

FILE

JOINT EXHIBIT _____

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

**In The Matter Of The 2009 Annual Filing :
Of Columbus Southern Power Company : Case No. 10-1261-EL-UNC
And Ohio Power Company Required By :
Rule 4901:1-35-10, Ohio Administrative
Code.**

**DIRECT TESTIMONY
AND EXHIBITS
OF
LANE KOLLEN**

**RECEIVED-DOCKETING DIV
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**ON BEHALF OF THE

THE OFFICE OF OHIO CONSUMERS' COUNSEL,
THE OHIO MANUFACTURERS' ASSOCIATION,
THE OHIO HOSPITAL ASSOCIATION,
APPALACHIAN PEACE AND JUSTICE NETWORK AND
THE OHIO ENERGY GROUP**

**J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA**

October 12, 2010

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In The Matter Of The 2009 Annual Filing Of Columbus Southern Power Company And Ohio Power Company Required By Rule 4901:1-35-10, Ohio Administrative Code :

I. QUALIFICATIONS AND SUMMARY

2 Q. Please state your name and business address.

6

7 Q. What is your occupation and by whom are you employed?

10

11 **Q. Please describe your education and professional experience.**

12 A. I earned a Bachelor of Business Administration in Accounting degree and a
13 Master of Business Administration degree, both from the University of Toledo. I

1 also earned a Master of Arts degree from Luther Rice University. I am a Certified
2 Public Accountant, with a practice license, and a Certified Management
3 Accountant. My qualifications and regulatory appearances are further detailed in
4 my Exhibit____(LK-1).

5

6 **Q. On whose behalf are you testifying?**

7 A. I am testifying on behalf of the Office of the Ohio Consumers Counsel ("OCC"),
8 representing more than 665,000 residential customers of Columbus Southern
9 Power Company ("CSP" or "Company"); the Ohio Manufacturers' Association
10 ("OMA"), representing over 1600 large and small industrial manufacturers; the
11 Ohio Hospital Association ("OHA"), representing 170 primary care facilities and
12 40 health systems across Ohio; Appalachian Peace and Justice Network
13 ("APJN"), a not-for-profit organization whose members include low income
14 customers; and the Ohio Energy Group, Inc. ("OEG"), a group of large customers
15 who take electric service from CSP.

16 The OEG members who take electric service from CSP are: Amsted Rail
17 Company, Inc., E.I. DuPont de Nemours & Company, GE Aviation, Procter &
18 Gamble Co., PPG Industries, Inc., and Worthington Industries.

19 Collectively OCC, OMA, OHA, APJN and OEG are referred to as
20 "Customer Parties".

21

22 **Q. Please describe the purpose of your testimony.**

23 A. The purpose of my testimony is to describe the significantly excessive earnings

1 test ("SEET") and address certain issues related to the implementation of the
2 SEET with respect to CSP that the Commission determined would be decided on
3 a utility-specific basis. I do not address the SEET with respect to Ohio Power
4 Company ("OP"), although my recommendations regarding the application of the
5 SEET to OP would be the same as CSP if OP's earnings for the 2009 annual
6 period had exceeded the SEET safe harbor threshold.

7
8 **Q. Please summarize your testimony.**

9 A. The CSP earnings for the 2009 annual period exceeded the significantly excessive
10 earnings threshold proposed by Customer Parties' witness Dr. Randall Woolridge.
11 The CSP earnings for the 2009 annual period resulted in a 20.84% return on
12 common equity, according to Company witness Mr. Thomas Mitchell's Exhibit
13 TEM-1.

14 The revenue equivalent of the utility's 2009 earnings in excess of the
15 SEET earnings threshold must be returned to ratepayers pursuant to §4928.143(F)
16 Ohio Rev. Code. I recommend a refund of \$155.906 million based on the
17 significantly excessive earnings threshold of 11.58% reflecting 200 basis points
18 above the comparable group and a refund of \$145.483 million based on the
19 significantly excessive earnings threshold of 13.58% reflecting 400 basis points
20 above the comparable group.¹ I used the lower and upper ranges of the SEET
21 threshold recommended by Customer Parties witness Dr. Randall Woolridge to

¹ The computed refund is \$185.561 million; however, this amount is limited to the amount of the ESP rate increases or adjustments, which were at least \$155.906 million for the 2009 annual period.

1 compute these refund amounts. Each 100 basis points over the SEET threshold is
2 equivalent to a refund to ratepayers of \$20.039 million. For example, if CSP's
3 return on equity was significantly excessive by 5%, then the Company would be
4 required to refund \$100.195 million.

5 The Commission determined in its June 30, 2010 Order in Case No. 09-
6 786-EL-UNC ("SEET Order") that the "adjustments" referred to in the statute
7 were defined as rate increases ("any change in rates when compared to the rates in
8 the electric utility's preceding rate plan") pursuant to an Electric Security Plan
9 ("ESP"). Consequently, the statutory requirement to return the significantly
10 excessive earnings to consumers by "prospective adjustments" means rate
11 reductions necessary to return to consumers the effects of the rate increases
12 pursuant to the ESP.

13 The Commission also determined in its SEET Order that the statute limits
14 or "caps" the potential refunds to the "earnings" resulting from the ESP
15 adjustments compared to what the earnings would have been under the utility's
16 prior rate plan. The "earnings" in the 2009 annual period resulting from the ESP
17 adjustments were achieved through a combination of actual rate increases and
18 deferred rate increases (accounted for as reductions to expenses). The deferred
19 rate increases were recognized by CSP as regulatory assets.

20 The "cap" on the Company's potential SEET refund is at least \$155.906
21 million. This amount is the revenue equivalent of the Company's "earnings"
22 resulting from the ESP adjustments in the 2009 SEET annual period, which
23 consists of at least \$118.924 million in actual rate increases plus another \$36.982

1 million in deferred rate increases to recover fuel adjustment clause ("FAC")
2 expenses.

3 The entirety of the ESP rate increase adjustments, both actual and
4 deferred, contributed to the Company's "earnings" and the entirety of these
5 adjustments is eligible for refund to customers, not just selected components of
6 the ESP rate increases as proposed by the Company. The Company's proposal to
7 use only selected components of the ESP rate increase adjustments does not meet
8 the test set forth in the statute and does not meet the Commission's interpretation
9 of this test in the SEET Order. The Company's claim that certain components of
10 the ESP rate increases did not increase its earnings is wrong as a factual matter.

11 CSP was the most profitable regulated electric utility in the United States
12 in 2009. CSP had the highest the return on equity among the 142 electric utilities
13 that filed a 2009 Form 1 Annual Report with the Federal Energy Regulatory
14 Commission ("FERC").

15 The Commission should reject the Company's proposal to exclude off-
16 system sales in the SEET calculations. Off-system sales are an inherent
17 component of the Company's earnings, just as the costs of the assets and expenses
18 incurred to provide the capacity and energy for the off-system sales are an
19 inherent component of the Company's earnings. In the 2009 SEET annual period,
20 CSP's after-tax earnings from off-system sales were \$32.977 million, out of a
21 total yearly after-tax earnings of \$271.504 million. Therefore, earnings from off-
22 system sales constituted 12.1% of CSP's total earnings. Excluding these earnings
23 from the SEET would result in comparing only 87.9% of CSP's earnings to 100%

1 of the earnings of the comparable companies. Comparing only part of CSP's
2 earnings to all of the earnings of the comparable companies would be a biased and
3 flawed implementation of the SEET.

4 All ten of the state commissions that regulate AEP's operating utilities,
5 other than Ohio, flow through some or all of the profits from off-system sales to
6 directly lower consumer rates. In 2009, CSP made off-system sales of 5,363,938
7 mWh, compared to retail sales to ultimate consumers in Ohio of 20,673,469
8 mWh. The off-system sales volume was 26% of retail sales. It would be
9 unreasonable and contrary to the statute to ignore the margins from such sales
10 when judging the profitability of CSP in the SEET.

11 If the Commission determines that CSP's 2009 earnings were significantly
12 excessive, it must return to customers the entire amount of the excess by
13 prospective adjustments. If deferred costs are included in the earnings calculation
14 (resulting in a SEET return on equity equal to the per books return), then any
15 excess earnings first should be used to eliminate or reduce the regulatory asset
16 created by the deferral that is remaining on CSP's accounting books at the
17 effective date of the refunds. Alternatively, if deferred costs are excluded from
18 the earnings calculation (resulting in a lower SEET return on equity than the per
19 books return), then the Commission should not apply the refund to deferred costs.
20 In that case, the source of the refund was not the deferred costs and thus, any
21 refund should not be applied to the deferred costs.

22 To the extent that excess earnings exceed the amount of the deferral that is
23 remaining or the deferrals are excluded from the SEET calculations, then there

1 should be a cash refund or credit to consumers. If cash refunds are ordered, they
2 should be returned to consumers over as short a period as possible. SEET refunds
3 should generally not go to customers who are shopping for competitive
4 generation. Customers on already subsidized economic development contracts
5 should not receive a SEET refund.

6 It is appropriate that the deferred rate increases recognized as regulatory
7 assets for the deferrals of FAC or other expenses be reflected in the return on
8 equity calculation for SEET in the year when booked. This is necessary because
9 the deferrals fall within the definition of “rate adjustments” adopted by the
10 Commission in the SEET Order and because the deferrals are recognized for book
11 accounting purposes, which is consistent with the use of per books earnings for
12 the SEET calculations. Similarly, the amortization expense should be recognized
13 in the SEET calculations in the year when the amortization expense is recognized
14 for per books earnings. Alternatively, if the deferrals are excluded from
15 “earnings” in the year when booked and thus, reduce the utility’s earned return in
16 that SEET annual period, the Commission should ensure that it also excludes the
17 amortization expense associated with the deferrals in subsequent annual periods
18 when booked and thus, increases the utility’s earned returns in those future annual
19 periods. In other words, the Commission should include all deferrals and
20 amortization expense in the SEET calculations or, alternatively, exclude all
21 deferrals and amortization expense from the SEET calculations.

22 The PUCO should reject any proposal that would allow CSP to retain all or a
23 portion of the refunds that the statute requires be returned to consumers by “prospective

1 adjustment.” The Commission should reject any proposal to pay for the utility’s
2 future construction costs with excess earnings or to create a “regulatory liability”
3 for use in a future proceeding. The statute directs the Commission to “return to
4 consumers the amount of the excess by prospective adjustments.” Any proposal
5 that would allow CSP to retain all or a portion of the refunds would effectively
6 return the amount of the excess to the utility, not to consumers.

7 The SEET requires the Commission to give consideration to a utility’s
8 future committed capital investments in Ohio. CSP’s forecasted construction
9 expenditures in 2010 and 2011 are below its actual level of construction
10 expenditures in 2007-2009. Given the reduced level of capital expenditures and
11 the fact that some of these capital expenditures are being recovered by riders,
12 there should be no upward adjustment in the SEET earnings threshold. Nor
13 should there be a reduction in consumer refunds.

14 Moreover, there should be no increase in the SEET earnings threshold due
15 to shopping risk. As of the end of 2009, none of CSP’s residential or industrial
16 customers were shopping for competitive generation, and only 1.871% of the
17 commercial load had shopped. CSP was more than adequately compensated for
18 this shopping risk through the receipt of \$89.9 million of POLR revenue in 2009.

19 The remainder of my testimony is topically organized and follows the
20 sequence of this summary.

21
22 **Description of Significantly Excessive Earnings Test and Application**

23 **Q. Please describe the significantly excessive earnings test.**

1 A. The significantly excessive earnings test for a utility with an electric security plan
2 (“ESP”) is set forth in §4928.143(F) Ohio Rev. Code as follows:

3 With regard to the provisions that are included in an electric security
4 plan under this section, the commission shall consider, following the
5 end of each annual period of the plan, if any such adjustments
6 resulted in excessive earnings as measured by whether the earned
7 return on common equity of the electric distribution utility is
8 significantly in excess of the return on common equity that was
9 earned during the same period by publicly traded companies,
10 including utilities, that face comparable business and financial risk,
11 with such adjustments for capital structure as may be appropriate.
12 Consideration also shall be given to the capital requirements of future
13 committed investments in this state. The burden of proof for
14 demonstrating that significantly excessive earnings did not occur shall
15 be on the electric distribution utility. If the commission finds that
16 such adjustments, in the aggregate, did result in significantly excessive
17 earnings, it shall require the electric distribution utility to return to
18 consumers the amount of the excess by prospective adjustments;
19 provided that, upon making such prospective adjustments, the electric
20 distribution utility shall have the right to terminate the plan and
21 immediately file an application pursuant to section 4928.142 of the
22 Revised Code. . . In making its determination of significantly excessive
23 earnings under this division, the commission shall not consider,
24 directly or indirectly, the revenue, expense, or earnings of any affiliate
25 or parent company.
26

27 Q. Why is the SEET important to ratepayers?

28 A. The SEET provides an important protection to the utility’s ratepayers against
29 excessive rate increases under an ESP in the event that the utility’s revenues
30 significantly exceed the utility’s costs to provide generation service to non-
31 shoppers and all other regulated services, including transmission and distribution
32 services. The SEET ensures that significantly excessive rates in the annual
33 review period are refunded to the consumers that paid the excessive rates.
34

1 **Q. Please provide a description of the application of the SEET in the annual**
2 **review proceedings.**

3 A. The methodology consists of several steps that must be performed each year in
4 conjunction with the utility's annual filing. The first step is to determine the
5 significantly excessive earnings threshold. The second step is to determine the
6 actual earned return on common equity. The third step is to compute the
7 significantly excessive earnings if the result of the second step is an actual earned
8 return on common equity that is greater than the SEET threshold. The fourth step
9 is to translate the significantly excessive earnings into a rate refund by grossing
10 up the earnings, which are stated on an after tax basis, to a revenue equivalent.
11 The fifth and final step is to compare the excessive earnings on a revenue
12 equivalent basis to the ESP "adjustments," or rate increases that were in effect
13 during the year.

14
15 **Q. Does the fifth and final step in the computation of the amount to be**
16 **returned to ratepayers effectively limit or "cap" the amount of refunds**
17 **as the result of the SEET?**

18 A. Yes. The statute states that "[i]f the commission finds that such adjustments, in
19 the aggregate, did result in significantly excessive earnings, it shall require the
20 electric distribution utility to return to consumers the amount of the excess." The
21 Commission set forth its interpretation of the term "adjustments" and thus, the
22 statutory limitation on the amount of refunds in its SEET Order.

1 In the SEET Order, the Commission found that refunds are limited to the
2 difference between the “earnings” pursuant to the utility’s ESP and the “earnings”
3 that would have been achieved if the ESP had not been implemented and the
4 utility’s preceding rate plan had remained in place. In its Order at 14-15, the
5 Commission stated the following:

6 **The clear, unambiguous language of the statute limits the**
7 **amount of any refund to customers to the adjustments in the**
8 **current ESP. More specifically, an adjustment for purposes of**
9 **Section 4928.143(F), Revised Code, includes any change in rates**
10 **when compared to the rates in the utility’s preceding rate plan.**
11 **Therefore, in any given year, the earnings, which if significantly**
12 **excessive, subject to being returned is the difference between those**
13 **earned under the rate in place in that year and what would have been**
14 **earned if the utility's preceding rate plan had been in place in that**
15 **year. For example, in the year 2010, the comparison for most electric**
16 **utilities would be to the rates from the preceding rate plan for 2008.**
17 **Thus, the Commission reasons that in 2010, we would not be**
18 **permitted to "claw back" into 2009 profits if the 2009 profits were not**
19 **significantly excessive. We find FirstEnergy's arguments to be**
20 **persuasive. FirstEnergy reasoned that in the first sentence of Section**
21 **4928.143(F), Revised Code, the phrase "any such adjustments" should**
22 **be read as referring to the first part of the sentence and the phrase,**
23 **"the provisions that are included in an electric security plan under**
24 **this section" (Tr. 20-22). We note that Customer Parties seem to agree**
25 **with FirstEnergy's interpretation (Tr. 16-17,18-19). Finally, we also**
26 **agree, as Customer Parties emphasize, that any adjustment to the**
27 **earnings of an electric utility, as a result of a refund, should be**
28 **excluded from the SEET calculation in the year the adjustment is**
29 **made to avoid distorting the electric utility's income. In order to**
30 **facilitate the valuation of the ESP adjustments, the electric utilities**
31 **are directed to include in their SEET filings the difference in earnings**
32 **between the ESP and what would have occurred had the preceding**
33 **rate plan been in place.**
34

35 **Q. What is the limitation or “cap” on the refunds based on the Commission’s**
36 **SEET Order?**

1 A. The Commission established an “earnings” computation to quantify the “cap” for
2 the annual period. The utility’s earnings are to be computed with and without the
3 effects of the utility’s ESP. Thus, the “adjustments” set forth in the statute are
4 comprised of the entirety of the rate increases authorized pursuant to the ESP that
5 resulted in “earnings,” both the cash rate increases and the deferred rate increases
6 that were in effect in the annual period.

