

**BEFORE
THE PUBLIC UTILITY COMMISSION OF OHIO**

In the Matter of the Application of Ohio)	
Power Company for Authority to Establish)	Case No. 16-1852-EL-SSO
a Standard Service Offer Pursuant to)	
Section 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)	Case No. 16-1853-EL-AAM
Accounting Authority)	

**DIRECT TESTIMONY OF MATTHEW WHITE
ON BEHALF OF
THE RETAIL ENERGY SUPPLY ASSOCIATION**

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1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY**

2 **Q. Please introduce yourself.**

3 A. My name is Matthew White. I am employed by Interstate Gas Supply, Inc. (“IGS” or
4 “IGS Energy”) as General Counsel, Legislative and Regulatory Affairs. My business
5 address is 6100 Emerald Parkway, Dublin, Ohio 43016. I am testifying on behalf of the
6 Retail Energy Supply Association (RESA), of which IGS Energy is a member.

7 **Q. Please describe your educational background and work history.**

8 A. I have a Juris Doctor (J.D.) and Masters in Business Administration (M.B.A.) from the
9 College of William & Mary. I also have a Bachelor of Arts (B.A.) from Ohio University.
10 I started my career at the law firm of Chester, Wilcox & Saxbe as an energy and utilities
11 lawyer. At Chester Wilcox I participated in numerous regulatory proceedings relating to
12 utility matters, including natural gas and electric rate cases and electric power siting
13 cases. I have also worked on power and gas sales transactions. At the beginning of 2011,
14 I was hired into IGS Energy’s rotation program where I spent the next 16 months
15 working in various departments throughout the company learning IGS’ entire business
16 including the electric and gas supply and risk departments. In 2012 I began full-time as
17 an attorney in IGS’ regulatory affairs department. In 2014 I was promoted to Manager,
18 Legal and Regulatory Affairs. In 2015, I was promoted to my current position, General
19 Counsel, Regulatory and Legislative Affairs. In my current position I oversee the
20 regulatory and legislative activities for IGS Energy throughout the country. My team is
21 responsible for electric and natural gas litigation for IGS Energy, including electric and
22 natural gas rate cases and other proceedings that relate to energy.

23 **Q. Have you previously testified before any regulatory agency?**

24 A. Yes. I have submitted written testimony in the following cases: Pennsylvania Public
25 Service Commission Case Nos. R-2015-2469665 and R-2015-2468056; Public Utilities
26 Commission of Ohio Case Nos. 12-1685-GA-AIR, 13-2385-EL-SSO, 12-426-EL-SSO,
27 14-841-EL-SSO, 15-50-GA-RDR, 14-1051-EL-UNC, 14-1693-EL-RDR and 14-1693-
28 EL-RDR; Michigan Public Service Commission Case Nos. U-17131, No. U- 17332 and
29 U-17882; Kentucky Public Service Commission Case No. 2013-00167 and 14-1297-EL-
30 SSO; Illinois Commerce Commission Case No. 14-0312; Maryland Public Service
31 Commission Case No. 9221. Case Nos. 16-395-EL-SSO, *et al.*.

32 **Q. What is the purpose of your testimony?**

33 A. I address the following proposals included in the application filed by Ohio Power
34 Company (“AEP Ohio or AEP”) in this proceeding:

- 35 • **Distribution Technology Investment Plan.** AEP proposes to develop, own, and operate
36 micro-grids and electric vehicle charging stations, and to recover the associated capital
37 investment and operate expense from all customers through a new Distribution
38 Technology Rider (Rider DTR). AEP is not permitted to provide these services, let alone
39 recover the costs from ratepayers. Labelling these services as “distribution”-related does
40 not make them so. Micro-grid and PEV development are competitive services, and as
41 such, may only be provided by a separate, unregulated affiliate. AEP Ohio may not offer
42 these services directly, nor recover the cost of these services if offered by an affiliate..
- 43 • **Competition Incentive Rider (CIR).** RESA supports the proposal for a CIR, but the
44 proposed level of \$0.00056 per KWH is too low. My analysis identifies a minimum of
45 \$0.0046 costs per kWh AEP incurs to support default service that should be allocated to
46 the SSO. An allocation of these costs would result in a \$0.00168 per kWh credit for all

residential customers based on current shopping levels. I recommend that the Commission adopt my cost allocation methodology which would result is a net zero rate impact on customers across all customer classes. Ohio laws requires that all these costs be recovered through the Standard Service Offer rate (“SSO rate”) so that the SSO is not subsidized, and Choice customers are not required to pay for costs that are used to support default service.

- **OVEC Cost Recovery.** RESA supports AEP’s proposal to make the proposed Ohio Valley Electric Cooperative (“OVEC”) rider by-passable.

II. AEP’S DISTRIBUTION TECHNOLOGY INVESTMENT PLAN

Q. Please summarize AEP’s Distribution Technology Investment Plan.

A. AEP’s Distribution Technology Investment Plan encompasses three initiative: (1) installation of electric vehicle charging stations, microgrids and smart lighting controls; (2) deployment of a Next Generation Utility Communication System; and (3) enhancement of the physical security of critical distribution infrastructure. AEP proposes to recover the cost of these initiative through a new nonbypassable rider, Rider DTR (distribution technology rider) AEP witnesses Moore, Osterholt and Gill describe this plan and these initiatives in their testimony.

Q. AEP characterizes its plan as related to electric “distribution.” What is electric “distribution” service?

A. “Distribution” is the noncompetitive retail electric service of physically delivering electricity to end-use consumers. Utility “distribution” facilities are commonly understood to include low-voltage wires, transformers, poles, and related plant and equipment.

70 **Q. Do all of the initiative described in the distribution technology investment plan**
71 **relate to distribution?**

72 A. No. The electric vehicle charging station and microgrid proposals cannot reasonably be
73 characterized as “distribution” services. As I discuss in greater detail later, these
74 proposals fall within the definitions of “competitive retail electric service” and/or a
75 “nonelectric product or service” within the meaning of R.C. 4928.17.

76 **Q. Are Ohio electric distribution utilities permitted to also offer competitive services?**

77 A. Only in limited instances when the utility operates under an approved corporate
78 separation plan, the separation plan authorizes the competitive service, or the
79 Commission grants a waiver of the plan to allow the service. The waiver also must meet
80 strict criteria as proscribed under Ohio law.

81 **Q. Does AEP’s corporate separation plan authorize AEP to develop microgrids or PEV**
82 **infrastructure?**

83 A. No. AEP’s currently approved corporate separation plan requires AEP to provide
84 competitive services and products and services other than retail electric service through a
85 separate affiliate. While AEP has proposed minor changes to its corporate separation
86 plan related to OVEC, there are no existing or pending exceptions that would permit AEP
87 to operate generation resources connected to microgrids or PEV infrastructure.

88 **Q. Has the commission determined whether AEP is in compliance with its currently**
89 **authorized corporate separation plan?**

90 A. No. AEP’s corporate separation plan was approved in Case No. 09-464-EL-UNC. The
91 order approving the plan directed AEP to address various shortcomings identified by the
92 third-party auditor (Baker Tilley), but it is not clear whether AEP has done so. The

Commission approved a waiver of the plan in Case No. 12-1126-EL-UNC to authorize the transfer of certain generating assets. Later, in the Commission-ordered investigation of various competitive market issues (Case No. 12-3151-EL-COI), the Commission recognized that “it is imperative that utility and affiliate activities undergo vigilant monitoring in order to ensure their compliance with R.C. 4928.17 and Ohio Adm.Code 4901:1-37, and in order to further Ohio’s policies pursuant to R.C. 4928.02.” March 26, 2014 Order ¶ 16. To this end, the Commission adopted Staff’s recommended audit schedule, pursuant to which an audit of AEP should have been completed by now. That audit has not even started, nor have the audits of the other Ohio EDUs.

Q. Has AEP sought a waiver of its corporate separation plan to develop microgrids or AEP infrastructure?

A. No.

Q. Should the Commission authorize AEP to provide services through an ESP that it cannot otherwise provide under its corporate separation plan?

A. No. R.C. 4928.143 addresses default service. AEP’s microgrid and PEV proposals are not rationally related to default service. Nor has AEP demonstrated a need for new generation resources to support micro-grids.

Q. Would AEP’s provision of competitive services be consistent with Ohio energy policy?

A. No. R.C. 4928.02 reflects a policy that EDUs should operate as “wires only” companies in providing noncompetitive distribution services, and that competitive services should be provided through the competitive market. AEP’s proposals turn this policy on its head. Statutes and regulations intended to ensure just, reasonable, and competitively-neutral

standard service offerings are being exploited to subsidize AEP's entry into competitive services. The fact that AEP has even floated these proposals suggests that it views corporate separation as a formality to be overcome, rather than a core tenant of Ohio regulatory policy.

Q. Apart from corporate separation issues, does RESA have other objections to AEP's microgrid and PEV proposals?

A. Yes. In addition to the problems with these proposals under R.C. 4928.17, the proposals are also contrary to R.C. 4928.143 and other applicable law and regulatory policy. I discuss each proposal in this context below.

A. MICROGRIDS

Q. What is a "microgrid"?

A. A microgrid is a localized energy system consisting of distributed energy sources and loads capable of operating in parallel with, or independently from, the main power grid. Microgrids allow users such as office parks, college campuses, and even entire communities to achieve greater resilience to outages, as well as independence in managing generation by either self-generating, or purchasing electricity as needed.

Q. Would AEP's concept of a "microgrid" share these characteristics?

A. No. As proposed by AEP, the utility would own both the onsite generating resource and the local distribution system. Moreover, AEP's version of a "microgrid" would utilize generation resources serving multiple customers. As a practical matter, AEP is simply proposing a build-out of its distribution system and cost recovery of generation resources through distribution rates. AEP's proposal would actually hinder rather than promote the development of "microgrids," as the concept is commonly understood.

Q. What is AEP's rationale for utility-owned microgrids?

141 A. AEP alleges that “[a]n in front of the meter system could service loads at multiple meters
142 located close together. An in front of the meter system would be owned, operated, and
143 maintained by the Company avoiding a costly investment by the community and a need
144 to have skilled personnel capable of operating and maintaining the system.” Response to
145 IGS INT-1-006(c) (attached as Exhibit A).

146 **Q. Does this rationale make sense?**

147 A. No. The main benefit of a micro-grid is that it operates “behind the meter,” meaning it is
148 physically separated from the utility delivery point where energy is either brought into, or
149 delivered out of, the micro grid. The physical separation from the utility’s distribution
150 system is one of the main benefits of a microgrid, as this is what allows the microgrid to
151 operate independently from the utility’s system. Moreover, customers, not AEP, should
152 be permitted to decide for themselves whether microgrids are worth the initial investment
153 and ongoing operating expense. And the fact that a small number of users of AEP’s
154 microgrid would “avoid a costly investment” weighs against AEP’s proposal rather than
155 for it. Basic principles of cost-causation dictate that customers who cause the utility to
156 incur costs, and receive a benefit from those costs, should pay the costs. AEP is
157 proposing a means to make everyone pay Rider DTR costs, with only a few customers
158 receiving any benefit. AEP Response to IGS-INT-2-002; AEP Response to IGS-INT-1-
159 004(e).

160 **Q. How will AEP treat electricity produced by “in front of the meter” microgrids?**

161 A. While the generation resources associated with in front of the meter microgrids would
162 transmit electricity onto the electric grid, AEP would not receive compensation for the
163 associated electricity production. Rather, “Energy delivered in excess of what is needed

to charge a microgrid battery will be allocated across all market participants using the unaccounted for energy (UFE) process, which will reduce the UFE obligation for all market participants based upon hourly load share.” AEP Response to IGS-INT-2-003(b). Unaccounted for energy is generally a reduction to the total amount of load that is measured on the transmission system.

Q. Would AEP’s version of a microgrid inhibit customers’ ability to reduce peak demand?

A. Yes. AEP acknowledges this in its response to discovery, stating, “An in front of the meter system would not allow the customer to own and operate the generation and energy storage of the system and would not allow them to reduce their use of energy from the Company during times when they are connected to the Company's distribution system.” AEP Response to IGS-INT-1-006(c). Consequently, AEP acknowledges that “the proposed in front of the meter microgrid is not anticipated to reduce the Peak Load Contribution (PLC) of the customer(s) connected to the grid as the microgrid would be located in front of the meter.” AEP Response to IGS-INT-2-003(c). Again, while AEP touts the benefit of connecting multiple customers through a single microgrid, in actuality AEP proposed to structure these microgrids in a manner that would diminish their value.

Q. How does AEP justify recovering the cost of generation resources through distribution rates?

A. AEP alleges that generation associated with in front of the meter microgrids should be treated as distribution infrastructure and included in distribution rates. AEP Response to IGS-INT-2-004. Apart from simply declaring that everyone should pretend generation facilities are actually distribution facilities, AEP offers no facts or analysis to explain why

187 this should be so. Generation is generation regardless of the label that AEP seeks to place
188 on it.

189 **Q. Is there a need for utility constructed generation as a component of microgrids?**

190 A. No. The market has produced numerous options for energy consumers of all types and
191 sizes to procure onsite generation with back-up generation functionality. There are plenty
192 of DER developers, including members or RESA, that can, and do, develop DER
193 projects.

194 **Q. Will allowing AEP to own generation resources have anti-competitive effects on
195 other developers seeking to deploy microgrids in Ohio?**

196 A. Yes. If an electric distribution utility is allowed to recover generation costs in its rate
197 base, it can essentially build generation with very limited risk to its shareholders. AEP is
198 seeking full cost recovery of its proposed microgrid projects, plus a rate of return on its
199 capital deployed for the project. Conversely, private developers of distributed energy
200 resources must risk their own capital without authorized cost recovery or a return from
201 ratepayers. The investment decision for a DER developer that does not receive cost
202 recovery is much different than for a utility. Specifically, for a private DER developer,
203 the decision to invest in DER is based on economics alone, because they cannot count on
204 a subsidy from all ratepayers to ensure a return on investment. Conversely, if a utility is
205 allowed to receive ratepayer recovery, the utility will be much more likely to build DER,
206 even if the economics don't make sense, because they can count on a ratepayer subsidy
207 through recovery of project costs.

208 **Q. Does AEP's proposal give AEP an incentive to keep project costs down?**

209 A. No. If anything, AEP would have an incentive to spend as much as possible. AEP's
210 return on a project would be directly related to its level of investment. A greater
211 investment would produce greater returns, all else being equal. Private developers, on the
212 other hand, would be directly accountable to customers for initial project costs and any
213 over-runs.

214 **Q. Would AEP's status as both the distribution utility and a developer of DER projects**
215 **have any other anti-competitive effects?**

216 A. Yes. DER developers must work with the electric distribution utility (EDU) before and
217 during DER construction to ensure interconnection into the electric grid. Often the EDU
218 plays a prominent role in determining the costs to interconnect into the distribution
219 system, which can be substantial. When an EDU is acting as a competitor of private
220 DER developers, as well as the gatekeeper to interconnection, the EDU has incentive to
221 make it more difficult for private developers to move forward with projects. Conversely,
222 the EDU would have incentive to favor its own projects.

223 **Q. Does Ohio law generally permit utilities to recover generation costs through**
224 **distribution rates?**

225 A. No. Electric generation is a competitive service. Ohio law does not distinguish between
226 generation sources based on capacity: generation is generation, regardless of whether a
227 facility as a capacity of 10 MW or 1000 MW.

228 **Q. Are there any provisions of Ohio law that permit the recovery of generation costs?**

229 A. An electric security plan may include a non-bypassable surcharge for electric generation
230 facilities owned or operated by an EDU and constructed after January 1, 2009, provided:
231 (i) the generation was sourced through a competitive bid process, (ii) there is a need for

232 the facility based on resource planning projections by the utility; and (iii) the capacity of
233 the resource is dedicated to Ohio consumers. R.C. 4928.143(B)(2)(c).

234 **Q. Has AEP submitted any resource planning projections?**

235 A. No.

236 **Q. Has AEP established a need for any DER generation resources?**

237 A. No. In fact, AEP cannot even say where it will construct these resources.

238 **Q. Will AEP solicit competitive bids for DER generation resources?**

239 A. No. To the contrary, the crux of AEP's proposal is to eliminate competitive bidding.

240 **Q. Are there ways to promote DER if the Commission wishes to do so?**

241 A. Yes. If the Commission determines it's a reasonable policy to incentivize DER the
242 Commission should do so in a competitively neutral manner that allows all project
243 developers that are willing to take risks with their own capital, to receive incentives for
244 building DER. A feed-in tariff that can be accessed by all private developers is one
245 example of a competitively-neutral incentive to promote DER.

246 **Q. What is RESA's recommendation to the Commission?**

247 A. The Commission should reject AEP's proposal to recover costs associated with its
248 microgrid proposal through Rider DTR, through base rates, or through any other
249 mechanism. As a matter of law, AEP has not met the statutory requirements for
250 recovering the costs of electric generation facilities through a nonbypassable surcharge.
251 As a matter of policy, AEP's proposal would hinder the development of DER, expose
252 ratepayers to unreasonable and unnecessary risk, and drive private development of DER
253 out of Ohio. If an unregulated affiliate of AEP wishes to compete in the market for
254 development of DER, it should bare the same risks as all other private developers.

255
256 **B. Plug-in Electric Vehicle (“PEV”) Infrastructure**

257 **Q. Please describe AEP Ohio’s PEV infrastructure proposal.**

258 A. Another component of the Distribution Technology Investment Plan calls for AEP to
259 install and own 1275 electric vehicle charging stations over a four year period, and
260 recover the estimated \$6.4 million in capital investment and \$775,000 in annual operation
261 and maintenance expense (“O&M”) through Rider DTR.

262 **Q. Is it appropriate for an EDU to recover costs from all ratepayers for deployment of**
263 **PEV infrastructure?**

264 A. No. AEP Ohio seeks guaranteed costs recovery to provide a service in a sphere where
265 private investment and the public sector have already picked up the mantle. There are
266 well over 50 public charging stations currently available throughout Columbus to the
267 public.¹ The charging stations listed do not include any home charging stations nor do
268 they take into account the numerous consumers who charge their electric vehicles
269 overnight without the requirement of any additional equipment other than an extension
270 cord.²

271 **Q. What is AEP’s rationale for getting into the PEV charging station market?**

272 A. AEP claims, “unlike private entities, utilities such as AEP Ohio have the experience and
273 existing capability to more effectively manage the impact of demands on the power
274 delivery system.”³

275 **Q. Is this a reason to allow rate recovery of PEV infrastructure?**
276

¹ RESA Ex. 1 (First Discovery INT-1-001 Response C).

² <http://www.latimes.com/business/autos/la-fi-hy-agenda-ev-charging-20160920-snap-story.html>.

³ Direct Testimony of Scott Osterholt at 14.

277 A. No. Taken to its logical conclusion, AEP’s statement would justify utility ownership and
278 management of everything that uses electricity: appliances, HVAC systems, cell phone
279 chargers, lightbulbs, and anything else that plugs into an electrical outlet. Utilities have
280 successfully “managed the impact of demands on the system” for over a century without
281 the need to own electric-consuming equipment.

282 **Q. Are PEV stations “distribution service” or “distribution infrastructure”?**

283 A. No. PEV stations *use* the distribution system, but they are not *part* of the distribution
284 system, nor or they necessary to operate or maintain any existing distribution
285 infrastructure. For this reason, PEV costs are not eligible for recovery in an ESP under
286 R.C. 4928.143. To conclude otherwise would mean that any electric consuming device
287 may be owned and operated by a utility and the associated costs recovered from
288 ratepayers, which is so absurd it is hard to take serious. As the Missouri Commission
289 recently held—in a fully regulated state—“a laundromat uses electricity to provide
290 clothes drying services, but that does not mean the laundromat’s dryers are electric plant,
291 or that the laundromat should be regulated by the Commission. EV charging stations are
292 not “electric plant” and, therefore, the Commission lacks statutory authority to regulate
293 their operation.”⁴ That Commission determined that including PEV charging stations in
294 rate base would open the door to regulation of a host of additional battery-related
295 services, stating “To rule otherwise would conceivably assert jurisdiction over other
296 similar battery-charging services, such as smart phone charging stations or kiosks, RV
297 parks that allow vehicles to connect to the park’s electricity supply, or airports that

⁴ *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Approval Of a Tariff Setting a Rate for Electric Vehicle*, PSC of Missouri, File No. ET-2016-0246, Report and Order at 10-11 (Apr. 19. 2017).

connect planes to a hangar's electricity supply while parked, which the Missouri General Assembly could not have intended.”⁵

Q. Has AEP demonstrated the need for any PEV stations, utility-owned or otherwise?

A. No. Not only that, AEP is proposing a massive over-build. Approximately 3814 electric vehicles were sold in Ohio through 2014.⁶ AEP is proposing to build 1275 stations over the initial four year rollout, which equates to one charging station for every 3 electric vehicles on the road throughout the entire state of Ohio through 2014. Given that AEP provides electric service to less than half of the state, the ratio of proposed charging stations to vehicles is actually closer to 1 to 1.

Q. Would persons using an AEP charging station have to pay a fee?

A. No. AEP Ohio is proposing to make the use of charging stations “free of charge” through the initial four year phase of the plan.⁷ This would result in a massive subsidy of the relatively few owners of electric vehicles by the vast majority of ratepayers who do not have, and have no intention of buying, an electric vehicle. Moreover, AEP ratepayers would be subsidizing electric vehicles owners who do not reside in the service territory but stop to charge their car while passing through Central Ohio.

Q. Have PEV stations been developed in Ohio without utility ratepayer support?

A. Yes. There are already several charging stations available in the AEP service territory.

Q. What is RESA's recommendation to the Commission?

⁵ *Id.* at 11.

⁶ Ex. MW-2. See also <https://energy.gov/eere/vehicles/fact-876-june-8-2015-plug-electric-vehicle-penetration-state-2014>

⁷ *Id.* at 16

A. The Commission should not allow AEP to recover PEV infrastructure costs through Rider DTR or any other mechanism. These costs bear no relation to any aspect of utility distribution service, or any other utility service for that matter. The Commission should ensure that AEP's role in EV deployment does not shift the financial risk of new technology investment onto captive ratepayers when private capital is already providing this service without guaranteed cost recovery.

III. COST ALLOCATION AND COMPETITION INCENTIVE RIDER

Q. Has AEP Ohio proposed any changes to the standard service offer from its last ESP?

A. Yes. As part of the Stipulation and Recommendation in Case Nos. 14-1693-EL-RDR, the Commission authorized AEP Ohio to "file and advocate for a pilot program that establishes a bypassable competition incentive rider (CIR) as an addition to the SSO non-shopping rate above the auction price with the purpose of incenting shopping and *recognizing that there may be costs associated with providing retail electric service that are not reflected in SSO bypassable rates.* (emphasis added)."⁸ AEP's application includes a request for approval of a CIR.

Q. What is the purpose of the CIR?

A. AEP Ohio recovers many of its default service support costs through distribution rates, which results in a subsidy to the generation component of the SSO. Thus, when SSO costs are collected through non-bypassable distribution rates, shopping customers effectively pay twice for many services. The CIR mitigates this subsidy by appropriately allocating costs to the SSO and refunding those charges back to all distribution ratepayers

⁸ *In the Matter of the Application Seeking Approval of Ohio Power Company's Proposal to Enter into an Affiliate Power Purchase Agreement for Inclusion in the Power Purchase Agreement Rider*, Case Nos. 14-1693-EL-RDR, *et al.*, Opinion and Order at 29 (Mar. 31, 2016).

340 **Q. What is the consequence of the subsidy you have described?**

341 A. Currently, AEP's SSO price reflects a pass-through of wholesale capacity and energy
342 costs. However, AEP incurs other costs required to support SSO service, but those costs
343 are not reflected in the SSO; instead they are recovered through distribution rates.
344 Without an appropriate allocation of costs to the SSO and a corresponding crediting
345 mechanism, shopping customers pay distribution rates that are greater than they should
346 be, and the SSO price is lower than it should be.

347 **Q. What SSO costs are recovered through distribution rates?**

348 A. There are a number of costs AEP incurs required to support SSO service. Those costs
349 include:

- 350 (1) Call center infrastructure and employees to maintain appropriate
351 customer service for SSO customers;
- 352 (2) Outside and inside legal, regulatory, and compliance personnel to
353 comply with the regulatory rule requirements for the SSO;
- 354 (3) IT employees, infrastructure, and software;
- 355 (4) Office space for employees;
- 356 (5) Administrative and human resources staff to support the employees;
- 357 (6) Office supplies;
- 358 (7) Accounting and auditing services;
- 359 (8) Printing and postage to communicate with customers;
- 360 (9) Uncollectible expense; and

(10) The regulatory assessments for the PUCO and the Ohio Consumers' Counsel ("OCC") that are based on SSO generation revenue, but are recovered through distribution rates.

Q. Do CRES providers incur the same type of costs you've just described?

A. Yes. For instance, CRES providers incur legal and compliance expense to meet extensive regulatory requirements to offer a product in the market. CRES providers must pay the PUCO and OCC assessments based on their generation sales. CRES providers incur uncollectible expense and collection costs. CRES providers must maintain a call center, and provide other account management services to customers. CRES providers have overhead expense including IT and office space. All of these expenses are required to make a retail product available in the market. CRES providers must reflect these costs directly in the prices they charge customers. Conversely, SSO service incurs these costs, but the costs are recovered from all distribution customers, which CRES customers also pay. Thus, CRES customers are paying not only for their own generation product, but they are also paying to support SSO generation service through distribution rates.

Q. Can you give specific examples of how these costs are being inappropriately allocated to distribution customers instead of being recovered through the SSO?

A. Yes. For instance, the OCC and PUCO assessment are calculated and charged based on the percentage of KWH each supplier serves in the market. So CRES providers must pay the PUCO and OCC assessment based on the amount of electricity they sell. AEP is also assessed the PUCO and OCC assessment based on total revenue collected—including SSO revenue—but the SSO does not reflect this cost. Rather AEP is recovering those costs through distribution rates. This is just one example. AEP also incurs significant

384 legal and regulatory cost in proceedings to establish SSO service, but none of these costs
385 are reflected in the SSO.

386 **Q. Does subsidizing SSO costs through distribution rates have anti-competitive effects?**

387 A. Yes. The SSO price is a product that all products compete against. According to the
388 PUCO shopping statistics, 31.96% of residential AEP customers receive service on the
389 utility SSO rate.⁹ Thus, the SSO product has by far the largest market share for the
390 residential customer class. Therefore, to the extent that the SSO is subsidized and
391 artificially low, it harms all other products that must compete against the SSO.
392 Ultimately, subsidizing the SSO leads to less competition in the AEP service territory and
393 fewer products being available to customers.

394 **Q. How should the Commission treat the costs AEP incurs for procuring SSO service
395 for customers that are currently being recovered through distribution rates?**

396 A. The Commission should start allocating these costs to the SSO price. The cost of
397 providing retail electric service consists of more than just a pass-through of wholesale
398 energy prices. As noted already, there are a number of non-electric costs that are
399 incurred to offer SSO service to residential electric customers that are currently being
400 recovered through distribution rates.

401 **Q. Would this re-allocation result in higher prices to customers?**

402 A. No. RESA's proposal is revenue-neutral. All costs recovered through SSO customers
403 would be flowed back to all distribution customers, resulting in net revenue neutrality.

⁹ <https://www.puco.ohio.gov/industry-information/statistical-reports/electric-customer-choice-switch-rates-and-aggregation-activity/electric-switch-rates-by-customer/customers-4q2016/>

404 **Q. Have other states with competitive retail electric markets unbundled costs to**
405 **support default service from electric utility distribution rates and charged those**
406 **costs to default service?**

407 A. Yes. Ohio is significantly behind when it comes to ensuring that the default service price
408 reflects the full costs of providing retail electric service. In the states of Pennsylvania,
409 Maryland, Texas, Illinois, and New York, a number of non-commodity costs required to
410 support the default service are actually charged to the default service. Those include the
411 cost of IT, legal fees, infrastructure, customer service, cost of working capital, and
412 employee time to name a few. Although Ohio law requires this kind of unbundling, the
413 Commission has either not enforced this requirement. Ohio continues to treat default
414 service price as just a pass-through price for wholesale electric costs and other costs
415 required to support SSO service are not included in the default rate.

416 **Q. At what level does AEP propose to establish the CIR**

417 A. AEP proposes to set the CIR rider at \$0.0056 per KWH as a result of the process set forth
418 in a stipulation entered into in Case Nos. 14-1693-EL-RDR, *et al.*

419 **Q. Is this amount reasonable?**

420 A. No. Based upon my review of the application, AEP Ohio's distribution rates, and AEP
421 Ohio's FERC Form 1, the amount proposed by AEP for the CIR does not nearly cover
422 the amount of costs AEP incurs to provide the SSO.

423 **Q. Have you evaluated AEP's distribution rates and identified costs that should be**
424 **included in Rider CIR?**

425 A. Yes, first I started my evaluation with AEP Ohio existing distribution rates as authorized
426 in AEP Ohio's most recently approved distribution rate case (Case Nos. 11-351-EL-AIR,

et al.). In that filing, AEP Ohio (Ohio Power Company and Columbus Southern Power Company respectively) included requested increases in both operation and maintenance expense as well as in base distribution rates. The information supporting AEP Ohio's proposed increase was contained in the B and C Schedules. By analyzing AEP Ohio's B and C schedules and through a combination of discovery responses I have been able to identify \$ \$56,274,004.9 in costs that should be allocated to SSO service. Based upon 2016 levels of shopping, that would be equivalent to a charge of \$0.0046 per kWh allocation to the SSO rate. The net effect of this allocation for a residential customer taking SSO service is \$.0029 per kwh.

Q. What expenses did you evaluate to calculate the \$0.0046 per kWh amount?

A. There are four areas of AEP Ohio's distribution expenses that I identified as areas that relate to SSO service: Customer Accounts Expense, Customer Service and Information Expense, Administrative & General ("A&G") Expense, and Taxes Other than Income Taxes. These categories include costs, such as uncollectible expenses associated with default service customers, PUCO and OCC assessments, legal and regulatory expenses, payroll taxes, call center costs, and infrastructure costs, and several other categories of costs I have identified throughout my testimony. Many of these costs are incurred to support default service. For example, AEP Ohio included \$5,330,000 in regulatory fees related to its PUCO and OCC Assessments under taxes other than income taxes.¹⁰ These amounts are directly correlated with AEP Ohio's total collected receipts, including SSO revenue. Each of these expense line items includes costs needed to support both distribution and SSO service. After making the appropriate company adjustments,

¹⁰ Ex. MW-9&10 (C-Schedule 2.1 p. 5). The amounts indicated are \$2,549,000 and \$2,781,000 for Columbus Southern Power Company and Ohio Power Company respectively.

\$168,812,000 of eligible expenses must be allocated between distribution and default service customers.

Table 1

C Schedule Allocations (Exhibits MW-9 and MW-10)						
Schedule	Page	Line Item	Company	Expense	Unadjusted Jurisdictional	Adjusted Jurisdictional
C-2	1	15	CSP	Customer Accounts Expense	\$ 76,623,000	\$ 40,580,000
C-2	1	16	CSP	Customer Service and Information Expense	\$ 41,974,000	\$ 2,076,000
C-2	1	18	CSP	Administrative & General Expense	\$ 41,419,000	\$ 38,964,000
C-2.1	5	6 & 9	CSP	Taxes Other than Income Taxes (payroll taxes & regulatory fees)	\$ 5,740,000	\$ 5,740,000
					Total Amount:	\$ 87,360,000
					Allocated CIR Amount Based Upon SSO Revenue Allocation Factor:	\$ 29,121,727.55
C-2	1	15	OPC	Customer Accounts Expense	\$ 67,255,000	\$ 37,059,000
C-2	1	16	OPC	Customer Service and Information Expense	\$ 47,013,000	\$ 3,307,000
C-2	1	18	OPC	Administrative & General Expense	\$ 37,413,000	\$ 36,527,000
C-2.1	5	6 & 9	OPC	Taxes Other than Income Taxes (payroll taxes & regulatory fees)	\$ 5,559,000	\$ 5,559,000
					Total Amount:	\$ 81,452,000
					Allocated CIR Amount Based Upon SSO Revenue Allocation Factor:	\$ 27,152,277.4

Q. Of the \$168,812,000 identified above, how much should be allocated to the SSO?

A. Based on the expenses identified in Table 1, I have identified \$ \$56,274,004.9 in costs that could be collected to the SSO to cover infrastructure, operation, financial, and other expenses incurred in order to offer the SSO product to customers.¹¹

Q. How did you arrive at this amount?

A. The services provided and the corresponding costs listed in each category are incurred in part to support SSO service and therefore there is a need to allocate costs to both services, not just distribution services. The most appropriate method to ensure the SSO pays a reasonable amount of costs is to allocate costs in proportion to the amount of SSO revenue AEP Ohio receives from customers. I developed an allocation factor based upon the relationship of AEP Ohio's SSO revenue to total AEP Ohio revenue.¹² Specifically, I divided AEP Ohio's SSO revenue by AEP Ohio's total revenue collected from customers to get an allocation factor of 33.34%, which is the percentage of AEP Ohio's total costs

¹¹ Ex. MW-3.

¹² Ex. MW-4.

in the four categories that I identified that should be added to the SSO service. Although AEP Ohio's distribution rates were approved in 2012, I used distribution and generation revenue from calendar year 2015 to establish the revenue allocation factor. Because shopping levels were lower in 2012, my proposed revenue allocation factor provides a conservative calculation of the amount of default service-related costs embedded in existing distribution rates.

Table 2

SSO Revenue (AEP)	\$945,654,329.00
Total Revenue (AEP)	\$2,836,794,693.00
Allocation Factor	33.34%

Source Ex. MW-4.

Q. Why did you choose SSO revenue to calculate your allocation factor?

A. SSO revenue is a reasonable proxy to calculate the actual expense AEP Ohio incurs in order to support default service. For instance, if 33.34 percent of AEP Ohio's revenues comes from default service, it is reasonable to conclude that 33.34% of the costs in the four categories I identified should be allocated to default service as well.

Q. Are you allocating costs to the SSO from all of the AEP distribution accounts?

A. No. I only am including a small number of AEP Ohio's distribution accounts (4 line items) in the costs. These accounts contain costs that are being incurred to support to the SSO. For instance, Customer Account Expense contains customer care and account management costs AEP Ohio incurs to support the SSO. AEP Ohio also recovers items such as the PUCO and OCC assessment, legal and compliance and other costs required to support default service through the General and Administrative account. All of these are

items directly support SSO customers and also are costs CRES providers incur that are directly reflected in CRES generation pricing. AEP Ohio has several other distribution accounts which I have not included in my calculations. While there may be SSO-related costs in these other distribution accounts, I chose not to allocate any of these costs to the SSO in order to take a conservative approach in my cost allocation methodology.

Q. What is the net impact of your proposal?

A. The net rate impact is zero. Because all dollars collected from the SSO will be refunded to all distribution customers, my proposal is revenue neutral.

Q. What would be the net impact of the new SSO component to customers?

A. The net impact of the CIR on the SSO price would be less than \$.0046 because the rider is revenue neutral to AEP Ohio. Thus, each dollar collected by the CIR will be credited to all customers. AEP Ohio witness Allen and AEP Ohio witness Gill discuss the crediting mechanism rate design in more detail, but it is generally intended to follow the rate design of the PPA Rider authorized in Case Nos. 14-1693-EL-RDR. As noted in the testimony of David Gill, the CIR collects the a revenue requirements from all non-shopping customers through a flat per kWh rate. That revenue is then returned through the SSO credit rider for each class based upon its contribution to the 5 coincident peak. I demonstrate the impact of the credit in Ex. MW-7. For the residential class, the credit would be \$.00168 per kWh for all customers.

Q. Have you done any additional analysis to confirm that your proposed CIR level is reasonable?

A. Yes, because AEP Ohio's distribution rates were authorized in 2012, I performed an analysis of more recent data to ensure that my proposal was in the range of

510 reasonably. Specifically, I examined costs that AEP Ohio reported in its most
511 recently available FERC Form 1.

512 **Q. What amount of costs do you ascertain should be included in the CIR based upon**
513 **that analysis?**

514 A. By analyzing AEP's FERC Form 1 and through a combination of discovery responses, I
515 have been able to identify \$ \$52,220,079.45 in costs that should be allocated to SSO
516 service. Based upon 2016 SSO sales, Rider CIR should be established at a minimum of
517 \$0.00425 per kWh. I will go further into my analysis below, but it is important to
518 initially highlight that these two different analysis lead to a statistical deviation of a mere
519 \$0.00035 per kWh.

520 **Q. How did you conclude that \$0.00425 per kWh should be allocated to the SSO rate?**

521 A. There are 10 FERC line items areas of AEP's distribution expenses that I identified as
522 areas that relate to SSO service.¹³ These categories include costs, such as uncollectible
523 expenses associated with default service customers, PUCO and OCC assessments, legal
524 and regulatory expenses, payroll taxes, call center costs, and infrastructure costs, and
525 several other categories of costs I have identified throughout my testimony. For example,
526 AEP incurred \$ 3.817 million in expense related to its PUCO and OCC Assessments.¹⁴
527 Each of these expense line items includes costs needed to support both distribution and
528 SSO service. After making the appropriate company adjustments, you are left with
529 \$156,650,945 of eligible expenses that need to be allocated equitably between both
530 distribution and default service customers.

