

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF ELECTRIC UTILITIES (MAJOR AND NON-MAJOR)

This form is authorized by 1919 PA 419, as amended, authorizes this form being MCL 460.51 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you violation of the Acts.

Report submitted for year ending: December 31, 2005										
Present name of respondent: Indiana Michigan Power Company										
Address of principal place of business: 1 Riverside Plaza, Columbus, OH 43215-2373										
Utility representative to whom inquires regarding this report may be directed: <table><tr><td>Name: Donald E. Hayes</td><td>Title: Manager - Utility General & Regulated Accounting</td></tr><tr><td colspan="2">Address: 1 Riverside Plaza</td></tr><tr><td>City: Columbus</td><td>State: OH</td><td>Zip: 43215</td></tr><tr><td colspan="3">Telephone, Including Area Code: (614) 716-2787</td></tr></table>	Name: Donald E. Hayes	Title: Manager - Utility General & Regulated Accounting	Address: 1 Riverside Plaza		City: Columbus	State: OH	Zip: 43215	Telephone, Including Area Code: (614) 716-2787		
Name: Donald E. Hayes	Title: Manager - Utility General & Regulated Accounting									
Address: 1 Riverside Plaza										
City: Columbus	State: OH	Zip: 43215								
Telephone, Including Area Code: (614) 716-2787										
If the utility name has been changed during the past year: Prior Name: Date of Change:										
Two copies of the published annual report to stockholders: <table><tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td>were forwarded to the Commission</td></tr><tr><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>will be forwarded to the Commission</td></tr><tr><td colspan="2"></td><td>on or about April 30, 2006</td></tr></table>	<input type="checkbox"/>	<input type="checkbox"/>	were forwarded to the Commission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	will be forwarded to the Commission			on or about April 30, 2006	
<input type="checkbox"/>	<input type="checkbox"/>	were forwarded to the Commission								
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		on or about April 30, 2006								
Annual reports to stockholders: <table><tr><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td>are published</td></tr><tr><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td>are not published</td></tr></table>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	are published	<input type="checkbox"/>	<input type="checkbox"/>	are not published				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	are published								
<input type="checkbox"/>	<input type="checkbox"/>	are not published								

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission (Bill Stosik) at (517) 241-5853 or bmstosi@michigan.gov OR forward correspondence to:

Regulated Energy Division (Bill Stosik)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1909 PA 106, as amended, being MCL 460.556 et seq. and 1969 PA 306, as amended, being MCL 24.201 et seq., this form is a regulatory support requirement. It is designed to collect financial and operational information from public utilities, licensees and others subject to the jurisdiction of the Michigan Public Service Commission. This report is a nonconfidential public use form.

II. Who Must Submit:

Each major and nonmajor public utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees must submit this form.

NOTE: Major utilities means utilities that had, in each of the last three consecutive years, sales or transmission service that exceeded any one or more of the following:

- (a) one million megawatt-hours of total sales;
- (b) 100 megawatt-hours of sales for resale;
- (c) 500 megawatt-hours of gross interchange out; or
- (d) 500 megawatt-hours of wheeling for others (deliveries plus losses)

III. What and Where to Submit:

(a) **Submit an original copy of this form to:**

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Retain one copy of this report for your files. Also submit the electronic version of this record to Bill Stosik at the address below or to bmstosi@michigan.gov

- (b) Submit immediately upon publication, one (1) copy of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analyst, or industry association. Do not include monthly and quarterly reports. If reports to stockholders are not prepared, enter "NA" in column (c) on Page 4, the List of Schedules.) Mail these reports to:

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report:

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

<u>Schedules</u>	<u>Reference Page</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

When accompanying this form, insert the letter or report immediately following the cover sheet. Use the following form for the letter or report 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 the date of _____ we have also reviewed schedules _____ of Form P-521 for the year filed with the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of 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 Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

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

- (d) Federal, state, and local governments and other authorized user may obtain additional blank copies to meet their requirements for a charge from:

Michigan Public Service Commission (Regulated Energy Division)
 Financial Analysis and Customer Choice Section
 6545 Mercantile Way
 P.O. Box 30221
 Lansing, MI 48909

IV. When to Submit

Submit this report form on or before April 30 of the year following the year covered by this report.

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (USOA). Interpret all accounting words and phrases in accordance with the USOA.
- II. Enter in whole number (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 year, and use for statement of income accounts the current year's accounts.

- III.** Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV.** For any page(s) that is not applicable to respondent, either
- (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
 - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4 and 5.
- V.** Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. Additional copies must be clear and readable.
- VI.** 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 VIII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VII.** Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
- VIII.** When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:
- Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909
- IX.** Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X.** Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI.** Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII.** Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of the preprinted schedules if they are in substantially the same format.
- XIII.** A copy of the FERC Annual Report Form is acceptable to substitute for the same schedules of this report.

DEFINITIONS

- I.** Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the 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.

MPSC FORM P-521

ANNUAL REPORT OF ELECTRIC UTILITIES, LICENSEES AND OTHERS (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent Indiana Michigan Power Company	02 Year of Report December 31, 2005	
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, St., Zip) 1 Riverside Plaza, Columbus, OH 43215-2373		
05 Name of Contact Person Stephen J. Clark	06 Title of Contact Person Senior Staff Accountant	
07 Address of Contact Person (Street, City, St., Zip) 1 Riverside Plaza, Columbus, OH 43215-2373		
08 Telephone of Contact Person, Including Area Code: (614) 716-1000	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr)
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name Sandra S. Bennett	03 Signature Sandra S. Bennett	04 Date Signed (Mo, Da, Yr) April 25, 2006
02 Title Assistant Controller		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
LIST OF SCHEDULES (Electric Utility)			
1. Enter in column (c) the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".		2. The "M" prefix below denotes those pages where the information requested by the MPSC differs from that requested by FERC. Each of these pages also contains the "M" designation on the page itself.	
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
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Statement of Retained Earnings for the Year	M 118-119		
Statement of Cash Flows	M 120-121		
Notes to Financial Statements	122-123		
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
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Materials and Supply	227		
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Extraordinary Property Losses	230B	NA	
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Other Regulatory Assets	232		
Miscellaneous Deferred Debits	233		
Accumulated Deferred Income Taxes (Account 190)	M 234A-B		
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)			
Capital Stock	250-251		
Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments Received on Capital Stock	252		

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)		
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Calculation of Federal Income Tax		
Taxes Accrued, Prepaid and Charged During Year	M 262-263	
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Depreciation and Amortization of Electric Plant	M 336-337	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	M 340	
COMMON SECTION		
Regulatory Commission Expenses	350-351	
Research, Development and Demonstration Activities	352-353	
Distribution of Salaries and Wages	354-355	
Common Utility Plant and Expenses	356	NA
ELECTRIC PLANT STATISTICAL DATA		
Monthly Transmission System Peak Load	400	NA
Electric Energy Account	401	
Monthly Peaks and Output	401	
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	NA
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	NA
Generating Plant Statistics (Small Plants)	410-411	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
ELECTRIC PLANT STATISTICAL DATA (Continued)		
Transmission Line Statistics	422-423	
Transmission Lines Added During Year	424-425	
Substations	426-427	
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Stockholders' Report	---	
MPSC SCHEDULES		
Reconciliation of Deferred Income Tax Expense	117A-B	
Operating Loss Carry Forward	117C	NA
Plant Acquisition Adjustments and Accumulated Provision for Amortization of Plant Acquisition Adjustments	215	
Construction Work In Progress and Completed Construction Not Classified - Electric	216	
Construction Overheads - Electric	217	
General Description of Construction Overhead Procedure	218	
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221	
Investments	222-223	
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Accumulated Provision for Uncollectible Accounts - Credit	226A	
Receivables From Associated Companies	226B	
Production Fuel and Oil Stocks	227A-B	
Miscellaneous Current and Accrued Assets	230A	
Preliminary Survey and Investigation Charges	231A-B	NA
Deferred Losses fro Disposition of Utility Plant	235A-B	NA
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Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	
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Customer Advances for Construction	268	
Deferred Gains from Disposition of Utility Plant	270A-B	NA
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Electric Operation and Maintenance Expenses (Nonmajor)	320N-324N	NA
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
MPSC SCHEDULES (Continued)		
Extraordinary Items	342	NA
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Summary of Costs Billed to Associated Companies	358-359	
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Monthly Transmission System Peak Load	400	NA
Changes Made or Scheduled to be Made in Generating Plant Capacities	412	NA
Steam-Electric Generating Plants	413A-B	
Hydroelectric Generating Plants	414-415	NA
Pumped Storage Generating Plants	416-418	NA
Internal Combustion Engine and Gas Turbine Generating Plants	420-421	NA

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Sandra S. Bennett, Assistant Controller

1 Riverside Plaza

Columbus, OH 43215

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Indiana - February 21, 1925

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.

Electric - Indiana

Electric - Michigan

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes...Enter date when such independent accountant was initially engaged: _____.

(2) No

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.
2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.

American Electric Power Company, Inc. - Ownership of 100% of the respondent's common stock

The following list of subsidiaries was extracted from Exhibit 21 of the company's Form 10-K as filed with the SEC.

Subsidiaries of American Electric Power Company, Inc., As of December 31, 2005

Each company shown indented is owned by the company immediately above it. Subsidiaries not indented are directly owned by the American Electric Power Company, Inc.

American Electric Power Service Corporation
AEP C&I Company, LLC
AEP Coal, Inc.
AEP Communications, Inc.
AEP Desert Sky LP, LLC
AEP Desert Sky LP II, LLC
AEP Generating Company
AEP Investments, Inc.
AEP Nonutility Funding LLC
AEP Power Marketing, Inc.
AEP Pro Serv, Inc.
AEP Resources, Inc.
AEP T&D Services, LLC
AEP Texas POLR, LLC
AEP Utilities, Inc.
 AEP Credit, Inc.
 AEP Texas Central Company
 AEP Texas Central Transition Funding LLC
 AEP Texas North Company
C3 Communications, Inc.
CSW Energy, Inc.
CSW Energy Services, Inc.
CSW International, Inc.
Public Service Company of Oklahoma
Southwestern Electric Power Company
 Dolet Hills Lignite Company, LLC
 Southwestern Arkansas Utilities Corporation
 SWEPCo Capital Trust I
 The Arklahoma Corporation
AEP Utility Funding LLC
Appalachian Power Company
 Cedar Coal Co.
 Central Appalachian Coal Company
 Central Coal Company
 Southern Appalachian Coal Company

Name of Respondent	This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005

CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES

Columbus Southern Power Company
 Colomet, Inc.
 Conesville Coal Preparation Company
 Ohio Valley Electric Corporation
 Indiana-Kentucky Electric Corporation
 Simco Inc.
 Franklin Real Estate Company
 Indiana Michigan Power Company
 Blackhawk Coal Company
 Price River Coal Company
 Kentucky Power Company
 Kingsport Power Company
 Mutual Energy L.L.C.
 Ohio Power Company
 Cardinal Operating Company
 Central Coal Company
 Ohio Valley Electric Corporation
 Indiana-Kentucky Electric Corporation
 Power Tree Carbon Company, LLC
 Wheeling Power Company

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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
 2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
 3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
-
1. See the Uniform of Accounts for a definition of control.
 2. Direct control is that which is exercised without interposition of an intermediary.
 3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
 4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	Price River Coal Company, Inc	Coal Company - Inactive	100%	
2	Blackhawk Coal Company, Inc	Coal Company - Inactive	100%	
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
OFFICERS AND EMPLOYEES					
<p>1. Report below the name, title and salary for the five executive officers</p> <p>2. Report in column (b) salaries and wages accrued during the year including deferred compensation.</p> <p>3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent. Provide type code for other compensation in column (d).</p> <p>4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.</p> <p>5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.</p>					
Line	Name and Title (a)	Base Wages (b)	Other Compensation (c)	Type of Other Compensation (d)	Total Compensation (e)
1	Michael G. Morris Chairman of the board, president, and chief executive officer of AEP and Service Corporation; chairman of the board and chief executive officer of other AEP companies	1,150,000	2,250,000 90,000 163,500 738,991	A B C D	4,392,491
2	Carl L. English President of AEP Utilities and director of Service Corporation; vice president and director of other AEP companies	500,000	575,000 28,125 0 126,423	A B C D	1,229,548
3	Susan Tomasky Executive Vice President and chief financial officer of the Company and Service Corporation; vice president and director of other AEP companies	500,000	796,269 38,250 0 71,850	A B C D	1,406,369
4	Robert P. Powers Executive vice president of the Company; Executive vice president - Generation and director of the Service Corporation; vice president and director of other AEP companies	450,000	693,337 26,403 0 52,971	A B C D	1,222,711
5	Thomas M. Hagan Executive vice president - AEP Utilities West and director of the Service Corporation; vice president and director of other AEP companies	440,000	659,833 28,836 0 72,730	A B C D	1,201,399
6	Holly K. Koeppel Executive vice president - AEP Utilities East and director of the Service Corporation; vice president and director of other AEP companies	440,000	662,168 31,825 0 52,622	A B C D	1,186,615
Compensation Type Codes:		A = Executive Incentive Compensation B = Incentive Plan (Matching Employer Contribution) C = Stock Plans D = Other Reimbursements			

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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DIRECTORS

1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Karl G. Boyd - V.P.	Fort Wayne, Indiana	0	0
John E. Ehler	Fort Wayne, Indiana	0	0
Carl L. English - V.P. ***	Columbus, Ohio	12	600
Allen R. Glassburn	Fort Wayne, Indiana	0	0
JoAnn N. Grevenow	Fort Wayne, Indiana	0	0
Patrick C. Hale	Rockport, Indiana	0	0
Holly K. Koeppel - Vice Chairman V.P. ***	Columbus, Ohio	12	600
David L. Lahrman	Fort Wayne, Indiana	0	0
Marc E. Lewis - V.P.	Fort Wayne, Indiana	0	0
Venita McCellon-Allen ***	Columbus, Ohio	12	600
Susanne M. Moorman Rowe	Fort Wayne, Indiana	0	0
Michael G. Morris - Charmain of Board Chief Executive Officer **	Columbus, Ohio	12	600

Footnote Data

- 1
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- 4
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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DIRECTORS (cont'd)

Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Robert P. Powers - V.P. ***	Columbus, Ohio	12	600
Marsha P. Ryan - President Chief Operating Officer	Fort Wayne, Indiana	0	0
John R. Sampson	Indianapolis, Indiana	0	0
Susan Tomasky - V.P. ***	Columbus, Ohio	12	600

Footnote Data

- 6
- 7
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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SECURITY HOLDERS AND VOTING POWERS

1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:

Stock books do not close

2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:

Total: 1,400,000

By Proxy: 1,400,000

3. Give the date and place of such meeting:

April 26, 2005

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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SECURITY HOLDERS AND VOTING POWERS (Continued)

Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities	1,400,000	1,400,000		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below				
7	American Electric Power Company, Inc.	1,400,000	1,400,000		
8	1 Riverside Plaza				
9	Columbus, Ohio 43215				
10					
11					
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RESPONSE/NOTES TO INSTRUCTION

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2006	Year of Report December 31, 2005
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IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not acceptable" or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefor and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly and materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/30/2006	Year of Report December 31, 2005
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IMPORTANT CHANGES DURING THE YEAR (Continued)

1	Date Acquired Or Extended	Community	Period of Franchise & Termination	Consideration
	Renewed on January 12, 2005	Coloma Charter Township, MI	Renewal for 10 years, expires January 12, 2015	\$2,920.00 billed, \$440.00 paid, disputed legal fees remain unresolved
	Renewed on February 10, 2005	Village of Stevensville, MI	Renewal for 30 years, expires on February 10, 2035	Expected publication and/or legal costs pending, not yet billed
	Renewed on December 12, 2005	Village of Michiana, MI	Renewed for 30 Years, expires on December 12, 2035	None

- 2 None
- 3 None
- 4 Please refer to the Notes to Financial Statements Pages 122-123.
- 5 None
- 6 Indiana Utility Regulatory Commission Cause No. 42853:
\$125,000,000 5.65% Senior Notes, Series G, due December 1st 2015

SEC File No. 70-10166 under the Public Utility Holding Company Act of 1935:
Short-term borrowing authority not to exceed \$500,000,000 through March 31, 2007.
- 7 None
- 8 The 2005 wage agreements resulted in general increase of 2.8% for represented employees.
- 9 Please refer to the Notes to Financial Statements Pages 122-123.
- 10 None
- 11 (reserved)
- 12 None

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) [X] An Original (2) [] A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	5,273,866,181	5,351,916,241
3	Construction Work in Progress (107)	200-201	163,515,229	311,079,725
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		5,437,381,410	5,662,995,966
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	3,001,981,240	3,139,599,952
6	Net Utility Plant (Enter total of line 4 less 5)		2,435,400,170	2,523,396,014
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)		11,665,477	54,287,115
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		229,653,969	213,614,073
10	Spent Nuclear Fuel (120.4)		58,363,669	109,214,604
11	Nuclear Fuel under Capital Leases (120.6)		0	0
12	Assemblies (120.5)	202-203	200,880,326	256,918,070
13	Net Nuclear Fuel (Enter total of line 7-11 less 12)		98,802,789	120,197,722
14	Net Utility Plant (Enter total of lines 6 and 13)		2,534,202,959	2,643,593,736
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground-Noncurrent (117)	---	0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)	221	34,429,447	36,011,541
19	(Less) Accum.Prov. for Depr. and Amort. (122)	---	10,584,172	12,339,303
20	Investments in Associated Companies (123)	222-223	0	0
21	Investments in Subsidiary Companies (123.1)	224-225	44,698,827	45,506,910
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	27,093,373	22,083,537
24	Other Investments (124)		32,836,139	26,914,213
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		1,053,438,736	1,133,567,203
29	Special Funds (Non-Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		52,244,646	103,644,677
31	Long-Term Portion of Derivative Assets - Hedges (176)		11,774	0
32	TOTAL Other Property and Investments (Total of lines 18 thru 21, 23 thru 31)		1,234,168,770	1,355,388,778
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-Major Only) (130)		0	0
35	Cash (131)	---	465,304	848,839
36	Special Deposits (132-134)	---	5,399,712	17,115,487
37	Working Fund (135)	---	46,071	5,000
38	Temporary Cash Investments (136)	222-223	0	0
39	Notes Receivable (141)	226A	5,559	8,949
40	Customer Accounts Receivable (142)	226A	46,641,806	45,656,264
41	Other Accounts Receivable (143)	226A	18,650,317	18,368,417
42	(Less) Accum.Prov. for Uncoll. Acct.- Credit (144)	226A	186,672	898,076
43	Notes Receivable from Assoc. Companies (145)	226B	0	0
44	Accounts Receivable from Assoc. Companies (146)	226B	124,158,628	127,981,706
45	Fuel Stock (151)	227	26,278,668	24,498,442
46	Fuel Stock Expenses Undistributed (152)	227	939,616	1,395,834
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	90,710,507	104,899,458
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	1,020,013	1,491,819
51	Nuclear Materials Held for Sale (157)	202-203, 207	0	0
52	Allowances (158.1 and 158.2)	228-229	38,704,523	35,417,101

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	(Less) Noncurrent Portion of Allowances	---	27,093,373	22,083,537
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground-Current (164.1)	---	0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	---	0	0
57	Prepayments (165)	---	6,215,637	93,786,174
58	Advances for Gas (166-167)	---	0	0
59	Interest and Dividends Receivable (171)	---	0	0
60	Rents Receivable (172)	---	221	0
61	Accrued Utility Revenues (173)	---	(1,444,085)	(232,117)
62	Misc Current and Accrued Assets (174)		4,317,119	16,110
63	Derivative Instrument Assets (175)		95,042,088	181,138,580
64	(Less) LT Portion of Derivative Inst. Assets (175)		52,244,646	103,644,677
65	Derivative Instrument Assets - Hedges (176)		9,354,845	639,780
66	(Less) LT Portion of Derivative Inst. Assets - Hedges (176)		11,774	0
67	TOTAL Current and Accrued Assets (Enter total of lines 34 thru 66)		386,970,084	526,409,553
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)	---	13,990,199	13,412,616
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant & Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets	232	305,229,567	269,658,321
73	Prelim. Survey & Invest. Charges (Elec) (183)	231	0	0
74	Prelim. Survey & Invest. Charges (Gas) (183.1)	---	0	0
75	Other Prelim. Survey & Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)	---	0	0
77	Temporary Facilities (185)	---	0	0
78	Miscellaneous Deferred Debits (186)	233	37,309,655	30,096,867
79	Def. Losses from Disposition of Utility Plant (187)	235	0	0
80	Research, Devel. and Demonstration Expend (188)	352-353	0	0
81	Unamortized Loss on Reacquired Debt (189)	237	17,313,883	18,231,450
82	Accumulated Deferred Income Taxes (190)	234	639,948,629	604,241,526
83	Unrecovered Purchased Gas Costs (191)	---	0	0
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		1,013,791,933	935,640,780
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		5,169,133,746	5,461,032,847

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	56,583,866	56,583,866
3	Preferred Stock Issued (204)	250-251	8,083,600	8,083,600
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	4,317,982	4,317,982
7	Other Paid-In Capital (208-211)	253	854,516,847	856,972,572
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	222,339,240	301,239,553
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	3,847,552	4,655,636
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	(45,037,568)	(3,569,130)
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		1,104,651,519	1,228,284,079
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reacquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,377,108,913	1,447,274,002
22	Unamortized Premium on Long-Term Debt (225)	---	0	0
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---	2,821,011	2,334,512
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		1,374,287,902	1,444,939,490
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)		44,607,466	38,645,630
27	Accumulated Prov. for Property Insurance (228.1)		0	0
28	Accumulated Prov. for Injuries and Damage (228.2)		92,646	71,731
29	Accumulated Prov. for Pensions and Benefits (228.3)		68,416,675	9,384,186
30	Accumulated Misc. Operating Provisions (228.4)		5,149,320	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		35,972,751	85,930,278
33	LT Portion of Derivative Instrument Liabilities - Hedges		842,277	228,243
34	Asset Retirement Obligations (230)		600,877,037	616,741,786
35	TOTAL Other Noncurrrent Liabilities (Enter total of lines 26 thru 34)		755,958,172	751,001,854
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		91,472,260	139,333,776
39	Notes Payable to Associated Companies (233)		13,926,257	116,125,141
40	Accounts Payable to Associated Companies (234)		51,093,243	60,317,653
41	Customer Deposits (235)		29,365,512	49,257,730
42	Taxes Accrued (236)	262-263	122,732,228	4,650,833
43	Interest Accrued (237)		12,464,646	14,008,745
44	Dividends Declared (238)		1,059,709	84,916
45	Matured Long-Term Debt (239)		0	0

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		2,877,684	3,105,812
48	Misc. Current and Accrued Liabilities (242)		66,261,081	92,018,732
49	Obligations Under Capital Leases -Current (243)		6,124,097	5,330,825
50	Derivative Instrument Liabilities (244)		75,735,560	154,500,462
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		35,972,751	85,930,278
52	Derivative Instrument Liabilities - Hedges (245)		8,253,409	2,689,628
53	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		842,277	228,243
54	TOTAL Current and Accrued Liabilities (Enter total of lines 37 thru 53)		444,550,658	555,265,732
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		3,668,657	2,761,213
57	Accumulated Deferred Investment Tax Credits (255)	266-267	82,666,715	74,968,324
58	Deferred Gains from Disposition of Utility Plt. (256)	270	0	0
59	Other Deferred Credits (253)	269	98,027,539	89,057,146
60	Other Regulatory Liabilities	278	341,037,531	366,451,379
61	Unamortized Gain on Reacquired Debt (257)	237	32,098	30,386
62	Accum. Deferred Income Taxes-Accel. Amort. (281)		407,195	380,357
63	Accum. Deferred Income Taxes-Other Property (282)		484,649,366	473,985,697
64	Accum. Deferred Income Taxes-Other (283)	272-277	479,196,394	473,907,190
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		1,489,685,495	1,481,541,692
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		5,169,133,746	5,461,032,847

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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STATEMENT OF INCOME FOR THE YEAR

- Report amounts for accounts 412 and 413, Revenue and Expenses for Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
- Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1,404.2, 404.3 407.1, and 407.2
- Use pages 122-123 for important notes regarding the statement of income or any account thereof.
- Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to....