7
8 **Q. In its SEET Order, what issues did the Commission determine would be**
9 **addressed on a utility-specific basis?**

10 A. The Commission determined that it would address the following issues on a utility
11 specific basis: the SEET threshold, the selection of companies for the
12 “comparable group” used to determine the SEET threshold, whether off-system
13 sales (“OSS”) margins should be included in the SEET calculation, the treatment
14 of deferrals in the SEET calculation, and the manner in which significantly
15 excessive earnings should be returned to ratepayers.

16

17 **ESP Adjustments**

18 **Q. What rate adjustments were authorized in CSP’s ESP proceeding, Case No.**
19 **08-917-EL-SSO?**

20 A. In the CSP ESP proceeding, the Commission authorized a series of rate increases,
21 or “adjustments,” that were effective in 2009. One of the adjustments was a FAC
22 charge to recover the cost of coal, natural gas, purchased power, consumables
23 related to environmental compliance, emission allowances and other expenses.

1 Another adjustment allowed CSP to recover incremental capital carrying costs
2 incurred after January 1, 2009 on certain 2001-2008 environmental investments,
3 as well as investments made after 2008. Another adjustment authorized a
4 significant increase in the provider of last resort ("POLR") charge. The cash rate
5 increase effect of these adjustments was limited to a 7% increase as measured on
6 a bill impact basis in 2009. The Commission also authorized certain adjustments
7 over and above the 7% cap, for example the Transmission Cost Recovery Rider.
8 Finally, the Commission authorized CSP to defer as regulatory assets for later
9 recovery certain FAC expenses as well as other expenses in order to stay under
10 the 7% rate increase cap for 2009.

11
12 **Q. Did CSP provide a quantification of the full amount of its rate increases**
13 **resulting from the ESP in 2009?**

14 A. Yes. The total of the ESP rate increases or adjustments in 2009 was at least
15 \$155.906 million, which consisted of at least \$118.924 million in cash rate
16 increases and \$36.982 million in deferred rate increases. Company witness Mr.
17 Mitchell quantified the components of the cash rate increases as \$20.934 million
18 for the 2001-2008 environmental investments (Exhibit TEM-2), \$9.352 million
19 for enhanced vegetation management investments (Exhibit TEM-3), \$8.429
20 million for gridSMART investments (Exhibit TEM-4), and \$80.209 million for
21 net incremental POLR (Exhibit TEM-5). The \$118.924 million is greater than the
22 \$93.2 million computed by Mr. Mitchell and cited by Company witness Mr.
23 Joseph Hamrock because the Company proposes to exclude certain of the cash

1 rate increase adjustments authorized by the Commission from the calculation of
2 the limitation or "cap" on SEET refunds. Mr. Mitchell quantified the deferred
3 rate increase for FAC expenses as \$36.982 million on his Exhibit TEM-6.
4

5 **Q. How much of the \$118.924 million cash rate increases pursuant to the ESP**
6 **resulted in increased earnings for CSP?**

7 **A. The entirety of the rate increases resulted in increased earnings for CSP. Each**
8 **dollar of rate increase translated into higher earnings. The \$118.924 million in**
9 **cash rate increases improved pre-tax earnings by \$118.924 million. The**
10 **testimony of CSP witness Mitchell that only a portion of the ESP rate increases**
11 **improved earnings and that the remaining portion did not improve earnings is**
12 **without merit. Each new dollar collected from consumers pursuant to the ESP**
13 **increased earnings by the same amount.**
14

15 **Q. Can you provide an example?**

16 **A. Yes. In 2009, CSP collected \$20.934 million from consumers to provide a return**
17 **on plus depreciation expense on environmental investments made during the**
18 **2001-2008 period. The return component included debt and equity. Had this ESP**
19 **adjustment not been approved, then CSP's pre-tax earnings would have been**
20 **reduced by the full \$20.934 million. This is always true in ratemaking. When a**
21 **utility is authorized to increase rates by \$1 dollar – because its costs went up, its**
22 **sales went down, or for any other reason – earnings are increased by \$1 dollar and**
23 **are higher than they otherwise would have been.**

1

2 **Q. Is your position that each additional dollar of the rate increases authorized**
3 **by the Commission in the ESP Order improved earnings by the same amount**
4 **consistent with the Commission's determination in the SEET Order that the**
5 **refund limitation should be computed on the basis of the earnings resulting**
6 **from the ESP rate increases?**

7 **A. Yes. The Commission addressed this issue in the SEET Order at least twice. The**
8 **Commission did not limit the quantification of the rate adjustments for purposes**
9 **of the "cap" to anything less than the entirety of the ESP rate increases; it did not**
10 **limit the rate adjustments only to the equity portion of the return or only those**
11 **increases that had no corresponding costs as proposed by the Company. In the**
12 **SEET Order at 14-15 and 31, the Commission stated:**

13 **The clear unambiguous language of the statute limits the amount of**
14 **any refund to customers to the adjustments in the current ESP. More**
15 **specifically, an adjustment for purposes of Section 4928.143(F),**
16 **Revised Code, includes any change in rates when compared to the**
17 **rates in the electric utility's preceding rate plan. Therefore, in any**
18 **given year, the earnings, which if significantly excessive, subject to**
19 **being returned is the difference between those earned under the rate**
20 **in place in that year and what would have been earned if the utility's**
21 **preceding rate plan had been in place in that year.**

22 ***
23

24
25 **"Furthermore, as previously explained in response to**
26 **Recommendations 3 and 11, the Commission finds that the amount of**
27 **adjustments eligible for refund will be the value of the adjustments in**
28 **the current year under review compared to the revenues which would**
29 **have been collected had the rates from the electric utility's previous**
30 **rate plan still been in place."**

31

32 **Q. Is the \$36.982 million in deferred FAC expenses a deferred rate increase or**

1 **adjustment?**

2 A. Yes. These deferred expenses also are rate “adjustments” because they result
3 directly in increased earnings as the result of the Company’s ESP. The deferred
4 expenses represent rate increases even though they were accounted for as
5 reductions to expense because the Company has the right to recover these
6 regulatory assets pursuant to the ESP. When these deferred rate increases become
7 cash rate increases, the deferred expenses will be collected from consumers and
8 will result in a cash rate increase of approximately 1.8%. Just as with the cash
9 rate increases of at least \$118.924 million, each dollar of deferred rate increases
10 increased earnings by a like amount in the SEET annual period when the expenses
11 were incurred and deferred. Each dollar of FAC expense that was deferred
12 increased earnings by the same dollar even though there is no equity component
13 of FAC recovery.

14
15 **Q. Do the deferred FAC expenses affect earnings only in the year of deferral?**

16 A. Yes. The only year in which earnings are increased or affected in any manner is
17 the year of the deferral. There is no effect on earnings in future years because
18 when the deferred rate increases become cash rate increases, the deferred
19 expenses will be amortized at the same amount as the cash rate increase. Thus, in
20 the future years, there will be a dollar for dollar matching of revenue and expense
21 and no effect on earnings.

22
23 **Q. What is the significance of the total amount of ESP adjustments in 2009?**

1 A. The \$155.906 million in cash and deferred rate increases is the cap or maximum
2 amount of the refund to consumers under the SEET.

3

4 **Q. Have you quantified the effect of the CSP significantly excessive earnings for**
5 **the 2009 annual period?**

6 A. The effect is a refund of \$155.906 million based on the significantly excessive
7 earnings threshold of 11.58% reflecting 200 basis points above the comparable
8 group, and a refund of \$145.483 million based on the significantly excessive
9 earnings threshold of 13.58% reflecting 400 basis points above the comparable
10 group. I used the lower and upper ranges of the SEET threshold recommended by
11 Customer Parties witness Dr. Randall Woolridge and the 20.84% earned return on
12 equity computed by Mr. Mitchell for the 2009 annual period to compute the
13 refund amounts.

14

15 **Q. What is the effect of each 1% return on common equity in excess of the**
16 **SEET threshold?**

17 A. Each 100 basis points over the SEET threshold is equivalent to a refund to
18 ratepayers of \$20.039 million. The ESP adjustments (rate increases) are collected
19 from consumers on a pre-tax basis. This additional revenue is then taxed and the
20 after tax effects of the rate increases flow directly to "earnings." The rate of
21 return for SEET purposes is always calculated on an after-tax basis. Therefore, if
22 CSP's after-tax earnings are found to be excessive, the refund to consumers must
23 be the pre-tax higher amount since that is how it was collected from consumers.

1 The computation of the refund for each 100 basis points over the SEET threshold
2 return on common equity is shown on my attached Exhibit____(LK-2).

3

4 **Comparison of CSP's 2009 Return on Equity to**
5 **Affiliated and Unaffiliated Utilities**
6

7 **Q. What return on equity did CSP achieve in 2009?**

8 A. AEP witness Mr. Mitchell calculated CSP's 2009 return on equity was 20.84%. I
9 do not dispute this calculation, which does not reflect the Company's proposal to
10 exclude the off-system sales earnings from the SEET calculations.²

11

12 **Q. How does CSP's return on equity compare with the returns reported by**
13 **Ohio's other electric utilities in their SEET filings?**

14 A. CSP's return on equity of 20.84% was by far the highest. The other reported
15 returns were: Ohio Power – 10.81%, The Toledo Edison Company – 3.8%, Ohio
16 Edison – 6.2%, The Cleveland Electric Illuminating Company – 5.2%, and Duke
17 Energy Ohio – 9.46%. Dayton Power &Light Company was not required to make
18 a 2009 SEET filing.

19

20 **Q. Does CSP operate under a FERC-approved power pooling agreement?**

² I computed the CSP return on common equity for 2009 as 20.86% on my Exhibit____(LK-2) using the information reported by AEP in its 2009 10-K filing with the SEC. The net income for CSP reported in the 10-K was slightly higher than the amount used by Mr. Mitchell to compute the 20.84%. However, the difference is only 0.02%, which is not material. The SNL Financial database computed the CSP return on equity for 2009 as 20.82% as shown on my Exhibit____(LK-3). The difference is not material.

1 A. Yes. CSP operates under a FERC-approved power pooling agreement with Ohio
2 Power, Appalachian Power (Virginia and West Virginia), Indiana & Michigan
3 Power, and Kentucky Power. These utilities comprise AEP East. Under this
4 agreement, the cost of the AEP Power Pool's generating capacity is allocated
5 among its members based on relative peak demands and generating reserves
6 through the payment of capacity charges and receipt of capacity revenues. The
7 capacity reserve relationship of the AEP Power Pool members changes as
8 generating assets are added, retired or sold and relative peak demand changes.
9 Economy energy sales between the AEP Power Pool members are also made
10 based upon out-of-pocket costs. Whatever energy is not used by the members of
11 the AEP Power Pool is sold off-system. Profits from off-system sales are
12 allocated on a Member Load Ratio basis (relative size of each Power Pool
13 member based on internal peak demand), no matter which utility's power plant
14 actually made the off-system sales.

15
16 **Q. How does the CSP earned return on equity for the 2009 annual period**
17 **compare to the earned returns on equity for CSP's affiliates in the AEP East**
18 **power pool?**

19 A. The CSP earned return on equity of 20.84% was the highest by a significant
20 margin. The 2009 returns on equity for the CSP affiliates were: Appalachian
21 Power – 6.01%, Kentucky Power – 5.77%, and Indiana & Michigan Power –
22 13.84%. With a return on equity of 20.84%, CSP is by far the most profitable
23 utility in the AEP Power Pool. I obtained these 2009 earned returns on equity

1 from the SNL Financial data base. These earned returns and the data used in the
2 computations of the returns is detailed on my Exhibit____(LK-3).

3 .

4 **Q. Do you have additional evidence to demonstrate that the profit margins**
5 **earned on sales to Ohio consumers are greater than the profit margins**
6 **earned by AEP on sales to consumers in Virginia, West Virginia, Indiana,**
7 **Michigan and Kentucky?**

8 A. Yes. Attached as my Exhibit____(LK-4) is an AEP earnings presentation from
9 January 2010. On page 14 of that presentation, it shows that the 2009 gross profit
10 margin on sales to Ohio consumers by CSP and Ohio Power was \$57.6 /mWh, or
11 57% higher than the gross profit margin earned on retail sales by its other AEP
12 East utilities in Virginia, West Virginia, Indiana, Michigan and Kentucky. In
13 2009, selling power to consumers in Ohio was by far the most profitable line of
14 business for AEP.

15 .

16 **Q. How does CSP's 2009 return on equity compare with the returns earned by**
17 **other regulated investor-owned electric utilities?**

18 A. In 2009, CSP had the highest earned return on equity of any of the 142 investor-
19 owned regulated electric utilities in the United States that filed Form 1 reports
20 with the FERC, based upon the SNL Financial data base.³ The electric utility

³ The SNL Financial data base is a proprietary data base that includes data obtained from FERC Form 1 filings by utilities. The Wheeling Power Company return on equity should be disregarded because the Public Service Commission of West Virginia sets rates for Wheeling Power Company and Appalachian Power Company at the same

1 with the second highest return on equity in the country was Dayton Power &
2 Light, also based upon the SNL Financial data base. Thus, Ohio had the dubious
3 distinction of having the two most profitable investor-owned electric utilities in
4 America in 2009. The CSP earned return on equity for the 2009 annual period
5 was more than double the weighted average of the earned returns for all the
6 electric utilities included in this data base. I have attached a copy of the data and
7 computed returns on common equity from the SNL Financial data base as my
8 Exhibit__(LK-3).

9
10 **Q. What was the average rate of return on equity awarded to electric utilities by**
11 **state public service commissions during 2009?**

12 **A.** In 2009, there were 39 electric utility rate case decisions. The average rate of
13 return on equity authorized in those decisions was 10.48%, based on information
14 obtained from Regulatory Research Associates ("RRA"). I have attached a copy
15 of the RRA information as my Exhibit__(LK-5).

16
17 **Earnings from Off-System Sales**

18 **Q. For SEET purposes, should the Commission reduce CSP's actual earnings by**
19 **eliminating earnings from off-system sales?**

20 **A.** No. There are numerous reasons why CSP's OSS earnings should be included in

level on their combined costs without regard to their separate costs or financial results. Wheeling Power Company and Appalachian Power Company are wholly owned subsidiaries of AEP. Certain of Wheeling Power Company's deferred costs are reflected on Appalachian Power Company's balance sheet, which contributes to Wheeling Power Company's anomalous return.

1 the calculation of the SEET earnings. First, CSP's actual earnings include CSP's
2 allocated share of off-system sales earnings, in accordance with generally
3 accepted accounting principles ("GAAP") and as reported to the SEC and the
4 FERC.

5 Second, the exclusion of the OSS earnings from the CSP SEET earnings
6 would bias the Company's earnings downward in comparison to the group of
7 comparable companies used to determine the SEET earnings threshold, which
8 relied on per books amounts computed in accordance with GAAP and SEC filings
9 and that were not adjusted to exclude segments of their earnings. To preserve the
10 integrity of the comparison of CSP to the comparable group, it is essential that the
11 Commission compare all of CSP's earnings to all of the earnings of the
12 comparable group. CSP's proposal to exclude OSS earnings fails to do this and
13 biases the comparison.

14 Third, off-system sales are possible only because the costs of the
15 underlying generation assets and purchase power contracts are recovered from
16 Ohio ratepayers. The fixed costs incurred to make the OSS sales and thus, the
17 OSS earnings, are included in the calculation of earnings in the annual period.
18 For example, earnings in the annual period are reduced for the depreciation
19 expense on all the generating and transmission assets owned by CSP that AEP
20 uses to make the OSS sales that result in CSP's OSS earnings. If the depreciation
21 expense is included in the calculation of the SEET earnings, then the OSS
22 earnings also should be included. Similarly, the earnings in the annual period are
23 reduced because CSP has issued debt and common equity to finance the costs of

1 the generating and transmission assets owned by CSP that AEP uses to make the
2 OSS sales that result in CSP's OSS earnings. If these costs (interest expense used
3 to reduce earnings and the common equity used to compute the earned return) are
4 included in the calculation of the SEET earnings, then the OSS earnings also
5 should be included.

6
7 **Q. Do the OSS earnings constitute a significant portion of the CSP earnings?**

8 A. Yes. In 2009, CSP's profits from off-system sales were \$32.977 million, out of
9 total earnings of \$271.504 million. Therefore, profits from off-system sales
10 constituted 12.1% of CSP's total earnings. Artificially reducing CSP's 2009
11 actual earnings by excluding profits made from selling power off-system would
12 result in comparing only 87.9% of CSP's earnings to 100% of the earnings of the
13 comparable companies. This would result in a biased and meaningless
14 comparison. In 2009, CSP sold 26% as much power off-system as it sold to
15 jurisdictional consumers. The 2009 volume of off-system sales was 5,363,938
16 mWh, compared to retail sales in Ohio of 20,673,469 mWh. Ignoring such a large
17 component of CSP's business for SEET purposes would be unreasonable and
18 would result in a biased comparison to the comparable companies – in conflict
19 with this statutory language which speaks to comparing the earned return on
20 common equity of the utility with the return on common equity during the same
21 time period by publicly traded companies, including utilities.