531 **Table 3**

FERC Form 1 2015		
Line Number	PDF Page #	
11	164	OCC & PUCO FEES - 2015 \$ 3,817,607.00
103	197	Maintenance of Computer Hardware \$ 8,609.00
104	197	Maintenance of Computer Software \$ 430,959.00
105	197	Maintenance of Communication Equipment \$ 22,562.00
161	198	Customer Records and Collection Expenses \$ 40,749,171.00
171	199	Customer Service and Informational Expenses \$ 63,564,824.00
181	199 (920)	Administrative and General Salaries \$ 32,395,468.00
182	199 (921)	Office Supplies and Expenses \$ 3,919,085.00
184	199 (923)	Outside Services Employed \$ 8,100,228.00
192	199 (930.2)	Miscellaneous General Expenses \$ 3,642,432.00
Total:		156,650,945

532
533 **Q. Of the \$156,650,945 identified above, how much should be allocated to the SSO?**

¹³ EX. MW-6.

¹⁴ Note that AEP's discovery responses indicated that it actually incurred \$3,258,501.85 in its PUCO assessment in 2015, and \$559,118 in its OCC assessment. See Ex. MW-8 (RESA INT-1-007).

534 A. Based on the expenses identified in Table 1, I have identified \$52,220,079 in costs that
535 should be collected from the CIR to cover infrastructure, operation, financial, and other
536 expenses incurred in order to offer the SSO product to customers.

537 **Q. How did you arrive at \$52,220,079 of allocated costs from the original \$156,650,945?**

538 A. The costs listed in each category support both distribution service and SSO service and
539 therefore there is a need to allocate costs to both services, not just distribution services.
540 In order to do this, I allocated costs based on the amount of SSO revenue AEP receives
541 from customers. I developed an allocation factor based upon the relationship of AEP's
542 SSO revenue to total AEP revenue for calendar year 2015—which is also the same
543 calendar year of FERC Form 1 costs I identified. Specifically, I divided AEP's SSO
544 revenue by AEP's total revenue collected from customers to get an allocation factor of
545 33.34%¹⁵, which is the percentage of AEP's total costs in the categories that I identified
546 that should be added, in part, to the SSO service.

547 **Q. What is the total amount you have identified that should be allocated to default**
548 **service utilizing the FERC Form 1?**

549 A. The total amount I have identified is \$52,220,079.

550 **Q. What would be the net impact of your proposal to SSO residential customers and to**
551 **Choice residential utilizing AEP's existing distribution rates?**

552 A. Given the numbers outlined in my testimony, the CIR amount would be \$0.0046 per kWh
553 for residential customers. AEP reported 2016 SSO throughput at 12,296,405,599kWh.¹⁶
554 The rider amount was calculated by dividing the expenses of \$56,274,004 by the SSO
555 throughput. I have also calculated the credit for all customers to be \$0.00168 per kWh

¹⁵ Ex. MW-4 (Response RESA_1-2_Attachment_1).

¹⁶ Ex. MW-5 (RESA_1-3_Attachment_1).

for a residential customer. *Thus, the net impact of my proposal would result in a credit of \$0.00168 per kWh to residential shopping customers and a charge of \$0.0029 per kWh to SSO customers.*¹⁷

Q. Would the CIR need to be true-up periodically to prevent any over- or under-recovery of revenue by AEP?

A. Yes. Under my proposal, the per-kWh Rider would remain the same for the duration of the ESP period. However, because shopping levels will vary in the AEP service territory, the credit will need to be trued-up and reset periodically to account for over- or under-recovery by AEP and changes in shopping. Therefore, I recommend that every 6 months AEP re-calculate the SSO credit returned to all distribution customers to ensure it is not over- or under-recovering costs.

Q. What is RESA's recommendation to the Commission?

A. The Commission should approve AEP's bypassable Rider CIR; however far more costs must be included in the CIR than proposed by AEP in order to correct the inequitable subsidy going to the SSO service. Rider CIR should be set at \$0.0046 per kWh, with a \$0.00168 per kWh Credit refunded to all distribution customers. A true-up and adjustment should occur every six months to ensure that AEP is not over- or under-recovering funds from Rider CIR.

IV. OVEC COST RECOVERY

Q. What is AEP's OVEC proposal?

A. AEP is proposing to serve a portion of its SSO load with 354 MW of OVEC capacity. The Spring 2017 auction would secure 5 tranches through the declining clock auction

¹⁷ MW-3 and MW-7.

process, and the remaining 12 tranches would be supplied by the OVEC capacity, with associated costs recovered through Riders GENE and GENC on a bypassable basis.

Q. How does this proposal differ from the current treatment of OVEC costs?

A. Currently AEP is recovering its costs from its entitlement from the OVEC coal units at the Kyger Creek and Clifty Creek facilities on a non-bypassable basis. AEP is also crediting the power and capacity revenue it receives from selling the OVEC output into wholesale markets against its OVEC costs. AEP has proposed to make its OVEC Rider by-passable such that any credit or charge from the OVEC rider would only be applied to SSO customers.

Q. Should OVEC costs flowed through Riders GENE and be bypassable?

A. Yes. The very crux of Ohio's competitive retail electric market construct is allowing customers to choose where they receive their electric generation service. Setting OVEC as a bypassable rider preserves the right of customers to select their source of generation supply. If the Commission allows AEP to maintain an interest in the OVEC entitlement, at a minimum customers must have a right to choose whether they wish to receive the service provided by the OVEC generation units. Further, making the OVEC rider bypassable avoids an anti-competitive subsidy that would result from collecting generation related costs through non-bypassable charges imposed on shopping customers.

Q. Does this conclude your testimony?

A. Yes, but I reserve the opportunity to supplement my testimony at a later date.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Testimony was served by electronic mail this

2nd day of May, 2017 to the following:

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FIRST SET

INTERROGATORY

IGS-INT-1-001 Page 12 of the Direct Testimony of Scott Osterholt states that it is “generally understood” that the benefits of Plug-in Electric Vehicle (“PEV”) adoption outweigh the cost of PEV charging infrastructure.

- a. Provide supporting evidence and under what circumstances PEV infrastructure is able to provide adequate benefit within its’ usable life.
- b. Provide any evidence of causation between utility funded PEV infrastructure and PEV adoption rates.
- c. Provide all known information on the current availability of PEV charging stations within the Smart Columbus rollout area.
- d. Provide all known information on the current adoption rate and total number of PEVs in the Smart Columbus rollout area.

RESPONSE

The Company objects to this request as seeking information that is confidential and privileged material. The Company also objects to this request seeking information that has not been finally determined and the Company reserves its right to present any evidence or information at trial that is deemed appropriate. Without waiving these objections or any general objections the Company may have, the Company states as follows:

a. AEP has not conducted an internal study or analysis concerning the benefits of PEV infrastructure within its useful life. However, please see the link below, also provided as IGS-INT-1-001-A, for public documentation and analysis related to PEV infrastructure and benefits.

www.ethree.com/documents/E3-NRDC_EVs_Paper_Final_20150129.pdf

b. Please see the link below, also provided as IGS-INT-1-001-B, for public documentation and analysis related to PEV infrastructure and PEV adoption rates.

<http://www.rmi.org/Content/Files/Plugging%20In%20-%20A%20Stakeholder%20Investment%20Guide.pdf>

c. The US DOE maintains a robust list of Electric Vehicle Charging Stations in the US. These locations are best referenced at the link below, and also provided as IGS-INT-1-001-C.

www.afdc.energy.gov/fuels/electricity_locations.html.

d. The Company does not have access to this data at this time.

Prepared by: Counsel
 Scott S. Osterholt

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INTERROGATORY

- IGS-INT-1-004 Scott Osterholt's testimony addresses proposed microgrid development options as part of the Smart Columbus initiative on pages 21-22.
- a. Specify and provide an example of what is meant by the phrase "elect to have a Company-owned generator connected to the microgrid" found on page 22 line 12.
 - b. Define Company-owned generator.
 - c. Explain why generation assets, i.e. solar arrays, are necessary as part of the proposed microgrids.
 - d. Would AEP Ohio consider using any other generation type outside of solar on the proposed microgrid projects?
 - e. Would facilities involved in a microgrid project be required to bear a portion of the infrastructure or maintenance costs of the project?

RESPONSE

- a. A Company-owned generator would be an AEP Ohio owned generator that could be used to provide power when the renewable and energy storage components do not have sufficient capacity to power the loads of the facility. An example is a location with critical power needs 24 hours a day everyday. There could be cases where the amount of renewable generation and energy storage is not enough to provide all of the power and energy needed during non-daylight hours and cloudy daytime hours while islanded from the Company distribution circuit.
- b. A Company-owned generator would be an AEP Ohio owned generator that could be used to provide power when the renewable and energy storage components do not have sufficient capacity to power the loads of the facility.
- c. A microgrid must have some means of generating power and energy to serve the loads of the facility when it is islanded from the Company distribution circuit.
- d. Yes.
- e. The Company has proposed that microgrid deployment and maintenance costs associated with this proceeding would be included in the Distribution Technology Rider. If infrastructure costs are incurred by the customer, on the customer's property, then those costs would not be included in the rider.

Prepared by: Scott S. Osterholt

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INTERROGATORY

- IGS-INT-1-006 Scott Osterholt's testimony describes the difference between privately owned and utility owned microgrids solely by the placement of generation (behind or in front of the meter respectively).
- a. Explain in greater detail the differences and impacts of a behind the meter versus an in front of the meter system.
 - b. Identify what barriers exist that would prohibit a private entity from installing an in front of the meter microgrid system.
 - c. Explain the advantages and disadvantages of an in front of the meter microgrid system.
 - d. Identify all the ways in which a utility owned microgrid can interact with the grid which are not available to private entities, as referenced on page 25 line 8.

RESPONSE

- a. A behind the meter system could only serve the loads behind that specific meter when islanded from the AEP Ohio distribution circuit. An in front of the meter system could serve loads at multiple meters located close together.
- b. Private entities, which are not regulated by the PUCO, and not authorized to provide, attach, or operate distribution facilities on the AEP Ohio utility infrastructure located in front of the Company's meter, would have a barrier providing in front of the meter microgrid systems.
- c. The Company objects to this request seeking a narrative answer that includes an array of details or outlines of evidence, which can be more efficiently answered through production of documents or taking of depositions. The Company's comprehensive position on these matters is set forth on brief, in written testimony, through pleadings (including any rehearing requests) and through live testimony. Without waiving the foregoing objections or any general objection the Company may have, the Company states as follows.

In front of the meter infrastructure must be operated by the utility. Advantages include: An in front of the meter system could service loads at multiple meters located close together. An in front of the meter system would be owned, operated, and maintained by the Company avoiding a costly investment by the community and a need to have skilled personnel capable of operating and maintaining the system. Disadvantages include: An in front of the meter system would not allow the customer to own and operate the generation and energy storage of the system and

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would not allow them to reduce their use of energy from the Company during times when they are connected to the Company's distribution system.

d. A utility owned microgrid can interact with the grid, which is not an option open to private entities, by recognizing loading conditions where dispatching stored energy could avoid a grid overload or allow additional restoration of customers in another portion of the distribution circuit.

Prepared by: Counsel
Scott S. Osterholt

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INTERROGATORY

IGS-INT-2-001 Pages 21-27 of Osterholt's testimony discuss the implementation of utility- owned microgrids installed in front of the meter. If AEP Ohio's current proposal is accepted by the PUCO, would AEP Ohio go back for additional PUCO approval once each specified microgrid project is identified in order to receive approval for each specific microgrid project?

RESPONSE

No, AEP Ohio would expect that the Commission's approval for the first eight to ten microgrids would allow for deployment of these microgrids without additional regulatory proceedings.

Prepared by: Scott S. Osterholt

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INTERROGATORY

IGS-INT-2-002 Page 22 lines 11-14 state “AEP Ohio may also allow customers on the microgrid to elect to have a Company-owned generator connected to the microgrid, though this would be a customer option that the Company would expect the customer to pay for.” Under the current proposal would customers be required to pay the entire cost to purchase, install, and operate the AEP Ohio-owned generator? If not, explain exactly which costs the customer would be required to pay and how those costs would be calculated and recovered.

RESPONSE

AEP Ohio is working to develop design specifications and parameters for the best method to deploy the proposed 8-10 microgrids and the associated learning that will be incorporated into the demonstration aspect of the microgrid deployment. These details are still under discussion. Generally, AEP Ohio owned renewable resources, batteries, and associated switching equipment would be installed in front of the meter with the primary purpose of improving the distribution grid reliability. The costs associated with this equipment would be included in the rider. Any customer owned traditional generation that may be integrated into the microgrid would typically be installed behind the meter as the specific customer would be the primary beneficiary of the benefits of this equipment. If a customer owns a generator behind the meter, those costs would be borne by the customer. It is not clear at this point if or how much the customer would pay towards the integration cost of including their DERs in the microgrid.

Prepared by: Scott S. Osterholt

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INTERROGATORY

IGS-INT-2-003

Regarding the operation of in front of the meter microgrids containing photovoltaic generation, a battery storage system, and an AEP Ohio-owned generator:

- a. At what rate is the electricity delivered to the grid? (as referenced in Osterholt testimony page 21 lines 20-21)
- b. Who would receive the compensation for all electricity delivered into the grid that is not otherwise consumed by microgrid customers?
- c. Would in front of the meter microgrids be able to reduce the Peak Load Contribution ("PLC") of customers connected to the microgrid?
- d. If the energy produced by the in front of the meter generation does not directly reduce microgrid customers PLC's, would the energy reduce the AEP's Ohio system peak demand?
- e. What rate would companies within the microgrids pay for electric service (transmission, distribution, and generation) under normal operating conditions of the microgrid and the overall grid?
- f. What rate would companies within the microgrids pay for electric service (transmission, distribution, and generation) while the microgrid is operating in island mode?
- g. Is there a schedule of how often the dispatchable generation be would run? Is there a target for generation use annually?

RESPONSE

- a. During islanding, energy delivered to the customer will be billed based upon the customer's existing rate, be it SSO tariff or CRES contracted rate.
- b. Energy delivered in excess of what is needed to charge a microgrid battery will be allocated across all market participants using the unaccounted for energy (UFE) process, which will reduce the UFE obligation for all market participants based upon hourly load share.
- c. The design of the proposed in front of the meter microgrid is to be determined and would be designed based on the individual customer(s) needs that would be connected to the microgrid. Notwithstanding, the proposed in front of the meter microgrid is not anticipated to reduce the Peak Load Contribution (PLC) of the customer(s) connected to the grid as the microgrid would be located in front of the meter.
- d. If a microgrid is in island mode during one or more of the 5 PJM peak hours, there would be an expected reduction in top-down (generation) system load, and thus have an incremental impact on one or more of the PJM peak hours. With that being said, AEP Ohio is working on design and deployment parameters that include islanding provisions.

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e-f. Customer billing is unchanged, as the microgrid is treated as a distribution asset and the customer's meter continues to turn and billing is performed as it is today, be it a SSO tariff rate or CRES contracted rate.

g. Therefore, the Company assumes that IGS uses "dispatchable generation" to define either Company-owned or customer-owned traditional generation that could be integrated into the microgrid system. The Company is working to develop design specifications and parameters for the best method to deploy the proposed 8-10 microgrids and the associated learning that will be incorporated into the demonstration aspect of the microgrid deployment. These details are still under discussion. The Company is not in a position to predict the schedule of customer-owned and behind the meter generation use targets.

Prepared by: Andrea E. Moore
 Scott S. Osterholt

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INTERROGATORY

IGS-INT-2-004 Would the in front of the meter photovoltaic generation and/or AEP Ohio-owned generators, which are part of the microgrid, be considered part of the distribution infrastructure given the location within the specified microgrids?

RESPONSE

Yes.

Prepared by: Scott S. Osterholt

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PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

- IGS-INT-2-005 Does AEP Ohio or any other entity currently own or operate generation that is in front of the meter and connected to AEP Ohio's distribution network comparable in operation to that proposed in the testimony of Osterholt on page 22 lines 7-14?
- a. Has AEP Ohio or any other entity ever owned or operated generation that is both in front of the meter and connected to AEP Ohio's distribution network?
- b. If the answer to interrogatory 2.5 or 2.5(a) is yes, please list all electric generation that has been or is in front of the meter and also interconnected to AEP's distribution system.

RESPONSE

a-b. AEP Ohio assumes for the purpose of this question that IGS considers a utility scale battery on the distribution system as generation. However, the Company considers a utility scale battery as a distribution asset and not a source of generation. AEP Ohio currently owns and operates a utility scale battery near Bluffton, Ohio that is located in front of the meter and is used to improve reliability to AEP customers in that area.

Prepared by: Scott S. Osterholt

**OHIO POWER COMPANY’S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.’S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

IGS-INT-2-006 Does AEP Ohio believe that a modification to its’ corporate separation plan would be required in order to construct generation in conjunction with either an in front of the meter or behind the meter microgrid?

RESPONSE

The Company objects to this request as seeking a legal conclusion or opinion that is not attributable to a witness and is more appropriate for briefing and argument by counsel, and which the Company reserve the right to further address in those contexts. The Company is requesting approval for deployment of the proposed microgrids as part of its ESP and does not believe a separate corporate separation ruling is needed based on the characterization of microgrid deployment as the construction of generation. The Company does not agree with that characterization and considers microgrid equipment to be part of the distribution grid. Further, an additional ruling under the corporate separation statute is unnecessary because the corporate separation statute already excludes actions that are authorized under an ESP. In any case, the Company's views do not limit or restrict the Commission's exercise of its jurisdiction or pursuit of options it may have in this regard.

Prepared by: Counsel

**OHIO POWER COMPANY'S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.'S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

IGS-INT-2-007 Could any event, other than grid failure causing the microgrid to enter island mode, cause the optional AEP Ohio-owned dispatchable generator(s) to turn on and feed electricity into the grid? If yes, please explain and provide examples of such circumstances.

RESPONSE

AEP Ohio is working to develop design specifications and parameters for the best method to deploy the proposed 8-10 microgrids. While it is still in review, preliminarily, the optional generator's primary role is to support long-term islanding after the battery is depleted and the renewable generation resource cannot support the total load. Other reasons that the microgrid could go into an island mode would be maintenance either on the utility or the interconnection point. Reasons we would back feed the utility could be based on pricing, need for var support, voltage support, frequency regulation, etc.

Prepared by: Scott S. Osterholt

**OHIO POWER COMPANY'S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.'S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

IGS-INT-2-008 What is the maximum and minimum microgrid size (as measured by total generation capability of all attached generation) AEP Ohio would consider under the proposed plan?

RESPONSE

The 8-10 proposed microgrids will use a range of sizes to serve specifically identified objectives. These proposed microgrid projects are being designed and developed at this time. The final sizing will be determined by numerous factors including, most importantly, the load that is anticipated to be served by the microgrid.

Prepared by: Scott S. Osterholt

**OHIO POWER COMPANY’S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.’S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

IGS-INT-2-009 What legal authority prevents non-AEP third-party entities from installing in front of the meter microgrid generation as described in Osterholt’s testimony page 25 lines 3-10.

RESPONSE

The Company objects to this request as seeking a legal conclusion or opinion that is not attributable to a witness and is more appropriate for briefing and argument by counsel, and which the Company reserve the right to further address in those contexts. In any case, the Company's views, however, do not limit or restrict the Commission's exercise of its jurisdiction or pursuit of options it may have in this regard. There is no legal authority for third-party entities to provide, attach, or operate distribution facilities on the AEP Ohio utility infrastructure located in front of the Company's meter.

Prepared by: Counsel

**OHIO POWER COMPANY'S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.'S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

INTERROGATORY

IGS-INT-2-010 With respect to a microgrid with an in front of the meter generator: a. Will the generator operate when the microgrid does not operate in island mode?
b. If the answer to (a) is yes, will the electricity produced by the generator be used to serve the customers within the microgrid? If so, what rate for electricity will the customers pay?
c. If the answer to (a) is yes, how will electricity be treated that is generated in excess of the total usage of the customers served by the microgrid?
d. If the answer (b) is no, where will the electricity be sold and at what rate?

RESPONSE

- a. AEP Ohio is working to develop design specifications and parameters for the best method to deploy the proposed 8-10 microgrids. While it is still in review, preliminarily, the renewable generator could continue to operate when not in island mode. As detailed in Mr. Osterholt's testimony on page 26, lines 7-11, the microgrid energy, as proposed, would be treated as unaccounted for energy (UFE).
- b. Yes. Customer billing is unchanged, as the microgrid is treated as a distribution asset, the customer's meter continues to turn and billing is performed as is today, be it an SSO rate or OAD rate with a CRES. During an outage when in island mode, the customer will continue to receive service from the battery and will be billed as they are today. When not in island mode, the solar generator will either charge the battery, or deliver generation to the grid reducing unaccounted for energy (UFE) obligations to all market participants proportionally based upon their hourly load.
- c. Energy delivered in excess of what is needed to charge a microgrid battery will be allocated across all market participants using the unaccounted for energy (UFE) process, which will reduce the UFE obligation for all market participants based upon hourly load share.
- d. N/A.

Prepared by: Andrea E. Moore
 Scott S. Osterholt

**OHIO POWER COMPANY'S RESPONSE TO
INTERSTATE GAS SUPPLY, INC.'S
DISCOVERY REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
SECOND SET**

REQUEST FOR PRODUCTION OF DOCUMENTS

IGS-RPD-2-001 Provide copies of all documents referenced or relied upon in your response to interrogatories 2.1 through 2.10.

RESPONSE

Documents, if applicable, are provided along with the interrogatory.

Prepared by: Counsel



Exhibit MW-2



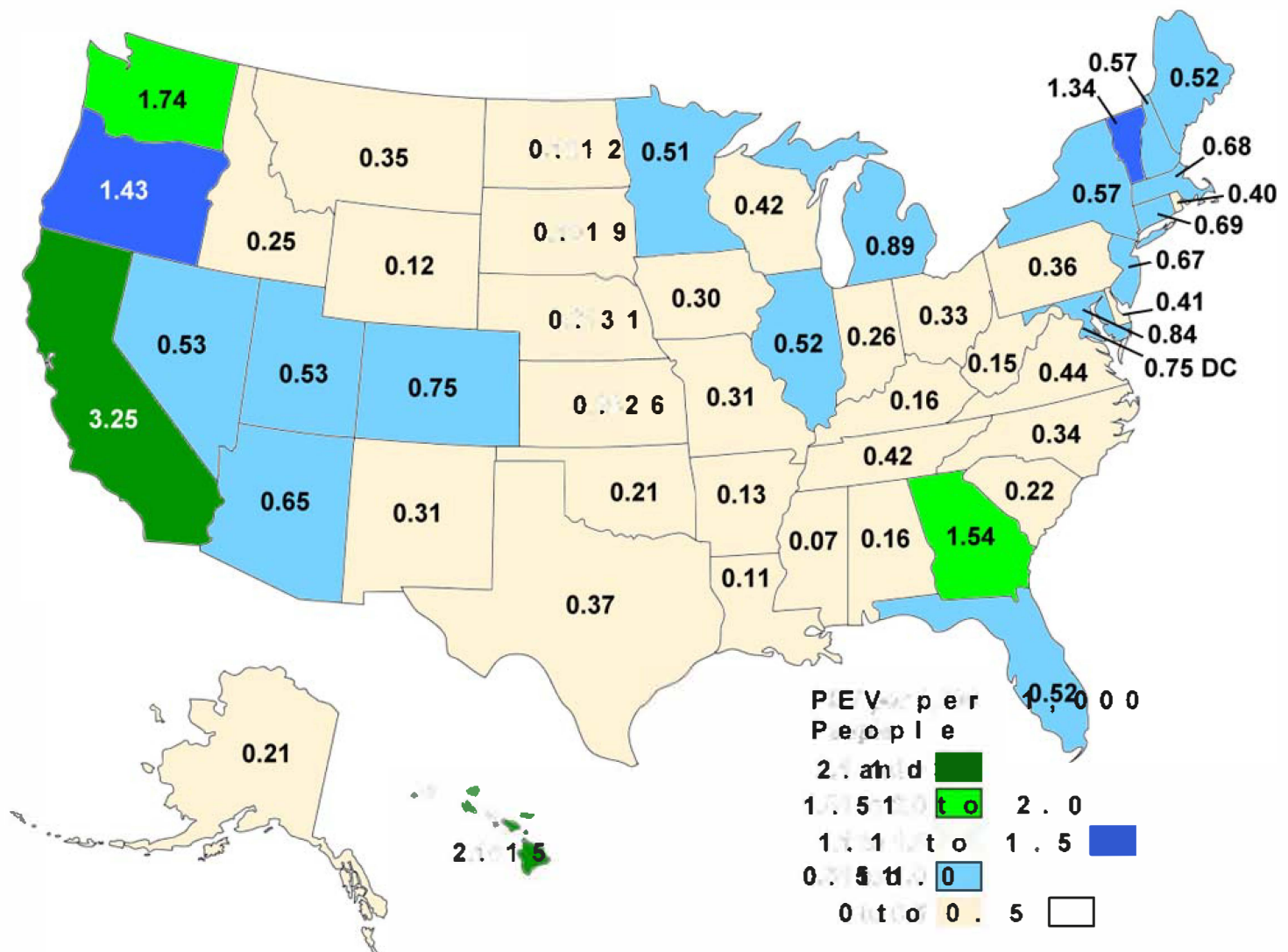
OFFICE OF ENERGY EFFICIENCY & ENERGY

Home F a # 8 7 6 J: u r 8 2 0 P 5 u 6 + i e mVterhiiPœlnee t b 6 t i a 2 0 1 4

F A #87 6J: u r 8 2 0 P 5 u 6 + i e mVterhiiPœlnee t b 6 t i a 2 0 1 4

Plug-in electric (PEV) sales in the United States have grown rapidly in recent years, driven by a combination of factors including government incentives, growing consumer awareness, and the availability of charging infrastructure. The Department of Energy's Office of Energy Efficiency & Energy is committed to promoting the use of PEVs as a key strategy to reduce greenhouse gas emissions and improve energy security. This report provides a detailed overview of the current status of PEV adoption across the United States, highlighting key trends and challenges. The data is based on the latest available information from the U.S. Department of Energy's Office of Energy Efficiency & Energy.

PLUG-IN ELECTRIC VEHICLE REGISTRATION AND OWNERSHIP BY STATE, 2014



Notes:

PEV – Plug-in electric vehicle (Includes BEV and PHEV).

BEV – Battery electric vehicle (Also referred to as an all-electric vehicle).

PHEV – Plug-in hybrid electric vehicle (Has a gasoline engine as a backup for when the battery is depleted).

PEV registrations include all PEVs under 10,000 lbs. gross vehicle weight registered in the state in July 2014.

Fact #876 Dataset**SUPPORTING INFORMATION**

Plug-in Electric Light Vehicle Registrations and Population by State, 2014

State	PEV Registrations	Population Estimates	PEV Registrations per Thousand People
Alabama	773	4,849,377	0.16
Alaska	155	736,732	0.21
Arizona	4,361	6,731,484	0.65
Arkansas	374	2,966,369	0.13
California	126,283	38,802,500	3.25
Colorado	4,001	5,355,866	0.75
Connecticut	2,476	3,596,677	0.69
Delaware	383	935,614	0.41
District of Columbia	493	658,893	0.75
Florida	10,383	19,893,297	0.52
Georgia	15,551	10,097,343	1.54
Hawaii	3,050	1,419,561	2.15
Idaho	409	1,634,464	0.25
Illinois	6,694	12,880,580	0.52
Indiana	1,697	6,596,855	0.26
Iowa	928	3,107,126	0.30
Kansas	750	2,904,021	0.26
Kentucky	701	4,413,457	0.16
Louisiana	527	4,649,676	0.11
Maine	695	1,330,089	0.52
Maryland	5,028	5,976,407	0.84
Massachusetts	4,612	6,745,408	0.68
Michigan	8,844	9,909,877	0.89
Minnesota	2,775	5,457,173	0.51
Mississippi	201	2,994,079	0.07

Missouri	1,859	6,063,589	0.31
Montana	362	1,023,579	0.35
Nebraska	579	1,881,503	0.31
Nevada	1,509	2,839,099	0.53
New Hampshire	761	1,326,813	0.57
New Jersey	6,021	8,938,175	0.67
New Mexico	637	2,085,572	0.31
New York	11,278	19,746,227	0.57
North Carolina	3,384	9,943,964	0.34
North Dakota	91	739,482	0.12
Ohio	3,814	11,594,163	0.33
Oklahoma	806	3,878,051	0.21
Oregon	5,681	3,970,239	1.43
Pennsylvania	4,540	12,787,209	0.36
Rhode Island	417	1,055,173	0.40
South Carolina	1,056	4,832,482	0.22
South Dakota	160	853,175	0.19
Tennessee	2,730	6,549,352	0.42
Texas	9,925	26,956,958	0.37
Utah	1,565	2,942,902	0.53
Vermont	840	626,562	1.34
Virginia	3,628	8,326,289	0.44
Washington	12,291	7,061,530	1.74
West Virginia	271	1,850,326	0.15
Wisconsin	2,429	5,757,564	0.42
Wyoming	73	584,153	0.12
All	278,851	318,857,056	0.87

Sources: PEV registrations - National Renewable Energy Laboratory analysis, R.L. Polk, POLK_VIO_DETAIL_2014, May 2015.
Population - U.S. Census Bureau, Population Estimates, State Totals: Vintage 2014.
Argonne National Laboratory estimated population through July 2014 to match the registration data.

[Return to 2015 Facts of the Week](#)

CAREERS & INTERNSHIPS



EERE HOME



CONTACT EERE



Office of Energy Efficiency & Renewable Energy
Forrestal Building
1000 Independence Avenue, SW
Washington, DC 20585

ABOUT THIS SITE

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- Directives, Delegations & Requirements
- FOIA
- Inspector General
- Privacy Program
- Small Business

FEDERAL GOVERNMENT

- The White House
- USA.gov

Exhibit MW-3

C Schedule Allocations (Exhibits MW-9 and MW-10)

Exhibit MW-3

Schedule	Page	Line Item	Company	Expense	Unadjusted Jurisdictional	Adjusted Jurisdictional
C-2	1	15	CSP	Customer Accounts Expense	\$ 76,623,000	\$ 40,580,000
C-2	1	16	CSP	Customer Service and Information Expense	\$ 41,974,000	\$ 2,076,000
C-2	1	18	CSP	Administrative & General Expense	\$ 41,419,000	\$ 38,964,000
C-2.1	5	6 & 9	CSP	Taxes Other than Income Taxes (payroll taxes & regulatory fees)	\$ 5,740,000	\$ 5,740,000
					Total Amount:	\$ 87,360,000
					Allocated CIR Amount Based Upon SSO Revenue Allocation Factor:	\$ 29,121,727.55
C-2	1	15	OPC	Customer Accounts Expense	\$ 67,255,000	\$ 37,059,000
C-2	1	16	OPC	Customer Service and Information Expense	\$ 47,013,000	\$ 3,307,000
C-2	1	18	OPC	Administrative & General Expense	\$ 37,413,000	\$ 35,527,000
C-2.1	5	6 & 9	OPC	Taxes Other than Income Taxes (payroll taxes & regulatory fees)	\$ 5,559,000	\$ 5,559,000
					Total Amount:	\$ 81,452,000
					Allocated CIR Amount Based Upon SSO Revenue Allocation Factor:	\$ 27,152,277.4
AEP Ohio Total					\$	56,274,004.9
Does not include rate base costs						
CIR in mils Based on above Costs					\$	0.004576

Exhibit MW-4

Billed Revenue By Function 2015					Exhibit MW-4
	Distribution	Generation	Transmission		
Non-Shopping	\$ 651,405,092.00	\$ 945,654,329.00	\$ 160,971,232.70	\$ 1,758,030,653.70	
Shopping	\$ 926,581,930.60		\$ 152,182,109.50	\$ 1,078,764,040.10	
	\$ 1,577,987,022.60	\$ 945,654,329.00	\$ 313,153,342.20	\$ 2,836,794,693.80	Allocation
					Factor 33.34%

Exhibit MW-5

Metered kWh by Class 2015 and 2016

Exhibit MW-5

2015 Metered kWh by Class	
Non Shopping	
Residential	9,654,810,967
Commercial	2,171,616,163
Industrial	1,813,619,882
Other	41,013,422
	13,681,060,434
Shopping	
Residential	4,646,371,733
Commercial	12,294,399,121
Industrial	12,870,077,061
Other	87,294,103
	29,898,142,018
Total Metered kWh	43,579,202,452
RESA_1-3_Attachement_1	

2016 Metered kWh by Class	
Non Shopping	
Residential	9,519,123,259
Commercial	2,094,043,858
Industrial	644,053,203
Other	39,185,279
	12,296,405,599
Shopping	
Residential	4,712,539,602
Commercial	12,540,693,332
Industrial	13,653,669,896
Other	91,051,074
	30,997,953,904
Total Metered kWh	43,294,359,503
RESA_1-3_Attachement_1	

Exhibit MW-6

FERC Form 1 2015			Exhibit MW-6
Line Number	PDF Page #		
11	164	OCC & PUCO FEES - 2015	\$ 3,817,607.00
103	197	Maintenance of Computer Hardware	\$ 8,609.00
104	197	Maintenance of Computer Software	\$ 430,959.00
105	197	Maintenance of Communication Equipment	\$ 22,562.00
161	198	Customer Records and Collection Expenses	\$ 40,749,171.00
171	199	Customer Service and Informational Expenses	\$ 63,564,824.00
181	199	(920) Administrative and General Salaries	\$ 32,395,468.00
182	199	(921) Office Supplies and Expenses	\$ 3,919,085.00
184	199	(923) Outside Services Employed	\$ 8,100,228.00
192	199	(930.2) Miscellaneous General Expenses	\$ 3,642,432.00
Total:			156,650,945
Allocated Total (Total multiplied by Allocation factor MW-3):			\$ 52,220,079.45
Rider (Allocated Total/Non Shopping Metered kWh):			\$ 0.0042468

Exhibit MW-7

Calculation of SSO Credit Rider by Class

Exhibit MW-7

	Total	Residential	GS Non Demand Secondary	GS Secondary	GS Primary	GS Sub/Tran	Source
CIR Revenue Requirement	\$ 56,274,004.93						Exhibit MW-5
SSOCR Revenue Requirement	\$ (56,274,004.93)						Exhibit MW-5
5 CP at Generator by Class		8063	3507	120	2219	939	1278 Direct Testimony of David Gill Exhibit DRG-4
Percentage of 5 CP at Generator		100.00%	43.49%	1.49%	27.52%	11.65%	15.85%
Class Revenue Requirement		\$ 24,476,365.53	\$ 837,514.65	\$ 15,487,041.66	\$ 6,553,552.11	\$ 8,919,530.98	
Wires Energy at the Meter (kWh)	43,345,689,000	14,609,153,000	755,532,000	11,807,286,000	6,082,971,000	9,876,223,000	Direct Testimony of David Gill Exhibit DRG-4
SSO Credit Rider (\$/kWh)		\$ 0.00168	\$ 0.00111	\$ 0.00131	\$ 0.00108	\$ 0.00090	

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-001 Identify the total revenue AEP Ohio collected from customers for the years 2015 and 2016.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. For the purposes of answering the question, the Company assumes that the question relates to retail revenue billed to customers for the years of 2015 and 2016. See RESA 1-2 Attachment 1.

Prepared by: Andrea E. Moore
 Counsel

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-002 Of the total revenue collected by AEP Ohio for each of the years 2015 and 2016, identify: a. The amount of distribution and transmission revenue from all customers, including customers taking Standard Service Offer (SSO) service and Competitive Electric Retail Supplier (CRES) service; b. The amount of distribution and transmission revenue from customers taking SSO service; c. The amount of distribution and transmission revenue from customers taking CRES service; d. The amount of generation revenue from all customers; e. The amount of generation revenue from customers taking SSO service; and f. The amount of generation revenue from customers taking CRES service.

RESPONSE

See RESA 1-2 Attachment 1 for the billed revenue by function for 2015 and 2016.

Prepared by: Andrea E. Moore

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-003 For each of the years 2015 and 2016, identify by percentage of sales and kwh sold, and by customer class, service rendered to shopping and non-shopping customers.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. See RESA 1-3 Attachment 1 for the requested data.

Prepared by: Andrea E. Moore
 Counsel

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-004 Identify the total bad debt expense incurred by AEP Ohio for each of the years 2015 and 2016. In your response, identify all operation and maintenance expense incurred by AEP Ohio to collect bad debt.

RESPONSE

The bad debt expense for 2015 was \$18,468,493 and for 2016 the bad debt expense was 17,244,904. The Company uses third party collection agencies and the expenses were \$509,500 for 2015 and \$388,100 for 2016.

Prepared by: Andrea E. Moore

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-005 For the bad debt expense identified in Interrogatory No. 4, identify: a. The percentage attributable to generation service; b. The percentage attributable to transmission service; and c. The percentage attributable to distribution service.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. Charge offs are a cost of the distribution function of the business and as such if a charge off comes through, the entire bill amount is included as bad debt and booked to the distribution function.

Prepared by: Andrea E. Moore
 Counsel

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-006 To the extent the level of bad debt expense identified in response to Interrogatory No. 4 is different from the level of bad debt expense reported in the Staff Report in Case No. 15-1507-EL-EDI, what factors explain the difference?

RESPONSE

The approximately \$12M in the Staff Report in Case No. 15-1507-EL-EDI is the level of bad debt included in the Company's last base Distribution case.

Prepared by: Andrea E. Moore

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-007 For the years 2015 and 2016, identify the dollar amount remitted by AEP Ohio to the State of Ohio (or any agency thereof) for the following assessments: a. The Universal Service Fund described in R.C. 4928.51; b. The Energy Efficiency Revolving Loan Fund described in R.C. 4928.61; c. The PUCO assessment described in R.C. 4905.10; and d. The OCC assessment described in R.C. 4911.18.

RESPONSE

a. 2015 USF billed was \$181,853,794.37, 2016 USF was \$200,675,198.23.

b. There were no dollars billed for the Energy Efficiency Revolving Load Fund.

c. 2015 Assessment fees were \$3,258,501.85. The Company has not yet been assessed the 2016 assessment fees.

d. 2015 Assessment fees for OCC were \$559,118.01. The Company has not yet been assessed the 2016 assessment fees.