Line	Title of Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	1,802,178,116	1,656,704,615
3	Operating Expenses			
4	Operation Expenses (401)	320-323	1,011,037,816	949,260,243
5	Maintenance Expenses (402)	320-323	202,909,370	168,304,253
6	Depreciation Expenses (403)	336-337	175,521,083	179,317,730
7	Depreciation Expenses for Asset Retirement Costs (403.1)		22,824,958	1,586,809
8	Amortization and Depl. of Utility Plant (404-405)	336-337	16,405,563	15,586,791
9	Amortization of Utility Plant Acq. Adj (406)	336-337	20,052	20,052
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
11	Amort. Of Conversion Expenses (407)			
12	Regulatory Debits		2,388,817	1,702,649
13	(Less) Regulatory Credits		25,007,581	14,414,618
14	Taxes Other Than Income Taxes (408.1)	262-263	68,756,297	57,344,323
15	Income Taxes-Federal (409.1)	262-263	55,597,437	70,947,471
16	-Other (409.1)	262-263	10,072,960	10,963,111
17	Provision for Deferred Income Taxes (410.1)	234,272-276	149,866,145	153,502,669
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	123,813,982	154,995,777
19	Investment Tax Credit Adj.- Net (411.4)	266-267	(7,301,481)	(7,448,877)
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B	61,065	53,708
21	Losses from Disposition of Utility Plant (411.6)	235A-B	29,157	
22	(Less) Gains from Disposition of Allowances		11,429,050	10,092,808
23	Losses from Disposition of Allowances		24,343	2,196
24	Accretion Expense (411.10)		47,368,043	39,824,871
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,595,208,882	1,461,357,380
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		206,969,234	195,347,235

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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STATEMENT OF INCOME FOR THE YEAR (Continued)

...retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.
8. Enter on pages 122-123 a concise explanatio of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionmnets from those used in the pceeding year. Also give the approximate dollar effect of such changes.
9. Explain in a footnote if the previous year's figures are different from that reported in prior years. 10.
If the columns are insufficient for reporting additional utility departmentss, supply the appropriate account titles, lines 2 to 23, and report the information in the blan space on pages 122-123 or in a footnote.

ELECTIC UTILITY		GAS UTILITY		OTHER UTILITY		Line
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
1,802,178,116	1,656,704,615					2
						3
1,011,037,816	949,260,243					4
202,909,370	168,304,253					5
175,521,083	179,317,730					6
22,824,958	1,586,809					7
16,405,563	15,586,791					8
20,052	20,052					9
0	0					10
0	0					11
2,388,817	1,702,649					12
25,007,581	14,414,618					13
68,756,297	57,344,323					14
55,597,437	70,947,471					15
10,072,960	10,963,111					16
149,866,145	153,502,669					17
123,813,982	154,995,777					18
(7,301,481)	(7,448,877)					19
61,065	53,708					20
29,157	0					21
11,429,050	10,092,808					22
24,343	2,196					23
47,368,043	39,824,871					24
1,595,208,882	1,461,357,380	0	0	0	0	25
206,969,234	195,347,235	0	0	0	0	26

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line	Account (a)	(Ref.) Page No. (b)	Total	
			Current Year (c)	Previous Year (d)
27	Net Utility Operating Income <i>(Carried forward from page 114)</i>		206,969,234	195,347,235
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282		86,683
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282		146,647
33	Revenues From Nonutility Operations (417)	282	74,344,995	69,642,448
34	(Less) Expenses of Nonutility Operations (417.1)	282	67,357,835	63,027,245
35	Nonoperating Rental Income (418)	282	190,616	100,270
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282	808,084	923,931
37	Interest and Dividend Income (419)	282	1,185,164	1,458,027
38	Allowance for Other Funds Used During Construction (419.1)	282	4,457,091	2,337,914
39	Miscellaneous Nonoperating Income (421)	282	5,086,213	4,001,774
40	Gain on Disposition of Property (421.1)	280	119,528	208,097
41	TOTAL Other Income <i>(enter Total of lines 31 thru 40)</i>		18,833,856	15,585,252
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)	280	481,815	4,345
44	Miscellaneous Amortization (425)	340		7
45	Donations (426.1)		5,551,520	1,892,175
46	Life Insurance (426.2)			
47	Penalties (426.3)		79,967	(833,678)
48	Exp. For Certain Civic, Political & Related Activities (426.4)		619,266	514,677
49	Other Deductions (426.5)		9,632,108	8,001,992
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		16,364,676	9,579,518
51	Taxes Applicable to Other Income and Deductions			
52	Taxes Other Than Income Taxes (408.2)	262-263	4,902,156	5,244,307
53	Income Taxes - Federal (409.2)	262-263	(3,958,966)	3,651,995
54	Income Taxes - Other (409.2)	262-263	(42,852)	84,472
55	Provision for Deferred Income Taxes (410.2)	234,272-276	19,158,244	15,130,166
56	(Less) Provision for Deffered Income Taxes - Cr. (411.2)	234,272-276	18,029,529	20,343,762
57	Investment Tax Credit Adjustment - Net (411.5)	264-265	(396,910)	
58	(Less) Investment Tax Credits (420)	264-265		
59	TOTAL Taxes on Other Income and Deductions (total of 52 thru 58)		1,632,143	3,767,178
60	Net Other Income and Deductions (total of lines 41,50 & 59)		837,037	2,238,556
61	INTEREST CHARGES			
62	Interest on Long-Term Debt (427)	257	58,615,089	61,456,514
63	Amort. Of Debt Disc. And Expense (428)	256-257	2,493,727	2,245,575
64	Amortizaiton of Loss on Reacquired Debt (428.1)		1,689,150	1,338,028
65	(Less) Amort. Of Premium on Debt-Credit (429)	256-257		
66	(Less) Amort. of Gain on Reacquired Debt-Credit (429.1)		1,712	2,125
67	Interest on Debt to Associated Companies (430)	257-340	3,510,364	1,467,837
68	Other Interest Expense (431)	340	3,747,493	4,355,709
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		4,351,864	1,749,822
70	Net Interest Charges (total of lines 62 thru 69)		65,702,247	69,111,716
71	Income Before Extraordinary Items (total lines 27,60,70)		142,104,024	128,474,075
72	EXTRAORDINARY ITEMS			
73	Extraordinary Income (434)	342		
74	(Less) Extraordinary Deductions (435)	342		
75	Net Extraordinary Items (total line 73 less line 74)		0	0
76	Income Taxes-Federal and Other (409.3)	262-263		
77	Extraordinary Items After Taxes (Enter Total of lines 75 less line 76)		0	0
78	Net Income (Enter Total of lines 71 and 77)		142,104,024	128,474,075

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.

2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.

Line No.	Electric Utility	Gas Utility
1 Debits to Account 410 from:		
2 Account 190	64,942,106	
3 Account 281	2,031	
4 Account 282	24,352,575	
5 Account 283	60,569,433	
6 Account 284		
7 Reconciling Adjustments		
8 TOTAL Account 410.1 (on pages 114-115 line 17)	149,866,145	0
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	58,005,642	
12 Account 281	28,869	
13 Account 282	23,158,253	
14 Account 283	42,621,218	
15 Account 284		
16 Reconciling Adjustments		
17 TOTAL Account 411.1 (on page 114-115 line 18)	123,813,982	0
18 TOTAL Account 411.2 (on page 117 line 56)		
19 Net ITC Adjustment:		
20 ITC Utilized for the Year DR		
21 ITC Amortized for the Year CR	(7,301,481)	
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	(7,301,481)	0
26 Net Reconciling Adjustments Account 411.5**		
27 Net Reconciling Adjustments Account 420***		

* on pages 114-15 line 19

** on page 117 line 57

*** on page 117 line 58

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RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages. (b) Identify all contra accounts (other than accounts 190 and 281-284). (c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

Other Utility	Total Utility	Other Income	Total Company	Line No.
				1
	64,492,106	11,191,340	75,683,446	2
	2,031		2,031	3
	24,352,575	3,946	24,356,521	4
	60,569,433	7,962,959	68,532,392	5
				6
				7
0	149,416,145			8
		19,158,244		9
				10
	58,005,642	13,594,994	71,600,636	11
	28,869		28,869	12
	23,158,253		23,158,253	13
	42,621,218	4,434,533	47,055,751	14
				15
				16
0	123,813,982			17
		18,029,529		18
				19
				20
	(7,301,481)		(7,301,481)	21
				22
				23
				24
0	(7,301,481)	0		25
		-396,910		26
		0		27

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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
STATEMENT OF RETAINED EARNINGS FOR THE YEAR				
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during theyear should be identified as to the the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.</p> <p>5. Show dividends for each class and series of capital stock.</p> <p>6. Show separately the state and federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)</p> <p>7. Explain in a footnote the basis for determining the amount reseved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Year		221,609,673	
2	Changes (<i>Identify by prescribed retained earnings accounts</i>)			
3	Adjustments to Retained Earnings (Account 439)			
4	Credit: Unrealized gain on securities			
5	Credit: Taxes related to unrealized gain on securities			
6	Credit: Minimum pension liability			
7	Credit: Taxes related to Minimum pension liability			
8	TOTAL Credits to Retained Earnings (439)		0	
9	Debit: Amortization of preferred stock reacquisition costs	210	(55,963)	
10	Debit:			
11	Debit:			
12	Debit:			
13	TOTAL Debits to Retained Earnings (439)		(55,963)	
14	Balance Transferred from Income (Account 433 Less Account 418.1)		141,295,940	
15	Appropriations of Retained Earnings (Account 436)			
16				
17				
18				
19				
20				
21	TOTAL Appropriations of Retained Earnings (Account 436)		0	
22	Dividends Declared-Preferred Stock (Account 437)			
23	Preferred Stock Series 4-1/8%	238	(228,397)	
24	Preferred Stock Series 4.12%	238	(45,547)	
25	Preferred Stock Series 4.56%	238	(65,719)	
26				
27				
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		(339,663)	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock (Account 438)			
30		238	(62,000,000)	
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)		(62,000,000)	
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings			
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		300,509,987	
<p>APPROPRIATED RETAINED EARNINGS (Account 215)</p> <p>State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.</p>				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)		0	
<p>APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)</p> <p>State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.</p>				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		729,567	
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		729,567	
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		301,239,553	
<p>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</p>				
47	Balance-Beginning of Year (Debit or Credit)		3,847,552	
48	Equity in Earnings for Year (Credit) (Account 418.1)		808,084	
49	(Less) Dividends Received (Debit)			
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)		4,655,636	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.

2. Under "Other" specify significant amounts and group others.

3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)	
2	Net Income (Line 72 (c) on page 117)	142,104,024
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	214,771,656
5	Amortization of (Specify)	
6	Accretion of ARO	47,368,043
7	Nuclear Fuel	56,037,744
8		
9	Deferred Income Taxes (Net)	27,180,879
10	Investment Tax Credit Adjustment (Net)	(7,698,391)
11	Net (Increase) Decrease in Receivables	(1,847,401)
12	Net (Increase) Decrease in Inventory	(13,336,749)
13	Net (Increase) Decrease in Allowances Inventory	3,287,422
14	Net (Increase) Decrease in Payables and Accrued Expenses	(105,498,123)
15	Net (Increase) Decrease in Other Regulatory Assets	(786,220)
16	Net (Increase) Decrease in Other Regulatory Liabilities	3,488,183
17	(Less) Allowance for Other Funds Used During Construction	4,457,091
18	(Less) Undistributed Earnings from Subsidiary Companies	808,084
19	Other: Energy Trading Contracts	(4,180,305)
20	Misc Utility Plant	(21,197,161)
21	Other Investments	(1,411,558)
22	Special Deposits	(11,715,775)
23	Prepayments	221,227
24	Accrued Utility Revenues	(1,211,968)
25	Misc Deferred Debits	7,212,788
26	Other Assets	1,487,707
27	Accumulated Other Comprehensive Income	608,437
28	Other Long-Term Debt	6,610,090
29	Accumulated Provision for Pensions and Benefits	10,874,680
30	Customer Deposits	19,892,218
31	Misc Current and Accrued Liabilities	25,757,651
32	Other Deferred Credits	(8,970,393)
33	Other Liabilities	(5,560,516)
34	Pension Contributions	(90,536,385)
35		
36	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 35)	287,686,629
37		
38	Cash Flows from Investment Activities:	
39	Construction and Acquisition of Plant (including land):	
40	Gross Additions to Utility Plant (less nuclear fuel)	(303,088,732)
41	Gross Additions to Nuclear Fuel	(53,379,677)
42	Gross Additions to Common Utility Plant	
43	Gross Additions to Nonutility Plant	
44	(Less) Allowance to Other Funds Used During Construction	(4,457,091)
45	Other:	
46		
47		
48	Cash Outflows for Plant (Total of lines 26 thru 33)	(352,011,318)
49		
50	Acquisition of Other Noncurrent Assets (d)	
51	Proceeds from Disposal of Noncurrent Assets (d)	16,794,244
52		

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STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Don not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. Enter on pages 122-123 clarifications and explanations.
Line No.	Description (See instructions for Explanation of Codes) (a)	Amount (b)
53	Investments in and Advances to Assoc. and Subsidiary Companies	
54	Contributions and Advances from Assoc. and Subsidiary Companies	
55	Disposition of Investments in (and Advances to)	
56	Associated and Subsidiary Companies	
57		
58	Purchase of Investment Securities (a)	(606,935,835)
59	Proceeds from Sales of Investment Securities (a)	556,667,252
61	Loans Made or Purchased	
62	Collections on Loans	
63		
64	Net (Increase) Decrease in Receivables	
65	Net (Increase) Decrease in Inventory	
66	Net (Increase) Decrease in Allowances Held for Speculation	(4,033,979)
67	Net Increase (Decrease) in Payables and Accrued Expenses	
68	Other: Change in Other Cash Deposits, Net	
69		
70		
71	Net Cash Provided by (Used in) Investing Activities	
72	(Total of lines 34 thru 55)	(389,519,636)
73		
74	Cash Flows from Financing Activities:	
75	Proceeds from Issuance of:	
76	Long Term Debt (b)	125,000,000
77	Preferred Stock	
78	Common Stock	
79	Other: Deferred Issuance Expenses	(1,062,500)
80	Discount on Notes Issued	(176,250)
81		
82	Net Increase in Short-Term Debt (c)	
83	Other: Notes Payable/Receivable Associated Companies	102,198,884
84		
85		
86	Cash Provided by Outside Sources (Total of lines 61 thru 69)	225,960,134
87		
88	Payments for Retirement of:	
89	Long Term Debt (b)	(61,445,000)
90	Preferred Stock	
91	Common Stock	
92	Other:	
93		
94	Net Decrease in Short-Term Debt (c)	
95		
96	Dividends on Preferred Stock	(339,663)
97	Dividends on Common Stock	(62,000,000)
98	Net Cash Provided by (Used in) Financing Activities	
99	(Total of lines 70 thru 81)	102,175,471
100		
101	Net Increase (Decrease) in Cash and Cash Equivalents	
102	(Total of lines 22, 57 and 83)	342,464
103		
104	Cash and Cash Equivalents at Beginning of Year	511,375
105		
106	Cash and Cash Equivalents at End of Year	853,839

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

- Report in columns (b), (c), (d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
- Report in columns (f) and (g) the amounts of other categories of other cash flow hedges
- For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on Available for Sale Securities (b)	Minimum Pension Liability and adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year		(25,169,076)		
2	Preceding Qtr/Yr to Date Reclass from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value		(15,792,083)		
4	Total		(15,792,083)		
5	Balance of Account 219 at End of Preceding Year		(40,961,159)		
6	Balance of Account 219 at Beginning of Current Year		(40,961,159)		
7	Current Qtr/Yr to Date Reclass from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value		40,860,001		
9	Total		40,860,001		
10	Balance of Account 219 at End of Current Year		(101,158)		

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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES (cont'd)

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges (specify) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (carried forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)
1		221,835	(24,947,241)		
2	71,324	(1,228,005)	(1,156,681)		
3	(5,705,957)	2,564,394	(18,933,646)		
4	(5,634,633)	1,336,389	(20,090,327)	128,474,075	108,383,748
5	(5,634,633)	1,558,224	(45,037,568)		
6	(5,634,633)	1,558,224	(45,037,568)		
7	549,819	(2,429,517)	(1,879,698)		
8	2,493,206	(5,071)	43,348,136		
9	3,043,025	(2,434,588)	41,468,438	142,104,024	183,572,462
10	(2,591,608)	(876,364)	(3,569,130)		

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NOTES TO FINANCIAL STATEMENTS

<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, g</p>	<p>references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, <i>Unamortized Loss on Reacquired Debt</i>, and 257, <i>Unamortized Gain on Reacquired Debt</i>, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 16 of Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be herein.</p>
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All financial statement notes are located on Page 123 in a separate file.

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GLOSSARY OF TERMS FOR NOTES

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below.

Term	Meaning
AEGCo	AEP Generating Company, an electric utility subsidiary of AEP.
AEP or Parent	American Electric Power Company, Inc.
AEP Credit	AEP Credit, Inc., a subsidiary of AEP which factors accounts receivable and accrued utility revenues for affiliated domestic electric utility companies.
AEP East companies	APCo, CSPCo, I&M, KPCo and OPCo.
AEPES	AEP Energy Services, Inc., a subsidiary of AEP Resources, Inc.
AEP System or the System	American Electric Power System, an integrated electric utility system, owned and operated by AEP's electric utility subsidiaries.
AEP System Power Pool or AEP Power Pool	Members are APCo, CSPCo, I&M, KPCo and OPCo. The Pool shares the generation, cost of generation and resultant wholesale off-system sales of the member companies.
AEPSC	American Electric Power Service Corporation, a service subsidiary providing management and professional services to AEP and its subsidiaries.
AEP West companies	PSO, SWEPCo, TCC and TNC.
AFUDC	Allowance for Funds Used During Construction.
ALJ	Administrative Law Judge.
APCo	Appalachian Power Company, an AEP electric utility subsidiary.
ARO	Asset Retirement Obligations.
CAA	Clean Air Act.
Cook Plant	Donald C. Cook Nuclear Plant, a two-unit, 2,110 MW nuclear plant owned by I&M.
CSPCo	Columbus Southern Power Company, an AEP electric utility subsidiary.
CSW	Central and South West Corporation, a subsidiary of AEP (Effective January 21, 2003, the legal name of Central and South West Corporation was changed to AEP Utilities, Inc.).
DETM	Duke Energy Trading and Marketing L.L.C., a risk management counterparty.
DOE	United States Department of Energy.
EITF	Financial Accounting Standards Board's Emerging Issues Task Force.
ERCOT	Electric Reliability Council of Texas.
FASB	Financial Accounting Standards Board.
Federal EPA	United States Environmental Protection Agency.
FERC	Federal Energy Regulatory Commission.
FIN 47	FASB Interpretation No. 47, "Accounting for Conditional Asset Retirement Obligations."
GAAP	Accounting Principles Generally Accepted in the United States of America.
IGCC	Integrated Gasification Combined Cycle, technology that turns coal into a cleaner-burning gas.
I&M	Indiana Michigan Power Company, an AEP electric utility subsidiary.
IRS	Internal Revenue Service.
IURC	Indiana Utility Regulatory Commission.
KPCo	Kentucky Power Company, an AEP electric utility subsidiary.