22 SB 221 mandates that Ohio's utilities achieve very aggressive energy
23 efficiency targets. As more energy efficiency programs are implemented, more

1 energy is freed up for resale off-system. Because consumers are required to pay
2 CSP for its energy efficiency programs it would be unreasonable to ignore off-
3 system sales profits that they directly facilitated.

4 Once the energy needs to the native load ratepayers of CSP, Ohio Power,
5 Appalachian Power, Indiana & Michigan Power and Kentucky Power have been
6 satisfied, AEP Service Corp. sells the excess generation into the wholesale
7 market. The profits created by these off-system sales are then allocated to each of
8 the AEP East Power Pool Members based upon their Member Load Ratio, no
9 matter whose power plant actually made the sale. These off-system sales profits
10 are recorded on the accounting books, and thus reflected in the earnings, of each
11 utility.

12 This is not a case like FirstEnergy Solutions where the generation assets
13 are outside of this Commission's jurisdiction. AEP reported in its 2009 SEC 10-
14 K that in all of the jurisdictions where AEP operates (except Ohio and Tennessee,
15 which AEP reports is not applicable), off-system sales earnings are used to reduce
16 rates for consumers. If there were some valid federal preemption reason why
17 reflecting off-system sales earnings in retail ratemaking were illegal, as CSP
18 contends, then it would appear that the state commissions in Virginia, West
19 Virginia, Indiana, Kentucky and Michigan (the AEP East commissions) as well as
20 Texas, Oklahoma, Louisiana, and Arkansas (the AEP West commissions) all are
21 in violation of the law. I have attached a copy of the relevant pages from AEP's
22 2009 SEC 10-K as my Exhibit____(LK-6).

Deferrals

Q. Should the Commission include the deferred expenses in the SEET earnings calculations?

A. Yes. As I previously discussed, these amounts are deferred rate increases pursuant to the ESP and contribute to the earnings that the Commission already determined it would ascribe as ESP "adjustments" for return to consumers, subject to the cap on such refunds. Consequently, the earnings due to the deferred fuel expenses are ESP adjustments that should be included in the calculation of CSP's earnings in this SEET proceeding and in the calculation of the potential refunds. This is consistent with the position that stated financial results should be used for the calculation of SEET. The earnings of the comparable companies are based on GAAP and are reported in accordance with GAAP to the SEC and FERC. Therefore, no adjustments should be made to exclude either the deferrals in the year in which the FAC expenses were deferred or the amortization of these deferrals in the future years in which the deferred expenses are recovered through cash rate increases. This is an objective approach and does not require adjustments to the utility and/or comparable group.

If deferred expenses are included in the earnings calculation as I recommend (resulting in a SEET return on equity equal to the per books return), then to the extent that the Commission determines that there were significantly excessive earnings in 2009, the refund first should be applied to reduce or eliminate any regulatory asset created as the result of the ESP remaining on CSP's accounting books at the effective date of the refunds. After offsetting the ESP

1 deferrals, the remaining significantly excessive earnings should be refunded to
2 consumers through a prospective bill credit.

3 On the other hand, if deferred costs are excluded from the earnings
4 calculation (resulting in a lower SEET return on equity than the per books return),
5 then there needs to be accounting consistency in future years. In future years, two
6 things will happen: 1) there will be added revenue to recover the expenses
7 previously deferred, and 2) there will be an amortization of the regulatory asset
8 reflected in expense. The amortization is an expense that will reduce the per
9 books earnings. To be consistent in the SEET process, this amortization of
10 expense needs to be eliminated in future years if the deferral of expense is
11 eliminated in 2009. Otherwise, earnings will be reduced in 2009 and reduced
12 again in future years, effectively reducing earnings twice over multiple years.

13

14 **Refunds**

15 **Q. If the Commission finds that significantly excessive earnings did occur, how**
16 **should refunds be structured?**

17 **A. First, if deferrals are included in earnings, the Commission should return the**
18 **excessive earnings to consumers first through the reduction and elimination of**
19 **any deferrals resulting from ESP adjustments remaining on CSP's accounting**
20 **books at the effective date of the refunds. To the extent that excess earnings**
21 **exceed these deferrals there should be consumer bill credits. The bill credit**
22 **should be over as short a period as possible, in keeping with the premise that the**
23 **customers who paid the 2009 ESP rate increases that generated the significantly**

1 excessive profits should be customers who are provided the related refunds. If the period
2 of the refund is stretched out further, or refunds are delayed, it becomes less likely that
3 this matching is possible. The shorter the period of the refund, the less harm to
4 customers from the excessive ESP rate increases.

5 The bill credit should be as a percent of total generation and distribution
6 revenue. I make this recommendation since we don't know which segment of the
7 utility's business generated the excess profits, and transmission rates are set by
8 FERC. No refund should go to customers on economic development contracts
9 because their rates have been separately set based on their particular
10 circumstances. In addition, there is no basis to conclude that customers on these
11 subsidized rates contributed to excess profits. The refund should generally be
12 bypassable, i.e., shopping customers should not share in the refund since standard
13 offer customers paid the rates which generated the excess profits. However, if a
14 customer who is currently shopping can verify that it was a standard service offer
15 customer in 2009, then it should be eligible for a proportionate share of the
16 refund.

17 18 Regulatory Liabilities

19 **Q. Is it appropriate to create a regulatory liability with the excess earnings**
20 **instead of refunding these amounts to consumers through a prospective**
21 **adjustment?**

22 **A.** No. I understand that the statute requires the Commission, upon finding that
23 earnings were significantly excessive, to "return to customers" the amount of the

1 excess by “prospective adjustment.” The creation of a regulatory liability
2 (essentially a utility IOU to consumers) does not actually return these excessive
3 rate increase amounts to consumers. Rather, the excessive rate increases remain
4 in the hands of the utility.

5 Moreover, I am concerned that the regulatory liability then may be used
6 by CSP for some purpose that is inconsistent with the intent of the statute or that
7 otherwise is not in the best interest of customers. One such possibility if a
8 regulatory liability is created is that CSP may seek to use the regulatory liability
9 as a “bank” for the purpose of funding any “under-earnings” in future years. This
10 would not be consistent with the intent of the statute or in the best interest of
11 customers because the SEET analysis must be performed annually using a
12 discrete annual period. There is no provision in the statute to use one annual
13 period’s “over-earnings” to fund some future annual period’s “under-earnings.” It
14 becomes essentially an involuntary loan by customers to CSP. The creation of a
15 regulatory liability with some unlimited future payback to customers exacerbates the
16 difficulty of linking the refunds to the customers who originally paid for the 2009 rate
17 increases that were excessive and that generated the refunds.

18 Similarly, the regulatory liability should not be used to fund future projects of
19 CSP, such as distribution initiatives, because doing so undercuts the established
20 regulatory process in place. That process requires CSP to apply to the Commission for
21 authority to increase rates to customers, and entails regulatory scrutiny and public
22 participation. Simply giving CSP free reign to use customer funds at will is not
23 consistent with the statute. The statute requires that excess profits be returned to
24 consumers, not retained by the utility..

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Future Committed Construction Expenditures

Q. Are CSP's Ohio construction expenditures expected to increase significantly?

A. No. They are projected to go down. As shown on Mr. Hamrock's Exhibit 1, CSP's actual construction expenditures were: \$330.815 million in 2007, \$435.713 million in 2008, and \$280.108 million in 2009. These expenditures are expected to decline in 2010 to \$256.100 million. They are expected to decline even further in 2011 to \$186.96 million. CSP's annual depreciation expense in 2009 was approximately \$144 million, which if extrapolated to 2011, demonstrates that CSP's rate base will be relatively unchanged from the beginning to the end of that year.

Even though the SEET requires the Commission to give consideration to the capital requirements of future committed capital investments in Ohio, I do not recommend that the threshold level of significantly excessive earnings be increased due to CSP's projection of reduced construction spending. Nor do I recommend, as suggested by AEP witness Mr. Hamrock, that CSP be permitted to retain earnings that otherwise would be considered to be significantly excessive under the theory that it could use them to meet its future committed investments.

Construction spending in 2011 is projected to be only 43% of actual construction costs in 2008 and there is no reason to "reward" the utility for this. Moreover, it appears that much of the construction commitments will be funded through various Commission-approved riders such as the Transmission Cost Recovery Rider, Enhanced Service Reliability Rider, and GridSmart Rider.

It would be fundamentally inconsistent with the terms of the statute to give excess profits to the utility to fund its future construction projects, rather than refund the excess profits to consumers. The intent of the SEET is to protect consumers, not benefit the utility by pre-funding its construction costs.

Shopping Risk

Q. Does CSP face a risk that customers will shop for competitive generation?

A. Yes. But in 2009 that risk was small and CSP already has been generously compensated for that risk through POLR.

As of December 31, 2009 none of CSP's residential or industrial load had shopped, and only 1.871% of its commercial load shopped. That 1.871% represented only 698,756 mWh.

In 2009, CSP received total POLR revenue of \$92.138 million, according to Mr. Mitchell's Exhibit TEM-6. Net of the EDR off-set, CSP recovered \$89.9 million in POLR revenue in 2009. This more than compensated CSP for its shopping risk. \$89.9 million in POLR revenue translates into \$128.7 for each mWh that shopped.

If the Commission were to increase the SEET earnings threshold for shopping risk, then CSP would be compensated twice: first through the \$89.9 million of POLR revenue and again through the SEET. That would be unreasonable and unnecessary.

Q. Does this complete your testimony?

- 1 A. Yes. However, I reserve the right to incorporate new information that may
- 2 subsequently become available. I also reserve the right to supplement my testimony in
- 3 response to positions taken by the PUCO Staff.

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

In The Matter Of The 2009 Annual Filing :
Of Columbus Southern Power Company : **Case No. 10-1261-EL-UNC**
And Ohio Power Company Required By :
Rule 4901:1-35-10, Ohio Administrative
Code

EXHIBITS
OF
LANE KOLLEN

ON BEHALF OF THE
THE OFFICE OF OHIO CONSUMERS' COUNSEL,
THE OHIO MANUFACTURERS' ASSOCIATION,
THE OHIO HOSPITAL ASSOCIATION, CITIZEN POWER, INC
APPALACHIAN PEACE AND JUSTICE NETWORK and
THE OHIO ENERGY GROUP

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

October 2010

EXHIBIT ____ (LK-1)

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

**University of Toledo, BBA
Accounting**

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

More than thirty years of utility industry experience in the financial, rate, tax, and planning areas. Specialization in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

J. KENNEDY AND ASSOCIATES, INC.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE

1986 to

Present:

J. Kennedy and Associates, Inc.: Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to

1986:

Energy Management Associates: Lead Consultant.

Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to

1983:

The Toledo Edison Company: Planning Supervisor.

Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.

Construction project cancellations and write-offs.

Construction project delays.

Capacity swaps.

Financing alternatives.

Competitive pricing for off-system sales.

Sale/leasebacks.

J. KENNEDY AND ASSOCIATES, INC.

RESUME OF LANE KOLLEN, VICE PRESIDENT

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.	Lehigh Valley Power Committee
Airco Industrial Gases	Maryland Industrial Group
Alcan Aluminum	Multiple Intervenors (New York)
Armco Advanced Materials Co.	National Southwire
Armco Steel	North Carolina Industrial
Bethlehem Steel	Energy Consumers
Connecticut Industrial Energy Consumers	Occidental Chemical Corporation
ELCON	Ohio Energy Group
Enron Gas Pipeline Company	Ohio Industrial Energy Consumers
Florida Industrial Power Users Group	Ohio Manufacturers Association
Gallatin Steel	Philadelphia Area Industrial Energy
General Electric Company	Users Group
GPU Industrial Intervenors	PSI Industrial Group
Indiana Industrial Group	Smith Cogeneration
Industrial Consumers for	Taconite Intervenors (Minnesota)
Fair Utility Rates - Indiana	West Penn Power Industrial Intervenors
Industrial Energy Consumers - Ohio	West Virginia Energy Users Group
Kentucky Industrial Utility Customers, Inc.	Westvaco Corporation
Kimberly-Clark Company	

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
Georgia Public Service Commission Staff
Kentucky Attorney General's Office, Division of Consumer Protection
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York State Energy Office
Office of Public Utility Counsel (Texas)

J. KENNEDY AND ASSOCIATES, INC.

RESUME OF LANE KOLLEN, VICE PRESIDENT

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation

Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

J. KENNEDY AND ASSOCIATES, INC.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2010**

Date	Case	Jurisdct.	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E- SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements. Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.

J. KENNEDY AND ASSOCIATES, INC.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2010**

Date	Case	Jurisdic.	Party	Utility	Subject
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR- 87-223	MIN	Taconite Intervenors	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County completion.
2/88	10064	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, O&M expense, capital structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017 -1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017 -2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017- -1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92

J. KENNEDY AND ASSOCIATES, INC.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2010**

Date	Case	Jurisdiction	Party	Utility	Subject
7/88	M-87017- -2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170- EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171- EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800 355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71)
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.

J. KENNEDY AND ASSOCIATES, INC.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2010**

Date	Case	Jurisdct.	Party	Utility	Subject
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Supplemental (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.

J. KENNEDY AND ASSOCIATES, INC.

**Expert Testimony Appearances
of
Lane Kollen
As of September 2010**

Date	Case	Jurisdct.	Party	Utility	Subject
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19 th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231 -E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue require- ments.
12/91	91-410- EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.

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**Expert Testimony Appearances
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Lane Kollen
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Date	Case	Jurisdct.	Party	Utility	Subject
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy Corp.	Merger.
11/92	8649	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Amco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.

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Date	Case	Jurisdct.	Party	Utility	Subject
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CVIP in rate base
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy Corp.	Merger.
3/93	93-01 EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission	Gulf States Utilities/Entergy Corp.	Merger.
4/93	92-1454- EL-AIR	OH	Air Products Amoco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities/Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-480, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.

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Date	Case	Jurisdct.	Party	Utility	Subject
1/84	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/84	U-20647 (Supplemental)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
5/84	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/84	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
9/84	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/84	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/84	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/84	U-19904 Initial Post-Merger Earnings Review (Rebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/84	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.

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Date	Case	Jurisdic.	Party	Utility	Subject
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95	U-21485 (Supplemental Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
12/95	U-21485 (Surrebuttal)				
1/96	95-299- EL-AIR 95-300- EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co. The Cleveland Electric Illuminating Co.	Competition, asset writeoffs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC No. 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co. and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.

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Date	Case	Jurisdic.	Party	Utility	Subject
9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCI Metro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. and Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.

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Date	Case	Jurisdct.	Party	Utility	Subject
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenor	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenor	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.

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Date	Case	Jurisdiction	Party	Utility	Subject
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenor	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenor	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro- Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.

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Date	Case	Jurisdic.	Party	Utility	Subject
11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities stranded costs, recovery mechanisms.

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Date	Case	Jurisdic.	Party	Utility	Subject
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co. and Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro- Electric Co.	Request for accounting order regarding electric industry restructuring costs.
6/99	U-23358	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, and American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro- Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452- E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.

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Date	Case	Jurisdct.	Party	Utility	Subject
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452- E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	21527	TX	Dallas-Ft.Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.
11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
04/00	99-1212-EL-ETPOH 99-1213-EL-ATA 99-1214-EL-AAM		Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147 PA		Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.

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Date	Case	Jurisdct.	Party	Utility	Subject
07/00	22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	PUC 22350 SOAH 473-00-1015	TX	The Dallas-Ft. Worth Hospital Council and The Coalition of Independent Colleges And Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Supplemental	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.

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Date	Case	Jurisdct.	Party	Utility	Subject
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300FD095 PA A-110400F0040		Met-Ed Industrial Users Group Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp'	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co. and Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, Separations methodology.

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Date	Case	Jurisdiction	Party	Utility	Subject
07/01	U-21453, U-20925, U-22092 Subdocket B Transmission and Distribution Term Sheet	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	25230	TX	Dallas Ft-Worth Hospital Council & the Coalition of Independent Colleges & Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02 (Supplemental Surrebuttal)	U-25687	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 and U-22092		Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless

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Date	Case	Jurisdic	Party	Utility	Subject
	(Subdocket C)		Staff		conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and The Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-28527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, Capital structure, post test year Adjustments.
06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.

