

FILE

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**PUCO EXHIBIT FILING**

Date of Hearing: 6/12/2014

Case Nos. 13-2385-EL-SSO and 13-2386-EL-AAM

PUCO Case Captions: Volume VIII

In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to §4928.143, Revised Code, in the Form of an Electric Security Plan.

In the Matter of the Application of Ohio Power Company for Approval of Certain Accounting Authority.

List of exhibits being filed:

OCC Exhibit 12A

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PUCO

Reporter's Signature: Maria DiPaolo Jones  
Date Submitted: \_\_\_\_\_

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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :  
Application of Ohio Power :  
Company for Authority to :  
Establish a Standard Service :Case No. 13-2385-EL-SSO  
Offer Pursuant to \$4928.143, :  
Revised Code, in the Form of :  
an Electric Security Plan. :

In the Matter of the :  
Application of Ohio Power :Case No. 13-2386-EL-AAM  
Company for Approval of :  
Certain Accounting Authority.:

- - -

PROCEEDINGS

before Ms. Greta M. See and Ms. Sarah J. Parrot,  
Hearing Examiners, at the Public Utilities Commission  
of Ohio, 180 East Broad Street, Room 11-A, Columbus,  
Ohio, called at 11:00 a.m. on Thursday, June 12,  
2014.

- - -

VOLUME VIII

- - -

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- - -



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

OCC  
Ex. 12A

ZENGAR-BRYONE, M. J.

June 9, 2014

Ms. Barcy F. McNeal, Secretary  
Public Utilities Commission of Ohio  
180 East Broad Street, 11th Floor  
Columbus, Ohio 43215

Re: *In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to §4928.143, Revised Code, in the Form of an Electric Security Plan, Case Nos. 13-2385-EL-SSO, et al.*

Dear Ms. McNeal:

Enclosed please find an Errata Sheet and Revised Attachments for the pre-filed Direct Testimony of J. Randall Woolridge, Ph.D., filed by the OCC in the above-referenced proceeding on May 6, 2014.

Revised Attachments JRW-1, JRW-4, JRW-10 and JRW-11 should replace the previous JRW-1, JRW-4, JRW-10 and JRW-11 Attachments that are contained in the pre-filed Direct Testimony of J. Randall Woolridge, Ph.D.

Thank you for your attention to this matter. If you have any questions or need additional information, please contact me at 614-466-9567.

Sincerely,

/s/ Maureen R. Grady

Maureen R. Grady  
Assistant Consumers' Counsel

Enclosures  
Copy to: Parties of Record

**Case No. 13-2385-EL-SSO  
Ohio Power Company**

**Errata to Testimony and Attachments of OCC Witness J. Randall Woolridge**

The following edits are related to the erroneous inclusion of Consolidated Edison and the exclusion of DTE Energy in the Avera Proxy Group in three different Attachments to the testimony of Dr. Woolridge. The corrected results indicate slightly higher DCF and CAPM equity cost rates for the group. As a result, Dr. Woolridge has increased his recommended return on equity from 8.875% to 9.0% and his overall rate of return from 7.39% to 7.45%. The edits to the testimony associated with this error and change are listed below. The edits for the Attachments are attached with the edits highlighted in yellow for the following attachments: JRW-1, JRW-4, page 2, JRW-10, pages 1,3,5,6, JRW-11, pages 1 and 3.

