total capital cost of the ten SCR systems was approximately \$355 million.

On March 10, 2005, the United States Environmental Protection Agency (the U.S. EPA) issued the Clean Air Interstate Rule (CAIR) that required further significant reductions of SO₂ and NO_x emissions from coal-burning power plants. On March 15, 2005, the U.S. EPA also issued the Clean Air Mercury Rule (CAMR) that required significant mercury emission reductions for coal-burning power plants. These emission reductions were required in two phases: 2009 and 2015 for NO_x; 2010 and 2015 for SO₂; and 2010 and 2018 for mercury. Ohio and Indiana subsequently finalized their respective versions of CAIR and CAMR. In response, the Companies determined that it would be necessary to install flue gas desulfurization (FGD) systems at both plants to comply with these new rules. Following completion of the necessary engineering and permitting, construction was started on the new FGD systems.

In February 2008, the D.C. Circuit Court of Appeals issued a decision which vacated the federal CAMR and

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remanded the rule to the U.S. EPA with a determination that the rule be rewritten under the maximum achievable control technologies (MACT) provision of Section 112(d) of the Clean Air Act. A group of electric utilities and the U.S. EPA requested a rehearing of the decision, which was denied by the Court. Following those denials, both the group of electric utilities and the U.S. EPA requested that the U.S. Supreme Court hear the case. However, in February 2009, the U.S. EPA withdrew its request and the group of utilities' request was denied. These actions left the original court decision in place, which vacated the federal CAMR and remanded the rule to the U.S. EPA with a determination that the rule be rewritten under the MACT provision of Section 112(d) of the Clean Air Act. The U.S. EPA has subsequently written a replacement rule for the regulation of coal-fired utility emissions of mercury and other hazardous air pollutants. This replacement rule was published in the Federal Register on February 16, 2012, and it is referred to as the Mercury and Air Toxics Standards (or MATS) rule. The rule became final on April 16, 2012, and OVEC-IKEC must be in compliance with MATS emission limits by April 15, 2015. Management expects that, with the SCRs and FGD systems fully functional, OVEC-IKEC will be able to meet the emissions requirements outlined in the Mercury and Air Toxics Standards (MATS) rule by the April 15, 2015, compliance deadline.

In July 2008, the D.C. Circuit Court of Appeals issued a decision that vacated the federal CAIR and remanded the rule to the U.S. EPA. In September 2008, the U.S. EPA, a group of electric utilities and other parties filed petitions for rehearing. In December 2008, the D.C. Circuit Court of Appeals granted the U.S. EPA's petition and remanded the rule to the U.S. EPA without vacatur, allowing the federal CAIR to remain in effect while a new rule was developed and promulgated. Following the remand, the U.S. EPA promulgated a replacement rule to CAIR. This new rule is called the Cross-State Air Pollution Rule (CSAPR) and it was issued on July 6, 2011, and it was scheduled to go into effect on January 1, 2012. However, on December 30, 2011, the D.C. Circuit Court issued an indefinite "stay" of the CSAPR rule until the Court considered the numerous state, trade association, and industry petitions filed to have the rule either stayed or reviewed. The Court also instructed the U.S. EPA to keep CAIR in place while they considered the numerous petitions. On August 21, 2012, in a 2-1 decision, the D.C. Circuit Court vacated the CSAPR rule and ordered the U.S. EPA to keep CAIR in effect until a CSAPR replacement rule is promulgated. The U.S. EPA and other parties filed a petition seeking rehearing before the entire D.C. Circuit Court on October 5, 2012. That petition was denied by the D.C. Circuit Court on January 24, 2013; however, the U.S. Solicitor General petitioned the U.S. Supreme Court to review the D.C. Circuit Court's decision on CSAPR in March of 2013, and the Supreme Court granted that petition in June of 2013. Oral arguments were presented before the Supreme Court in December of 2013, and we now await a decision from the Supreme Court. That decision is expected to be issued in the summer of 2014. In the interim, CAIR will remain in effect.

The first Kyger Creek plant FGD system became fully operational in November 2011 and the second FGD system began operation in February 2012. Clifty Creek's two FGD scrubbers were placed into service in March and May of 2013. As a result, OVEC-IKEC is positioned to meet the anticipated reductions in SO₂ and NO_x emissions that are required under the CSAPR rule if the U.S. EPA ultimately prevails on its appeal and the rule is reinstated. Alternatively, OVEC-IKEC is also positioned to meet comparable emissions reductions that may be required by an equivalent replacement rule if the D.C. Circuit Court decision is ultimately upheld and the U.S. EPA is required to develop a replacement rule.

Additional SO₂ and NO_x allowances were purchased to operate the Clifty Creek generating units to comply with the reinstated CAIR environmental emission rules during the 2012 compliance period. With the Kyger Creek FGD and the Clifty Creek FGD systems now fully operational, and with the 10 SCR systems operational at both plants, management did not need to purchase additional SO₂ allowances in 2013; however, there were limited NO_x purchases and there may be a need to purchase limited NO_x allowances in 2014 and beyond.

Now that all FGD systems are fully operational, OVEC-IKEC expects to have adequate SO₂ allowances available

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without having to rely on market purchases if the CSAPR rules are upheld in their current form; however, additional NO_x allowances or additional NO_x controls may be necessary for Clifty Creek Unit 6 either under a reinstated CSAPR rule or any promulgated replacement rule.

On November 6, 2009, the Companies received a Section 114 Information Request from the U.S. EPA. The stated purpose of the information request was for the U.S. EPA to obtain the necessary information to determine if the Kyger Creek and Clifty Creek plants have been operating in compliance with the Federal Clean Air Act. Attorneys for the Companies subsequently contacted the U.S. EPA and established a schedule for submission of the requested information. Based on this schedule, all requested information was submitted to the U.S. EPA by March 8, 2010.

In late December 2011, OVEC-IKEC received a letter dated December 21, 2011, from the U.S. EPA requesting follow-up information. Specifically, the U.S. EPA asked for an update on the status of the FGD scrubber projects at both plants as well as additional information on any other new emissions controls that either have been installed or are planned for installation since the last submittal we filed on March 8, 2012. This information was prepared and filed with the U.S. EPA in late January 2012. In the fall of 2012, following an on-site visit, the U.S. EPA made an informal request that OVEC-IKEC provide the agency with a monthly email progress report on the Clifty Creek FGD project until both FGD systems are operational in 2013. As of this date, the only communication OVEC-IKEC has had with the U.S. EPA related to either the original Section 114 data submittal or the supplemental data filing made in 2011 are the monthly email progress reports. Those monthly email progress reports were discontinued once the second of the two FGD scrubbers at Clifty Creek was placed into service in May of 2013.

10. FAIR VALUE MEASUREMENTS

The accounting guidance for Financial Instruments requires disclosure of the fair value of certain financial instruments. The estimates of fair value under this guidance require the application of broad assumptions and estimates. Accordingly, any actual exchange of such financial instruments could occur at values significantly different from the amounts disclosed. As cash and cash equivalents, current receivables, current payables, and line of credit borrowings are all short term in nature, their carrying amounts approximate fair value.

OVEC utilizes its trustee's external pricing service in its estimate of the fair value of the underlying investments held in the benefit plan trusts and investment portfolios. The Companies' management reviews and validates the prices utilized by the trustee to determine fair value. Equities and fixed income securities are classified as Level 1 holdings if they are actively traded on exchanges. In addition, mutual funds are classified as Level 1 holdings because they are actively traded at quoted market prices. Certain fixed income securities do not trade on an exchange and do not have an official closing price. Pricing vendors calculate bond valuations using financial models and matrices. Fixed income securities are typically classified as Level 2 holdings because their valuation inputs are based on observable market data. Observable inputs used for valuing fixed income securities are benchmark yields, reported trades, broker/dealer quotes, issuer spreads, bids, offers, and economic events. Other securities with model-derived valuation inputs that are observable are also classified as Level 2 investments. Investments with unobservable valuation inputs are classified as Level 3 investments.

As of December 31, 2013 and 2012, the Companies held certain assets that are required to be measured at fair value on a recurring basis. These consist of investments recorded within special deposits and long-term investments. The special deposits consist of money market mutual funds restricted for use on certain projects. The investments consist of money market mutual funds, equity mutual funds, and fixed income municipal securities. Changes in the observed trading prices and liquidity of money market funds are monitored as additional support for determining fair value, and unrealized gains and losses are recorded in earnings.

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The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Companies believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Long-Term Investments — Assets measured at fair value on a recurring basis at December 31, 2013 and 2012, were as follows:

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2013			
Equity mutual funds	\$24,795,074	\$ -	\$ -
Fixed income municipal securities	-	88,696,555	-
Cash equivalents	3,615,039	-	-
Total fair value	<u>\$28,410,113</u>	<u>\$88,696,555</u>	<u>\$ -</u>
2012			
Equity mutual funds	\$21,192,480	\$ -	\$ -
Fixed income municipal securities	-	96,088,024	-
Cash equivalents	61,009,960	-	-
Total fair value	<u>\$82,202,440</u>	<u>\$96,088,024</u>	<u>\$ -</u>

Long-Term Debt — The fair values of the senior notes and fixed rate bonds were estimated using discounted cash flow analyses based on current incremental borrowing rates for similar types of borrowing arrangements. These fair values are not reflected in the balance sheets.