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Date	Case	Jurisdct.	Party	Utility	Subject
11/03	ER03-583-000, FERC ER03-583-001, and ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, and ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)		Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Market- ing, L.P., and Entergy Power, Inc.	Unit power purchase and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, Capital structure, post test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459, PUC Docket	TX	Cities Served by Texas- New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including including valuation issues, ITC, ADIT, excess earnings.

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Date	Case	Jurisdic.	Party	Utility	Subject
05/04	29206 04-169- EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.
08/04	SOAH Docket 473-04-4556 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	Docket No. U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	Docket No. U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case No. 2004-00321 Case No. 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, etal.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.

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Date	Case	Jurisdct.	Party	Utility	Subject
03/05	Case No. 2004-00426 Case No. 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and § 199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and § 199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U Panel with Victoria Taylor	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization, cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas and Electric Co.	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider, Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06 05/06	31994 31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change. Retrospective ADFIT, prospective ADFIT.

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Date	Case	Jurisdic.	Party	Utility	Subject
03/06	U-21453, U-20925, U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
3/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment Tax credits on generation plant that is sold or deregulated.
4/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et al	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated programs costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925 U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 OH Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
03/07	33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.

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Date	Case	Jurisdct.	Party	Utility	Subject
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental And Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.

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Date	Case	Jurisdct.	Party	Utility	Subject
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue Requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses in account 923; storm damage expense and accounts 924, 228.1, 182.3, 254 and 407.3; tax NOL carrybacks in account 165 and 236; ADIT; nuclear service lives and effect on depreciation and decommissioning.

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Date	Case	Jurisdct.	Party	Utility	Subject
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses in account 923; storm damage expense and accounts 924, 228.1, 182.3, 254 and 407.3; tax NOL carrybacks in account 185 and 236; ADIT; nuclear service lives and effect on depreciation and decommissioning.
04/08	2007-00562 2007-00563	KY Customers, Inc.	Kentucky Industrial Utility Louisville Gas and	Kentucky Utilities Co. Electric Co.	Merger surcredit.
04/08	26837 Direct Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Supplemental Rebuttal Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, incl costs recovered in existing rates, TIER
07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, incl projected test year rate base and expenses.
07/08	27163 Panel with Victoria Taylor	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.

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Date	Case	Jurisdct.	Party	Utility	Subject
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	8890-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO OH 08-918-EL-SSO OH		Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO OH		Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-564 2007-585 2008-251 2008-252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.

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Date	Case	Jurisdic.	Party	Utility	Subject
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.
02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09	U-21453, U-20925 U-22092 (Subdocket J)		Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	U-21453, U-20925 U-22092 (Subdocket J) Rebuttal		Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct- Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U-20925 U-22092 (Subdocket J) Supplemental Rebuttal		Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.

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Date	Case	Jurisdct.	Party	Utility	Subject
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
08/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.
09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	LA	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal	LA	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.

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Date	Case	Jurisdct.	Party	Utility	Subject
02/10	30442 Wackerly- Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue Requirement issues.
02/10	30442 McBride- Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR- 09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.
04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00458 2009-00459	KY	Kentucky Industrial	Kentucky Utilities Company Louisville Gas and Electric Company	Revenue requirement issues.
06/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
06/10	31647 Wackerly- Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38338 Directional Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation, FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO, Valley	SWEPCO acquisition of Valley.

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Date	Case	Jurisdct.	Party	Utility	Subject
09/10	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel audit.

J. KENNEDY AND ASSOCIATES, INC.

EXHIBIT ____ (LK-2)

AEP Utility Companies
Revenue Requirement/Refund for Each 1% Change in Return on Common Equity
Twelve Months Ending December 31, 2009
(\$000's)

Source: 2009 10-K and Kentucky Power Annual Report Financial Statements

	Columbus Southern Power Company	Ohio Power Company	Appalachian Power Company	Kentucky Power Company	Indiana Michigan Power Company
Total Common Equity - December 31, 2008	1,245,265	2,421,945	2,376,591	398,008	1,434,818
Total Common Equity - December 31, 2009	<u>1,359,835</u>	<u>3,234,695</u>	<u>2,771,577</u>	<u>431,784</u>	<u>1,672,783</u>
Average Common Equity - December 31, 2009	<u>1,302,550</u>	<u>2,828,320</u>	<u>2,574,084</u>	<u>414,896</u>	<u>1,553,801</u>
Net Income - Total Company	(1) 271,661	308,615	155,814	23,936	216,310
% ROE	<u>20.86%</u>	<u>10.91%</u>	<u>6.05%</u>	<u>5.77%</u>	<u>13.92%</u>
Each 1% ROE Gross-Up Factor	(2) <u>13,026</u> <u>1,5385</u>	<u>28,283</u> <u>1,5385</u>	<u>25,741</u> <u>1,5385</u>	<u>4,149</u> <u>1,5385</u>	<u>15,538</u> <u>1,5385</u>
Rev Req/Refund for Each 1% ROE	<u>20,039</u>	<u>43,513</u>	<u>39,601</u>	<u>6,383</u>	<u>23,905</u>

(1) Net Income for the twelve months ended December 31, 2009 excludes reductions in published financial statements for preferred dividends, capital stock expense and net income attributable to noncontrolling interests. The effects of these exclusions are minimal.

(2) Federal income tax rate of 35% used in gross-up factor for all companies.

EXHIBIT ____ (LK-3)

U.S. Domestic Electric Utilities Earned Return on Average Common Equity
Source: SNL Financial Database

SNLTable

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010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U.S. Domestic Electric Utilities Earned Return on Average Common Equity
Source: SNL Financial Database

	2006	2005	2004	2003	2002	2001	2000	1999
Mt. Carmel Public Utility Company	691	728	542	11.94	8.18	5,945	6,088	6,517
Nantuxet Electric Co.	1,008	1,286	1,309	4.49	4.73	29,490	28,643	27,700
Narragansett Electric Company	18,144	40,856	42,663	2.49	2.62	1,839,672	1,629,911	1,525,486
Nevada Power Company	134,288	151,431	165,894	8.05	7.28	2,638,803	2,502,154	2,274,469
New York State Electric & Gas Corp	55,314	5,845	114,338	0.57	10.76	1,021,624	1,031,389	1,063,124
Niagara Mohawk Power Corporation	122,237	212,901	182,785	4.91	4.40	4,258,771	4,340,471	4,154,269
North Central Power Co Inc	340	346	336	10.28	10.62	3,628	3,364	3,096
Northern Indiana Public Service Co.	39,713	118,706	139,905	8.14	10.31	1,493,134	1,458,940	1,357,350
Northern States Power Company - MN	293,770	286,141	267,303	9.70	9.83	3,163,857	2,940,767	2,719,651
Northern States Power Company - WI	47,363	45,521	37,866	9.86	8.17	475,555	461,712	463,335
NorthWestern Energy Division	73,420	87,601	63,191	8.52	6.79	775,279	763,279	782,699
Northwestern Wisconsin Electric Co.	1,174	1,132	1,037	8.33	8.09	14,317	13,587	12,918
NSTAR Electric Company	240,691	223,897	218,501	11.45	13.63	2,086,378	1,954,794	1,588,203
Ohio Edison Company	121,867	211,746	197,166	14.75	11.11	1,157,583	1,435,115	1,774,281
Ohio Power Company	306,573	231,123	268,564	9.74	12.40	2,844,947	2,373,108	2,166,309
Oklahoma Gas and Electric Company	200,440	143,007	161,708	9.81	11.78	1,924,375	1,623,856	1,372,710
Oncor Electric Delivery Company LLC	286,834	-513,048	321,257	-7.14	8.07	6,778,642	7,189,413	5,293,790
Orange and Rockland Utilities, Inc.	43,102	43,989	45,392	10.08	11.95	480,391	435,462	388,379
Otter Tail Corporation	34,079	36,125	53,561	5.71	10.33	510,770	614,833	522,209
Pacific Gas and Electric Company	1,250,004	1,187,987	1,024,668	12.36	11.21	10,466,179	9,693,998	9,139,640
PacificCorp	541,846	468,283	438,889	8.28	9.23	6,317,650	5,534,004	4,753,958
PECO Energy Company	352,501	325,050	306,524	14.84	25.84	2,480,484	2,189,670	1,980,061
Pennsylvania Electric Company	65,368	88,170	92,637	8.72	7.59	940,248	1,010,583	1,225,058
Pennsylvania Power Company	20,115	23,194	22,404	7.09	7.03	288,488	327,089	316,604
Pike County Light & Power Company	-123	-87	335	-0.84	7.85	4,305	4,364	4,266
Pioneer Power & Light Company	19	0	-19	0.00	-1.19	1,544	1,575	1,599
Portland General Electric Company	96,365	87,175	145,817	6.58	11.48	1,448,851	1,335,190	1,269,858
Potomac Edison Company	49,339	-18,765	12,394	-4.60	2.97	410,726	407,751	417,547
Potomac Electric Power Company	105,880	116,437	125,059	9.84	11.26	1,335,672	1,183,014	1,110,745
PPL Electric Utilities Corporation	141,666	176,506	182,759	10.93	10.38	1,768,881	1,615,119	1,571,696
Public Service Company of Colorado	323,320	336,796	286,894	9.76	9.29	3,061,608	3,481,621	3,197,439
Public Service Company of New Hampshire	65,570	58,087	54,434	9.91	10.83	680,590	585,791	502,715
Public Service Company of New Mexico	120,041	24,675	38,807	1.79	2.98	1,250,090	1,372,364	1,303,210
Public Service Company of Oklahoma	75,602	76,484	-24,124	11.21	-3.90	785,254	699,834	618,430
Public Service Electric and Gas Company	323,930	363,576	379,034	10.24	11.55	4,015,559	3,549,491	3,281,617
Puget Sound Energy, Inc.	159,252	162,736	191,127	8.55	8.32	2,666,129	2,376,639	2,298,187
Rochester Gas and Electric Corp	24,809	4,026	74,280	0.70	12.02	564,188	579,067	617,612
Rockland Electric Company	7,960	10,747	13,483	7.04	9.60	161,972	162,619	140,504
San Diego Gas & Electric Co.	348,902	343,894	287,725	14.03	13.47	2,719,905	2,450,392	2,136,755
Sierra Pacific Power Company	73,086	90,584	65,665	9.84	8.96	943,610	939,901	943,289
South Carolina Electric & Gas Co.	280,502	273,046	245,069	9.83	9.23	2,989,947	2,777,027	2,654,284
Southern California Edison Co.	1,278,920	734,353	759,222	10.09	11.24	7,892,949	7,281,092	6,752,001
Southern Indiana Gas and Electric Company, Inc.	52,304	58,398	58,112	9.48	10.00	630,764	594,704	581,027
Southwestern Electric Power Company	119,397	82,754	85,264	8.32	7.35	1,381,086	1,115,500	901,775
Southwestern Public Service Company	67,750	31,792	32,866	3.70	4.16	930,908	858,230	790,784
Superior Water, Light and Power Company	3,384	2,315	2,902	7.84	10.42	31,242	29,540	27,852
Tampa Electric Company	160,200	136,635	150,278	8.08	10.09	1,827,197	1,577,685	1,488,664
Toledo Edison Company	23,957	74,915	91,239	15.52	18.88	484,964	482,621	483,303
Tucson Electric Power Company	89,248	4,363	53,456	0.75	9.44	613,375	580,478	566,032
UGI Utilities, Inc.	82,751	70,031	82,953	11.27	14.48	672,806	621,637	572,323
Union Electric Company	265,020	250,988	341,988	7.01	10.13	3,808,710	3,581,628	3,377,236
United Illuminating Company	56,973	51,090	47,802	10.57	11.09	560,832	463,277	431,767
Unitil Energy Systems, Inc.	3,303	3,328	4,739	8.32	10.10	55,966	52,700	46,943
UNS Electric, Inc.	5,931	3,784	4,784	4.60	6.67	88,887	81,772	72,363
Upper Peninsula Power Company	981	2,751	7,646	4.09	11.75	73,854	67,248	65,049
Virginia Electric and Power Company	364,764	862,880	572,445	13.99	9.98	6,981,788	6,168,098	5,735,281
West Penn Power Company	61,409	45,053	63,684	8.52	12.93	549,869	528,812	492,232
Western Energy (KPL)	175,075	178,140	198,354	8.77	9.54	2,240,616	2,032,277	1,710,508
Western Massachusetts Electric Company	28,196	18,330	23,604	7.62	10.21	242,479	240,700	231,109
Wheeling Power Co	25,239	22,130	19,575	62.19	64.55	40,928	35,587	35,883
Wisconsin Electric Power Company	288,597	281,307	288,687	10.62	11.01	2,723,967	2,649,960	2,622,874
Wisconsin Power and Light Company	91,583	120,817	115,844	10.35	10.17	1,276,758	1,169,675	1,138,999
Wisconsin Public Service Corp	120,392	132,278	113,346	10.91	9.66	1,202,662	1,211,991	1,174,540
Industry Average/Aggregates	20,577,841	20,746,260	21,370,897	8.94	9.92	247,582,064	232,097,648	216,536,029

(This Report Includes proprietary information. Please do not use this report, or information contained herein, outside the context of this proceeding.)

EXHIBIT ____ (LK-4)



4Q09 Earnings Release Presentation

January 28, 2010



"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Although AEP and each of its Registrant Subsidiaries believe that their expectations are based on reasonable assumptions, any such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are: the economic climate and growth in, or contraction within, our service territory and changes in market demand and demographic patterns, inflationary or deflationary interest rate trends, volatility in the financial markets, particularly developments affecting the availability of capital on reasonable terms and developments impairing our ability to finance new capital projects and refinance existing debt at attractive rates, the availability and cost of funds to finance working capital and capital needs, particularly during periods when the time lag between incurring costs and recovery is long and the costs are material, electric load and customer growth, weather conditions, including storms, available sources and costs of, and transportation for, fuels and the creditworthiness and performance of fuel suppliers and transporters, availability of generating capacity and the performance of our generating plants including our ability to restore IBAW's Donald C. Cook Nuclear Plant Unit 1 in a timely manner, our ability to recover regulatory assets and stranded costs in connection with deregulation, our ability to recover increases in fuel and other energy costs through regulated or competitive electric rates, our ability to build or acquire generating capacity, including the Turk Plant, and transmission line facilities (including our ability to obtain any necessary regulatory approvals and permits) when needed at acceptable prices and terms and to recover those costs (including the costs of projects that are cancelled) through applicable rate cases or competitive rates, new legislation, litigation and government regulation including requirements for reduced emissions of sulfur, nitrogen, mercury, carbon, soot or particulate matter and other substances, timing and resolution of pending and future rate cases, negotiations and other regulatory decisions (including rate or other recovery of new investments in generation, distribution and transmission service and environmental compliance), resolution of litigation (including disputes arising from the bankruptcy of Enron Corp. and related matters), our ability to constrain operation and maintenance costs, our ability to develop and execute a strategy based on a view regarding prices of electricity, natural gas and other energy-related commodities, changes in the creditworthiness of the counterparties with whom we have contractual arrangements, including participants in the energy trading market, actions of rating agencies, including changes in the ratings of debt, volatility and changes in markets for electricity, natural gas, coal, nuclear fuel and other energy-related commodities, changes in utility regulation, including the implementation of the recently passed utility law in Ohio and the allocation of costs within regional transmission organizations, including PJM and SPP, accounting pronouncements periodically issued by accounting standard-setting bodies, the impact of volatility in the capital markets on the value of the investments held by our pension, other postretirement benefit plans and nuclear decommissioning trust and the impact on future funding requirements, prices for power that we generate and sell at wholesale, changes in technology, particularly with respect to new, developing or alternative sources of generation, other risks and unforeseen events, including wars, the effects of terrorism (including increased security costs), embargoes and other catastrophic events. AEP and its Registrant Subsidiaries expressly disclaim any obligation to update any forward-looking information.