<u>Page / Line</u>	<u>Edit</u>
2/8	"7.39" should be "7.45"
2/18	"8.88" should be "9.00"
40/17	"4.6%/4.9%" should be "5.0%/5.2%"
41/23	"4.6% and 4.9%" should be "5.0% and 5.2%"
42/1	"4.75%" should be "5.1%"
42/1	"4.9%" should be "5.2%"
42/3	"4.75%" should be "5.0%"
42/11	1+1/2 Growth Adj. for Avera Proxy Group - "1.02375" should be "1.02500"
42/11	DCF Growth Rate for Avera Proxy Group - "4.75%" should be "5.0%"
42/11	Equity Cost Rate for Avera Proxy Group - "8.9%" should be "9.2%"
42/17	"1.02375" should be "1.02500" and "4.75%" should be "5.0%"
42/19	"8.9%" should be "9.2%"
46/18	"0.73" should be "0.75"
53/4	Beta for Avera Proxy Group - "0.73" should be "0.75"
53/4	Equity Cost Rate for Avera Proxy Group - "7.6%" should be "7.8%"
53/4	"0.73" should be "0.75" and "7.6%" should be "7.8%"
53/17	DCF for Avera Proxy Group - "8.9%" should be "9.2%"
53/17	CAPM for Avera Proxy Group - "7.6%" should be "7.8%"
54/4	"9.0%" should be 9.2%"
54/7	"9.0%" should be 9.2%"
54/11	"8.875%" should be "9.00%"
54/12	"9.0%" should be 9.2%"
55/7	"9.0%" should be 9.2%"
57/2	"8.875%" should be "9.00%"
57/4	"8.875%" should be "9.00%"
59/9	"8.875%" should be "9.00%"

**Other Testimony Errata**

<u>Page / Line</u>	<u>Edit</u>
2/16	"47.8%" should be "47.5%"
3/9	"mean low" should be deleted
3/11	add "s" to "demonstrate"
5/9	"Treasury Yields" should be "utility yields."
7/1	Delete second "of his"
41/10	"4.9%/5.0%" should be "5.1%/5.1%"
61/9	"10.25%" should be "10.65%"
63/12	"8.0%" should be "8.3%"

Attachment JRW-1  
AEP Ohio  
Recommended Cost of Capital

Capital Source	Capitalization Ratio	Cost Rate	Weighted Cost Rate
Long-Term Debt	52.50%	6.05%	3.18%
Common Equity	47.50%	9.00%	4.28%
Total	100.00%		7.45%

## Attachment JRW-4

## AEP Ohio

## Value Line Risk Metrics

## Panel A

## Electric Proxy Group

Company	Beta	Financial Strength	Safety	Earnings Predictability	Stock Price Stability
ALLETE, Inc. (NYSE-ALE)	0.70	A	2	80	100
Alliant Energy Corporation (NYSE-LNT)	0.75	A	2	75	95
Ameren Corporation (NYSE-AEE)	0.80	B++	3	85	95
American Electric Power Co. (NYSE-AEP)	0.70	B++	3	90	100
Avista Corporation (NYSE-AVA)	0.70	A	2	65	95
Black Hills Corporation (NYSE-BKH)	0.85	B+	3	35	90
Cleco Corporation (NYSE-CNL)	0.65	A	1	80	100
CMS Energy Corporation (NYSE-CMS)	0.75	B+	3	60	95
Consolidated Edison, Inc. (NYSE-ED)	0.60	A+	1	85	100
Dominion Resources, Inc. (NYSE-D)	0.70	B++	2	75	100
DTE Energy Company (NYSE-DTE)	0.75	B++	2	90	100
Duke Energy Corporation (NYSE-DUK)	0.60	A	2	75	100
Edison International (NYSE-EIX)	0.75	B++	2	80	95
El Paso Electric Company (NYSE-EE)	0.70	B++	2	85	95
Empire District Electric Co. (NYSE-EDE)	0.70	B++	2	85	100
Great Plains Energy Incorporated (NYSE-GXP)	0.80	B+	3	70	90
Hawaiian Electric Industries, Inc. (NYSE-HE)	0.70	B++	2	65	90
IDACORP, Inc. (NYSE-IDA)	0.70	B++	2	85	100
MGE Energy, Inc. (NYSE-MGEE)	0.60	A	1	95	100
Nextera Energy (NYSE-NEE)	0.70	A	2	80	100
Northeast Utilities (NYSE-NU)	0.75	B++	2	65	100
NorthWestern Corporation (NYSE-NWE)	0.70	B+	3	90	100
Otter Tail Corporation (NDQ-OTTR)	0.90	B+	3	50	80
Pepco Holdings, Inc. (NYSE-POM)	0.75	B	3	70	95
PG&E Corporation (NYSE-PCG)	0.55	B+	3	85	100
Pinnacle West Capital Corp. (NYSE-PNW)	0.70	A	1	65	100
PNM Resources, Inc. (NYSE-PNM)	0.90	B	3	15	80
Portland General Electric Company (NYSE-POR)	0.75	B++	2	50	100
PPL Corporation (NYSE-PPL)	0.65	B++	3	60	95
SCANA Corporation (NYSE-SCG)	0.65	B++	2	100	100
Southern Company (NYSE-SO)	0.55	A	1	100	100
Westar Energy, Inc. (NYSE-WR)	0.75	B++	2	75	100
Wisconsin Energy Corporation (NYSE-WEC)	0.65	A	1	95	100
Xcel Energy Inc. (NYSE-XEL)	0.65	B++	2	100	100
Mean	0.71	B++	2	75	97
Median	0.70	B++	2	80	100