Prepared by: Andrea E. Moore

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-008 Identify all generation resource planning projections (as described in R.C. 4928.143(B)(2)(c)) performed by or on behalf of AEP Ohio since 2011.

RESPONSE

The Company objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows. AEP OH has not performed generation resource planning projections for the purposes of establishing a nonbypassable resource surcharge since 2011. The Company's most recent resource planning study pursuant to R.C. 4928.143 (B)(2)(c) was filed on December 20, 2010. The December 20, 2010 supplemental LTFR filing supported the need for the Turning Point solar facility.

Prepared by: Counsel

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

INTERROGATORY

RESA-INT-1-009 Identify all facts and information considered by AEP Ohio in developing the proposed Distribution Technology Investment Plan, including, without limitation: a. Factors allegedly giving rise to the need for the plan; b. The month and year in which AEP Ohio began to develop the plan; c. Data, studies, and analyses considered in developing the plan; d. Alternatives considered for meeting the objectives of the plan; and e. The individual primarily responsible for developing the plan.

RESPONSE

The Company objects to this request as seeking information that is confidential and privileged in connection with trial preparation, settlement discussions and/or the common interest privilege. The Company also objects to the extent this request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. The Company also objects to the form of the question as this request is vague, overbroad and/or unduly burdensome. Without waiving the foregoing objection(s) or any general objection the Company may have, the Company states as follows.

a. The Company considered many factors regarding the need for the proposed Distribution Technology Investment Plan. As stated in my testimony starting on page 3, line 10, "...AEP Ohio strives to update and modernize its distribution grid in order to meet its customers' needs and expectations." In addition, and covered in more detail on pages 7-8 of my testimony, the Company supports the City of Columbus and the "Smart City Challenge" (also called Smart Columbus).

b. The Company developed the plan over many months with heavy consultation from legal counsel.

c. In consultation with legal counsel, the Company assessed various deployments, regulatory proceedings, and generally available studies before developing our proposed plan to move forward but no single case or study had a significant impact on our Distribution Technology Investment Plan.

d. Associated with the Company's review of various deployments, regulatory proceedings, and generally available studies; there were numerous but no single case or alternative had a significant impact on our Distribution Technology Investment Plan

**OHIO POWER COMPANY'S RESPONSE TO
THE RESOURCE ENERGY SOLUTION ASSOCIATION'S
DATA REQUEST
PUCO CASE NO. 16-1852-EL-SSO et al.
FIRST SET**

Continued

e. In consultation with legal counsel and in various groups of individuals participating in different meetings, a number of individuals were involved with developing the plan.

Prepared by: Scott S. Osterholt
Counsel

SECTION C

OPERATING INCOME

COLUMBUS SOUTHERN POWER COMPANY

Case No. 11-351-EL-AIR

Test Year: Twelve Months Ended May 31, 2011

Date Certain: August 31, 2010

Schedules

C-1	Jurisdictional proforma income statement
C-2	Adjusted test year operating income
C-2.1	Operating revenue and expenses by accounts - jurisdictional allocation
C-3	Summary of jurisdictional adjustments to test year operating income
C-3.1	Detailed adjustments
C-4	Adjusted jurisdictional income taxes
C-4.1	Development of jurisdictional income taxes before adjustments
C-5	Social and service club dues
C-6	Charitable contributions
C-7	Customer service and informational, sales, and general advertising expense
C-8	Rate Case expense (jurisdiction)
C-9	Operation and maintenance payroll costs
C-9.1	Total Company Payroll analysis by employee classifications/payroll distribution
C-10.1	Comparative balance sheet for the most recent five calendar years
C-10.2	Comparative income statement for the most recent five calendar years
C-11.1	Revenue Statistics - Total Company
C-11.2	Revenue Statistics - Jurisdictional
C-11.3	Sales Statistics - Total Company
C-11.4	Sales Statistics - Jurisdictional
C-12	Analysis of reserve for uncollectible accounts

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Jurisdictional Proforma Income Statement
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):
 Schedule A-1, A-2, C-2, C-4

Schedule C-1
 Page 1 of 1
 Witness Responsible:
 T.A. Caudill

Line No.	Description	Adjusted Revenue & Expenses	Proposed Increase	Proforma Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	Operating Revenues	\$ 359,938	\$34,211	\$394,149
2				
3	Operating Expenses			
4	Operation & Maintenance	147,423	135	147,558
5	Depreciation and Amortization Expenses	57,472		57,472
6	Taxes - Other	80,757	142	80,898
7	Operating Expenses before Income Taxes	285,651	277	285,928
8				
9	NEOI before Income Taxes	74,286	33,934	108,220
10				
11	State Income taxes	409	319	728
12	Federal Income taxes	19,546	11,765	31,311
13	Total Income Taxes	19,954	12,084	32,039
14				
15	Total Operating Expenses	305,606	12,361	317,967
16				
17	Net Operating Income	\$ 54,332	\$ 21,850	\$ 76,182
18				
19	Rate Base	\$ 910,953		\$ 910,953
20				
21	Rate of Return	5.96%		8.36%

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Jurisdictional Adjusted Test Year Net Electric Operating Income (NEOI)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original__ Updated__ Revised
Work Paper Reference No(s):
Schedule C-2.1, C-3, C-4

Schedule C-2
Page 1 of 2
Witness Responsible:
T.A. Caudill

Line No.	Description	Unadjusted Revenue & Expenses	Adjustments	Adjusted Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	OPERATING REVENUES			
2	Base Revenues	\$ 555,231	\$ (215,510)	\$ 339,721
3	Fuel Revenues	0	0	0
4	Other Operating Revenues	21,295	(1,078)	20,217
5	Total Operating Revenues	576,525	(216,588)	359,938
6				
7	OPERATING EXPENSES			
8	Operation and Maintenance Expenses			
9	Production Expenses			
10	Fuel and Purchased Power	(1,800)	1,800	0
11	Other	0	0	0
12	Total Production Expenses	(1,800)	1,800	0
13	Transmission Expense	0		0
14	Distribution Expense	92,943	(27,138)	65,805
15	Customer Accounts Expenses	76,623	(36,043)	40,580
16	Customer Service & Information Expense	41,974	(39,898)	2,076
17	Sales Expense	2,307	(2,308)	(1)
18	Administrative & General Expense	41,419	(2,456)	38,964
19	Total Operating and Maintenance Expense	253,466	(106,043)	147,423
20	Depreciation and Amortization Expenses			
21	Depreciation	65,418	(12,209)	53,209
22	Amort. & Depl. of Utility Plant	4,263	0	4,263
23	Amort. of Utility Plant Acq. Adj.	0	0	0
24	Net Amortization of Regulatory Credits/Debits	1,600	(1,600)	(0)
25	Total Depreciation and Amtz. Expenses	71,281	(13,809)	57,472
26	Taxes Other Than Income Taxes	149,735	(68,978)	80,757
27				
28	TOTAL OPERATING EXPENSE BEFORE INCOME TAXES	474,482	(188,830)	285,651

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Jurisdictional Adjusted Test Year Net Electric Operating Income (NEOI)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
Schedule C-2.1, C-3, C-4

Schedule C-2
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Witness Responsible:
T.A. Caudill

Line No.	Description	Unadjusted Revenue & Expenses	Adjustments	Adjusted Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	NEOI BEFORE INCOME TAXES	102,044	(27,758)	74,286
2				
3	Income Taxes-State and Local			
4	Current	570	(324)	246
5	Provision for Deferred Income Taxes	101	62	163
6	Total State & Local Income Taxes	671	(263)	409
7	Income Taxes-Federal			
8	Current	19,727	(11,962)	7,765
9	Provision for Deferred Income Taxes	10,478	1,519	11,997
10	Deferred Investment Tax Credit	(397)	181	(216)
11	Total Federal Income Taxes	29,807	(10,261)	19,546
12				
13	Total Operating Expenses	504,960	(199,354)	305,606
14				
15	Net Electric Operating Income	\$ 71,566	\$ (17,234)	\$ 54,332

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-2.1a thru e, Schedule B-7.1a, Schedule E-4

Schedule C-2.1
 Page 1 of 5
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING REVENUES				
2	440-445	Base Revenues	\$ 1,167,397	47.56%	\$ 555,231	DIRECT
3	440-445	Fuel Revenues	692,045	0.00%	0	NONDIST
4		TOTAL Sales to Ultimate Customers	<u>1,859,442</u>		<u>555,231</u>	
5	447	Sales for Resale	247,595	0.00%	0	NONDIST
6		Sales of Electricity	<u>2,107,037</u>		<u>555,231</u>	
7	450	Forfeited Discounts	2,831	100.00%	2,831	ALLDIST
8	451	Misc. Service Revenues	2,110	94.34%	1,991	OTHREV1
9	454.1	Rent from Electric Property - Assoc.	13,352	42.01%	5,609	OTHREV2
10	454.2	Rent from Electric Property - Non Assoc.	6,557	91.64%	6,008	OTHREV3
11	454.4	Rent from Electric Property - ABD	436	29.28%	128	OTHREV4
12	456.0015	Revenues from ABD	702	91.37%	642	OTHREV5
13	456.1027	PJM Transm Dis/Meter - Non Affil.	554	100.00%	554	ALLDIST
14	456.0012,41	Other Electric Revenue - Distribution	3,532	100.00%	3,532	ALLDIST
15	456 all other	Other Electric Revenues (all other)	10,848	0.00%	0	NONDIST
16		Other Operating Revenues	<u>40,923</u>		<u>21,295</u>	
17		Total Electric Operating Revenues	<u>\$ 2,147,959</u>		<u>\$ 576,525</u>	

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):
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Schedule C-2.1
Page 2 of 5
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING EXPENSES				
2						
3		All Other Production Expenses	\$ 1,025,188	0.00%	\$ 0	NONDIST
4	555.0110	Purchased Power - Discounts	(1,800)	100.00%	(1,800)	ALLDIST
5		POWER PRODUCTION EXPENSES	<u>\$ 1,023,388</u>		<u>\$ (1,800)</u>	
6						
7		TRANSMISSION EXPENSES	<u>\$ 52,242</u>	0.00%	<u>\$ 0</u>	NONDIST
8						
9		DISTRIBUTION EXPENSES				
10		Operation				
11	580	Operation Supervision and Engineering	\$ 4,972	100.00%	\$ 4,972	ALLDIST
12	581	Load Dispatching	(38)	100.00%	(38)	ALLDIST
13	582	Station Expenses	928	100.00%	928	ALLDIST
14	583	Overhead Line Expenses	1,424	100.00%	1,424	ALLDIST
15	584	Underground Line Expenses	2,678	100.00%	2,678	ALLDIST
16	585	Street Lighting and Signal System Expenses	61	100.00%	61	ALLDIST
17	586	Meter Expenses	812	100.00%	812	ALLDIST
18	587	Customer Installations Expenses	107	100.00%	107	ALLDIST
19	588	Miscellaneous Distribution Expenses	34,713	100.00%	34,713	ALLDIST
20	589	Rents	3,833	100.00%	3,833	ALLDIST
21		TOTAL Operation	<u>49,491</u>		<u>49,491</u>	
22		Maintenance				
23	590	Maintenance Supervision and Engineering	351	100.00%	351	ALLDIST
24	591	Maintenance of Structures	194	100.00%	194	ALLDIST
25	592	Maintenance of Station Equipment	2,572	100.00%	2,572	ALLDIST
26	593	Maintenance of Overhead Lines	35,156	100.00%	35,156	ALLDIST
27	594	Maintenance of Underground Lines	3,173	100.00%	3,173	ALLDIST
28	595	Maintenance of Line Transformers	313	100.00%	313	ALLDIST
29	596	Maintenance of Street Lighting and Signal Systems	150	100.00%	150	ALLDIST
30	597	Maintenance of Meters	179	100.00%	179	ALLDIST
31	598	Maintenance of Miscellaneous Distribution Plant	1,365	100.00%	1,365	ALLDIST
32		TOTAL Maintenance	<u>43,452</u>		<u>43,452</u>	
33		TOTAL Distribution Expenses	<u>\$ 92,943</u>		<u>\$ 92,943</u>	
34						
35		CUSTOMER ACCOUNTS EXPENSES				
36		Operation				
37	901	Supervision	1,153	100.00%	1,153	ALLDIST
38	902	Meter Reading Expenses	4,601	100.00%	4,601	ALLDIST
39	903	Customer Records and Collection Expenses	22,029	100.00%	22,029	ALLDIST
40	904	Uncollectible Accounts	35,678	100.00%	35,678	ALLDIST
41	431.0002	Interest on Customer Deposits	1,199	100.00%	1,199	ALLDIST
42	426.5009,10	Factored Customer Accounts Receivable	11,887	100.00%	11,887	ALLDIST
43	905	Miscellaneous Customer Accounts Expenses	77	100.00%	77	ALLDIST
44		TOTAL Customer Accounts Expenses	<u>\$ 76,623</u>		<u>\$ 76,623</u>	

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):
WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
Page 3 of 5
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill
H.E. McCoy

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING EXPENSES				
2						
3		CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
4		Operation				
5	907	Supervision	\$ 1,577	100.00%	\$ 1,577	ALLDIST
6	908	Customer Assistance Expenses	40,014	100.00%	40,014	ALLDIST
7	909	Informational and Instructional Expenses	383	100.00%	383	ALLDIST
8	910	Misc. Customer Service and Informational Expenses	0	100.00%	0	ALLDIST
9		TOTAL Customer Serv. & Info. Exp.	\$ 41,974	100.00%	\$ 41,974	ALLDIST
10						
11		SALES EXPENSE				
12		Operation				
13	911	Supervision	\$ 108	100.00%	\$ 108	ALLDIST
14	912	Demonstrating and Selling Expenses	1	100.00%	1	ALLDIST
15	913	Advertising Expenses	2,198	100.00%	2,198	ALLDIST
16	916	Miscellaneous Sales Expenses	0	100.00%	0	ALLDIST
17		TOTAL Sales Expenses	\$ 2,307		\$ 2,307	
18						
19		ADMINISTRATIVE AND GENERAL EXPENSES				
20		Operation				
21	920	Administrative and General Salaries	\$ 23,059	57.67%	\$ 13,298	A&G1
22	921	Office Supplies and Expenses	2,648	43.26%	1,146	A&G2
23	922	Administrative Expenses Transferred-Cr.	(2,374)	98.31%	(2,334)	A&G3
24	923.0001	Outside Svcs Empl - Nonassoc	3,160	59.08%	1,867	A&G4
25	923.0003	AEPSC Billed to Client Co	14,241	59.95%	8,538	A&G5
26	924	Property Insurance	2,363	8.71%	206	A&G6
27	925	Injuries and Damages	2,967	44.59%	1,323	A&G7
28	926 all other	Other Employee Benefits excluding Pension & OPEB	10,467	44.01%	4,607	A&G8
29	926.0003, 37	Pension Plan	7,970	54.82%	4,369	A&G9
30	926.0050	Pension Plan Fringe Loading Offset	(3,044)	77.30%	(2,353)	A&G10
31	926.0021, 57	OPEB	6,824	63.26%	4,317	A&G11
32	926.0053	OPEB Fringe Loading Offset	(1,346)	79.76%	(1,074)	A&G12
33	927	Franchise Requirements	0	0.00%	0	NONDIST
34	928	Regulatory Commission Expenses	115	94.59%	109	A&G13
35	929	Duplicate Charges-Cr.	0	0.00%	0	NONDIST
36	930.1000	General Advertising Expenses	1,531	96.30%	1,474	A&G14
37	930.2 all other	Miscellaneous General Expenses	967	58.08%	561	A&G15
38	930.2007	Associated Business Development Expenses	1,060	66.58%	706	A&G16
39	931	Rents	2,139	98.55%	2,108	A&G17
40		TOTAL Operation	72,747		38,867	
41		Maintenance				
42	935	Maintenance of General Plant	3,065	83.26%	2,552	A&G18
43		TOTAL Administrative and General Expenses	\$ 75,812		\$ 41,419	

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
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 Work Paper Reference No(s):
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Schedule C-2.1
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 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		DEPRECIATION & AMORTIZATION EXPENSES				
2						
3		DEPRECIATION EXPENSE				
4	403	Production	\$ 60,588	0.00%	\$ 0	NONDIST
5	403	Transmission	13,987	0.00%	0	NONDIST
6	403	Distribution	62,095	100.00%	62,095	ALLDIST
7	403	General	3,864	86.00%	3,323	DEPR1
8		TOTAL Depreciation Expense	<u>\$ 140,534</u>		<u>\$ 65,418</u>	
9						
10		AMORTIZATION OF UTILITY PLANT				
11	404	Intangible Plant	<u>\$ 9,914</u>	43.00%	<u>\$ 4,263</u>	AMORT1
12						
13		AMORTIZATION OF PLANT ACQ ADJ				
14	406	Distribution	<u>\$ 0</u>	100.00%	<u>\$ 0</u>	ALLDIST
15						
16		AMTZ. OF REGULATORY DEBITS (407.3) /CREDITS (407.4)				
17		Amtz. Of Regulatory Debits (407.3)				
18	407.3000	Regulatory Debits - RTO	\$ 572	0.00%	\$ 0	NONDIST
19	407.3000	Regulatory Debits - Mon Power	\$ 1,600	100.00%	\$ 1,600	ALLDIST
20	407.3006	Regulatory Debits ETCRR	(11)	0.00%	0	NONDIST
21		TOTAL Account 407.3	<u>2,161</u>		<u>1,600</u>	
22						
23		Amtz. Of Regulatory Credits (407.4)			<u>0</u>	
24	407.4003	Regulatory Credits ETCRR	<u>(67)</u>	0.00%	<u>0</u>	NONDIST
25		NET Amtz. of Reg. Credits/Debits	<u>\$ 2,094</u>		<u>\$ 1,600</u>	

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
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 WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
 Page 5 of 5
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 J.B. Bartsch

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		TAXES OTHER THAN INCOME TAXES				
2						
3	408.1x	Franchise Tax	\$ 280	0.71%	\$ 2	OTHTAX1
4	408.1x	Commercial Activity Taxes	5,377	86.68%	4,661	OTHTAX2
5	408.1x	Revenue-KWH Taxes	68,563	100.00%	68,563	ALLDIST
6	408.1x	Payroll Taxes	6,419	49.71%	3,191	OTHTAX3
7	408.1x	Capacity Taxes	0	0.00%	0	NONDIST
8	408.1x	Property Taxes	107,255	65.97%	70,758	OTHTAX4
9	408.1x	Regulatory Fees	2,549	100.00%	2,549	ALLDIST
10	408.1x	Production Taxes	1	0.00%	0	NONDIST
11	408.1x	Miscellaneous Taxes	10	99.73%	10	OTHTAX5
12		TOTAL TAXES OTHER THAN INCOME TAXES	\$ 190,455		\$ 149,735	
13						
14	411.1005	Accretion Expense	\$ 2,844	0.00%	\$ 0	NONDIST
15						

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-361-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-3
 Page 1 of 3
 Witness Responsible:
 T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Total Schedule C-3	Universal Service Fund C-3.1	Advanced Energy Fund C-3.2	Kwh Tax C-3.3	Energy Efficiency/ Peak Demand C-3.4	Economic Development Cost Recovery C-3.5	Enhanced Service Reliability C-3.6	Annualize Pole Attachment Revenues C-3.7	Annualize Pole Attachment Expense C-3.8
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues	\$ (215,510)	\$ (34,161)	\$ (791)	\$ (73,913)	\$ (49,982)	\$ (35,754)	\$ (9,613)		
3	Fuel Revenues	\$ 0								
4	Other Operating Revenues	(1,078)							(1,078)	
5	Total Operating Revenues	(216,588)	(34,161)	(791)	(73,913)	(49,982)	(35,754)	(9,613)	(1,078)	0
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power	1,800					1,800			
10	Other	0								
11	Total Production Expenses	1,800	0	0	0	0	1,800	0	0	0
12	Transmission Expense	0								
13	Distribution Expense	(27,138)								
14	Customer Accounts Expenses	(36,043)	(35,784)			(1)		(10,798)		(583)
15	Customer Service & Information Expense	(39,898)		(824)		(38,861)				
16	Sales Expense	(2,308)				(108)				
17	Administrative & General Expense	(2,456)				(579)				
18	Total Operating and Maintenance Expense	(106,043)	(35,784)	(824)	0	(39,549)	1,800	(10,798)	0	(583)
19	Depreciation and Amortization Expenses									
20	Depreciation	(12,209)						(176)		
21	Amort. & Depl. of Utility Plant	0								
22	Amort. of Utility Plant Acq. Adj.	0								
23	Net Amortization of Regulatory Credits/Debits	(1,600)								
24	Total Depreciation and Amtz. Expenses	(13,809)	0	0	0	0	0	(176)	0	0
25	Taxes Other Than Income Taxes	(68,978)				(68,563)				
26	Income Taxes-State and Municipal									
27	Current	(324)								
28	Provision for Deferred Income Taxes	62								
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	(263)	0	0	0	0	0	0	0	0
31	Income Taxes-Federal									
32	Current	(11,962)								
33	Provision for Deferred Income Taxes	1,519								
34	Provision for Deferred Income Taxes-Credit	181								
35	Total Federal Income Taxes	(10,261)	0	0	0	0	0	0	0	0
36	Total Operating Expenses	(199,354)	(35,784)	(824)	(68,563)	(39,549)	1,800	(10,974)	0	(583)
37	Net Electric Operating Income	\$ (17,234)	\$ 1,623	\$ 33	\$ (5,349)	\$ (10,433)	\$ (37,554)	\$ 1,361	\$ (1,078)	\$ 583

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):

Schedule C-3
 Page 2 of 3
 Witness Responsible:
 T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Severance Adjustment	Severance Amortization	Annualize Labor/Payroll Expense	Annualize Pension Expense	Annualize OPEB Expense	Interest on Customer Deposits	Amortize Rate Case Expense	Public Safety Announcement Expense	Annualize Depreciation Expense
	Schedule Reference	C-3.9	C-3.10	C-3.11	C-3.12	C-3.13	C-3.14	C-3.15	C-3.16	C-3.17
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues									
3	Fuel Revenues									
4	Other Operating Revenues									
5	Total Operating Revenues	0	0	0	0	0	0	0	0	0
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power									
10	Other									
11	Total Production Expenses	0	0	0	0	0	0	0	0	0
12	Transmission Expense									
13	Distribution Expense	(14,237)	4,797	514						
14	Customer Accounts Expenses			109			(368)			
15	Customer Service & Information Expense			10						
16	Sales Expense									
17	Administrative & General Expense	(2,765)	937	77	640	(484)		51	125	
18	Total Operating and Maintenance Expense	(17,002)	5,734	710	640	(484)	(368)	51	125	0
19	Depreciation and Amortization Expenses									
20	Depreciation									(1,142)
21	Amort. & Depl. of Utility Plant									
22	Amort. of Utility Plant Acq. Adj.									
23	Net Amortization of Regulatory Credits/Debits									
24	Total Depreciation and Amort. Expenses	0	0	0	0	0	0	0	0	(1,142)
25	Taxes Other Than Income Taxes	(696)	221	51						
26	Income Taxes-State and Municipal									
27	Current									
28	Provision for Deferred Income Taxes									
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	0	0	0	0	0	0	0	0	0
31	Income Taxes-Federal									
32	Current									
33	Provision for Deferred Income Taxes									
34	Provision for Deferred Income Taxes-Credit									
35	Total Federal Income Taxes	0	0	0	0	0	0	0	0	0
36	Total Operating Expenses	(17,688)	5,955	761	640	(484)	(368)	51	125	(1,142)
37	Net Electric Operating Income	\$ 17,688	\$ (5,955)	\$ (761)	\$ (640)	\$ 484	\$ 368	\$ (51)	\$ (125)	\$ 1,142

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original___Updated___Revised
Work Paper Reference No(s):

Schedule C-3
Page 3 of 3
Witness Responsible:
T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Depreciation Rate	Solar Panels	Income Taxes	Mon Power Litigation Termination	gridSMART®				
	Schedule Reference	C-3.18	C-3.19	C-3.20	C-3.21	C-3.22				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues				\$ (2,633)	\$ (8,664)				
3	Fuel Revenues									
4	Other Operating Revenues									
5	Total Operating Revenues	0	0	0	(2,633)	(8,664)	0	0	0	0
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power									
10	Other									
11	Total Production Expenses	0	0	0	0	0	0	0	0	0
12	Transmission Expense									
13	Distribution Expense					(8,830)				
14	Customer Accounts Expenses					1				
15	Customer Service & Information Expense					(224)				
16	Sales Expense					(2,200)				
17	Administrative & General Expense					(458)				
18	Total Operating and Maintenance Expense	0	0	0	0	(9,711)	0	0	0	0
19	Depreciation and Amortization Expenses									
20	Depreciation	(9,862)	(16)			(1,012)				
21	Amort. & Depl. of Utility Plant									
22	Amort. of Utility Plant Acq. Adj.									
23	Net Amortization of Regulatory Credits/Debits				(1,600)					
24	Total Depreciation and Amtz. Expenses	(9,862)	(16)	0	(1,600)	(1,012)	0	0	0	0
25	Taxes Other Than Income Taxes									
26	Income Taxes-State and Municipal									
27	Current			(324)						
28	Provision for Deferred Income Taxes			62						
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	0	0	(263)	0	0	0	0	0	0
31	Income Taxes-Federal									
32	Current			(11,962)						
33	Provision for Deferred Income Taxes			1,519						
34	Provision for Deferred Income Taxes-Credit			181						
35	Total Federal Income Taxes	0	0	(10,261)	0	0	0	0	0	0
36	Total Operating Expenses	(9,862)	(16)	(10,261)	(1,600)	(10,723)	0	0	0	0
37	Net Electric Operating Income	\$ 9,862	\$ 16	\$ 10,261	\$ (1,032)	\$ 2,059	\$ 0	\$ 0	\$ 0	\$ 0

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Universal Service Fund Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.1
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of Universal Service Fund (USF) from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(34,161)	ALLDIST	100.00%	\$ (34,161)
5							
6	9040000	Uncoll Accts - Pct Income Plan (9040002)		(35,784)	ALLDIST	100.00%	\$ (35,784)
7							
8							<u>\$ 1,623</u>
9							
10							
11							
12							
13							
14							
15							
16		Supporting Calculations					
17		Summary					
18		Account 9040002					
19		USF		Amount - \$			
20		Jun 2010 - Aug 2010		10,000,574.43	Actual		
21		Sep 2010		3,008,118.39	Forecast		
22		Oct 2010		2,645,789.35	Forecast		
23		Nov 2010		2,612,629.36	Forecast		
24		Dec 2010		2,971,211.32	Forecast		
25		Jan 2011		2,909,148.83	Forecast		
26		Feb 2011		2,909,148.83	Forecast		
27		Mar 2011		2,909,148.83	Forecast		
28		Apr 2011		2,909,148.83	Forecast		
29		May 2011		2,909,148.83	Forecast		
30		Total		<u>35,784,067.00</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Advanced Energy Fund Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.2
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of Advanced Energy Fund (AEF) from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(791)	ALLDIST	100.00%	\$ (791)
5							
6	9080000	Customer Assistance Expenses		(824)	ALLDIST	100.00%	\$ (824)
7							
8							<u>\$ 33</u>
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22		Supporting Calculations					
23		Summary					
24		Account 9080000					
25		AEF - Quarterly Expense		Amount - \$			
26		Q2 - Jun 2010		203,018.49	Actual		
27		Q3 - Sep 2010		207,050.00	Forecast		
28		Q4 - Dec 2010		207,050.00	Forecast		
29		Q1 - Mar 2011		206,487.00	Forecast		
30		Total		<u>823,605.49</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
KWH Tax Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.3
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zellna

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of KWH Tax Rider from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(73,913)	ALLDIST	100.00%	\$ (73,913)
5							
6	4081010	Revenue-KWH Taxes		(68,563)	ALLDIST	100.00%	\$ (68,563)
7							
8							<u>\$ (5,349)</u>
9							
10							
11							
12							
13							
14							
15							
16	Supporting Calculations						
17		<u>Summary</u>					
18		Account 4081010					
19		KWH Tax		<u>Amount - \$</u>			
20		Jun 2010 - Aug 2010		19,809,578.15	Actual		
21		Sep 2010		5,364,400.37	Forecast		
22		Oct 2010		5,060,609.66	Forecast		
23		Nov 2010		4,934,241.28	Forecast		
24		Dec 2010		6,268,530.49	Forecast		
25		Jan 2011		6,395,794.23	Forecast		
26		Feb 2011		5,848,589.66	Forecast		
27		Mar 2011		5,530,829.84	Forecast		
28		Apr 2011		4,584,691.88	Forecast		
29		May 2011		4,766,047.71	Forecast		
30		Total		<u>68,563,313.26</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Energy Efficiency & Peak Demand Reduction Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1, WP C-3.4a

Schedule C-3.4
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effect of the Energy Efficiency and Peak Demand Reduction (EE/EDR) rider from the distribution test year					
3							
4	440-445	Sales of electricity (billings to customers)		(49,982)	ALLDIST	100.00%	\$ (49,982)
5							
6	9030001	Customer Orders & Inquiries		(1)	ALLDIST	100.00%	\$ (1)
7	9070000	Supervision - Customer Service		(0)	ALLDIST	100.00%	\$ (0)
8	9070001	Supervision - DSM		(277)	ALLDIST	100.00%	\$ (277)
9	9080000	Customer Assistance Expenses		(846)	ALLDIST	100.00%	\$ (846)
10	9080009	Cust Assistance Expense - DSM		(28,409)	ALLDIST	100.00%	\$ (28,409)
11	9080014	DSM Costs Deferred		(9,329)	ALLDIST	100.00%	\$ (9,329)
12	9110001	Supervision - Residential		(21)	ALLDIST	100.00%	\$ (21)
13	9110002	Supervision - Comm & Ind		(87)	ALLDIST	100.00%	\$ (87)
14	9200000	Administrative & Gen Salaries		(6)	ALLDIST	100.00%	\$ (6)
15	9210001	Off Supl & Exp - Nonassociated		(0)	ALLDIST	100.00%	\$ (0)
16	9230001	Outside Svcs Empl - Nonassoc		(165)	ALLDIST	100.00%	\$ (165)
17	9301002	Radio Station Advertising Time		(3)	ALLDIST	100.00%	\$ (3)
18	9301007	Special Adv Space & Prod Exp		(400)	ALLDIST	100.00%	\$ (400)
19	9302000	Misc General Expenses		(4)	ALLDIST	100.00%	\$ (4)
20		Total O&M		<u>(39,549)</u>			<u>\$ (39,549)</u>
21							
22							<u>\$ (10,433)</u>
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Economic Development Recovery Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.5
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Code	Allocation		Jurisdictional Amount
		Account Title				%		
(A)	(B)	(C)		(D)	(E)	(F)		(G)
1		Purpose and Description:						
2		To remove the effects of the Economic Development Recovery Rider (EDR) from the distribution test year						
3								
4	440 - 445	Sales of electricity (billings to customers)		(35,754)	ALLDIST	100.00%	\$	(35,754)
5	442	Sales of electricity (EDR discount)		37,554 [1]				
6		Total Revenues		1,800				
7								
8	5550110	Purchased Power (over/under)		1,800	ALLDIST	100.00%	\$	1,800
9								
10								
11								<u>\$ (37,554)</u>
12								
13								
14								
15								
16								
17								

Supporting Calculations

Accounts	Description	Amount - \$			
		3 Months Actual 8/31/10	9 Months Forecast 5/31/2011	12 Months Ended 5/31/2011 Total	Impact Inc. (Dec)
5550110	Purchased Power (over/under)	186,328 A	(1,986,004) B	(1,799,676)	1,799,676

Sources:

A- Company General Ledger
 B- Company Forecast Model

[1] Test year Distribution Revenue is not Discounted. Therefore, the Discount has already been removed.

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Enhanced Service Reliability Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original___Updated___Revised
Work Paper Reference No(s):
 Schedule E-4.1, WP C-3.6a

Schedule C-3.6
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill
T.R. Zelina

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		To remove the effect of the Enhanced Service Reliability Rider (ESRR) from the distribution test year				
3						
4	440-445	Sales of Electricity	(9,613)			
5		Total Revenue	(9,613)	ALLDIST	100.00%	\$ (9,613)
6						
7	4030001	Depreciation Exp	(176)			
8		Total Depreciation	(176)	ALLDIST	100.00%	\$ (176)
9						
10	5930009	ESRR-OvUnd Maint OvH Lines	1,525	ALLDIST	100.00%	\$ 1,525
11	5930000	Maintenance of Overhead Lines	(12,323)	ALLDIST	100.00%	\$ (12,323)
12		Total O&M	(10,798)			
13						
14						\$ 1,361
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Pole Attachment Revenue
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-3.7
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		Adjust to decrease Pole Attachment Revenues recorded from June 2010 through August 2010				
3		for adjustments related to prior periods (Account 454)				
4						
5	4540002	Rent from Elect Property-Non-Affiliated				
6		Remove Out of Period Pole Attachment Revenue	(1,078)	ALLDIST	100.00%	\$ (1,078)
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23		Supporting Calculations				
24		<u>Summary</u>				
25		Account 4540002				
26		CAD056AJE				
27		6/29/2010	Amount - \$ 28,369.19	Actual		
28		7/30/2010	(941,219.29)	Actual		
29		8/31/2010	(164,713.40)	Actual		
30		Total	<u>(1,077,563.50)</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Pole Attachment Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-3.8
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust to decrease Pole Attachment Expenses recorded from June 2010 through August 2010					
3		for adjustments related to prior periods (Account 589)					
4							
5	5890001	Rents - Nonassociated					
6		Out of Period Pole Attachment Rental Expense		(583)	ALLDIST	100.00%	\$ (583)
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24		Supporting Calculations					
25		<u>Summary</u>					
26		Account 5890001					
27		CAD056AJE		Amount - \$			
28		6/29/2010		5,983.07	Actual		
29		7/30/2010		(588,564.22)	Actual		
30		Total		<u>(582,581.15)</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Severance Adjustment
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised ___
Work Paper Reference No(s): WPC3.xx
WP C-3.9a

Schedule C-3.9
Page 1 of 1
Witness Responsible:
T.E. Mitchell
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		To remove the effect of the June 2010 through August 2010 Severance expense					
4							
5	5880000	Miscellaneous Distribution Exp		(14,237)	ALLDIST	100.00%	\$ (14,237)
6	9200000	Administrative & Gen Salaries		(2,515)	ALLDIST	100.00%	\$ (2,515)
7	9230001	Outside Svcs Empl - Nonassoc		(18)	ALLDIST	100.00%	\$ (18)
8	9260005	Group Medical Ins Premiums		(213)	ALLDIST	100.00%	\$ (213)
9	9260009	Group Dental Insurance Prem		(11)	ALLDIST	100.00%	\$ (11)
10	4081002	FICA		(686)	ALLDIST	100.00%	\$ (686)
11	9260027	Savings Plan Contributions		(8)	ALLDIST	100.00%	\$ (8)
12		Total O&M		<u>(17,688)</u>			<u>\$ (17,688)</u>
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Severance Amortization
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s): WPC3.xx
WP C-3.10a

Schedule C-3.10
Page 1 of 1
Witness Responsible:
T.E. Mitchell
T.A. Caudill
S.J. Dias

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		To amortize the 2010 Severance expense over 3 years.					
4							
5	5880000	Miscellaneous Distribution Exp		4,797	ALLDIST	100.00%	\$ 4,797
6	9200000	Administrative & Gen Salaries		853	ALLDIST	100.00%	\$ 853
7	9230001	Outside Svcs Empl - Nonassoc		7	ALLDIST	100.00%	\$ 7
8	9260005	Group Medical Ins Premiums		71	ALLDIST	100.00%	\$ 71
9	9260009	Group Dental Insurance Prem		4	ALLDIST	100.00%	\$ 4
10	4081002	FICA		221	ALLDIST	100.00%	\$ 221
11	9260027	Savings Plan Contributions		3	ALLDIST	100.00%	\$ 3
12		Total O&M		<u>5,955</u>			<u>\$ 5,955</u>
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Annualize Labor & Payroll Expenses
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s): WP C-9
WP C-3.11a, WP C-3.11b