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2009 Accomplishments; 2010 Plans

2009 - Successful year

- ✓ **FINANCIAL PERFORMANCE**
 - ✓ Delivered on-going earnings \$2.97/share, at the upper end of original guidance \$2.75 to \$3.05
 - ✓ Raised over \$4B in capital
- ✓ **REGULATORY SUCCESS**
 - ✓ Rate relief - \$725MM secured
 - ✓ Fuel recovery - now active in all jurisdictions
 - ✓ Trackers
- ✓ **TECHNOLOGY LEADERSHIP**
 - ✓ Carbon capture & storage
 - ✓ Cook Nuclear Plant Unit 1 restart
 - ✓ Ultra supercritical coal - Turk

2010 - Commitment to perform

- **MANAGE, EXECUTE, DELIVER**
 - Meet earnings guidance \$2.80 to \$3.20
 - Manage rate cases
 - Celebrate 100 years of dividends
- **POLICY INITIATIVES**
 - Climate change
 - Energy policy
- **FOCUS ON GROWTH OPPORTUNITIES**
 - Transmission (JVs & Transco)
 - Rate base opportunities (G, T & D)



4Q09 Performance

Fourth Quarter Reconciliation

	EPS		Ongoing Earnings (\$ in millions)
4Q08	\$	0.59	\$237
Rate Relief	\$	0.28	
Load Contraction	\$	(0.11)	
Weather	\$	(0.03)	
O&M	\$	(0.12)	
Share Count Effect	\$	(0.09)	
Other	\$	(0.02)	
4Q09	\$	0.50	\$238

4Q09 Performance Drivers

- > Rate Relief of \$178MM in Ohio, APCo, PSO, I&M
- > Load Contraction of \$70MM, primarily due to industrial customers at APCo (23%), and Ohio (17%)
- > Weather was unfavorable by \$18MM vs. prior year, \$13MM vs. normal
- > O&M expense increased \$73MM primarily driven by storm damage and plant outage expenses
- > Share count impact due to 74MM weighted average shares outstanding increase (4Q04MM to 478MM) from equity offering and DRP
- > Other includes higher depreciation and interest expense, partly offset by higher other operating revenue
- > Off-System Sales after sharing is essentially flat quarter over quarter



December YTD Performance

Annual Reconciliation

	EPS	Ongoing Earnings (\$ in millions)
YTD08	\$ 3.24	\$1,301
Rate Relief	\$ 1.17	
Load Contraction	\$ (0.34)	
Weather	\$ (0.08)	
Off-System Sales	\$ (0.54)	
O&M	\$ (0.07)	
Share Count Effect	\$ (0.42)	
Other	\$ 0.01	
YTD09	\$ 2.97	\$1,362

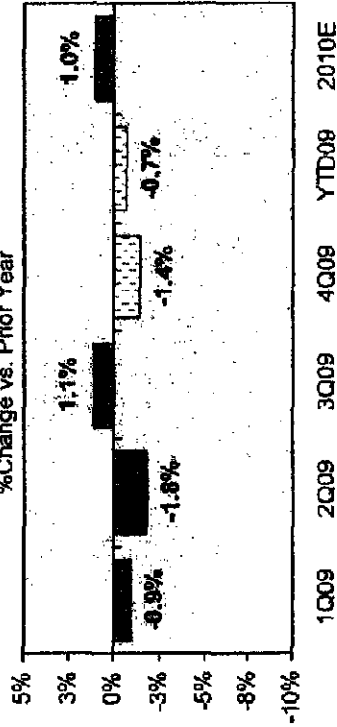
Annual Performance Drivers

- > Rate Relief of \$725MM in Ohio, APCo, PSD, I&M and KGP
- > Load Contraction of \$213MM, primarily Industrial at APCo (25%), Ohio (18%), and I&M (10%)
- > Weather was unfavorable by \$52MM vs. prior year and unfavorable by \$66MM vs. normal
- > Lower Off-System Sales of \$333MM after sharing, primarily east physical where volume and price declined
- > O&M expense increased \$44MM primarily due to storm damage
- > Share count impact due to 57MM weighted average shares outstanding increase (402MM to 459MM) from equity offering and DRP
- > Other items primarily includes higher other operating income & 3rd party transmission revenue offset by higher depreciation and interest expense

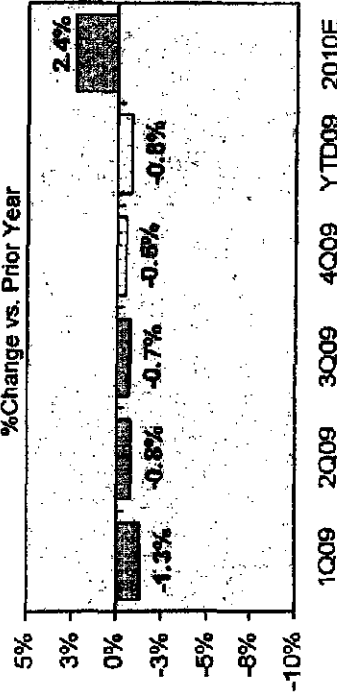


Normalized Load Trends

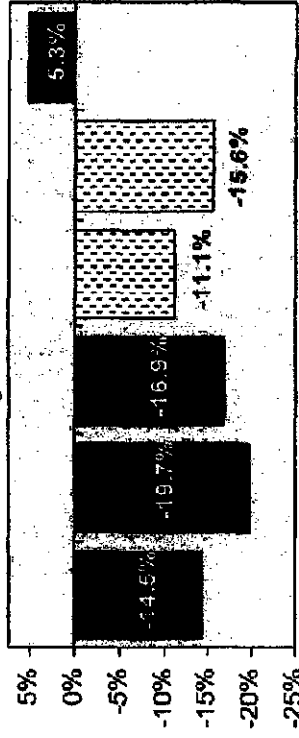
AEP Residential Normalized GWh Growth
%Change vs. Prior Year



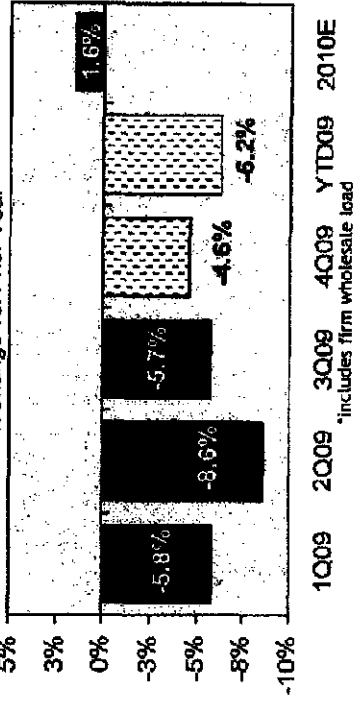
AEP Commercial Normalized GWh Growth
%Change vs. Prior Year



AEP Industrial Normalized GWh Growth
%Change vs. Prior Year



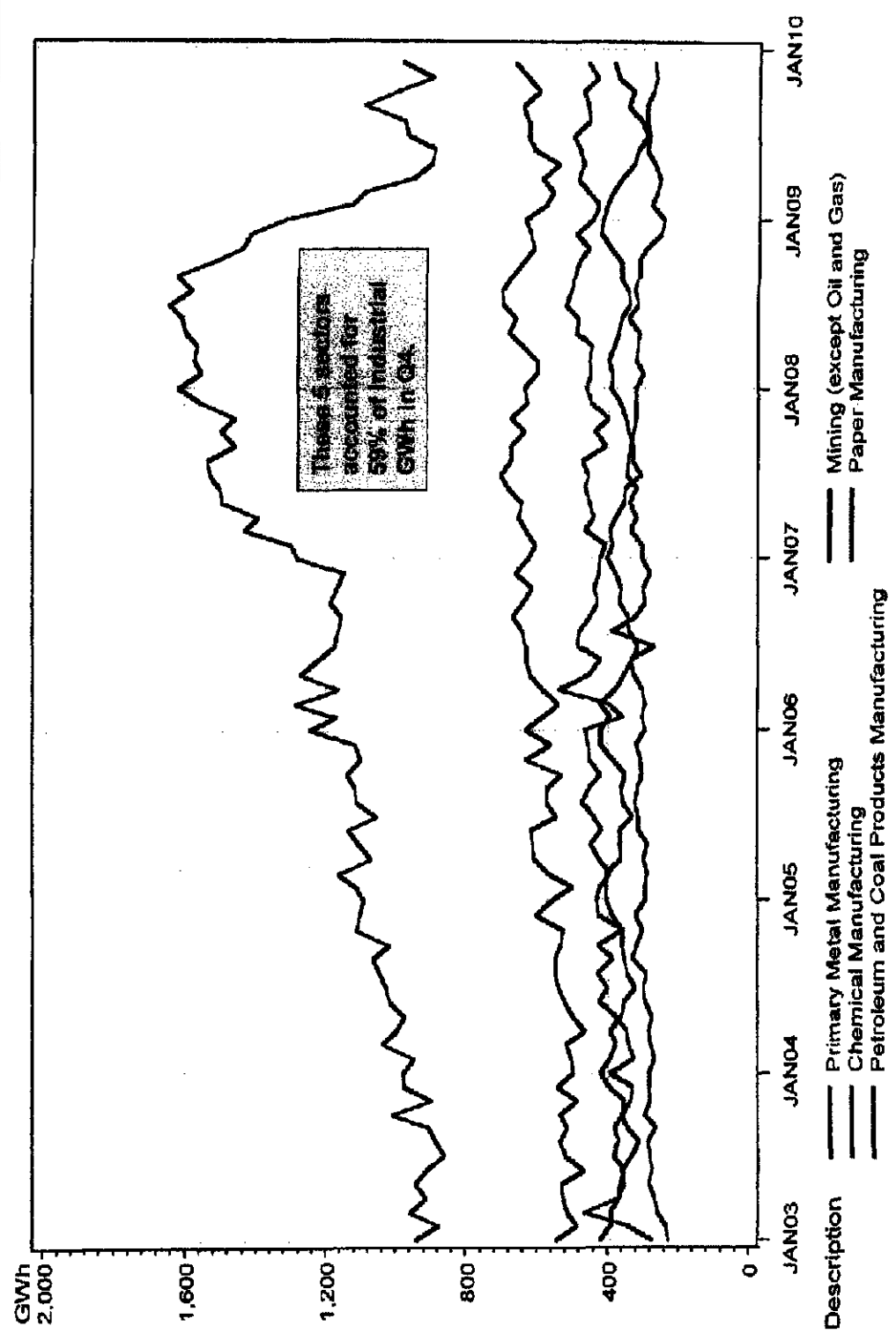
AEP Normalized GWh Growth*
%Change vs. Prior Year



*includes firm wholesale load



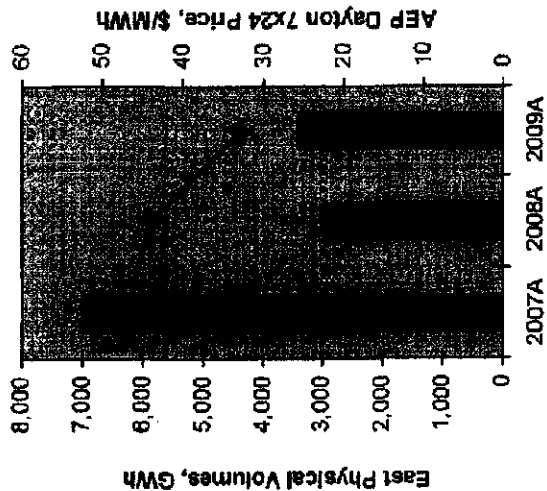
Industrial Sales Volumes





East Off-System Sales

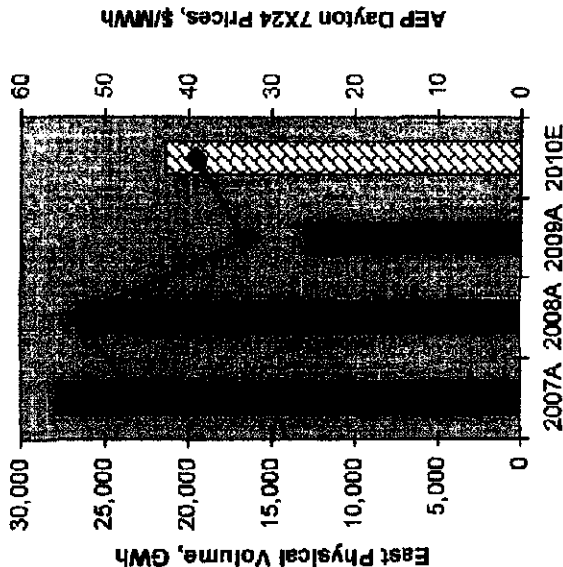
4th Quarter Actual



East OSS - 4th Quarter

- Volumes – Q4 2009 physical sales showed some improvement vs. Q4 2008, but continue to be off pre-recession levels
- Prices – Q4 2009 liquidations reflect lower wholesale electricity pricing due to lower commodity costs and reduced demand

YTD2009 Actual/2010 Est.



East OSS - YTD

- Volumes – Annual 2009 physical sales were significantly lower than pre-recession levels
- Prices – Annual 2009 liquidations reflect lower wholesale electricity pricing due to lower commodity costs and reduced demand

In 2010, a modest increase in forward electricity prices drives a 65% increase in projected volumes.



Additional 2010 Earnings Drivers

2010 Guidance: \$2.80 - \$3.20

O&M Assumptions

- \$23MM increase over 2009, net of revenue offsets
- Includes \$80MM increase in employee and operational expenses

Rate Relief Assumptions

- \$320MM, net of trackers
- \$167MM secured
 - AR, OH, OK, VA, WV
- Active or pending rate cases include KY, MI, TX, VA, WV and others



Questions

4Q09 Earnings Release



4Q09 Earnings

	\$ millions			Earnings Per Share		
	4th Qtr 2008	4th Qtr 2009	Change	4th Qtr 2008	4th Qtr 2009	Change
Utility Operations	\$ 182	\$ 206	\$ 24	\$ 0.45	\$ 0.44	\$ (0.01)
Transmission Operations	0	1	1	0.00	0.00	0.00
Non-Utility Operations	56	33	(23)	0.14	0.07	(0.07)
Parent & Other	(1)	(2)	(1)	0.00	(0.01)	(0.01)
AEP On-Going Earnings	237	238	1	0.59	0.50	(0.09)
Special Items	(85)	0	85	(0.21)	0.00	0.21
Reported Earnings (GAAP)	\$ 152	\$ 238	\$ 86	\$ 0.38	\$ 0.50	\$ 0.12

4Q09 Earnings Release



Quarterly Performance Comparison

American Electric Power
Financial Results for 4th Quarter 2009 Actual vs 4th Quarter 2008 Actual

	Performance Driver	2009 Actual (\$ millions)	EPS	Performance Driver	2008 Actual (\$ millions)	EPS
UTILITY OPERATIONS:						
Gross Margin:						
1	East Regulated Integrated Utilities	16,242 GWh @ \$ 36.0 /MWh =	667	16,753 GWh @ \$ 36.6 /MWh =	613	
2	Ohio Companies	12,547 GWh @ \$ 48.4 /MWh =	607	11,699 GWh @ \$ 57.3 /MWh =	870	
3	West Regulated Integrated Utilities	9,629 GWh @ \$ 24.6 /MWh =	237	9,393 GWh @ \$ 27.7 /MWh =	260	
4	Texas Wires	6,159 GWh @ \$ 20.6 /MWh =	127	6,480 GWh @ \$ 21.2 /MWh =	137	
5	Oil-System Sales	3,754 GWh @ \$ 15.7 /MWh =	59	4,044 GWh @ \$ 16.8 /MWh =	85	
6	Transmission Revenue - 3rd Party		82		85	
7	Other Operating Revenue		180		175	
8	Utility Gross Margin	1,899			2,008	
9	Operations & Maintenance	(933)			(1,005)	
10	Depreciation & Amortization	(351)			(388)	
11	Taxes Other than Income Taxes	(180)			(178)	
12	Interest Exp & Preferred Dividend	(219)			(238)	
13	Other Income & Deductions	39			37	
14	Income Taxes	(67)			(29)	
15	Utility Operations On-Going Earnings	182	0.45		206	0.44
16	Transmission Operations On-Going Earnings	-	-		1	-
NON-UTILITY OPERATIONS:						
17	AEP River Operations	34	0.09		26	0.05
18	Generation & Marketing	22	0.05		8	0.02
19	Parent's Other On-Going Earnings	19			62	
20	ON-GOING EARNINGS	237	0.59		283	0.50

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effect on earnings presentation.