Data Source: Value Line Investment Survey, 2014.

American Electric Power Co. (NYSE-AEP)	0.70	B++	3	90	100
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## Panel B

## Avera Proxy Group

Company	Beta	Financial Strength	Safety	Earnings Predictability	Stock Price Stability
ALLETE, Inc. (NYSE-ALE)	0.70	A	2	80	100
Ameren Corporation (NYSE-AEE)	0.80	B++	3	85	95
American Electric Power Co. (NYSE-AEP)	0.70	B++	3	90	100
Black Hills Corporation (NYSE-BKH)	0.85	B+	3	35	90
CMS Energy Corporation (NYSE-CMS)	0.75	B+	3	60	95
DTE Energy Company (NYSE-DTE)	0.75	B++	2	90	100
Duke Energy Corporation (NYSE-DUK)	0.60	A	2	75	100
Edison International (NYSE-EIX)	0.75	B++	2	80	95
Great Plains Energy Incorporated (NYSE-GXP)	0.80	B+	3	70	90
Hawaiian Electric Industries, Inc. (NYSE-HE)	0.70	B++	2	65	90
IDACORP, Inc. (NYSE-IDA)	0.70	B++	2	85	100
Pepco Holdings, Inc. (NYSE-POM)	0.75	B	3	70	95
PG&E Corporation (NYSE-PCG)	0.55	B+	3	85	100
Portland General Electric Company (NYSE-POR)	0.75	B++	2	50	100
PPL Corporation (NYSE-PPL)	0.65	B++	3	60	95
SCANA Corporation (NYSE-SCG)	0.65	B++	2	100	100
SEMPRA Energy (NYSE-SRE)	0.80	A	2	95	95
Westar Energy, Inc. (NYSE-WR)	0.75	B++	2	75	100
Mean	0.72	B++	2	75	97
Median	0.75	B++	2	78	98

Data Source: Value Line Investment Survey, 2014.

**Attachment JRW-10**

**AEP Ohio  
Discounted Cash Flow Analysis**

**Panel A  
Electric Proxy Group**

<b>Dividend Yield*</b>	<b>3.90%</b>
<b>Adjustment Factor</b>	<b><u>1.025</u></b>
<b>Adjusted Dividend Yield</b>	<b>4.0%</b>
<b>Growth Rate**</b>	<b><u>5.00%</u></b>
<b>Equity Cost Rate</b>	<b>9.0%</b>

\* Page 2 of Attachment JRW-10

\*\* Based on data provided on pages 3, 4, 5, and 6 of Attachment JRW-10

**Panel B  
Avera Proxy Group**

<b>Dividend Yield*</b>	<b>4.10%</b>
<b>Adjustment Factor</b>	<b><u>1.025</u></b>
<b>Adjusted Dividend Yield</b>	<b>4.2%</b>
<b>Growth Rate**</b>	<b><u>5.00%</u></b>
<b>Equity Cost Rate</b>	<b>9.2%</b>