The fair values and recorded values of the senior notes and fixed and variable rate bonds as of December 31, 2013 and 2012, are as follows:

	2013		2012	
	Fair Value	Recorded Value	Fair Value	Recorded Value
Total	<u>\$1,684,165,978</u>	<u>\$1,558,369,935</u>	<u>\$1,848,202,504</u>	<u>\$1,596,486,240</u>

11. LEASES

OVEC has entered into operating leases to secure railcars for the transportation of coal in connection with the fuel switching modifications at the OVEC and the IKEC generating stations. OVEC has railcar lease agreements that extend to as long as December 31, 2025, with options to exit the leases under certain conditions. OVEC also has various other operating leases with other property and equipment. During 2013, OVEC terminated certain railcar lease agreements, which resulted in lease termination costs of \$3,497,300. As of December 31, 2013, OVEC had

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billed Sponsor Companies \$3,126,003 resulting in a balance of \$371,297 that will be recovered from the Sponsor Companies within the next 12 months. This amount is recorded in current regulatory assets (see Note 1) and is not included in the lease payments below.

The amount in property under capital leases is \$2,793,119 with accumulated depreciation of \$905,642 and \$460,693 as of December 31, 2013 and 2012, respectively.

Future minimum lease payments for capital and operating leases at December 31, 2013, are as follows:

Years Ending December 31	Operating	Capital
2014	\$1,072,266	\$ 677,352
2015	814,895	528,896
2016	13,081	264,693
2017	-	216,247
2018	-	137,643
Thereafter	-	499,596
Total future minimum lease payments	<u>\$1,900,242</u>	2,324,427
Less estimated interest element		<u>549,901</u>
Estimated present value of future minimum lease payments		<u>\$1,774,526</u>

The annual operating lease cost incurred was \$1,862,319 and \$3,310,227 for 2013 and 2012, respectively, and the annual capital lease cost incurred (depreciation expense) was \$593,456 and \$437,084 for 2013 and 2012, respectively.

12. COMMITMENTS AND CONTINGENCIES

The Companies are party to or may be affected by various matters under litigation. Management believes that the ultimate outcome of these matters will not have a significant adverse effect on either the Companies' future results of operation or financial position.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	1,320,048,313	1,320,048,313		
4	Property Under Capital Leases	1,586,477	1,586,477		
5	Plant Purchased or Sold				
6	Completed Construction not Classified				
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	1,321,634,790	1,321,634,790		
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	16,853,538	16,853,538		
12	Acquisition Adjustments				
13	Total Utility Plant (8 thru 12)	1,338,488,328	1,338,488,328		
14	Accum Prov for Depr, Amort, & Depl	572,037,909	572,037,909		
15	Net Utility Plant (13 less 14)	766,450,419	766,450,419		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	572,037,909	572,037,909		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant				
22	Total In Service (18 thru 21)	572,037,909	572,037,909		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Ad.				
33	Total Accum Prov (equals 14) (22,26,30,31,32)	572,037,909	572,037,909		

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)				
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Electric Plant: in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.</p> <p>5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)</p>				
Line No.	Account: (a)	Balance Beginning of Year (b)	Additions (c)	
1	1. INTANGIBLE PLANT			
2	(301) Organization	18,924		
3	(302) Franchises and Consents			
4	(303) Miscellaneous Intangible Plant			
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	18,924		
6	2. PRODUCTION PLANT			
7	A. Steam Production Plant			
8	(310) Land and Land Rights	3,029,610		
9	(311) Structures and Improvements	271,169,832	22,297,571	
10	(312) Boiler Plant Equipment	825,222,404	21,604,134	
11	(313) Engines and Engine-Driven Generators			
12	(314) Turbogenerator Units	67,506,312	1,249,620	
13	(315) Accessory Electric Equipment	23,617,256		
14	(316) Misc. Power Plant Equipment	26,476,963	1,364,649	
15	(317) Asset Retirement Costs for Steam Production			
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	1,217,022,377	46,515,974	
17	B. Nuclear Production Plant			
18	(320) Land and Land Rights			
19	(321) Structures and Improvements			
20	(322) Reactor Plant Equipment			
21	(323) Turbogenerator Units			
22	(324) Accessory Electric Equipment			
23	(325) Misc. Power Plant Equipment			
24	(326) Asset Retirement Costs for Nuclear Production			
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)			
26	C. Hydraulic Production Plant			
27	(330) Land and Land Rights			
28	(331) Structures and Improvements			
29	(332) Reservoirs, Dams, and Waterways			
30	(333) Water Wheels, Turbines, and Generators			
31	(334) Accessory Electric Equipment			
32	(335) Misc. Power Plant Equipment			
33	(336) Roads, Railroads, and Bridges			
34	(337) Asset Retirement Costs for Hydraulic Production			
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)			
36	D. Other Production Plant			
37	(340) Land and Land Rights			
38	(341) Structures and Improvements			
39	(342) Fuel Holders, Products, and Accessories			
40	(343) Prime Movers			
41	(344) Generators			
42	(345) Accessory Electric Equipment			
43	(346) Misc. Power Plant Equipment			
44	(347) Asset Retirement Costs for Other Production			
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)			
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	1,217,022,377	46,515,974	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. Include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			18,924	2
				3
				4
			18,924	5
				6
				7
			3,029,610	8
106,320			293,361,083	9
2,168,805			844,657,733	10
				11
211,203			68,544,729	12
			23,617,256	13
721,531		41,598	27,161,679	14
				15
3,207,859		41,598	1,260,372,090	16
				17
				18
				19
				20
				21
				22
				23
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3,207,859		41,598	1,260,372,090	46

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	1,979,740		
49	(352) Structures and Improvements	753,220		
50	(353) Station Equipment	19,216,198		3,338,758
51	(354) Towers and Fixtures	13,109,919		271,424
52	(355) Poles and Fixtures			
53	(356) Overhead Conductors and Devices	12,689,834		
54	(357) Underground Conduit			
55	(358) Underground Conductors and Devices			
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant			
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	47,748,711		3,610,182
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights			
61	(361) Structures and Improvements			
62	(362) Station Equipment			
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures			
65	(365) Overhead Conductors and Devices			
66	(366) Underground Conduit			
67	(367) Underground Conductors and Devices			
68	(368) Line Transformers			
69	(369) Services			
70	(370) Meters			
71	(371) Installations on Customer Premises			
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems			
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)			
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	124,762		
87	(390) Structures and Improvements	4,516,681		
88	(391) Office Furniture and Equipment	3,192,116		
89	(392) Transportation Equipment	888,388		145,036
90	(393) Stores Equipment	590		
91	(394) Tools, Shop and Garage Equipment	444,245		
92	(395) Laboratory Equipment	687,228		
93	(396) Power Operated Equipment			
94	(397) Communication Equipment	1,794,543		6,570
95	(398) Miscellaneous Equipment			
96	SUBTOTAL (Enter Total of lines 86 thru 95)	11,648,553		151,606
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	11,648,553		151,606
100	TOTAL (Accounts 101 and 106)	1,276,438,565		50,277,762
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	1,276,438,565		50,277,762

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.	
				47	
			1,979,740	48	
			753,220	49	
1,601,025			20,953,931	50	
6,715			13,374,628	51	
				52	
			12,689,634	53	
				54	
				55	
				56	
				57	
1,607,740			49,751,153	58	
				59	
				60	
				61	
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				65	
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				67	
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				80	
				81	
				82	
				83	
				84	
				85	
			124,762	86	
			4,516,681	87	
279,793			2,912,323	88	
23,604			1,009,820	89	
			590	90	
			444,245	91	
			687,228	92	
				93	
4,139			1,796,974	94	
				95	
307,536			11,492,623	96	
				97	
				98	
307,536			11,492,623	99	
5,123,135		41,598	1,321,634,790	100	
				101	
				102	
				103	
5,123,135		41,598	1,321,634,790	104	

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)				
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.				
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)		
1	Unit #5 Slope Tube & Header	3,469,912		
2	Unit #5 Sidewall Tube Install	3,289,392		
3	Unit #2 Reheat Tube Material	3,041,398		
4	Unit #5 Reheater Tube & Header	2,866,468		
5	Seven Gas Circuit Breakers	2,227,155		
6	Out of Period Estimate	291,527		
7	Unit #5 ID VFD Cell Rebuild	240,757		
8	Four Auto Voltage Regulators	176,995		
9	Unit #45 Automatic Voltage Regulators	153,931		
10	Unit # 123 GSU Differential Relay	150,616		
11	Hot Backup Control Center	127,565		
12	Fourteen EO Servers	122,996		
13	Unit #2 Sidewall Tube Material	112,460		
14				
15	Projects Less Than \$100,000	582,366		
16				
17				
18				
19				
20				
21				
22				
23				
24				
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42				
43	TOTAL	16,853,538		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 106)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+c-e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	531,480,132	531,480,132		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	45,447,366	45,447,366		
4	(403.1) Depreciation Expense for Asset Retirement Costs	427,778	427,778		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	45,875,144	45,875,144		
11	Net Charges for Plant Retired.				
12	Book Cost of Plant Retired	5,118,135	5,118,135		
13	Cost of Removal	51,476	51,476		
14	Salvage (Credit)	102,277	102,277		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	5,067,334	5,067,334		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17	Change in RWIP, Deferred Depreciation	-250,033	-250,033		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	572,037,909	572,037,909		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	515,949,041	515,949,041		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission	44,702,083	44,702,083		
26	Distribution				
27	Regional Transmission and Market Operation				
28	General	11,386,785	11,386,785		
29	TOTAL (Enter Total of lines 20 thru 28)	572,037,909	572,037,909		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)					
<p>1. Report below investments in Accounts 123.1, Investments in Subsidiary Companies</p> <p>2. Provide a subheading for each company and list there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e), (f), (g) and (h)</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.</p> <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.</p>					
Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	Indiana-Kentucky Electric Corporation				
2	Common Stock without par value, 17,000 shares				
3	5 shares	10/09/52		1,000	
4	995 shares	11/19/52		199,000	
5	2,500 shares	01/16/53		500,000	
6	2,000 shares	03/06/53		400,000	
7	2,000 shares	04/14/53		400,000	
8	2,500 shares	05/20/53		500,000	
9	2,000 shares	06/30/53		400,000	
10	5,000 shares	07/17/53		1,000,000	
11					
12					
13	Advances to Subsidiary Company-				
14	Selective Catalytic Converter Open Account	12/31/02	03/12/26	109,403,661	
15					
16					
17					
18					
19					
20					
21					
22					
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38					
39					
40					
41					
42	Total Cost of Account 123.1 \$	0	TOTAL	112,803,661	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.