December YTD Earnings

	\$ millions			Earnings Per Share		
	Dec YTD 2008	Dec YTD 2009	Change	Dec YTD 2008	Dec YTD 2009	Change
Utility Operations	\$ 1,210	\$ 1,317	\$ 107	\$ 3.02	\$ 2.87	\$ (0.15)
Transmission Operations	2	4	2	0.00	0.01	0.01
Non-Utility Operations	120	88	(32)	0.30	0.19	(0.11)
Parent & Other	(31)	(47)	(16)	(0.02)	(0.10)	(0.08)
AEP On-Going Earnings	1,301	1,362	61	3.24	2.97	(0.27)
Special Items	79	(5)	(84)	0.19	(0.01)	(0.20)
Reported Earnings (GAAP)	\$ 1,380	\$ 1,357	\$ (23)	\$ 3.43	\$ 2.96	\$ (0.47)

4Q09 Earnings Release



YTD Performance Comparison

American Electric Power
Financial Results for YTD December 2009 Actual vs YTD December 2008 Actual

	2009 Actual (\$ millions)	Performance Driver	2008 Actual (\$ millions)	EPS
UTILITY OPERATIONS:				
Gross Margin:				
1 East Regulated Integrated Utilities	2,278	72,725 GWh @ \$ 31.3 /MWh =	2,461	
2 Ohio Companies	2,431	52,181 GWh @ \$ 46.6 /MWh =	2,733	
3 West Regulated Integrated Utilities	1,057	41,907 GWh @ \$ 25.2 /MWh =	1,160	
4 Texas Wires	537	27,075 GWh @ \$ 19.8 /MWh =	571	
5 Off-System Sales	845	29,385 GWh @ \$ 28.8 /MWh =	337	
6 Transmission Revenue - 3rd Party	329		354	
7 Other Operating Revenue	569		767	
8 Utility Gross Margin	8,048		8,383	
9 Operations & Maintenance	(3,366)		(3,410)	
10 Depreciation & Amortization	(1,450)		(1,561)	
11 Taxes Other than Income Taxes	(749)		(751)	
12 Interest Exp & Preferred Dividend	(871)		(919)	
13 Other Income & Deductions	167		128	
14 Income Taxes	(567)		(553)	
15 Utility Operations On-Going Earnings	1,210		1,317	2.87
16 Transmission Operations On-Going Earnings	2		4	0.01
NON-UTILITY OPERATIONS:				
17 AEP River Operations	55		47	0.10
18 Generation & Marketing	65		41	0.09
19 Other On-Going Earnings	(81)		(47)	(0.10)
20 ON-GOING EARNINGS	1,301		1,362	2.87

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effort on earnings presentation.



YTD 2009 Cash Flow

(\$ millions)

Operating Activities

Net Income -- Reported	\$ 1,388	\$ 1,365
Discontinued Operations	(2)	-
Continuing Earnings	1,376	1,365
Depreciation, Amortization & Deferred Taxes	2,037	2,888
Extraordinary Loss, net of Taxes	-	5
Changes in Components of Working Capital	(207)	(1202)
Over/(Under) Fuel Recovery, Net	(272)	(480)
Other Assets & Liabilities	(356)	(80)

Cash Flows From Operating Activities

Investing Activities

Capital Expenditures	(3,800)	(2,792)
Proceeds on Sale of Assets	60	278
Change in Other Temporary Cash Investments, net	39	(89)
Acquisition of Assets	(60)	(04)
Other Investing, net	(186)	(209)

Cash Flows Used for Investing Activities

Financing Activities

Common Shares Issued, net	69	1728
Long-term Debt Issuances, net	950	1490
Short-term Debt Increase/(Decrease), net	1316	(1850)
Other Financing	(78)	(10)
Dividends Paid	(863)	(759)

Cash Flows From Financing Activities

Cash From Continuing Operations

Beginning Cash & Cash Equivalent Balances	\$ 233	\$ 79
Ending Cash & Cash Equivalent Balances	78	411
	\$ 411	\$ 490

YTD 2009 Cash Flow Drivers:

Operating Activities

- Changes in working capital largely driven by coal inventory, taxes payable and employee related expenses.
- Changes in fuel recovery primarily relate to deferrals at APCo, OPCo and CSP.

Investing Activities

- Cash outlay for 2009 YTD capital investment.
- 2009 asset sale proceeds relate to the transfer of assets from TCC to ETT and the payments from third-party owners of the Turk Plant.
- Change in other investing primarily relates to the purchase of nuclear fuel.

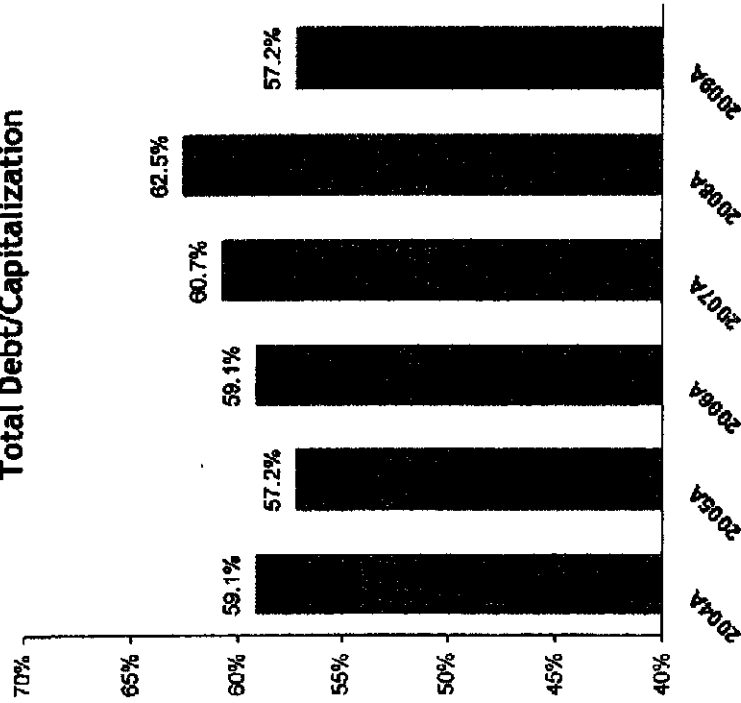
Financing Activities

- 2009 common share issuances of \$1,728MM primarily due to equity offering completed in April.
- Changes in short term debt relate to payments made on credit facilities from the proceeds of the equity offering.
- Changes in long-term debt driven by capital funding requirements.



Capitalization & Liquidity

Total Debt/Capitalization



Note: Total Debt is calculated according to GAAP and includes securitized debt

Current Liquidity Summary

Liquidity Summary (unaudited)	Actual 12/31/09	Maturity
(\$ in millions)	Amount	
Revolving Credit Facility	\$1,500	Mar-11
Revolving Credit Facility	1,454	Apr-12
Revolving Credit Facility	627	Apr-11
Total Credit Facilities	3,581	
Plus		
AEP, Inc. cash and investments	490	
Less		
Commercial Paper Outstanding	(119)	
Letters of credit issued	(568)	
Net Available Liquidity	\$3,384	



Detailed Ongoing Earnings Guidance

2009 Actual: \$2.97

American Electric Power
2009 Actual vs. 2010 Guidance

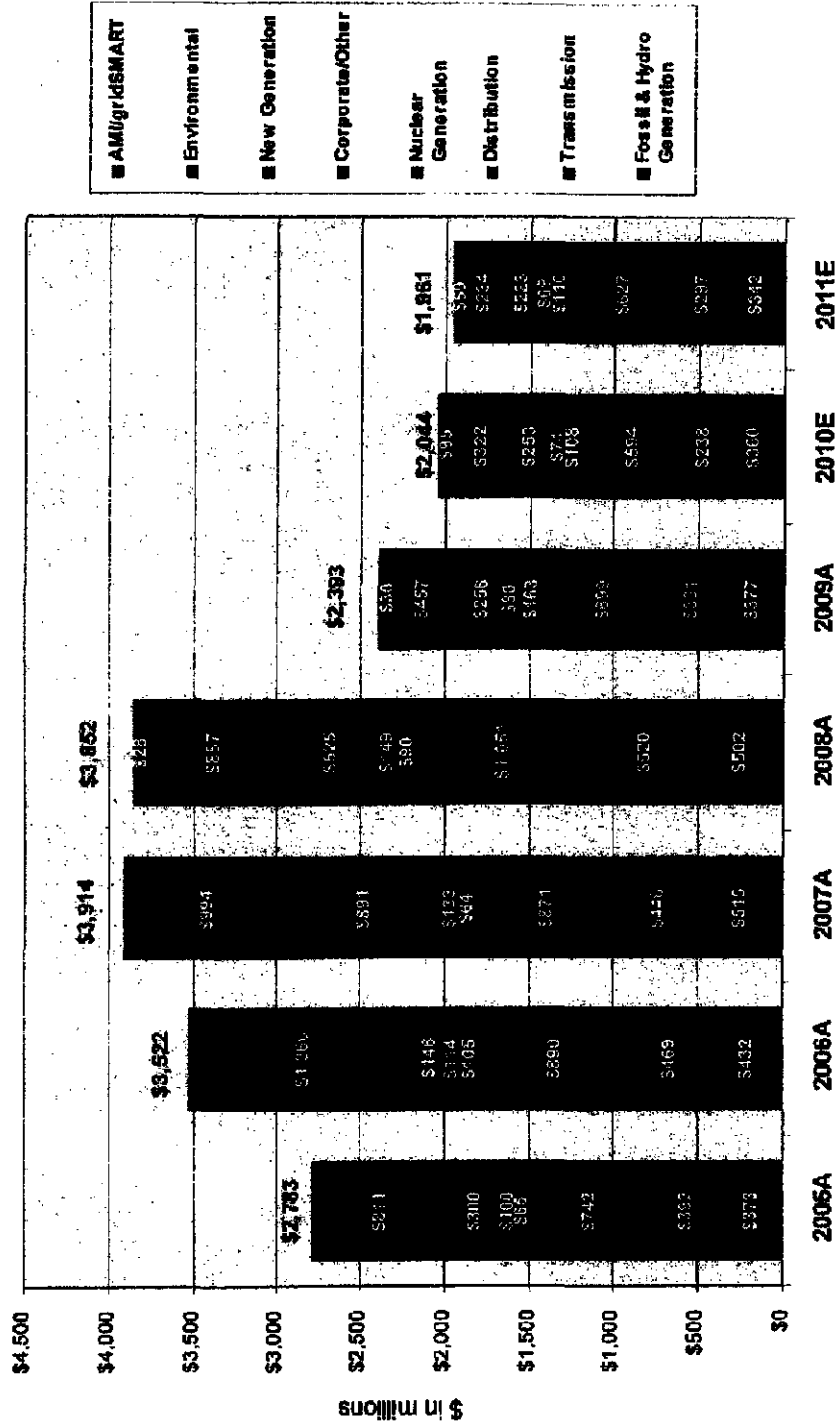
2010E: \$2.80-\$3.20

		2009 Actual (\$ millions)		2010 Guidance (\$ millions)	
		Performance Driver		Performance Driver	
UTILITY OPERATIONS:					
Gross Margin:					
1	East Regulated Integrated Utilities	66,976 GWh @ \$ 38.0 /MWhr =	2,544	68,249 GWh @ \$ 42.2 /MWhr =	2,878
2	Ohio Companies	47,468 GWh @ \$ 57.6 /MWhr =	2,733	47,922 GWh @ \$ 63.6 /MWhr =	3,048
3	West Regulated Integrated Utilities	38,947 GWh @ \$ 30.0 /MWhr =	1,167	41,165 GWh @ \$ 31.3 /MWhr =	1,287
4	Texas Wires	27,573 GWh @ \$ 20.7 /MWhr =	571	27,510 GWh @ \$ 22.2 /MWhr =	610
5	Off-System Sales (net of sharing)	14,795 GWh @ \$ 16.7 /MWhr =	247	23,982 GWh @ \$ 13.7 /MWhr =	329
6	Transmission Revenue - 3rd Party		354		352
7	Other Operating Revenue		787		541
8	Utility Gross Margin		8,383		8,045
9	Operations & Maintenance		(3,410)		(3,620)
10	Depreciation & Amortization		(1,561)		(1,637)
11	Taxes Other than Income Taxes		(751)		(793)
12	Interest Exp & Preferred Dividend		(919)		(957)
13	Other Income & Deductions		128		148
14	Income Taxes		(553)		(736)
15	Utility Operations On-Going Earnings		1,317		1,450
16	Transmission Operations On-Going Earnings		4		9
NON-UTILITY OPERATIONS:					
17	AEP River Operations		47		43
18	Generation & Marketing		41		2
19	Parent & Other On-Going Earnings		(47)		(63)
20	ON-GOING EARNINGS		1,362		1,441

Note: For analysis purposes, certain financial statement amounts have been reclassified for this effect on earnings presentation.



Utility Operations Capital Expenditures





Non-Utility Operations Capital (not included above)

\$ in millions	2008A	2009A	2010E	2011E
AEP River Operations	\$115	\$77	\$16	\$20
AEP Transco	0	1	\$121	\$175 - \$325
Joint Venture Equity	\$5	\$47	\$89	\$156 - \$355





Retail Rate Performance

	Rate Relief (in millions)	
	4Q09 vs. 4Q08	
East Regulated Integrated Utilities	\$39	
Ohio Companies	\$125	
West Regulated Integrated Utilities	\$12	
Texas Wires	\$2	
AEP System Total	\$178	
Impact on EPS	 \$0.28	

	Rate Relief (in millions)	
	YTD 2009 vs. YTD 2008	
East Regulated Integrated Utilities	\$241	
Ohio Companies	\$388	
West Regulated Integrated Utilities	\$83	
Texas Wires	\$13	
AEP System Total	\$725	
Impact on EPS	 \$1.17	



4Q09 Retail Performance

	Load Contraction (weather normalized)		Weather Impact
	4Q09 vs. 4Q08		4Q09 vs. 4Q08
East Regulated Integrated Utilities	-7%	East Regulated Integrated Utilities	(\$0.02)
Ohio Companies	-6%	Ohio Companies	(\$0.01)
West Regulated Integrated Utilities	-3%	West Regulated Integrated Utilities	(\$0.00)
Texas Wires	3%	Texas Wires	\$0.00
Impact on EPS	 (\$0.11)	Impact on EPS	 (\$0.03)



YTD Retail Performance

	Load Contraction (weather normalized)
	YTD 2009 vs. YTD 2008
East Regulated Integrated Utilities	-7%
Ohio Companies	-8%
West Regulated Integrated Utilities	-4%
Texas Wires	-1%
Impact on EPS	

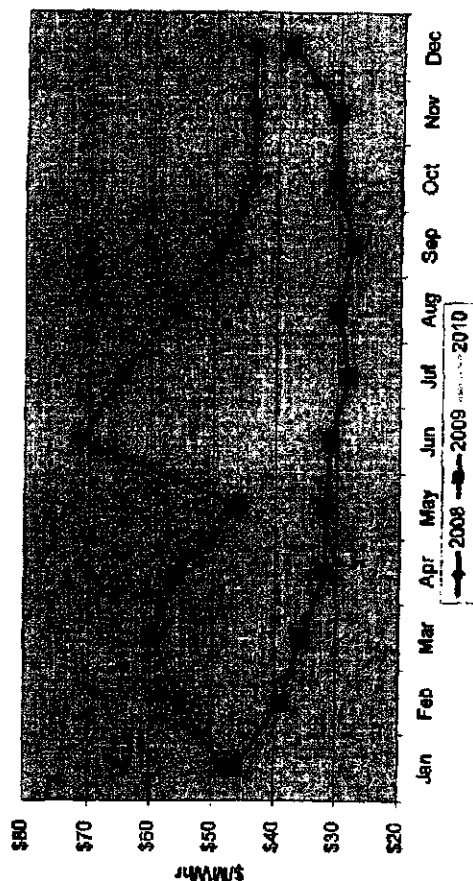
	Weather Impact
	YTD 2009 vs. YTD 2008
East Regulated Integrated Utilities	(\$0.04)
Ohio Companies	(\$0.06)
West Regulated Integrated Utilities	(\$0.02)
Texas Wires	\$0.03
Impact on EPS	

*May not foot due to rounding



Off-System Sales

AEP Dayton 7X24 Real Time Prices
2008-2009 Liquidations and 2010 Forward



- 4Q09 AEP/Dayton Hub 7X24 prices (liquidations) were 25% below Q4 2008
- 4Q09 AEP Off system sales volumes were up approximately 8% over 4Q08
- The calendar year 2010 strip is currently above actual liquidations for 2009 but remain below 2008 liquidations by approximately 26%

4Q09 Earnings Release

2008 Liquidations vs. 2009 Liquidations*				
Hub	2008	2009	\$ Change	% Change
AEP Dayton	53.04	33.23	(19.81)	-37%
PJM West	68.52	38.30	(30.22)	-44%
NIHub	48.99	28.86	(20.14)	-41%
CinHub	49.22	29.05	(20.17)	-41%
Spp	54.89	29.11	(25.77)	-47%
NG (\$/mmBtu)	9.04	3.99	(5.05)	-56%

*(\$/MWh)

2009 Liquidation vs. 2010 Forwards*				
Hub	2009	2010 Fwd	\$ Change	% Change
AEP Dayton	33.23	39.22	5.99	18%
PJM West	38.30	48.07	9.77	25%
NIHub	28.86	33.88	5.02	17%
CinHub	29.05	35.10	6.05	21%
Spp	29.11	35.60	6.49	22%
NG (\$/mmBtu)	3.99	5.79	1.81	45%



Off System Sales Gross Margin Detail

	4Q08		4Q09	
	GWh	Realization (\$millions)	GWh	Realization (\$millions)
OSS Physical Sales	3,754	\$ 10.39	4,044	\$ 5.44
Oklaunion Margin	-	\$ 12	-	\$ 11
Marketing/Trading	-	\$ 8	-	\$ 35
Pre-Sharing Gross Margin	3,754	\$ 59	4,044	\$ 68

	YTD 2008		YTD 2009	
	GWh	Realization (\$millions)	GWh	Realization (\$millions)
OSS Physical Sales	29,365	\$ 24.45	14,795	\$ 7.71
Oklaunion Margin	-	\$ 45	-	\$ 47
Marketing/Trading	-	\$ 82	-	\$ 176
Pre-Sharing Gross Margin	29,365	\$ 845	14,795	\$ 337

EXHIBIT ____ (LK-5)



Regulatory Research Associates

REGULATORY FOCUS

January 8, 2010

MAJOR RATE CASE DECISIONS--JANUARY 2009-DECEMBER 2009

The average return on equity (ROE) authorized electric utilities in 2009 approximated 10.5%, and was unchanged from the prior year. There were 39 electric ROE determinations in 2009, and 37 in 2008. The average ROE authorized gas utilities approximated 10.2% in 2009, compared to 10.4% in 2008. There were 29 gas cases that included an ROE determination in 2009, and 30 in 2008. Not included in these averages is a Sept. 17, 2008 steam rate case decision for Consolidated Edison of New York, in which the New York Public Service Commission adopted a settlement that incorporated a 9.3% return on common equity (48% of capital) and a 7.5% return on rate base. We note that our ROE averages are non-weighted.