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GLOSSARY OF TERMS FOR NOTES (Continued)

Term	Meaning
kV	Kilovolt.
KWH	Kilowatthour.
MLR	Member load ratio, the method used to allocate AEP Power Pool transactions to its members.
MPSC	Michigan Public Service Commission.
MTM	Mark-to-Market.
MW	Megawatt.
NO _x	Nitrogen oxide.
NRC	Nuclear Regulatory Commission.
OATT	Open Access Transmission Tariff.
OCC	Corporation Commission of the State of Oklahoma.
OPCo	Ohio Power Company, an AEP electric utility subsidiary.
PJM	Pennsylvania – New Jersey – Maryland regional transmission organization.
PSO	Public Service Company of Oklahoma, an AEP electric utility subsidiary.
PUCT	Public Utility Commission of Texas.
PUHCA	Public Utility Holding Company Act of 1935.
Risk Management Contracts	Trading and nontrading derivatives, including those derivatives designated as cash flow and fair value hedges.
Rockport Plant	A generating plant, consisting of two 1,300 MW coal-fired generating units near Rockport, Indiana owned by AEGCo and I&M.
RTO	Regional Transmission Organization.
SEC	United States Securities and Exchange Commission.
SECA	Seams Elimination Cost Allocation.
SFAS	Statement of Financial Accounting Standards issued by the Financial Accounting Standards Board.
SFAS 109	Statement of Financial Accounting Standards No. 109, “Accounting for Income Taxes.”
SFAS 115	Statement of Financial Accounting Standards No. 115, “Accounting for Certain Investments in Debt and Equity Securities.”
SFAS 133	Statement of Financial Accounting Standards No. 133, “Accounting for Derivative Instruments and Hedging Activities.”
SFAS 143	Statement of Financial Accounting Standards No. 143, “Accounting for Asset Retirement Obligations.”
SIA	System Integration Agreement.
SNF	Spent Nuclear Fuel.
SO ₂	Sulfur Dioxide.
SPP	Southwest Power Pool.
SWEPco	Southwestern Electric Power Company, an AEP electric utility subsidiary.
TCC	AEP Texas Central Company, an AEP electric utility subsidiary.
TNC	AEP Texas North Company, an AEP electric utility subsidiary.
Utility Money Pool	AEP System’s Utility Money Pool.

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1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

We are a public utility engaged in the generation and purchase of electric power, and the subsequent sale, transmission and distribution of that power to 581,000 retail customers in our service territory in northern and eastern Indiana and a portion of southwestern Michigan at December 31, 2005. As a member of the AEP Power Pool, we share the revenues and the costs of the AEP Power Pool's sales to neighboring utilities and power marketers. We also sell power at wholesale to municipalities and electric cooperatives. Our River Transportation Division (RTD) provides barging services to affiliates and nonaffiliated companies.

The cost of the AEP Power Pool's generating capacity is allocated among its members based on relative peak demands and generating reserves through the payment of capacity charges and the receipt of capacity revenues. The capacity reserve relationship of the AEP Power Pool members changes as generating assets are added, retired or sold. AEP Power Pool members are also compensated for the out-of-pocket costs of energy delivered to the AEP Power Pool and charged for energy received from the AEP Power Pool. The AEP Power Pool calculates each member's prior twelve-month peak demand relative to the sum of the peak demands of all members as a basis for sharing revenues and costs. The result of this calculation is the member load ratio (MLR), which determines each member's percentage share of revenues and costs.

Power and gas risk management activities are conducted on our behalf by AEPSC. We share in the revenues and expenses associated with these risk management activities under existing power pool agreements and the SIA. Risk management activities primarily involve the purchase and sale of electricity under physical forward contracts at fixed and variable prices and to a lesser extent gas. The electricity and gas contracts include physical transactions, over-the-counter options and financially-settled swaps and exchange-traded futures and options. The majority of the physical forward contracts are typically settled by entering into offsetting contracts.

Under the current SIA, revenues and expenses from the sales to neighboring utilities, power marketers and other power and gas risk management activities are shared among AEP East companies and AEP West companies. Sharing in a calendar year is based upon the level of such activities experienced for the twelve months ended June 30, 2000, which immediately preceded the merger of AEP and CSW. This resulted in an AEP East companies' and AEP West companies' allocation of approximately 91% and 9%, respectively, for revenues and expenses. Allocation percentages in any given calendar year may also be based upon the relative generating capacity of the AEP East companies and AEP West companies in the event the pre-merger activity level is exceeded. The capacity-based allocation mechanism was triggered in July 2005 and July 2004, resulting in an allocation factor of approximately 70% and 30% for the AEP East companies and AEP West companies, respectively, for the remainder of the respective year.

The current allocation methodology was established at the time of the AEP-CSW merger. On November 1, 2005, AEPSC, on behalf of all AEP East companies and AEP West companies, filed with the FERC a proposed allocation methodology to be used beginning in 2006. The proposed allocation methodology is based upon the location of the specific trading and marketing activity, with margins resulting from trading and marketing activities originating in PJM and MISO generally accruing to the benefit of the AEP East companies. Previously, the SIA allocation provided for the sharing of all margins among all AEP East companies and AEP West companies. The allocation ultimately approved by the FERC may differ from our proposal. AEPSC requested that the new methodology be effective on a prospective basis after the FERC's approval.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rate Regulation

Our rates are approved by the FERC, the IURC and the MSPC. The FERC regulates wholesale power markets. Wholesale power markets are generally market-based and are not cost-based regulated unless a wholesaler negotiates and files a cost-based rate contract with the FERC or a generator/seller of wholesale power is determined by the FERC to have "market power." The FERC also regulates transmission service and rates. The state commissions regulate our retail operations and retail rates.

As a subsidiary of AEP, we were subject to regulation by the SEC under the Public Utility Holding Company Act of 1935 (PUHCA 1935) for the periods presented. The Energy Policy Act of 2005 repealed PUHCA 1935 effective February 8, 2006 and replaced it with the Public Utility Holding Company Act of 2005 (PUHCA 2005). With the repeal of PUHCA 1935, the SEC no longer has jurisdiction over the activities of registered holding companies. Jurisdiction over holding company related activities has been transferred to the FERC. Regulations and required reporting under PUHCA 2005 are reduced compared to PUHCA 1935. Specifically, the FERC has jurisdiction over issuances of securities, the acquisition of securities of utilities, the acquisition or sale of certain utility assets, and mergers with another electric utility or holding company. In addition, both FERC and state regulators are permitted to review our books and records.

Basis of Accounting

Our accounting is subject to the requirements of the IURC, the MPSC and the FERC. The financial statements have been prepared in accordance with the Uniform System of Accounts prescribed by the FERC. The principal differences from GAAP include accounting for subsidiaries on the equity basis, the exclusion of current maturities of long-term debt and preferred stock subject to mandatory redemption from current liabilities, the classification of preferred stock subject to mandatory redemption as other long-term debt, the requirement to report deferred tax assets and liabilities separately rather than as a single amount, the classification of accrued taxes as assets and liabilities rather than as a single amount, the classification of accrued asset removal costs as accumulated depreciation instead of as liabilities, the classification of prepaid pension benefits as noncurrent assets instead of current assets, the classification of certain other assets and liabilities as current instead of noncurrent, certain rate phase-in plans in the FERC jurisdiction which do not comply with SFAS 92, "Regulated Enterprises – Accounting for Phase-in Plans," the classification of capital lease payments as operating activities instead of financing activities and the classification of change in emission allowances held for speculation as investing activities instead of operating activities.

Accounting for the Effects of Cost-Based Regulation

As a cost-based rate-regulated electric public utility company, our financial statements reflect the actions of regulators that result in the recognition of revenues and expenses in different time periods than enterprises that are not rate-regulated. In accordance with SFAS 71, "Accounting for the Effects of Certain Types of Regulation," regulatory assets (deferred expenses) and regulatory liabilities (future revenue reductions or refunds) are recorded to reflect the economic effects of regulation by matching expenses with their recovery through regulated revenues and income with its passage to customers through the reduction of regulated revenues.

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Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates include but are not limited to inventory valuation, allowance for doubtful accounts, unbilled electricity revenue, valuation of long-term energy contracts, the effects of regulation, long-lived asset recovery, the effects of contingencies and certain assumptions made in accounting for pension and postretirement benefits. The estimates and assumptions used are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could ultimately differ from those estimates.

Property, Plant and Equipment and Equity Investments

Electric utility property, plant and equipment are stated at original purchase cost. Additions, major replacements and betterments are added to the plant accounts. For cost-based rate-regulated operations, retirements from the plant accounts and associated removal costs, net of salvage, are charged to accumulated depreciation. The costs of labor, materials and overhead incurred to operate and maintain our plants are included in operating expenses.

We implemented FIN 47 effective December 31, 2005 (see "Accounting for Asset Retirement Obligations" section of this note).

Long-lived assets are required to be tested for impairment when it is determined that the carrying value of the assets is no longer recoverable or when the assets meet the criteria under SFAS 144, "Accounting for the Impairment or Disposal of Long-lived Assets." Equity investments are required to be tested for impairment when it is determined that an other than temporary loss in value has occurred.

The fair value of an asset and investment is the amount at which that asset and investment could be bought or sold in a current transaction between willing parties, as opposed to a forced or liquidation sale. Quoted market prices in active markets are the best evidence of fair value and are used as the basis for the measurement, if available. In the absence of quoted prices for identical or similar assets or investments in active markets, fair value is estimated using various internal and external valuation methods including cash flow analysis and appraisals.

Depreciation

We provide for depreciation of utility plant and equipment on a straight-line basis over the estimated useful lives of property, generally using composite rates by functional class. The following table provides the annual composite depreciation rates by functional class we generally used for the year 2005 and 2004:

<u>Year</u>	<u>Nuclear</u>	<u>Steam</u>	<u>Hydro</u>	<u>Transmission</u>	<u>Distribution</u>	<u>General</u>
			(in percentages)			
2005	3.3	4.6	3.4	1.9	4.1	11.7
2004	3.1	4.5	3.3	1.9	4.1	11.2

For cost-based rate-regulated operations, the composite depreciation rate generally includes a component for non-ARO removal costs, which is credited to accumulated depreciation. Actual removal costs incurred are debited to accumulated depreciation.

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Accounting for Asset Retirement Obligations (ARO)

SFAS 143 requires entities to record a liability at fair value for any legal obligations for future asset retirements when the related assets are acquired or constructed. Upon establishment of a legal liability, SFAS 143 requires a corresponding ARO asset to be established, which will be depreciated over its useful life. ARO accounting is being followed for regulated and nonregulated property that has a legal obligation related to asset retirement. Upon settlement of an ARO, any difference between the ARO liability and actual costs is recognized as income or expense.

We have identified, but not recognized, ARO liabilities related to electric transmission and distribution assets, as a result of certain easements on property on which assets are owned. Generally, such easements are perpetual and require only the retirement and removal of assets upon the cessation of the property's use. The retirement obligation is not estimable for such easements since we plan to use our facilities indefinitely. The retirement obligation would only be recognized if and when we abandon or cease the use of specific easements, which is not expected.

In the fourth quarter of 2005, we recorded ARO in accordance with FIN 47 related to the removal and disposal of asbestos in general buildings and generating plants (See "FASB Interpretation No. 47 "Accounting for Conditional Asset Retirement Obligation" (FIN 47)" section of Note 2).

As of December 31, 2005 and 2004, the fair value of our assets that are legally restricted for purposes of settling decommissioning liabilities totaled \$870 million and \$791 million, respectively. These assets are included in Other Special Funds on our Comparative Balance Sheet.

The following is a reconciliation of our 2004 and 2005 aggregate carrying amounts of ARO:

	<u>ARO at January 1, 2004</u>	<u>Accretion Expense</u>	<u>Revisions in Cash Flow Estimates</u>	<u>ARO at December 31, 2004,</u>
		(in thousands)		
(a)(b)	\$ 553,219	\$ 39,825	\$ 118,725	\$ 711,769

	<u>ARO at January 1, 2005</u>	<u>Accretion Expense</u>	<u>Liabilities Incurred</u>	<u>Revisions in Cash Flow Estimates</u>	<u>ARO at December 31, 2005</u>
			(in thousands)		
(a)(b)(c)	\$ 711,769	\$ 47,368	\$ 5,801	\$ (26,979)	\$ 737,959

- (a) Includes ARO related to ash ponds.
- (b) Includes ARO related to nuclear decommissioning costs for the Cook Plant (\$731 million and \$711 million at December 31, 2005 and 2004, respectively).
- (c) Includes ARO related to asbestos removal.

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Allowance for Funds Used During Construction (AFUDC)

AFUDC represents the estimated cost of borrowed and equity funds used to finance construction projects that is capitalized and recovered through depreciation over the service life of regulated electric utility plant. The amounts of AFUDC for 2005 and 2004 were \$8.8 million and \$4.1 million, respectively.

Valuation of Nonderivative Financial Instruments

The book values of Cash, Special Deposits, Working Fund, Temporary Cash Investments, accounts receivable, and accounts payable approximate fair value because of the short-term maturity of these instruments. The book value of our pre-April 1983 spent nuclear fuel disposal liability approximates the best estimate of its fair value.

Cash and Cash Equivalents

Cash and Cash Equivalents on the Statement of Cash Flows include Cash and Working Fund on the Comparative Balance Sheet with original maturities of three months or less.

Special Deposits

Special Deposits include margin deposits for risk management activities.

Inventory

Fossil fuel inventories and materials and supplies inventories are carried at average cost.

Accounts Receivable

Customer accounts receivable primarily include receivables from wholesale and retail energy customers, receivables from energy contract counterparties related to our risk management activities and customer receivables primarily related to other revenue-generating activities.

Revenue is recognized from electric power sales or delivery when power is delivered to customers. To the extent that deliveries have occurred but a bill has not been issued, we accrue and recognize, as Accrued Utility Revenues, an estimate of the revenues for energy delivered since the last billings.

AEP Credit, Inc. factors our accounts receivable.

Deferred Fuel Costs

The cost of fuel and related chemical and emission allowance consumables are charged to expense when the fuel is burned or the consumable is utilized. Where applicable under governing state regulatory commission retail rate orders, fuel cost over-recoveries (the excess of fuel revenues billed to customers over fuel costs incurred) are deferred as current regulatory liabilities and under-recoveries (the excess of fuel costs incurred over fuel revenues billed to customers) are deferred as current regulatory assets. These deferrals are amortized when refunded or billed to customers in later months with the regulator's review and approval. The amount of an over-recovery or under-recovery can also be affected by actions of

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regulators. When a fuel cost disallowance becomes probable, we adjust our deferrals and record provisions for estimated refunds to recognize these probable outcomes.

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All or a portion of profits from off-system sales are shared with customers through fuel clauses in some areas of Michigan. In Indiana and Michigan where fuel clauses have been capped, frozen or suspended for a period of years, fuel costs impact earnings. The Michigan fuel clause suspension ended December 31, 2003, and the Indiana freeze ended on March 1, 2004. Through subsequent orders, the IURC authorized the billing of capped fuel rates on an interim basis until April 1, 2005 and subsequently extended these rates until June 30, 2007. See Note 3 for further information about fuel recovery.

Revenue Recognition

Regulatory Accounting

The financial statements for our cost-based rate-regulated operations reflect the actions of regulators that can result in the recognition of revenues and expenses in different time periods than enterprises that are not rate-regulated. Regulatory assets (deferred expenses to be recovered in the future) and regulatory liabilities (deferred future revenue reductions or refunds) are recorded to reflect the economic effects of regulation by matching expenses with their recovery through regulated revenues in the same accounting period and by matching income with its passage to customers in cost-based regulated rates. Regulatory liabilities or regulatory assets are also recorded for unrealized MTM gains and losses that occur due to changes in the fair value of physical and financial contracts that are derivatives and that are subject to the regulated ratemaking process when realized.

When regulatory assets are probable of recovery through regulated rates, we record them as assets on the balance sheet. We test for probability of recovery whenever new events occur, for example, issuance of a regulatory commission order or passage of new legislation. If it is determined that recovery of a regulatory asset is no longer probable, we write off that regulatory asset as a charge against earnings. A write-off of regulatory assets also reduces future cash flows since there may be no recovery through regulated rates.

Traditional Electricity Supply and Delivery Activities

Revenues are recognized from retail and wholesale electricity supply sales and electricity transmission and distribution delivery services. The revenues are recognized in our statement of income when the energy is delivered to the customer and include unbilled as well as billed amounts. In general, expenses are recorded when purchased electricity is received and when expenses are incurred. In jurisdictions where the generation/supply business is subject to cost-based regulation, the unrealized MTM amounts are deferred as regulatory assets (for losses) and regulatory liabilities (for gains).

Energy Marketing and Risk Management Activities

We engage in wholesale electricity, coal and emission allowances marketing and risk management activities. These activities are focused on wholesale markets where the AEP System owns assets. Our activities include the purchase and sale of energy under forward contracts at fixed and variable prices and the buying and selling of financial energy contracts which include exchange traded futures and options, and over-the-counter options and swaps.

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Revenues and expenses are recognized from wholesale marketing and risk management transactions that are not derivatives when the commodity is delivered. We use MTM accounting for wholesale marketing and risk management transactions that are derivatives unless the derivative is designated for hedge accounting or the normal purchase and sale exemption. The realized gains and losses on wholesale marketing and risk management transactions that are accounted for using MTM are included in revenues in the financial statements on a net basis. In jurisdictions subject to cost-based regulation, the unrealized MTM amounts are deferred as regulatory assets (for losses) and regulatory liabilities (for gains).

We participate in wholesale marketing and risk management activities in electricity and gas. For all contracts the total gain or loss realized for sales and the cost of purchased energy are included in revenues on a net basis. Prior to settlement, changes in the fair value of physical and financial forward sale and purchase contracts subject to the regulated ratemaking process are deferred as regulatory liabilities (gains) or regulatory assets (losses). Unrealized mark-to-market gains and losses are included in the balance sheets as Derivative Instrument Assets or Liabilities as appropriate.

Certain wholesale marketing and risk management transactions are designated as hedges of future cash flows as a result of forecasted transactions (cash flow hedge). For derivatives designated as cash flow hedges, the effective portion of the derivative's gain or loss is initially reported as a component of Accumulated Other Comprehensive Income and depending upon the specific nature of the risk being hedged, subsequently reclassified into revenues or fuel expenses in the financial statements when the forecasted transaction is realized and affects earnings. The ineffective portion of the gains or losses are deferred as regulatory liabilities (for gains) or regulatory assets (for losses) (see "Cash Flow Hedging Strategies" sections of Note 11).

Levelization of Nuclear Refueling Outage Costs

In order to match costs with nuclear refueling cycles, incremental operation and maintenance costs associated with periodic refueling outages at the Cook Plant are deferred and amortized over the period beginning with the month following the start of each unit's refueling outage and lasting until the end of the month in which the same unit's next scheduled refueling outage begins. We adjust the amortization amount as necessary to ensure that all deferred costs are fully amortized by the end of the refueling cycle.

Maintenance Costs

Maintenance costs are expensed as incurred. If it becomes probable that we will recover specifically incurred costs through future rates, a regulatory asset is established to match the expensing of those maintenance costs with their recovery in cost-based regulated revenues. Maintenance costs during refueling outages at the Cook Plant are deferred and amortized over the period between outages in accordance with rate orders in Indiana and Michigan.

Income Taxes and Investment Tax Credits

We use the liability method of accounting for income taxes. Under the liability method, deferred income taxes are provided for all temporary differences between the book and tax basis of assets and liabilities which will result in a future tax consequence.

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When the flow-through method of accounting for temporary differences is reflected in regulated revenues (that is, when deferred taxes are not included in the cost of service for determining regulated rates for electricity), deferred income taxes are recorded and related regulatory assets and liabilities are established to match the regulated revenues and tax expense.

Investment tax credits are accounted for under the flow-through method except where regulatory commissions have reflected investment tax credits in the rate-making process on a deferral basis. Investment tax credits that have been deferred are amortized over the life of the plant investment.

Excise Taxes

As agents for some state and local governments, we collect from customers certain excise taxes levied by those state or local governments on our customers. We do not record these taxes as revenue or expense.

Debt and Preferred Stock

Gains and losses from the reacquisition of debt used to finance regulated electric utility plants are deferred and amortized over the remaining term of the reacquired debt in accordance with their rate-making treatment unless the debt is refinanced. If the reacquired debt associated with the regulated business is refinanced, the reacquisition costs attributable to the portions of the business that are subject to cost-based regulatory accounting are generally deferred and amortized over the term of the replacement debt consistent with its recovery in rates.

Debt discount or premium and debt issuance expenses are deferred and amortized generally utilizing the straight-line method over the term of the related debt. The straight-line method approximates the effective interest method and is consistent with the treatment in rates for regulated operations. The amortization expense is included in Interest Charges.

We classify instruments that have an unconditional obligation requiring us to redeem the instruments by transferring an asset at a specified date as liabilities. Those instruments consist of Cumulative Preferred Stock Subject to Mandatory Redemption as of December 31, 2004. We classify dividends on these mandatorily redeemable preferred shares as Interest Charges.

Where reflected in rates, redemption premiums paid to reacquire preferred stock are included in paid-in capital and amortized to retained earnings commensurate with their recovery in rates. The excess of par value over costs of preferred stock reacquired is credited to paid-in capital and reclassified to retained earnings upon the redemption of the entire preferred stock series. The excess of par value over the costs of reacquired preferred stock for nonregulated operations is credited to retained earnings upon reacquisition.

Goodwill and Intangible Assets

We have no recorded goodwill and intangible assets with indefinite lives as of December 31, 2005 and 2004.

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Emission Allowances

We record emission allowances at cost, including the annual SO₂ and NO_x emission allowance entitlement received at no cost from the Federal EPA. We follow the inventory model for all allowances. Allowances expected to be consumed within one year are reported in Allowances. Allowances with expected consumption beyond one year are included in Noncurrent Portion of Allowances. These allowances are consumed in the production of energy and are recorded in Operation Expenses at an average cost. Allowances held for speculation are included in Other Investments. The purchases and sales of allowances are reported in the Operating Activities section of the Statement of Cash Flows except speculative allowance transactions which are reported in Investing Activities. The net margin on sales of emission allowances is included in Operating Revenues for nonaffiliated and affiliated transactions because of its integral nature to the production process of energy and our revenue optimization strategy for operations.