5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.

7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).

8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
		1,000		3
		199,000		4
		500,000		5
		400,000		6
		400,000		7
		500,000		8
		400,000		9
		1,000,000		10
				11
				12
				13
		101,172,685		14
				15
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				23
				24
				25
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		104,572,665		42

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	28,067,453	13,876,408	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	15,326,590	18,933,109	Electric	
8	Transmission Plant (Estimated)	163,212	324,843	Electric	
9	Distribution Plant (Estimated)				
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	15,489,802	19,257,952		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)			Electric	
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	43,557,255	33,134,360		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
Allowances (Accounts 158.1 and 158.2)					
<p>1. Report below the particulars (details) called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> <p>4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.</p>					
Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2014	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	6,873.00	7,554		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	19,610.00		19,610.00	
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	14,934.00	1,432		
19	Other:				
20	Correction of Prior Year		900		
21	Cost of Sales/Transfers:				
22	Transfer to IKEC		2,245		
23					
24					
25					
26					
27					
28	Total		2,245		
29	Balance-End of Year	11,549.00	2,977	19,610.00	
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
Allowances Withheld (Acct 158.2)					
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under 'Definitions' in the Uniform System of Accounts).
8. Report on Lines 22-27 the name of purchasers/transferees of allowances disposed of and identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2015		2016		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						6,873.00	7,554.00	1
								2
								3
19,610.00		19,610.00		19,610.00		98,650.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						14,934.00	1,432.00	18
								19
							900.00	20
								21
							2,245.00	22
								23
								24
								25
								26
								27
							2,245.00	28
19,610.00		19,610.00		19,610.00		89,989.00	2,977.00	29
								30
								31
								32
								33
								34
								35
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Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(f), starting with the following year, and allowances for the remaining succeeding years in columns (g)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2014	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	1,661.00	79,395		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	7,370.00			7,370
5	Returned by EPA	431.00			
6					
7					
8	Purchases/Transfers:				
9	Purchase transactions	3,700.00	104,529		
10	Transfer from IKEC	674.00			
11					
12					
13					
14					
15	Total	4,374.00	104,529		
16					
17	Relinquished During Year:				
18	Charges to Account 509	6,210.00	38,892		
19	Other:				
20	Correction of Prior Year				
21	Cost of Sales/Transfers:				
22	Transfer to IKEC	5,942.00	92,651		
23					
24					
25					
26					
27					
28	Total	5,942.00	92,651		
29	Balance-End of Year	1,684.00	52,081		7,370
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
36	Allowances Withheld (Acct 158.2)				
37	Balance-Beginning of Year				
38	Add: Withheld by EPA				
39	Deduct: Returned by EPA				
40	Cost of Sales				
41	Balance-End of Year				
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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Allowances (Accounts *58.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts)
8. Report on Lines 22 - 27 the name of purchasers/transferees of allowances disposed of and identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2015		2016		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						1,561.00	79,099	1
								2
								3
6,342.00		6,342.00		6,342.00		25,398.00	7,372	4
						431.00		5
								6
								7
						3,760.00	104,529	9
						674.00		10
								11
								12
								13
						4,374.00	104,529	15
								16
						6,210.00	38,892	18
								19
								20
								21
						5,942.00	92,551	22
								23
								24
								25
								26
						5,942.00	92,651	28
6,342.00		6,342.00		6,342.00		20,710.00	59,451	29
								30
								31
								32
								33
								34
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								45
								46

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 2/31/2013	Year/Period of Report End of 2013/Q4
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Other Regulatory Assets					
2						
3	Unrecognized Pension Expense					
4	per SFAS 87	17,529,976		228-30	12,630,117	4,899,859
5						
6	Unrecognized Postemployment Benefit Exp.					
7	per SFAS 112	1,132,247		228-30	12,566	1,119,681
8						
9	Federal income tax resulting from the					
10	difference between book and tax					
11	depreciation created by antitrust					
12	settlement refunds for the years 1965					
13	through 1969	556,459				556,459
14						
15	Billable Federal Income Tax	14,950,738		190,182-30	14,950,738	
16						
17	Deferred Debit-Railcar lease termination	2,997,686		501	2,997,686	
18						
19	Deferred Debit-UP Damages	2,227,781		501	1,856,484	371,297
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	TOTAL :	39,394,887	0		32,447,591	6,947,296

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a) 3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	Deferred Debit - Other	57,333	179,228	232-10	211,297	25,264	
2							
3	Required billing of maintenance						
4	due to incompleteness of work by						
5	contractor	45,774	254,396	232-10	286,530	13,640	
6							
7	Asset Suite/Work Mtg System		448,503			449,503	
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
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41							
42							
43							
44							
45							
46							
47	Misc. Work in Progress						
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)						
49	TOTAL	103,107				488,407	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2			
3			
4	Tax on deferred billings	15,008,843	7,392,140
5	Future FIT benefits, per SFAS 109		37,856,126
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	15,008,843	45,248,266
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Accl 190) (Total of lines 8, 16 and 17)	15,008,843	45,248,266

Notes

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>	
CAPITAL STOCKS (Account 201 and 204)				
1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible. 2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.				
Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common	300,000	100.00	
2				
3	Preferred-None authorized issued or outstanding			
4				
5				
6				
7				
8				
9				
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
Shares (e)	Amount (f)	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
100,000	10 000,000					1
						2
						3
						4
						5
						6
						7
						8
						9
						10
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Recquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.

2. In column (a), for new issues, give Commission authorization numbers and dates.

3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.

4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.

5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.

6. In column (b) show the principal amount of bonds or other long-term debt originally issued.

7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.

9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	221.Bonds		
2			
3	2009 Tax Exmpt Poll Cntrl Bonds Series A,B,C&D	200,000,000	5,331,706
4			
5	2010 Tax Exempt Bonds	100,000,000	171,692
6			
7	2012 Tax Exempt Bonds Series A, B, & C	300,000,000	2,657,762
8			
9	222.Required Bonds		
10			
11	223.Advances from Associated Companies		
12			
13	224.Other Long-Term Debt:		
14			
15	Unsecured Senior Notes 2006	445,000,000	4,249,047
16			
17	Unsecured Senior Notes 2007	300,000,000	2,443,584
18			
19	Unsecured Senior Notes 2008	350,000,000	2,662,680
20			
21	Unsecured Senior Notes 2013	100,000,000	280,538
22			
23	Line of Credit Borrowings-Long Term	275,000,000	1,502,458
24			
25			
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	2,070,000,000	19,299,467

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.

11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.

12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.

13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.

14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
8/5/09	2/1/26	NA	NA	200,000,000	5,707,882	3
						4
12/16/10	2/1/40	NA	NA	100,000,000	1,467,898	5
						6
6/1/27	6/1/39	NA	NA	300,000,000	10,088,055	7
						8
						9
						10
						11
						12
						13
						14
2/6/06	2/15/26	2/6/06	2/15/26	337,745,166	20,258,315	15
						16
6/15/07	2/15/26	6/15/07	2/15/26	234,536,957	14,548,874	17
						18
3/14/08	2/15/26	3/14/08	2/15/26	286,651,276	19,505,042	19
						20
2/13/13	2/15/18	NA	NA	100,000,000	1,565,407	21
						22
6/18/10	6/18/13	NA	NA	30,000,000	634,108	23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				1,588,943,399	73,775,381	33

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 3 Column: a
 Authorization Ohio PUCO 08-1286-EL-AIS.
Schedule Page: 256 Line No.: 5 Column: a
 Authorization Ohio PUCO 09-977-EL-AIS.
Schedule Page: 256 Line No.: 7 Column: a
 Authorization Ohio PUCO 11-5763-EL-AIS, December 14, 2011.
Schedule Page: 256 Line No.: 15 Column: a
 Authorization Ohio PUCO 05-977-EL-AIS.
Schedule Page: 256 Line No.: 17 Column: a
 Authorization Ohio PUCO 06-1196-EL-AIS and 07-1105-EL-AIS.
Schedule Page: 256 Line No.: 19 Column: a
 Authorization Ohio PUCO 07-1105-EL-AIS.
Schedule Page: 256 Line No.: 21 Column: a
 Authorization Ohio PUCO 12-3166-EL-AIS.
Schedule Page: 256 Line No.: 23 Column: a
 Authorization Ohio PUCO 09-977-EL-AIS.