After reaching a low in the early-2000's, the number of rate case decisions for energy companies has generally increased over the last several years. There were 95 electric and gas rate decisions in 2009, versus 83 in 2008, and only 32 in 2001. Increased costs, including environmental compliance expenditures, the need for generation and delivery infrastructure upgrades and expansion, and renewable generation requirements argue for a continuation of the increased level of rate case activity over the next several years. However, the use of multi-year settlements and a reduced number of companies due to mergers may prevent the number of rate cases from increasing significantly further.

We note that electric industry restructuring in certain states has led to the unbundling of rates and retail competition for generation. The state commissions in those states are now authorizing revenue requirement and return parameters for delivery operations only (which we footnote in our chronology), thus complicating historical data comparability. We also note that the higher cost of capital resulting from the economic downturn resulted in increased corporate debt yields and the authorization of higher ROEs by some commissions. However, on average, increased authorized ROEs did not materialize in 2009, as some commissions cited the hardship on customers as a reason to hold the line on equity returns.

The table on page 2 shows the average ROE authorized in major electric and gas rate decisions annually since 1990, and by quarter since 2003, followed by the number of observations in each period. The tables on page 3 show the composite electric and gas industry data for all major cases summarized annually since 1996 and by quarter for the past eight quarters. The individual electric and gas cases decided in 2009 are listed on pages 5-9, with the decision date (generally the date on which the final order was issued) shown first, followed by the company name, the abbreviation for the state issuing the decision, the authorized rate of return (ROR), return on equity (ROE), and percentage of common equity in the adopted capital structure. Next we show the month and year in which the adopted test year ended, whether the commission utilized an average or a year-end rate base, and the amount of the permanent rate change authorized. The dollar amounts represent the permanent rate change ordered at the time decisions were rendered. Fuel adjustment clause rate changes are not reflected in this study. We note that the cases and averages included in this study may be slightly different from those in our online rate case history database. Any differences are likely the result of this study's inclusion of ROE determinations that are rendered in cost-of-capital-only proceedings in California or that apply only to specific generation plants. Both of these types of determinations are not included in the database, which encompasses major base rate cases only.

(Text continued on page 4.)

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Average Equity Returns Authorized January 1990 - December 2009

Year	Period	Electric Utilities		Gas Utilities	
		ROE %	(# Cases)	ROE %	(# Cases)
1990	Full Year	12.70	(44)	12.67	(31)
1991	Full Year	12.55	(45)	12.46	(35)
1992	Full Year	12.09	(48)	12.01	(29)
1993	Full Year	11.41	(32)	11.35	(45)
1994	Full Year	11.34	(31)	11.35	(28)
1995	Full Year	11.55	(33)	11.43	(16)
1996	Full Year	11.39	(22)	11.19	(20)
1997	Full Year	11.40	(11)	11.29	(13)
1998	Full Year	11.66	(10)	11.51	(10)
1999	Full Year	10.77	(20)	10.66	(9)
2000	Full Year	11.43	(12)	11.39	(12)
2001	Full Year	11.09	(18)	10.95	(7)
2002	Full Year	11.16	(22)	11.03	(21)
2003	1st Quarter	11.47	(7)	11.38	(5)
	2nd Quarter	11.16	(4)	11.36	(4)
	3rd Quarter	9.95	(5)	10.61	(5)
	4th Quarter	11.09	(6)	10.84	(11)
	Full Year	10.97	(22)	10.99	(25)
2004	1st Quarter	11.00	(3)	11.10	(4)
	2nd Quarter	10.54	(6)	10.25	(2)
	3rd Quarter	10.33	(2)	10.37	(8)
	4th Quarter	10.91	(8)	10.66	(6)
	Full Year	10.75	(19)	10.59	(20)
2005	1st Quarter	10.51	(7)	10.55	(2)
	2nd Quarter	10.05	(7)	10.54	(5)
	3rd Quarter	10.84	(4)	10.47	(5)
	4th Quarter	10.75	(11)	10.40	(14)
	Full Year	10.54	(29)	10.46	(26)
2006	1st Quarter	10.38	(3)	10.63	(6)
	2nd Quarter	10.68	(6)	10.50	(2)
	3rd Quarter	10.06	(7)	10.45	(3)
	4th Quarter	10.39	(10)	10.14	(5)
	Full Year	10.36	(26)	10.43	(16)
2007	1st Quarter	10.27	(8)	10.44	(10)
	2nd Quarter	10.27	(11)	10.12	(4)
	3rd Quarter	10.02	(4)	10.03	(8)
	4th Quarter	10.56	(16)	10.27	(15)
	Full Year	10.36	(39)	10.24	(37)
2008	1st Quarter	10.45	(10)	10.38	(7)
	2nd Quarter	10.57	(8)	10.17	(3)
	3rd Quarter	10.47	(11)	10.49	(7)
	4th Quarter	10.33	(8)	10.34	(13)
	Full Year	10.46	(37)	10.37	(30)
2009	1st Quarter	10.29	(9)	10.24	(4)
	2nd Quarter	10.55	(10)	10.11	(8)
	3rd Quarter	10.46	(3)	9.88	(2)
	4th Quarter	10.54	(17)	10.27	(15)
	Full Year	10.48	(39)	10.19	(29)

Electric Utilities--Summary Table*

	<u>Period</u>	<u>ROR % (# Cases)</u>		<u>ROR % (# Cases)</u>		<u>Eq. as %</u>	<u>Amt.</u>
						<u>Cap. Struc. (# Cases)</u>	<u>\$ Mil. (# Cases)</u>
1996	Full Year	9.21	(20)	11.39	(22)	44.34 (20)	-5.6 (38)
1997	Full Year	9.16	(12)	11.40	(11)	48.79 (11)	-553.3 (33)
1998	Full Year	9.44	(9)	11.66	(10)	46.14 (8)	-429.3 (31)
1999	Full Year	8.81	(18)	10.77	(20)	45.08 (17)	-1,683.8 (30)
2000	Full Year	9.20	(12)	11.43	(12)	48.85 (12)	-291.4 (34)
2001	Full Year	8.93	(15)	11.09	(18)	47.20 (13)	14.2 (21)
2002	Full Year	8.72	(20)	11.16	(22)	46.27 (19)	-475.4 (24)
2003	Full Year	8.86	(20)	10.97	(22)	49.41 (19)	313.8 (12)
2004	Full Year	8.44	(18)	10.75	(19)	46.84 (17)	1,091.5 (30)
2005	Full Year	8.30	(26)	10.54	(29)	46.73 (27)	1,373.7 (36)
2006	Full Year	8.24	(24)	10.36	(26)	48.67 (23)	1,465.0 (42)
2007	Full Year	8.22	(38)	10.36	(39)	48.01 (37)	1,401.9 (46)
	1st Quarter	8.36	(9)	10.45	(10)	49.25 (8)	802.9 (9)
	2nd Quarter	8.21	(7)	10.57	(8)	47.64 (7)	510.5 (8)
	3rd Quarter	8.32	(10)	10.47	(11)	48.96 (10)	737.5 (13)
	4th Quarter	8.09	(9)	10.33	(8)	47.58 (8)	848.5 (12)
	Full Year	8.25	(35)	10.46	(37)	48.41 (33)	2,899.4 (42)
2008	1st Quarter	8.19	(8)	10.29	(9)	48.52 (8)	857.0 (14)
	2nd Quarter	8.05	(9)	10.55	(10)	47.66 (9)	1,425.0 (17)
	3rd Quarter	8.48	(3)	10.46	(3)	47.20 (3)	317.1 (7)
	4th Quarter	8.30	(18)	10.54	(17)	49.41 (17)	1,598.2 (20)
	Full Year	8.23	(38)	10.48	(39)	48.81 (37)	4,197.3 (58)

Gas Utilities--Summary Table*

	<u>Period</u>	<u>ROR % (# Cases)</u>		<u>ROR % (# Cases)</u>		<u>Eq. as %</u>	<u>Amt.</u>
						<u>Cap. Struc. (# Cases)</u>	<u>\$ Mil. (# Cases)</u>
1996	Full Year	9.25	(23)	11.19	(20)	47.69 (19)	193.4 (34)
1997	Full Year	9.13	(13)	11.29	(13)	47.78 (11)	-82.5 (21)
1998	Full Year	9.46	(10)	11.51	(10)	49.50 (10)	93.9 (20)
1999	Full Year	8.86	(9)	10.66	(9)	49.06 (9)	51.0 (14)
2000	Full Year	9.33	(13)	11.39	(12)	48.59 (12)	135.9 (20)
2001	Full Year	8.51	(6)	10.95	(7)	43.96 (5)	114.0 (11)
2002	Full Year	8.80	(20)	11.03	(21)	48.29 (18)	303.6 (26)
2003	Full Year	8.75	(22)	10.99	(25)	49.93 (22)	260.1 (30)
2004	Full Year	8.34	(21)	10.59	(20)	45.90 (20)	303.5 (31)
2005	Full Year	8.25	(29)	10.46	(26)	48.66 (24)	458.4 (34)
2006	Full Year	8.51	(16)	10.43	(16)	47.43 (16)	444.0 (25)
2007	Full Year	8.12	(32)	10.24	(37)	48.37 (30)	813.4 (48)
	1st Quarter	8.78	(7)	10.38	(7)	52.07 (7)	129.6 (7)
	2nd Quarter	8.28	(3)	10.17	(3)	51.80 (3)	52.0 (4)
	3rd Quarter	8.33	(7)	10.49	(7)	50.58 (7)	312.8 (10)
	4th Quarter	8.45	(13)	10.34	(13)	49.25 (13)	390.4 (20)
	Full Year	8.48	(30)	10.37	(30)	50.47 (30)	884.8 (41)
2008	1st Quarter	8.11	(5)	10.24	(4)	44.97 (4)	167.6 (7)
	2nd Quarter	8.05	(7)	10.11	(8)	48.84 (7)	92.5 (8)
	3rd Quarter	8.30	(2)	9.88	(2)	51.00 (2)	19.2 (4)
	4th Quarter	8.19	(14)	10.27	(15)	49.35 (15)	195.7 (18)
	Full Year	8.15	(28)	10.19	(29)	48.72 (28)	475.0 (37)

* Number of observations in each period indicated in parentheses.

The table below tracks the average equity return authorized for all electric and gas rate cases combined, by year, for the last 20 years. As the table reveals, since 1990 authorized ROEs have generally trended downward, reflecting the significant decline in interest rates that has occurred over this time frame. The combined average equity returns authorized for electric and gas utilities in each of the years 1990 through 2009, and the number of observations for each year are as follows:

1990	12.69%	(75)	2000	11.41%	(24)
1991	12.51	(80)	2001	11.05	(25)
1992	12.06	(77)	2002	11.10	(43)
1993	11.37	(77)	2003	10.98	(47)
1994	11.34	(59)	2004	10.67	(39)
1995	11.51	(49)	2005	10.50	(55)
1996	11.29	(42)	2006	10.39	(42)
1997	11.34	(24)	2007	10.30	(76)
1998	11.59	(20)	2008	10.42	(67)
1999	10.74	(29)	2009	10.36	(68)

Dennis Sperduto

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ELECTRIC UTILITY DECISIONS

Order Date	Company (State)	ROR %	ROE %	Common Eq. as % Cap. Str.	Test Year & Rate Base	Amt. \$ Mil.
1/14/09	Public Service Oklahoma (OK)	8.31	10.50	44.10	2/08-YE	59.3 (1)
1/21/09	Westar Energy (KS)	---	---	---	---	65.0 (B)
1/21/09	Kansas Gas & Electric (KS)	---	---	---	---	65.0 (B)
1/21/09	Cleveland Electric Illuminating (OH)	8.48	10.50 (E)	49.00	2/08-DC	29.2 (D)
1/21/09	Ohio Edison (OH)	8.48	10.50 (E)	49.00	2/08-DC	68.9 (D)
1/21/09	Toledo Edison (OH)	8.48	10.50 (E)	49.00	2/08-DC	38.5 (D)
1/30/09	Idaho Power (ID)	8.18	10.50	49.27	12/08-YE	27.0 (R)
2/4/09	United Illuminating (CT)	7.59	8.75	50.00	12/07-A	6.8 (D,R,2)
2/4/09	Interstate Power & Light (IA)	---	10.10 (3)	---	---	---
2/5/09	Kentucky Utilities (KY)	---	---	---	---	-8.9 (B)
2/5/09	Louisville Gas & Electric (KY)	---	---	---	---	-13.2 (B)
2/10/09	Union Electric (MO)	8.34	10.76	52.01	3/08-YE	161.7
3/4/09	Indiana Michigan Power (IN)	7.62	10.50	45.80 *	9/07-YE	19.1 (4)
3/11/09	Entergy Texas (TX)	---	---	---	3/07	30.5 (B,I,5)
3/17/09	Southern California Edison (CA)	---	---	---	12/09-A	308.1 (6)
2009	1ST QUARTER: AVERAGES/TOTAL	8.19	10.29	48.52		857.0
	MEDIAN	8.33	10.50	49.00		---
	OBSERVATIONS	8	9	8		14
4/2/09	Entergy New Orleans (LA)	---	11.10	---	12/08-YE	-24.7 (B,7)
4/16/09	PacifiCorp (ID)	---	---	---	---	4.4 (B)
4/21/09	PacifiCorp (UT)	8.36	10.61	51.00	12/09-A	45.0 (B)
4/24/09	Consolidated Edison of New York (NY)	7.79	10.00	48.00	3/10-A	523.4 (D)
4/30/09	Tampa Electric (FL)	8.29 (R)	11.25	47.49 *(R)	12/09-A	147.7 (Z,R)
5/4/09	Minnesota Power (MN)	8.45	10.74	54.79	6/09-A	20.4 (I,R)
5/20/09	Oklahoma Gas & Electric (AR)	6.43	10.25	36.04 *	12/07-YE	13.3 (B)
5/20/09	NorthWestern Corp. (MT)	8.38	10.25	50.00	---	---
5/20/09	PacifiCorp (WY)	---	---	---	---	18.0 (B)
5/28/09	Public Service New Mexico (NM)	8.77	10.50	50.47	3/08-YE	77.1 (B,Z)
5/29/09	Idaho Power (ID)	---	---	---	---	10.5 (9)
6/2/09	Southwestern Public Service (TX)	---	---	---	12/07	57.4 (B,I)
6/9/09	Public Service Co. of Colorado (CO)	---	---	---	---	112.2 (B)
6/10/09	Kansas City Power & Light (MO)	---	---	---	12/07-YE	95.0 (B)
6/10/09	KCP&L Greater Missouri Oper-L&P (MO)	---	---	---	12/07-YE	15.0 (B)
6/10/09	KCP&L Greater Missouri Oper-MPS (MO)	---	---	---	12/07-YE	48.0 (B)
6/22/09	Central Hudson Gas & Electric (NY)	7.28	10.00	47.00	6/10-A	39.6 (D)
6/24/09	Nevada Power (NV)	8.66 (10)	10.80 (10)	44.15	6/08-YE	222.7 (Z)
2009	2ND QUARTER: AVERAGES/TOTAL	8.05	10.55	47.66		1,425.0
	MEDIAN	8.36	10.56	48.00		---
	OBSERVATIONS	9	10	9		17

ELECTRIC UTILITY DECISIONS (continued)

