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FILE

December 5, 2007

The Honorable Alan R. Schriber  
Chairman  
Ohio Power Siting Board  
180 East Broad Street  
Columbus, OH 43215-3793

Dear Chairman Schriber:

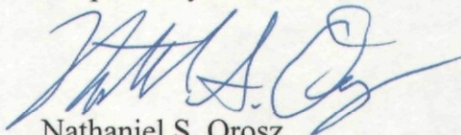
**Re: Color Version of Figure in Ivan Clark's Testimony and Revised Exhibit IC-8**  
**OPSB Case Number 06-1358-EL-BGN**

Enclosed please find a color version of page 14 of Ivan Clark's Direct Testimony, filed in the above-captioned matter on December 3, 2007. The original document filed with the OPSB inadvertently contained a black and white version of this page.

Additionally, enclosed please find Revised Exhibit IC-8. The text of footnotes was inadvertently left missing from IC-8 when it was filed with the OPSB on December 3, 2007.

Both of these updated documents have been served upon all persons on the service list in this proceeding. This filing will not cause delay and will not prejudice any party.

Respectfully submitted,



Nathaniel S. Orosz

*Attorney for American Municipal Power-Ohio, Inc.*

ND: 4812-7050-5986, v. 2

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IC - 8  
AMP-Ohio AMPGS Capital Costs

Description	Dollars in Thousands
<b>EPC Contract Costs</b>	
Unit 1	\$1,143,860
Unit 2	<u>1,004,320</u>
Total	\$2,148,180
<b>Owners Costs:</b>	
Transmission Line <sup>[1]</sup>	\$6,000
Interconnection Upgrades <sup>[2]</sup>	58,000
AEP Interconnection Switchyard	18,000
Spare 345 kV Transformer <sup>[1]</sup>	7,000
Gas Line <sup>[3]</sup>	5,000
Contingency <sup>[4]</sup>	100,000
Land and Right of Way Costs <sup>[5]</sup>	19,000
Infrastructure Costs <sup>[6]</sup>	10,000
Landfill Development	11,300
Development Costs to date	7,000
AMP Staff, Owner's Engineer, Consultants and Legal Fees <sup>[7]</sup>	30,300
Open Book - EPC <sup>[8]</sup>	12,000
Commissioning Training, Equipment & Expenses <sup>[9]</sup>	10,000
Spare Parts <sup>[9]</sup>	15,000
Commissioning Inventory (Coal, Ammonia (urea), Gas) <sup>[9]</sup>	20,000
Sales Taxes	-
Working Capital <sup>[10]</sup>	5,000
Taxes (Property and Other)	3,000
Insurance (By Owner, Builders Risk - in EPC)	<u>25,000</u>
Owners Cost Prior to Escalation	\$361,600
Escalation on Owners Costs	<u>23,000</u>
Owners Costs with Escalation	<u>\$384,600</u>
<b>TOTAL</b>	<b><u>\$2,532,780</u></b>

- [1] The transmission line (\$6,000,000) and interconnection switchyard cost (\$18,000,000) estimates in the above owner's costs are based on the proposed 5 miles of 345 kV double circuit transmission line and anticipated switchyard interconnection at the existing AEP transmission line north of the Project site. The spare transformer cost (\$7,000,000) is for possible purchase of a spare 345/138 kV transformer to mitigate a system stability issue and avoid a plant curtailment of 6 months or more.
- [2] Estimated costs associated with transmission system upgrades are based on preliminary interconnection studies prepared by PJM related to interconnecting the plant to the PJM system. Does not include costs for potential transmission upgrades relating to transmission services required to deliver capacity and energy to the MISO Participants. More detailed interconnection facilities studies are on-going and this cost is expected to be refined later in 2007.
- [3] The gas line estimate of \$5 million is based on an assumed five miles of new gas pipeline to interconnect at a location to be determined having adequate capacity and pressure to support the requirements for start-up fuel. It is expected that this gas line will probably be constructed by the interconnecting gas company.
- [4] The contingency amount of \$100 million is an overall project contingency allowance in addition to a six percent contingency included in the EPC contract cost estimate.
- [5] Land costs and right-of-way easement costs of \$18 million and \$1 million, respectively, are based on the options that are currently in place to secure the required land and easements for the Project.
- [6] An allowance of \$10 million is included for infrastructure improvements in the local Project area. Such improvements are not well defined, but could include, potable water supply pipeline and interconnections, local community improvements for water and wastewater systems, fire and police requirements, construction work force living facilities, road improvements and local economic development improvements. Some of these facilities may be provided in-lieu of taxes as part of a tax abatement plan with Meigs County.
- [7] AMP-Ohio staff costs, consultant's costs and legal costs are estimates for completing the earlier permitting and development of the Project, which is on-going.
- [8] An allowance of \$12,000,000 is included for the EPC contractor open book preliminary design phase. The value is based on the EPC contractor preparing approximately 30 percent of the Project design prior to finalizing the EPC contract price.
- [9] Estimates for commissioning, training, and equipment; spare parts; and commissioning inventory are based on similar projects and requirements.
- [10] Working capital is based on one month of fixed O&M and variable O&M costs (excluding fuel and other commodity costs).