Schedule C-3.11
Page 1 of 1
Witness Responsible:
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	
1		Purpose and Description:					
2		To adjust test year Payroll Expenses and F.I.C.A. Taxes to reflect annualized					
3		staffing levels and wages at the end of the test year					
4							
5	5800000	Supervision & Engineering	\$ 54	ALLDIST	100.00%	\$ 54	
6	5820000	Station Equipment	\$ 7	ALLDIST	100.00%	\$ 7	
7	5830000	Overhead Lines	\$ 39	ALLDIST	100.00%	\$ 39	
8	5840000	Underground Lines	\$ 13	ALLDIST	100.00%	\$ 13	
9	5850000	Street & Area Lighting	\$ 1	ALLDIST	100.00%	\$ 1	
10	5860000	Meters	\$ 33	ALLDIST	100.00%	\$ 33	
11	5870000	Customer Installations	\$ 5	ALLDIST	100.00%	\$ 5	
12	5880000	Miscellaneous Distribution Exp	\$ 117	ALLDIST	100.00%	\$ 117	
13	5890001	Rents - Nonassociated	\$ 0	ALLDIST	100.00%	\$ 0	
14	5900000	Supervision & Engineering	\$ 4	ALLDIST	100.00%	\$ 4	
15	5910000	Structures	\$ 0	ALLDIST	100.00%	\$ 0	
16	5920000	Station Equipment	\$ 13	ALLDIST	100.00%	\$ 13	
17	5930000	Maintenance of Overhead Lines	\$ 187	ALLDIST	100.00%	\$ 187	
18	5940000	Underground Lines	\$ 14	ALLDIST	100.00%	\$ 14	
19	5950000	Line Transformers	\$ 7	ALLDIST	100.00%	\$ 7	
20	5960000	Street & Area Lighting	\$ 1	ALLDIST	100.00%	\$ 1	
21	5970000	Meters	\$ 2	ALLDIST	100.00%	\$ 2	
22	5980000	Misc Distribution Plant	\$ 17	ALLDIST	100.00%	\$ 17	
23	9010000	Supervision & Engineering	\$ 5	ALLDIST	100.00%	\$ 5	
24	9020000	Meter Reading	\$ 46	ALLDIST	100.00%	\$ 46	
25	9030000	Customer Records & Collection Expense	\$ 58	ALLDIST	100.00%	\$ 58	
26	9070000	Supervision	\$ 0	ALLDIST	100.00%	\$ 0	
27	9080000	Customer Assistance Expenses	\$ 9	ALLDIST	100.00%	\$ 9	
28	9200000	Salaries	\$ 32	ALLDIST	100.00%	\$ 32	
29	9210000	Office Supplies	\$ 0	ALLDIST	100.00%	\$ 0	
30	9260000	Other Employee Benefits	\$ 0	ALLDIST	100.00%	\$ 0	
31	9302007	Assoc Business Development Exp	\$ 0	ALLDIST	100.00%	\$ 0	
32	9350000	Admin & General Maintenance	\$ 18	ALLDIST	100.00%	\$ 18	
33			<u>\$ 683</u>			<u>\$ 683</u>	
34							
35	9260027	Employee Benefits - Savings Plan Contribution	\$ 27	ALLDIST	100.00%	\$ 27	
36							
37	408.1	Payroll Taxes	\$ 51	ALLDIST	100.00%	\$ 51	
38							
39		Total Payroll Expense and Tax Adjustment	<u>\$ 761</u>			<u>\$ 761</u>	

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Annualize Pension Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ☒ Original ☐ Updated ☐ Revised

Work Paper Reference No(s):

Schedule C-2.1, WP C-3.12a

Schedule C-3.12

Page 1 of 1

Witness Responsible:

H.E. McCoy

T.A. Caudill

Line No.	Acct. No.	Purpose and Description Account Title	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		Adjust pension expense to reflect the most recent actuarial estimates for the test period.				
3						
4		<u>PENSION EXPENSE</u>				
5						
6	9260003 & 9260037	Distribution Pension Expense	4,369			
7	9260050	Less: Amount Charged to Capital Projects & Clearing Accounts	(2,353)			
8		Net Distribution Pension Expense	2,016			
9		Ratio of Pension Expense to Total Accrual (Line 8 / Line 6)	46.15%			
10						
11		2011 Distribution Expense per Actuarial Report	5,755			
12		Percentage of Pension Accrual Charged to O&M (Line 9)	46.15%			
13		Adjusted Pension Expense	2,656			
14						
15		Adjustment Amount (Line 13 - Line 8)	640	ALLDIST	100.00%	640
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Annualize OPEB Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original___Updated___Revised
Work Paper Reference No(s):
Schedule C-2.1, WP C-3.13a

Schedule C-3.13
Page 1 of 1
Witness Responsible:
H.E. McCoy
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust OPEB expense to reflect the most recent actuarial estimates for the test period.					
3							
4		<u>OPEB EXPENSE</u>					
5							
6	9260021 & 9260057	Distribution OPEB Expense	4,317				
7	9260053	Less: Amount Charged to Capital Projects & Clearing Accounts	(1,074)				
8		Net Distribution OPEB Expense		3,243			
9		Ratio of OPEB Expense to Total Accrual (Line 9 / Line 7)		75.13%			
10							
11		2011 Distribution OPEB Contribution per Actuarial Report	3,673				
12		Percentage of OPEB Accrual Charged to O&M (Line 10)	75.13%				
13		Adjusted OPEB Expense		2,760			
14							
15		Adjustment Amount (Line 14 - Line 9)		(484)	ALLDIST	100.00%	(484)
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Interest on Customer Deposits
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original___Updated___Revised
Work Paper Reference No(s):
Schedule B-6, Schedule C-2.1

Schedule C-3.14
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust customer deposit interest expense to be the rate requested in the filing multiplied by the date certain balance					
3		-- the interest expense associated with these deposits is added to operating expense					
4							
5	4310002	INTEREST ON CUSTOMER SERVICE DEPOSITS					
6		Date Certain Deposits 8/31/10 (a/c 235)	27,677				
7		Requested Interest Rate	3.00%				
8		Going Level Interest Expense	830				
9		Interest Expense Reflected in Cost of Service	1,199				
10		Adjustment to Interest on Customer Deposits		(368)	ALLDIST	100.00%	\$ (368)
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Amortize Rate Case Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule C-8

Schedule C-3.15
 Page 1 of 1
 Witness Responsible:
 S.J. Dias
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To include in the test year - amortization of the estimated rate case expense over three years					
3							
4	9280003	Rate Case Amortization		51	ALLDIST	100.00%	\$ 51
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
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21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Public Safety Announcement Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):

Schedule C-3.16
 Page 1 of 1
 Witness Responsible:
 S.J. Dias
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		To include Public Safety Announcement expense in the distribution test year				
3						
4	9301000	General Advertising	125	ALLDIST	100.00%	\$ 125
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
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24						
25						
26						
27						
28						
29						
30						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Annualize Depreciation Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised ___
Work Paper Reference No(s): WP C-3.xx
WP B-3.2a, WP C-3.17a

Schedule C-3.17
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation		Jurisdictional Amount
		Account Title		Code	%	
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1						
2		Purpose and Description:				
3		To compare the depreciation expense in the test year to the annualized depreciation expense recorded based				
4		on the date certain plant balances as of August 31, 2010				
5						
6	4030001	Depreciation Expense				
7		Depreciation Rate Adjustment - Distribution				
8		Depreciation Expense Annualized as of				
9		August 31, 2010 Plant Balances 60,465				
10		Depreciation Expense for Test Year 60,891				
11		Adjustment to Depreciation Expense on Annualized basis to Test Year	(426)	ALLDIST	100.00%	\$ (426)
12						
13						
14		Depreciation Rate Adjustment - General (Distribution only)				
15		Depreciation Expense Annualized as of				
16		August 31, 2010 Plant Balances 2,602				
17		Depreciation Expense for Test Year 3,318				
18		Adjustment to Depreciation Expense on Annualized basis to Test Year	(716)	ALLDIST	100.00%	\$ (716)
19						
20						
21			(1,142)			\$ (1,142)
22						
23						
24						
25						
26						
27						
28						
29						
30						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Depreciation Rate Adjustment
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s): WPC3.xx
WP B-3.2a

Schedule C-3.18
Page 1 of 1
Witness Responsible:
T.E. Mitchell
D.A. Davis
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		Adjust depreciation at current approved rates to depreciation rates based on Depreciation Study rates					
4		based on date certain of 08/31/10					
5							
6	4030001	Depreciation Expense					
7		Depreciation Rate Adjustment					
8		Depreciation - Distribution Plant - Current Rates	60,465				
9		Depreciation - Distribution Plant - Study Rates	51,841				
10				(8,624)	ALLDIST	100.00%	\$ (8,624)
11		Deprec - General Plant (Dist Co) - Current Rates	2,602				
12		Deprec - General Plant (Dist Co) - Study Rates	1,364				
13				(1,238)	ALLDIST	100.00%	\$ (1,238)
14							
15		Adjustment for Depreciation on Current and Study Rates		(9,862)			\$ (9,862)
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Remove Depreciation Expense for Solar Panels
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP B-3.1a

Schedule C-3.19
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		To remove the effect of the Solar Panel Projects from the distribution test year				
3						
4	4030001	Depreciation Exp	(16)	ALLDIST	100.00%	\$ (16)
5						
6						
7						
8						
9						
10						
11						
12						
13						
14		Supporting Calculations				
15		<u>Summary</u>				
16		Asset Value at 8/31/10	\$ 501,397.58			
17		Depr Rate	0.30%	[A] Amount - \$		
18		Jun 2010 - Aug 2010		3,058.53	Actual	
19		Sep 2010		1,482.05	Forecast	
20		Oct 2010		1,482.05	Forecast	
21		Nov 2010		1,482.05	Forecast	
22		Dec 2010		1,482.05	Forecast	
23		Jan 2011		1,482.05	Forecast	
24		Feb 2011		1,482.05	Forecast	
25		Mar 2011		1,482.05	Forecast	
26		Apr 2011		1,482.05	Forecast	
27		May 2011		1,482.05	Forecast	
28		Total		<u>16,396.96</u>		
29						
30	[A]	Depreciation rate in forecast as provided by Company witness Sever.				

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Federal & State Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original___Updated___Revised
Work Paper Reference No(s):
 Schedule C-4.1

Schedule C-3.20
Page 1 of 1
Witness Responsible:
J.B. Bartsch
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To Adjust State, Local and Federal Income Tax Expense for impacts					
3		related to Going-Level Adjustments					
4							
5							
6	409.1	Current State & Local Income Tax Expense		(324)	DIRECT	100.00%	\$ (324)
7							
8	410.1 & 411.1	Deferred State & Local Income Tax Expense		62	DIRECT	100.00%	\$ 62
9							
10							
11							
12							
13	409.1	Current Federal Income Tax Expense		(11,962)	DIRECT	100.00%	\$ (11,962)
14							
15	410.1 & 411.1	Deferred Federal Income Tax Expense		1,519	DIRECT	100.00%	\$ 1,519
16							
17	411.4 & 411.5	Deferred Investment Tax Credit Expense		181	DIRECT	100.00%	\$ 181
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Remove Monongahela Power Litigation Termination Revenue and Related Amortization
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
Schedule E-4.1

Schedule C-3.21
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill
T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of Monongahela Power Litigation Termination from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(2,633)	ALLDIST	100.00%	\$ (2,633)
5							
6	4073000	Regulatory Debits		(1,600)	ALLDIST	100.00%	\$ (1,600)
7							
8							<u>\$ (1,032)</u>
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19		Supporting Calculations					
20		<u>Summary</u>					
21		Account 4073000					
22		Mon Power		Amount			
23		Jun 2010		220,733.50	Actual		
24		Jul 2010		242,709.32	Actual		
25		Aug 2010		225,836.30	Actual		
26		Sep 2010		225,751.06	Forecast		
27		Oct 2010		220,492.47	Forecast		
28		Nov 2010		232,982.30	Forecast		
29		Dec 2010		231,726.74	Forecast		
30		Total		<u>1,600,231.69</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
gridSMART® Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule E-4.1, WP C-3.22a

Schedule C-3.22
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zellina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	
1		Purpose and Description:					
2		To remove the effect of the gridSMART® rider from the distribution test year					
3							
4	440-445	Sales of Electricity					
5		Total Revenue	(8,664)	ALLDIST	100.00%	\$ (8,664)	
6							
7	4030001	Depreciation Exp	(993)				
8	4030011	gSMART-OvUnd Depreciation Exp	(19)				
9		Total Depreciation	(1,012)	ALLDIST	100.00%	\$ (1,012)	
10							
11	5800000	Oper Supervision & Engineering	(417)	ALLDIST	100.00%	\$ (417)	
12	5830000	Overhead Line Expenses	(0)	ALLDIST	100.00%	\$ (0)	
13	5860000	Meter Expenses	(62)	ALLDIST	100.00%	\$ (62)	
14	5880000	Miscellaneous Distribution Exp	(30)	ALLDIST	100.00%	\$ (30)	
15	5880004	gSMART-OvUnd Misc Dist Exp	(7,624)	ALLDIST	100.00%	\$ (7,624)	
16	5930000	Maintenance of Overhead Lines	1,041	ALLDIST	100.00%	\$ 1,041	
17	5960000	Maint of Strt Lghtng & Sgnal S	(0)	ALLDIST	100.00%	\$ (0)	
18	5970000	Maintenance of Meters	262	ALLDIST	100.00%	\$ 262	
19	9020000	Meter Reading Expenses	(0)	ALLDIST	100.00%	\$ (0)	
20	9030000	Cust Records & Collection Exp	1	ALLDIST	100.00%	\$ 1	
21	9070000	Supervision - Customer Service	(3)	ALLDIST	100.00%	\$ (3)	
22	9070001	Supervision - DSM	(0)	ALLDIST	100.00%	\$ (0)	
23	9080000	Customer Assistance Expenses	(13)	ALLDIST	100.00%	\$ (13)	
24	9080009	Cust Assistance Expense - DSM	(208)	ALLDIST	100.00%	\$ (208)	
25	9110001	Supervision - Residential	(1)	ALLDIST	100.00%	\$ (1)	
26	9130000	Advertising Expense	(2,199)	ALLDIST	100.00%	\$ (2,199)	
27	9200000	Administrative & Gen Salaries	(410)	ALLDIST	100.00%	\$ (410)	
28	9210001	Off Supl & Exp - Nonassociated	(19)	ALLDIST	100.00%	\$ (19)	
29	9230001	Outside Svcs Empl - Nonassoc	61	ALLDIST	100.00%	\$ 61	
30	9301001	Newspaper Advertising Space	(98)	ALLDIST	100.00%	\$ (98)	
31	9301007	Special Adv Space & Prod Exp	(249)	ALLDIST	100.00%	\$ (249)	
32	9302019	gSMART-OvUnd Misc Gen Exp	259	ALLDIST	100.00%	\$ 259	
33	9350001	Maint of Structures - Owned	(2)	ALLDIST	100.00%	\$ (2)	
34	9350013	Maint of Cmmncation Eq-Unall	(0)	ALLDIST	100.00%	\$ (0)	
35		Total O&M	(9,711)			\$ (9,711)	
36							
37						\$ 2,059	

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Adjusted Jurisdictional Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule C-4.1, WP C-4.1a thru r

Schedule C-4
 Page 1 of 2
 Witness Responsible:
 J.B. Bartsch

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted	Schedule C-3 Adjustments	Adjusted	Proforma Adjustments	Proforma
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	Operating Income Before State & Local Income Taxes	\$ 102,044	\$ (27,758)	\$ 74,286	\$ 33,934	\$ 108,220
2	Current State & Local Income Tax Expense	570	(324)	246	319	565
3	Operating Income Before Federal Income Taxes	101,474	(27,433)	74,040	33,615	107,655
4	Reconciling Items:					
	Interest Charges (Synchronization)	(25,079)	338	(24,741)	0	(24,741)
5	Schedule M Reconciling Items:					
	Tax Accelerated Depreciation	84,045	0	84,045	0	84,045
6	Book Depreciation	69,680	(12,209)	57,471	0	57,471
7	Excess of Tax Over Book Depreciation	(14,365)	(12,209)	(26,574)	0	(26,574)
8	Other Reconciling Items	(5,668)	5,128	(540)	0	(540)
9	Total Schedule M Reconciling Items	(20,033)	(7,081)	(27,114)	0	(27,114)
10	Federal Taxable Income	\$ 56,362	\$ (34,176)	\$ 22,185	\$ 33,615	\$ 55,800
11	Federal, State, Local Income Taxes:					
	Federal @ 35% Statutory Rate					
12	State & Local @ Various Effective Tax Rates					

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Adjusted Jurisdictional Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
Schedule C-4.1, WP C-4.1a thru r

Schedule C-4
Page 2 of 2
Witness Responsible:
J.B. Bartsch

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted	Schedule C-3 Adjustments	Adjusted	Proforma Adjustments	Proforma
(A)	(B)	(C)	(D)	(E)	(F)	(G)
13	Current Federal Income Tax @ Statutory Rates	\$ 19,727	\$ (11,962)	\$ 7,765	\$ 11,765	\$ 19,530
14	Adjustments	0	0	0	0	0
15	Current Federal Income Tax Expense	<u>19,727</u>	<u>(11,962)</u>	<u>7,765</u>	<u>11,765</u>	<u>19,530</u>
	Deferred Income Tax Expense (Net):					
16	Depreciation Related	11,312	3,314	14,626	0	14,626
17	Excess DFIT Reversal - Depreciation	(34)	0	(34)	0	(34)
18	Other Temporary Differences	(800)	(1,795)	(2,595)	0	(2,595)
19	Total Deferred Federal Income Taxes (Net)	<u>10,478</u>	<u>1,519</u>	<u>11,997</u>	<u>0</u>	<u>11,997</u>
20	Amortization of Deferred Investment Tax Credits	<u>(397)</u>	<u>181</u>	<u>(216)</u>	<u>0</u>	<u>(216)</u>
21	Total Federal Income Tax Expense	<u>29,807</u>	<u>(10,261)</u>	<u>19,546</u>	<u>11,765</u>	<u>31,311</u>
22	Current State & Local Income Tax Expense	570	(324)	246	319	565
23	Deferred State & Local Income Tax Expense	<u>101</u>	<u>62</u>	<u>163</u>	<u>0</u>	<u>163</u>
24	Total State & Local Income Tax Expense	<u>671</u>	<u>(263)</u>	<u>409</u>	<u>319</u>	<u>728</u>
25	Total Income Tax Expense	<u>30,478</u>	<u>(10,524)</u>	<u>19,954</u>	<u>12,084</u>	<u>32,039</u>

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Development of Jurisdictional Income Taxes Before Adjustments
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-4.1a thru r

Schedule C-4.1
 Page 1 of 2
 Witness Responsible:
 J.B. Bartsch

Line No.	Account Title	Total Utility	Allocation %	Jurisdiction	Allocation Code/ Explanation
(A)	(B)	(C)	(D)	(E)	(F)
1	Operating Income Before State & Local Income Taxes	\$ 453,296		\$ 102,044	DIRECT
2	Current State & Local Income Tax Expense	<u>2,074</u>		<u>570</u>	DIRECT
3	Operating Income Before Federal Income Taxes	451,221		101,474	DIRECT
4	Reconciling Items: Interest Charges	<u>(84,968)</u>		<u>(25,079)</u>	DIRECT
5	Schedule M Reconciling Items: Tax Accelerated Depreciation	269,044		84,045	DIRECT
6	Book Depreciation	<u>150,447</u>		<u>69,680</u>	DIRECT
7	Excess of Tax Over Book Depreciation	<u>(118,597)</u>		<u>(14,365)</u>	DIRECT
8	Other Reconciling Items	<u>(35,739)</u>		<u>(5,668)</u>	DIRECT
9	Total Schedule M Reconciling Items	<u>(154,336)</u>		<u>(20,033)</u>	DIRECT
10	Federal Taxable Income	<u>\$ 211,917</u>		<u>\$ 56,362</u>	DIRECT
11	Federal, State, Local Income Taxes: Federal @ 35% Statutory Rate				
12	State & Local @ Various Effective Tax Rates				

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Development of Jurisdictional Income Taxes Before Adjustments
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-4.1a thru r

Schedule C-4.1
 Page 2 of 2
 Witness Responsible:
 J.B. Bartsch

Line No.	Account Title	Total Utility (1)	Allocation % (2)	Jurisdiction (3)	Allocation Code/ Explanation (4)
(A)	(B)	(C)	(D)	(E)	(F)
13	Current Federal Income Tax @ Statutory Rates	\$ 74,171		\$ 19,727	DIRECT
14	Adjustments	(7,201)		0	DIRECT
15	Current Federal Income Tax Expense	<u>66,970</u>		<u>19,727</u>	DIRECT
	Deferred Income Tax Expense (Net):				
16	Depreciation Related	57,015		11,312	DIRECT
17	Excess DFIT Reversal - Depreciation	(199)		(34)	DIRECT
18	Other Temporary Differences	11,040		(800)	DIRECT
19	Total Deferred Federal Income Taxes (Net)	<u>67,856</u>		<u>10,478</u>	DIRECT
20	Amortization of Deferred Investment Tax Credits	<u>(1,962)</u>		<u>(397)</u>	DIRECT
21	Total Federal Income Tax Expense	<u>132,865</u>		<u>29,807</u>	DIRECT
22	Current State & Local Income Tax Expense	2,074		570	DIRECT
23	Deferred State & Local Income Tax Expense	<u>303</u>		<u>101</u>	DIRECT
24	Total State & Local Income Tax Expense	<u>2,377</u>		<u>671</u>	DIRECT
25	Total Income Tax Expense	<u>135,242</u>		<u>30,478</u>	DIRECT

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Social and Service Club Dues
For The Twelve Months Ending May 31, 2011

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ►Original___Updated___Revised

Work Paper Reference No(s):

Schedule C-5

Page 1 of 1

Witness Responsible:

Not Applicable

Line No.	Acct. No.	Social Organization/ Service Club	Total Utility	Allocation %	Jurisdiction
(A)	(B)	(C)	(D)	(E)	(F)

No social and/or service club dues are included in test year operating expenses.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Charitable Contributions
For The Twelve Months Ending May 31, 2011

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ☒ Original ☐ Updated ☐ Revised

Work Paper Reference No(s):

Schedule C-6

Page 1 of 1

Witness Responsible:

Not Applicable

Line No.	Acct. No.	Charitable Organization	Total Utility	Allocation %	Jurisdictional Adjustment
(A)	(B)	(C)	(D)	(E)	(F)

No charitable contributions are included in test year operating expenses

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Customer Service and Informational, Sales, and
General Advertising Expense*
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule C-2.1

Schedule C-7
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Acct. No.	Description of Expenses	Labor	Non-Labor	Total Unadjusted
(A)	(B)	(C)	(D)	(E)	(F)
1		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u>			
2	9070000	Supervision	\$ 19	\$ 1,558	\$ 1,577
3	9080000	Customer Assistance	285	39,729	40,014
4	9090000	Informational and Instructional Expenses	0	383	383
5	9100000	Miscellaneous Customer Service & Informational Exp.	0	0	0
6		Total Customer Service & Informational Expenses	<u>\$ 304</u>	<u>\$ 41,669</u>	<u>\$ 41,974</u>
7		<u>SALES EXPENSES</u>			
8	9110000	Supervision	\$ -	\$ 108	\$ 108
9	9120000	Demonstrating and Selling Expenses	0	1	1
10	9130000	Advertising Expenses	0	2,198	2,198
11	9160000	Miscellaneous Selling Expenses	0	0	0
12		Total Sales Expenses	<u>\$ -</u>	<u>\$ 2,307</u>	<u>\$ 2,307</u>
13		<u>GENERAL ADVERTISING EXPENSES</u>			
14	9301000	General Advertising Expenses	\$ -	\$ 1,531	\$ 1,531
15	9302000	Miscellaneous General Expenses	0	967	967
16	9302007	Associated Business Development Expenses	2	1,058	1,060
17		Total General Advertising Expenses	<u>\$ 2</u>	<u>\$ 3,555</u>	<u>\$ 3,557</u>

* This schedule applies to electric and gas companies only.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Rate Case Expense (Jurisdiction)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised ___
Work Paper Reference No(s):

Schedule C-8
Page 1 of 1
Witness Responsible:
S.J. Dias

Comparison of Projected Expenses Associated with the Current Case to Prior Rate Cases						
Item of Expense	Current Case Estimated	Most Recent Prior Case Actual	Most Recent Prior Case Estimate	Next Most Recent Case Actual	Next Most Recent Case Estimate	Justification of Significant Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Legal	\$ 125					
Accounting						
Rate of Return Studies	28					
Cost of Service Studies						
Other Major Rate Case Expenses (List & Specify)						
Total	<u>\$ 153</u>	<u>\$ 1,091 *</u>	<u>\$ 640 *</u>	<u>\$ 369 *</u>	<u>\$ 530 *</u>	

Schedule of Rate Case Expense Amortization					
Rate Case	Total Expense to be Amortized	Opinion/ Order Date	Authorized Amortization Period	Amount Amortized/ Expensed to Date	Expenses Included In Unadjusted Test Year Expense
(H)	(I)	(J)	(K)	(L)	(M)
Current (Estimated)	\$ 153			\$ -	\$ -
Most Recent	\$ 1,091	91-418-EL-AIR 05/12/1992	4 years	\$ 1,091	-
Next Most Recent	\$ 369	83-314-EL-AIR 12/20/1983	1 year	\$ 369	-
					<u>\$ - (1)</u>

(1) Represents rate case expense included on Schedule C-2.

* Breakdown by category not available.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Operation and Maintenance Payroll Costs
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ► Original ___ Updated ___ Revised

Work Paper Reference No(s):

Schedule C-9.1, Schedule C-2.1, WP C-2.1a thru e, Schedule C-3.9 thru C-3.13

Schedule C-9

Page 1 of 1

Witness Responsible:

T.E. Mitchell

O.J. Sever

T.A. Caudill

H.E. McCoy

Operation and Maintenance Expense							
Line No.	Description	Total Company Unadjusted	Allocation Code/ Description	Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	Payroll Costs:						
2	Labor	\$ 53,571	DIRECT	55.89%	\$ 29,939	\$ 683	\$ 30,622
3							
4	Employee Benefits						
5	Pension	\$ 4,926	DIRECT	40.93%	\$ 2,016	\$ 640	\$ 2,656
6	OPEB	\$ 5,478	DIRECT	59.21%	\$ 3,243	\$ (484)	\$ 2,760
7	Savings Plan Contribution	\$ 3,317	A&G8	44.01%	\$ 1,460	\$ 27	\$ 1,487
8	Other Employee Benefits	\$ 7,150	A&G8	44.01%	\$ 3,147	\$ 0	\$ 3,147
9	Total Benefits	\$ 20,872			\$ 9,866	\$ 183	\$ 10,049
10							
11	Payroll Taxes (F.I.C.A.)	\$ 5,362	OTHTAX3	49.71%	\$ 2,665	\$ 51	\$ 2,716
12	Other Payroll Taxes	\$ 1,058	OTHTAX3	49.71%	\$ 526	\$ 0	\$ 526
13	Total Payroll Taxes	\$ 6,419			\$ 3,191	\$ 51	\$ 3,242
14							
15	Total Payroll Costs	\$ 80,862			\$ 42,996	\$ 917	\$ 43,913
16							
17	Severance Costs:						
18	Labor - Severance	\$ 16,770	ALLDIST	100.00%	\$ 16,770	\$ (11,113)	\$ 5,657
19	Savings Plan Contribution - Severance	\$ 8	ALLDIST	100.00%	\$ 8	\$ (6)	\$ 3
20	Other Employee Benefits - Severance	\$ 224	ALLDIST	100.00%	\$ 224	\$ (149)	\$ 75
21	Payroll Taxes (F.I.C.A.) - Severance	\$ 686	ALLDIST	100.00%	\$ 686	\$ (466)	\$ 221
22	Total Payroll Costs - Severance	\$ 17,688			\$ 17,688	\$ (11,734)	\$ 5,955

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Total Company Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-9.1
 Page 1 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	1,943,870	2,060,453	2,112,634	2,275,076	2,299,216	2,108,964
3	Overtime Hours	337,731	275,652	273,193	409,486	355,432	297,189
4	Total Manhours	<u>2,281,601</u>	<u>2,336,105</u>	<u>2,385,827</u>	<u>2,684,562</u>	<u>2,654,648</u>	<u>2,406,153</u>
5	Ratio of Overtime Hours to Straight-Time Hours	17.37%	13.38%	12.93%	18.00%	15.46%	14.09%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	58,439	62,996	65,740	69,350	72,960	66,154
8	Overtime Dollars	12,678	10,562	10,626	15,346	14,010	11,202
9	Total Labor Dollars	<u>71,117</u>	<u>73,558</u>	<u>76,367</u>	<u>84,696</u>	<u>86,970</u>	<u>77,357</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	21.69%	16.77%	16.16%	22.13%	19.20%	16.93%
11	O&M Labor Dollars	47,580	50,358	52,498	58,726	60,285	53,571
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>66.90%</u>	<u>68.46%</u>	<u>68.74%</u>	<u>69.34%</u>	<u>69.32%</u>	<u>69.25%</u>
13	Total Employee Benefits	23,936	25,494	24,238	25,564	35,788	40,113
14	Employee Benefits Expensed	14,709	15,770	15,297	16,468	25,050	26,218
15	Ratio of Benefits Expensed to Total Benefits	<u>61.45%</u>	<u>61.86%</u>	<u>63.11%</u>	<u>64.42%</u>	<u>69.99%</u>	<u>65.36%</u>
16	Total Payroll Taxes	6,548	6,117	6,283	7,214	6,348	8,472
17	Payroll Taxes Expensed	4,373	3,816	4,002	4,827	3,947	5,955
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>66.79%</u>	<u>62.39%</u>	<u>63.69%</u>	<u>66.91%</u>	<u>62.17%</u>	<u>70.28%</u>
19	Average Employee Levels	1,120	1,174	1,211	1,254	1,280	1,118
20	Year End Employee Levels	1,144	1,199	1,235	1,292	1,254	1,194

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Distribution Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):

Schedule C-9.1
 Page 2 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	1,280,723	1,374,318	1,410,166	1,484,322	1,449,706	1,347,011
3	Overtime Hours	237,707	159,848	146,803	254,218	186,846	156,584
4	Total Manhours	<u>1,518,430</u>	<u>1,534,166</u>	<u>1,556,969</u>	<u>1,738,540</u>	<u>1,636,552</u>	<u>1,503,595</u>
5	Ratio of Overtime Hours to Straight-Time Hours	18.56%	11.63%	10.41%	17.13%	12.89%	11.62%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	38,088	41,459	43,617	45,389	46,949	41,955
8	Overtime Dollars	9,056	6,410	6,006	9,794	7,946	6,293
9	Total Labor Dollars	<u>47,144</u>	<u>47,869</u>	<u>49,623</u>	<u>55,183</u>	<u>54,895</u>	<u>48,248</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	23.78%	15.46%	13.77%	21.58%	16.92%	15.00%
11	O&M Labor Dollars	27,857	29,397	30,720	34,987	35,032	29,939
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>59.09%</u>	<u>61.41%</u>	<u>61.91%</u>	<u>63.40%</u>	<u>63.82%</u>	<u>62.05%</u>
13	Total Employee Benefits	13,992	15,166	13,845	14,262	20,625	25,456
14	Employee Benefits Expensed	6,373	7,326	6,720	7,026	12,210	13,803
15	Ratio of Benefits Expensed to Total Benefits	<u>45.55%</u>	<u>48.31%</u>	<u>48.54%</u>	<u>49.26%</u>	<u>59.20%</u>	<u>54.22%</u>
16	Total Payroll Taxes	4,361	4,027	4,108	4,684	4,074	5,797
17	Payroll Taxes Expensed	2,573	2,185	2,303	2,823	2,254	3,731
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>59.01%</u>	<u>54.25%</u>	<u>56.06%</u>	<u>60.27%</u>	<u>55.33%</u>	<u>64.35%</u>
19	Average Employee Levels	737	781	811	830	823	689
20	Year End Employee Levels	748	808	820	848	800	748

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Distribution Payroll Analysis - Exempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):
 WP C-9.1a

Schedule C-9.1
 Page 3 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	326,255	339,923	333,616	357,756	344,169	304,526
3	Overtime Hours	20,022	12,285	10,396	20,156	15,024	10,346
4	Total Manhours	<u>346,277</u>	<u>352,208</u>	<u>344,012</u>	<u>377,912</u>	<u>359,193</u>	<u>314,871</u>
5	Ratio of Overtime Hours to Straight-Time Hours	6.14%	3.61%	3.12%	5.63%	4.37%	3.40%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	12,265	12,813	13,176	14,102	14,481	10,711
8	Overtime Dollars	610	367	312	625	494	272
9	Total Labor Dollars	<u>12,875</u>	<u>13,180</u>	<u>13,488</u>	<u>14,727</u>	<u>14,975</u>	<u>10,983</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	4.97%	2.87%	2.37%	4.43%	3.41%	2.54%
11	O&M Labor Dollars	8,388	8,396	8,446	9,253	9,757	7,022
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>65.15%</u>	<u>63.70%</u>	<u>62.62%</u>	<u>62.83%</u>	<u>65.16%</u>	<u>63.94%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	178	183	183	188	188	*
20	Year End Employee Levels	182	179	187	193	183	*

* Not Available in this detail

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Distribution Payroll Analysis - Nonexempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 WP C-9.1b

Schedule C-9.1
 Page 4 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	702,709	754,590	779,205	807,929	783,819	761,202
3	Overtime Hours	162,250	109,980	104,230	180,474	131,172	132,573
4	Total Manhours	<u>864,959</u>	<u>864,570</u>	<u>883,435</u>	<u>988,403</u>	<u>914,991</u>	<u>893,775</u>
5	Ratio of Overtime Hours to Straight-Time Hours	23.09%	14.57%	13.38%	22.34%	16.73%	17.42%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	18,304	20,116	21,323	21,811	22,507	22,306
8	Overtime Dollars	6,074	4,348	4,216	6,835	5,542	5,364
9	Total Labor Dollars	<u>24,378</u>	<u>24,464</u>	<u>25,539</u>	<u>28,646</u>	<u>28,049</u>	<u>27,670</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	33.18%	21.62%	19.77%	31.34%	24.62%	24.05%
11	O&M Labor Dollars	15,811	16,803	17,744	20,470	19,816	18,353
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>64.85%</u>	<u>68.68%</u>	<u>69.48%</u>	<u>71.46%</u>	<u>70.65%</u>	<u>66.33%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	412	438	456	464	453	*
20	Year End Employee Levels	415	457	461	467	443	*

* Not Available in this detail

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Distribution Payroll Analysis - Salaried Nonexempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WPC-9.1c

Schedule C-9.1
 Page 5 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	251,759	279,805	297,345	318,637	321,718	281,284
3	Overtime Hours	55,435	37,583	32,177	53,588	40,650	13,665
4	Total Manhours	<u>307,194</u>	<u>317,388</u>	<u>329,522</u>	<u>372,225</u>	<u>362,368</u>	<u>294,949</u>
5	Ratio of Overtime Hours to Straight-Time Hours	22.02%	13.43%	10.82%	16.82%	12.64%	4.86%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	7,518	8,531	9,118	9,477	9,961	8,938
8	Overtime Dollars	2,372	1,694	1,478	2,334	1,910	658
9	Total Labor Dollars	<u>9,890</u>	<u>10,225</u>	<u>10,596</u>	<u>11,811</u>	<u>11,871</u>	<u>9,596</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	31.55%	19.86%	16.21%	24.63%	19.18%	7.36%
11	O&M Labor Dollars	3,658	4,199	4,529	5,264	5,459	4,563
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>36.98%</u>	<u>41.06%</u>	<u>42.75%</u>	<u>44.57%</u>	<u>45.99%</u>	<u>47.55%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	147	160	172	178	182	*
20	Year End Employee Levels	151	172	172	188	174	*

* Not Available in this detail

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Transmission Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ► Original ___ Updated ___ Revised

Work Paper Reference No(s):

WP C-9.1d

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Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	87,820	99,828	105,055	113,234	115,228	103,282
3	Overtime Hours	8,360	8,721	9,409	12,997	11,056	8,064
4	Total Manhours	<u>96,180</u>	<u>108,549</u>	<u>114,464</u>	<u>126,231</u>	<u>126,284</u>	<u>111,346</u>
5	Ratio of Overtime Hours to Straight-Time Hours	<u>9.52%</u>	<u>8.74%</u>	<u>8.96%</u>	<u>11.48%</u>	<u>9.59%</u>	<u>7.81%</u>
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	2,947	3,461	3,687	3,882	4,110	3,629
8	Overtime Dollars	327	335	370	512	448	303
9	Total Labor Dollars	<u>3,274</u>	<u>3,796</u>	<u>4,057</u>	<u>4,394</u>	<u>4,558</u>	<u>3,932</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	<u>11.09%</u>	<u>9.68%</u>	<u>10.04%</u>	<u>13.20%</u>	<u>10.90%</u>	<u>8.35%</u>
11	O&M Labor Dollars	1,867	2,015	2,120	2,408	2,456	1,865
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>57.00%</u>	<u>53.10%</u>	<u>52.27%</u>	<u>54.80%</u>	<u>53.88%</u>	<u>47.45%</u>
13	Total Employee Benefits	1,076	1,101	976	942	1,525	1,686
14	Employee Benefits Expensed	292	269	97	55	558	649
15	Ratio of Benefits Expensed to Total Benefits	<u>27.16%</u>	<u>24.45%</u>	<u>9.98%</u>	<u>5.80%</u>	<u>36.61%</u>	<u>38.49%</u>
16	Total Payroll Taxes	304	325	350	361	341	451
17	Payroll Taxes Expensed	179	165	175	206	173	287
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>58.86%</u>	<u>50.76%</u>	<u>49.99%</u>	<u>57.13%</u>	<u>50.61%</u>	<u>63.60%</u>
19	Average Employee Levels	51	57	61	63	65	54
20	Year End Employee Levels	54	59	58	67	64	52

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Generation Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
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Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	575,327	586,307	597,413	677,520	734,282	658,671
3	Overtime Hours	91,664	107,083	116,981	142,271	157,530	132,541
4	Total Manhours	<u>666,991</u>	<u>693,390</u>	<u>714,394</u>	<u>819,791</u>	<u>891,812</u>	<u>791,212</u>
5	Ratio of Overtime Hours to Straight-Time Hours	<u>15.93%</u>	<u>18.26%</u>	<u>19.58%</u>	<u>21.00%</u>	<u>21.45%</u>	<u>20.12%</u>
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	17,404	18,076	18,436	20,079	21,902	20,570
8	Overtime Dollars	3,295	3,817	4,250	5,040	5,616	4,606
9	Total Labor Dollars	<u>20,699</u>	<u>21,893</u>	<u>22,686</u>	<u>25,119</u>	<u>27,518</u>	<u>25,177</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	<u>18.93%</u>	<u>21.12%</u>	<u>23.05%</u>	<u>25.10%</u>	<u>25.64%</u>	<u>22.39%</u>
11	O&M Labor Dollars	17,857	18,946	19,658	21,331	22,796	21,767
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>86.27%</u>	<u>86.54%</u>	<u>86.65%</u>	<u>84.92%</u>	<u>82.84%</u>	<u>86.46%</u>
13	Total Employee Benefits	8,867	9,227	9,417	10,360	13,638	12,971
14	Employee Benefits Expensed	8,043	8,175	8,480	9,388	12,282	11,766
15	Ratio of Benefits Expensed to Total Benefits	<u>90.71%</u>	<u>88.60%</u>	<u>90.05%</u>	<u>90.61%</u>	<u>90.05%</u>	<u>90.71%</u>
16	Total Payroll Taxes	1,883	1,765	1,825	2,169	1,933	2,223
17	Payroll Taxes Expensed	1,622	1,467	1,524	1,798	1,520	1,937
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>86.09%</u>	<u>83.10%</u>	<u>83.50%</u>	<u>82.88%</u>	<u>78.61%</u>	<u>87.11%</u>
19	Average Employee Levels	332	336	339	361	392	375
20	Year End Employee Levels	342	332	357	377	390	394