\* Page 2 of Attachment JRW-10

\*\* Based on data provided on pages 3, 4, 5, and 6 of Attachment JRW-10

Attachment JRW-10

AEP Ohio  
DCF Equity Cost Growth Rate Measures  
Value Line Historic Growth Rates  
Panel A  
Electric Proxy Group

Company	Value Line Historic Growth					
	Past 10 Years			Past 5 Years		
	Earnings	Dividends	Book Value	Earnings	Dividends	Book Value
ALLETE, Inc. (NYSE-ALE)				-2.0%	3.0%	5.0%
Alliant Energy Corporation (NYSE-LNT)	3.5%	-1.5%	2.0%	4.0%	8.0%	3.5%
Ameren Corporation (NYSE-AEE)	-2.0%	-4.5%	2.5%	-2.5%	-9.0%	-0.5%
American Electric Power Co. (NYSE-AEP)	2.0%	-3.0%	2.5%	1.0%	4.0%	4.5%
Avista Corporation (NYSE-AVA)	2.5%	8.5%	3.0%	8.5%	14.0%	4.0%
Black Hills Corporation (NYSE-BKH)	-5.5%	2.5%	5.0%	-8.0%	2.0%	3.0%
Cleco Corporation (NYSE-CNL)	5.5%	2.5%	8.0%	13.0%	4.5%	9.0%
CMS Energy Corporation (NYSE-CMS)	0.0%	1.0%	1.5%	13.5%		4.0%
Consolidated Edison, Inc. (NYSE-ED)	2.0%	1.0%	4.0%	3.0%	1.0%	4.5%
Dominion Resources, Inc. (NYSE-D)	5.0%	4.5%	2.5%	7.0%	7.0%	3.5%
DTE Energy Company (NYSE-DTE)	2.0%	1.0%	4.0%	6.0%	2.0%	4.0%
Duke Energy Corporation (NYSE-DUK)				4.5%	18.0%	-1.0%
Edison International (NYSE-EIX)			11.5%	2.5%	3.0%	5.5%
El Paso Electric Company (NYSE-EE)	9.0%		8.5%	13.0%		8.5%
Empire District Electric Co. (NYSE-EDE)	3.0%	-3.5%	1.5%	2.5%	-7.0%	1.5%
Great Plains Energy Incorporated (NYSE-GXP)	-3.5%	-6.5%	5.0%	-2.0%	-12.5%	3.5%
Hawaiian Electric Industries, Inc. (NYSE-HE)	-0.5%		2.0%	2.0%		2.0%
IDACORP, Inc. (NYSE-IDA)	1.5%	-4.0%	4.0%	10.0%	1.0%	5.5%
MGE Energy (NDQ-MGEE)	5.5%	1.5%	6.5%	5.5%	2.0%	5.5%
Nextera Energy (NYSE-NEE)	8.5%	7.0%	8.0%	10.0%	7.5%	8.5%
Northeast Utilities (NYSE-NU)	10.5%	9.5%	4.0%	13.0%	9.5%	6.0%
NorthWestern Corporation (NYSE-NWE)				9.0%	4.0%	2.5%
Otter Tail Corporation (NDQ-OITR)	-9.5%	1.5%	3.5%	-18.5%	0.5%	-1.0%
Pepco Holdings, Inc. (NYSE-POM)	-4.0%		0.5%	-3.5%	1.0%	
PG&E Corporation (NYSE-PCG)			11.5%	-0.5%	6.5%	6.0%
Pinnacle West Capital Corp. (NYSE-PNW)		4.0%	2.0%	2.5%	2.5%	
PNM Resources, Inc. (NYSE-PNM)	-4.5%	-0.5%	1.5%	-4.0%	-9.0%	-2.0%
Portland General Electric (NYSE-POR)				4.0%	14.5%	2.0%
PPL Corporation (NYSE-PPL)	4.0%	9.0%	10.5%	2.0%	5.5%	6.0%
SCANA Corporation (NYSE-SCG)	3.0%	5.0%	4.0%	2.5%	3.0%	4.5%
Southern Company (NYSE-SO)	3.5%	3.5%	4.5%	3.0%	4.0%	5.5%
Westar Energy, Inc. (NYSE-WR)	16.0%			1.5%	5.0%	4.5%
Wisconsin Energy Corporation (NYSE-WEC)	9.5%	7.5%	7.0%	10.0%	17.0%	7.0%
Xcel Energy Inc. (NYSE-XEL)	2.0%	-3.0%	1.5%	5.5%	3.0%	4.5%
Mean	2.6%	1.8%	4.6%	3.5%	3.7%	4.0%
Median	2.5%	1.5%	4.0%	3.0%	3.0%	4.5%
Data Source: Value Line Investment Survey.			Average of Median Figures =			3.1%