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p> <p>3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.</p>				
Line No	Particulars (Details) (a)	Amount (b)		
1	Net income for the Year (Page 117)	2,184,266		
2				
3				
4	Taxable Income Not Reported on Books			
5				
6				
7				
8				
9	Deductions Recorded on Books Not Deducted for Return			
10		82,586.77		
11				
12				
13				
14	Income Recorded on Books Not Included in Return			
15				
16				
17				
18				
19	Deductions on Return Not Charged Against Book Income			
20		-233,583.272		
21				
22				
23				
24				
25				
26				
27	Federal Tax Net Income	-148,812.289		
28	Show Computation of Tax:			
29				
30	Federal Tax Rate	35		
31				
32	Federal Income Tax	-52,084.301		
33	Deferred Tax	52,974.678		
34				
35	2012 Federal Income Tax per books	990.377		
36				
37				
38				
39				
40				
41				
42				
43				
44				

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Schedule Page: 261 Line No.: 10 Column: b

Federal income tax	890,377
Employment taxes	619,089
Accrued vacation	3,168,828
Accrued severance pay	662,146
Nondeductible property tax deduction	976,626
Business meals	32,663
Capitalized interest	7,859,464
Penalties	64
Lobby expense	4,404
Book depreciation	77,677,037
Prior year prepaid deductions	(161,808)
Postretirement billing	(9,238,077)
Charitable contributions limit	95,904
	<hr/> 82,586,717

Schedule Page: 261 Line No.: 20 Column: b

Reversal of employment taxes	(612,535)
Reversal of accrued vacation	(3,280,677)
Reversal of nondeductible property tax deduction	(966,879)
Tax depreciation	(242,009,951)
Retirement work	313,666
Advance collection of interest	(96,749)
Asset retirement obligation	6,179,001
Unrealized gain/loss	6,117,905
Accrued pension	1
Railcar lease	772,946
	<hr/> (233,583,272)

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p>						
Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL:					
2	FICA	286,580		2,630,198	2,639,856	
3	Unemployment	34,660		48,092	40,288	
4	Income Tax			754	754	
5	Heavy Highway Vehicle			1,100	1,100	
6	SUBTOTAL	321,240		2,680,144	2,681,998	
7						
8	OHIO:					
9	Unemployment	11,792		20,005	25,340	
10	SUBTOTAL	11,792		20,005	25,340	
11						
12	Commercial Activity Tax					
13	2012	240,159		25,554	265,713	
14	2013			1,017,288	737,268	
15	SUBTOTAL	240,159		1,042,842	1,003,001	
16						
17	Property Tax					
18	2012	2,503,440		-4,355	2,499,085	
19	2013	2,503,440		199,465		
20	2014			2,702,905		
21	SUBTOTAL	5,006,880		2,898,015	2,499,085	
22						
23	KENTUCKY:					
24	Property Tax					
25	2012	51,533		449	51,982	
26	2013			58,023	49,855	
27	SUBTOTAL	51,533		58,472	101,837	
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	5,631,604		6,698,478	6,311,261	

Name of Respondent Ohio Valley Electric Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>5 If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).</p> <p>6 Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.</p> <p>7 Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority</p> <p>8 Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.</p> <p>9 For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
276,922		2,607,244			22,954	2
42,464		45,496			2,596	3
		9,208,148			-9,207,394	4
						5
319,386		11,860,888			-9,181,844	6
						7
						8
6,457		19,909			96	9
6,457		19,909			96	10
						11
						12
		25,554				13
280,000		1,017,288				14
280,000		1,042,842				15
						16
						17
		-4,355				18
2,702,905		2,702,905			-2,503,440	19
2,702,905					2,702,905	20
5,405,810		2,698,550			199,465	21
						22
						23
						24
		449				25
8,168		58,023				26
8,168		58,472				27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
6,019,821		15,680,661			-8,982,283	41

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: 1

Apportioned to Accounts 107, 108, 142, and 143 through overhead rates applied to labor charged to work orders and Account 401 on basis of payroll distribution.

Schedule Page: 262 Line No.: 3 Column: 1

Apportioned to Accounts 107, 108, 142, and 143 through overhead rates applied to labor charged to work orders and Account 401 on basis of payroll distribution.

Schedule Page: 262 Line No.: 4 Column: 1

Charged to Accounts 190, 254, 410, 182, and 143.

Schedule Page: 262 Line No.: 9 Column: 1

Charged to Account 401.

Schedule Page: 262 Line No.: 19 Column: 1

Charged to Account 174.

Schedule Page: 262 Line No.: 20 Column: 1

Charged to Account 174.

Name of Respondent Ohio Valley Electric Corporation		This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	3,393,146					
6							
7							
8	TOTAL	3,393,146					
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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42							
43							
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46							
47							
48							

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.		
			1		
			2		
			3		
			4		
3,393,146			5		
			6		
			7		
3,393,146			8		
			9		
			10		
			11		
			12		
			13		
			14		
			15		
			16		
			17		
			18		
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			45		
			46		
			47		
			48		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits						
2. For any deferred credit being amortized, show the period of amortization.						
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.						
Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Income Tax Liability	28,029,955	190	28,029,955		
2						
3	Deferred Credit-Cash Receipts		131	231		-231
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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21						
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35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	28,029,955		28,030,186		-231

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4	
OTHER REGULATORY LIABILITIES (Account 254)							
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes. 3. For Regulatory Liabilities being amortized, show period of amortization.							
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)	
			Account Credited (c)	Amount (d)			
1	Def. Cr. Other- Postretirement Interest	19,662,858				19,662,858	
2							
3	Def. Cr.- DOE Settlement Postretirement	48,074,475	926	9,040,168	799,876	38,834,183	
4							
5	Def. Cr.- Estimated FAS 106 Expense	35,848,752			5,400,000	41,248,752	
6							
7	Antitrust Settlements Pending						
8	Final Disposition	1,229,529				1,229,529	
9							
10	Federal Income Tax Benefits						
11	per SFAS 109				44,208,705	44,208,705	
12							
13	Def. Cr.- SO2 Allowances	28,963			184	29,047	
14							
15	Def. Cr.-NOx Allowances	214,000				214,000	
16							
17	Advance Collection of Interest	2,311,907	237	95,749		2,215,158	
18							
19	Other Postretirement Benefits	(\$8,788,307)	234	3,139,696	20,543,594	-71,384,419	
20							
21	Decommission and Demolition Interest	6,939,381	403	217,857	2,447,463	9,168,187	
22							
23	Def. Tax Liability						
24							
25	Deferred Cr-VSP		242	3,517,699	4,637,639	* 1,119,940	
26							
27	Deferred Cr-Gain on Coal Sales				246,701	246,701	
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41	TOTAL	25,521,458		15,011,969	78,284,152	87,793,641	

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC OPERATING REVENUES (Account 400)					
<p>1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</p> <p>2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</p> <p>3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</p> <p>4. If increases or decreases from previous period (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</p> <p>5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.</p>					
Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)		
1	Sales of Electricity				
2	(440) Residential Sales				
3	(442) Commercial and Industrial Sales				
4	Small (or Comm.) (See Instr. 4)				
5	Large (or Ind.) (See Instr. 4)	9,281,568	9,097,306		
6	(444) Public Street and Highway Lighting				
7	(445) Other Sales to Public Authorities				
8	(446) Sales to Railroads and Railways				
9	(448) Interdepartmental Sales				
10	TOTAL Sales to Ultimate Consumers	9,281,568	9,097,306		
11	(447) Sales for Resale	666,367,705	661,721,951		
12	TOTAL Sales of Electricity	675,649,273	670,819,257		
13	(Less) (449.1) Provision for Rate Refunds				
14	TOTAL Revenues Net of Prov. for Refunds	675,649,273	670,819,257		
15	Other Operating Revenues				
16	(450) Forfeited Discounts				
17	(451) Miscellaneous Service Revenues				
18	(453) Sales of Water and Water Power				
19	(454) Rent from Electric Property				
20	(455) Interdepartmental Rents				
21	(456) Other Electric Revenues				
22	(456.1) Revenues from Transmission of Electricity of Others				
23	(457.1) Regional Control Service Revenues				
24	(457.2) Miscellaneous Revenues				
25					
26	TOTAL Other Operating Revenues				
27	TOTAL Electric Operating Revenues	675,649,273	670,819,257		

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

8. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. CUSTOMERS PER MONTH		Line No
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
				2
				3
				4
195,470	207,692	1	1	5
				6
				7
				8
				9
195,470	207,692	1	1	10
10,304,107	10,340,568	14	14	11
10,499,577	10,548,260	15	15	12
				13
10,499,577	10,548,260	15	15	14

Line 12, column (b) includes \$ 0 of unbilled revenues.

Line 12, column (d) includes 0 MWH relating to unbilled revenues

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.

2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.

3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.

4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).

5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.