Nuclear Trust Funds

Nuclear decommissioning and spent nuclear fuel trust funds represent funds that regulatory commissions have allowed us to collect through rates to fund future decommissioning and spent nuclear fuel disposal liabilities. By rules or orders, the IURC, the MPSC and the FERC have established investment limitations and general risk management guidelines. In general, limitations include:

- acceptable investments (rated investment grade or above);
- maximum percentage invested in a specific type of investment;
- prohibition of investment in obligations of the applicable company or its affiliates; and
- withdrawals permitted only for payment of decommissioning costs and trust expenses.

Trust funds are maintained for each regulatory jurisdiction and managed by external investment managers, who must comply with the guidelines and rules of the applicable regulatory authorities. The trust assets are invested in order to optimize the net of tax earnings of the trust giving consideration to liquidity, risk, diversification, and other prudent investment objectives.

Securities held in trust funds for decommissioning nuclear facilities and for the disposal of spent nuclear fuel are included in Other Special Funds. These securities are recorded at market value. Securities in the trust funds have been classified as available-for-sale due to their long-term purpose. Unrealized gains and losses from securities in these trust funds are reported as adjustments to the regulatory liability account for the nuclear decommissioning trust funds and to regulatory assets or liabilities for the spent nuclear fuel disposal trust funds in accordance with their treatment in rates.

The following is a summary of our nuclear trust fund investments at December 31:

(\$ millions)	2005				2004			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Cash	\$ 21	\$ -	\$ -	\$ 21	\$ 20	\$ -	\$ -	\$ 20
Debt Securities	691	7	(7)	691	634	8	(3)	639
Equity Securities	277	148	(3)	422	282	114	(2)	394
Spent Nuclear Fuel and Decommissioning Trusts	\$ 989	\$ 155	\$ (10)	\$ 1,134	\$ 936	\$ 122	\$ (5)	\$ 1,053

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Proceeds from sales of nuclear trust fund investments were \$557 million and \$863 million in 2005 and 2004, respectively. Purchases of nuclear trust fund investments were \$607 million and \$901 million in 2005 and 2004, respectively.

Gross realized gains from the sales of nuclear trust fund investments were \$4 million and \$10 million in 2005 and 2004, respectively. Gross realized losses from the sales of nuclear trust fund investments were \$16 million and \$17 million in 2005 and 2004, respectively.

The fair value of debt securities, summarized by contractual maturities, at December 31, 2005 is as follows:

	<u>Fair Value</u> <u>(in millions)</u>
Within 1 year	\$ 17
1 year – 5 years	298
5 years – 10 years	173
After 10 years	203
	<u>\$ 691</u>

Investment in Subsidiary Companies

We have two wholly-owned subsidiaries, Blackhawk Coal Company and Price River Coal Company, that were formerly engaged in coal-mining operations. Blackhawk Coal Company currently leases and subleases portions of its Utah coal rights and land to nonaffiliated companies. Price River Coal Company which owns no land or mineral rights is inactive. Investment in the net assets of our two wholly-owned subsidiaries are carried at cost plus equity in their undistributed earnings since acquisition.

Comprehensive Income (Loss)

Comprehensive income (loss) is defined as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. Comprehensive income (loss) has two components: net income (loss) and other comprehensive income (loss).

Earnings Per Share (EPS)

We are a wholly-owned subsidiary of AEP; therefore, we are not required to report EPS.

Reclassifications

Certain prior period financial statement items have been reclassified to conform to current period presentation. Such reclassifications had no impact on previously reported income.

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2. NEW ACCOUNTING PRONOUNCEMENTS

Upon issuance of exposure drafts or final pronouncements, we thoroughly review the new accounting literature to determine its relevance, if any, to our business. The following represents a summary of new pronouncements that we have determined relate to our operations.

SFAS 123 (revised 2004) "Share-Based Payment" (SFAS 123R)

In December 2004, the FASB issued SFAS 123R, "Share-Based Payment." SFAS 123R requires entities to recognize compensation expense in an amount equal to the fair value of share-based payments granted to employees. The statement eliminates the alternative to use the intrinsic value method of accounting previously available under Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees." An extraordinary item will be recorded for the effect of initially applying the statement.

In March 2005, the SEC issued Staff Accounting Bulletin No. 107, "Share-Based Payment" (SAB 107), which conveys the SEC staff's views on the interaction between SFAS 123R and certain SEC rules and regulations. SAB 107 also provides the SEC staff's views regarding the valuation of share-based payment arrangements for public companies. Also, the FASB issued three FASB Staff Positions (FSP) during 2005 and one in February 2006 that provided additional implementation guidance. We applied the principles of SAB 107 and the applicable FSPs in conjunction with our adoption of SFAS 123R.

We adopted SFAS 123R in the first quarter of 2006 using the modified prospective method. This method required us to record compensation expense for all awards we grant after the time of adoption and to recognize the unvested portion of previously granted awards that remain outstanding at the time of adoption as the requisite service is rendered. The compensation cost is based on the grant-date fair value of the equity award. Our implementation of SFAS 123R did not materially affect our results of operations, cash flows or financial condition.

SFAS 154 "Accounting Changes and Error Corrections" (SFAS 154)

In May 2005, the FASB issued SFAS 154, which replaces APB Opinion No. 20, "Accounting Changes," and SFAS No. 3, "Reporting Accounting Changes in Interim Financial Statements." The statement applies to all voluntary changes in accounting principle and changes resulting from adoption of a new accounting pronouncement that do not specify transition requirements. SFAS 154 requires retrospective application to prior periods' financial statements for changes in accounting principle unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. SFAS 154 also requires that retrospective application of a change in accounting principle should be recognized in the period of the accounting change. Indirect effects of a change in accounting principle should be recognized in the period of the accounting change. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. SFAS 154 was effective beginning January 1, 2006 and will be applied as necessary.

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FASB Interpretation No. 47 “Accounting for Conditional Asset Retirement Obligations” (FIN 47)

We adopted FIN 47 during the fourth quarter of 2005. In March 2005, the FASB issued FIN 47, which interprets the application of SFAS 143 “Accounting for Asset Retirement Obligations.” FIN 47 clarifies that conditional ARO refers to a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. Entities are required to record a liability for the fair value of a conditional ARO if the fair value of the liability can be reasonably estimated. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an ARO.

We completed a review of our FIN 47 conditional ARO and concluded that legal liabilities exist for asbestos removal and disposal in general buildings and generating plants. In the fourth quarter of 2005, we recorded conditional ARO in accordance with FIN 47. The cumulative effect of certain retirement costs for asbestos removal related to regulated operations was generally charged to regulatory liability. We recorded a liability for conditional ARO of \$5,801,000 for FIN 47.

We have identified, but not recognized, ARO liabilities related to electric transmission and distribution assets, as a result of certain easements on property on which we have assets. Generally, such easements are perpetual and require only the retirement and removal of our assets upon the cessation of the property’s use. The retirement obligation is not estimable for such easements since we plan to use the facilities indefinitely. The retirement obligations would only be recognized if and when we abandon or cease the use of specific easements.

Pro forma net income is not presented for the year ended December 31, 2004 because the pro forma application of FIN 47 would result in pro forma net income not materially different from the actual amount reported during that period.

Our pro forma liability for conditional ARO which has been calculated as if FIN 47 had been adopted as of the beginning of 2004 was \$5,453,000.

See “Accounting for Asset Retirement Obligations (ARO)” section of Note 1 for further discussion.

EITF Issue 04-13 “Accounting for Purchases and Sales of Inventory with the Same Counterparty”

This issue focuses on two inventory exchange issues. Inventory purchase or sales transactions with the same counterparty should be combined under APB Opinion No. 29, “Accounting for Nonmonetary Transactions” if they were entered in contemplation of one another. Nonmonetary exchanges of inventory within the same line of business should be valued at fair value if an entity exchanges finished goods for raw materials or work in progress within the same line of business and if fair value can be determined and the transaction has commercial substance. All other nonmonetary exchanges within the same line of business should be valued at the carrying amount of the inventory transferred. This issue will be implemented beginning April 1, 2006 and is not expected to have a material impact on our financial statements.

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Future Accounting Changes

The FASB’s standard-setting process is ongoing and until new standards have been finalized and issued by FASB, we cannot determine the impact on the reporting of our operations and financial position that may result from any such future changes. The FASB is currently working on several projects including accounting for uncertain tax positions, fair value measurements, business combinations, revenue recognition, pension and postretirement benefit plans, liabilities and equity, subsequent events and related tax impacts. We also expect to see more FASB projects as a result of its desire to converge International Accounting Standards with GAAP. The ultimate pronouncements resulting from these and future projects could have an impact on future results of operations and financial position.

3. RATE MATTERS

Indiana Settlement Agreement

In 2003, fuel and base rates in Indiana were frozen through a prior agreement. In 2004, the IURC ordered the continuation of the fixed fuel adjustment charge on an interim basis through March 2005, pending the outcome of negotiations. Certain parties to the negotiations reached a settlement. The IURC approved the settlement agreement on June 1, 2005.

The approved settlement caps fuel rates for the March 2004 through June 2007 billing months at an increasing rate. Total capped fuel rates will be 9.88 mills per KWH from January 2005 through December 2005, 10.26 mills per KWH from January 2006 through December 2006, and 10.63 mills per KWH from January 2007 through June 2007. Pursuant to a separate IURC order, we began billing the 9.88 mills per KWH total fuel rate on an interim basis effective with the April 2005 billing month. In accordance with the agreement, the October 2005 through March 2006 factor was adjusted for the delayed implementation of the 2005 factor.

The settlement agreement also covers certain events at the Cook Plant. The settlement provides that if an outage of greater than 60 days occurs at the Cook Plant, the recovery of actual monthly fuel costs will be in effect for the outage period beyond 60 days, capped by the average AEP System Pool Primary Energy Rate (Primary Energy Rate). If a second outage greater than 60 days occurs, actual monthly fuel costs capped at the Primary Energy Rate would be recovered through June 2007. Over the term of the settlement, if total cumulative actual fuel costs (except during a Cook Plant outage of greater than 60 days) are less than the cap prices, the savings will be credited to customers over the next two fuel adjustment clause filings. Cumulative net fuel costs in excess of the capped prices cannot be recovered. If the Cook Plant operates at a capacity factor greater than 87% during the fuel cap period, we will receive credit for 30% of the savings produced by that performance.

We experienced a cumulative under-recovery of fuel costs for the period March 2004 through December 2005 of \$12 million. Since we expect that our cumulative fuel costs through the end of the fuel cap period will exceed the capped fuel rates, we recorded \$9 million and \$3 million of under-recoveries as fuel expense in 2005 and 2004, respectively. If future fuel costs per KWH through June 30, 2007 continue to exceed the caps, future results of operations and cash flows would be adversely affected.

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The settlement agreement also caps base rates from January 1, 2005 to June 30, 2007 at the rates in effect as of January 1, 2005. During this cap period, we may not implement a general increase in base rates or implement a rider or cost deferral not established in the settlement agreement unless the IURC determines that a significant change in conditions beyond our control occurs or a material impact on us occurs as a result of federal, state or local regulation or statute that mandates reliability standards related to transmission or distribution costs.

Depreciation Study Filing

In December 2005, we filed a petition with the IURC which seeks authorization effective January 1, 2006 to revise the book depreciation rates applicable to our electric utility plant in service. This petition is not a request for a change in customers’ electric service rates. Based on a depreciation study included in the filing, we recommended a decrease in pretax annual depreciation expense of approximately \$69 million on an Indiana jurisdictional basis reflecting an NRC-approved 20-year extension of the Cook Plant licenses for Units 1 and 2 and an extension of the service life of the Tanners Creek coal-fired generating units. If approved, the book depreciation expense reduction would increase earnings, but would not impact cash flows. Hearings are scheduled to begin in May 2006. When approved by the IURC, we will prospectively revise our book depreciation rates and, if appropriate, currently adjust book depreciation expense to the approved effective date.

Allocation of Off-system Sales Margins

In 2002, TCC and TNC filed with the PUCT seeking to reconcile fuel costs and to establish deferred fuel balances. The PUCT issued final orders in each of these proceedings that resulted in significant disallowances for both companies, including an assertion that the allocation of off-system sales margins between AEP East companies and AEP West companies was inconsistent with the FERC-approved SIA and that the AEP West companies should have been allocated greater margins. The parties objected to the inclusion of mark-to-market amounts in developing the allocation base.

In September 2005 in response to an appeal by TNC of the PUCT order, the Federal District Court, Western District of Texas, issued an order precluding the PUCT from enforcing its ruling in the TNC fuel proceeding regarding the PUCT’s reallocation of off-system sales margins. TCC has a similar appeal outstanding and believes that the favorable federal TNC ruling is applicable to its appeal. The PUCT appealed the Federal Court decision to the United States Court of Appeals for the Fifth Circuit. If the PUCT is unsuccessful in the Federal Court system, it could file a complaint at the FERC to address the allocation issue. We are unable to predict if the Federal District Court’s decision will be upheld or whether the PUCT will file a complaint at the FERC.

In a review of PSO’s 2001 fuel and purchased power practices, parties alleged the same misallocations as in the Texas case. The OCC expanded the scope of the proceeding to include the off-system sales margin issue for the year 2002. In July 2005, the OCC staff and two intervenors filed testimony in which they quantified the alleged improperly allocated off-system sales margins between AEP East companies and AEP West companies. Their overall recommendations would result in a significant increase in off-system sales margins allocated to PSO through December 2004.

In 2004, an Oklahoma ALJ found that the OCC lacks authority to examine whether we deviated from the FERC-approved allocation methodology and held that any such complaints should be addressed at the FERC. Intervenors appealed the ALJ ruling to the OCC. The OCC has not ruled on the intervenors’ appeal or the ALJ’s finding.

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If the position taken by the federal court in Texas is applied to PSO's case, the OCC would be preempted from disallowing fuel recoveries for alleged improper allocations of off-system sales margins due to a lack of jurisdiction. If the PUCT, the OCC or another party filed a complaint at the FERC and was successful, it could result in an adverse effect on future results of operations and cash flows for the AEP East companies. This is because the ruling may result in a reallocation of off-system sales margins between AEP East companies and AEP West companies. If that occurs, the AEP West companies could receive additional off-system sales margins from the AEP East companies. To date, there has been no claim asserted at the FERC that we deviated from the approved allocation methodologies. Management is unable to predict the ultimate effect of these fuel proceedings and future FERC proceedings, if any, on future results of operations, cash flows and financial condition.

RTO Formation/Integration

Prior to joining PJM, the AEP East companies, with FERC approval, deferred costs and carrying costs incurred to originally form a new RTO (the Alliance) and subsequently to integrate into an existing RTO (PJM). In 2004, AEP requested permission to amortize, beginning January 1, 2005, deferred RTO formation/integration costs not billed by PJM over 15 years and deferred PJM-billed integration costs without proposing an amortization period in the application. Our PJM-billed and non-PJM billed formation and integration costs included in AEP's application were \$3.8 million and \$3.8 million, respectively.

The FERC approved AEP's application and in January 2005, we began amortizing our deferred RTO formation/integration costs not billed by PJM over 15 years and the deferred PJM-billed integration costs over 10 years consistent with a March 2005 requested rate recovery period discussed below. The AEP East companies did not record a total of \$5 million and \$4 million for all companies of equity carrying costs in 2005 and 2004, respectively, which are not recognized until collected.

Our deferred unamortized RTO formation/integration costs were as follows:

December 31, 2005		December 31, 2004	
PJM-Billed Integration Costs	Non-PJM Billed Formation/ Integration Costs	PJM-Billed Integration Costs	Non-PJM Billed Formation/ Integration Costs
(in millions)			
\$ 3.2	\$ 3.7	\$ 3.5	\$ 3.8

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In March 2005, AEP and two other utilities jointly filed a request with the FERC to recover their deferred PJM-billed integration costs from all load-serving entities in the PJM RTO over a ten-year period starting January 1, 2005. In May 2005, the FERC issued an order denying the request to recover the amortization of the deferred PJM-billed integration costs from all load-serving entities in the PJM RTO, and instead, ordered the companies to make a compliance filing to recover the PJM-billed integration costs solely from the zones of the requesting companies. AEP, together with the other companies, made the compliance filing in May 2005. In June 2005, AEP filed a request for rehearing. Subsequently, the FERC approved the compliance rate, and PJM began charging the rate to load serving entities in the AEP zone (and the other companies' zones), including the AEP East companies on behalf of the load they serve in the AEP zone (about 85% of the total load in the AEP zone). In October 2005, the FERC granted AEP's June 2005 rehearing request and set the following two issues for settlement discussions and, if necessary, for hearing: (i) whether the PJM OATT is unjust and unreasonable without PJM region-wide recovery of PJM-billed integration costs and (ii) a determination of a just and reasonable carrying charge rate on the deferred PJM-billed integration costs. Also, the FERC, in its order, dismissed the May 2005 compliance filing as moot. Settlement discussions are still underway, and a result that would collect a portion of the costs in other PJM zones is likely, though not yet assured.

In March 2005, AEP also filed a request for a revised transmission service revenue requirement for the AEP zone of PJM (as discussed below in the "AEP East Transmission Revenue Requirement and Rates" section). Included in the costs reflected in that revenue requirement was the estimated 2005 amortization of our deferred RTO formation/integration costs (other than the deferred PJM-billed integration costs).

In a December 2005 order, the FERC approved the inclusion of a separate rate in the PJM OATT to recover the amount of deferred RTO formation costs to be amortized, determined to be \$2 million per year. The AEP East companies will be responsible for paying most of the amortized costs assigned by the FERC to the AEP East zone since their internal load is the bulk (about 85%) of the transmission load in the AEP zone. The Indiana service territory is subject to a rate freeze until June 2007, so recovery will be delayed until the freeze ends.

Until we can adjust our retail rates to recover the amortization of both RTO related deferred costs, our results of operations and cash flows will be adversely affected by the amortizations. The proposed FERC settlement would allow and establish a reasonable carrying charge for the deferred costs. If the FERC or any state regulatory authority was to deny the inclusion in the transmission rates of any portion of the amortization of the deferred RTO formation/integration costs, it would have an adverse impact on our future results of operations and cash flows. If the FERC approves a carrying charge rate that is lower than the carrying charge recognized to date, it could have an adverse effect on our future results of operations and cash flows.

Transmission Rate Proceedings at the FERC

FERC Order on Regional Through and Out Rates and Mitigating SECA Revenue

In July 2003, the FERC issued an order directing PJM and MISO to make compliance filings for their respective OATTs to eliminate the transaction-based charges for through-and-out (T&O) transmission service on transactions where the energy is delivered within the proposed MISO and expanded PJM regions (Combined Footprint).

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In November 2003, the FERC issued an order finding that the T&O rates of the former Alliance RTO participants, including AEP, should also be eliminated for transactions within the Combined Footprint. The order directed the RTOs and former Alliance RTO participants to file compliance rates to eliminate T&O rates prospectively within the Combined Footprint and simultaneously implement a load-based transitional rate mechanism called the seams elimination cost allocation (SECA), to mitigate the lost T&O revenues for a two-year transition period beginning April 1, 2004.

The elimination of the T&O charges for transactions between the two RTOs reduces the transmission service revenues collected by the RTOs and thereby, reduces the revenues received by transmission owners, including the AEP East companies, under the RTOs' revenue distribution protocols.

As a result of settlement negotiations in early 2004, the effective date of the SECA transition was delayed by the FERC. The delay was to give parties an opportunity to create a new regional rate regime. When the parties were unable to agree on a single regional rate proposal, the FERC ordered the two-year SECA transition period shortened to sixteen months, effective on December 1, 2004, continuing through March 31, 2006. The FERC has set SECA rate issues for hearing and indicated that the SECA rates are being recovered subject to refund or surcharge. Intervenors in the SECA proceeding are objecting to the SECA rates and the method of determining those rates. At this time, management is unable to determine the probable outcome of the FERC's SECA rate proceeding and its impact on the AEP East companies' future results of operations and cash flows. We recognized net SECA revenues of \$23.7 million and \$2.3 million in 2005 and 2004, respectively.

AEP East Transmission Revenue Requirement and Rates

In the March 2005 FERC filing discussed in the "RTO Formation/Integration" section above, AEP proposed a two-step increase in the revenue requirements and rates for transmission service, and certain ancillary services in the AEP zone of PJM. The customers receiving these services are the AEP East companies, municipal and cooperative wholesale entities, and retail choice customers with load delivery points in the AEP zone of PJM. In December 2005, the FERC approved an uncontested settlement allowing our wholesale transmission rates to increase in three steps: first, beginning November 1, 2005, second, beginning April 1, 2006 when the SECA revenues are expected to be eliminated and third, on the later of August 1, 2006 or the first day of the month following the date when AEP's Wyoming-Jacksons Ferry transmission line enters service, currently expected to occur in June 2006.

PJM Regional Transmission Rate Proceeding

In a separate proceeding, at AEP's urging, the FERC instituted an investigation of PJM's zonal rate regime, indicating that the present regime may need to be replaced through establishment of regional rates that would compensate AEP, among others, for the regional transmission service provided by high voltage facilities they own that benefit customers throughout PJM. In September 2005, AEP and a nonaffiliated utility (Allegheny Power or AP) jointly filed a regional transmission rate design proposal with the FERC.

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This filing proposes and supports a new PJM rate regime generally referred to as Highway/Byway. Under the Highway/Byway rate design proposed by AEP and AP, the cost of all transmission facilities in the PJM region operated at a voltage of 345 kV or higher would be included in a “Highway” rate that all load serving entities (LSEs) would pay based on peak demand. The cost of transmission facilities operating at lower voltages would be collected in the zones where those costs are presently charged under PJM’s rate design which reflects the cost of the facilities in the corporate zone in which the transmission facilities are owned (License Plate Rate). The AEP/AP Highway/Byway design would result in incremental net revenues of approximately \$125 million per year, which would be shared by the AEP East companies based upon each company’s MLR.