American Electric Power Co. (NYSE-AEP)	2.0%	-3.0%	2.5%	1.0%	4.0%	4.5%
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Panel B  
Avera Proxy Group

Company	Value Line Historic Growth					
	Past 10 Years			Past 5 Years		
	Earnings	Dividends	Book Value	Earnings	Dividends	Book Value
ALLETE, Inc. (NYSE-ALE)				-2.0%	3.0%	5.0%
Ameren Corporation (NYSE-AEE)	-2.0%	-4.5%	2.5%	-2.5%	-9.0%	-0.5%
American Electric Power Co. (NYSE-AEP)	2.0%	-3.0%	2.5%	1.0%	4.0%	4.5%
Black Hills Corporation (NYSE-BKH)	-5.5%	2.5%	5.0%	-8.0%	2.0%	3.0%
CMS Energy Corporation (NYSE-CMS)	0.0%	1.0%	1.5%	13.5%		4.0%
DTE Energy Company (NYSE-DTE)	2.0%	1.0%	4.0%	6.0%	2.0%	4.0%
Duke Energy Corporation (NYSE-DUK)				4.5%	18.0%	-1.0%
Edison International (NYSE-EIX)			11.5%	2.5%	3.0%	5.5%
Great Plains Energy Incorporated (NYSE-GXP)	-3.5%	-6.5%	5.0%	-2.0%	-12.5%	3.5%
Hawaiian Electric Industries, Inc. (NYSE-HE)	-0.5%		2.0%	2.0%		2.0%
IDACORP, Inc. (NYSE-IDA)	1.5%	-4.0%	4.0%	10.0%	1.0%	5.5%
Pepco Holdings, Inc. (NYSE-POM)	-4.0%		0.5%	-3.5%	1.0%	
PG&E Corporation (NYSE-PCG)			11.5%	-0.5%	6.5%	6.0%
Portland General Electric (NYSE-POR)				4.0%	14.5%	2.0%
PPL Corporation (NYSE-PPL)	4.0%	9.0%	10.5%	2.0%	5.5%	6.0%
SCANA Corporation (NYSE-SCG)	3.0%	5.0%	4.0%	2.5%	3.0%	4.5%
SEMpra Energy (NYSE-SRE)	5.5%	7.0%	12.0%	1.5%	10.5%	7.5%
Westar Energy, Inc. (NYSE-WR)	16.0%			1.5%	5.0%	4.5%
Mean	1.4%	0.8%	5.5%	1.8%	3.6%	3.9%
Median	1.5%	1.0%	4.0%	1.8%	3.0%	4.5%
Data Source: Value Line Investment Survey.			Average of Median Figures =			2.6%



Attachment JRW-10

AEP Ohio  
DCF Equity Cost Growth Rate Measures  
Analysts Projected EPS Growth Rate Estimates