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2005-2009
(\$000)

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Line No.	Description	Date Certain 08/31/2010	Most Recent Five Calendar Years				
(A)	(B)	(C)	2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	UTILITY PLANT						
2	Utility Plant (101-106, 114) (incl. EPIS leased & assoc. reserve)	\$ 5,329,966	\$ 5,253,876	\$ 4,782,462	\$ 4,379,179	\$ 3,994,436	\$ 3,838,188
3	Construction Work in Progress (107)	165,623	154,928	394,918	415,327	294,135	129,245
4	Total Utility Plant	5,495,590	5,408,804	5,177,380	4,794,506	4,288,570	3,967,433
5	(Less) Accum. Prov. for Depr., Amort., and Depl. (108, 110, 111, 115)	2,120,103	2,045,319	1,989,471	1,902,042	1,714,175	1,589,285
6	Net Utility Plant, Before Nuclear Fuel	3,375,487	3,363,486	3,187,908	2,892,463	2,574,395	2,378,149
7	Nuclear Fuel (120.1-120.4, 120.6)	-	-	-	-	-	-
8	(Less) Accum. Prov. For Amort. of Nuclear Fuel Assem. (120.5)	-	-	-	-	-	-
9	Net Nuclear Fuel	-	-	-	-	-	-
10	Net Utility Plant	3,375,487	3,363,486	3,187,908	2,892,463	2,574,395	2,378,149
11	OTHER PROPERTY AND INVESTMENTS						
12	Nonutility Property (121)	15,395	15,395	13,530	13,311	13,003	12,977
13	(Less) Accum. Prov. for Depr. & Amort. (122)	3,252	3,057	3,034	3,008	2,718	2,721
14	Investments in Associated Companies (123)	430	430	430	430	430	430
15	Investments in Subsidiary Companies (123.1)	(1,315)	(1,484)	15,332	14,663	13,629	13,320
16	Noncurrent Portion of Allowances	14,540	14,540	16,303	20,761	28,080	26,965
17	Other Investments (124)	12,300	12,368	12,466	12,708	12,779	16,815
18	Special Funds (125-129)	0	0	0	58,660	0	0
19	Long-Term Portion of Derivative Assets (175)	28,639	23,882	28,359	43,222	56,126	101,512
20	Long-Term Portion of Derivative Assets - Hedges (176)	0	0	101	131	80	0
21	Total Other Property and Investments	66,736	62,074	83,487	160,877	121,410	169,299
22	CURRENT AND ACCRUED ASSETS						
23	Cash (131) & Working Funds (135) & TCI (136)	1,924	1,096	1,063	1,389	1,319	940
24	Special Deposits (132-134)	20,380	31,024	45,913	59,164	8,898	16,832
25	Notes Receivable (141)	-	-	-	-	-	-
26	Customer Accounts Receivable (142)	22,540	21,199	36,951	39,971	36,542	26,978
27	Other Accounts Receivable (143)	6,062	16,973	30,418	26,182	17,498	17,919
28	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	1,976	3,481	2,902	2,563	546	1,082
29	Notes Receivable from Associated Companies (145)	135,927	-	-	-	-	-
30	Accounts Receivable from Associated Companies (146)	25,664	25,173	41,337	29,820	60,005	67,694
31	Fuel Stock (151)	61,876	72,012	41,177	35,216	36,499	27,853
32	Fuel Stock Expense Undistributed (152)	1,451	2,146	898	633	849	726
33	Residuals (Elec.) and Extracted Products (153)	-	-	-	-	-	-

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two-month update filing.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2005-2009
(\$000)

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Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
34	CURRENT AND ACCRUED ASSETS, continued						
35	Plant Material and Operating Supplies (154)	38,947	37,342	31,711	34,673	30,572	27,450
36	Merchandise (155)	-	-	-	-	-	-
37	Other Materials and Supplies (156)	-	-	-	-	-	-
38	Nuclear Materials Held for Sale (157)	-	-	-	-	-	-
39	Allowances (158.1 and 158.2)	37,388	41,112	36,472	37,435	31,404	43,098
40	(Less) Noncurrent Portion of Allowances	14,540	14,540	16,303	20,761	28,080	26,965
41	Stores Expense Undistributed (163)	22	-	-	-	-	-
42	Prepayments (165)	22,128	20,947	21,037	5,638	41,254	133,684
43	Interest and Dividends Receivable (171)	2,024	1,196	3,905	808	-	-
44	Rents Receivable (172)	660	829	167	185	204	244
45	Accrued Utility Revenues (173)	34,321	11,845	18,359	14,815	11,042	10,086
46	Miscellaneous Current and Accrued Assets (174)	374	1,038	0	25	0	2
47	Derivative Instrument Assets (175)	63,071	57,241	61,513	77,327	116,667	177,393
48	(Less) Long-Term Portion of Derivative Instrument Assets (175)	28,639	23,882	28,359	43,222	56,126	101,512
49	Derivative Instrument Assets - Hedges (176)	38	984	2,932	590	5,777	626
50	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	0	0	101	131	80	0
51	Total Current and Accrued Assets	<u>429,642</u>	<u>300,254</u>	<u>326,187</u>	<u>297,195</u>	<u>313,699</u>	<u>421,965</u>
52	DEFERRED DEBITS						
53	Unamortized Debt Expense (181)	8,392	6,694	8,176	5,778	5,027	5,877
54	Extraordinary Property Losses (182.1)	-	-	-	-	-	-
55	Unrecovered Plant and Regulatory Study Costs (182.2)	-	-	-	-	-	-
56	Other Regulatory Assets (182.3)	320,610	334,716	293,113	230,051	292,908	225,706
57	Prelim. Survey and Investigation Charges (183)	3	1	1	1	2	94
58	PREL. SUR. & INVEST. CHARGES (GAS) (183.1, 183.2)	-	-	-	-	-	-
59	Clearing Accounts/Temp Facilities (184, 185)	31	-	-	-	-	-
60	Miscellaneous Deferred Debits (186)	47,863	109,836	98,935	95,298	83,670	73,637
61	Def. Losses from Disposition of Utility Plant (187)	-	-	-	-	-	-
62	Research, Devel. And Demonstration Expend. (188)	-	-	-	-	-	-
63	Unamortized Loss on Reacquired Debt (189)	8,861	9,357	10,100	10,858	11,624	12,389
64	Accumulated Deferred Income Taxes (190)	109,875	118,960	150,077	100,931	80,836	75,275
65	Total Deferred Debits	<u>495,636</u>	<u>579,564</u>	<u>560,402</u>	<u>442,917</u>	<u>474,067</u>	<u>392,977</u>
66	Total Assets and Other Debits	<u>\$ 4,367,501</u>	<u>\$ 4,305,378</u>	<u>\$ 4,157,985</u>	<u>\$ 3,793,452</u>	<u>\$ 3,483,571</u>	<u>\$ 3,362,390</u>

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COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Balance Sheets (Total Company)
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Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
67	PROPRIETARY CAPITAL						
68	Common Stock Issued (201)	\$ 41,026	\$ 41,026	\$ 41,026	\$ 41,026	\$ 41,026	\$ 41,026
69	Preferred Stock Issued (204) INCLUDES AMOUNT DUE WITHIN ONE YEAR	0	0	0	0	0	0
70	Premium on Capital Stock (207)	257,892	257,892	257,892	257,892	257,892	257,892
71	Other Paid-In-Capital (208-211)	322,877	322,772	322,615	322,457	322,300	322,142
72	Installments Received on Capital Stock (212)	-	-	-	-	-	-
73	(Less) Discount on Capital Stock (213)	-	-	-	-	-	-
74	(Less) Capital Stock Expense (214)	-	-	-	-	-	-
75	Retained Earnings (215, 215.1, 216) ²	906,133	786,073	664,555	552,162	448,287	353,174
76	Unappropriated Undistr. Subsidiary Earnings (216.1)	2,111	2,065	10,202	9,533	8,499	8,190
77	Less: Reacquired Capital Stock (217)	-	-	-	-	-	-
78	Accumulated Other Comprehensive Income (219)	(49,635)	(49,994)	(46,851)	(16,394)	(19,236)	(880)
79	Total Proprietary Capital	<u>1,480,405</u>	<u>1,359,835</u>	<u>1,249,440</u>	<u>1,166,677</u>	<u>1,058,769</u>	<u>981,546</u>
80	LONG-TERM DEBT						
81	Bonds (221) INCLUDES AMOUNT DUE WITHIN ONE YEAR	-	-	-	-	-	-
82	(Less) Reacquired Bonds (222)	-	-	92,245	-	-	-
83	Advances from Associated Companies (223)	-	100,000	100,000	100,000	100,000	100,000
84	Other Long-Term Debt (224)	1,592,745	1,442,745	1,442,745	1,204,745	1,104,245	1,104,245
85	Unamortized Premium on Long-Term Debt (225)	-	-	-	-	-	-
86	Less: Unamortized Discount on Long-Term Debt-Debit (226)	4,018	6,352	6,906	6,521	6,923	7,325
87	Total Long-Term Debt	<u>1,588,727</u>	<u>1,536,393</u>	<u>1,443,594</u>	<u>1,298,224</u>	<u>1,197,322</u>	<u>1,196,920</u>
88	OTHER NONCURRENT LIABILITIES						
89	Obligations Under Capital Leases - Noncurrent (227)	6,798	2,239	3,691	4,380	5,727	6,471
90	Accumulated Provision for Property Insurance (228.1)	-	-	-	-	-	-
91	Accumulated Provision for Injuries and Damages (228.2)	47	53	170	170	15	86
92	Accumulated Provision for Pensions and Benefits (228.3)	116,068	122,487	137,022	28,365	40,059	2,898
93	Accumulated Miscellaneous Operating Provisions (228.4)	2,022	3,447	925	1,349	238	510
94	Accumulated Provision for Rate Refunds (229)	-	-	-	-	-	-
95	Long-Term Portion of Derivative Instrument Liabilities	9,352	10,272	14,758	27,376	40,460	84,067
96	Long-Term Portion of Derivative Instrument Liabilities - Hedges	146	41	16	78	17	223
97	Asset Retirement Obligations (230)	40,039	39,349	16,321	20,588	18,574	16,681
98	Total Other Non-Current Liabilities	<u>174,472</u>	<u>177,887</u>	<u>172,903</u>	<u>82,306</u>	<u>105,089</u>	<u>110,937</u>

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two month update filing.

² The following summarizes the significant accounting changes during the periods presented (pre-tax):

2008: Company adopted Emerging Issues Task Force (EITF) 06-10 "Accounting for Collateral Assignment Split-Dollar Life Insurance Arrangements" effective January 1, 2008 with an unfavorable cumulative effect reduction of \$1.7 million.

2007: Company adopted Financial Accounting Standards Board Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" effective January 1, 2007 with an unfavorable adjustment to retained earnings of \$3 million.

COLUMBUS SOUTHERN POWER COMPANY
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Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
99	CURRENT AND ACCRUED LIABILITIES						
100	Notes Payable (231)	-	-	-	-	-	-
101	Accounts Payable (232)	85,949	95,642	131,120	113,061	112,102	58,805
102	Notes Payable Associated Companies (233)	-	28,793	84,156	102,509	9,242	24,774
103	Accounts Payable to Associated Companies (234)	60,777	82,844	122,489	67,365	61,337	60,357
104	Customer Deposits (235)	28,810	27,911	30,145	45,602	34,991	47,013
105	Taxes Accrued (236)	99,512	167,830	187,000	181,760	161,631	120,280
106	Interest Accrued (237)	37,542	23,521	24,518	25,350	19,515	18,838
107	Dividends Declared (238)	-	-	-	-	-	-
108	Matured Long-Term Debt (239)	-	-	-	-	-	-
109	Matured Interest (240)	-	-	-	-	-	-
110	Taxes Collections Payable (241)	60	946	56	29	59	10
111	Miscellaneous Current and Accrued Liabilities (242)	34,514	37,020	42,027	46,525	32,085	28,700
112	Obligations Under Capital Leases - Current (243)	3,815	2,124	2,661	3,104	2,692	3,006
113	Derivative Instrument Liabilities (244)	21,473	21,570	30,628	55,916	89,188	151,213
114	(Less) Long-Term Portion of Derivative Instrument Liabilities	9,352	10,272	14,758	27,376	40,460	84,067
115	Derivative Instrument Liabilities - Hedges (245)	1,978	1,794	636	1,656	574	2,113
116	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges	146	41	16	78	17	223
117	Total Current and Accrued Liabilities	<u>364,931</u>	<u>479,682</u>	<u>640,662</u>	<u>615,423</u>	<u>482,938</u>	<u>430,818</u>
118	DEFERRED CREDITS						
119	Customer Advances for Construction (252)	276	276	278	295	301	310
120	Other Regulatory Liabilities (254)	20,424	29,882	14,652	19,880	40,552	28,683
121	Accumulated DITC (255)	15,469	16,833	18,813	20,767	22,952	25,215
122	Deferred Gains from Disposition of Utility Plant (256)	-	-	-	-	-	-
123	Other Deferred Credits (253)	19,077	19,710	30,285	34,828	17,312	14,361
124	Unamortized Gain on Reacquired Debt (257)	-	-	-	-	-	-
125	Accumulated DFIT (281-283)	<u>703,720</u>	<u>684,880</u>	<u>587,358</u>	<u>555,052</u>	<u>558,336</u>	<u>573,599</u>
126	Total Deferred Credits	<u>758,966</u>	<u>751,581</u>	<u>651,386</u>	<u>630,822</u>	<u>639,452</u>	<u>642,168</u>
127	Total Liabilities and Other Credits	<u>\$ 4,371,007</u>	<u>\$ 4,305,378</u>	<u>\$ 4,157,985</u>	<u>\$ 3,793,452</u>	<u>\$ 3,483,571</u>	<u>\$ 3,362,390</u>

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two month update filing.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 WP C-10.2a & b

Schedule C-10.2
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 Witness Responsible:
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Line No.	Description	Test Yr. 5/31/2011	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	UTILITY OPERATING INCOME						
2	Operating Revenues (400)	\$ 2,147,959	\$ 2,057,100	\$ 2,277,642	\$ 2,091,769	\$ 1,803,111	\$ 1,533,893
3	Operating Expenses:						
4	Operation Expenses (401)	1,236,758	1,095,212	1,367,342	1,176,117	1,021,302	907,407
5	Maintenance Expenses (402)	115,447	126,441	109,335	93,157	88,654	87,303
6	Depreciation Expense (403.0+403.1002)	136,196	126,947	136,122	117,188	109,215	101,898
7	Depreciation Expense for Asset Retirement Costs (403.1001)	4,337	2,676	453	14,923	11,692	10,635
8	Amort. & Depl. of Utility Plant (404-405)	9,914	11,690	11,406	10,554	10,847	10,318
9	Amort. of Utility Plant Acq. Adj. (406)	-	-	-	-	-	-
10	Amort. of Property Losses (407)	-	-	-	-	-	-
11	Amort. of Conversion Expenses (407)	-	-	-	-	-	-
12	Regulatory Debits (407.3)	2,161	3,134	60,152	62,841	61,354	19,352
13	(Less) Regulatory Credits (407.4)	67	93	21,530	8,346	36	-
14	Taxes Other Than Income Taxes (408.1)	190,455	175,069	167,631	161,056	154,536	148,571
15	Income Taxes - Federal (409.1)	68,167	19,276	116,048	162,038	116,820	36,386
16	- Other (409.1)	2,074	618	2,955	(4,914)	1,563	1,924
17	Provision of Deferred Inc. Taxes (410.1)	91,715	315,856	165,043	134,427	72,254	120,805
18	(Less) Provision for Deferred Income Taxes - Cr. (411.1)	-	175,128	161,302	154,101	83,059	97,576
19	Investment Tax Credit Adj. - Net (411.4)	(1,962)	(1,980)	(1,954)	(2,238)	(2,125)	(2,636)
20	(Less) Gains from Disp. of Utility Plant (411.6)	-	-	-	331	456	-
21	Losses from Disp. of Utility Plant (411.7)	-	-	207	-	51	-
22	(Less) Gains from Disposition of Allowances (411.8)	17	66	1,206	3,980	10,753	1,695
23	Losses from Disposition of Allowances (411.9)	-	-	-	3	-	23
24	Accretion Expense (411.10)	2,844	1,359	1,378	1,232	1,243	864
25	Total Utility Operating Expenses	1,834,468	1,701,012	1,952,080	1,759,626	1,553,103	1,343,578
26	Net Utility Operating Income	313,492	356,088	325,562	332,143	250,009	190,315

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
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Type of Filing: ☒ Original ☐ Updated ☐ Revised
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Line No.	Description	Test Yr. 5/31/2011	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
27	OTHER INCOME and DEDUCTIONS						
28	Other Income						
29	Nonutility Operating Income						
30	Rev. from Merchandising, Jobbing & Contract Work (415)	-	-	-	-	-	-
31	(Less) Costs & Exp. of Merch., Jobbing & Contr. Work (416)	-	-	-	-	2	-
32	Revenues from Nonutility Operations (417)	5	4	1	2	1	-
33	(Less) Expenses of Nonutility Operations (417.1)	-	-	-	-	-	-
34	Nonoperating Rental Income (418)	450	423	723	495	417	381
35	Equity in Earnings of Subsidiary Companies (418.1)	17	297	669	1,034	309	1,385
36	Interest and Dividend Income (419)	3,702	802	5,164	1,755	8,646	3,749
37	Allowance for Other Funds Used During Constr. (419.1)	890	3,382	3,364	3,036	1,866	1,579
38	Miscellaneous Nonoperating Income (421)	9,133	10,087	7,779	8,336	6,990	16,774
39	Gain on Disposition of Property (421.1)	-	12	414	18	79	405
40	Total Other Income	14,197	15,007	18,115	14,675	18,305	24,272
41	Other Income Deductions:						
42	Loss on Disposition of Property (421.2)	(128)	24	150	-	10	15
43	Miscellaneous Amortization (425)	-	-	-	-	-	-
44	Miscellaneous Income Deductions (426.1-426.5)	13,473	28,027	25,272	25,228	21,266	14,836
45	Total Other Income Deductions	13,345	28,050	25,421	25,228	21,275	14,851
46	Taxes Applicable to Other Income and Deductions						
47	Taxes Other Than Income Taxes (408.2)	-	80	315	315	315	315
48	Income Taxes - Federal (409.2)	(1,235)	(6,234)	(7,730)	(6,046)	(4,543)	5,938
49	Income Taxes - Other (409.2)	47	288	263	-	-	-
50	Provision for Deferred Inc. Taxes (410.2)	781	3,146	3,608	13,186	14,510	11,306
51	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	1,210	12,144	7,554	13,384	14,567	15,258
52	Investment Tax Credit Adj. - Net (411.5)	-	-	-	53	(139)	(79)
53	(Less) Investment Tax Credits (420)	-	-	-	-	-	-
54	Total Taxes on Other Inc. and Ded.	(1,616)	(14,863)	(11,098)	(5,875)	(4,424)	2,222
55	Net Other Income and Deductions	2,468	1,820	3,792	(4,677)	1,454	7,199

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ► Original___Updated___Revised
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 Witness Responsible:
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Line No.	Description	Test Yr. 5/31/2011	Most Recent Five Calendar Years				
(A)	(B)	(C)	2009	2008	2007	2006	2005
56	INTEREST CHARGES						
57	Interest on Long-Term Debt (427)	79,948	79,206	73,458	63,523	62,231	56,149
58	Amort. of Debt Discount and Expense (428)	1,548	1,841	1,086	978	1,172	1,589
59	Amort. of Loss on Reacquired Debt (428.1)	416	743	757	766	766	766
60	(Less) Amort. of Premium on Debt - Credit (429)	-	-	-	-	-	-
61	(Less) Amort. of Gain on Reacquired Debt -Cr. (429.1)	-	-	-	-	-	-
62	Interest on Debt to Assoc. Companies (430)	2	5,974	20,899	7,423	5,098	503
63	Other Interest Expense (431)	3,054	4,450	(1,300)	3,963	2,642	2,234
64	(Less) Allow. for Borrowed Funds Used During Constr. -Cr. (432)	2,511	5,968	2,677	7,275	5,955	1,526
65	Net Interest Charges	82,456	86,247	92,223	69,378	65,954	59,715
66	Income Before Extraordinary Items	233,504	271,661	237,130	258,088	185,509	137,799
			0	0	0	0	0
67	EXTRAORDINARY ITEMS						
68	Extraordinary Income (434)	-	-	-	-	107	-
69	(Less) Extraordinary Deductions (435) ¹	-	-	-	-	-	1,292
70	Net Extraordinary Items	-	-	-	-	107	(1,292)
71	Income Taxes - Federal and Other (409.3)	-	-	-	-	38	(452)
72	Extraordinary Items After Taxes	-	-	-	-	70	(840)
73	Net Income	233,504	271,661	237,130	258,088	185,579	136,959
			0	0	0	0	0
74	(LESS) PREFERRED DIVIDEND	157	157	157	157	157	2,620
75	Available for Common	\$ 233,347	\$ 271,504	\$ 236,973	\$ 257,931	\$ 185,422	\$ 134,340

¹ The following summarizes the significant accounting changes during the periods presented (pre-tax):

2005: Company adopted Financial Accounting Standards Board Interpretation No. 47 "Accounting for Conditional Asset Retirement Obligations" during the fourth quarter of 2005 and recorded an unfavorable extraordinary item related to asbestos removal for nonregulated operations of \$1.3 million.

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Revenue Statistics - Total Company
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

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Schedule C-11.1
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Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2005	2006	2007	2008	2009	12 Mo. Ending 5/31/2011	2011	2012	2013	2014	2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Revenue by customer class (\$000):											
2	Residential	\$ 555,487	\$ 632,878	\$ 682,184	\$ 720,761	\$ 749,623	\$ 870,240	\$ 874,943	\$ 911,506	\$ 919,827	\$ 945,634	\$ 943,889
3	Commercial	495,771	569,865	619,396	684,277	715,727	690,772	638,561	600,838	600,655	618,198	616,835
4	Industrial	129,590	195,855	274,867	330,659	268,109	291,266	317,252	364,904	385,145	402,189	401,091
5	Other	4,782	5,380	5,441	5,872	6,341	7,165	7,386	7,437	7,443	7,678	7,714
6	Total Retail	<u>\$ 1,185,630</u>	<u>\$ 1,403,978</u>	<u>\$ 1,581,888</u>	<u>\$ 1,741,569</u>	<u>\$ 1,739,800</u>	<u>\$ 1,859,442</u>	<u>\$ 1,838,142</u>	<u>\$ 1,884,685</u>	<u>\$ 1,913,070</u>	<u>\$ 1,973,699</u>	<u>\$ 1,969,529</u>
7	YEAR END Number of customers by class:											
8	Residential	635,838	661,760	665,583	667,012	666,894	668,056	669,769	674,105	681,053	687,109	691,356
9	Commercial	71,361	75,930	77,036	78,280	78,219	79,705	80,222	81,008	81,855	82,656	83,410
10	Industrial	2,630	3,515	3,449	3,396	3,357	3,350	3,340	3,321	3,303	3,286	3,268
11	Other	288	320	307	309	309	311	312	314	316	316	316
12	Total Retail	<u>710,117</u>	<u>741,525</u>	<u>746,375</u>	<u>748,997</u>	<u>748,779</u>	<u>751,422</u>	<u>753,643</u>	<u>758,748</u>	<u>766,527</u>	<u>773,367</u>	<u>778,350</u>
13	AVERAGE Number of customers by class:											
14	Residential	634,722	660,300	664,299	665,306	667,018	667,302	668,241	671,109	677,197	683,794	688,895
15	Commercial	71,602	75,845	77,022	78,052	78,482	79,252	79,798	80,566	81,393	82,221	82,979
16	Industrial	2,687	3,484	3,496	3,431	3,384	3,351	3,350	3,332	3,314	3,297	3,279
17	Other	293	320	316	310	308	309	311	313	315	316	316
18	Total Retail	<u>709,304</u>	<u>739,949</u>	<u>745,133</u>	<u>747,099</u>	<u>749,192</u>	<u>750,213</u>	<u>751,700</u>	<u>755,320</u>	<u>762,219</u>	<u>769,628</u>	<u>775,469</u>
19	AVERAGE Revenue per customer:											
20	Residential	\$ 875	\$ 958	\$ 1,027	\$ 1,083	\$ 1,124	\$ 1,304	\$ 1,309	\$ 1,358	\$ 1,358	\$ 1,383	\$ 1,370
21	Commercial	\$ 6,924	\$ 7,514	\$ 8,042	\$ 8,767	\$ 9,120	\$ 8,716	\$ 8,002	\$ 7,458	\$ 7,380	\$ 7,519	\$ 7,434
22	Industrial	\$ 48,229	\$ 56,216	\$ 78,623	\$ 96,374	\$ 79,228	\$ 86,923	\$ 94,702	\$ 109,515	\$ 116,218	\$ 121,986	\$ 122,321

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Revenue Statistics - Jurisdictional
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

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COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Sales Statistics - Total Company
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

Type of Filing: ► Original ___ Updated ___ Revised ___
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Schedule C-11.3
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Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2005	2006	2007	2008	2009	12 Mo. Ending 5/31/2011	2011	2012	2013	2014	2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	GWh Sales by customer class:											
2	Residential	7,351	7271	7741	7,551	7,303	7,740	7,491	7,482	7,504	7,510	7,495
3	Commercial	8,216	8422	8926	8,772	8,532	8,671	8,649	8,732	8,821	8,837	8,831
4	Industrial	2,660	3821	5289	5,832	4,788	4,839	4,867	4,935	4,950	4,888	4,800
5	Other	51	54	54	55	54	56	56	57	57	58	58
6	Total Retail	<u>18,278</u>	<u>19,568</u>	<u>22,010</u>	<u>22,210</u>	<u>20,677</u>	<u>21,306</u>	<u>21,064</u>	<u>21,207</u>	<u>21,332</u>	<u>21,293</u>	<u>21,183</u>
7	YEAR END Number of customers by class:											
8	Residential	635,838	661,760	665,583	667,012	666,894	668,056	669,769	674,105	681,053	687,109	691,356
9	Commercial	71,361	75,930	77,036	78,280	78,219	79,705	80,222	81,008	81,855	82,656	83,410
10	Industrial	2,630	3,515	3,449	3,396	3,357	3,350	3,340	3,321	3,303	3,286	3,268
11	Other	288	320	307	309	309	311	312	314	316	316	316
12	Total Retail	<u>710,117</u>	<u>741,525</u>	<u>746,375</u>	<u>748,997</u>	<u>748,779</u>	<u>751,422</u>	<u>753,643</u>	<u>758,748</u>	<u>766,527</u>	<u>773,367</u>	<u>778,350</u>
13	AVERAGE Number of customers by class:											
14	Residential	634,722	660,300	664,299	665,306	667,018	667,302	668,241	671,109	677,197	683,794	688,895
15	Commercial	71,602	75,845	77,022	78,052	78,482	79,252	79,798	80,566	81,393	82,221	82,979
16	Industrial	2,687	3,484	3,496	3,431	3,384	3,351	3,350	3,332	3,314	3,297	3,279
17	Other	293	320	316	310	308	309	311	313	315	316	316
18	Total Retail	<u>709,304</u>	<u>739,949</u>	<u>745,133</u>	<u>747,099</u>	<u>749,192</u>	<u>750,213</u>	<u>751,700</u>	<u>755,320</u>	<u>762,219</u>	<u>769,628</u>	<u>775,469</u>
19	AVERAGE kWh Sales per customer:											
20	Residential	11,581	11,012	11,653	11,350	10,949	11,598	11,211	11,149	11,081	10,983	10,880
21	Commercial	114,745	111,042	115,889	112,387	108,713	109,412	108,381	108,388	108,371	107,480	106,419
22	Industrial	989,952	1,096,728	1,512,872	1,699,796	1,414,894	1,444,261	1,452,875	1,481,193	1,493,615	1,482,608	1,463,829

COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Sales Statistics - Jurisdictional
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

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COLUMBUS SOUTHERN POWER COMPANY
Case No. 11-351-EL-AIR
Analysis of Reserve for Uncollectible Accounts
2007-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-12
 Page 1 of 1
 Witness Responsible:
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Line No.	Description	Most Recent Three Calendar Years			Test Yr. 12 Mo. Ending 5/31/2011
		2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)
1	Reserve at Beginning of Year	546	2,563	2,895	2,129
2	Current Year's Provision	2,017	332	1,362	(105)
3	Recoveries	-	-	(775)	[a] -
4	Amount Charged Against Reserve	-	-	1	47
5	Reserve at End of Year	2,563	2,895	3,481	1,976
6	Net Write Off Ratio [(4)-(3)]/(5)			22.29%	2.38%
7	Uncollectible Expense/Provision Ratio (2)/(5)	78.70%	11.47%	39.13%	-5.31%

If lines (6) and (7) differ, provide the reasons for the difference.

The difference in the ratios is primarily due to differences in timing for when provision expenses and actual recoveries and/or write-offs are recorded. Write-offs for Miscellaneous Receivables do not occur in the 144 account.

[a] 2009 reclass to Long-term Liability

SECTION C

OPERATING INCOME

OHIO POWER COMPANY

Case No. 11-352-EL-AIR

Test Year: Twelve Months Ended May 31, 2011

Date Certain: August 31, 2010

Schedules

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C-2	Adjusted test year operating income
C-2.1	Operating revenue and expenses by accounts - jurisdictional allocation
C-3	Summary of jurisdictional adjustments to test year operating income
C-3.1	Detailed adjustments
C-4	Adjusted jurisdictional income taxes
C-4.1	Development of jurisdictional income taxes before adjustments
C-5	Social and service club dues
C-6	Charitable contributions
C-7	Customer service and informational, sales, and general advertising expense
C-8	Rate Case expense (jurisdiction)
C-9	Operation and maintenance payroll costs
C-9.1	Total Company Payroll analysis by employee classifications/payroll distribution
C-10.1	Comparative balance sheet for the most recent five calendar years
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C-12	Analysis of reserve for uncollectible accounts

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Jurisdictional Proforma Income Statement
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule A-1, A-2, C-2, C-4

Schedule C-1
 Page 1 of 1
 Witness Responsible:
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Line No.	Description	Adjusted Revenue & Expenses	Proposed Increase	Proforma Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	Operating Revenues	\$ 343,917	\$59,603	\$403,521
2				
3	Operating Expenses			
4	Operation & Maintenance	154,003	149	154,152
5	Depreciation and Amortization Expenses	65,878		65,878
6	Taxes - Other	64,488	247	64,735
7	Operating Expenses before Income Taxes	284,369	396	284,765
8				
9	NEOI before Income Taxes	59,548	59,208	118,756
10				
11	State Income taxes	(64)	1,042	978
12	Federal Income taxes	11,815	20,358	32,173
13	Total Income Taxes	11,751	21,400	33,151
14				
15	Total Operating Expenses	296,120	21,796	317,916
16				
17	Net Operating Income	\$ 47,797	\$ 37,808	\$ 85,605
18				
19	Rate Base	\$ 1,015,236		\$ 1,015,236
20				
21	Rate of Return	4.71%		8.43%

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Jurisdictional Adjusted Test Year Net Electric Operating Income (NEOI)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule C-2.1, C-3, C-4

Schedule C-2
 Page 1 of 2
 Witness Responsible:
 T.A. Caudill

Line No.	Description	Unadjusted Revenue & Expenses	Adjustments	Adjusted Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	OPERATING REVENUES			
2	Base Revenues	\$ 527,796	\$ (203,413)	\$ 324,383
3	Fuel Revenues	0	0	\$ 0
4	Other Operating Revenues	20,232	(697)	\$ 19,534
5	Total Operating Revenues	<u>548,028</u>	<u>(204,111)</u>	<u>\$ 343,917</u>
6				
7	OPERATING EXPENSES			
8	Operation and Maintenance Expenses			
9	Production Expenses			
10	Fuel and Purchased Power	(2,424)	2,424	\$ 0
11	Other	0		\$ 0
12	Total Production Expenses	<u>(2,424)</u>	<u>2,424</u>	<u>\$ 0</u>
13	Transmission Expense	0		\$ 0
14	Distribution Expense	106,489	(28,391)	\$ 78,098
15	Customer Accounts Expenses	67,255	(30,196)	\$ 37,059
16	Customer Service & Information Expense	47,031	(43,724)	\$ 3,307
17	Sales Expense	118	(106)	\$ 12
18	Administrative & General Expense	37,413	(1,886)	\$ 35,527
19	Total Operating and Maintenance Expense	<u>255,881</u>	<u>(101,878)</u>	<u>\$ 154,003</u>
20	Depreciation and Amortization Expenses			
21	Depreciation	66,061	(4,267)	\$ 61,793
22	Amort. & Depl. of Utility Plant	4,084	0	\$ 4,084
23	Amort. of Utility Plant Acq. Adj.	0	0	\$ 0
24	Net Amortization of Regulatory Credits/Debits	0	0	\$ 0
25	Total Depreciation and Amtz. Expenses	<u>70,145</u>	<u>(4,267)</u>	<u>\$ 65,878</u>
26	Taxes Other Than Income Taxes	140,346	(75,858)	\$ 64,488
27				
28	TOTAL OPERATING EXPENSE BEFORE INCOME TAXES	<u>466,373</u>	<u>(182,003)</u>	<u>\$ 284,369</u>

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Adjusted Test Year Net Electric Operating Income (NEOI)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original___Updated___Revised
Work Paper Reference No(s):

Schedule C-2
Page 2 of 2
Witness Responsible:
T.A. Caudill

Line No.	Description	Unadjusted Revenue & Expenses	Adjustments	Adjusted Revenue & Expenses
(A)	(B)	(C)	(D)	(E)
1	NEOI BEFORE INCOME TAXES	81,655	(22,107)	59,548
2				
3	Income Taxes-State and Local			
4	Current	200	(387)	(187)
5	Provision for Deferred Income Taxes	122	(0)	122
6	Total State & Local Income Taxes	323	(387)	(64)
7	Income Taxes-Federal			
8	Current	3,371	(7,560)	(4,189)
9	Provision for Deferred Income Taxes	16,254	(250)	16,004
10	Deferred Investment Tax Credit	0	0	0
11	Total Federal Income Taxes	19,625	(7,810)	11,815
12				
13	Total Operating Expenses	486,320	(190,200)	296,120
14				
15	Net Electric Operating Income	\$ 61,708	\$ (13,910)	\$ 47,797

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-2.1a thru e, Schedule B-7.1a, Schedule E-4

Schedule C-2.1
 Page 1 of 5
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING REVENUES				
2	440-445	Base Revenues	\$ 1,312,508	40.2128%	\$ 527,796	DIRECT
3	440-445	Fuel Revenues	658,255	0.0000%	0	NONDIST
4		TOTAL Sales to Ultimate Customers	<u>1,970,763</u>		<u>527,796</u>	
5	447	Sales for Resale	<u>1,149,365</u>	0.0000%	<u>0</u>	NONDIST
6		Sales of Electricity	<u>3,120,128</u>		<u>527,796</u>	
7	450	Forfeited Discounts	1,163	100.0000%	1,163	ALLDIST
8	451	Misc. Service Revenues	2,627	99.8110%	2,622	OTHREV1
9	454.1	Rent from Electric Property - Assoc.	3,068	126.1182%	3,870	OTHREV2
10	454.2	Rent from Electric Property - Non Assoc.	9,768	80.0960%	7,824	OTHREV3
11	454.4	Rent from Electric Property - ABD	164	40.3683%	66	OTHREV4
12	456.0015	Revenues from ABD	1,669	92.0081%	1,535	OTHREV5
13	456.1027	PJM Transm Dis/Meter - Non Affil.	823	99.9012%	822	OTHREV6
13	456.0012,41	Other Electric Revenue - Distribution	2,386	97.6090%	2,329	OTHREV7
14	456 all other	Other Electric Revenues (all other)	<u>21,380</u>	0.0000%	<u>0</u>	NONDIST
15		Other Operating Revenues	<u>43,048</u>		<u>20,232</u>	
16		Total Electric Operating Revenues	<u>\$ 3,163,176</u>		<u>\$ 548,028</u>	