A competing Highway/Byway proposal filed by others would also produce net revenues to the AEP East transmission-owning companies, but at a much lower level. Both proposals are being challenged by a majority of transmission owners in the PJM region who favor continuation of the PJM License Plate Rate design. A group of LSEs has also made a proposal that would include 500 kV and higher existing facilities, and some facilities at lower voltages in the highway rate.

In January 2006, the FERC staff issued testimony and exhibits supporting a PJM-wide flat rate or “Postage Stamp” type of rate design. The staff rate design would produce slightly more net revenue for AEP than the original AEP/AP proposal. The case is scheduled for hearing in April 2006. AEP management cannot at this time estimate the outcome of the proceeding; however, adoption of any of the new proposals would have a positive effect on AEP revenues, compared to the License Plate Rates that will otherwise prevail beginning April 1, 2006 when the transitional SECA rates expire.

As of December 31, 2005, SECA transition rates have not fully compensated the AEP East companies for their lost T&O revenues. Effective with the expiration of the SECA transition rates on March 31, 2006, the increase in the AEP East zonal transmission rates applicable to AEP’s internal load and wholesale transmission customers in AEP’s zone will not be sufficient to replace the SECA transition rate revenues; however, a favorable outcome in the PJM regional transmission rate proceeding, made retroactive to April 1, 2006 could mitigate a large portion of the expected shortfall. Full mitigation of the effects of eliminated T&O revenues will require cost recovery through retail rate proceedings. Management is unable to predict when and if the effect of the loss of transmission revenues will be recoverable on a timely basis in all of the AEP East state retail jurisdictions and from wholesale LSEs within the PJM region.

Future results of operations, cash flows and financial condition would be adversely affected if:

- the SECA transition rates do not fully compensate for our lost T&O revenues through March 31, 2006, or
- the newly approved AEP zonal transmission rates are not sufficient to replace the lost T&O/SECA revenues, or
- the FERC’s review of our current SECA rates results in a rate reduction which is subject to refund, or
- any increase in the AEP East companies’ transmission costs from the loss of transmission revenues are not fully recovered in retail rates on a timely basis, or
- the FERC does not approve a new regional rate within PJM.

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FERC Market Power Mitigation

In April 2004, the FERC issued two orders concerning utilities’ ability to sell wholesale electricity at market-based rates. In the first order, the FERC adopted two new interim screens for assessing potential generation market power of applicants for wholesale market-based rates, and described additional analyses and mitigation measures that could be presented if an applicant does not pass one of these interim screens. These two screening tests include a “pivotal supplier” test which determines if the market load can be fully served by alternative suppliers and a “market share” test which compares the amount of surplus generation at the time of the applicant’s minimum load. The FERC also initiated a rulemaking to consider whether the FERC’s current methodology for determining whether a public utility should be allowed to sell wholesale electricity at market-based rates should be modified in any way. In a December 2004 order, the FERC affirmed the conclusions that the AEP East companies passed both market power screen tests.

In addition to FERC market monitoring, the AEP East companies are subject to market monitoring oversight by PJM. These market monitors have authority for oversight and market power mitigation.

Management believes that the AEP System is unable to exercise market power in any region. At this time the impact on future wholesale power revenues, results of operations and cash flows from the FERC’s and PJM’s market power analysis cannot be determined.

Allocation Agreement between AEP East companies and AEP West companies

The SIA provides, among other things, for the methodology of sharing trading and marketing margins between the AEP East companies and AEP West companies. The current allocation methodology was established at the time of the AEP-CSW merger and, consistent with the terms of the SIA, in November 2005, AEP filed a proposed allocation methodology to be used in 2006 and beyond. The proposed allocation methodology is based upon the location of the specific trading and marketing activity, with margins resulting from trading and marketing activities originating in PJM and MISO generally accruing to the benefit of the AEP East companies and trading and marketing activities originating in SPP and ERCOT generally accruing to the benefit of PSO and SWEPCo. Previously, the SIA allocation provided for a different method of sharing of all such margins between both AEP East companies and AEP West companies. The allocation ultimately approved by the FERC may differ from the one proposed. AEP companies requested that the new methodology be effective on a prospective basis after the FERC’s order. The impact on future results of operations and cash flows will depend upon the methodology approved by the FERC, the level of future margins by region and the status of cost recovery mechanisms by state. Total trading and marketing margins are unaffected by the allocation methodology. However, because trading and marketing activities are not treated the same for ratemaking purposes in each state retail jurisdiction and the timing of inclusion of the margins in rates may differ, the AEP East companies’ and AEP West companies’ results of operations and cash flows could be affected. Management is unable to predict the ultimate effect of this filing on the AEP East companies and AEP West companies’ future results of operations and cash flows.

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4. EFFECTS OF REGULATION

Regulatory Assets and Liabilities

Our regulatory assets and liabilities are comprised of the following items at December 31:

	<u>2005</u>	<u>2004</u>	<u>Recovery/Refund Period</u>
	(in thousands)		
Regulatory Assets:			
SFAS 109 Regulatory Asset	\$ 175,673	\$ 212,030	Various Periods (a)
Other	93,985	96,298	Various Periods (a)
Total FERC Account 182.3 Regulatory Assets	<u>\$ 269,658</u>	<u>\$ 308,328</u>	
Unamortized Loss on Reacquired Debt (d)	<u>\$ 18,231</u>	<u>\$ 17,314</u>	Up to 27 Years (c)
Regulatory Liabilities:			
SFAS 109 Regulatory Liability	\$ 56,930	\$ 64,864	Various Periods (a)
Excess ARO for Nuclear Decommissioning	271,318	245,175	(b)
Other	82,770	69,196	Various Periods (a)
Total FERC Account 254 Regulatory Liabilities	<u>\$ 411,018</u>	<u>\$ 379,235</u>	
Deferred Investment Tax Credits (d)	<u>\$ 75,077</u>	<u>\$ 82,802</u>	Up to 17 Years (a)

- (a) Amount earns a return.
- (b) This is the cumulative difference in the amount provided through rates and the amount as measured by applying SFAS 143. This amount earns a return, which accrues monthly, and will be paid when the nuclear plant is decommissioned.
- (c) Amount effectively earns a return.
- (d) Recorded in an account other than regulatory asset or liability on the balance sheet.

Phase-in Plans

Rate phase-in plans in our FERC jurisdiction provides for the recovery and straight-line amortization of deferred Rockport Plant Unit 1 costs over thirty years beginning in 1987. In 2004, amortization was \$255,000.

Unamortized deferred amounts under the phase-in plans were \$3.1 million at December 31, 2004. The remaining balance under the phase-in plans were written off in 2005.

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Merger with CSW

On June 15, 2000, AEP merged with CSW so that CSW became a wholly-owned subsidiary of AEP. The following table summarizes significant merger-related agreements.

Summary of key provisions of Merger Rate Agreements beginning in the third quarter of 2000:

<u>State/Company</u>	<u>Ratemaking Provisions</u>
Indiana	Rate reductions of \$67 million over 8 years.
Michigan	Customer billing credits of approximately \$14 million over 8 years.

If actual merger savings are significantly less than the merger savings rate reductions required by the merger settlement agreements in the remaining periods of the merger agreements, future results of operations and cash flows could be adversely affected.

5. CUSTOMER CHOICE AND INDUSTRY RESTRUCTURING

Customer choice commenced for our Michigan customers on January 1, 2002. Effective with that date, the rates on our Michigan customers' bills for retail electric service were unbundled to allow customers the opportunity to evaluate the cost of generation service for comparison with other offers. Our total base rates in Michigan remain unchanged and reflect cost of service. At December 31, 2005, none of our customers elected to change suppliers and no alternative electric suppliers are registered to compete in our Michigan service territory. As a result, management concluded that as of December 31, 2005 the requirements to apply SFAS 71 continue to be met since our rates for generation in Michigan continue to be cost-based regulated.

6. COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL

Federal EPA Complaint and Notice of Violation

The Federal EPA and a number of states have alleged that we, along with APCo, CSPCo, OPCo and other nonaffiliated utilities, modified certain units at coal-fired generating plants in violation of the NSR requirements of the CAA. The Federal EPA filed its complaints against AEP subsidiaries in U.S. District Court for the Southern District of Ohio. The court also consolidated a separate lawsuit, initiated by certain special interest groups, with the Federal EPA case. The alleged modifications occurred at our generating units over a 20-year period. A bench trial on the liability issues was held during July 2005. Briefing has concluded but no decision has been issued.

Under the CAA, if a plant undertakes a major modification that directly results in an emissions increase, permitting requirements might be triggered and the plant may be required to install additional pollution control technology. This requirement does not apply to activities such as routine maintenance, replacement of degraded equipment or failed components, or other repairs needed for the reliable, safe and efficient operation of the plant. The CAA authorizes civil penalties of up to \$27,500 (\$32,500 after March 15, 2004) per day per violation at each generating unit. In 2001, the District Court ruled claims for civil penalties based on activities that occurred more than five years before the filing date of the complaints cannot be imposed. There is no time limit on claims for injunctive relief.

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Courts have reached different conclusions regarding whether the activities at issue in these cases are routine maintenance, repair, or replacement, and therefore are excluded from NSR. Similarly, courts have reached different results regarding whether the activities at issue increased emissions from the power plants. The Federal EPA has recently issued a final rule that would exclude activities similar to those challenged in these cases from NSR as “routine replacements.” That rule is being challenged in the courts. The Federal EPA also recently proposed a rule that would define “emissions increases” in a way that most of the challenged activities would be excluded from NSR.

Management is unable to estimate the loss or range of loss related to any contingent liability AEP subsidiaries might have for civil penalties under the CAA proceedings. Management is also unable to predict the timing of resolution of these matters due to the number of alleged violations and the significant number of issues yet to be determined by the Court. If AEP subsidiaries do not prevail, management believes AEP subsidiaries can recover any capital and operating costs of additional pollution control equipment that may be required through regulated rates and market prices for electricity. If any of the AEP subsidiaries are unable to recover such costs or if material penalties are imposed, it would adversely affect future results of operations, cash flows and possibly financial condition.

Carbon Dioxide (CO₂) Public Nuisance Claims

In July 2004, attorneys general from eight states and the corporation counsel for the City of New York filed an action in federal district court for the Southern District of New York against AEP, AEPSC and four other nonaffiliated governmental and investor-owned electric utility systems. That same day, the Natural Resources Defense Council, on behalf of three special interest groups, filed a similar complaint in the same court against the same defendants. The actions allege that CO₂ emissions from the defendant’s power plants constitute a public nuisance under federal common law due to impacts associated with global warming, and sought injunctive relief in the form of specific emission reduction commitments from the defendants. In September 2004, the defendants, including AEP and AEPSC, filed a motion to dismiss the lawsuits. In September 2005, the lawsuits were dismissed. The trial court’s dismissal has been appealed to the Second Circuit Court of Appeals and briefing continues. Management believes the actions are without merit and intends to defend vigorously against the claims.

The Comprehensive Environmental Response Compensation and Liability Act (Superfund) and State Remediation

By-products from the generation of electricity include materials such as ash, slag, sludge, low-level radioactive waste and SNF. Coal combustion by-products, which constitute the overwhelming percentage of these materials, are typically treated and deposited in captive disposal facilities or are beneficially utilized. In addition, our generating plants and transmission and distribution facilities have used asbestos, polychlorinated biphenyls (PCBs) and other hazardous and nonhazardous materials. We currently incur costs to safely dispose of these substances.

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Superfund addresses clean-up of hazardous substances at disposal sites. The Federal EPA administers the clean-up programs. Several states have enacted similar laws. At December 31, 2005, we are named as a Potentially Responsible Party (PRP) for one site by the Federal EPA. There is one additional site for which we have received an information request which could lead to PRP designation. We have also been named potentially liable at one site under state law. In those instances where we have been named, disposal or recycling activities were in accordance with the then-applicable laws and regulations. Superfund does not recognize compliance as a defense, but imposes strict liability on parties who fall within its broad statutory categories.

While the potential liability for each Superfund site must be evaluated separately, several general statements can be made regarding our potential future liability. Disposal of materials at a particular site is often unsubstantiated and the quantity of materials deposited at a site was small and often nonhazardous. Although Superfund liability has been interpreted by the courts as joint and several, typically many parties are named as PRPs for each site and several of the parties are financially sound enterprises. Therefore, present estimates do not anticipate material cleanup costs for identified sites. If significant cleanup costs were attributed to us in the future under Superfund, results of operations, cash flows and possibly financial condition would be adversely affected unless the costs can be included in electricity prices.

NUCLEAR

Nuclear Plant

We own and operate the two-unit 2,110 MW Cook Plant under licenses granted by the NRC. We have a significant future finance commitment to safely dispose of SNF and to decommission and decontaminate the plant. The operation of a nuclear facility involves special risks, potential liabilities, and specific regulatory and safety requirements. Should a nuclear incident occur at any nuclear power plant facility in the U.S., the resultant liability could be substantial. By agreement, we are partially liable together with all other electric utility companies that own nuclear generating units for a nuclear power plant incident at any nuclear plant in the U.S. In the event nuclear losses or liabilities are underinsured or exceed accumulated funds and recovery from customers is not possible, results of operations, cash flows and financial condition would be adversely affected.

Nuclear Incident Liability

The Price-Anderson Act establishes insurance protection for public liability arising from a nuclear incident at \$10.8 billion and covers any incident at a licensed reactor in the U.S. Commercially available insurance, which must be carried for each licensed reactor, provides \$300 million of coverage. In the event of a nuclear incident at any nuclear plant in the U.S., the remainder of the liability would be provided by a deferred premium assessment of \$101 million on each licensed reactor in the U.S. payable in annual installments of \$15 million. As a result, we could be assessed \$202 million per nuclear incident payable in annual installments of \$30 million. The number of incidents for which payments could be required is not limited. Under an industry-wide program insuring workers at nuclear facilities, we are also obligated for assessments of up to \$6 million for potential claims until December 31, 2007.

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We carry insurance coverage for property damage, decommissioning and decontamination at the Cook Plant in the amount of \$1.8 billion. We purchase \$1 billion of excess coverage for property damage, decommissioning and decontamination. Additional insurance provides coverage for extra costs resulting from a prolonged accidental outage. We utilize an industry mutual insurer for the placement of this insurance coverage. Participation in this mutual insurer requires a contingent financial obligation of up to \$41 million which is assessable if the insurer's financial resources would be inadequate to pay for losses.

In 2005, the Price-Anderson Act was extended by amendment through December 31, 2025.

SNF Disposal

Federal law provides for government responsibility for permanent SNF disposal and assesses fees to nuclear plant owners for SNF disposal. A fee of one mill per KWH for fuel consumed after April 6, 1983 at the Cook Plant is being collected from customers and remitted to the U.S. Treasury. Fees and related interest of \$236 million for fuel consumed prior to April 7, 1983 at the Cook Plant have been recorded as Long-term Debt. I&M has not paid the government the Cook Plant related pre-April 1983 fees due to continued delays and uncertainties related to the federal disposal program. At December 31, 2005, funds collected from customers towards payment of the pre-April 1983 fee and related earnings of \$264 million are in external trust funds.

SNF Litigation

The Nuclear Waste Policy Act of 1982 established federal responsibility for the permanent off-site disposal of SNF and high-level radioactive waste. Under the provisions of the Nuclear Waste Policy Act, collections from customers are to provide the DOE with money to build a permanent repository for spent fuel. The DOE failed to begin accepting SNF by the January 1998 deadline in the law. DOE continues to fail the requirements of the Nuclear Waste Policy Act.

As a result of DOE's failure to make sufficient progress toward a permanent repository or otherwise assume responsibility for SNF, we, along with a number of nonaffiliated utilities and states, filed suit in the D.C. Circuit Court requesting, among other things, that the D.C. Circuit Court order DOE to meet its obligations under the law. The D.C. Circuit Court ordered the parties to proceed with contractual remedies but declined to order DOE to begin accepting SNF for disposal. DOE estimates its planned site for nuclear waste will not be ready until at least 2010. In 1998, we filed a complaint in the U.S. Court of Federal Claims seeking damages in excess of \$150 million due to the DOE's partial material breach of its unconditional contractual deadline to begin disposing of SNF generated by the Cook Plant. Similar lawsuits were filed by other utilities. In January 2003, the U.S. Court of Federal Claims ruled in our favor on the issue of liability.

The case was tried in March 2004 on the issue of damages owed to us by the DOE. In May 2004, the U.S. Court of Federal Claims ruled against us and denied damages, ruling that pre-breach and post-breach damages are not recoverable in a partial breach case. In July 2004, we appealed this ruling to the U.S. Court of Appeals for the Federal Circuit. In September 2005, the U.S. Court of Appeals ruled that the trial court erred in ruling that pre-breach damages in a partial breach case are per se not recoverable, but denied our pre-breach damages on the facts alleged. The Court of Appeals also ruled that the trial court did not err in determining that post-breach damages are not recoverable in a partial breach case, but determined that we may recover post-breach damages in later suits as the costs are incurred.

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Decommissioning and Low Level Waste Accumulation Disposal

The cost to decommission nuclear plants is affected by both NRC regulations and the delayed SNF disposal program. Decommissioning costs are accrued over the service life of the Cook Plant. The licenses to operate the two nuclear units at the Cook Plant expire in 2034 and 2037. After expiration of the licenses, the Cook Plant is expected to be decommissioned using the prompt decontamination and dismantlement (DECON) method. The estimated cost of decommissioning and low-level radioactive waste accumulation disposal costs for the Cook Plant ranges from \$889 million to \$1.1 billion in 2003 nondiscounted dollars. The wide range is caused by variables in assumptions. We are recovering estimated Cook Plant decommissioning costs in its three rate-making jurisdictions based on at least the lower end of the range in the most recent decommissioning study at the time of the last rate proceeding. The amount recovered in rates for decommissioning the Cook Plant was \$27 million in 2005 and 2004.

Decommissioning costs recovered from customers are deposited in external trusts. We deposited in our decommissioning trust an additional \$4 million in 2005 and 2004 related to special regulatory commission approved funding for decommissioning of the Cook Plant. At December 31, 2005, the total decommissioning trust fund balance for Cook Plant was \$870 million. Trust fund earnings increase the fund assets and decrease the amount needed to be recovered from ratepayers. Decommissioning costs for the Cook Plant including interest, unrealized gains and losses and expenses of the trust funds, increase or decrease the recorded liability.

Estimates from the decommissioning study could continue to escalate due to the uncertainty in the SNF disposal program and the length of time that SNF may need to be stored at the plant site. We will work with regulators and customers to recover the remaining estimated costs of decommissioning the Cook Plant. However, future results of operations, cash flows and possibly financial condition would be adversely affected if the cost of SNF disposal and decommissioning continues to increase and cannot be recovered.

OPERATIONAL

Construction and Commitments

We have substantial construction commitments to support our operations and environmental investments. Our estimated construction expenditures for 2006 are \$311 million. Estimated construction expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints, environmental regulations, business opportunities, market volatility, economic trends, and the ability to access capital.

We have entered into long-term contracts to acquire fuel for electric generation. The expiration date of our longest fuel contract is 2014. The contracts provide for periodic price adjustments and contain various clauses that would release us from our obligations under certain conditions.

Potential Uninsured Losses

Some potential losses or liabilities may not be insurable or the amount of insurance carried may not be sufficient to meet potential losses and liabilities, including, but not limited to, liabilities relating to damage to the Cook Plant and costs of replacement power in the event of a nuclear incident at the Cook Plant. Future losses or liabilities, if they occur, which are not completely insured, unless recovered from customers, could have a material adverse effect on results of operations, cash flows and financial condition.

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Merger Litigation

In 2002, the U.S. Court of Appeals for the District of Columbia ruled that the SEC failed to adequately explain that the June 15, 2000 merger of AEP with CSW meets the requirements of the PUHCA and sent the case back to the SEC for further review. Upon repeal of PUHCA on February 8, 2006, the SEC dismissed the proceeding challenging AEP's merger with CSW.

FERC Long-term Contracts

In 2002, the FERC held a hearing related to a complaint filed by certain wholesale customers located in Nevada. The complaint sought to break long-term contracts entered during the 2000 and 2001 California energy price spike which the customers alleged were "high-priced." The complaint alleged that AEP subsidiaries sold power at unjust and unreasonable prices. In December 2002, a FERC ALJ ruled in AEP's favor and dismissed the complaint filed by the two Nevada utilities. In 2001, the utilities filed complaints asserting that the prices for power supplied under those contracts should be lowered because the market for power was allegedly dysfunctional at the time such contracts were executed. The ALJ rejected the utilities' complaint, held that the markets for future delivery were not dysfunctional, and that the utilities had failed to demonstrate that the public interest required that changes be made to the contracts. In June 2003, the FERC issued an order affirming the ALJ's decision. The utilities' request for a rehearing was denied. The utilities' appeal of the FERC order is pending before the U.S. Court of Appeals for the Ninth Circuit. Management is unable to predict the outcome of this proceeding and its impact on future results of operations and cash flows.

7. GUARANTEES

There are certain immaterial liabilities recorded for guarantees in accordance with FIN 45 "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." There is no collateral held in relation to any guarantees. In the event any guarantee is drawn, there is no recourse to third parties.

Letters of Credit

We have entered into standby letters of credit (LOCs) with third parties. These LOCs cover items such as insurance programs, security deposits, debt service reserves and credit enhancements for issued bonds. All of these LOCs were issued in our ordinary course of business. At December 31, 2005, the maximum future payments of the LOCs include \$1 million with a maturity of March 2006.

Indemnifications and Other Guarantees

Contracts

We enter into certain types of contracts which require indemnifications. Typically these contracts include, but are not limited to, sale agreements, lease agreements, purchase agreements and financing agreements. Generally, these agreements may include, but are not limited to, indemnifications around certain tax, contractual and environmental matters. With respect to sale agreements, exposure generally does not exceed the sale price. We cannot estimate the maximum potential exposure for any of these indemnifications executed prior to December 31, 2002 due to the uncertainty of future events. There are no material liabilities recorded for any indemnifications.

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We are jointly and severally liable for activity conducted by AEPSC on behalf of AEP East companies and AEP West companies and for activity conducted pursuant to the SIA.