Panel A  
Electric Proxy Group

Company	Yahoo	Zacks	Reuters	Mean
ALLETE, Inc. (NYSE-ALE)	6.0%	6.0%	na	6.0%
Alliant Energy Corporation (NYSE-LNT)	5.4%	5.5%	5.6%	5.5%
Ameren Corporation (NYSE-AEE)	5.0%	7.5%	5.0%	5.8%
American Electric Power Co. (NYSE-AEP)	4.2%	4.3%	4.2%	4.3%
Avista Corporation (NYSE-AVA)	5.0%	5.0%	na	5.0%
Black Hills Corporation (NYSE-BKH)	7.0%	4.0%	7.0%	6.0%
Cleco Corporation (NYSE-CNL)	8.0%	8.0%	8.0%	8.0%
CMS Energy Corporation (NYSE-CMS)	6.2%	6.0%	6.2%	6.2%
Consolidated Edison, Inc. (NYSE-ED)	2.3%	2.9%	2.3%	2.5%
Dominion Resources, Inc. (NYSE-D)	6.4%	5.6%	6.2%	6.1%
DTE Energy Company (NYSE-DTE)	5.2%	6.2%	5.2%	5.5%
Duke Energy Corporation (NYSE-DUK)	3.9%	3.9%	4.4%	4.0%
Edison International (NYSE-EIX)	1.9%	1.4%	2.5%	2.0%
El Paso Electric Company (NYSE-EE)	3.7%	3.5%	na	3.6%
Empire District Electric Co. (NYSE-EDE)	3.0%	3.0%	3.0%	3.0%
Great Plains Energy Incorporated (NYSE-GXP)	5.2%	5.2%	5.2%	5.2%
Hawaiian Electric Industries, Inc. (NYSE-HE)	4.2%	6.0%	4.5%	4.9%
IDACORP, Inc. (NYSE-IDA)	4.0%	4.0%	4.0%	4.0%
MGE Energy (NDQ-MGEE)	4.0%	na	na	4.0%
Nextera Energy (NYSE-NEE)	6.5%	6.2%	6.2%	6.3%
Northeast Utilities (NYSE-NU)	6.3%	7.9%	6.0%	6.7%
NorthWestern Corporation (NYSE-NWE)	8.0%	6.0%	8.0%	7.3%
Otter Tail Corporation (NDQ-OTTR)	6.0%	na	na	6.0%
Pepco Holdings, Inc. (NYSE-POM)	7.5%	6.3%	7.5%	7.1%
PG&E Corporation (NYSE-PCG)	6.4%	2.7%	6.4%	5.2%
Pinnacle West Capital Corp. (NYSE-PNW)	4.1%	4.6%	4.1%	4.3%
PNM Resources, Inc. (NYSE-PNM)	8.2%	7.6%	8.2%	8.0%
Portland General Electric Company (NYSE-POR)	10.9%	6.6%	9.7%	9.1%
PPL Corporation (NYSE-PPL)	0.7%	1.0%	0.7%	0.8%
SCANA Corporation (NYSE-SCG)	4.6%	4.5%	4.6%	4.6%
Southern Company (NYSE-SO)	3.6%	4.1%	3.9%	3.8%
Westar Energy, Inc. (NYSE-WR)	2.8%	4.3%	2.8%	3.3%
Wisconsin Energy Corporation (NYSE-WEC)	4.9%	5.2%	4.9%	5.0%
Xcel Energy Inc. (NYSE-XEL)	4.6%	4.2%	5.3%	4.7%
Mean	5.2%	5.0%	5.2%	5.1%
Median	5.0%	5.1%	5.2%	5.1%

Data Sources: www.reuters.com, www.zacks.com, http://quote.yahoo.com, April 5, 2014.