6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Ohio Valley Electric Corporation					
2	Power Agreement (DOE)					
3	Rate Schedule FPC No. 1-A					
4	Commercial and Industrial Sales					
5	(Account 442)	195,470	9,281,568	1	195,470,000	0.0475
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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27						
28						
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32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	0	0	0	0	0.0000
42	Total Unbilled Rev (See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	0	0	0	0	0.0000

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	NOTE 1					
2	Appalachian Power Company	OS	FPC1-B	NA	NA	NA
3	Buckeye Power Generating, LLC	OS	FPC1-B	NA	NA	NA
4	The Cincinnati Gas & Electric Company	OS	FPC1-B	NA	NA	NA
5	Columbus Southern Power Company	OS	FPC1-B	NA	NA	NA
6	The Dayton Power and Light Company	OS	FPC1-B	NA	NA	NA
7	FirstEnergy Generation Corporation	OS	FPC1-B	NA	NA	NA
8	Indiana Michigan Power Company	OS	FPC1-B	NA	NA	NA
9	Kentucky Utilities Company	OS	FPC1-B	NA	NA	NA
10	Louisville Gas and Electric Company	OS	FPC1-B	NA	NA	NA
11	Monongahela Power Company	OS	FPC1-B	NA	NA	NA
12	Ohio Power Company	OS	FPC1-B	NA	NA	NA
13	Peninsula Generation Cooperative	OS	FPC1-B	NA	NA	NA
14	Southern Indiana Gas & Electric Company	OS	FPC1-B	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Ohio Valley Electric Corporation	This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	See footnote	RQ	NA			
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
1,562,977	56,444,394	47,287,766		103,732,160	2
1,951,529	64,754,563	59,086,600		123,841,163	3
801,522	32,377,281	24,218,341		56,595,622	4
442,288	15,972,792	13,381,700		29,354,492	5
619,674	17,627,631	18,792,039		36,419,670	6
518,133	17,447,757	15,696,323		33,144,080	7
781,964	28,240,184	23,658,265		51,898,449	8
262,623	8,993,889	7,959,999		16,953,688	9
591,430	20,253,788	17,926,025		38,179,813	10
373,052	12,591,165	11,301,356		23,892,521	11
1,543,055	55,724,900	46,685,026		102,409,926	12
686,352	23,923,214	20,768,840		44,692,054	13
169,498	5,396,214	5,137,715		10,533,929	14
0	-5,279,862	0	0	-5,279,862	
10,304,107	359,747,572	311,899,995	0	671,647,567	
10,304,107	354,467,710	311,899,995	0	666,367,705	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal - Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and totals for columns (b) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
	-5,279,862			-5,279,862	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	-5,279,862	0	0	-5,279,862	
10,304,107	359,747,572	311,899,995	0	671,647,567	
10,304,107	354,467,710	311,899,995	0	666,367,705	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 1 Column: a

NOTE 1: Power is sold pursuant to an Inter-Company Power Agreement among Ohio Valley Electric Corporation (OVEC) and Sponsoring Companies (Sponsors). The agreement provides, among other things, that any power generated by OVEC or its subsidiary company, Indiana-Kentucky Electric Corporation, shall be made available to Sponsors. The Sponsors or their parent corporations are shareholders of OVEC.

Schedule Page: 310.1 Line No.: 1 Column: a

This figure represents the difference between billings for current construction projects and depreciation expense on projects closed to plant in service.

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	3,456,448	2,364,908
5	(501) Fuel	118,621,603	106,818,557
6	(502) Steam Expenses	7,758,017	7,597,591
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred Cr.		
9	(505) Electric Expenses	2,317,790	3,651,308
10	(506) Miscellaneous Steam Power Expenses	19,780,599	20,267,291
11	(507) Rents	37,900	41,320
12	(508) Allowances	40,324	72,316
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	152,012,681	140,813,291
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	2,233,350	1,106,404
16	(511) Maintenance of Structures	6,825,589	7,598,254
17	(512) Maintenance of Boiler Plant	24,064,734	25,746,484
18	(513) Maintenance of Electric Plant	6,667,399	7,474,832
19	(514) Maintenance of Miscellaneous Steam Plant	2,010,416	2,650,967
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	41,801,488	44,666,941
21	TOTAL Power Production Expenses-Steam Power (Enter Tot lines 13 & 20)	193,814,169	185,480,232
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc Power (Enter tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering				
63	(547) Fuel				
64	(548) Generation Expenses				
65	(549) Miscellaneous Other Power Generation Expenses				
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)				
68	Maintenance				
69	(551) Maintenance Supervision and Engineering				
70	(552) Maintenance of Structures				
71	(553) Maintenance of Generating and Electric Plant				
72	(554) Maintenance of Miscellaneous Other Power Generation Plant				
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)				
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)				
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	304,536,978	302,203,985		
77	(556) System Control and Load Dispatching				
78	(557) Other Expenses				
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	304,536,978	302,203,985		
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	498,351,147	487,684,217		
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering	432,823	385,008		
84					
85	(561.1) Load Dispatch-Reliability	2,538,117	2,596,148		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System				
87	(561.3) Load Dispatch-Transmission Service and Scheduling				
88	(561.4) Scheduling, System Control and Dispatch Services				
89	(561.5) Reliability, Planning and Standards Development				
90	(561.6) Transmission Service Studies				
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services				
93	(562) Station Expenses	1,480,498	1,279,249		
94	(563) Overhead Lines Expenses	498,015	442,254		
95	(564) Underground Lines Expenses				
96	(565) Transmission of Electricity by Others				
97	(566) Miscellaneous Transmission Expenses	105,467	183,392		
98	(567) Rents	11,487	16,297		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	5,066,417	4,904,346		
100	Maintenance				
101	(568) Maintenance Supervision and Engineering	72,128	119,401		
102	(569) Maintenance of Structures	81,033	58,327		
103	(569.1) Maintenance of Computer Hardware				
104	(569.2) Maintenance of Computer Software				
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment	582,317	799,149		
108	(571) Maintenance of Overhead Lines	166,776	157,931		
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant	76,034	120,919		
111	TOTAL Maintenance (Total of lines 101 thru 110)	978,288	1,255,727		
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	6,044,705	6,160,073		

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
113	3. REGIONAL MARKET EXPENSES				
114	Operation				
115	(575.1) Operation Supervision				
116	(575.2) Day-Ahead and Real-Time Market Facilitation				
117	(575.3) Transmission Rights Market Facilitation				
118	(575.4) Capacity Market Facilitation				
119	(575.5) Ancillary Services Market Facilitation				
120	(575.6) Market Monitoring and Compliance				
121	(575.7) Market Facilitation, Monitoring and Compliance Services				
122	(575.8) Rents				
123	Total Operation (Lines 115 thru 122)				
124	Maintenance				
125	(576.1) Maintenance of Structures and Improvements				
126	(576.2) Maintenance of Computer Hardware				
127	(576.3) Maintenance of Computer Software				
128	(576.4) Maintenance of Communication Equipment				
129	(576.5) Maintenance of Miscellaneous Market Operation Plant				
130	Total Maintenance (Lines 125 thru 129)				
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)				
132	4. DISTRIBUTION EXPENSES				
133	Operation				
134	(580) Operation Supervision and Engineering				
135	(581) Load Dispatching				
136	(582) Station Expenses				
137	(583) Overhead Line Expenses				
138	(584) Underground Line Expenses				
139	(585) Street Lighting and Signal System Expenses				
140	(586) Meter Expenses				
141	(587) Customer Installations Expenses				
142	(588) Miscellaneous Expenses				
143	(589) Rents				
144	TOTAL Operation (Enter Total of lines 134 thru 143)				
145	Maintenance				
146	(590) Maintenance Supervision and Engineering				
147	(591) Maintenance of Structures				
148	(592) Maintenance of Station Equipment				
149	(593) Maintenance of Overhead Lines				
150	(594) Maintenance of Underground Lines				
151	(595) Maintenance of Line Transformers				
152	(596) Maintenance of Street Lighting and Signal Systems				
153	(597) Maintenance of Meters				
154	(598) Maintenance of Miscellaneous Distribution Plant				
155	TOTAL Maintenance (Total of lines 146 thru 154)				
156	TOTAL Distribution Expenses (Total of lines 144 and 155)				
157	5. CUSTOMER ACCOUNTS EXPENSES				
158	Operation				
159	(901) Supervision				
160	(902) Meter Reading Expenses				
161	(903) Customer Records and Collection Expenses				
162	(904) Uncollectible Accounts				
163	(905) Miscellaneous Customer Accounts Expenses				
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)				

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
166	Operation				
167	(907) Supervision				
168	(908) Customer Assistance Expenses				
169	(909) Informational and Instructional Expenses				
170	(910) Miscellaneous Customer Service and Informational Expenses				
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)				
172	7. SALES EXPENSES				
173	Operation				
174	(911) Supervision				
175	(912) Demonstrating and Selling Expenses				
176	(913) Advertising Expenses				
177	(916) Miscellaneous Sales Expenses				
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)				
179	8. ADMINISTRATIVE AND GENERAL EXPENSES				
180	Operation				
181	(920) Administrative and General Salaries	5,737,263	5,675,483		
182	(921) Office Supplies and Expenses	1,149,575	1,430,393		
183	(Less) (922) Administrative Expenses Transferred-Credit	64,475	83,486		
184	(923) Outside Services Employed	10,751,357	6,406,216		
185	(924) Property Insurance	1,056,776	979,036		
186	(925) Injuries and Damages	594,884	1,762,338		
187	(926) Employee Pensions and Benefits	9,346,280	18,376,463		
188	(927) Franchise Requirements				
189	(928) Regulatory Commission Expenses	696,726	948,248		
190	(929) (Less) Duplicate Charges-Cr.				
191	(930.1) General Advertising Expenses				
192	(930.2) Miscellaneous General Expenses	2,206,203	2,613,525		
193	(931) Rents	88,554	76,575		
194	TOTAL Operation (Enter Total of lines 181 thru 193)	31,563,143	38,184,791		
195	Maintenance				
196	(935) Maintenance of General Plant	242,271	78,923		
197	TOTAL Administrative & General Expenses (Total of lines 181 and 196)	31,805,414	38,263,714		
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	536,201,266	532,108,004		

Name of Respondent Ohio Valley Electric Corporation	This Report is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	NOTE 1 & 3					
2	Indiana-Kentucky Electric Corporation	OS	FPC 1-B	NA	NA	NA
3	NOTE 2 & 4					
4	Cargil Power Markets, LLC	OS	FPC 1-B	NA	NA	NA
5	NOTE 2 & 4					
6	Ohio Power/AEP	OS	FPC 1-B	NA	NA	NA
7	NOTE 2 & 4					
8	TransAlta Energy Marketing	OS	FPC 1-B	NA	NA	NA
9	NOTE 2 & 4					
10						
11						
12						
13						
14						
	Total					

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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: a

NOTE 1: All power generated by Indiana-Kentucky Electric Corporation is purchased by Ohio Valley Electric Corporation, the Parent Company, under the Power Agreement between the two companies dated July 10, 1953.