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
 Page 2 of 5
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING EXPENSES				
2						
3		All Other Production Expenses	\$ 1,618,157	0.0000%	\$ 0	NONDIST
4	555.0110	Purchased Power - Discounts	(2,424)	100.0000%	(2,424)	ALLDIST
5		POWER PRODUCTION EXPENSES	<u>\$ 1,615,733</u>		<u>\$ (2,424)</u>	
6						
7		TRANSMISSION EXPENSES	<u>\$ 47,504</u>	0.0000%	<u>\$ 0</u>	NONDIST
8						
9		DISTRIBUTION EXPENSES				
10		Operation				
11	580	Operation Supervision and Engineering	\$ 3,752	99.9012%	\$ 3,749	DISTPLANT
12	581	Load Dispatching	(29)	99.9012%	(29)	DISTPLANT
13	582	Station Expenses	1,714	99.9012%	1,713	DISTPLANT
14	583	Overhead Line Expenses	1,062	99.9012%	1,060	DISTPLANT
15	584	Underground Line Expenses	674	99.9012%	673	DISTPLANT
16	585	Street Lighting and Signal System Expenses	129	99.9012%	129	DISTPLANT
17	586	Meter Expenses	1,329	99.9012%	1,327	DISTPLANT
18	587	Customer Installations Expenses	100	99.9012%	100	DISTPLANT
19	588	Miscellaneous Distribution Expenses	28,868	99.9012%	28,840	DISTPLANT
20	589	Rents	3,670	99.9012%	3,666	DISTPLANT
21		TOTAL Operation	<u>41,268</u>		<u>41,227</u>	
22		Maintenance				
23	590	Maintenance Supervision and Engineering	615	99.9012%	615	DISTPLANT
24	591	Maintenance of Structures	109	99.9012%	109	DISTPLANT
25	592	Maintenance of Station Equipment	3,082	99.9012%	3,079	DISTPLANT
26	593	Maintenance of Overhead Lines (excl. 593.0009)	56,615	99.9012%	56,559	DISTPLANT
27	593.0009	Maintenance of Overhead Lines ESRP	210	100.0000%	210	ALLDIST
28	594	Maintenance of Underground Lines	1,280	99.9012%	1,279	DISTPLANT
29	595	Maintenance of Line Transformers	1,108	99.9012%	1,107	DISTPLANT
30	596	Maintenance of Street Lighting and Signal Systems	290	99.9012%	290	DISTPLANT
31	597	Maintenance of Meters	443	99.9012%	442	DISTPLANT
32	598	Maintenance of Miscellaneous Distribution Plant	1,575	99.9012%	1,573	DISTPLANT
33		TOTAL Maintenance	<u>65,326</u>		<u>65,262</u>	
34		TOTAL Distribution Expenses	<u>\$ 106,594</u>		<u>\$ 106,489</u>	
35						
36		CUSTOMER ACCOUNTS EXPENSES				
37		Operation				
38	901	Supervision	1,232	99.9999%	1,232	NUMCUST
39	902	Meter Reading Expenses	4,927	99.9999%	4,927	NUMCUST
40	903	Customer Records and Collection Expenses	19,662	99.9999%	19,662	NUMCUST
41	904	Uncollectible Accounts	29,931	99.9999%	29,931	NUMCUST
42	431.0002	Interest on Customer Deposits	1,193	100.0000%	1,193	ALLDIST
43	426.5009,10	Factored Customer Accounts Receivable	10,238	100.0000%	10,238	ALLDIST
44	905	Miscellaneous Customer Accounts Expenses	73	99.9999%	73	NUMCUST
45		TOTAL Customer Accounts Expenses	<u>\$ 67,255</u>		<u>\$ 67,255</u>	

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
 Page 3 of 5
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 H.E. McCoy

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		OPERATING EXPENSES				
2						
3		CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
4		Operation				
5		Supervision	\$ 1,610	99.9999%	\$ 1,610	NUMCUST
6	907	Customer Assistance Expenses	\$ 11,075	99.9999%	11,075	NUMCUST
7	908	Customer Assistance Expenses - DSM	\$ 33,976	100.0000%	33,976	ALLDIST
8	909	Informational and Instructional Expenses	\$ 368	99.9999%	368	NUMCUST
9	910	Misc. Customer Service and Informational Expenses	\$ 2	99.9999%	2	NUMCUST
10		TOTAL Customer Serv. & Info. Exp.	\$ 47,031		\$ 47,031	
11						
12		SALES EXPENSE				
13		Operation				
14	911	Supervision	\$ 110	99.9012%	\$ 110	DISTPLANT
15	912	Demonstrating and Selling Expenses	1	99.9012%	1	DISTPLANT
16	913	Advertising Expenses	0	99.9012%	0	DISTPLANT
17	916	Miscellaneous Sales Expenses	6	99.9012%	6	DISTPLANT
18		TOTAL Sales Expenses	\$ 118		\$ 118	
19						
20		ADMINISTRATIVE AND GENERAL EXPENSES				
21		Operation				
22	920	Administrative and General Salaries	\$ 25,880	36.9035%	\$ 9,551	A&G1
23	921	Office Supplies and Expenses	1,510	53.9686%	815	A&G2
24	922	Administrative Expenses Transferred-Cr.	(3,255)	98.9421%	(3,221)	A&G3
25	923.0001	Outside Svcs Empl - Nonassoc	7,417	19.2010%	1,424	A&G4
26	923.0003	AEPSC Billed to Client Co	22,203	36.9834%	8,211	A&G5
27	924	Property Insurance	3,325	7.7224%	257	A&G6
28	925	Injuries and Damages	6,071	32.2881%	1,960	A&G7
29	926 all other	Other Employee Benefits excluding Pension & OPEB	15,100	25.2650%	3,815	A&G8
30	926.0003, 37	Pension Plan	15,010	33.5468%	5,035	A&G9
31	926.0050	Pension Plan Fringe Loading Offset	(6,309)	52.5480%	(3,315)	A&G10
32	926.0021, 57	OPEB	12,141	43.9365%	5,334	A&G11
33	926.0053	OPEB Fringe Loading Offset	(2,481)	65.5052%	(1,625)	A&G12
34	927	Franchise Requirements	0	0.0000%	0	NONDIST
35	928	Regulatory Commission Expenses	250	58.9317%	147	A&G13
36	929	Duplicate Charges-Cr.	0	0.0000%	0	NONDIST
37	930.1000	General Advertising Expenses	1,341	91.2298%	1,224	A&G14
38	930.2 all other	Miscellaneous General Expenses	2,406	86.8241%	2,089	A&G15
39	930.2007	Associated Business Development Expenses	593	76.7241%	455	A&G16
39	931	Rents	1,292	86.3945%	1,117	A&G17
40		TOTAL Operation	102,494		33,273	
41		Maintenance				
42	935	Maintenance of General Plant	5,730	72.2485%	4,140	A&G18
43		TOTAL Administrative and General Expenses	\$ 108,224		\$ 37,413	

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):
WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
Page 4 of 5
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		DEPRECIATION & AMORTIZATION EXPENSES				
2						
3		DEPRECIATION EXPENSE				
4	403	Production	\$ 246,237	0.0000%	\$ 0	NONDIST
5	403	Transmission	26,455	0.0000%	0	NONDIST
6	403	Distribution	63,411	99.9012%	63,348	DEPR1
7	403	General	3,311	81.9190%	2,713	DEPR2
8		TOTAL Depreciation Expense	<u>\$ 339,415</u>		<u>\$ 66,061</u>	
9						
10		AMORTIZATION OF UTILITY PLANT				
11	404	General	\$ 239	95.9051%	\$ 229	AMORT1
12	404	Intangible Plant	13,308	28.9713%	3,856	AMORT2
13		TOTAL Amortization Expense	<u>\$ 13,547</u>		<u>\$ 4,084</u>	
14						
15		AMORTIZATION OF PLANT ACQ ADJ				
16	406	Distribution	<u>\$ 9</u>	0.0000%	<u>\$ 0</u>	NONDIST
17						
18		AMTZ. OF REGULATORY DEBITS (407.3) /CREDITS (407.4)				
19		Amtz. Of Regulatory Debits (407.3)				
20	407.3000	Regulatory Debits - RTO	\$ 1,553	0.0000%	\$ 0	NONDIST
21	407.3006	Regulatory Debits ETCRR	(4)	0.0000%	0	NONDIST
22		TOTAL Account 407.3	<u>1,550</u>		<u>0</u>	
23					<u>0</u>	
24		Amtz. Of Regulatory Credits (407.4)			<u>0</u>	
25	407.4003	Regulatory Credits ETCRR	(36)	0.0000%	0	NONDIST
26		NET Amtz. of Reg. Credits/Debits	<u>\$ 1,514</u>		<u>\$ 0</u>	

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original___Updated___Revised
Work Paper Reference No(s):
WP C-2.1a thru e, Schedule B-7.1a

Schedule C-2.1
Page 5 of 5
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill
J.B. Bartsch

Line No.	Acct. No.	Account Title	Unadjusted Total Utility	Alloc. %	Unadjusted Jurisdiction	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		TAXES OTHER THAN INCOME TAXES				
2						
3	408.1x	Franchise Tax	\$ 1,528	8.5417%	\$ 130	OTHTAX1
4	408.1x	Commercial Activity Taxes	5,345	83.7434%	4,476	OTHTAX2
5	408.1x	Revenue-kWhr Taxes	75,506	100.0000%	75,506	ALLDIST
6	408.1x	Payroll Taxes	10,143	27.3837%	2,778	OTHTAX3
7	408.1x	Capacity Taxes	16,170	0.0000%	0	NONDIST
8	408.1x	Property Taxes	99,918	54.7270%	54,682	OTHTAX4
9	408.1x	Regulatory Fees	2,783	99.9012%	2,781	OTHTAX5
10	408.1x	Production Taxes	6	0.0000%	0	NONDIST
11	408.1x	Miscellaneous Taxes	(752)	0.9607%	(7)	OTHTAX6
12		TOTAL TAXES OTHER THAN INCOME TAXES	\$ 210,648		\$ 140,346	
13						
14	411.101	Accretion Expense	\$ 15,040	0.0000%	\$ 0	NONDIST

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-3
 Page 1 of 3
 Witness Responsible:
 T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Total Schedule C-3	Universal Service Fund C-3.1	Advanced Energy Fund C-3.2	Kwh Tax C-3.3	Energy Efficiency/ Peak Demand C-3.4	Economic Development Cost Recovery C-3.5	Enhanced Service Reliability C-3.6	Annualize Pole Attachment Revenues C-3.7	Annualize Pole Attachment Expense C-3.8
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues	\$ (203,413)	\$ (28,997)	\$ (756)	\$ (75,941)	\$ (52,744)	\$ (27,140)	\$ (17,835)		
3	Fuel Revenues	\$ 0								
4	Other Operating Revenues	(697)							(697)	
5	Total Operating Revenues	<u>(204,111)</u>	<u>(28,997)</u>	<u>(756)</u>	<u>(75,941)</u>	<u>(52,744)</u>	<u>(27,140)</u>	<u>(17,835)</u>	<u>(697)</u>	<u>0</u>
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power	2,424					2,424			
10	Other	0								
11	Total Production Expenses	<u>2,424</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,424</u>	<u>0</u>	<u>0</u>	<u>0</u>
12	Transmission Expense	0								
13	Distribution Expense	(28,391)						(19,950)		(602)
14	Customer Accounts Expenses	(30,196)	(29,890)			(1)				
15	Customer Service & Information Expense	(43,724)		(786)		(42,968)				
16	Sales Expense	(106)				(106)				
17	Administrative & General Expense	(1,886)				(611)				
18	Total Operating and Maintenance Expense	<u>(101,878)</u>	<u>(29,890)</u>	<u>(786)</u>	<u>0</u>	<u>(43,686)</u>	<u>2,424</u>	<u>(19,950)</u>	<u>0</u>	<u>(602)</u>
19	Depreciation and Amortization Expenses									
20	Depreciation	(4,267)						(222)		
21	Amort. & Depl. of Utility Plant	0								
22	Amort. of Utility Plant Acq. Adj.	0								
23	Net Amortization of Regulatory Credits/Debits	0								
24	Total Depreciation and Amort. Expenses	<u>(4,267)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(222)</u>	<u>0</u>	<u>0</u>
25	Taxes Other Than Income Taxes	(75,858)			(75,506)					
26	Income Taxes-State and Municipal									
27	Current	(387)								
28	Provision for Deferred Income Taxes	(0)								
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	<u>(387)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
31	Income Taxes-Federal									
32	Current	(7,560)								
33	Provision for Deferred Income Taxes	(250)								
34	Provision for Deferred Income Taxes-Credit	0								
35	Total Federal Income Taxes	<u>(7,810)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
36	Total Operating Expenses	<u>(189,813)</u>	<u>(29,890)</u>	<u>(786)</u>	<u>(75,506)</u>	<u>(43,686)</u>	<u>2,424</u>	<u>(20,172)</u>	<u>0</u>	<u>(602)</u>
37	Net Electric Operating Income	<u>\$ (14,297)</u>	<u>\$ 893</u>	<u>\$ 30</u>	<u>\$ (435)</u>	<u>\$ (9,058)</u>	<u>\$ (29,565)</u>	<u>\$ 2,336</u>	<u>\$ (697)</u>	<u>\$ 602</u>

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised ___
Work Paper Reference No(s):

Schedule C-3
Page 2 of 3
Witness Responsible:
T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Severance Adjustment	Severance Amortization	Annualize Labor/Payroll Expense	Annualize Pension Expense	Annualize OPEB Expense	Interest on Customer Deposits	Amortize Rate Case Expense	Public Safety Announcement Expense	Annualize Depreciation Expense
	Schedule Reference	C-3.9	C-3.10	C-3.11	C-3.12	C-3.13	C-3.14	C-3.15	C-3.16	C-3.17
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues									
3	Fuel Revenues									
4	Other Operating Revenues									
5	Total Operating Revenues	0	0	0	0	0	0	0	0	0
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power									
10	Other									
11	Total Production Expenses	0	0	0	0	0	0	0	0	0
12	Transmission Expense									
13	Distribution Expense	(12,616)	4,319	457						
14	Customer Accounts Expenses			96			(400)			
15	Customer Service & Information Expense			30						
16	Sales Expense									
17	Administrative & General Expense	(2,339)	793	98	425	(428)		51	125	
18	Total Operating and Maintenance Expense	(14,955)	5,112	680	425	(428)	(400)	51	125	0
19	Depreciation and Amortization Expenses									
20	Depreciation									(416)
21	Amort. & Depl. of Utility Plant									
22	Amort. of Utility Plant Acq. Adj.									
23	Net Amortization of Regulatory Credits/Debits									
24	Total Depreciation and Amtz. Expenses	0	0	0	0	0	0	0	0	(416)
25	Taxes Other Than Income Taxes	(600)	200	48						
26	Income Taxes-State and Municipal									
27	Current									
28	Provision for Deferred Income Taxes									
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	0	0	0	0	0	0	0	0	0
31	Income Taxes-Federal									
32	Current									
33	Provision for Deferred Income Taxes									
34	Provision for Deferred Income Taxes-Credit									
35	Total Federal Income Taxes	0	0	0	0	0	0	0	0	0
36	Total Operating Expenses	(15,554)	5,312	728	425	(428)	(400)	51	125	(416)
37	Net Electric Operating Income	\$ 15,554	\$ (5,312)	\$ (728)	\$ (425)	\$ 428	\$ 400	\$ (51)	\$ (125)	\$ 416

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Summary of Jurisdictional Adjustments to Operating Income
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-3
 Page 3 of 3
 Witness Responsible:
 T.A. Caudill

Line No.	Element of Operating Income	Title of Adjustment								
		Depreciation Rate	Solar Panels	Income Taxes						
	Schedule Reference	C-3.18	C-3.19	C-3.20						
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	OPERATING REVENUES									
2	Base Revenues									
3	Fuel Revenues									
4	Other Operating Revenues									
5	Total Operating Revenues	0	0	0	0	0	0	0	0	0
6	OPERATING EXPENSES									
7	Operation and Maintenance Expenses									
8	Production Expenses									
9	Fuel and Purchased Power									
10	Other									
11	Total Production Expenses	0	0	0	0	0	0	0	0	0
12	Transmission Expense									
13	Distribution Expense									
14	Customer Accounts Expenses									
15	Customer Service & Information Expense									
16	Sales Expense									
17	Administrative & General Expense									
18	Total Operating and Maintenance Expense	0	0	0	0	0	0	0	0	0
19	Depreciation and Amortization Expenses									
20	Depreciation	(3,591)	(38)							
21	Amort. & Depl. of Utility Plant									
22	Amort. of Utility Plant Acq. Adj.									
23	Net Amortization of Regulatory Credits/Debits									
24	Total Depreciation and Amtz. Expenses	(3,591)	(38)	0	0	0	0	0	0	0
25	Taxes Other Than Income Taxes									
26	Income Taxes-State and Municipal									
27	Current			(387)						
28	Provision for Deferred Income Taxes			(0)						
29	Provision for Deferred Income Taxes-Credit									
30	Total State & Local Income Taxes	0	0	(387)	0	0	0	0	0	0
31	Income Taxes-Federal									
32	Current			(7,560)						
33	Provision for Deferred Income Taxes			(250)						
34	Provision for Deferred Income Taxes-Credit			0						
35	Total Federal Income Taxes	0	0	(7,810)	0	0	0	0	0	0
36	Total Operating Expenses	(3,591)	(38)	(7,810)	0	0	0	0	0	0
37	Net Electric Operating Income	\$ 3,591	\$ 38	\$ 7,810	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Universal Service Fund Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.1
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description Account Title	Total Adjustment	Allocation Code	%	Juris- dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1		Purpose and Description:				
2		To remove the effects of Universal Service Fund (USF) from the distribution test year				
3						
4	440 - 445	Sales of electricity (billings to customers)	(28.997)	ALLDIST	100.00%	\$ (28,997)
5						
6	9040000	Uncoll Accts - Pct Income Plan (9040002)	(29.890)	ALLDIST	100.00%	\$ (29,890)
7						
8						<u>\$ 893</u>
9						
10						
11						
12						
13						
14						
15						
16		Supporting Calculations				
17		Summary				
18		Account 9040002				
19		USF	Amount - \$			
20		Jun 2010 - Aug 2010	7,994,624.57	Actual		
21		Sep 2010	2,466,810.90	Forecast		
22		Oct 2010	2,250,543.02	Forecast		
23		Nov 2010	2,283,816.26	Forecast		
24		Dec 2010	2,503,883.67	Forecast		
25		Jan 2011	2,478,163.83	Forecast		
26		Feb 2011	2,478,163.83	Forecast		
27		Mar 2011	2,478,163.83	Forecast		
28		Apr 2011	2,478,163.83	Forecast		
29		May 2011	2,478,163.83	Forecast		
30		Total	<u>29,890,497.57</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Advanced Energy Fund Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.2
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of Advanced Energy Fund (AEF) from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(756)	ALLDIST	100.00%	\$ (756)
5							
6	9080000	Customer Assistance Expenses		(786)	ALLDIST	100.00%	\$ (786)
7							
8							<u>\$ 30</u>
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22		Supporting Calculations					
23		<u>Summary</u>					
24		Account 9080000					
25		AEF - Quarterly Expense		Amount - \$			
26		Q2 - Jun 2010		191,698.66	Actual		
27		Q3 - Sep 2010		197,825.00	Forecast		
28		Q4 - Dec 2010		197,825.00	Forecast		
29		Q1 - Mar 2011		198,389.00	Forecast		
30		Total		<u>785,737.66</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
KWH Tax Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.3
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effects of KWH Tax Rider from the distribution test year					
3							
4	440 - 445	Sales of electricity (billings to customers)		(75,941)	ALLDIST	100.00%	\$ (75,941)
5							
6	4081010	Revenue-KWH Taxes		(75,506)	ALLDIST	100.00%	\$ (75,506)
7							
8							<u>\$ (435)</u>
9							
10							
11							
12							
13							
14							
15							
16		Supporting Calculations					
17		<u>Summary</u>					
18		Account 4081010					
19		KWH Tax		Amount - \$			
20		Jun 2010 - Aug 2010		19,957,212.39	Actual		
21		Sep 2010		5,815,756.17	Forecast		
22		Oct 2010		5,361,739.58	Forecast		
23		Nov 2010		5,618,723.13	Forecast		
24		Dec 2010		6,985,109.57	Forecast		
25		Jan 2011		7,498,900.20	Forecast		
26		Feb 2011		6,584,597.41	Forecast		
27		Mar 2011		6,651,938.86	Forecast		
28		Apr 2011		5,529,133.09	Forecast		
29		May 2011		5,503,168.00	Forecast		
30		Total		<u>75,506,278.41</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Energy Efficiency & Peak Demand Reduction Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1, WP C-3.4a

Schedule C-3.4
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effect of the Energy Efficiency and Peak Demand Reduction (EE/EDR) rider from the distribution test year					
3							
4	440-445	Sales of electricity (billings to customers)		(52,744)	ALLDIST	100.00%	\$ (52,744)
5							
6	9030001	Customer Orders & Inquiries		(1)	ALLDIST	100.00%	\$ (1)
7	9070000	Supervision - Customer Service		(0)	ALLDIST	100.00%	\$ (0)
8	9070001	Supervision - DSM		(273)	ALLDIST	100.00%	\$ (273)
9	9080000	Customer Assistance Expenses		(11)	ALLDIST	100.00%	\$ (11)
10	9080009	Cust Assistance Expense - DSM		(33,938)	ALLDIST	100.00%	\$ (33,938)
11	9080014	DSM Costs Deferred		(8,745)	ALLDIST	100.00%	\$ (8,745)
12	9110001	Supervision - Residential		(20)	ALLDIST	100.00%	\$ (20)
13	9110002	Supervision - Comm & Ind		(86)	ALLDIST	100.00%	\$ (86)
14	9200000	Administrative & Gen Salaries		(6)	ALLDIST	100.00%	\$ (6)
15	9210001	Off Supl & Exp - Nonassociated		(0)	ALLDIST	100.00%	\$ (0)
16	9230001	Outside Svcs Empl - Nonassoc		(174)	ALLDIST	100.00%	\$ (174)
17	9301002	Radio Station Advertising Time		(3)	ALLDIST	100.00%	\$ (3)
18	9301007	Special Adv Space & Prod Exp		(424)	ALLDIST	100.00%	\$ (424)
19	9302000	Misc General Expenses		(4)	ALLDIST	100.00%	\$ (4)
20		Total O&M		<u>(43,686)</u>			<u>\$ (43,686)</u>
21							
22							<u>\$ (9,058)</u>
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Economic Development Recovery Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1

Schedule C-3.5
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zelina

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Code	Allocation		Jurisdictional Amount
		Account Title				%		
(A)	(B)	(C)		(D)	(E)	(F)		(G)
1		Purpose and Description:						
2		To remove the effects of the Economic Development Recovery Rider (EDR) from the distribution test year						
3								
4	440 - 445	Sales of electricity (billings to customers)		(27,140)	ALLDIST	100.00%	\$	(27,140)
5	442	Sales of electricity (EDR discount)		29,565 [1]				
6		Total Revenues		2,424				
7								
8	5550110	Purchased Power (over/under)		2,424	ALLDIST	100.00%	\$	2,424
9								
10								
11								<u>\$ (29,565)</u>
12								
13								
14								
15								
16								
17								
18		Supporting Calculations						
19								
20						Amount - \$		
21	Accounts	Description		3 Months Actual 8/31/10	9 Months Forecast 5/31/2011	12 Months Ended 5/31/2011 Total		Impact Inc. (Dec)
22								
23	5550110	Purchased Power (over/under)		(3,784,292) A	1,360,079 B	(2,424,213)		2,424,213
24								
25								
26		Sources:						
27		A- Company General Ledger						
28		B- Company Forecast Model						
29								
30		[1] Test year Distribution Revenue is not Discounted. Therefore, the Discount has already been removed.						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Enhanced Service Reliability Rider
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule E-4.1, WP C-3.6a

Schedule C-3.6
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill
 T.R. Zellna

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effect of the Enhanced Service Reliability Rider (ESRR) from the distribution test year					
3							
4	440-445	Sales of Electricity		(17,835)			
5			Total Revenue	(17,835)	ALLDIST	100.00%	\$ (17,835)
6							
7	4030001	Depreciation Exp		(222)			
8			Total Depreciation	(222)	ALLDIST	100.00%	\$ (222)
9							
10	5930009	ESRR-OvUnd Maint Ovh Lines		(210)	ALLDIST	100.00%	\$ (210)
11	5930000	Maintenance of Overhead Lines		(19,740)	ALLDIST	100.00%	\$ (19,740)
12			Total O&M	(19,950)			
13							
14							<u>\$ 2,336</u>
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Pole Attachment Revenue
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):

Schedule C-3.7
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust to decrease Pole Attachment Revenues recorded from June 2010 through August 2010					
3		for adjustments related to prior periods (Account 454)					
4							
5	4540002	Rent from Elect Property-Non-Affiliated					
6		Remove Out of Period Pole Attachment Revenue		(698)	DISTPLANT	99.9012%	\$ (697)
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22		Supporting Calculations					
23		Summary					
24		Account 4540002					
25		CAD056AJE		Amount - \$			
26		6/30/2010		(949,106.29)	Actual		
27		7/30/2010		(4,467.09)	Actual		
28		7/31/2010		249,942.66			
29		8/31/2010		5,763.24	Actual		
30		Total		(697,867.48)			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Pole Attachment Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):

Schedule C-3.8
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust to decrease Pole Attachment Expenses recorded from June 2010 through August 2010					
3		for adjustments related to prior periods (Account 589)					
4							
5	5890001	Rents - Nonassociated					
6		Out of Period Pole Attachment Rental Expense		(603)	DISTPLANT	99.9012%	\$ (602)
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	Supporting Calculations						
25		<u>Summary</u>					
26		Account 5890001					
27		CAD056AJE		Amount - \$			
28		6/30/2010		(602,900.05)	Actual		
29		7/30/2010		(6.03)	Actual		
30		Total		<u>(602,906.08)</u>			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Remove Effect of 2010 Severance
For The Twelve Months Ending May 31, 2011

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
WP C-3.9a

Schedule C-3.9
Page 1 of 1
Witness Responsible:
T.E. Mitchell
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		To remove the effect of the 2010 Severance					
4							
5	5880000	Miscellaneous Distribution Exp		(12,628)	DISTPLANT	99.9012%	\$ (12,616)
6	9200000	Administrative & Gen Salaries		(2,184)	DISTPLANT	99.9012%	\$ (2,182)
7	9230001	Outside Svcs Empl - Nonassoc		(12)	DISTPLANT	99.9012%	\$ (12)
8	9260005	Group Medical Ins Premiums		(138)	DISTPLANT	99.9012%	\$ (138)
9	9260009	Group Dental Insurance Prem		(7)	DISTPLANT	99.9012%	\$ (7)
10	4081002	FICA		(600)	DISTPLANT	99.9012%	\$ (600)
11	9260027	Savings Plan Contributions		(1)	DISTPLANT	99.9012%	\$ (1)
12		Total O&M		<u>(15,570)</u>			<u>\$ (15,554)</u>
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Amortization of 2010 Severance
For The Twelve Months Ending May 31, 2011

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):
WP C-3.10a

Schedule C-3.10
Page 1 of 1
Witness Responsible:
T.E. Mitchell
T.A. Caudill
S.J. Dias

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		To amortize the 2010 Severance over 3 years.					
4							
5	5880000	Miscellaneous Distribution Exp		4,324	DISTPLANT	99.9012%	\$ 4,319
6	9200000	Administrative & Gen Salaries		740	DISTPLANT	99.9012%	\$ 740
7	9230001	Outside Svcs Empl - Nonassoc		5	DISTPLANT	99.9012%	\$ 5
8	9260005	Group Medical Ins Premiums		46	DISTPLANT	99.9012%	\$ 46
9	9260009	Group Dental Insurance Prem		2	DISTPLANT	99.9012%	\$ 2
10	4081002	FICA		200	DISTPLANT	99.9012%	\$ 200
11	9260027	Savings Plan Contributions		0	DISTPLANT	99.9012%	\$ 0
12			Total O&M	<u>5,318</u>			<u>\$ 5,312</u>
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Annualize Labor & Payroll Expenses
For The Twelve Months Ending May 31, 2011
(\$000)

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
WP C-3.11a, WP C-3.11b

Schedule C-3.11
Page 1 of 1
Witness Responsible:
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To adjust test year Payroll Expenses and F.I.C.A. Taxes to reflect annualized					
3		staffing levels and wages at the end of the test year					
4							
5	5800000	Supervision & Engineering		\$ 34	DISTPLANT	99.9012%	\$ 34
6	5820000	Station Equipment		\$ 10	DISTPLANT	99.9012%	\$ 10
7	5830000	Overhead Lines		\$ 23	DISTPLANT	99.9012%	\$ 23
8	5840000	Underground Lines		\$ 5	DISTPLANT	99.9012%	\$ 5
9	5850000	Street & Area Lighting		\$ 2	DISTPLANT	99.9012%	\$ 2
10	5860000	Meters		\$ 27	DISTPLANT	99.9012%	\$ 27
11	5870000	Customer Installations		\$ 4	DISTPLANT	99.9012%	\$ 4
12	5880000	Miscellaneous Distribution Exp		\$ 83	DISTPLANT	99.9012%	\$ 83
13	5890001	Rents - Nonassociated		\$ 0	DISTPLANT	99.9012%	\$ 0
14	5900000	Supervision & Engineering		\$ 5	DISTPLANT	99.9012%	\$ 5
15	5910000	Structures		\$ 0	DISTPLANT	99.9012%	\$ 0
16	5920000	Station Equipment		\$ 21	DISTPLANT	99.9012%	\$ 21
17	5930000	Maintenance of Overhead Lines		\$ 204	DISTPLANT	99.9012%	\$ 203
18	5940000	Underground Lines		\$ 6	DISTPLANT	99.9012%	\$ 6
19	5950000	Line Transformers		\$ 12	DISTPLANT	99.9012%	\$ 12
20	5960000	Street & Area Lighting		\$ 2	DISTPLANT	99.9012%	\$ 2
21	5970000	Meters		\$ 5	DISTPLANT	99.9012%	\$ 5
22	5980000	Misc Distribution Plant		\$ 13	DISTPLANT	99.9012%	\$ 13
23	9010000	Supervision & Engineering		\$ 6	NUMCUST	99.9999%	\$ 6
24	9020000	Meter Reading		\$ 43	NUMCUST	99.9999%	\$ 43
25	9030000	Customer Records & Collection Expense		\$ 46	NUMCUST	99.9999%	\$ 46
26	9070000	Supervision		\$ 0	NUMCUST	99.9999%	\$ 0
27	9080000	Customer Assistance Expenses		\$ 29	NUMCUST	99.9999%	\$ 29
28	9100000	Misc Customer Service		\$ 0	NUMCUST	99.9999%	\$ 0
29	9200000	Salaries		\$ 47	DISTPLANT	99.9012%	\$ 47
30	9210000	Office Supplies		\$ 0	DISTPLANT	99.9012%	\$ 0
31	9250000	Injuries & Damages		\$ 0	DISTPLANT	99.9012%	\$ 0
32	9260000	Employee Benefits		\$ 0	DISTPLANT	99.9012%	\$ 0
33	9302007	Assoc Business Development Exp		\$ 1	DISTPLANT	99.9012%	\$ 1
34	9350000	Admin & General Maintenance		\$ 24	DISTPLANT	99.9012%	\$ 24
35				<u>\$ 655</u>			<u>\$ 654</u>
36							
37	9260027	Employee Benefits - Savings Plan Contribution		\$ 26	DISTPLANT	99.9012%	\$ 26
38							
39	408.1	Payroll Taxes		\$ 48	DISTPLANT	99.9012%	\$ 48
40							
41							
42		Total Payroll Expense and Tax Adjustment		<u>\$ 729</u>			<u>\$ 728</u>

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Annualize Pension Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 Schedule C-2.1, WP C-3.12a

Schedule C-3.12
 Page 1 of 1
 Witness Responsible:
 H.E. McCoy
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation Code	%	Juris-dictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1						
2		Purpose and Description:				
3		Adjust pension expense in forecast to reflect the most recent actuarial estimates for the test period.				
4						
5						
6		PENSION EXPENSE				
7	9260003 & 9260037	Distribution Pension Expense in Forecast (Line 25)	5,040			
8		Less: Amount Charged to Capital Projects & Clearing Accounts (Line 29)	(3,318)			
9		Net Distribution Pension Expense in Forecast	1,722			
10		Ratio of Pension Expense to Total Accrual (Line 9 / Line 7)	34.16%			
11						
12	9260050	Distribution Pension Accrual for Test Year Ended 5/31/2011 (Line 33)	6,286			
13		Percentage of Pension Accrual Charged to O&M (Line 10)	34.16%			
14		Adjusted Pension Expense	2,147			
15						
16		Adjustment Amount (Line 14 - Line 9)	426	DISTPLANT	99.9012%	\$ 425
17						
18						
19		Supporting Calculations				
20						
21		<u>Calculation of Forecasted Amounts Related to Distribution</u>				
22						
23	9260003 & 9260037	Total Company Pension Expense in Forecast	15,010	Account 9260003 on Forecasted Benefit Amounts Worksheet		
24		Historic Ratio of Distribution to Total Company Expense	33.6%	Allocation Code:	A&G9	
25		Distribution Pension Expense in Forecast	\$ 5,040			
26						
27	9260050	Total Company Pension Fringe Loading Offset in Forecast	(6,309)	Account 9260050 on Forecasted Benefit Amounts Worksheet		
28		Historic Ratio of Distribution to Total Company Expense	52.6%	Allocation Code:	A&G10	
29		Distribution Pension Fringe Loading Offset in Forecast	\$ (3,318)			
30						
31		<u>Test Year Pension Expense</u>				
32						
33		2011 Distribution Expense per Actuarial Report	6,286			

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Annualize OPEB Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):
 Schedule C-2.1, WP C-3.13a

Schedule C-3.13
 Page 1 of 1
 Witness Responsible:
 H.E. McCoy
 T.A. Caudill

Purpose and Description							
Line No.	Acct. No.	Account Title	Total Adjustment	Allocation Code	%	Juris- dictional Amount	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	
1		Purpose and Description:					
2		Adjust OPEB expense to reflect the most recent actuarial estimates for the test period.					
3							
4							
5	92600021 &	OPEB EXPENSE					
6	9260057	Distribution OPEB Expense in Forecast (Line 24)	5,339				
7	9230053	Less: Amount Charged to Capital Projects & Clearing Accounts (Line 28)	(1,627)				
8		Net Distribution OPEB Expense in Forecast	3,713				
9		Ratio of OPEB Expense to Total Accrual (Line 8 / Line 6)	69.54%				
10							
11		Distribution OPEB Accrual for Test Year Ended 5/31/2011 (Line 32)	4,724				
12		Percentage of OPEB Accrual Charged to O&M (Line 9)	69.54%				
13		Adjusted Distribution OPEB Expense for TYE 5/31/2011	3,285				
14							
15		Adjustment Amount (Line 13 - Line 8)	(428)	DISTPLANT	99.9012%	\$ (428)	
16							
17							
18		Supporting Calculations					
19							
20		Calculation of Forecasted Amounts In Related to Distribution					
21							
22	92600021 &	Total Company OPEB Expense in Forecast	12,141		Net of Accounts 9260021 & 57 on Forecasted Benefit Amounts Worksheet		
23	9260057		Historic Ratio of Distribution to Total Company Expense	44.0%		Allocation Code:	A&G10
24			Distribution OPEB Expense in Forecast	\$ 5,339			
25							
26	9230053	Total Company OPEB Fringe Loading Offset in Forecast	(2,481)		Account 9260053 on Forecasted Benefit Amounts Worksheet		
27			Historic Ratio of Distribution to Total Company Expense	65.6%		Allocation Code:	A&G12
28			Distribution OPEB Fringe Loading Offset in Forecast	\$ (1,627)			
29							
30		Test Year OPEB Expense					
31							
32		2011 Distribution OPEB Contribution per Actuarial Report	4,724				

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Interest on Customer Deposits
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original___Updated___Revised
Work Paper Reference No(s):
Schedule B-6, Schedule C-2.1

Schedule C-3.14
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		Adjust customer deposit interest expense to be the rate requested in the filing multiplied by the date certain balance					
3		– the interest expense associated with these deposits is added to operating expense					
4							
5	4310002	INTEREST ON CUSTOMER SERVICE DEPOSITS					
6		Date Certain Deposits 8/31/10 (a/c 235)	26,441				
7		Requested Interest Rate	3.00%				
8		Going Level Interest Expense	793				
9		Interest Expense Reflected in Cost of Service	1,193				
10		Adjustment to Interest on Customer Deposits		(400)	ALLDIST	100.00%	\$ (400)
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Amortize Rate Case Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):
Schedule C-8

Schedule C-3.15
Page 1 of 1
Witness Responsible:
S.J. Dias
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To include in the test year - amortization of the estimated rate case expense over three years					
3							
4	9280003	Rate Case Amortization		51	ALLDIST	100.00%	\$ 51
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
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21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Public Safety Announcement Expense
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original___Updated___Revised
Work Paper Reference No(s):

Schedule C-3.16
Page 1 of 1
Witness Responsible:
S.J. Dias
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To include Public Safety Announcement expense in the distribution test year					
3							
4	9301000	General Advertising		125	ALLDIST	100.00%	\$ 125
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
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21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Annualize Depreciation Expense
For The Twelve Months Ending May 31, 2011

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original__Updated__Revised
Work Paper Reference No(s): WP C-3.xx
WP B-3.2a, WP C-3.17a

Schedule C-3.17
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill

Line No.	Acct. No.	Purpose and Description	Total Adjustment	Allocation		Jurisdictional Amount
		Account Title		Code	%	
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1						
2		Purpose and Description:				
3		To compare the depreciation expense in the test year to the annualized depreciation expense recorded based				
4		on the date certain plant balances as of August 31, 2010				
5						
6	4030001	Depreciation Expense				
7		Depreciation Rate Adjustment - Distribution				
8		Depreciation Expense Annualized as of				
9		August 31, 2010 Plant Balances 62,772				
10		Depreciation Expense for Test Year 63,155				
11		Adjustment to Depreciation Expense on Annualized basis to Test Year	(383)	DISTPLANT	99.9012%	\$ (383)
12						
13						
14		Depreciation Rate Adjustment - General (Distribution only)				
15		Depreciation Expense Annualized as of				
16		August 31, 2010 Plant Balances 2,683				
17		Depreciation Expense for Test Year 2,716				
18		Adjustment to Depreciation Expense on Annualized basis to Test Year	(33)	DISTPLANT	99.9012%	\$ (33)
19						
20						
21			(416)			\$ (416)
22						
23						
24						
25						
26						
27						
28						
29						
30						

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Depreciation Rate Adjustment
For The Twelve Months Ending May 31, 2011

Date Prepared: 2/28/2011

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s): WPC3.xx
WP B-3.2a

Schedule C-3.18
Page 1 of 1
Witness Responsible:
T.E. Mitchell
D.A. Davis
T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Juris- dictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1							
2		Purpose and Description:					
3		Adjust depreciation at current approved rates to depreciation rates based on Depreciation Study rates					
4		based on date certain of 08/31/10					
5							
6	4030001	Depreciation Expense					
7		Depreciation Rate Adjustment					
8		Depreciation - Distribution Plant - Current Rates	62,772				
9		Depreciation - Distribution Plant - Study Rates	59,684				
10				(3,087)	DISTPLANT	99.9012%	\$ (3,084)
11		Deprec - General Plant (Dist Co) - Current Rates	2,683				
12		Deprec - General Plant (Dist Co) - Study Rates	2,175				
13				(508)	DISTPLANT	99.9012%	\$ (507)
14							
15		Adjustment for Depreciation on Current and Study Rates		(3,595)			\$ (3,591)
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Remove Depreciation Expense for Solar Panels
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):
 WP B-2.2a, WP B-3.1a

Schedule C-3.19
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever
 T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To remove the effect of the Solar Panel Projects from the distribution test year					
3							
4	4030001	Depreciation Exp		(38)	ALLDIST	100.00%	\$ (38)
5							
6							
7							
8							
9							
10							
11							
12							
13							
14		Supporting Calculations					
15		<u>Summary</u>					
16		Asset Value at 8/31/10		\$ 531,067.56			
17		Depr Rate		0.33% [A]	Amount - \$		
18		Jun 2010 - Aug 2010			22,482.83	Actual	
19		Sep 2010			1,757.39	Forecast	
20		Oct 2010			1,757.39	Forecast	
21		Nov 2010			1,757.39	Forecast	
22		Dec 2010			1,757.39	Forecast	
23		Jan 2011			1,757.39	Forecast	
24		Feb 2011			1,757.39	Forecast	
25		Mar 2011			1,757.39	Forecast	
26		Apr 2011			1,757.39	Forecast	
27		May 2011			1,757.39	Forecast	
28		Total			<u>38,299.35</u>		
29							
30	[A]	Depreciation rate in forecast as provided by Company witness Sever.					