Master Operating Lease

We lease certain equipment under a master operating lease. Under the lease agreement, the lessor is guaranteed to receive up to 87% of the unamortized balance of the equipment at the end of the lease term. If the fair market value of the leased equipment is below the unamortized balance at the end of the lease term, we have committed to pay the difference between the fair market value and the unamortized balance, with the total guarantee not to exceed 87% of the unamortized balance. At December 31, 2005, our maximum potential loss for these lease agreements assuming the fair market value of the equipment is zero at the end of the lease term is \$4 million.

8. COMPANY-WIDE STAFFING AND BUDGET REVIEW

Our severance benefits expense recorded in 2005 (primarily in Operation Expenses) resulting from a company-wide staffing and budget review, including the allocation of severance benefits expense associated with AEPSC employees was \$4.7 million.

9. BENEFIT PLANS

We participate in AEP sponsored qualified pension plans and nonqualified pension plans. A substantial majority of employees are covered by either one qualified plan or both a qualified and a nonqualified pension plan. In addition, we participate in other postretirement benefit plans sponsored by AEP to provide medical and life insurance benefits for retired employees. We implemented FASB Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug Improvement and Modernization Act of 2003" (FSP FAS 106-2) in the second quarter of 2004, retroactive to the first quarter of 2004. The Medicare subsidy reduced the FAS 106 accumulated postretirement benefit obligation (APBO) related to benefits attributed to past service by \$202 million for the AEP plan contributing to an actuarial gain in 2004. As a result of implementing FSP FAS 106-2, the tax-free subsidy reduced 2004's net periodic postretirement benefit cost for the AEP plan by a total of \$29 million, including \$12 million of amortization of the actuarial gain, \$4 million of reduced service cost, and \$13 million of reduced interest cost on the APBO.

Our reduction in the net periodic postretirement cost for 2004 was \$3,584,000.

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The following tables provide a reconciliation of the changes in AEP plans' projected benefit obligations and fair value of assets over the two-year period ending at the plan's measurement date of December 31, 2005, and a statement of the funded status as of December 31 for both years:

AEP Pension Obligations, Plan Assets, Funded Status as of December 31, 2005 and 2004

	<u>Pension Plans</u>		<u>Other Postretirement Benefit Plans</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(in millions)			
Change in Projected Benefit Obligation:				
Projected Obligation at January 1	\$ 4,108	\$ 3,688	\$ 2,100	\$ 2,163
Service Cost	93	86	42	41
Interest Cost	228	228	107	117
Participant Contributions	-	-	20	18
Actuarial (Gain) Loss	191	379	(320)	(130)
Benefit Payments	(273)	(273)	(118)	(109)
Projected Obligation at December 31	<u>\$ 4,347</u>	<u>\$ 4,108</u>	<u>\$ 1,831</u>	<u>\$ 2,100</u>
Change in Fair Value of Plan Assets:				
Fair Value of Plan Assets at January 1	\$ 3,555	\$ 3,180	\$ 1,093	\$ 950
Actual Return on Plan Assets	224	409	70	98
Company Contributions	637	239	107	136
Participant Contributions	-	-	20	18
Benefit Payments	(273)	(273)	(118)	(109)
Fair Value of Plan Assets at December 31	<u>\$ 4,143</u>	<u>\$ 3,555</u>	<u>\$ 1,172</u>	<u>\$ 1,093</u>
Funded Status:				
Funded Status at December 31	\$ (204)	\$ (553)	\$ (659)	\$ (1,007)
Unrecognized Net Transition Obligation	-	-	152	179
Unrecognized Prior Service Cost (Benefit)	(9)	(9)	5	5
Unrecognized Net Actuarial Loss	1,266	1,040	471	795
Net Asset (Liability) Recognized	<u>\$ 1,053</u>	<u>\$ 478</u>	<u>\$ (31)</u>	<u>\$ (28)</u>

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Amounts Recognized in AEP's Balance Sheets as of December 31, 2005 and 2004

	<u>Pension Plans</u>		<u>Other Postretirement Benefit Plans</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(in millions)			
Prepaid Benefit Costs	\$ 1,099	\$ 524	\$ -	\$ -
Accrued Benefit Liability	(46)	(46)	(31)	(28)
Additional Minimum Liability	(35)	(566)	N/A	N/A
Intangible Asset	6	36	N/A	N/A
Pretax Accumulated Other Comprehensive Income	29	530	N/A	N/A
Net Asset (Liability) Recognized	<u>\$ 1,053</u>	<u>\$ 478</u>	<u>\$ (31)</u>	<u>\$ (28)</u>

N/A = Not Applicable

AEP Pension and Other Postretirement Plans' Assets

The asset allocations for AEP's pension plans at the end of 2005 and 2004, and the target allocation for 2006, by asset category, are as follows:

<u>Asset Category</u>	<u>Target Allocation</u>	<u>Percentage of Plan Assets at Year End</u>	
	<u>2006</u>	<u>2005</u>	<u>2004</u>
	(in percentages)		
Equity Securities	70	66	68
Debt Securities	28	25	25
Cash and Cash Equivalents	2	9	7
Total	<u>100</u>	<u>100</u>	<u>100</u>

The asset allocations for AEP's other postretirement benefit plans at the end of 2005 and 2004, and target allocation for 2006, by asset category, are as follows:

<u>Asset Category</u>	<u>Target Allocation</u>	<u>Percentage of Plan Assets at Year End</u>	
	<u>2006</u>	<u>2005</u>	<u>2004</u>
	(in percentages)		
Equity Securities	66	68	70
Debt Securities	31	30	28
Other	3	2	2
Total	<u>100</u>	<u>100</u>	<u>100</u>

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AEP's investment strategy for their employee benefit trust funds is to use a diversified mixture of equity and fixed income securities to preserve the capital of the funds and to maximize the investment earnings in excess of inflation within acceptable levels of risk. AEP regularly reviews the actual asset allocation and periodically rebalances the investments to the targeted allocation when considered appropriate. Because of the \$320 million and \$200 million contributions at the end of 2005 and 2004, respectively, the actual pension asset allocation was different from the target allocation at the end of the year. The asset portfolio was rebalanced to the target allocation in January 2006 and 2005.

The value of AEP's pension plans' assets increased to \$4.1 billion at December 31, 2005 from \$3.6 billion at December 31, 2004. AEP's qualified plans paid \$263 million in benefits to plan participants during 2005 (nonqualified plans paid \$10 million in benefits).

AEP bases its determination of pension expense or income on a market-related valuation of assets which reduces year-to-year volatility. This market-related valuation recognizes investment gains or losses over a five-year period from the year in which they occur. Investment gains or losses for this purpose are the difference between the expected return calculated using the market-related value of assets and the actual return based on the market-related value of assets. Since the market-related value of assets recognizes gains or losses over a five-year period, the future value of assets will be impacted as previously deferred gains or losses are recorded.

<u>Accumulated Benefit Obligation</u>	<u>2005</u>	<u>2004</u>
	(in millions)	
Qualified Pension Plans	\$ 4,053	\$ 3,918
Nonqualified Pension Plans	81	80
Total	<u>\$ 4,134</u>	<u>\$ 3,998</u>

Minimum Pension Liability

AEP's combined pension funds are underfunded in total (plan assets are less than projected benefit obligations) by \$204 million and \$553 million at December 31, 2005 and December 31, 2004, respectively. For AEP's underfunded pension plans that had an accumulated benefit obligation in excess of plan assets, the projected benefit obligation, accumulated benefit obligation, and fair value of plan assets of these plans at December 31, 2005 and 2004 were as follows:

	Underfunded Pension Plans	
	As of December 31,	
	<u>2005</u>	<u>2004</u>
	(in millions)	
Projected Benefit Obligation	\$ 84	\$ 2,978
Accumulated Benefit Obligation	81	2,880
Fair Value of Plan Assets	-	2,406
Accumulated Benefit Obligation Exceeds the Fair Value of Plan Assets	81	474

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A minimum pension liability is recorded for pension plans with an accumulated benefit obligation in excess of the fair value of plan assets. The minimum pension liability for the underfunded pension plans declined during 2005 and 2004, resulting in the following favorable changes, which do not affect earnings or cash flow:

	Decrease in Minimum Pension Liability	
	2005	2004
	(in millions)	
Other Comprehensive Income	\$ (330)	\$ (92)
Deferred Income Taxes	(175)	(52)
Intangible Asset	(30)	(3)
Other	4	(10)
Minimum Pension Liability	<u>\$ (531)</u>	<u>\$ (157)</u>

AEP made discretionary contributions of \$626 million and \$200 million in 2005 and 2004, respectively, to meet its goal of fully funding all qualified pension plans by the end of 2005.

Actuarial Assumptions for Benefit Obligations

The weighted-average assumptions as of December 31, used in the measurement of AEP's benefit obligations are shown in the following tables:

	Pension Plans		Other Postretirement Benefit Plans	
	2005	2004	2005	2004
	(in percentages)			
Discount Rate	5.50	5.50	5.65	5.80
Rate of Compensation Increase	5.90 (a)	3.70	N/A	N/A

- (a) Rates are for base pay only. In addition, an amount is added to reflect target incentive compensation for exempt employees and overtime and incentive pay for nonexempt employees.

The method used to determine the discount rate that AEP utilizes for determining future benefit obligations was revised in 2004. Historically, it has been based on the Moody's AA bond index which includes long-term bonds that receive one of the two highest ratings given by a recognized rating agency. The discount rate determined on this basis would have been 5.75% at December 31, 2004. In 2004, AEP changed to a duration-based method where a hypothetical portfolio of high quality corporate bonds was constructed with a duration similar to the duration of the benefit plan liability. The composite yield on the hypothetical bond portfolio was used as the discount rate for the plan. The discount rate at December 31, 2005 and 2004 under this method was 5.50% for pension plans and 5.65% and 5.80%, respectively, for other postretirement benefit plans.

For 2005, the rate of compensation increase assumed varies with the age of the employee, ranging from 5.0% per year to 11.5% per year, with an average increase of 5.9%.

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Estimated Future Benefit Payments and Contributions

Information about AEP's expected cash flows for the pension (qualified and nonqualified) and other postretirement benefit plans is as follows:

Employer Contributions	Pension Plans		Other Postretirement Benefit Plans	
	2006	2005	2006	2005
	(in millions)			
Required Contributions (a)	\$ 8	\$ 10	N/A	N/A
Additional Discretionary Contributions	\$ -	\$ 626 (b)	\$ 96	\$ 107

- (a) Contribution required to meet minimum funding requirement per the U.S. Department of Labor and to fund nonqualified benefit payments.
- (b) Contribution in 2005 in excess of the required contribution to fully fund AEP's qualified pension plans by the end of 2005.

The contribution to the pension plans is based on the minimum amount required by the U.S. Department of Labor and the amount to fund nonqualified benefit payments, plus the additional discretionary contributions to fully fund the qualified pension plans. The contribution to the other postretirement benefit plans' trust is generally based on the amount of the other postretirement benefit plans' expense for accounting purposes and is provided for in agreements with state regulatory authorities.

The table below reflects the total benefits expected to be paid from the plan or from AEP's assets, including both AEP's share of the benefit cost and the participants' share of the cost, which is funded by participant contributions to the plan. Medicare subsidy receipts are shown in the year corresponding benefit payments, even though actual cash receipts are expected early in the following year. Future benefit payments are dependent on the number of employees retiring, whether the retiring employees elect to receive pension benefits as annuities or as lump sum distributions, future integration of the benefit plans with changes to Medicare and other legislation, future levels of interest rates, and variances in actuarial results. The estimated payments for pension benefits and other postretirement benefits are as follows:

	Pension Plans		Other Postretirement Benefit Plans	
	Pension Payments	Benefit Payments	Medicare Subsidy Receipts	
	(in millions)			
2006	\$ 291	\$ 117	\$ (9)	
2007	305	125	(10)	
2008	316	133	(10)	
2009	335	140	(11)	
2010	344	148	(11)	
Years 2011 to 2015, in Total	1,811	857	(65)	

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Components of Net Periodic Benefit Cost

The following table provides the components of AEP's net periodic benefit cost (credit) for the plans for fiscal years 2005 and 2004:

	<u>Pension Plans</u>		<u>Other Postretirement Benefit Plans</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(in millions)			
Service Cost	\$ 93	\$ 86	\$ 42	\$ 41
Interest Cost	228	228	107	117
Expected Return on Plan Assets	(314)	(292)	(92)	(81)
Amortization of Transition (Asset) Obligation	-	2	27	28
Amortization of Prior Service Cost	(1)	(1)	-	-
Amortization of Net Actuarial Loss	55	17	25	36
Net Periodic Benefit Cost	<u>61</u>	<u>40</u>	<u>109</u>	<u>141</u>
Capitalized Portion	(17)	(10)	(33)	(46)
Net Periodic Benefit Cost Recognized as Expense	<u>\$ 44</u>	<u>\$ 30</u>	<u>\$ 76</u>	<u>\$ 95</u>

Net Pension Cost

Our net periodic benefit cost for the pension plans for fiscal years 2005 and 2004 was \$9,467,000 and \$4,476,000, respectively.

Our net periodic benefit cost for the other postretirement benefit plans for fiscal years 2005 and 2004 was \$12,878,000 and \$16,554,000, respectively.

Actuarial Assumptions for Net Periodic Benefit Costs

The weighted-average assumptions as of January 1, used in the measurement of AEP's benefit costs are shown in the following tables:

	<u>Pension Plans</u>		<u>Other Postretirement Benefit Plans</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(in percentages)			
Discount Rate	5.50	6.25	5.80	6.25
Expected Return on Plan Assets	8.75	8.75	8.37	8.35
Rate of Compensation Increase	3.70	3.70	N/A	N/A

The expected return on plan assets for 2005 was determined by evaluating historical returns, the current investment climate, rate of inflation, and current prospects for economic growth. After evaluating the current yield on fixed income securities as well as other recent investment market indicators, the expected return on plan assets was 8.75% for 2005. The expected return on other postretirement benefit plan assets (a portion of which is subject to capital gains taxes as well as unrelated business income taxes) was increased to 8.37%.

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The health care trend rate assumptions used for other postretirement benefit plans measurement purposes are shown below:

<u>Health Care Trend Rates</u>	<u>2005</u>	<u>2004</u>
Initial	9.0 %	10.0 %
Ultimate	5.0 %	5.0 %
Year Ultimate Reached	2009	2009

Assumed health care cost trend rates have a significant effect on the amounts reported for the other postretirement benefit health care plans. A 1% change in assumed health care cost trend rates would have the following effects:

	<u>1% Increase</u>	<u>1% Decrease</u>
	(in millions)	
Effect on Total Service and Interest Cost Components of Net Periodic Postretirement Health Care Benefit Cost	\$ 22	\$ (18)
Effect on the Health Care Component of the Accumulated Postretirement Benefit Obligation	263	(215)

Retirement Savings Plan

We participate in an AEP sponsored defined contribution retirement savings plan eligible to substantially all employees. This plan includes features under Section 401(k) of the Internal Revenue Code and provides for company matching contributions. The contributions to the plan are 75% of the first 6% of eligible employee compensation. Our cost for contributions to the retirement savings plans was \$7,892,000 and \$7,262,000 for fiscal years 2005 and 2004, respectively.

10. BUSINESS SEGMENTS

We have one reportable segment. That one reportable segment is an integrated electricity generation, transmission and distribution business. Our other activities are insignificant.

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11. DERIVATIVES, HEDGING AND FINANCIAL INSTRUMENTS

DERIVATIVES AND HEDGING

SFAS 133 requires recognition of all qualifying derivative instruments as either assets or liabilities in the statement of financial position at fair value. The fair values of derivative instruments accounted for using MTM accounting or hedge accounting are based on exchange prices and broker quotes. If a quoted market price is not available, the estimate of fair value is based on the best information available including valuation models that estimate future energy prices based on existing market and broker quotes and supply and demand market data and assumptions. The fair values determined are reduced by the appropriate valuation adjustments for items such as discounting, liquidity and credit quality. Credit risk is the risk that the counterparty to the contract will fail to perform or fail to pay amounts due. Liquidity risk represents the influence that imperfections in marketplace transparency may cause pricing to be less than or more than what the price should be based purely on supply and demand. Because energy markets are imperfect and volatile, there are inherent risks related to the underlying assumptions in models used to fair value open long-term Risk Management Contracts. Unforeseen events can and will cause reasonable price curves to differ from actual prices throughout a contract's term and at the time a contract settles. Therefore, there could be significant adverse or favorable effects on future results of operations and cash flows if market prices are not consistent with our approach at estimating current market consensus for forward prices in the current period. This is particularly true for long-term contracts.

Our accounting for the changes in the fair value of a derivative instrument depends on whether it qualifies for and has been designated as part of a hedging relationship and further, on the type of hedging relationship. Certain qualifying derivative instruments have been designated as normal purchases or normal sales contracts, as provided in SFAS 133. Derivative contracts that have been designated as normal purchases or normal sales under SFAS 133 are not subject to MTM accounting treatment and are recognized on the accrual or settlement basis.

For contracts that have not been designated as part of a hedging relationship, the accounting for changes in fair value depends on whether the derivative instrument is held for trading purposes. Realized gains and losses on derivative instruments held for trading purposes are included in Operating Revenues on a net basis. All unrealized gains and losses on derivative instruments not designated as part of a hedging relationship are deferred as regulatory assets (for losses) and regulatory liabilities (for gains). Realized gains and losses on derivative instruments not held for trading purposes are included in revenues or expenses in the Statement of Income depending on the relevant facts and circumstances.

Depending on the exposure, we designate a hedging instrument as a fair value hedge or cash flow hedge. For fair value hedges (i.e. hedging the exposure to changes in the fair value of an asset, liability or an identified portion thereof that is attributable to a particular risk), we recognize the gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged item associated with the hedged risk in earnings. For cash flow hedges (i.e. hedging the exposure to variability in expected future cash flows that is attributable to a particular risk), we initially report the effective portion of the gain or loss on the derivative instrument as a component of Accumulated Other Comprehensive Income (AOCI) until the period the hedged item affects earnings. The remaining gain or loss on the derivative instrument in excess of the cumulative change in the present value of future cash flows of the hedged item, if any, is deferred as regulatory assets (for losses) and regulatory liabilities (for gains) during the period of change.

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Fair Value Hedging Strategies

We enter into interest rate swap transactions in order to manage interest rate risk exposure. The interest rate swap transactions effectively modify exposure to interest risk by converting a portion of our fixed-rate debt to a floating rate. We record gains or losses on swaps that qualify for fair value hedge accounting treatment, as well as offsetting changes in the fair value of the debt being hedged in Interest Charges. During 2005 and 2004, we did not recognize hedge ineffectiveness related to these swaps.

Cash Flow Hedging Strategies

We enter into interest rate forward and swap transactions in order to manage interest rate risk exposure. We enter into forward starting interest rate swap or treasury lock contracts to manage interest rate exposure related to anticipated borrowings of fixed-rate debt. The anticipated debt offerings have a high probability of occurrence because the proceeds will be used to fund existing debt maturities as well as fund projected capital expenditures. We reclassify gains and losses on the hedges from AOCI into Interest Charges in those periods in which the interest payments being hedged occur. During 2005 there was no hedge ineffectiveness. During 2004, we reclassified immaterial amounts into earnings due to hedge ineffectiveness for settled interest rate derivatives. During 2004, we reclassified immaterial amounts to earnings, regulatory assets or regulatory liabilities because the original forecasted transaction did not occur within the originally specified time period.

We enter into, and designate as cash flow hedges, certain forward and swap transactions for the purchase and sale of electricity and natural gas in order to manage the variable price risk related to the forecasted purchase and sale of these commodities. We closely monitor the potential impacts of commodity price changes and, where appropriate, enter into derivative contracts to protect margins for a portion of future electricity sales and fuel purchases. Realized gains and losses on these derivatives designated as cash flow hedges are included in revenues or fuel expense, depending on the specific nature of the risk being hedged. We do not hedge all variable price risk exposure related to energy commodities. During 2005 and 2004, we deferred immaterial amounts as regulatory assets and regulatory liabilities related to hedge ineffectiveness.

Our approximate net loss from cash flow hedges in AOCI at December 31, 2005 that we expected to be reclassified to net income in the next twelve months as the items being hedged settle was \$1,050,000. The actual amounts reclassified from AOCI to Net Income can differ as a result of market price changes. The maximum term for which the exposure to the variability of future cash flows is being hedged is twelve months.

FINANCIAL INSTRUMENTS

The fair values of Long-term Debt including preferred stock subject to mandatory redemption are based on quoted market prices for the same or similar issues and the current dividend or interest rates offered for instruments with similar maturities. These instruments are not marked-to-market. The estimates presented are not necessarily indicative of the amounts that could be realized in a current market exchange.

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The book values and fair values of our significant financial instruments at December 31, 2005 and 2004 are summarized in the following tables.