American Electric Power Co. (NYSE-AEP)	4.2%	4.1%	4.2%	4.2%
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Panel B  
Avera Proxy Group

Company	Yahoo	Zacks	Reuters	Mean
ALLETE, Inc. (NYSE-ALE)	6.0%	6.0%	na	6.0%
Ameren Corporation (NYSE-AEE)	5.0%	7.5%	5.0%	5.8%
American Electric Power Co. (NYSE-AEP)	4.2%	4.3%	4.2%	4.3%
Black Hills Corporation (NYSE-BKH)	7.0%	4.0%	7.0%	6.0%
CMS Energy Corporation (NYSE-CMS)	6.2%	6.0%	6.2%	6.2%
DTE Energy Company (NYSE-DTE)	5.2%	6.2%	5.2%	5.5%
Duke Energy Corporation (NYSE-DUK)	3.9%	3.9%	4.4%	4.0%
Edison International (NYSE-EIX)	1.9%	1.4%	2.5%	2.0%
Great Plains Energy Incorporated (NYSE-GXP)	5.2%	5.2%	5.2%	5.2%
Hawaiian Electric Industries, Inc. (NYSE-HE)	4.2%	6.0%	4.5%	4.9%
IDACORP, Inc. (NYSE-IDA)	4.0%	4.0%	4.0%	4.0%
Pepco Holdings, Inc. (NYSE-POM)	7.5%	6.3%	7.5%	7.1%
PG&E Corporation (NYSE-PCG)	6.4%	2.7%	6.4%	5.2%
Portland General Electric Company (NYSE-POR)	10.9%	6.6%	9.7%	9.1%
PPL Corporation (NYSE-PPL)	0.7%	1.0%	0.7%	0.8%
SCANA Corporation (NYSE-SCG)	4.6%	4.5%	4.6%	4.6%
SEMPRA Energy (NYSE-SRE)	6.3%	7.5%	6.3%	6.7%
Westar Energy, Inc. (NYSE-WR)	2.8%	4.3%	2.8%	3.3%
Mean	5.1%	4.8%	5.1%	5.0%
Median	5.1%	4.8%	5.0%	5.2%

Data Sources: www.reuters.com, www.zacks.com, http://quote.yahoo.com, April 5, 2014.

Attachment JRW-10

AEP Ohio  
DCF Growth Rate Indicators

Electric and Avera Proxy Groups  
Summary Growth Rates

Growth Rate Indicator	Electric Proxy Group	Avera Proxy Group
Historic <i>Value Line</i> Growth in EPS, DPS, and BVPS	3.1%	2.6%
Projected <i>Value Line</i> Growth in EPS, DPS, and BVPS	4.2%	4.0%
Sustainable Growth ROE * Retention Rate	3.8%	3.7%
Projected EPS Growth from Yahoo, Zacks, and Reuters - Mean/Median	5.1%/5.1%	5.0%/5.2%

**Attachment JRW-11**

**AEP Ohio  
Capital Asset Pricing Model**

**Panel A  
Electric Proxy Group**

<b>Risk-Free Interest Rate</b>	<b>4.00%</b>
<b>Beta*</b>	<b>0.70</b>
<b><u>Ex Ante Equity Risk Premium**</u></b>	<b><u>5.00%</u></b>
<b>CAPM Cost of Equity</b>	<b>7.5%</b>

\* See page 3 of Attachment JRW-11

\*\* See pages 5 and 6 of Attachment JRW-11

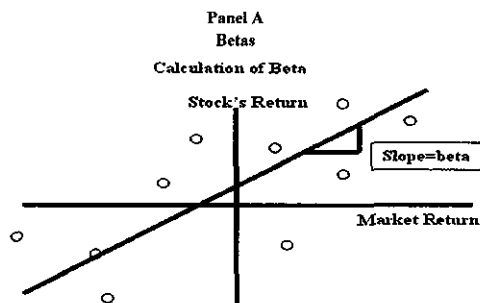
**Panel B  
Avera Proxy Group**

<b>Risk-Free Interest Rate</b>	<b>4.00%</b>
<b>Beta*</b>	<b>0.75</b>
<b><u>Ex Ante Equity Risk Premium**</u></b>	<b><u>5.00%</u></b>
<b>CAPM Cost of Equity</b>	<b>7.8%</b>