Note: Individual adjustment schedules shall not show effect of federal or state income taxes.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Federal & State Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ► Original ___ Updated ___ Revised

Work Paper Reference No(s):

Schedule C-4.1

Schedule C-3.20

Page 1 of 1

Witness Responsible:

J.B. Bartsch

T.A. Caudill

Line No.	Acct. No.	Purpose and Description		Total Adjustment	Allocation		Jurisdictional Amount
		Account Title			Code	%	
(A)	(B)	(C)		(D)	(E)	(F)	(G)
1		Purpose and Description:					
2		To Adjust State, Local and Federal Income Tax Expense for impacts					
3		related to Going-Level Adjustments					
4							
5							
6	409.1	Current State & Local Income Tax Expense		(387)	DIRECT	100.00%	\$ (387)
7							
8	410.1 & 411.1	Deferred State & Local Income Tax Expense		(0)	DIRECT	100.00%	\$ (0)
9							
10							
11							
12							
13	409.1	Current Federal Income Tax Expense		(7,560)	DIRECT	100.00%	\$ (7,560)
14							
15	410.1 & 411.1	Deferred Federal Income Tax Expense		(250)	DIRECT	100.00%	\$ (250)
16							
17	411.4 & 411.5	Deferred Investment Tax Credit Expense		-	DIRECT	100.00%	\$ 0
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Adjusted Jurisdictional Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):
 Schedule C-4.1, WP C-4.1a thru q

Schedule C-4
 Page 1 of 2
 Witness Responsible:
 J.B. Bartsch

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted	Schedule C-3 Adjustments	Adjusted	Proforma Adjustments	Proforma
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	Operating Income Before State & Local Income Taxes	\$ 81,655	\$ (22,107)	\$ 59,548	\$ 59,208	\$ 118,756
2	Current State & Local Income Tax Expense	200	(387)	(187)	1,042	855
3	Operating Income Before Federal Income Taxes	81,455	(21,720)	59,735	58,166	117,901
4	Reconciling Items:					
	Interest Charges (Synchronization)	(24,706)	114	(24,591)	0	(24,591)
	Schedule M Reconciling Items:					
5	Tax Accelerated Depreciation	84,749	0	84,749	0	84,749
6	Book Depreciation	70,149	(4,271)	65,878	0	65,878
7	Excess of Tax Over Book Depreciation	(14,600)	(4,271)	(18,871)	0	(18,871)
8	Other Reconciling Items	(32,517)	4,278	(28,239)	0	(28,239)
9	Total Schedule M Reconciling Items	(47,117)	7	(47,110)	0	(47,110)
10	Federal Taxable Income	\$ 9,633	\$ (21,599)	\$ (11,966)	\$ 58,166	\$ 46,199
	Federal, State, Local Income Taxes:					
11	Federal @ 35% Statutory Rate					
12	State & Local @ Various Effective Tax Rates					

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Adjusted Jurisdictional Income Taxes
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ☒ Original ☐ Updated ☐ Revised

Work Paper Reference No(s):

Schedule C-4.1, WP C-4.1a thru q

Schedule C-4

Page 2 of 2

Witness Responsible:

J.B. Bartsch

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted	Schedule C-3 Adjustments	Adjusted	Proforma Adjustments	Proforma
(A)	(B)	(C)	(D)	(E)	(F)	(G)
13	Current Federal Income Tax @ Statutory Rates	\$ 3,371	\$ (7,560)	\$ (4,189)	\$ 20,358	\$ 16,170
14	Adjustments	0	0	0	0	0
15	Current Federal Income Tax Expense	<u>3,371</u>	<u>(7,560)</u>	<u>(4,189)</u>	<u>20,358</u>	<u>16,170</u>
	Deferred Income Tax Expense (Net):					
16	Depreciation Related	9,630	1,247	10,877	0	10,877
17	Excess DFIT Reversal - Depreciation	(37)	0	(37)	0	(37)
18	Other Temporary Differences	6,662	(1,497)	5,164	0	5,164
19	Total Deferred Federal Income Taxes (Net)	<u>16,254</u>	<u>(250)</u>	<u>16,004</u>	<u>0</u>	<u>16,004</u>
20	Amortization of Deferred Investment Tax Credits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
21	Total Federal Income Tax Expense	<u>19,625</u>	<u>(7,810)</u>	<u>11,815</u>	<u>20,358</u>	<u>32,173</u>
22	Current State & Local Income Tax Expense	200	(387)	(187)	1,042	855
23	Deferred State & Local Income Tax Expense	<u>122</u>	<u>(0)</u>	<u>122</u>	<u>0</u>	<u>122</u>
24	Total State & Local Income Tax Expense	<u>323</u>	<u>(387)</u>	<u>(64)</u>	<u>1,042</u>	<u>978</u>
25	Total Income Tax Expense	<u>19,948</u>	<u>(8,197)</u>	<u>11,751</u>	<u>21,400</u>	<u>33,151</u>

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Development of Jurisdictional Income Taxes Before Adjustments
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):
WP C-4.1a thru q

Schedule C-4.1
Page 1 of 2
Witness Responsible:
J.B. Bartsch

Line No.	Account Title	Total Utility	Allocation %	Jurisdiction	Allocation Code/ Explanation
(A)	(B)	(C)	(D)	(E)	(F)
1	Operating Income Before State & Local Income Taxes	\$ 638,225		\$ 81,655	DIRECT
2	Current State & Local Income Tax Expense	350		200	DIRECT
3	Operating Income Before Federal Income Taxes	637,875		81,455	DIRECT
4	Reconciling Items: Interest Charges	(157,117)		(24,706)	DIRECT
5	Schedule M Reconciling Items: Tax Accelerated Depreciation	434,387		84,749	DIRECT
6	Book Depreciation	352,970		70,149	DIRECT
7	Excess of Tax Over Book Depreciation	(81,417)		(14,600)	DIRECT
8	Other Reconciling Items	(315,713)		(32,517)	DIRECT
9	Total Schedule M Reconciling Items	(397,130)		(47,117)	DIRECT
10	Federal Taxable Income	\$ 83,628		\$ 9,633	DIRECT
11	Federal, State, Local Income Taxes: Federal @ 35% Statutory Rate				
12	State & Local @ Various Effective Tax Rates				

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Development of Jurisdictional Income Taxes Before Adjustments
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ► Original ___ Updated ___ Revised

Work Paper Reference No(s):

WP C-4.1a thru q

Schedule C-4.1

Page 2 of 2

Witness Responsible:

J.B. Bartsch

Line No.	Account Title	Total Utility (1)	Allocation % (2)	Jurisdiction (3)	Allocation Code/ Explanation (4)
(A)	(B)	(C)	(D)	(E)	(F)
13	Current Federal Income Tax @ Statutory Rates	\$ 29,270		\$ 3,371	DIRECT
14	Adjustments	(16,433)		0	DIRECT
15	Current Federal Income Tax Expense	<u>12,837</u>		<u>3,371</u>	DIRECT
	Deferred Income Tax Expense (Net):				
16	Depreciation Related	61,842		9,630	DIRECT
17	Excess DFIT Reversal - Depreciation	(114)		(37)	DIRECT
18	Other Temporary Differences	84,171		6,662	DIRECT
19	Total Deferred Federal Income Taxes (Net)	<u>145,900</u>		<u>16,254</u>	DIRECT
20	Amortization of Deferred Investment Tax Credits	<u>(226)</u>		<u>0</u>	DIRECT
21	Total Federal Income Tax Expense	<u>158,510</u>		<u>19,625</u>	DIRECT
22	Current State & Local Income Tax Expense	350		200	DIRECT
23	Deferred State & Local Income Tax Expense	<u>3,531</u>		<u>122</u>	DIRECT
24	Total State & Local Income Tax Expense	<u>3,881</u>		<u>323</u>	DIRECT
25	Total Income Tax Expense	<u>162,391</u>		<u>19,948</u>	DIRECT

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Social and Service Club Dues
For The Twelve Months Ending May 31, 2011

Data: 3 MOS Actual & 9 MOS Estimated

Type of Filing: ►Original___Updated___Revised

Work Paper Reference No(s):

Schedule C-5

Page 1 of 1

Witness Responsible:

Not Applicable

Line No.	Acct. No.	Social Organization/ Service Club	Total Utility	Allocation %	Jurisdiction
(A)	(B)	(C)	(D)	(E)	(F)

No social and/or service club dues are included in test year operating expenses.
--

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Charitable Contributions
For The Twelve Months Ending May 31, 2011

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):

Schedule C-6
 Page 1 of 1
 Witness Responsible:
 Not Applicable

Line No.	Acct. No.	Charitable Organization	Total Utility	Allocation %	Jurisdictional Adjustment
(A)	(B)	(C)	(D)	(E)	(F)

No charitable contributions are included in test year operating expenses

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Customer Service and Informational, Sales, and
General Advertising Expense*
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):
 Schedule C-2.1

Schedule C-7
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Acct. No.	Description of Expenses	Labor	Non-Labor	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)
1		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u>			
2	9070000	Supervision	\$ 3	\$ 1,607	\$ 1,610
3	9080000	Customer Assistance	1,203	9,872	11,075
4	9090000	Informational and Instructional Expenses	0	368	368
5	9100000	Miscellaneous Customer Service & Informational Exp.	1	1	2
6		Total Customer Service & Informational Expenses	<u>\$ 1,208</u>	<u>\$ 11,847</u>	<u>\$ 13,055</u>
7		<u>SALES EXPENSES</u>			
8	9110000	Supervision	\$ 0	\$ 110	\$ 110
9	9120000	Demonstrating and Selling Expenses	0	1	1
10	9130000	Advertising Expenses	0	0	0
11	9160000	Miscellaneous Selling Expenses	0	6	6
12		Total Sales Expenses	<u>\$ -</u>	<u>\$ 118</u>	<u>\$ 118</u>
13		<u>GENERAL ADVERTISING EXPENSES</u>			
14	9301000	General Advertising Expenses	\$ 0	\$ 1,341	\$ 1,341
15	9302000	Miscellaneous General Expenses	0	2,406	2,406
16	9302007	Associated Business Development Expenses	11	582	593
17		Total General Advertising Expenses	<u>\$ 11</u>	<u>\$ 4,329</u>	<u>\$ 4,340</u>

* This schedule applies to electric and gas companies only.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Rate Case Expense (Jurisdiction)
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):

Schedule C-8
 Page 1 of 1
 Witness Responsible:
 S.J. Dias

Comparison of Projected Expenses Associated with the Current Case to Prior Rate Cases						
Item of Expense	Current Case Estimated	Most Recent Prior Case Actual	Most Recent Prior Case Estimate	Next Most Recent Case Actual	Next Most Recent Case Estimate	Justification of Significant Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Legal	\$ 125					
Accounting						
Rate of Return Studies	28					
Cost of Service Studies						
Other Major Rate Case Expenses (List & Specify)						
Total	<u>\$ 153</u>	<u>\$ 519 *</u>	<u>\$ 545 *</u>	<u>\$ 487 *</u>	<u>\$ 527 *</u>	

Schedule of Rate Case Expense Amortization					
Rate Case	Total Expense to be Amortized	Opinion/ Order Date	Authorized Amortization Period	Amount Amortized/ Expensed to Date	Expenses Included in Unadjusted Test Year Expense
(H)	(I)	(J)	(K)	(L)	(M)
Current (Estimated)	\$ 153			\$ -	\$ -
Most Recent	\$ 519	94-996-EL-AIR 03/23/1995	4 years	\$ 519	-
Next Most Recent	\$ 487	85-726-EL-AIR 07/10/1986	2 years	\$ 487	-
					<u>\$ - (1)</u>

(1) Represents rate case expense included on Schedule C-2.

* Breakdown by category not available.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Operation and Maintenance Payroll Costs
For The Twelve Months Ending May 31, 2011
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ►Original___Updated___Revised
Work Paper Reference No(s):
Schedule C-9.1, Schedule C-2.1, WP C-2.1a thru e, Schedule C-3.9 thru C-3.13

Schedule C-9
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever
T.A. Caudill
H.E. McCoy

Operation and Maintenance Expense							
Line No.	Description	Total Company Unadjusted	Allocation Code/ Description	Allocation %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	Payroll Costs:						
2	Labor	\$ 114,195	DIRECT	30.4577%	\$ 34,781	\$ 654	\$ 35,436
3							
4	Employee Benefits						
5	Pension	\$ 8,701	DIRECT	19.7698%	\$ 1,720	\$ 425	\$ 2,145
6	OPEB	\$ 9,660	DIRECT	38.3974%	\$ 3,709	\$ (428)	\$ 3,282
7	Savings Plan Contribution	\$ 6,324	A&G8	25.2650%	\$ 1,598	\$ 26	\$ 1,624
8	Other Employee Benefits	\$ 8,776	A&G8	25.2650%	\$ 2,217	\$ 0	\$ 2,217
9	Total Benefits	\$ 33,461			\$ 9,244	\$ 24	\$ 9,268
10							
11	Payroll Taxes (F.I.C.A.)	\$ 10,023	OTHTAX3	27.3837%	\$ 2,745	\$ 48	\$ 2,793
12	Other Payroll Taxes	\$ 121	OTHTAX3	27.3837%	\$ 33	\$ 0	\$ 33
13	Total Payroll Taxes	\$ 10,143			\$ 2,778	\$ 48	\$ 2,826
14							
15	Total Payroll Costs	\$ 157,800			\$ 46,803	\$ 726	\$ 47,529
16							
17	Severance Costs:						
18	Labor - Severance	\$ 14,824	DISTPLANT	99.9012%	\$ 14,810	\$ (9,746)	\$ 5,064
19	Savings Plan Contribution - Severance	\$ 1	DISTPLANT	99.9012%	\$ 1	\$ (0)	\$ 0
20	Other Employee Benefits - Severance	\$ 145	DISTPLANT	99.9012%	\$ 145	\$ (96)	\$ 49
21	Payroll Taxes (F.I.C.A.) - Severance	\$ 600	DISTPLANT	99.9012%	\$ 600	\$ (400)	\$ 200
22	Total Payroll Costs - Severance	\$ 15,570			\$ 15,555	\$ (10,242)	\$ 5,313

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Total Company Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):

Schedule C-9.1
 Page 1 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	3,348,525	3,546,066	3,559,461	3,720,320	3,703,283	3,082,338
3	Overtime Hours	596,279	516,818	532,749	672,539	570,396	485,447
4	Total Manhours	<u>3,944,804</u>	<u>4,062,884</u>	<u>4,092,210</u>	<u>4,392,859</u>	<u>4,273,679</u>	<u>3,567,786</u>
5	Ratio of Overtime Hours to Straight-Time Hours	17.81%	14.57%	14.97%	18.08%	15.40%	15.75%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	116,812	126,611	132,364	140,150	148,019	137,027
8	Overtime Dollars	25,449	23,044	25,643	31,699	28,575	24,531
9	Total Labor Dollars	<u>142,261</u>	<u>149,655</u>	<u>158,006</u>	<u>171,848</u>	<u>176,593</u>	<u>161,559</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	21.79%	18.20%	19.37%	22.62%	19.30%	17.90%
11	O&M Labor Dollars	101,622	108,988	113,304	125,965	129,722	114,195
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>71.43%</u>	<u>72.83%</u>	<u>71.71%</u>	<u>73.30%</u>	<u>73.46%</u>	<u>70.68%</u>
13	Total Employee Benefits	42,586	38,709	47,972	51,347	71,616	69,042
14	Employee Benefits Expensed	24,920	20,296	31,219	34,727	51,725	45,564
15	Ratio of Benefits Expensed to Total Benefits	<u>58.52%</u>	<u>52.43%</u>	<u>65.08%</u>	<u>67.63%</u>	<u>72.23%</u>	<u>65.99%</u>
16	Total Payroll Taxes	13,316	12,689	13,401	14,706	13,064	15,502
17	Payroll Taxes Expensed	9,262	8,473	8,841	10,172	8,507	11,108
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>69.55%</u>	<u>66.78%</u>	<u>65.97%</u>	<u>69.17%</u>	<u>65.12%</u>	<u>71.65%</u>
19	Average Employee Levels	1,939	2,033	2,051	2,087	2,095	1,926
20	Year End Employee Levels	1,984	2,059	2,061	2,101	2,062	2,007

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Distribution Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
Type of Filing: ► Original ___ Updated ___ Revised
Work Paper Reference No(s):

Schedule C-9.1
Page 2 of 7
Witness Responsible:
T.E. Mitchell
O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	1,549,331	1,589,645	1,565,417	1,607,550	1,581,548	1,226,702
3	Overtime Hours	280,540	178,116	151,278	273,843	207,229	135,564
4	Total Manhours	<u>1,829,871</u>	<u>1,767,761</u>	<u>1,716,695</u>	<u>1,881,393</u>	<u>1,788,777</u>	<u>1,362,267</u>
5	Ratio of Overtime Hours to Straight-Time Hours	<u>18.11%</u>	<u>11.20%</u>	<u>9.66%</u>	<u>17.03%</u>	<u>13.10%</u>	<u>11.05%</u>
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	45,868	48,185	49,131	50,711	51,850	52,549
8	Overtime Dollars	10,912	7,180	6,249	10,857	9,053	7,127
9	Total Labor Dollars	<u>56,781</u>	<u>55,365</u>	<u>55,380</u>	<u>61,568</u>	<u>60,903</u>	<u>59,676</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	<u>23.79%</u>	<u>14.90%</u>	<u>12.72%</u>	<u>21.41%</u>	<u>17.46%</u>	<u>13.56%</u>
11	O&M Labor Dollars	31,827	32,054	31,993	36,951	35,717	34,781
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>56.05%</u>	<u>57.90%</u>	<u>57.77%</u>	<u>60.02%</u>	<u>58.65%</u>	<u>58.28%</u>
13	Total Employee Benefits	17,524	19,402	17,424	18,880	24,866	29,688
14	Employee Benefits Expensed	6,762	8,325	8,347	9,773	13,561	15,935
15	Ratio of Benefits Expensed to Total Benefits	<u>38.59%</u>	<u>42.91%</u>	<u>47.91%</u>	<u>51.76%</u>	<u>54.54%</u>	<u>53.67%</u>
16	Total Payroll Taxes	5,241	4,676	4,623	5,306	4,526	6,283
17	Payroll Taxes Expensed	2,777	2,247	2,216	2,900	2,097	3,680
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>52.98%</u>	<u>48.05%</u>	<u>47.95%</u>	<u>54.66%</u>	<u>46.33%</u>	<u>58.57%</u>
19	Average Employee Levels	895	910	903	915	901	795
20	Year End Employee Levels	902	913	902	922	882	850

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Distribution Payroll Analysis - Exempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):
 WP C-9.1a

Schedule C-9.1
 Page 3 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	222,804	232,771	232,508	240,647	234,521	162,062
3	Overtime Hours	12,650	6,624	4,082	10,127	7,254	1,734
4	Total Manhours	<u>235,454</u>	<u>239,395</u>	<u>236,590</u>	<u>250,774</u>	<u>241,775</u>	<u>163,796</u>
5	Ratio of Overtime Hours to Straight-Time Hours	5.68%	2.85%	1.76%	4.21%	3.09%	1.07%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	8,642	9,036	9,609	9,982	10,003	12,151
8	Overtime Dollars	432	227	137	344	261	140
9	Total Labor Dollars	<u>9,075</u>	<u>9,263</u>	<u>9,746</u>	<u>10,326</u>	<u>10,264</u>	<u>12,291</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	5.00%	2.51%	1.42%	3.45%	2.60%	1.15%
11	O&M Labor Dollars	4,966	4,909	5,172	5,602	5,593	7,654
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>54.72%</u>	<u>53.00%</u>	<u>53.06%</u>	<u>54.25%</u>	<u>54.49%</u>	<u>62.28%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	122	124	128	129	126	*
20	Year End Employee Levels	122	132	126	132	122	*

* Not Available in this detail

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Distribution Payroll Analysis - Nonexempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-9.1b

Schedule C-9.1
 Page 4 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	966,274	992,828	977,731	990,473	972,712	786,453
3	Overtime Hours	215,249	140,506	123,824	213,240	160,480	119,351
4	Total Manhours	<u>1,181,523</u>	<u>1,133,334</u>	<u>1,101,555</u>	<u>1,203,713</u>	<u>1,133,192</u>	<u>905,804</u>
5	Ratio of Overtime Hours to Straight-Time Hours	<u>22.28%</u>	<u>14.15%</u>	<u>12.66%</u>	<u>21.53%</u>	<u>16.50%</u>	<u>15.18%</u>
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	26,225	27,511	28,009	28,526	29,292	28,830
8	Overtime Dollars	8,180	5,577	5,045	8,298	6,913	6,204
9	Total Labor Dollars	<u>34,405</u>	<u>33,088</u>	<u>33,055</u>	<u>36,824</u>	<u>36,206</u>	<u>35,033</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	<u>31.19%</u>	<u>20.27%</u>	<u>18.01%</u>	<u>29.09%</u>	<u>23.60%</u>	<u>21.52%</u>
11	O&M Labor Dollars	21,283	21,241	21,291	24,646	23,564	21,461
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>61.86%</u>	<u>64.19%</u>	<u>64.41%</u>	<u>66.93%</u>	<u>65.08%</u>	<u>61.26%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	564	575	570	573	562	*
20	Year End Employee Levels	564	574	571	573	548	*

* Not Available in this detail

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Distribution Payroll Analysis - Salaried Nonexempt
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-9.1c

Schedule C-9.1
 Page 5 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	360,253	364,046	355,178	376,430	374,315	278,187
3	Overtime Hours	52,641	30,986	23,372	50,476	39,495	14,479
4	Total Manhours	<u>412,894</u>	<u>395,032</u>	<u>378,550</u>	<u>426,906</u>	<u>413,810</u>	<u>292,666</u>
5	Ratio of Overtime Hours to Straight-Time Hours	14.61%	8.51%	6.58%	13.41%	10.55%	5.20%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	11,000	11,638	11,513	12,202	12,554	11,568
8	Overtime Dollars	2,301	1,377	1,067	2,215	1,879	783
9	Total Labor Dollars	<u>13,301</u>	<u>13,014</u>	<u>12,580</u>	<u>14,417</u>	<u>14,434</u>	<u>12,352</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	20.91%	11.83%	9.27%	18.15%	14.97%	6.77%
11	O&M Labor Dollars	5,579	5,904	5,531	6,703	6,560	5,666
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>41.94%</u>	<u>45.36%</u>	<u>43.97%</u>	<u>46.49%</u>	<u>45.45%</u>	<u>45.87%</u>
13	Total Employee Benefits	*	*	*	*	*	*
14	Employee Benefits Expensed	*	*	*	*	*	*
15	Ratio of Benefits Expensed to Total Benefits	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
16	Total Payroll Taxes	*	*	*	*	*	*
17	Payroll Taxes Expensed	*	*	*	*	*	*
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
19	Average Employee Levels	209	211	205	213	213	*
20	Year End Employee Levels	216	207	205	217	212	*

* Not Available in this detail

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Transmission Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ► Original ___ Updated ___ Revised
 Work Paper Reference No(s):
 WP C-9.1d

Schedule C-9.1
 Page 6 of 7
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr. 5/31/2011
		2005	2006	2007	2008	2009	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	348,411	400,319	407,930	420,755	409,990	398,422
3	Overtime Hours	43,769	41,931	40,687	55,642	48,608	28,891
4	Total Manhours	<u>392,180</u>	<u>442,250</u>	<u>448,617</u>	<u>476,397</u>	<u>458,598</u>	<u>427,313</u>
5	Ratio of Overtime Hours to Straight-Time Hours	<u>12.56%</u>	<u>10.47%</u>	<u>9.97%</u>	<u>13.22%</u>	<u>11.86%</u>	<u>7.25%</u>
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	11,893	13,320	13,803	14,196	14,621	13,013
8	Overtime Dollars	1,797	1,679	1,669	2,281	2,055	1,098
9	Total Labor Dollars	<u>13,690</u>	<u>14,999</u>	<u>15,471</u>	<u>16,477</u>	<u>16,676</u>	<u>14,111</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	<u>15.11%</u>	<u>12.61%</u>	<u>12.09%</u>	<u>16.07%</u>	<u>14.05%</u>	<u>8.44%</u>
11	O&M Labor Dollars	8,418	8,731	8,286	9,016	8,862	6,840
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>61.49%</u>	<u>58.21%</u>	<u>53.56%</u>	<u>54.72%</u>	<u>53.14%</u>	<u>48.47%</u>
13	Total Employee Benefits	4,614	4,672	4,486	4,444	5,864	6,365
14	Employee Benefits Expensed	1,410	1,153	1,103	1,192	2,209	2,383
15	Ratio of Benefits Expensed to Total Benefits	<u>30.56%</u>	<u>24.67%</u>	<u>24.60%</u>	<u>26.83%</u>	<u>37.66%</u>	<u>37.43%</u>
16	Total Payroll Taxes	1,275	1,257	1,323	1,374	1,256	1,492
17	Payroll Taxes Expensed	801	701	678	751	625	912
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>62.84%</u>	<u>55.80%</u>	<u>51.27%</u>	<u>54.69%</u>	<u>49.76%</u>	<u>61.10%</u>
19	Average Employee Levels	204	225	232	234	229	205
20	Year End Employee Levels	212	230	232	233	225	190

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Generation Payroll Analysis
by Employee Classifications/Payroll Distribution
For The Twelve Months Ending May 31, 2010
(\$000)

Data: 3 MOS Actual & 9 MOS Estimated
 Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):
 WP C-9.1e

Schedule C-9.1
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 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.
		2005	2006	2007	2008	2009	5/31/2011
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight-Time Hours	1,450,783	1,556,102	1,586,114	1,692,015	1,711,745	1,457,214
3	Overtime Hours	271,970	296,771	340,784	343,054	314,559	320,992
4	Total Manhours	<u>1,722,753</u>	<u>1,852,873</u>	<u>1,926,898</u>	<u>2,035,069</u>	<u>2,026,304</u>	<u>1,778,206</u>
5	Ratio of Overtime Hours to Straight-Time Hours	18.75%	19.07%	21.49%	20.27%	18.38%	22.03%
6	<u>Labor Dollars</u>						
7	Straight-Time Dollars	59,051	65,107	69,430	75,243	81,548	71,465
8	Overtime Dollars	12,740	14,185	17,725	18,561	17,467	16,306
9	Total Labor Dollars	<u>71,791</u>	<u>79,291</u>	<u>87,155</u>	<u>93,804</u>	<u>99,014</u>	<u>87,771</u>
10	Ratio of Overtime Dollars to Straight-Time Dollars	21.57%	21.79%	25.53%	24.67%	21.42%	22.82%
11	O&M Labor Dollars	61,377	68,203	73,024	79,997	85,144	72,574
12	Ratio of O&M Labor Dollars to Total Labor Dollars	<u>85.49%</u>	<u>86.02%</u>	<u>83.79%</u>	<u>85.28%</u>	<u>85.99%</u>	<u>82.69%</u>
13	Total Employee Benefits	20,449	14,635	26,063	28,023	40,886	32,989
14	Employee Benefits Expensed	16,747	10,819	21,768	23,762	35,956	27,247
15	Ratio of Benefits Expensed to Total Benefits	<u>81.90%</u>	<u>73.93%</u>	<u>83.52%</u>	<u>84.80%</u>	<u>87.94%</u>	<u>82.59%</u>
16	Total Payroll Taxes	6,801	6,757	7,456	8,026	7,282	7,727
17	Payroll Taxes Expensed	5,684	5,525	5,946	6,520	5,786	6,516
18	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>83.59%</u>	<u>81.78%</u>	<u>79.75%</u>	<u>81.24%</u>	<u>79.45%</u>	<u>84.33%</u>
19	Average Employee Levels	840	898	916	938	965	926
20	Year End Employee Levels	870	916	927	946	955	967

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2005-2009
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-10.1
 Page 1 of 4
 Witness Responsible:
 T.E. Mitchell

Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	UTILITY PLANT						
2	Utility Plant (101-106, 114) (incl. EPIS leased & assoc. reserve)	\$ 9,899,923	\$ 9,681,248	\$ 8,179,323	\$ 7,630,914	\$ 6,279,590	\$ 6,046,843
3	Construction Work in Progress (107)	139,577	198,843	787,180	716,640	1,339,631	690,168
4	Total Utility Plant	10,039,500	9,880,091	8,966,503	8,347,554	7,619,221	6,737,011
5	(Less) Accum. Prov. for Depr., Amort., and Depl. (108, 110, 111, 115)	3,604,568	3,403,633	2,941,679	2,784,424	2,670,392	2,594,720
6	Net Utility Plant, Before Nuclear Fuel	6,434,933	6,476,458	6,024,825	5,563,130	4,948,828	4,142,291
7	Nuclear Fuel (120.1-120.4, 120.6)	-	-	-	-	-	-
8	(Less) Accum. Prov. For Amort. of Nuclear Fuel Assem. (120.5)	-	-	-	-	-	-
9	Net Nuclear Fuel	-	-	-	-	-	-
10	Net Utility Plant	6,434,933	6,476,458	6,024,825	5,563,130	4,948,828	4,142,291
11	OTHER PROPERTY AND INVESTMENTS						
12	Nonutility Property (121)	11,614	11,297	53,724	11,679	11,493	11,109
13	(Less) Accum. Prov. for Depr. & Amort. (122)	7,647	7,697	8,889	9,103	8,701	5,397
14	Investments in Associated Companies (123)	0	0	0	0	0	0
15	Investments in Subsidiary Companies (123.1)	734	734	734	734	734	640
16	Noncurrent Portion of Allowances	18,354	18,354	20,826	24,397	29,433	27,923
17	Other Investments (124)	109,879	110,018	64,478	56,916	52,806	67,161
18	Special Funds (125-129)	0	0	0	87,709	0	0
19	Long-Term Portion of Derivative Assets (175)	35,071	28,003	38,972	51,182	69,997	144,015
20	Long-Term Portion of Derivative Assets - Hedges (176)	0	0	125	152	95	0
21	Total Other Property and Investments	168,006	160,709	169,970	223,664	155,857	245,451
22	CURRENT AND ACCRUED ASSETS						
23	Cash (131) & Working Funds (135) & TCI (136)	1,471	1,984	936	1,248	1,338	974
24	Special Deposits (132-134)	59,081	20,266	27,506	9,094	11,741	23,081
25	Notes Receivable (141)	-	-	22,833	0	25	25
26	Customer Accounts Receivable (142)	48,530	41,467	66,393	70,848	61,543	88,958
27	Other Accounts Receivable (143)	6,497	19,343	25,157	35,271	26,120	51,925
28	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	2,703	2,665	3,667	3,396	824	1,517
29	Notes Receivable from Associated Companies (145)	129,335	438,352	-	-	-	-
30	Accounts Receivable from Associated Companies (146)	141,457	197,359	115,959	117,192	105,410	167,579
31	Fuel Stock (151)	262,801	327,109	181,786	89,601	117,179	94,913
32	Fuel Stock Expense Undistributed (152)	8,925	9,758	5,118	3,273	3,262	2,687
33	Residuals (Elec.) and Extracted Products (153)	-	-	-	-	-	-

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two-month update filing.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2006-2009
(\$000)

Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):

Schedule C-10.1
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 Witness Responsible:
 T.E. Mitchell

Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
34	CURRENT AND ACCRUED ASSETS, continued						
35	Plant Material and Operating Supplies (154)	117,263	106,233	96,157	90,199	74,840	62,209
36	Merchandise (155)	-	-	-	-	-	-
37	Other Materials and Supplies (156)	-	-	-	-	-	-
38	Nuclear Materials Held for Sale (157)	-	-	-	-	-	-
39	Allowances (158.1 and 158.2)	22,919	27,607	32,089	42,645	39,205	52,525
40	(Less) Noncurrent Portion of Allowances	18,354	18,354	20,826	24,397	29,433	27,923
41	Stores Expense Undistributed (163)	-	-	-	-	-	-
42	Prepayments (165)	7,593	3,498	10,043	16,396	64,031	175,985
43	Interest and Dividends Receivable (171)	1,287	1,342	4,508	-	-	-
44	Rents Receivable (172)	827	1,374	220	203	195	111
45	Accrued Utility Revenues (173)	32,188	15,021	18,239	26,819	10,106	14,817
46	Miscellaneous Current and Accrued Assets (174)	1,721	3	3	1,639	0	0
47	Derivative Instrument Assets (175)	79,759	76,808	88,758	96,038	150,172	252,044
48	(Less) Long-Term Portion of Derivative Instrument Assets (175)	35,071	28,003	38,972	51,182	69,997	144,015
49	Derivative Instrument Assets - Hedges (176)	46	1,242	3,631	785	6,867	6,991
50	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	0	0	125	152	95	0
51	Total Current and Accrued Assets	<u>865,573</u>	<u>1,239,744</u>	<u>635,744</u>	<u>522,123</u>	<u>571,686</u>	<u>821,368</u>
52	DEFERRED DEBITS						
53	Unamortized Debt Expense (181)	15,855	14,056	13,088	14,807	13,196	9,196
54	Extraordinary Property Losses (182.1)	-	-	-	-	-	-
55	Unrecovered Plant and Regulatory Study Costs (182.2)	-	-	-	-	-	-
56	Other Regulatory Assets (182.3)	869,756	738,637	445,237	318,489	410,838	395,921
57	Prelim. Survey and Investigation Charges (183)	38,816	38,185	37,869	37,209	33,346	0
58	PREL. SUR. & INVEST. CHARGES (GAS) (183.1, 183.2)	-	-	-	-	-	-
59	Clearing Accounts/Temp Facilities (184, 185)	225	-	-	-	-	-
60	Miscellaneous Deferred Debits (186)	41,270	111,218	119,530	118,280	114,507	119,208
61	Def. Losses from Disposition of Utility Plant (187)	-	-	-	-	-	-
62	Research, Devel. And Demonstration Expend. (188)	-	-	-	-	-	-
63	Unamortized Loss on Reacquired Debt (189)	7,474	7,871	8,497	10,116	11,782	13,449
64	Accumulated Deferred Income Taxes (190)	<u>257,573</u>	<u>270,381</u>	<u>322,089</u>	<u>209,969</u>	<u>183,435</u>	<u>138,837</u>
65	Total Deferred Debits	<u>1,230,970</u>	<u>1,180,348</u>	<u>946,311</u>	<u>708,870</u>	<u>767,105</u>	<u>676,611</u>
66	Total Assets and Other Debits	<u>\$ 8,699,481</u>	<u>\$ 9,057,258</u>	<u>\$ 7,776,849</u>	<u>\$ 7,017,787</u>	<u>\$ 6,443,477</u>	<u>\$ 5,885,721</u>

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two-month update filing.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2005-2009
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-10.1
 Page 3 of 4
 Witness Responsible:
 T.E. Mitchell

Line No.	Description	Date Certain 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
67	PROPRIETARY CAPITAL						
68	Common Stock Issued (201)	\$ 321,201	\$ 321,201	\$ 321,201	\$ 321,201	\$ 321,201	\$ 321,201
69	Preferred Stock Issued (204) INCLUDES AMOUNT DUE WITHIN ONE YEAR	16,626	16,626	16,627	16,627	16,630	16,639
70	Premium on Capital Stock (207)	728	728	728	728	728	729
71	Other Paid-In-Capital (208-211)	1,122,422	1,122,421	535,912	535,912	535,911	465,908
72	Installments Received on Capital Stock (212)	-	-	-	-	-	-
73	(Less) Discount on Capital Stock (213)	-	-	-	-	-	-
74	(Less) Capital Stock Expense (214)	-	-	-	-	-	-
75	Retained Earnings (215, 215.1, 216) ²	1,875,169	1,901,673	1,697,962	1,469,717	1,207,265	979,354
76	Unappropriated Undistr. Subsidiary Earnings (216.1)	-	7,130	-	-	-	-
77	Less: Reacquired Capital Stock (217)	-	-	-	-	-	-
78	Accumulated Other Comprehensive Income (219)	(117,034)	(118,458)	(133,859)	(36,541)	(56,763)	755
79	Total Proprietary Capital	<u>3,219,112</u>	<u>3,251,322</u>	<u>2,438,572</u>	<u>2,307,644</u>	<u>2,024,973</u>	<u>1,784,586</u>
80	LONG-TERM DEBT						
81	Bonds (221) INCLUDES AMOUNT DUE WITHIN ONE YEAR	(303,000)	-	-	-	-	-
82	(Less) Reacquired Bonds (222)	-	303,000	85,000	-	-	-
83	Advances from Associated Companies (223)	200,000	200,000	200,000	200,000	200,000	400,000
84	Other Long-Term Debt (224)	3,076,710	3,351,580	2,594,450	2,302,225	1,837,225	1,422,225
85	Unamortized Premium on Long-Term Debt (225)	-	-	-	-	-	-
86	Less: Unamortized Discount on Long-Term Debt-Debit (226)	5,240	6,075	4,704	5,220	5,932	5,356
87	Total Long-Term Debt	<u>2,968,470</u>	<u>3,242,505</u>	<u>2,704,746</u>	<u>2,497,005</u>	<u>2,031,293</u>	<u>1,816,869</u>
88	OTHER NONCURRENT LIABILITIES						
89	Obligations Under Capital Leases - Noncurrent (227)	30,155	16,926	19,604	21,062	25,996	30,750
90	Accumulated Provision for Property Insurance (228.1)	-	-	-	-	-	-
91	Accumulated Provision for Injuries and Damages (228.2)	2,262	2,619	3,805	8,227	9,379	21,564
92	Accumulated Provision for Pensions and Benefits (228.3)	245,664	260,504	277,747	73,686	97,527	18,207
93	Accumulated Miscellaneous Operating Provisions (228.4)	1,360	8,757	7,266	6,925	6,860	5,759
94	Accumulated Provision for Rate Refunds (229)	-	-	-	-	-	-
95	Long-Term Portion of Derivative Instrument Liabilities	11,782	12,463	23,797	32,143	52,909	118,940
96	Long-Term Portion of Derivative Instrument Liabilities - Hedges	188	47	20	91	20	307
97	Asset Retirement Obligations (230)	<u>112,372</u>	<u>94,221</u>	<u>89,316</u>	<u>77,354</u>	<u>71,319</u>	<u>65,558</u>
98	Total Other Non-Current Liabilities	<u>403,783</u>	<u>395,537</u>	<u>421,555</u>	<u>219,488</u>	<u>264,009</u>	<u>261,084</u>

¹ If date certain actual balance sheet is not available at the date of filing, it shall be provided with the two-month update filing.