	<u>2005</u>		<u>2004</u>	
	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>
	(in thousands)			
Long-term Debt	\$ 1,444,940	\$ 1,456,000	\$ 1,374,288	\$ 1,411,251

Other Financial Instruments - Nuclear Trust Funds Recorded at Market Value

The trust investments are classified as available for sale for decommissioning and SNF disposal. We report trusts in Other Special Funds on our Comparative Balance Sheet. The following table provides fair values, cost basis and net unrealized gains or losses at December 31:

	<u>2005</u>	<u>2004</u>
	(in thousands)	
Fair Value	\$ 1,133,600	\$ 1,053,400
Cost Basis	988,500	936,500
Net Unrealized Gain	28,200	34,500

12. INCOME TAXES

The details of our income taxes as reported are as follows:

	<u>Year Ended December 31,</u>	
	<u>2005</u>	<u>2004</u>
	(in thousands)	
Charged (Credited) to Operating Expenses (net):		
Current	\$ 65,670	\$ 81,911
Deferred	25,064	(1,842)
Deferred Investment Tax Expense (Credits)	<u>(7,328)</u>	<u>(7,476)</u>
Total	<u>83,406</u>	<u>72,593</u>
Charged (Credited) to Nonoperating Income (net):		
Current	(4,002)	3,737
Deferred	1,129	(5,214)
Deferred Investment Tax Expense (Credits)	<u>(397)</u>	<u>-</u>
Total	<u>(3,270)</u>	<u>(1,477)</u>
Total Income Tax as Reported	<u>\$ 80,136</u>	<u>\$ 71,116</u>

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Shown below is a reconciliation of our difference between the amount of federal income taxes computed by multiplying book income before income taxes by the federal statutory rate and the amount of income taxes reported:

	Year Ended December 31,	
	2005	2004
	(in thousands)	
Net Income	\$ 144,450	\$ 133,024
Income Taxes	80,136	71,116
Pretax Income	\$ 224,586	204,140
Income Tax on Pretax Income at Statutory Rate (35%)	\$ 78,605	\$ 71,449
Increase (Decrease) in Income Tax resulting from the following items:		
Depreciation	19,492	19,023
Nuclear Fuel Disposal Costs	(3,413)	(3,338)
Allowance for Funds Used During Construction	(3,819)	(3,160)
Rockport Plant Unit 2 Investment Tax Credit	397	397
Removal Costs	(5,476)	(2,974)
Investment Tax Credits (net)	(7,725)	(7,476)
State and Local Income Taxes	6,585	7,082
Other	(4,510)	(9,887)
Total Income Taxes as Reported	\$ 80,136	\$ 71,116
Effective Income Tax Rate	35.7%	34.8%

The following tables show the elements of net deferred tax liability and the significant temporary differences:

	As of December 31,	
	2005	2004
	(in thousands)	
Deferred Tax Assets	\$ 604,241	\$ 639,949
Deferred Tax Liabilities	(948,273)	(965,241)
Net Deferred Tax Liabilities	\$ (344,032)	\$ (325,292)
Property Related Temporary Differences	\$ (48,839)	\$ (76,415)
Amounts Due From Customers For Future Federal Income Taxes	(28,714)	(34,260)
Deferred State Income Taxes	(36,352)	(48,830)
Deferred Income Taxes on Other Comprehensive Loss	1,922	24,251
Net Deferred Gain on Sale and Leaseback-Rockport Plant Unit 2	21,303	22,600
Accrued Nuclear Decommissioning Expense	(214,126)	(188,428)
Deferred Fuel and Purchased Power	(1,200)	(19)
Accrued Pension	(28,328)	6,135
Nuclear Fuel	(8,040)	(15,485)
All Other (Net)	(1,658)	(14,841)
Net Deferred Tax Liabilities	\$ (344,032)	\$ (325,292)

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We join in the filing of a consolidated federal income tax return with the AEP System. The allocation of the AEP System's current 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, AEP Co., 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 separate return result for each company in the consolidated group.

The IRS and other taxing authorities routinely examine our tax returns. Management believes that we have filed tax returns with positions that may be challenged by these tax authorities. These positions relate to the timing and amount of income, deductions and the computation of the tax liability. We have settled with the IRS all issues from the audits of the consolidated federal income tax returns for the years prior to 1991. We have received Revenue Agent's Reports from the IRS for the years 1991 through 1999, and have filed protests contesting certain proposed adjustments. Returns for the years 2000 through 2003 are presently being audited by the IRS.

Although the outcome of tax audits is uncertain, in management's opinion, adequate provisions for income taxes have been made for potential liabilities resulting from such matters. We accrue interest on these uncertain tax positions. Management is not aware of any issues for open tax years that upon final resolution are expected to have a material adverse effect on results of operations.

On October 22, 2004, the American Jobs Creation Act of 2004 (Act) was signed into law. The Act included tax relief for domestic manufacturers (including the production, but not the delivery of electricity) by providing a tax deduction up to 9% (when fully phased-in in 2010) on a percentage of "qualified production activities income." For 2005 and for 2006, the deduction is 3% of qualified production activities income. The deduction increases to 6% for 2007, 2008 and 2009. The FASB staff has indicated that this tax relief should be treated as a special deduction and not as a tax rate reduction. The FERC has issued an order that states the deduction is a special deduction that reduces the amount of income taxes due from energy sales. While the U.S. Treasury has issued proposed regulations on the calculation of the deduction, these proposed regulations lack clarity as to determination of qualified production activities income as it relates to utility operations. Management believes that the special deduction for 2006 will not materially affect our results of operations, cash flows, or financial condition.

On August 8, 2005, the Energy Tax Incentives Act of 2005 was signed into law. This act created a limited amount of tax credits for the building of Integrated Gasification Combined Cycle (IGCC) plants. The credit is 20% of the eligible property in the construction of new plant or 20% of the total cost of repowering of an existing plant using IGCC technology. In the case of a newly constructed IGCC, eligible property is defined as the components necessary for the gasification of coal, including any coal handling and gas separation equipment. AEP has announced plans to construct two new IGCC plants that may be eligible for the allocation of these credits. The United States Treasury Department was to announce by February 6, 2006 the program whereby taxpayers could apply for and be allocated these credits. The Treasury Department has yet to define its program. Management cannot predict if AEP or its subsidiaries will be allocated any of these tax credits.

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The Energy Tax Incentives Act of 2005 also changed the tax depreciation life for transmission assets from 20 years to 15 years. This act also allows for the accelerated amortization of atmospheric pollution control equipment placed in service after April 11, 2005 and installed on plants placed in service on or after January 1, 1976. This provision allows for tax amortization of the equipment over 84-months in lieu of taking a depreciation deduction over 20-years. This act also allows for the transfer (“poured-over”) of funds held in non-qualifying nuclear decommissioning trusts into qualified nuclear decommissioning trusts. The tax deduction may be claimed, as the non-qualified funds are poured-over; the funds are poured-over over the remaining life of the plant. The earnings on funds held in a qualified nuclear decommissioning fund are taxed at a 20% federal rate as opposed to a 35% federal tax rate for non-qualified funds. Management believes that the tax law changes discussed in this paragraph will not materially affect our results of operations, cash flows, or financial condition.

After Hurricanes Katrina, Rita and Wilma in 2005, a series of tax acts were placed into law to aid in the recovery of the Gulf coast region. The Katrina Emergency Tax Relief Act of 2005 (enacted September 23, 2005) and the Gulf Opportunity Zone Act of 2005 (enacted December 21, 2005) contained a number of provisions to aid businesses and individuals impacted by these hurricanes. Management believes that the application of these tax acts will not materially affect our results of operations, cash flows, or financial condition.

On June 30, 2005, the Governor of Ohio signed Ohio House Bill 66 into law enacting sweeping tax changes impacting all companies doing business in Ohio. Most of the significant tax changes will be phased in over a five-year period, while some of the less significant changes became fully effective July 1, 2005. Changes to the Ohio franchise tax, nonutility property taxes, and the new commercial activity tax are subject to phase-in. The Ohio franchise tax will fully phase-out over a five-year period beginning with a 20% reduction in state franchise tax for taxable income accrued during 2005. In 2005, we reversed deferred state income tax liabilities that are not expected to reverse during the phase-out of \$5.2 million. The reversal reduced the regulatory asset associated with the deferred state income tax liabilities.

13. LEASES

Leases of property, plant and equipment are for periods up to 35 years and require payments of related property taxes, maintenance and operating costs. The majority of the leases have purchase or renewal options and will be renewed or replaced by other leases.

Lease rentals for both operating and capital leases are generally charged to Operation Expenses in accordance with rate-making treatment for regulated operations. The components of rental costs are as follows:

	Year Ended December 31,	
	2005	2004
	(in thousands)	
Lease Payments on Operating Leases	\$ 97,700	\$ 111,344
Amortization of Capital Leases	6,681	6,825
Interest on Capital Leases	2,442	1,403
Total Lease Rental Costs	\$ 106,823	\$ 119,572

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Property, plant and equipment under capital leases and related obligations recorded on the balance sheets are as follows:

	As of December 31,	
	2005	2004
	(in thousands)	
Property, Plant and Equipment Under Capital Leases:		
Production	\$ 18,964	\$ 22,917
Distribution	14,589	14,589
Other	38,568	43,478
Total Property, Plant and Equipment	<u>72,121</u>	<u>80,984</u>
Accumulated Amortization	<u>28,145</u>	<u>30,252</u>
Net Property, Plant and Equipment Under Capital Leases	<u>\$ 43,976</u>	<u>\$ 50,732</u>
Obligations Under Capital Leases:		
Obligations Under Capital Leases – Noncurrent	\$ 38,645	\$ 44,608
Obligations Under Capital Leases – Current	5,331	6,124
Total Obligations Under Capital Leases	<u>\$ 43,976</u>	<u>\$ 50,732</u>

Future minimum lease payments consisted of the following at December 31, 2005:

	Capital Leases	Noncancelable Operating Leases
	(in thousands)	
2006	\$ 9,182	\$ 100,745
2007	15,403	98,324
2008	5,686	95,815
2009	4,290	94,833
2010	2,201	91,467
Later Years	<u>20,768</u>	<u>949,711</u>
Total Future Minimum Lease Payments	57,530	<u>\$ 1,430,895</u>
Less Estimated Interest Element	<u>13,554</u>	
Estimated Present Value of Future Minimum Lease Payments	<u>\$ 43,976</u>	

Rockport Lease

We, along with AEGCo, entered into a sale and leaseback transaction in 1989 with Wilmington Trust Company (Owner Trustee), an unrelated, unconsolidated trustee for Rockport Plant Unit 2 (the Plant). The Owner Trustee was capitalized with equity from six owner participants with no relationship to AEP or any of its subsidiaries and debt from a syndicate of banks and securities in a private placement to certain institutional investors. The future minimum lease payments for each respective company as of December 31, 2005 are \$1.3 billion.

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The gain from the sale was deferred and is being amortized over the term of the lease, which expires in 2022. The Owner Trustee owns the Plant and leases it to AEGCo and us. The lease is accounted for as an operating lease with the payment obligations included in the future minimum lease payments schedule earlier in this note. The lease term is for 33 years with potential renewal options. At the end of the lease term, AEGCo and we have the option to renew the lease or the Owner Trustee can sell the Plant. Neither AEGCo, AEP nor us has an ownership interest in the Owner Trustee and do not guarantee its debt.

14. FINANCING ACTIVITIES

Preferred Stock

<u>Par Value</u>	<u>Authorized Share</u>	<u>Shares Outstanding at December 31, 2005</u>	<u>Call Price at December 31, 2005 (a)</u>	<u>Series</u>	<u>Redemption</u>	<u>December 31,</u>	
						<u>2005</u>	<u>2004</u>
\$ 25	11,200,000	-	\$ -	-	-	\$ -	\$ -
100	(b)	55,369	106.125	4.125%	Any time	5,537	5,537
100	(b)	14,412	102.000	4.560%	Any time	1,441	1,441
100	(b)	11,055	102.728	4.120%	Any time	1,106	1,106
100	(b)	-	-	5.900%	1/1/2009	-	13,200
100	(b)	-	-	6.250%	4/1/2009	-	19,250
100	(b)	-	-	6.300%	7/1/2009	-	13,245
100	(b)	-	-	6.875%	4/1/2008	-	15,750

(a) The cumulative preferred stock is callable at the price indicated plus accrued dividends.

(b) We have 2,250,000 authorized \$100 par value per share shares in total.

	<u>Number of Shares Redeemed for the Year Ended December 31,</u>	
<u>Series</u>	<u>2005</u>	<u>2004</u>
4.120%	-	175
5.90%	132,000	20,000
6.25%	192,500	-
6.30%	132,450	-
6.875%	157,500	-

Long-term Debt

There are certain limitations on establishing liens against our assets under indentures. None of our long-term debt obligations have been guaranteed or secured by AEP or any of its affiliates.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following details long-term debt outstanding as of December 31, 2005 and 2004:

	Maturity	Weighted Average Interest Rate at December 31,	Interest Rates at December 31,		December 31,	
		2005	2005	2004	2005	2004
(in thousands)						
INSTALLMENT PURCHASE CONTRACTS (a)	2009-2025 (b)	3.89%	2.625%-6.55%	1.75%-6.55%	\$ 311,267	\$ 311,230
SENIOR UNSECURED NOTES	2006-2032	5.88%	5.05%-6.45%	5.05%-6.45%	898,398	772,712
OTHER LONG-TERM DEBT(c)	-	-	-	-	235,805	228,901

- (a) Under the terms of the installment purchase contracts, we are required to pay amounts sufficient to enable the payment of interest on and the principal of (at stated maturities and upon mandatory redemptions) related pollution control revenue bonds issued to finance the construction of pollution control facilities at certain plants. For certain series of installment purchase contracts, interest rates are subject to periodic adjustment. Interest payments range from monthly to semi-annually.
- (b) The fixed rate bonds due 2019 and 2025 are subject to mandatory tender for purchase on October 1, 2006. Consequently, the fixed rate bonds have been classified for repayment purposes in 2006. The term rate bonds due 2025 are subject to mandatory tender for purchase on the term maturity date (June 1, 2007). Accordingly, the term rate bonds have been classified for repayment purposes in 2007 (the term end date).
- (c) Pursuant to the Nuclear Waste Policy Act of 1982, I&M (a nuclear licensee) has an obligation with the United States Department of Energy for spent nuclear fuel disposal. The obligation includes a one-time fee for nuclear fuel consumed prior to April 7, 1983. Trust fund assets of \$264 million and \$262 million related to this obligation are included in Other Special Funds at December 31, 2005 and 2004, respectively.

At December 31, 2005, future annual long-term debt payments (in thousands) are as follows :

2006	\$ 364,469
2007	50,000
2008	50,000
2009	45,000
2010	-
Later Years	<u>937,805</u>
Total Principal Amount	1,447,274
Unamortized Discount	<u>(2,334)</u>
Total	<u>\$ 1,444,940</u>

Dividend Restrictions

Under the Federal Power Act, we can only pay dividends out of retained or current earnings unless we obtain prior FERC approval.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Lines of Credit – AEP System

The AEP System uses a corporate borrowing program to meet the short-term borrowing needs of its subsidiaries. The corporate borrowing program includes a Utility Money Pool, which funds the utility subsidiaries. The AEP System corporate borrowing program operates in accordance with the terms and conditions approved in a regulatory order. Our money pool activity and corresponding authorized limits for the years ended December 31, 2005 and 2004 are described in the following table:

<u>Year Ended December 31,</u>	<u>Maximum Borrowings from Utility Money Pool</u>	<u>Maximum Loans to Utility Money Pool</u>	<u>Average Borrowings from Utility Money Pool</u>	<u>Average Loans to Utility Money Pool</u>	<u>Borrowings from Utility Money Pool as of December 31,</u>	<u>Authorized Short-Term Borrowing Limit</u>
(in thousands)						
2005	\$ 223,898	\$ -	\$ 103,041	\$ -	\$ 116,125	\$ 500,000
2004	233,210	52,376	99,320	27,314	13,926	500,000

Maximum, minimum and average interest rates for funds loaned to and borrowed from the Utility Money Pool during 2005 and 2004 are summarized in the following table:

<u>Year Ended December 31,</u>	<u>Maximum Interest Rates for Funds Borrowed from the Utility Money Pool</u>	<u>Minimum Interest Rates for Funds Borrowed from the Utility Money Pool</u>	<u>Maximum Interest Rates for Funds Loaned to the Utility Money Pool</u>	<u>Minimum Interest Rates for Funds Loaned to the Utility Money Pool</u>	<u>Average Interest Rates for Funds Borrowed from the Utility Money Pool</u>	<u>Average Interest Rate for Funds Loaned to the Utility Money Pool</u>
(in percentage)						
2005	4.49	1.63	-	-	3.41	-
2004	2.24	0.89	2.23	0.97	1.45	1.95

As of December 31, 2005, AEP had credit facilities totaling \$2.5 billion to support its commercial paper program. As of December 31, 2005, AEP's commercial paper outstanding related to the corporate borrowing program was \$0. For the corporate borrowing program, the maximum amount of commercial paper outstanding during the year was \$25 million in January 2005 and the weighted average interest rate of commercial paper outstanding during the year was 2.50%. In September 2005, Moody's Investors Service upgraded AEP's commercial paper rating to Prime-2 from Prime-3.

Interest expense related to the Utility Money Pool is included in Interest Charges. We incurred interest expense for amounts borrowed from the Utility Money Pool of \$3,532,000 and \$1,342,000 for the years ended December 31, 2005 and 2004, respectively.

Interest income related to the Utility Money Pool is included in Interest and Dividend Income. We earned interest income from amounts advanced to the Utility Money Pool of \$46,000 for the year ended December 31, 2004.

Sale of Receivables – AEP Credit

AEP Credit has a sale of receivables agreement with banks and commercial paper conduits. AEP Credit's sale of receivables agreement expires on August 24, 2007. The sale of receivables agreement provides commitments of \$600 million to purchase receivables from AEP Credit. Under the sale of receivables agreement, AEP Credit sells an interest in the receivables it acquires to the commercial paper conduits and banks and receives cash.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Under the factoring arrangement, we sell, without recourse, certain of our customer accounts receivable and accrued unbilled revenue balances to AEP Credit and are charged a fee based on AEP Credit financing costs, our uncollectible accounts receivables experience and administrative costs. The costs of factoring customer accounts receivable are reported in Operation Expenses. Our amount of factored accounts receivable and accrued unbilled revenues was \$102.7 million and \$91.4 million as of December 31, 2005 and 2004, respectively.

We paid fees of \$7.4 million and \$6.5 million for the years ended December 31, 2005 and 2004, respectively.

15. RELATED PARTY TRANSACTIONS

For other related party transactions, also see “Lines of Credit – AEP System” and “Sale of Receivables - AEP Credit” sections of Note 14.

AEP System Power Pool

We, along with APCo, CSPCo, KPCo and OPCo, are parties to the Interconnection Agreement, dated July 6, 1951, as amended (the Interconnection Agreement), defining how they share the costs and benefits associated with their generating plants. This sharing is based upon each company’s “member-load-ratio,” which is calculated monthly on the basis of each company’s maximum peak demand in relation to the sum of the maximum peak demands of all five companies during the preceding 12 months. In addition, since 1995, we, along with APCo, CSPCo, KPCo and OPCo, have been parties to the AEP System Interim Allowance Agreement, which provides, among other things, for the transfer of SO₂ allowances associated with the transactions under the Interconnection Agreement.

Power, gas and risk management activities are conducted by the AEP Power Pool and profits/losses are shared among the parties under the SIA. Risk management activities involve the purchase and sale of electricity and gas under physical forward contracts at fixed and variable prices. In addition, the risk management of electricity, and to a lesser extent gas contracts includes exchange traded futures and options and over-the-counter options and swaps. The majority of these transactions represent physical forward contracts in the AEP System’s traditional marketing area and are typically settled by entering into offsetting contracts. In addition, the AEP Power Pool enters into transactions for the purchase and sale of electricity and gas options, futures and swaps, and for the forward purchase and sale of electricity outside of the AEP System’s traditional marketing area.

AEP’s SIA, which has been approved by the FERC, provides for the integration and coordination of AEP’s East companies and West companies zone. This includes joint dispatch of generation within the AEP System, and the distribution, between the two zones, of costs and benefits associated with the transfers of power between the two zones (including sales to third parties and risk management and trading activities). It is designed to function as an umbrella agreement in addition to the Interconnection Agreement and the CSW Operating Agreement, each of which controls the distribution of costs and benefits within each zone.

On November 1, 2005, AEP filed with the FERC a proposed amendment to the SIA to change the method of allocating profits from off-system electricity sales between the East and West zones. The proposed method would cause such profits to be allocated generally on the basis of the zone in which the underlying transactions occurred or originated. The filing was made in accordance with a provision of the agreement that called for a re-evaluation of the allocation method effective January 1, 2006. The matter is pending before the FERC.

Power generated by or allocated or provided under the Interconnection Agreement is primarily sold to customers at rates approved by the public utility commission in the jurisdiction of sale.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Under the Interconnection Agreement, power generated that is not needed to serve the native load of any AEP subsidiary is sold in the wholesale market by AEPSC on behalf of the generating subsidiary.

Affiliated Revenues and Purchases

The following table shows the revenues derived from sales to the pools, direct sales to affiliates, natural gas contracts with AEPES, and other revenues for the years ended December 31, 2005 and 2004:

<u>Related Party Revenues</u>	<u>2005</u>	<u>2004</u>
	(in thousands)	
Sales to East System Pool	\$ 314,677	\$ 250,356
Direct Sales to West Affiliates	14,998	14,682
Natural Gas Contracts with AEPES	33,461	17,886
Other	2,896	3,386

The following table shows the purchased power expense incurred from purchases from the pools and affiliates for the years ended December 31, 2005 and 2004:

<u>Related Party Purchases</u>	<u>2005</u>	<u>2004</u>
	(in thousands)	
Purchases from East System Pool	\$ 116,735	\$ 102,760
Direct Purchases from East Affiliates	189,382	169,103
Direct Purchases from West Affiliates	-	589

The above summarized related party revenues and expenses are reported on the income statements as Operating Revenues and Operation Expenses.

AEP System Transmission Pool

The AEP East companies are parties to the Transmission Agreement, dated April 1, 1984, as amended (the Transmission Agreement), defining how they share the costs associated with their relative ownership of the extra-high-voltage transmission system (facilities rated 345 kV and above) and certain facilities operated at lower voltages (138 kV and above). Like the Interconnection Agreement, this sharing is based upon each company's "member-load-ratio."

Our net credits under the Transmission Agreement were \$47 million and \$40.8 million during the years ended December 31, 2005 and 2004, respectively. The net credits are recorded in Operation Expenses.

AEP's System Transmission Integration Agreement provides for the integration and coordination of the planning, operation and maintenance of the transmission facilities of AEP's East companies and West companies zones. Like the SIA, the System Transmission Integration Agreement functions as an umbrella agreement. The System Transmission Integration Agreement contains two service schedules that govern:

- The allocation of transmission costs and revenues and
- The allocation of third-party transmission costs and revenues and AEP System dispatch costs.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The Transmission Integration Agreement anticipates that additional service schedules may be added as circumstances warrant.