Order Date	Company (State)	ROR %	ROE %	Common Eq. as % Cap. Str.	Test Year & Rate Base	Amt. \$ Mil.
7/8/09	Duke Energy Ohio (OH)	8.61	10.63 (E)	51.59 (E)	12/08-DC	55.3 (D,B)
7/14/09	Southwestern Public Service (NM)	---	---	---	---	14.2 (B)
7/17/09	Avista Corp. (ID)	8.55	10.50	50.00	9/08-A	12.5 (B)
7/24/09	Kansas City Power & Light (KS)	---	---	---	12/07-YE	59.0 (B)
7/24/09	Oklahoma Gas & Electric (OK)	---	---	---	9/08-YE	48.3 (B)
8/21/09	Texas-New Mexico Power (TX)	---	---	---	3/08	12.7 (B)
8/31/09	Oncor Electric Delivery (TX)	8.28	10.25	40.00	12/07-YE	115.1 (D)
2009	3RD QUARTER: AVERAGES/TOTAL	8.48	10.46	47.20		317.1
	MEDIAN	8.55	10.50	50.00		---
	OBSERVATIONS	3	3	3		7
10/14/09	Cleco Power (LA)	8.52	10.70	51.00	5/09-A	173.3 (B)
10/23/09	Northern States Power-Minnesota (MN)	8.83	10.88	52.47	12/09-A	91.4 (I)
11/2/09	Consumers Energy (MI)	6.98	10.70	40.51	12/09-A	139.4 (I)
11/03/09	Sierra Pacific Power (CA)	8.51	10.70	43.71	12/09-A	5.5 (B)
11/24/09	Southwestern Electric Power (AR)	6.01	10.25	33.99 *	12/08-YE	17.8 (B)
11/25/09	Otter Tail Power (ND)	8.62	10.75	53.30	12/07-A	3.1 (I,Z,B)
11/30/09	Massachusetts El./Nantucket El. (MA)	7.85	10.35	43.15	12/08-YE	43.9 (D)
12/7/09	Duke Energy Carolinas (NC)	8.38	10.70	52.50	12/08-YE	315.2 (B)
12/10/09	El Paso Electric (NM)	---	---	---	12/08-YE	5.5 (B)
12/16/09	Arizona Public Service (AZ)	8.58	11.00	53.79	12/07-YE	344.7 (B)
12/16/09	Upper Peninsula Power (MI)	7.83	10.90	49.52 *	12/10	6.5 (B)
12/16/09	PacifiCorp (WA)	8.06	---	---	---	13.5 (B)
12/18/09	Wisconsin Electric Power (WI)	8.96	10.40	53.02	12/10-A	85.8
12/18/09	Wisconsin Power and Light (WI)	9.81	10.40	50.38	12/10-A	58.6
12/22/09	Avista Corp. (WA)	8.25	10.20	46.50	9/08-A	12.1 (Bp)
12/22/09	Madison Gas and Electric (WI)	8.67	10.40	55.34	12/10-A	11.9
12/22/09	Northern States Power-Wisconsin (WI)	8.93	10.40	52.30	12/10-A	6.4
12/22/09	Wisconsin Public Service (WI)	---	---	---	12/10	18.2
12/24/09	Public Service of Colorado (CO)	8.72	10.50	58.56	12/08-A	237.9 (B,Z,11)
12/30/09	Delmarva Power & Light (MD)	7.96	10.00	49.87	12/08-A	7.5 (D)
2009	4TH QUARTER: AVERAGES/TOTAL	8.30	10.34	49.41		1,598.2
	MEDIAN	8.52	10.50	51.00		---
	OBSERVATIONS	18	17	17		20
2009	FULL YEAR AVERAGES/TOTAL	8.23	10.48	48.61		4,197.3
	MEDIAN	8.38	10.50	49.87		---
	OBSERVATIONS	38	39	37		58

GAS UTILITY DECISIONS

Order Date	Company (State)	ROR %	ROE %	Common Eq. as % Cap. Str.	Test Year & Rate Base	Amt. \$ Mil.
1/7/09	Vectren Energy Delivery of Ohio (OH)	8.89	---	---	5/08-DC	14.8 (B)
1/13/09	Michigan Gas Utilities (MI)	7.60	10.45	46.49 *	12/09	6.0 (B)
2/2/09	New England Gas (MA)	7.74	10.05	34.19	12/07-YE	3.7
2/5/09	Louisville Gas & Electric (KY)	---	---	---	---	22.0 (B)
2/26/09	Equitable Gas (PA)	---	---	---	12/08	38.4 (B)
3/9/09	Atmos Energy (TN)	8.24	10.30	48.12	6/08-A	2.5 (B)
3/25/09	Northern Illinois Gas (IL)	8.09 (R)	10.17	51.07 (R)	12/09-A	80.2 (R)
2009	1ST QUARTER: AVERAGES/TOTAL	8.11	10.24	44.97		167.6
	MEDIAN	8.09	10.24	47.31		---
	OBSERVATIONS	5	4	4		7
4/2/09	Entergy New Orleans (LA)	---	10.75	---	12/08-YE	5.0 (B,7)
5/15/09	Niagara Mohawk Power (NY)	7.70	10.20 (12)	43.70	3/10-A	39.4 (B)
5/29/09	EnergyNorth Natural Gas (NH)	8.28	9.54	50.00	6/07-A	5.5 (B,1)
6/3/09	Black Hills/Iowa Gas Utility (IA)	8.71	10.10	51.38	12/07-A	10.4 (B,1)
6/9/09	Peoples Gas System (FL)	8.50	10.75	48.51 *	12/09-A	19.2 (I)
6/22/09	Central Hudson Gas & Electric (NY)	7.28	10.00	47.00	6/10-A	13.8
6/29/09	Minnesota Energy Resources (MN)	7.98	10.21	48.77	12/08-A	15.4 (I)
6/30/09	Connecticut Natural Gas (CT)	7.92	9.31 (13)	52.52	6/08-(14)	-16.2
2009	2ND QUARTER: AVERAGES/TOTAL	8.05	10.11	48.84		92.5
	MEDIAN	7.98	10.15	48.77		---
	OBSERVATIONS	7	8	7		8
7/17/09	Southern Connecticut Gas (CT)	8.05	9.26 (13)	52.00	6/08-(14)	-12.5
7/17/09	Avista Corp. (ID)	8.55	10.50	50.00	9/08-A	1.9 (B)
8/27/09	UGI Penn Natural Gas (PA)	---	---	---	9/09	19.8 (B)
8/27/09	UGI Central Penn Gas (PA)	---	---	---	9/09	10.0 (B)
2009	3RD QUARTER: AVERAGES/TOTAL	8.30	9.88	51.00		19.2
	MEDIAN	8.30	9.88	51.00		---
	OBSERVATIONS	2	2	2		4

GAS UTILITY DECISIONS (continued)

10/13/09	South Carolina Electric & Gas (SC)	---	---	---	3/09	13.0 (M)
10/16/09	Orange and Rockland Utilities (NY)	8.49	10.40	48.00	10/10-A	27.0 (B,Z)
10/26/09	Columbia Gas of Kentucky (KY)	---	---	---	---	6.1 (B)
10/26/09	Avista Corporation (OR)	8.19	10.10	50.00	12/10-A	8.8 (B)
10/28/09	Southwest Gas, Southern Div. (NV)	7.40	10.15 (15)	47.09	11/08-YE	17.6
10/28/09	Southwest Gas, Northern Div. (NV)	8.30	10.15 (15)	47.09	11/08-YE	-0.5
10/30/09	Bay State Gas (MA)	8.18	9.95	53.57	12/08-YE	19.1
11/20/09	Hope Gas (WV)	6.86	9.45	42.34	3/08-A	8.8
12/14/09	ONEOK (OK)	8.53 (B)	10.50	55.30	12/08-YE	54.5 (B)
12/16/09	Michigan Gas Utilities (MI)	7.16	10.75	47.27 *	12/10	3.5 (Bp)
12/17/09	Pivotal Utility Holdings (NJ)	7.64	10.30	47.89	9/09-YE	2.9 (B)
12/18/09	Wisconsin Electric Power (WI)	8.85	10.40	53.02	12/10-A	-2.0
12/18/09	Wisconsin Gas (WI)	9.09	10.50	46.62	12/10-A	5.7
12/18/09	Wisconsin Power and Light (WI)	8.84	10.40	50.38	12/10-A	5.6
12/22/09	Avista Corp. (WA)	8.25	10.20	46.50	9/08-A	0.6 (Bp)
12/22/09	Madison Gas and Electric (WI)	8.86	10.40	55.34	12/10-A	-1.5
12/22/09	Wisconsin Public Service (WI)	---	---	---	12/10	13.5
12/29/09	Duke Energy Kentucky (KY)	---	10.38	49.90	---	13.0 (B)
2009	4TH QUARTER: AVERAGES/TOTAL	8.19	10.27	49.35		195.7
	MEDIAN	8.28	10.38	48.00		---
	OBSERVATIONS	14	15	15		18
2009	FULL YEAR AVERAGES/TOTAL	8.15	10.19	48.72		475.0
	MEDIAN	8.22	10.21	48.64		---
	OBSERVATIONS	28	29	28		37

FOOTNOTES

- A- Average
- B- Order followed stipulation or settlement by the parties. Decision particulars not necessarily precedent-setting or specifically adopted by the regulatory body.
- Bp- Order followed partial stipulation or settlement by the parties. Decision particulars not necessarily precedent-setting or specifically adopted by the regulatory body.
- D- Applies to electric delivery only
- DC- Date certain
- E- Estimated
- I- Interim rates implemented prior to the issuance of final order, normally under bond and subject to refund.
- M- "Make-whole" increase based on return on equity or overall return of previous case
- R- Revised
- YE- Year-end
- Z- Rate change implemented in multiple steps.
- * Capital structure includes cost-free items or tax credit balances at the overall rate of return.

- (1) Recovery of an additional \$22.1 million authorized through adjustment mechanisms.
- (2) Second-year distribution rate increase of about \$19 million authorized based on a 7.76% ROR.
- (3) Adopted ROE applies only to the company's proposed 649-MW, coal-fired Sutherland Unit 4 plant. The company subsequently cancelled plans to construct the plant.
- (4) Commission decision modified a settlement. Recovery of an additional \$22.5 million authorized through tracking mechanisms.
- (5) Indicated rate increase includes a \$46.7 million base rate increase offset by a net \$16.2 million decrease in revenues collected under certain riders.
- (6) Indicated rate increase is retroactive to January 1, 2009 and reflects the one-time refund of a \$72.5 million overcollection of postretirement benefits other than pension costs. Additional rate increases of \$205.3 million and \$219 million authorized for 2010 and 2011, respectively. Rate of return was not an issue in this case.
- (7) Rate changes effective June 1, 2009.
- (8) Authorized return parameters apply only to the 120-150 MW, gas-fired Mill Creek generating plant.
- (9) Rate increase associated with implementation of advanced metering infrastructure. Return parameters are those adopted in the company's previous rate case.
- (10) Reflects Incentive ROE (and ROR) for demand side management programs and the Chuck Lenzie generating plant. Without the incentives, a 10.5% ROE was authorized.
- (11) The authorized increase reflects the transfer to base rates of \$109.6 million of revenues previously recovered through other mechanisms. Therefore, the net ratepayer impact of the increase is \$128.3 million.
- (12) Indicated ROE includes a 20 basis-point premium associated with the multi-year term of the settlement.
- (13) Adopted ROE reflects a 10-basis point penalty for billing errors.
- (14) Rate base valued as of 12/31/09.
- (15) Authorized equity return reflects a 25-basis point reduction to account for the reduced risk associated with the adoption of a decoupling mechanism.

Dennis Spurduto

EXHIBIT ____ (LK-6)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-K

(Mark One)

- ☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2009
- ☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

<u>Commission File Number</u>	<u>Registrants; States of Incorporation; Address and Telephone Number</u>	<u>I.R.S. Employer Identification Nos.</u>
1-3523	AMERICAN ELECTRIC POWER COMPANY, INC. (A New York Corporation)	13-4922640
1-3457	APPALACHIAN POWER COMPANY (A Virginia Corporation)	54-0124790
1-2680	COLUMBUS SOUTHERN POWER COMPANY (An Ohio Corporation)	31-4154203
1-3570	INDIANA MICHIGAN POWER COMPANY (An Indiana Corporation)	35-0410455
1-6543	OHIO POWER COMPANY (An Ohio Corporation)	31-4271000
0-343	PUBLIC SERVICE COMPANY OF OKLAHOMA (An Oklahoma Corporation)	73-0410895
1-3146	SOUTHWESTERN ELECTRIC POWER COMPANY (A Delaware Corporation) 1 Riverside Plaza, Columbus, Ohio 43215 Telephone (614) 716-1000	72-0323455

Indicate by check mark if the registrants American Electric Power Company, Inc., Appalachian Power Company and Ohio Power Company, is each a well-known seasoned issuer, as defined in Rule 405 on the Securities Act. Yes ☒ No. ☐

Indicate by check mark if the registrants Columbus Southern Power Company, Indiana Michigan Power Company, Public Service Company of Oklahoma and Southwestern Electric Power Company, are well-known seasoned issuers, as defined in Rule 405 on the Securities Act. Yes ☐ No. ☒

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No. ☒

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes ☒ No. ☐

Indicate by check mark whether American Electric Power Company, Inc. has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No. ☐

Indicate by check mark whether Appalachian Power Company, Columbus Southern Power Company, Indiana Michigan Power Company, Ohio Power Company, Public Service Company of Oklahoma and Southwestern Electric Power Company have submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files). Yes ☐ No. ☐

Jurisdiction	Percentage of AEP System Retail Revenues (1)	Percentage of OSS Profits Shared with Ratepayers	AEP Utility Subsidiaries Operating in that Jurisdiction	Authorized Return on Equity (2)
Ohio	33%	No sharing included in ESPs	OPCo CSPCo	(3) (3)
Texas	12%	Not Applicable in ERCOT 90% in SPP	TCC (4) TNC (4) SWEPCo	9.96% 9.96% 15.70%
Virginia	12%	75%	APCo	10.20%
West Virginia	10%	100%	APCo WPCo	10.50% 10.50%
Oklahoma	10%	75%	PSO	10.50%
Indiana	10%	50% after certain level (5)	I&M	10.50%
Kentucky	5%	60% to 70% after certain levels (6)	KPCo	10.50%
Louisiana	3%	50% to 100% after certain levels (7)	SWEPCo	10.57%
Arkansas	2%	50% to 100% after certain levels (8)	SWEPCo	10.25%
Michigan	2%	100% in one area, 0% in the other area	I&M	13.00%
Tennessee	1%	Not Applicable	Kingsport	12.00%

- (1) Represents the percentage of revenues from sales to retail customers from AEP utility companies operating in each state to the total AEP System revenues from sales to retail customers for the year ended December 31, 2009.
- (2) Identifies the predominant authorized return on equity and may not include other, less significant, permitted recovery. Actual return on equity varies from authorized return on equity.
- (3) CSPCo's and OPCo's generation revenues are governed by its Electric Security Plans (ESP) filed and approved by the PUCO. Starting in April 2009, the ESP became effective which authorized rate increases during the ESP period, subject to caps that limit the rate increases for CSPCo to 7% in 2009, 6% in 2010 and 6% in 2011 and for OPCo to 8% in 2009, 7% in 2010 and 8% in 2011. Some rate components and increases are exempt from the cap limitations. The ESP also provided for a fuel adjustment clause for the three-year period of the ESP. CSPCo and OPCo provide distribution services at cost based rates approved by the PUCO. Transmission services are provided at OATT rates based on rates established by the FERC.
- (4) Operating in the ERCOT region of Texas and consists of distribution and transmission functions. Generation operations were divested in compliance with the Texas electric restructuring.
- (5) There is an annual \$37.5 million credit established for off-system sales in base rates. If the off-system sales profits exceed the amount built into base rates, I&M reimburses ratepayers 50% of the excess.

AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

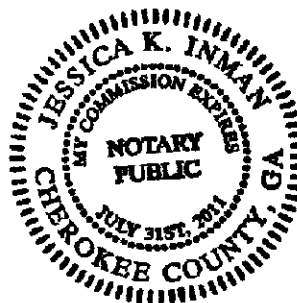
LANE KOLLEN, being duly sworn, deposes and states: that the attached are his sworn Testimony and Exhibits and that the statements contained are true and correct to the best of his knowledge, information and belief.

Lane Kollen
Lane Kollen

Sworn to and subscribed before me on this
11th day of October 2010.

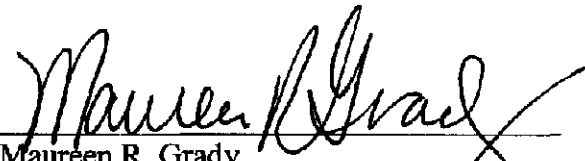
Notary Public

Jessica K. Inman



CERTIFICATE OF SERVICE

I hereby certify that a copy of the Direct Testimony and Exhibits of Lane Kollen was served on the persons listed below via electronic mail this 12th day of September, 2010.


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