NOTE 3: Aggregate of settlements for the year paid by Ohio Valley Electric Corporation to Indiana-Kentucky Electric Corporation pursuant to Section 2.01 of the Power Agreement between these two companies, a copy of which has been filed with your commission.

Schedule Page: 326 Line No.: 3 Column: a

NOTE 2: Arranged Power as defined in the Arranged Power Letter Agreement dated April 29, 2003 filed with the Public Utilities Commission of Ohio between Ohio Valley Electric Corporation and the United States of America, acting by and through the Secretary of Energy, the statutory head of the Department of Energy.

NOTE 4: Aggregate of settlements for the year paid by Ohio Valley Electric Corporation for Arranged Power (see NOTE 2).

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues				
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities				
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	228,333			
6	American Electric Power	105,225			
7	AT&T Mobility	46,162			
8	Cintas Corporation	11,201			
9	Citibank CMRS	20,000			
10	Edison Electric Institute	177,540			
11	Fitch, Inc.	61,000			
12	Frontier	19,539			
13	Gordon Flesch Co.	38,075			
14	Horizon	85,284			
15	Huntington Nation Bank	36,200			
16	Hunton & Williams	9,250			
17	KeyBanc Capital Markets	25,068			
18	Keybank National Association	996,326			
19	Moody's Investors Service	98,000			
20	PNC Capital Markets LLC	24,897			
21	Premier Global Services	13,707			
22	Shumaker, Loop, & Kendrick, LLP	23,247			
23	Standard and Poor's	125,000			
24	Treasurer of State of Ohio	12,000			
25	Verizon Business	50,149			
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	2,206,203			

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
 (Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
 Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
 In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
 For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant					
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant					
8	Distribution Plant					
9	Regional Transmission and Market Operation					
10	General Plant					
11	Common Plant-Electric	48,133,617				48,133,617
12	TOTAL	48,133,617				48,133,617

B. Basis for Amortization Charges

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
14							
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Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.					
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.					
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FERC Order 582				
2	Assessment for maintenance of the				
3	Federal Energy Regulatory Commission	670,967		670,967	
4					
5	Section 4905.10 Ohio Revised Code				
6	Assessment for maintenance of the				
7	Public Utilities Commission of Ohio	21,918		21,918	
8					
9	Section 4911.18 Ohio Revised Code				
10	Assessment for maintenance of the				
11	Office of the Consumers' Counsel of Ohio	3,841		3,841	
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46	TOTAL	696,726		696,726	

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4	
REGULATORY COMMISSION EXPENSES (Continued)							
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization. 4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts. 5. Minor items (less than \$25,000) may be grouped.							
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (l)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (i)	Line No.
Department (f)	Account No. (g)	Amount (h)					
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

(1) Generation

- a. hydroelectric
 - i. Recreation fish and wildlife
 - ii Other hydroelectric
- b. Fossil-fuel steam
- c. Internal combustion or gas turbine
- d. Nuclear
- e. Unconventional generation
- f. Siting and heat rejection

(2) Transmission

a. Overhead

b. Underground

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$50,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

(1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	A - (5)	Ohio River Ecological Research Program
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute

(3) Research Support to Nuclear Power Groups

(4) Research Support to Others (Classify)

(5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.) Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
		923-200	60,750		1
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Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
DISTRIBUTION OF SALARIES AND WAGES					
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
1	Electric				
2	Operation				
3	Production	15,343,641			
4	Transmission	2,360,160			
5	Regional Market				
6	Distribution				
7	Customer Accounts				
8	Customer Service and Informational				
9	Sales				
10	Administrative and General	9,254,732			
11	TOTAL Operation (Enter Total of lines 3 thru 10)	26,958,533			
12	Maintenance				
13	Production	11,656,588			
14	Transmission	778,949			
15	Regional Market				
16	Distribution				
17	Administrative and General				
18	TOTAL Maintenance (Total of lines 13 thru 17)	12,435,537			
19	Total Operation and Maintenance				
20	Production (Enter Total of lines 3 and 13)	27,000,229			
21	Transmission (Enter Total of lines 4 and 14)	3,139,109			
22	Regional Market (Enter Total of Lines 5 and 15)				
23	Distribution (Enter Total of lines 6 and 16)				
24	Customer Accounts (Transcribe from line 7)				
25	Customer Service and Informational (Transcribe from line 8)				
26	Sales (Transcribe from line 9)				
27	Administrative and General (Enter Total of lines 10 and 17)	9,254,732			
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	39,394,070		39,394,070	
29	Gas				
30	Operation				
31	Production-Manufactured Gas				
32	Production-Nat. Gas (Including Expl. and Dev.)				
33	Other Gas Supply				
34	Storage, LNG Terminating and Processing				
35	Transmission				
36	Distribution				
37	Customer Accounts				
38	Customer Service and Informational				
39	Sales				
40	Administrative and General				
41	TOTAL Operation (Enter Total of lines 31 thru 40)				
42	Maintenance				
43	Production-Manufactured Gas				
44	Production-Natural Gas (Including Exploration and Development)				
45	Other Gas Supply				
46	Storage, LNG Terminating and Processing				
47	Transmission				

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Distribution				
49	Administrative and General				
50	TOTAL Maint. (Enter Total of lines 43 thru 49)				
51	Total Operation and Maintenance				
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)				
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,				
54	Other Gas Supply (Enter Total of lines 33 and 45)				
55	Storage, LNG Terminating and Processing (Total of lines 31 thru				
56	Transmission (Lines 35 and 47)				
57	Distribution (Lines 36 and 48)				
58	Customer Accounts (Line 37)				
59	Customer Service and Informational (Line 38)				
60	Sales (Line 39)				
61	Administrative and General (Lines 40 and 49)				
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)				
63	Other Utility Departments				
64	Operation and Maintenance				
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	39,394,070			39,394,070
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	154,414			154,414
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	154,414			154,414
72	Plant Removal (By Utility Departments)				
73	Electric Plant	1,001			1,001
74	Gas Plant				
75	Other (provide details in footnote):	696			696
76	TOTAL Plant Removal (Total of lines 73 thru 75)	1,697			1,697
77	Other Accounts (Specify, provide details in footnote):				
78					
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94					
95	TOTAL Other Accounts				
96	TOTAL SALARIES AND WAGES	39,550,181			39,550,181

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 354 **Line No.: 75** **Column: b** _____
Account 186-10

Name of Respondent Ohio Valley Electric Corporation				This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4		
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	120	25	1300			2,256			
2	February	118	2	700			2,256			
3	March	107	5	1900			2,256			
4	Total for Quarter 1	345					6,768			
5	April	91	11	2000			2,256			
6	May	106	17	1800			2,256			
7	June	121	26	2100			2,256			
8	Total for Quarter 2	318					6,768			
9	July	129	19	1400			2,256			
10	August	106	13	1800			2,256			
11	September	112	13	1400			2,256			
12	Total for Quarter 3	347					6,768			
13	October	118	10	800			2,256			
14	November	116	26	1800			2,256			
15	December	160	16	800			2,256			
16	Total for Quarter 4	394					6,768			
17	Total Year to Date/Year	1,404					27,072			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 400 Line No.: 1 Column: b

Transmission data includes both Ohio Valley Electric Corporation and its wholly owned subsidiary, Indiana-Kentucky Electric Corporation. This information is not tracked on an individual company basis.

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	195,470
3	Steam	4,966,617	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	10,304,107
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	
7	Other		27	Total Energy Losses	172,358
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	10,671,935
9	Net Generation (Enter Total of lines 3 through 8)	4,966,617			
10	Purchases	5,705,318			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	10,671,935			

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MONTHLY PEAKS AND OUTPUT						
<p>1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.</p> <p>2. Report in column (b) by month the system's output in Megawatt hours for each month.</p> <p>3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).</p>						
NAME OF SYSTEM:						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	940,385	902,657	979	3	1700
30	February	821,230	789,107	787	21	1800
31	March	678,795	649,680	780	4	1500
32	April	627,532	605,214	593	1	1700
33	May	835,220	803,414	885	31	1400
34	June	1,035,935	1,008,527	996	3	1700
35	July	1,120,469	1,084,845	899	17	2100
36	August	943,491	914,109	887	28	2000
37	September	787,665	760,972	781	17	1900
38	October	983,428	951,756	797	21	1800
39	November	830,377	803,176	803	13	1800
40	December	1,067,408	1,029,650	1,014	13	1200
41	TOTAL	10,671,935	10,304,107			