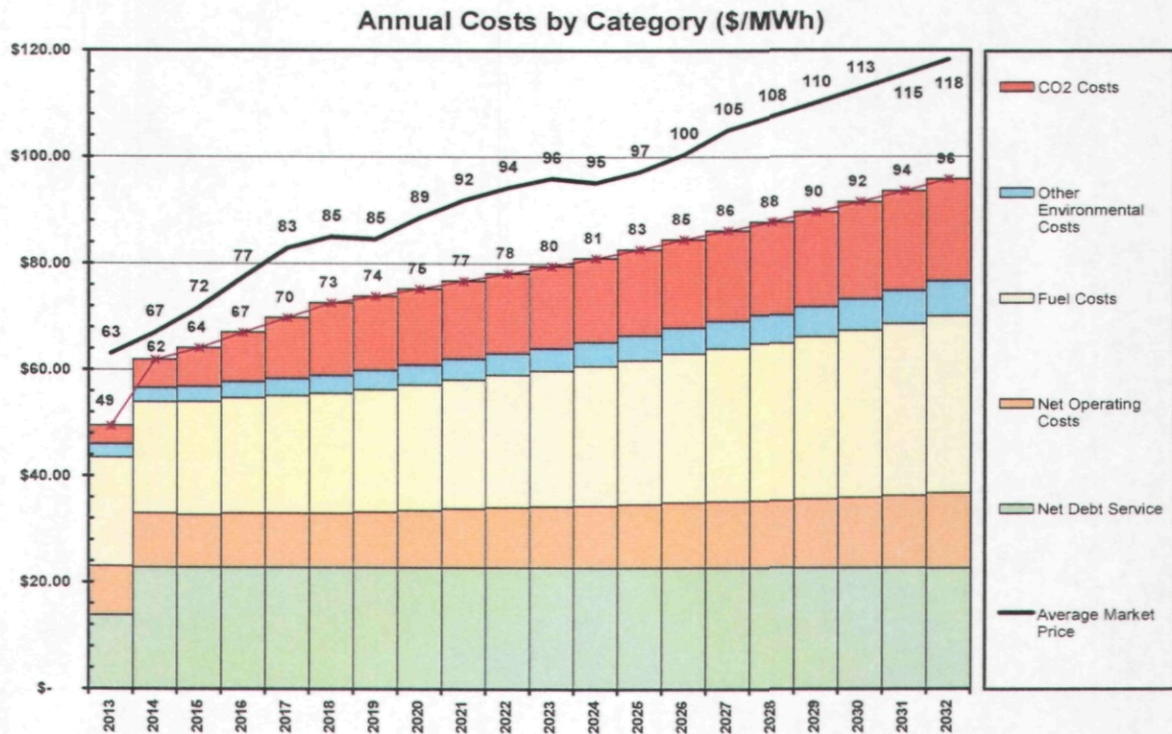


Figure \_ - AMPGS Project Estimated Annual Costs by Category -\$/MWh

**32 Q. If future CO<sub>2</sub> legislation is enacted by the U.S. Congress requiring caps or a tax on CO<sub>2</sub> emissions from fossil fuel power plants, can you comment on the relative impact such caps or taxes would have on the projected operating costs for the AMPGS Project as compared to the regional power markets?**

A. It is expected that if CO<sub>2</sub> legislation is enacted, it will be implemented under a cap and trade system, similar to that of the NO<sub>x</sub> and SO<sub>2</sub> cap and trade programs, where some amount of allowances will be allocated to existing resources to help offset some of the cost impact. The CO<sub>2</sub> costs to the AMPGS Project relative to the existing regional market prices will depend on a number of factors, including; 1) the stringency of the cap, 2) allowance allocations to existing and new sources, 3) whether any price ceilings are set, 4) cost of technology to capture and sequester carbon, 5) price of natural gas, and 6) cost of new technologies to replace conventional resources.