² The following summarizes the significant accounting changes during the periods presented (pre-tax):

2008: Company adopted Emerging Issues Task Force (EITF) 06-10 "Accounting for Collateral Assignment Split-Dollar Life Insurance Arrangements" effective January 1, 2008 with an unfavorable cumulative effect reduction of \$2.9 million.

2007: Company adopted Financial Accounting Standards Board Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" effective January 1, 2007 with an unfavorable adjustment to retained earnings of \$5.4 million.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Balance Sheets (Total Company)
As of 08/31/2010 and December 31, 2005-2009
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-10.1
 Page 4 of 4
 Witness Responsible:
 T.E. Mitchell

Line No.	Description	Date Certain ¹ 08/31/2010	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
99	CURRENT AND ACCRUED LIABILITIES						
100	Notes Payable (231)	-	-	-	-	-	-
101	Accounts Payable (232)	166,980	182,848	193,675	141,196	250,025	210,752
102	Notes Payable Associated Companies (233)	-	-	133,887	101,548	181,281	70,071
103	Accounts Payable to Associated Companies (234)	68,275	93,641	207,859	138,264	146,072	147,470
104	Customer Deposits (235)	27,824	22,409	24,333	33,615	31,465	51,209
105	Taxes Accrued (236)	(24,221)	65,111	186,717	198,575	142,429	118,809
106	Interest Accrued (237)	46,418	50,280	46,975	41,272	32,177	33,924
107	Dividends Declared (238)	183	61	61	61	61	61
108	Matured Long-Term Debt (239)	-	-	-	-	-	-
109	Matured Interest (240)	-	-	-	-	-	-
110	Taxes Collections Payable (241)	151	1,869	209	197	165	150
111	Miscellaneous Current and Accrued Liabilities (242)	50,780	56,199	74,385	65,748	68,771	63,851
112	Obligations Under Capital Leases - Current (243)	10,848	5,756	6,863	8,016	8,970	9,174
113	Derivative Instrument Liabilities (244)	29,049	34,812	52,247	72,163	125,633	220,960
114	(Less) Long-Term Portion of Derivative Instrument Liabilities	11,782	12,463	23,797	32,143	52,909	118,940
115	Derivative Instrument Liabilities - Hedges (245)	2,460	2,089	787	2,811	682	7,084
116	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges	188	47	20	91	20	307
117	Total Current and Accrued Liabilities	<u>366,777</u>	<u>502,565</u>	<u>904,182</u>	<u>771,230</u>	<u>934,802</u>	<u>814,269</u>
118	DEFERRED CREDITS						
119	Customer Advances for Construction (252)	-	-	-	-	-	-
120	Other Regulatory Liabilities (254)	18,282	17,369	11,980	45,676	76,569	60,341
121	Accumulated DITC (255)	1,379	1,967	2,917	3,859	6,447	9,416
122	Deferred Gains from Disposition of Utility Plant (256)	-	-	-	-	-	-
123	Other Deferred Credits (253)	19,447	30,546	40,636	27,318	10,728	12,933
124	Unamortized Gain on Reacquired Debt (257)	-	-	-	-	-	-
125	Accumulated DFIT (281-283)	<u>1,702,230</u>	<u>1,615,447</u>	<u>1,252,261</u>	<u>1,145,567</u>	<u>1,094,656</u>	<u>1,126,222</u>
126	Total Deferred Credits	<u>1,741,338</u>	<u>1,665,329</u>	<u>1,307,794</u>	<u>1,222,421</u>	<u>1,188,400</u>	<u>1,208,913</u>
127	Total Liabilities and Other Credits	<u>\$ 8,699,481</u>	<u>\$ 9,057,258</u>	<u>\$ 7,776,849</u>	<u>\$ 7,017,787</u>	<u>\$ 6,443,477</u>	<u>\$ 5,885,721</u>

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OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ► Original ___ Updated ___ Revised ___
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 WP C-10.2a & b

Schedule C-10.2
 Page 1 of 3
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Test Yr. 5/31/2011	Most Recent Five Calendar Years				
			2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	UTILITY OPERATING INCOME						
2	Operating Revenues (400)	\$ 3,163,176	\$ 3,012,717	\$ 3,138,790	\$ 2,855,628	\$ 2,550,155	\$ 2,434,058
3	Operating Expenses:		0	0	0	0	0
4	Operation Expenses (401)	1,750,782	1,694,785	2,003,062	1,598,156	1,400,945	1,343,667
5	Maintenance Expenses (402)	230,245	224,439	213,431	208,675	217,853	200,476
6	Depreciation Expense (403.0+403.1002)	336,039	307,382	224,667	189,729	164,584	159,562
7	Depreciation Expense for Asset Retirement Costs (403.1001)	3,376	3,514	466	16,651	15,991	12,566
8	Amort. & Depl. of Utility Plant (404-405)	13,547	20,478	18,071	16,374	16,846	16,276
9	Amort. of Utility Plant Acq. Adj. (406)	9	13	13	13	13	13
10	Amort. of Property Losses (407)	-	-	-	-	-	-
11	Amort. of Conversion Expenses (407)	-	-	-	-	-	-
12	Regulatory Debits (407.3)	1,550	1,663	32,137	106,156	104,624	94,129
13	(Less) Regulatory Credits (407.4)	36	49	21,530	9,003	32	-
14	Taxes Other Than Income Taxes (408.1)	210,648	193,437	191,890	192,359	191,554	189,388
15	Income Taxes - Federal (409.1)	13,734	(199,647)	81,042	144,132	165,537	38,079
16	- Other (409.1)	350	(28,318)	(7,417)	(4,760)	7,734	2,614
17	Provision of Deferred Inc. Taxes (410.1)	172,404	653,973	284,124	238,720	144,792	309,291
18	(Less) Provision for Deferred Income Taxes - Cr. (411.1)		260,867	240,319	225,114	190,787	239,221
19	Investment Tax Credit Adj. - Net (411.4)	(226)	(438)	(440)	(2,026)	(2,320)	(2,493)
20	(Less) Gains from Disp. of Utility Plant (411.6)	-	-	-	-	72	-
21	Losses from Disp. of Utility Plant (411.7)	-	-	-	-	72	-
22	(Less) Gains from Disposition of Allowances (411.8)	(385)	35,944	16,969	7,557	13,029	5,807
23	Losses from Disposition of Allowances (411.9)	-	4,129	6,486	15,285	12,460	11,217
24	Accretion Expense (411.10)	15,040	7,905	5,757	5,357	4,949	3,665
25	Total Utility Operating Expenses	2,724,872	2,586,456	2,774,471	2,483,147	2,241,715	2,133,423
26	Net Utility Operating Income	438,304	426,261	364,319	372,480	308,440	300,635

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ►Original___Updated___Revised
 Work Paper Reference No(s):
 WP C-10.2a & b

Schedule C-10.2
 Page 2 of 3
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Test Yr.	Most Recent Five Calendar Years				
		5/31/2011	2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
27	OTHER INCOME and DEDUCTIONS						
28	Other Income						
29	Nonutility Operating Income						
30	Rev. from Merchandising, Jobbing & Contract Work (415)	-	-	-	-	-	-
31	(Less) Costs & Exp. of Merch., Jobbing & Contr. Work (416)	-	-	-	-	6	-
32	Revenues from Nonutility Operations (417)	35,479	32,391	31,855	31,534	27,032	24,248
33	(Less) Expenses of Nonutility Operations (417.1)	36,952	33,977	32,656	30,525	32,515	28,473
34	Nonoperating Rental Income (418)	257	(259)	149	255	530	647
35	Equity in Earnings of Subsidiary Companies (418.1)	-	7,130	-	-	-	-
36	Interest and Dividend Income (419)	4,249	1,436	6,475	1,351	2,353	3,307
37	Allowance for Other Funds Used During Constr. (419.1)	2,590	2,712	3,073	2,311	2,556	1,441
38	Miscellaneous Nonoperating Income (421)	29,607	14,799	19,342	17,705	192,159	262,909
39	Gain on Disposition of Property (421.1)	11,000	515	2,716	2	(2,803)	3,252
40	Total Other Income	46,231	24,747	30,954	22,632	189,305	267,330
41	Other Income Deductions:						
42	Loss on Disposition of Property (421.2)	-	138	21	124	718	971
43	Miscellaneous Amortization (425)	-	-	-	-	17	20
44	Miscellaneous Income Deductions (426.1-426.5)	12,165	16,439	21,802	22,539	200,274	220,981
45	Total Other Income Deductions	12,165	16,578	21,822	22,664	201,010	221,973
46	Taxes Applicable to Other Income and Deductions						
47	Taxes Other Than Income Taxes (408.2)	648	873	843	990	624	624
48	Income Taxes - Federal (409.2)	12,740	8,120	(1,204)	(4,506)	(8,175)	27,816
49	Income Taxes - Other (409.2)	830	619	426	68	105	-
50	Provision for Deferred Inc. Taxes (410.2)	366	3,703	6,181	17,338	22,139	29,261
51	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	2,912	14,015	7,268	14,706	20,142	39,739
52	Investment Tax Credit Adj. - Net (411.5)	(512)	(512)	(502)	(562)	(649)	(630)
53	(Less) Investment Tax Credits (420)	-	-	-	-	-	-
54	Total Taxes on Other Inc. and Ded.	11,159	(1,212)	(1,524)	(1,378)	(6,097)	17,332
55	Net Other Income and Deductions	22,908	9,382	10,655	1,346	(5,608)	28,025

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Comparative Income Statements (Total Company)
2005-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ► Original___Updated___Revised
 Work Paper Reference No(s):
 WP C-10.2a & b

Schedule C-10.2
 Page 3 of 3
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Test Yr. 5/31/2011	Most Recent Five Calendar Years				
(A)	(B)	(C)	2009	2008	2007	2006	2005
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
56	INTEREST CHARGES						
57	Interest on Long-Term Debt (427)	138,229	119,079	123,541	118,628	89,693	86,259
58	Amort. of Debt Discount and Expense (428)	2,645	3,355	2,211	2,194	1,757	1,554
59	Amort. of Loss on Reacquired Debt (428.1)	590	627	1,618	1,667	1,667	1,574
60	(Less) Amort. of Premium on Debt - Credit (429)	-	-	-	-	-	-
61	(Less) Amort. of Gain on Reacquired Debt -Cr. (429.1)	-	-	-	-	-	-
62	Interest on Debt to Assoc. Companies (430)	10,504	13,052	35,021	18,230	17,515	1,335
63	Other Interest Expense (431)	5,150	3,495	6,729	1,184	6,452	3,917
64	(Less) Allow. for Borrowed Funds Used During Constr. -Cr. (432)	3,214	10,538	25,269	36,641	42,733	16,399
65	Net Interest Charges	153,903	129,070	143,852	105,262	74,351	78,241
66	Income Before Extraordinary Items	307,309	306,573	231,123	268,564	228,481	250,419
			0	0	0	0	0
67	EXTRAORDINARY ITEMS						
68	Extraordinary Income (434)	-	-	-	-	251	-
69	(Less) Extraordinary Deductions (435) ¹	-	-	-	-	-	7,039
70	Net Extraordinary Items	-	-	-	-	251	(7,039)
71	Income Taxes - Federal and Other (409.3)	-	-	-	-	89	(2,464)
72	Extraordinary Items After Taxes	-	-	-	-	162	(4,575)
73	Net Income	307,309	306,573	231,123	268,564	228,643	245,844
			0	0	0	0	0
74	(LESS) PREFERRED DIVIDEND	732	732	732	732	732	907
75	Available for Common	\$ 306,577	\$ 305,841	\$ 230,391	\$ 267,832	\$ 227,911	\$ 244,938

¹ The following summarizes the significant accounting changes during the periods presented (pre-tax):

2005: Company adopted Financial Accounting Standards Board Interpretation No. 47 "Accounting for Conditional Asset Retirement Obligations" during the fourth quarter of 2005 and recorded an unfavorable extraordinary item related to asbestos removal for nonregulated operations of \$7 million.

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Revenue Statistics - Total Company
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-11.1
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2005	2006	2007	2008	2009	12 Mo. Ending 5/31/2011	2011	2012	2013	2014	2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Revenue by customer class (\$000):											
2	Residential	\$ 503,833	\$ 542,406	\$ 592,125	\$ 602,994	\$ 637,838	\$ 774,286	\$ 780,825	\$ 858,168	\$ 848,605	\$ 898,248	\$ 890,316
3	Commercial	324,925	356,769	385,622	402,310	424,982	483,474	501,792	565,077	548,901	588,258	589,575
4	Industrial	561,564	536,864	630,293	696,298	609,902	701,389	750,815	986,909	1,034,551	1,152,466	1,163,734
5	Other	8,568	9,004	9,258	9,440	10,140	11,611	12,259	12,555	12,117	12,610	12,504
6	Total Retail	<u>\$ 1,398,890</u>	<u>\$ 1,445,143</u>	<u>\$ 1,617,298</u>	<u>\$ 1,711,042</u>	<u>\$ 1,682,862</u>	<u>\$ 1,970,759</u>	<u>\$ 2,045,691</u>	<u>\$ 2,422,709</u>	<u>\$ 2,444,174</u>	<u>\$ 2,651,582</u>	<u>\$ 2,656,129</u>
7	YEAR END Number of customers by class:											
8	Residential	609,759	610,488	610,293	609,739	607,861	606,100	608,178	608,300	609,679	611,159	612,588
9	Commercial	89,948	91,255	91,665	92,499	92,662	93,050	93,379	93,970	94,859	95,709	96,441
10	Industrial	7,423	7,371	7,290	7,283	7,200	7,121	7,151	7,108	7,064	7,017	6,969
11	Other	2,594	2,596	2,573	2,539	2,544	2,537	2,523	2,540	2,553	2,554	2,553
12	Total Retail	<u>709,724</u>	<u>711,710</u>	<u>711,821</u>	<u>712,060</u>	<u>710,267</u>	<u>708,808</u>	<u>711,231</u>	<u>711,918</u>	<u>714,155</u>	<u>716,439</u>	<u>718,561</u>
13	AVERAGE Number of customers by class:											
14	Residential	608,872	609,476	609,974	609,365	607,807	606,266	606,734	607,468	608,350	609,830	611,279
15	Commercial	89,845	90,732	91,523	92,205	92,568	93,123	93,123	93,587	94,383	95,267	96,041
16	Industrial	7,487	7,401	7,320	7,311	7,243	7,154	7,142	7,100	7,057	7,011	6,964
17	Other	2,621	2,606	2,589	2,567	2,543	2,534	2,533	2,533	2,550	2,554	2,553
18	Total Retail	<u>708,825</u>	<u>710,215</u>	<u>711,406</u>	<u>711,448</u>	<u>710,161</u>	<u>709,078</u>	<u>709,532</u>	<u>710,688</u>	<u>712,340</u>	<u>714,662</u>	<u>716,837</u>
19	AVERAGE Revenue per customer:											
20	Residential	\$ 827	\$ 890	\$ 971	\$ 990	\$ 1,049	\$ 1,277	\$ 1,287	\$ 1,413	\$ 1,395	\$ 1,473	\$ 1,456
21	Commercial	\$ 3,617	\$ 3,932	\$ 4,213	\$ 4,363	\$ 4,591	\$ 5,192	\$ 5,388	\$ 6,038	\$ 5,816	\$ 6,175	\$ 6,139
22	Industrial	\$ 75,005	\$ 72,553	\$ 86,106	\$ 95,240	\$ 84,206	\$ 98,037	\$ 105,127	\$ 139,001	\$ 146,599	\$ 164,380	\$ 167,107

OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Revenue Statistics - Jurisdictional
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

Type of Filing: ☒ Original ☐ Updated ☐ Revised
Work Paper Reference No(s):

Schedule C-11.2
Page 1 of 1
Witness Responsible:
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O.J. Sever

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OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Sales Statistics - Total Company
Actual 2005-2009 and Projected 2011-2015
and the Twelve Months Ending May 31, 2011

Type of Filing: ► Original ___ Updated ___ Revised ___
 Work Paper Reference No(s):

Schedule C-11.3
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2005	2006	2007	2008	2009	12 Mo. Ending 5/31/2011	2011	2012	2013	2014	2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	GWH Sales by customer class:											
2	Residential	7,679	7207.804	7674.434	7,528	7,339	7,765	7,494	7,349	7,267	7,187	7,112
3	Commercial	5,824	5650.407	6019.559	5,824	5,686	5,785	5,694	5,780	5,791	5,785	5,790
4	Industrial	15,343	12321.062	13951.533	14,441	11,834	12,977	13,008	13,264	13,431	13,503	13,530
5	Other	84	82.809	82.215	79	77	76	76	76	75	75	74
6	Total Retail	<u>28,929</u>	<u>25,262</u>	<u>27,728</u>	<u>27,872</u>	<u>24,936</u>	<u>26,603</u>	<u>26,273</u>	<u>26,469</u>	<u>26,564</u>	<u>26,550</u>	<u>26,506</u>
7	YEAR END Number of customers by class:											
8	Residential	609,759	610,488	610,293	609,739	607,861	606,100	608,178	608,300	609,679	611,159	612,598
9	Commercial	89,948	91,255	91,665	92,499	92,662	93,050	93,379	93,970	94,859	95,709	96,441
10	Industrial	7,423	7,371	7,290	7,283	7,200	7,121	7,151	7,108	7,064	7,017	6,969
11	Other	2,594	2,596	2,573	2,539	2,544	2,537	2,523	2,540	2,553	2,554	2,553
12	Total Retail	<u>709,724</u>	<u>711,710</u>	<u>711,821</u>	<u>712,060</u>	<u>710,267</u>	<u>708,808</u>	<u>711,231</u>	<u>711,918</u>	<u>714,155</u>	<u>716,439</u>	<u>718,561</u>
13	AVERAGE Number of customers by class:											
14	Residential	608,872	609,476	609,974	609,365	607,807	606,266	606,734	607,468	608,350	609,830	611,279
15	Commercial	89,845	90,732	91,523	92,205	92,568	93,123	93,123	93,587	94,383	95,267	96,041
16	Industrial	7,487	7,401	7,320	7,311	7,243	7,154	7,142	7,100	7,057	7,011	6,964
17	Other	2,621	2,606	2,589	2,567	2,543	2,534	2,533	2,533	2,550	2,554	2,553
18	Total Retail	<u>708,825</u>	<u>710,215</u>	<u>711,406</u>	<u>711,448</u>	<u>710,161</u>	<u>709,078</u>	<u>709,532</u>	<u>710,688</u>	<u>712,340</u>	<u>714,662</u>	<u>716,837</u>
19	AVERAGE kWh Sales per customer:											
20	Residential	12,612	11,826	12,582	12,354	12,075	12,808	12,352	12,099	11,945	11,785	11,634
21	Commercial	64,821	62,276	65,771	63,161	61,423	62,119	61,144	61,762	61,356	60,722	60,292
22	Industrial	2,049,221	1,664,783	1,905,947	1,975,265	1,633,886	1,813,845	1,821,383	1,868,164	1,903,154	1,926,028	1,942,876

Schedule C-11.4
Page 1 of 1
Witness Responsible:
T.E. Mitchell
O.J. Sever

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OHIO POWER COMPANY
Case No. 11-352-EL-AIR
Analysis of Reserve for Uncollectible Accounts
2007-2009 and the Twelve Months Ending May 31, 2011
(\$000)

Type of Filing: ☒ Original ☐ Updated ☐ Revised
 Work Paper Reference No(s):

Schedule C-12
 Page 1 of 1
 Witness Responsible:
 T.E. Mitchell
 O.J. Sever

Line No. (A)	Description (B)	Most Recent Three Calendar Years			Test Yr. 12 Mo. Ending 5/31/2011 (F)
		2007 (C)	2008 (D)	2009 (E)	
1	Reserve at Beginning of Year	824	3,396	3,586	2,666
2	Current Year's Provision	2,666	191	16	36
3	Recoveries	-	-	(933)	[a] -
4	Amount Charged Against Reserve	94	1	4	-
5	Reserve at End of Year	3,396	3,586	2,665	2,703
6	Net Write Off Ratio [(4)-(3)]/(5)	2.77%	0.03%	35.16%	
7	Uncollectible Expense/Provision Ratio (2)/(5)	78.50%	5.33%	0.60%	1.33%

If lines (6) and (7) differ, provide the reasons for the difference.

The difference in the ratios is primarily due to differences in timing for when provision expenses and actual recoveries and/or write-offs are recorded. Write-offs for Miscellaneous Receivables do not occur in the 144 account.

[a] 2009 reclass to Long-term Liability

THIS FILING IS

Item 1: ☒ An Initial (Original)
Submission

OR ☐ Resubmission No. _____

Form 1 Approved
OMB No.1902-0021
(Expires 11/30/2016)
Form 1-F Approved
OMB No.1902-0029
(Expires 11/30/2016)
Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2016)

Exhibit MW-11



FERC FINANCIAL REPORT FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

Ohio Power Company

Year/Period of Report

End of 2015/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

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

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	232,737,352
2		
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	283,154,576
28	Show Computation of Tax:	
29		
30		
31		
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44		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Ohio Power Company			2015/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 28 Column: b

	In (000's)
Net Income for the year per Page 117	232,737
Federal Income Taxes	125,399
State Income Taxes	1,148
Pretax Book Income	359,284
Increase (Decrease) in Taxable Income resulting from:	
AFUDC / Interest Capitalized	(4,158)
Excess Tax vs Book Depreciation	(241,442)
Deferred Storm Damage	15,143
Pension Expenses	1,785
Removal Costs	(49,325)
Provision for Revenue Refunds	(13,000)
Capacity Cost Carrying Charges	63,427
Deferred Equity Carrying Charges	(9,347)
Ohio Transmission Cost Rider	5,971
Deferred Fuel Costs	80,420
Accrued Incentive Compensation	3,834
Charitable Contribution Carryforward	(721)
Deferred Tax Gain	45,385
Book Provision Uncollectible Accounts	13
Demand Side Management Expense	29,008
Nondeductible Items	1,220
Securitization Defd Equity Income	(21,280)
Other (Net)	18,476
Estimated Current Year Taxable Income Before State Income Tax (Separate Return Basis)	284,693
Less State Income Tax	(1,538)
Federal Taxable Income	283,155
	=====
Computation of Tax *	
Federal Income Tax on Current Year Taxable Income (Separate Return Basis) at the Statutory Rate of 35%	99,104
Adjustment due to System Consolidation	(a) (4,077)
Estimated Tax Currently Payable	(b) 95,027
Tax Credit Carryforward	(874)
Adjustments of Prior Year's Accruals (Net)	(3,310)
Estimated Current Federal Income Taxes (Net)	90,843
	=====

(a) Represents the allocation of the estimated current year net operating tax loss of American Electric Power Company, Inc.

(b) The Company joins in the filing of a consolidated Federal income tax return with its affiliated companies in the AEP system. The allocation of the AEP System's consolidated Federal income tax to the System companies allocates the benefit of current tax losses to the System companies giving rise to them in determining their current tax expense. The tax loss of the System parent company, American Electric Power Company, Inc., is allocated to its subsidiaries with taxable income. With the exception of the loss of the parent company, the method of allocation approximates a

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Ohio Power Company			2015/Q4
FOOTNOTE DATA			

separate return result for each company in the consolidating group.

INSTRUCTION 2.

- * The tax computation above represents an estimate of the Company's allocated portion of the System consolidated Federal income tax. The computation of actual 2015 System Federal income taxes will not be available until the consolidated Federal income tax return is completed and filed by September 2016. The actual allocation of the System consolidated Federal income tax to the members of the consolidated group will not be available until after the consolidated federal income tax return is filed.

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL:					
2	INCOME TAX	12,614,593		90,842,827	28,905,190	-15,252
3	FICA - 2015	1,165,469		9,969,206	9,601,353	
4	Unemployment - 2015	155,725		68,326	28,007	
5	EXCISE TAX - 2014					
6	EXCISE TAX - 2015			1,104	1,104	
7						
8	STATE OF OHIO:					
9	CAT TAX - 2014	1,995,000		-18,532	1,976,468	
10	CAT TAX - 2015			7,650,618	5,704,218	
11	OCC & PUCO FEES - 2015			3,817,607	3,817,607	
12	KWH State Excise Tax - 2014	13,235,368			13,235,368	
13	KWH State Excise Tax - 2015			147,345,039	135,051,415	
14	SALES & USE - 2014	320,237	80,000	-121,647	118,590	
15	SALES & USE - 2015			1,291,099	828,294	
16	Unemployment - OH 2015	55,832		233,405	239,066	
17	INCOME TAX - 2000					
18						
19	STATE OF ILLINOIS:					
20	INCOME TAX 2011			-11,661	-11,661	
21	Unemployment - IL 2015					
22						
23	STATE OF WEST VIRGINIA:					
24	INCOME TAX - 2009	-7				
25	INCOME TAX - 2014	-5,437,850		-3,401,254	-8,839,104	
26	INCOME TAX - 2015			904,749	-3,809,104	
27	STATE FRAN. 09&PRIOR	-11,884				
28	STATE FRAN. 2014	40		-20	20	
29	STATE FRAN. 2015					
30	Unemployment - WV 2015	164		1	165	
31	SALES & USE TAX - 2014	2,280		-1,840	440	
32	SALES & USE TAX -2015			10,070	6,179	
33						
34						
35						
36	LOCAL:					
37	Real & Pers Prop-2013 OH	189,362,492		824,778	190,187,270	
38	Real & Pers Prop-2014 OH	199,391,569		6,625,699	2,225	
39	Real & Pers Prop-2015 OH			224,045,635		
40						
41	TOTAL	421,515,158	80,000	492,060,234	380,214,677	-15,252

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Real Prop-Leased 2013 OH					
2	Real Prop-Leased 2014 OH	148,326		-22,049	126,277	
3	Real Prop-Leased 2015 OH			226,465		
4						
5	Pers Prop-Leased 2010 OH			-7,104	-7,104	
6	Pers Prop-Leased 2011 OH	143,605		-148,002	-4,397	
7	Pers Prop-Leased 2012 OH	14,382		-21,733	-7,351	
8	Pers Prop-Leased 2013 OH	75,957		-81,037	-5,080	
9	Pers Prop-Leased 2014 OH	258,717		95,909	354,626	
10	Pers Prop-Leased 2015 OH	-1,160		360,000		
11						
12	Real & Pers Prop-2013 WV	368,617			368,617	
13	Real & Pers Prop-2014 WV	887,256		-24,480	431,388	
14	Real & Pers Prop-2015 WV			857,081		
15						
16	Real & Pers Prop-2013 KY	91		-11	80	
17	Real & Pers Prop-2014 KY	26,820			25,311	
18	Real & Pers Prop-2015 KY			27,000		
19						
20	CITY TAX - 2011 & Prior			-883,892	40,890	
21	CITY TAX - 2012			-218,485	-218,485	
22	CITY TAX - 2013			-337,297	-337,297	
23	CITY TAX - 2014	-564,294		-398,249	-962,543	
24	CITY TAX - 2015			2,504,872	3,356,353	
25						
26	STATE LIC TAX 2013					
27	FED INC TAX FIN48					
28	STATE INC TAX FIN48	6,903,848		17,634		
29						
30	STATE OF MICHIGAN:					
31	INCOME TAX 2014	-1,213		6,246	5,033	
32	INCOME TAX 2015			6,871	3,000	
33						
34	Payroll Taxes - CCD					
35						
36	STATE OF KENTUCKY:					
37	INCOME TAX 2014	-84,503		3,069	81,434	
38	INCOME TAX 2015			16,737	-78,203	
39	FRANCHISE TAX 2014			3,231	-3,231	
40	MISC FRANCHISE					
41	TOTAL	421,515,158	80,000	492,060,234	380,214,677	-15,252

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	STATE OF PA:					
2	PA Gross Receipts - Audit	489,681				
3						
4	Annual Reports			440	440	
5						
6	Payroll Taxes - CCD			1,809	1,809	
7						
8						
9						
10						
11						
12						
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14						
15						
16						
17						
18						
19						
20						
21						
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35						
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37						
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40						
41	TOTAL	421,515,158	80,000	492,060,234	380,214,677	-15,252

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
74,536,978		112,974,005			-22,131,178	2
1,533,322		5,676,883			4,292,323	3
196,044		211,712			-143,386	4
						5
					1,104	6
						7
						8
		-18,532				9
1,946,400		7,650,618				10
		3,817,607				11
						12
12,293,624		147,345,039				13
					-121,647	14
547,805	85,000	7			1,291,092	15
50,171		121,725			111,680	16
						17
						18
						19
		-11,661				20
						21
						22
						23
-7						24
		-3,396,697			-4,557	25
4,713,853		906,880			-2,131	26
-11,884						27
		5			-25	28
						29
		-163			164	30
					-1,840	31
3,891					10,070	32
						33
						34
						35
						36
		483,833			340,945	37
206,015,043		205,567,268			-198,941,569	38
224,045,635					224,045,635	39
						40
533,350,463	85,000	483,436,651			8,623,583	41

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
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BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		-22,049				2
226,465		226,465				3
						4
		-7,104				5
		-148,002				6
		-21,733				7
		-81,037				8
		95,909				9
358,840		360,000				10
						11
		343,907			-343,907	12
431,388		424,236			-448,716	13
857,081					857,081	14
						15
		-11				16
1,509		26,820			-26,820	17
27,000					27,000	18
						19
-924,782		-883,892				20
		-218,485				21
		-337,297				22
		-273,160			-125,089	23
-851,481		2,566,737			-61,865	24
						25
						26
						27
6,921,482		17,634				28
						29
						30
		6,417			-171	31
3,871		6,966			-95	32
						33
						34
						35
						36
		3,509			-440	37
-61,466		16,972			-235	38
		3,231				39
						40
533,350,463	85,000	483,436,651			8,623,583	41

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
489,681						2
						3
		280			160	4
						5
		1,809				6
						7
						8
						9
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						12
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						40
533,350,463	85,000	483,436,651			8,623,583	41

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2015/Q4
Ohio Power Company			
FOOTNOTE DATA			

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

(\$1,120) - Fuel Tax Credit

(\$14,132) - Balance Transfer between Ohio Power Company and AEP Generating Company and AEP Generation Resources, Inc.

Name of Respondent Ohio Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)		Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering				
5	(501) Fuel				
6	(502) Steam Expenses				
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses				
10	(506) Miscellaneous Steam Power Expenses				
11	(507) Rents				
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)				
14	Maintenance				
15	(510) Maintenance Supervision and Engineering				
16	(511) Maintenance of Structures				
17	(512) Maintenance of Boiler Plant				
18	(513) Maintenance of Electric Plant				
19	(514) Maintenance of Miscellaneous Steam Plant				
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)				
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)				
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering				
45	(536) Water for Power				
46	(537) Hydraulic Expenses				
47	(538) Electric Expenses				
48	(539) Miscellaneous Hydraulic Power Generation Expenses				
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)				
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering				
54	(542) Maintenance of Structures				
55	(543) Maintenance of Reservoirs, Dams, and Waterways				
56	(544) Maintenance of Electric Plant				
57	(545) Maintenance of Miscellaneous Hydraulic Plant				
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)				
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)				

Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

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

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering		
63	(547) Fuel		
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses		
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)		
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures		
71	(553) Maintenance of Generating and Electric Plant		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)		
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	1,132,271,129	1,453,146,818
77	(556) System Control and Load Dispatching	2	
78	(557) Other Expenses	11,392,691	21,635,009
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	1,143,663,822	1,474,781,827
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,143,663,822	1,474,781,827
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	6,698,602	6,416,176
84			
85	(561.1) Load Dispatch-Reliability	33,289	46,072
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	5,216,543	5,430,490
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services	1,321,758	2,262,111
89	(561.5) Reliability, Planning and Standards Development	498,543	499,933
90	(561.6) Transmission Service Studies	393	
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services	321,501	1,522,174
93	(562) Station Expenses	1,171,110	1,272,822
94	(563) Overhead Lines Expenses	186,264	209,798
95	(564) Underground Lines Expenses	-116	933
96	(565) Transmission of Electricity by Others	110,747,877	28,530,205
97	(566) Miscellaneous Transmission Expenses	21,559,267	69,142,234
98	(567) Rents	213,174	264,270
99	TOTAL Operation (Enter Total of lines 83 thru 98)	147,968,205	115,597,218
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	157,836	238,949
102	(569) Maintenance of Structures	10,284	26,192
103	(569.1) Maintenance of Computer Hardware	8,609	12,194
104	(569.2) Maintenance of Computer Software	430,959	705,697
105	(569.3) Maintenance of Communication Equipment	22,562	18,368
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	7,252,990	7,663,719
108	(571) Maintenance of Overhead Lines	22,826,803	22,326,852
109	(572) Maintenance of Underground Lines	429,549	242,553
110	(573) Maintenance of Miscellaneous Transmission Plant	1,226,311	1,314,192
111	TOTAL Maintenance (Total of lines 101 thru 110)	32,365,903	32,548,716
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	180,334,108	148,145,934

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

No.	(a)	Current Year (b)	Previous Year (c)
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Name of Respondent Ohio Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

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

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	4,759,777	5,612,212
168	(908) Customer Assistance Expenses	57,037,903	74,984,512
169	(909) Informational and Instructional Expenses	1,462,652	
170	(910) Miscellaneous Customer Service and Informational Expenses	304,492	292,268
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	63,564,824	80,888,992
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	1,757,134	1,783,513
175	(912) Demonstrating and Selling Expenses	380,748	452,861
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	2,137,882	2,236,374
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	32,395,468	33,085,251
182	(921) Office Supplies and Expenses	3,919,085	4,001,184
183	(Less) (922) Administrative Expenses Transferred-Credit	7,552,558	8,877,067
184	(923) Outside Services Employed	8,100,228	7,911,613
185	(924) Property Insurance	678,524	665,773
186	(925) Injuries and Damages	6,044,565	6,544,935
187	(926) Employee Pensions and Benefits	11,318,402	13,607,334
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	2,923,742	3,129,463
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	3,255,539	2,158,209
192	(930.2) Miscellaneous General Expenses	3,642,432	6,326,450
193	(931) Rents	2,015,583	2,280,826
194	TOTAL Operation (Enter Total of lines 181 thru 193)	66,741,010	70,833,971
195	Maintenance		
196	(935) Maintenance of General Plant	12,566,425	13,601,649
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	79,307,435	84,435,620
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	1,889,074,672	2,220,495,196

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Ohio Power Company			2015/Q4
FOOTNOTE DATA			

Schedule Page: 320 Line No.: 103 Column: b

Allocated maintenance expenses for joint use computer hardware, computer software and communication equipment are determined by using various factors, which include number of remote terminal units, number of radios, number of employees, and other factors assigned to each function.

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in

Case No(s). 16-1852-EL-SSO, 16-1853-EL-AAM

Summary: Text Direct Testimony of Matthew White electronically filed by Ms. Rebekah J. Glover on behalf of Retail Energy Supply Association