Name of Respondent Ohio Valley Electric Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013		Year/Period of Report End of 2013/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
<p>1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.</p>							
Line No.	Item (a)	Plant Name: KYGER CREEK (b)		Plant Name: (c)			
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	STEAM					
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	CONVENTIONAL					
3	Year Originally Constructed	1955					
4	Year Last Unit was Installed	1955					
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	1086.30		0.00			
6	Net Peak Demand on Plant - MW (60 minutes)	1014		0			
7	Plant Hours Connected to Load	8308		0			
8	Net Continuous Plant Capability (Megawatts)	0		0			
9	When Not Limited by Condenser Water	1070		0			
10	When Limited by Condenser Water	0		0			
11	Average Number of Employees	451		0			
12	Net Generation, Exclusive of Plant Use - KWh	4966617000		0			
13	Cost of Plant: Land and Land Rights	3029810		0			
14	Structures and Improvements	293361083		0			
15	Equipment Costs	963981397		0			
16	Asset Retirement Costs	0		0			
17	Total Cost	1260372090		0			
18	Cost per KW of Installed Capacity (line 17/5) Including	1180.2431		0			
19	Production Expenses: Oper, Supv, & Engr	3456448		0			
20	Fuel	118621603		0			
21	Coolants and Water (Nuclear Plants Only)	0		0			
22	Steam Expenses	7758017		0			
23	Steam From Other Sources	0		0			
24	Steam Transferred (Cr)	0		0			
25	Electric Expenses	2317790		0			
26	Misc Steam (or Nuclear) Power Expenses	19780599		0			
27	Rents	37900		0			
28	Allowances	40324		0			
29	Maintenance Supervision and Engineering	2233350		0			
30	Maintenance of Structures	6825589		0			
31	Maintenance of Boiler (or reactor) Plant	24064734		0			
32	Maintenance of Electric Plant	6667399		0			
33	Maintenance of Misc Steam (or Nuclear) Plant	2010416		0			
34	Total Production Expenses	193814169		0			
35	Expenses per Net KWh	0.0390		0.0000			
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	COAL	OIL				
37	Unit (Coal-tons/Oil-barrel/Gas-mct/Nuclear-indicate)	TONS	GALLONS				
38	Quantity (Units) of Fuel Burned	2128934	371666	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	12088	136000	0	0	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b during year	51.945	3.200	0.000	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	53.303	3.242	0.000	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	220.540	2383.746	0.000	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.003	0.000	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	10370.000	0.000	0.000	0.000	0.000	0.000

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
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0.000	0.000	0.000	43
0.000	0.000	0.000	44

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report 2013/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 402 Line No.: 43 Column: b1
Includes both coal and oil.

Schedule Page: 402 Line No.: 44 Column: b1
Includes both coal and oil.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of <u>2013/Q4</u>
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.

2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.

3. Report data by individual lines for all voltages if so required by a State commission.

4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.

5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.

6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 80 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Kyger Creek	Ohio-W.VA						
2		State Line						
3		Spom-						
4		Tristate	345.00	330.00	Steel Tower	0.40		2
5								
6	Kyger Creek	X-530(DOE)	345.00	330.00	Steel Tower	50.40		2
7								
8	Kyger Creek	Don Marquis	345.00	330.00	Steel Tower	0.80	48.30	1
9								
10	Kyger Creek	Pierce	345.00	330.00	Steel Tower	119.80		1
11								
12	Pierce	X-530(DOE)	345.00	330.00	Steel Tower	71.50		2
13								
14	Ind.-Kentucky							
15	State Line							
16	(Clifty Creek)	Pierce	345.00	330.00	Steel Tower	69.60		2
17								
18	Ind.-Kentucky							
19	State Line							
20	(Dearborn)	Pierce	345.00	330.00	Steel Tower	33.00		1
21								
22	Ind.-Kentucky							
23	State Line							
24	(Dearborn)	Buffington (CG&E)	345.00	330.00	Steel Tower		16.00	1
25								
26								
27	Pierce	Buffington (CG&E)	345.00	330.00	Steel Tower		17.00	1
28								
29	Expenses Applicable							
30	To All Lines							
31								
32								
33								
34								
35								
36					TOTAL	345.50	81.30	13

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
								1
								2
								3
1.75 in								4
ACSR		81,232	81,232					5
-	254,458	3,576,700	3,831,159					6
								7
								8
								9
-	244,852	3,397,636	3,642,488					10
								11
-	389,206	5,533,748	5,922,954					12
								13
								14
								15
-	341,839	4,922,293	5,264,132					16
								17
								18
								19
-	221,853	2,391,061	2,612,914					20
								21
								22
								23
-								24
								25
								26
-								27
								28
								29
				5,066,417	978,288		6,044,705	30
								31
								32
								33
								34
								35
	1,452,209	19,902,670	21,354,879	5,066,417	978,288		6,044,705	36

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Ohio Valley Electric Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2013	2013/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 24 Column: a

The pole miles and cost of these transmission lines are included in the Indiana-Kentucky State Line (Dearborn) to Pierce information. One circuit of this double circuit transmission line has been interconnected at the Buffington Substation of Cincinnati Gas & Electric Company.

Schedule Page: 422 Line No.: 27 Column: a

See footnote for page 422 line 24 column a.

Name of Respondent Ohio Valley Electric Corporation		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 Mva except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Kyger Creek-Cheshire, OH	Transmission			
2		Partially Attended	15.50	345.00	
3					
4	Pierce-New Richmond, OH	Transmission			
5		Unattended	345.00	138.00	
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	*Mva Changed to KV				
18					
19					
20					
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
1200	15	2	None			1
						2
						3
			None			4
						5
						6
						7
						8
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						40

Name of Respondent Ohio Valley Electric Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2013	Year/Period of Report End of 2013/Q4
TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES					
<p>1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.</p> <p>2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".</p> <p>3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.</p>					
Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)	
1	Non-power Goods or Services Provided by Affiliated				
2	Operation, Maint., Construction, and Engineering	American Electric Power	107, 401-20, 401-10	9,401,322	
3	Purchase of Urea	American Electric Power	401-10	3,483,286	
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Non-power Goods or Services Provided for Affiliate				
21	Use of OVEC Leased Railcars	American Electric Power	401-10	841,986	
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
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Ohio Valley Electric Corporation and Subsidiary Company

Consolidated Financial Statements as of and for the
Years Ended December 31, 2013 and 2012, and
Independent Auditors' Report





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Ohio Valley Electric Corporation:

We have audited the accompanying consolidated financial statements of Ohio Valley Electric Corporation and its subsidiary company, Indiana-Kentucky Electric Corporation (the "Companies"), which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of income and retained earnings and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Companies' preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Companies' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Companies as of December 31, 2013 and 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte + Touche LLP

April 16, 2014

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS		
ELECTRIC PLANT:		
At original cost	\$ 2,671,807,219	\$ 1,985,645,118
Less — accumulated provisions for depreciation	<u>1,182,491,224</u>	<u>1,115,363,691</u>
	1,489,315,995	870,281,427
Construction in progress	<u>30,583,795</u>	<u>645,484,896</u>
Total electric plant	<u>1,519,899,790</u>	<u>1,515,766,323</u>
CURRENT ASSETS:		
Cash and cash equivalents	70,757,710	19,924,318
Accounts receivable	35,332,653	36,952,825
Fuel in storage	43,020,394	79,550,095
Materials and supplies	32,564,435	27,464,418
Property taxes applicable to future years	2,702,905	2,503,440
Emission allowances	62,428	86,649
Deferred tax assets	9,980,768	18,302,793
Income taxes receivable	3,331,536	15,832,666
Regulatory assets	371,297	8,277,357
Prepaid expenses and other	<u>2,244,413</u>	<u>2,168,143</u>
Total current assets	<u>200,368,539</u>	<u>211,062,704</u>
REGULATORY ASSETS:		
Unrecognized postemployment benefits	2,078,864	2,498,759
Pension benefits	8,542,293	30,561,325
Postretirement benefits	<u>-</u>	<u>1,324,775</u>
Total regulatory assets	<u>10,621,157</u>	<u>34,384,859</u>
DEFERRED CHARGES AND OTHER:		
Unamortized debt expense	13,401,209	14,485,787
Deferred tax assets	19,432,479	22,265,884
Long-term investments	117,106,668	120,351,712
Special deposits — restricted	-	57,938,752
Other	<u>488,407</u>	<u>103,107</u>
Total deferred charges and other	<u>150,428,763</u>	<u>215,145,242</u>
TOTAL	<u>\$ 1,881,318,249</u>	<u>\$ 1,976,359,128</u>

(Continued)

**OHIO VALLEY ELECTRIC CORPORATION
AND SUBSIDIARY COMPANY**

**CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2013 AND 2012**

	2013	2012
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION:		
Common stock, \$100 par value — authorized, 300,000 shares; outstanding, 100,000 shares in 2013 and 2012	\$ 10,000,000	\$ 10,000,000
Long-term debt	1,267,873,554	1,358,347,337
Line of credit borrowings	30,000,000	60,000,000
Retained earnings	6,478,234	5,293,968
Total capitalization	1,314,351,788	1,433,641,305
CURRENT LIABILITIES:		
Current portion of long-term debt	290,496,381	238,138,903
Accounts payable	50,131,367	53,916,997
Accrued other taxes	9,062,813	8,651,108
Regulatory liabilities	27,406,208	21,975,974
Accrued interest and other	28,145,464	25,822,574
Total current liabilities	405,242,233	348,505,556
COMMITMENTS AND CONTINGENCIES (Notes 3, 11, 12)		
REGULATORY LIABILITIES:		
Postretirement benefits	32,619,457	-
Decommissioning and demolition	19,140,730	14,230,459
Investment tax credits	3,393,146	3,393,146
Net antitrust settlement	1,823,929	1,823,929
Income taxes refundable to customers	28,380,282	38,645,647
Total regulatory liabilities	85,357,544	58,093,181
OTHER LIABILITIES:		
Pension liability	8,542,293	30,561,325
Asset retirement obligations	22,230,109	20,961,379
Postretirement benefits obligation	42,173,401	82,097,623
Postemployment benefits obligation	2,078,864	2,498,759
Other non-current liabilities	1,342,017	-
Total other liabilities	76,366,684	136,119,086
TOTAL	\$1,881,318,249	\$1,976,359,128

See notes to consolidated financial statements.