\* See page 3 of Attachment JRW-11

\*\* See pages 5 and 6 of Attachment JRW-11

Attachment JRW-11



Panel A  
 Electric Proxy Group

Company Name	Beta
ALLETE, Inc. (NYSE-ALE)	0.70
Alliant Energy Corporation (NYSE-LNT)	0.75
Ameren Corporation (NYSE-AEE)	0.80
American Electric Power Co. (NYSE-AEP)	0.70
Avista Corporation (NYSE-AVA)	0.70
Black Hills Corporation (NYSE-BKH)	0.85
Cleco Corporation (NYSE-CNL)	0.65
CMS Energy Corporation (NYSE-CMS)	0.75
Consolidated Edison, Inc. (NYSE-ED)	0.60
Dominion Resources, Inc. (NYSE-D)	0.70
DTE Energy Company (NYSE-DTE)	0.75
Duke Energy Corporation (NYSE-DUK)	0.60
Edison International (NYSE-EIX)	0.75
El Paso Electric Company (NYSE-EE)	0.70
Empire District Electric Co. (NYSE-EDE)	0.70
Great Plains Energy Incorporated (NYSE-GXP)	0.80
Hawaiian Electric Industries, Inc. (NYSE-HE)	0.70
IDACORP, Inc. (NYSE-IDA)	0.70
MGE Energy, Inc. (NYSE-MGEE)	0.60
Nextera Energy (NYSE-NEE)	0.70
Northeast Utilities (NYSE-NU)	0.75
NorthWestern Corporation (NYSE-NWE)	0.70
Otter Tail Corporation (NDQ-OTTR)	0.90
Pepeco Holdings, Inc. (NYSE-POM)	0.75
PG&E Corporation (NYSE-PCG)	0.55
Pinnacle West Capital Corp. (NYSE-PNW)	0.70
PNM Resources, Inc. (NYSE-PNM)	0.90
Portland General Electric Company (NYSE-POR)	0.75
PPL Corporation (NYSE-PPL)	0.65
SCANA Corporation (NYSE-SCG)	0.65
Southern Company (NYSE-SO)	0.55
Westar Energy, Inc. (NYSE-WR)	0.75
Wisconsin Energy Corporation (NYSE-WEC)	0.65
Xcel Energy Inc. (NYSE-XEL)	0.65
Mean	0.71
Median	0.70

Data Source: Value Line Investment Survey, 2014.

Panel B  
 Avera Proxy Group

Company Name	Beta
ALLETE, Inc. (NYSE-ALE)	0.70
Ameren Corporation (NYSE-AEE)	0.80
American Electric Power Co. (NYSE-AEP)	0.70
Black Hills Corporation (NYSE-BKH)	0.85
CMS Energy Corporation (NYSE-CMS)	0.75
DTE Energy Company (NYSE-DTE)	0.75
Duke Energy Corporation (NYSE-DUK)	0.60
Edison International (NYSE-EIX)	0.75
Great Plains Energy Incorporated (NYSE-GXP)	0.80
Hawaiian Electric Industries, Inc. (NYSE-HE)	0.70
IDACORP, Inc. (NYSE-IDA)	0.70
Pepeco Holdings, Inc. (NYSE-POM)	0.75
PG&E Corporation (NYSE-PCG)	0.55
Portland General Electric Company (NYSE-POR)	0.75
PPL Corporation (NYSE-PPL)	0.65
SCANA Corporation (NYSE-SCG)	0.65
SEMPRA Energy (NYSE-SRE)	0.80
Westar Energy, Inc. (NYSE-WR)	0.75
Mean	0.72
Median	0.75

Data Source: Value Line Investment Survey, 2014.