(Concluded)

**OHIO VALLEY ELECTRIC CORPORATION
AND SUBSIDIARY COMPANY**

**CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
OPERATING REVENUES — Sales of electric energy to:		
Department of Energy	\$ 9,281,567	\$ 9,097,306
Sponsoring Companies	<u>666,367,706</u>	<u>661,721,951</u>
Total operating revenues	<u>675,649,273</u>	<u>670,819,257</u>
OPERATING EXPENSES:		
Fuel and emission allowances consumed in operation	311,899,995	302,925,697
Purchased power	8,763,157	8,552,565
Other operation	98,197,470	101,967,242
Maintenance	83,396,811	89,645,354
Depreciation	80,172,750	85,140,820
Taxes — other than income taxes	11,421,154	10,765,327
Income taxes	<u>890,377</u>	<u>893,533</u>
Total operating expenses	<u>594,741,714</u>	<u>599,890,538</u>
OPERATING INCOME	80,907,559	70,928,719
OTHER INCOME	<u>530,109</u>	<u>10,920,111</u>
INCOME BEFORE INTEREST CHARGES	<u>81,437,668</u>	<u>81,848,830</u>
INTEREST CHARGES:		
Amortization of debt expense	5,166,736	4,606,617
Interest expense	<u>74,086,666</u>	<u>74,985,523</u>
Total interest charges	<u>79,253,402</u>	<u>79,592,140</u>
NET INCOME	2,184,266	2,256,690
RETAINED EARNINGS — Beginning of year	5,293,968	4,037,278
CASH DIVIDENDS ON COMMON STOCK	<u>(1,000,000)</u>	<u>(1,000,000)</u>
RETAINED EARNINGS — End of year	<u>\$ 6,478,234</u>	<u>\$ 5,293,968</u>

See notes to consolidated financial statements.

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
OPERATING ACTIVITIES:		
Net income	\$ 2,184,266	\$ 2,256,690
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	80,172,750	85,140,820
Amortization of debt expense	5,166,736	4,606,617
Deferred taxes/refundable taxes	890,065	2,908,239
(Gain) on marketable securities	4,331,444	(6,345,075)
Changes in assets and liabilities:		
Accounts receivable	1,620,172	3,948,625
Fuel in storage	36,529,701	(7,853,097)
Materials and supplies	(5,100,017)	341,497
Property taxes applicable to future years	(199,465)	18,480
Emission allowances	24,221	(58,130)
Income taxes receivable	12,501,130	(14,391,215)
Prepaid expenses and other	(76,270)	(260,491)
Other regulatory assets	46,467,540	11,638,471
Other assets	-	-
Other noncurrent assets	(385,300)	119,375
Accounts payable	(829,201)	2,571,729
Deferred revenue -- advances for construction	-	(11,694,904)
Accrued taxes	411,706	(160,864)
Accrued interest and other	2,322,890	2,912,675
Other liabilities	(59,752,402)	(13,943,822)
Other regulatory liabilities	28,162,184	5,248,035
Net cash provided by operating activities	154,442,150	67,003,655
INVESTING ACTIVITIES:		
Electric plant additions	(87,262,647)	(203,169,352)
Proceeds from sale of LT investments	97,023,136	20,342,154
Purchases of long-term investments	(40,170,784)	(86,110,337)
Net cash used in investing activities	(30,410,295)	(268,937,535)
FINANCING ACTIVITIES:		
Issuance of Senior 2012 Bonds	-	299,403,938
Issuance of Senior 2010 Bonds	-	-
Loan origination cost	(4,059,559)	(5,377,779)
Repayment of Senior 2006 Notes	(15,602,389)	(14,730,774)
Repayment of Senior 2007 Notes	(11,017,149)	(10,392,343)
Repayment of Senior 2008 Notes	(11,519,366)	(10,797,067)
Proceeds from line of credit	10,000,000	160,000,000
Payments on line of credit	(40,000,000)	(200,000,000)
Dividends on common stock	(1,000,000)	(1,000,000)
Net cash provided by financing activities	(73,198,463)	217,105,975
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	50,833,392	15,172,095
CASH AND CASH EQUIVALENTS -- Beginning of year	19,924,318	4,752,223
CASH AND CASH EQUIVALENTS -- End of year	\$ 70,757,710	\$ 19,924,318
SUPPLEMENTAL DISCLOSURES:		
Interest paid	\$ 74,902,175	\$ 74,160,307
Income taxes paid (received) -- net	\$ (12,501,572)	\$ 12,504,500
Non-cash electric plant additions included in accounts payable at December 31	\$ 5,697,686	\$ 8,654,116

See notes to consolidated financial statements

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statements — The consolidated financial statements include the accounts of Ohio Valley Electric Corporation (OVEC) and its wholly owned subsidiary, Indiana-Kentucky Electric Corporation (IKEC), collectively, the Companies. All intercompany transactions have been eliminated in consolidation.

Organization — The Companies own two generating stations located in Ohio and Indiana with a combined electric production capability of approximately 2,256 megawatts. OVEC is owned by several investor-owned utilities or utility holding companies and two affiliates of generation and transmission rural electric cooperatives. These entities or their affiliates comprise the Sponsoring Companies. The Sponsoring Companies purchase power from OVEC according to the terms of the Inter-Company Power Agreement (ICPA), which has a current termination date of June 30, 2040. Approximately 27% of the Companies' employees are covered by a collective bargaining agreement that expires August 31, 2014.

Prior to 2004, OVEC's primary commercial customer was the U.S. Department of Energy (DOE). The contract to provide OVEC-generated power to the DOE was terminated in 2003 and all obligations were settled at that time. Currently, OVEC has an agreement to arrange for the purchase of power (Arranged Power), under the direction of the DOE, for resale directly to the DOE. All purchase costs are billable by OVEC to the DOE.

Rate Regulation — The proceeds from the sale of power to the Sponsoring Companies are designed to be sufficient for OVEC to meet its operating expenses and fixed costs, as well as earn a return on equity before federal income taxes. In addition, the proceeds from power sales are designed to cover debt amortization and interest expense associated with financings. The Companies have continued and expect to continue to operate pursuant to the cost plus rate of return recovery provisions at least to June 30, 2040, the date of termination of the ICPA.

The accounting guidance for Regulated Operations provides that rate-regulated utilities account for and report assets and liabilities consistent with the economic effect of the way in which rates are established, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be charged and collected. The Companies follow the accounting and reporting requirements in accordance with the guidance for Regulated Operations. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income are deferred on the accompanying consolidated balance sheets and are recognized in income as the related amounts are included in service rates and recovered from or refunded to customers.

The Companies' regulatory assets, liabilities, and amounts authorized for recovery through Sponsor billings at December 31, 2013 and 2012, were as follows:

	2013	2012
Regulatory assets:		
Current assets:		
Lease termination costs/liquidated damages	\$ 371,297	\$ 5,225,467
Unrecognized loss on coal sales	<u>-</u>	<u>3,051,890</u>
Total	<u>371,297</u>	<u>8,277,357</u>
Other assets:		
Unrecognized postemployment benefits	2,078,864	2,498,759
Pension benefits	8,542,293	30,561,325
Postretirement benefits	<u>-</u>	<u>1,324,775</u>
Total	<u>10,621,157</u>	<u>34,384,859</u>
Total regulatory assets	<u>\$ 10,992,454</u>	<u>\$ 42,662,216</u>
Regulatory liabilities:		
Current liabilities:		
Deferred credit — EPA emission allowance proceeds	\$ 275,108	\$ 274,687
Deferred revenue — voluntary severance	1,510,609	-
Deferred revenue — advances for construction	23,158,632	19,389,380
Deferred credit — gain on coal sale	246,701	-
Deferred credit — advance collection of interest	<u>2,215,158</u>	<u>2,311,907</u>
Total	<u>27,406,208</u>	<u>21,975,974</u>
Other liabilities:		
Post retirement benefits	32,619,457	-
Decommissioning and demolition	19,140,730	14,230,459
Investment tax credits	3,393,146	3,393,146
Net antitrust settlement	1,823,929	1,823,929
Income taxes refundable to customers	<u>28,380,282</u>	<u>38,645,647</u>
Total	<u>85,357,544</u>	<u>58,093,181</u>
Total regulatory liabilities	<u>\$ 112,763,752</u>	<u>\$ 80,069,155</u>

Regulatory Assets — Regulatory assets consist primarily of pension benefit costs, postretirement benefit costs and income taxes billable to customers. Income taxes billable to customers are billed to customers in the period when the related deferred tax liabilities are realized. The fuel related costs, including railcar lease termination costs and liquidated damages, will be billed to customers in 2014. All other regulatory assets are being recovered on a long-term basis.

Regulatory Liabilities — The regulatory liabilities classified as current in the accompanying consolidated balance sheet as of December 31, 2013, consist primarily of interest expense collected from customers in advance of expense recognition, customer billings for construction in progress, and voluntary severance payments collected in advance of expense recognition. These amounts will be credited to customer bills during 2014. In October 2013, OVEC announced a voluntary severance

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Summary: Deposition Public Deposition of Charles Whitlock, Part 3, Filed by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Grady, Maureen R. Ms.