Natural Gas Contracts with DETM

Effective October 31, 2003, AEPES assigned to AEPSC, as agent for the AEP East companies, approximately \$97 million (negative value) associated with its natural gas contracts with DETM. The assignment was executed in order to consolidate DETM positions within AEP. Concurrently, in order to ensure that there would be no financial impact to the companies as a result of the assignment, AEPES and AEPSC entered into agreements requiring AEPES to reimburse AEPSC for any related cash settlements and all income related to the assigned contracts. Our derivative instrument liabilities at December 31, 2005 and 2004 were \$7,294,000 and \$15,266,000, respectively.

Fuel Agreement between OPCo and AEPES

OPCo and National Power Cooperative, Inc (NPC) have an agreement whereby OPCo operates a 500 MW gas plant owned by NPC (Mone Plant). AEPES entered into a fuel management agreement with those two parties to manage and procure fuel for the Mone Plant. The gas purchased by AEPES and used in generation is first sold to OPCo then allocated to the AEP East companies, who purchase 100% of the available generating capacity from the plant through May 2006. Our purchases of gas managed by AEPES were \$2,255,000 and \$805,000 in the years ended December 31, 2005 and 2004, respectively. These purchases are reflected in Operation Expense.

Unit Power Agreements

A unit power agreement between AEGCo and I&M (the I&M Power Agreement) provides for the sale by AEGCo to I&M of all the power (and the energy associated therewith) available to AEGCo at the Rockport Plant unless it is sold to another utility. I&M is obligated, whether or not power is available from AEGCo, to pay as a demand charge for the right to receive such power (and as an energy charge for any associated energy taken by I&M) for such amounts, as when added to amounts received by AEGCo from any other sources, will be at least sufficient to enable AEGCo to pay all its operating and other expenses, including a rate of return on the common equity of AEGCo as approved by the FERC. The I&M Power Agreement will continue in effect until the expiration of the lease term of Unit 2 of the Rockport Plant unless extended in specified circumstances.

Pursuant to an assignment between I&M and KPCo, and a unit power agreement between KPCo and AEGCo, AEGCo sells KPCo 30% of the power (and the energy associated therewith) available to AEGCo from both units of the Rockport Plant. KPCo has agreed to pay to AEGCo in consideration for the right to receive such power the same amounts which I&M would have paid AEGCo under the terms of the I&M Power Agreement for such entitlement. The KPCo unit power agreement ends in December 2022.

Jointly-Owned Electric Utility Plant

We, with AEGCo, jointly own one generating unit and jointly lease the other generating unit of the Rockport Plant. The costs of operating this facility are equally apportioned between AEG and us since each company has a 50% interest. Our share of costs is included in the appropriate expense accounts in the income statements.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Cook Coal Terminal

In 2005 and 2004, Cook Coal Terminal, a division of OPCo, performed coal transloading services at cost for us. The cost of \$13,653,000 and \$14,275,000 for the years ended December 31, 2005 and 2004, respectively, were included in fuel inventory.

I&M Barging and Other Services

We provide barging and other transportation services to our affiliates. We record revenues from barging services as Revenues From Nonutility Operations. The amount of affiliated revenues were \$43.1 million and \$38.2 million for the years ended December 31, 2005 and 2004, respectively.

Services Provided by MEMCO

AEP MEMCO LLC (MEMCO) provides services for barge towing and general and administrative expenses to us. The costs are recorded as Operation Expenses. For the years ended December 31, 2005 and 2004, we recorded \$14.1 million and \$12.6 million, respectively.

Purchased Power from Ohio Valley Electric Corporation

We purchased power from OVEC (43.47% owned by AEP and CSPCo) of \$30,961,000 and \$27,474,000 for the years ended December 31, 2005 and 2004, respectively. The amounts are included in Operation Expenses in the Statement of Income.

Sales of Property

We had sales of electric property to APCo for the years ended December 31, 2005 and 2004 of \$1,135,000 and \$1,630,000, respectively. We had sales of electric property to OPCo for the year ended December 31, 2005 of \$3,423,000. We purchased utility plant from APCo and OPCo during 2005 for \$554,000 and \$2,142,000, respectively. The electric property amounts are recorded in Utility Plant. Transfers are performed at cost.

AEPSC

AEPSC provides certain managerial and professional services to AEP System companies. Our costs for the services are billed by AEPSC on a direct-charge basis, whenever possible, and on reasonable bases of proration for services that benefit multiple companies. The billings for services are made at cost and include no compensation for the use of equity capital, which is furnished to AEPSC by AEP. Billings from AEPSC are capitalized or expensed depending on the nature of the services rendered. During 2005 and 2004, AEPSC and its billings were subject to regulation by the SEC under the PUHCA.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

16. SUPPLEMENTAL DISCLOSURE

Cash paid (received) for interest net of capitalized amounts was \$60,000,000 and \$71,029,000 and for income taxes was \$183,300,000 and \$(2,078,000) in 2005 and 2004, respectively. Noncash capital lease acquisitions were \$2,639,000 and \$20,557,000 in 2005 and 2004, respectively. Noncash construction expenditures included in accounts payable of \$38,523,000 and \$16,530,000 were outstanding as of December 31, 2005 and 2004, respectively. Noncash acquisition of nuclear fuel included in accounts payable was \$24,053,000 as of December 31, 2005.

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Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	5,167,546,817	5,167,546,817	
4	Property Under Capital Leases	29,112,836	29,112,836	
5	Plant Purchased or Sold			
6	Completed Construction not Classified	147,390,377	147,390,377	
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	5,344,050,030	5,344,050,030	
9	Leased to Others			
10	Held for Future Use	7,787,716	7,787,716	
11	Construction Work in Progress	311,079,725	311,079,725	
12	Acquisition Adjustments	78,495	78,495	
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	5,662,995,966	5,662,995,966	
14	Accum. Prov. For Depr., Amort., & Depl.	3,139,599,952	3,139,599,952	
15	Net Utility Plant (Enter Total of line 13 less 14)	2,523,396,014	2,523,396,014	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	3,088,253,543	3,088,253,543	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights			
20	Amort. Of Underground Storage Land & Land Rights			
21	Amort. Of Other Utility Plant	51,371,405	51,371,405	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	3,139,624,948	3,139,624,948	
23	Leased to Others			
24	Depreciation			
25	Amortization & Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0	0	
27	Held for Future Use			
28	Depreciation	(24,996)	(24,996)	
29	Amortization			
30	TOTAL held for Future Use (Enter Total of Lines 28 and 29)	(24,996)	(24,996)	
31	Abandonment of leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment			
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 & 32)	3,139,599,952	3,139,599,952	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)				
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.		arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.		
2. If the nuclear fuel stock is obtained under leasing				
Line No.	Description of Item (a)	Balance Beginning of Year (b)	Changes During Year	
			Additions (c)	
1	Nuclear Fuel in process of Refinement, Conversion, Enrichment & Fabrication (120.1)			
2	Fabrication			
3	Nuclear Materials	11,665,309		76,631,672
4	Allowance for Funds Used during Construction	168		801,006
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	11,665,477		
7	Nuclear Fuel Materials & Assemblies			
8	In Stock (120.2)			34,811,040
9	In Reactor (120.3)	229,653,969		34,811,040
10	SUBTOTAL (Enter Total of lines 8 & 9)	229,653,969		
11	Spent Nuclear Fuel (120.4)	58,363,669		50,850,935
12	Nuclear Fuel Under Capital Leases (120.6)			
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)	200,880,327		56,037,743
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	98,802,788		
15	Estimated net Salvage Value of Nuclear Materials in line 9			
16	Estimated net salvage Value of Nuclear Materials in line 11			
17	Estimated Net Salvage Value of Nuclear Materials in Chemical Processing			
18	Nuclear Materials held for Sale (157)			
19	Uranium			
20	Plutonium			
21	Other			
22	TOTAL Nuclear Materials held for Sale (Enter Total of lines 19, 20 & 21)		0	

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NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)(Continued)			
Changes During the Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a Footnote) (e)		
			1
			2
	34,350,146	53,946,835	3
	460,894	340,280	4
			5
		54,287,115	6
			7
	34,811,040	0	8
	50,850,936	213,614,073	9
		213,614,073	10
		109,214,604	11
			12
		256,918,070	13
		120,197,722	14
			15
			16
			17
			18
			19
			20
			21
		0	22

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
203	3	e	Placed nuclear fuel into reactor
203	4	e	Placed nuclear fuel into reactor
203	8	e	Placed nuclear fuel into reactor
203	9	e	Removed from reactor. Placed in spent fuel pool.

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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

- | | |
|--|---|
| <p>1. Report below the original cost of plant in service in the same detail as in the current depreciation order.</p> <p>2. In addition to Account 101, Electric Plant in service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and</p> | <p>include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the</p> |
|--|---|

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	301 Organization	117,426	
3	302 Franchises and Consents	2,825,827	16,005,200
4	303 Miscellaneous Intangible Plant	73,107,943	7,542,764
5	TOTAL Intangible Plant	76,051,196	23,547,964
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	7,616,888	
9	310.2 Land Rights	222,069	
10	311 Structures and Improvements	135,381,600	3,293,701
11	312 Boiler Plant Equipment	669,414,652	11,146,700
12	313 Engines and Engine-Driven Generators		
13	314 Turbogenerator Units	147,306,026	6,542,157
14	315 Accessory Electric Equipment	76,987,143	293,630
15	316 Miscellaneous Power Plant Equipment	25,245,218	199,006
16	317 Asset Retirement Costs for Steam Production	740,112	2,033,467
17	TOTAL Steam Production Plant	1,062,913,708	23,508,661
18	Nuclear Production Plant		
19	320.1 Land	1,879,588	
20	320.2 Land Rights		
21	321 Structures and Improvements	311,380,713	577,796
22	322 Reactor Plant Equipment	955,521,023	6,473,516
23	323 Turbogenerator Units	240,262,705	23,399,089
24	324 Accessory Electric Equipment	141,168,581	867,717

Name of Respondent Indiana Michigan 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 of Report December 31, 2005		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
<p>reversals of the prior year's tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p> <p>6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f)</p>		<p>to primary account classifications.</p> <p>7. For Account 399, state the nature and use of plant included in this account and, if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.</p> <p>8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.</p>			
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			117,426	301	2
			18,831,027	302	3
6,169,505			74,481,202	303	4
6,169,505	0	0	93,429,655		5
					6
					7
			7,616,888	310.1	8
			222,069	310.2	9
202,441			138,472,860	311	10
4,341,436			676,219,916	312	11
				313	12
6,604,444			147,243,739	314	13
138,396			77,142,377	315	14
17,892			25,426,332	316	15
			2,773,579	317	16
11,304,609			1,075,117,760		17
					18
			1,879,588	320.1	19
				320.2	20
1,122,815		(306,876)	310,528,818	321	21
3,446,914			958,547,625	322	22
7,723,831			255,937,963	323	23
263,553			141,772,745	324	24

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
24	325 Miscellaneous Power Plant Equipment	132,459,743	6,877,298	
25	326 Asset Retirement Costs for Nuclear Production	203,446,988	(26,979,694)	
26	TOTAL Nuclear Production Plant	1,986,119,341	11,215,722	
27	Hydraulic Production Plant			
28	330.1 Land	464,738		
29	330.2 Land Rights	192,760		
30	331 Structures and Improvements	2,328,915		
31	332 Reservoirs, Dams and Waterways	17,780,052	144,180	
32	333 Water Wheels, Turbines and Generators	15,962,572		
33	334 Accessory Electric Equipment	5,210,583	4,256	
34	335 Miscellaneous Power Plant Equipment	1,476,713	11,649	
35	336 Roads, Railroads and Bridges	853		
36	337 Asset Retirement Costs for Hydraulic Production		2,329	
37	TOTAL Hydraulic Production Plant	43,417,186	162,414	
38	Other Production Plant			
39	340.1 Land			
40	340.2 Land Rights			
41	341 Structures and Improvements			
42	342 Fuel Holders, Products and Accessories			
43	343 Prime Movers			
44	344 Generators			
45	345 Accessory Electric Equipment			
46	346 Miscellaneous Power Plant Equipment			
47	347 Asset Retirement Costs for Other Production			
48	TOTAL Other Production Plant	0	0	
49	TOTAL Production Plant	3,092,450,235	34,886,797	
50	3. TRANSMISSION PLANT			
51	350.1 Land	6,961,785	2,021	
52	350.2 Land Rights	49,736,235	(13,116)	
53	352 Structures and Improvements	19,902,661		
54	353 Station Equipment	443,752,822	24,713,744	
55	354 Towers and Fixtures	220,938,305	275,760	
56	355 Poles and Fixtures	64,500,688	1,948,972	
57	356 Overhead Conductors and Devices	197,201,030	5,470,842	
58	357 Underground Conduit	1,481,133		
59	358 Underground Conductors and Devices	4,569,896	154,000	

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
1,502,853			137,834,188	325	24
			176,467,294	326	25
14,059,966		(306,876)	1,982,968,221		26
					27
353			464,385	330.1	28
1,000			191,760	330.2	29
			2,328,915	331	30
7,047			17,917,185	332	31
			15,962,572	333	32
2,792			5,212,047	334	33
			1,488,362	335	34
			853	336	35
			2,329	337	36
11,192	0	0	43,568,408		37
					38
				340.1	39
				340.2	40
				341	41
				342	42
				343	43
				344	44
				345	45
				346	46
	0			347	47
0	0	0	0		48
25,375,767	0	(306,876)	3,101,654,389		49
					50
52,313		5,069	6,916,562	350.1	51
1,150			49,721,969	350.2	52
		13,104	19,915,765	352	53
10,124,766		2,320,127	460,661,927	353	54
79,408			221,134,657	354	55
272,202		(35,577)	66,141,881	355	56
110,964		(5,314,648)	197,246,260	356	57
			1,481,133	357	58
40,182			4,683,714	358	59

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
57	359 Roads and Trails	263,866	85,883	
58	359.1 Asset Retirement Costs for Transmission Plant			
59	TOTAL Transmission Plant	1,009,308,421	32,638,106	
60	4. DISTRIBUTION PLANT			
61	360.1 Land	2,410,030		
62	360.2 Land Rights	8,504,548	167,321	
63	361 Structures and Improvements	6,001,520		
64	362 Station Equipment	103,845,189	2,647,986	
65	363 Storage Battery Equipment			
66	364 Poles, Towers and Fixtures	154,253,169	7,854,915	
67	365 Overhead Conductors and Devices	135,260,723	9,996,186	
68	366 Underground Conduit	39,548,438	2,829,438	
69	367 Underground Conductors and Devices	118,535,675	9,535,142	
70	368 Line Transformers	195,575,144	11,611,799	
71	368.1 Capacitors			
72	369 Services	120,316,051	5,763,777	
73	370 Meters	59,419,217	7,620,715	
74	371 Installations on Customers' Premises	15,409,907	860,828	
75	372 Leased Property on Customers' Premises			
76	373 Street Lighting and Signal Systems	17,071,618	723,788	
77	374 Asset Retirement Costs for Distribution Plant			
78	TOTAL Distribution Plant	976,151,229	59,611,895	
79	5. GENERAL PLANT			
80	389.1 Land	2,026,651		
81	389.2 Lands Rights	13,868		
82	390 Structures and Improvements	40,337,112	484,153	
83	391 Office Furniture and Equipment	5,728,033	77,422	
84	391.1 Computers / Computer Related Equipment			
85	392 Transportation Equipment	29,088		
86	393 Stores Equipment	103,743		
87	394 Tools, Shop and Garage Equipment	6,075,717	386,292	
88	395 Laboratory Equipment	2,183,954	(430)	
89	396 Power Operated Equipment	489,918		
90	397 Communication Equipment	18,201,742	887,367	
91	398 Miscellaneous Equipment	1,863,378	54,526	
92	SUBTOTAL	77,053,204	1,889,330	

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
			349,749	359
				359.1
10,680,985	0	(3,011,925)	1,028,253,617	59
				60
296		(5,919)	2,403,815	360.1
4,450			8,667,419	360.2
22,830		(35,705)	5,942,985	361
1,725,482		(420,127)	104,347,566	362
				363
1,339,721		35,577	160,803,940	364
1,738,006		3,414,648	146,933,551	365
28,044			42,349,832	366
860,187			127,210,630	367
4,510,996			202,675,947	368
				368.1
1,219,401			124,860,427	369
11,815,846			55,224,086	370
416,157			15,854,578	371
				372
246,597			17,548,809	373
				374
23,928,013	0	2,988,474	1,014,823,585	78
				79
		850	2,027,501	389.1
			13,868	389.2
102,531		329,477	41,048,211	390
506,560			5,298,895	391
				391.1
			29,088	392
1,570			102,173	393
		10,981	6,472,990	394
227,437			1,956,087	395
33,956			455,962	396
1,687,968			17,401,141	397
183,647		(10,981)	1,723,276	398
2,743,669	0	330,327	76,529,192	92

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
91	399 Other Tangible Property		
92	399.1 Asset Retirement Costs for General Plant		246,756
93	TOTAL General Plant	77,053,204	2,136,086
94	TOTAL (Accounts 101 and 106)	5,231,014,285	152,820,848
95			
96	102 Electric Plant Purchased		
97	(Less) 102 Electric Plant Sold		
98	103 Experimental Plant Unclassified		
99	TOTAL Electric Plant in Service (Total of lines 94 thru 98)	5,231,014,285	152,820,848

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
				399	91
			246,756	399.1	92
2,743,669	0	330,327	76,775,948		93
68,897,939	0	0	5,314,937,194		94
					95
				102	96
					97
				103	98
68,897,939	0	0	5,314,937,194		99

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)				
1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.		more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.		
2. For property having an original cost of \$1,000,000 or				
Line No.	Description and Location of Property (a)	Date Originally included in this Acct. (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Generating Plant Project Site (0110)	9/1/1975		5,905,682
4				
5	Tanners Creek Plant Units 1-4 (0105)	9/1/1975		360,235
6				
7	Rockport Generating Plant Unit 1 (0111)	11/1/1984		1,112,277
8				
9	Items Under \$250,000			403,599
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23	Items Under \$250,000			5,923
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44	TOTAL			7,787,716

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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**PLANT ACQUISITION ADJUSTMENTS AND ACCUMULATED PROVISION FOR AMORTIZATION
OF PLANT ACQUISITION ADJUSTMENTS (Accounts 114 & 115)**

- | | |
|--|---|
| <p>1. Report the particulars called for concerning acquisition adjustments.</p> <p>2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below.</p> <p>3. Explain each debit and credit during the year, give reference to any Commission orders or other authorizations concerning such amounts, and show contra account debited or credited.</p> <p>4. For acquisition adjustments arising during the year</p> | <p>state the name of the company from which the property was acquired, date of transaction, and date journal entries clearing Account 102, Plant Purchased or Sold, were filed with the Commission.</p> <p>5. In the blank space at the bottom of the schedule, explain the plan of disposition of any acquisition adjustments not currently being amortized.</p> <p>6. Give date Commission authorized use of Account 115.</p> |
|--|---|

Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	CREDITS		Balance End of Year (f)
				Contra Acct. (d)	Amount (e)	
1	Account 114					
2	United REMC, Ossian, Indiana	98,547		406	20,052	78,495
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15	Account 115					
16	None					
17						
18						
19						
20						

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service.		Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts.		
2. The information specified by this schedule for Account 106, Completed Construction		3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts). 4. Minor projects may be grouped.		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	STATE OF INDIANA			
2				
3	Corning Glass Retirement	325,023		124,777
4	EC-CI-IMP Co-D TELECOM	124,179		0
5	ED-CI-IMP Co-D CUST MTR	4,844,994		0
6	ED-CI-IMP Co-D CUST SERV	2,673,008		0
7	ED-CI-IMP Co-D LN TRNSF	905,985		0
8	ED-CI-IMP Co-D PPR	272,827		0
9	FRO Concentrated Cells I&M	3,923,570		0
10	FRO Hunt 1st 88K I/M MI	1,528,179		0
11	FRO Safety/Access I/M IN	105,556		10,144
12	Ft. Wayne Tellabs DACS Replacement	118,780		31,207
13	Ft. Wayne-Benton Harbor MW Upgrade	266,205		6,414
14	I&M-2005 Dist CB Replacements	297,468		559,343
15	I&M-2005 pilot wire rehabilitaions	156,081		284,078
16	IM/Ind 2004-2005 Targeted Ckt Rel	1,536,722		0
17	IM/Ind/2004-2005 R/W Widening	9,762,661		0
18	IM/Ind/Cutout & Arrester Program	186,640		365,515
19	Mississinewa Const 138/12kV Statio	367,304		320,255
20	Parnell - Construct 2-12 kV Ckts	1,600,185		604,855
21	Parnell Station - Replace Xfmr w/20	490,667		474,933
22	ED-IMP Co-D	426,323		0
23	SS-CI-IMP Co-D Software	360,387		0
24	7E Air Conveyor	233,280		9,467
25	Allowance Mgmt System Rewrite	165,983		0
26	Fly Ash Retention Dam Raising	144,147		4,182,209
27	Generator Field Rewind	610,055		438,986
28	Hydro Dispatch Control System	436,490		0
29	RP-IMP Co-G	315,682		0
30	Purchase Gavin Rotor1-347000-701-02	1,071,244		22,626
31	Repair IP Turbine Rotor	101,791		265,371
32	REPAIR LP ROTOR	251,550		150,989
33	Replace TC4 economizer & casing	5,391,130		4,756,870
34	Reroute Storm Water Piping	646,457		5,878
35	TOTAL	311,079,725	147,390,377	281,025,134

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	<u>STATE OF INDIANA</u>			
2				
3	Rk U2 I&M Wet Ash Unloader	898,488		257,512
4	RK-1 HP Turbine Steam Path Upgrade	2,692,788		1,686,795
5	RK1 Replace Heater No. 61, 62, 63	500,923		1,997,422
6	RK2 Replace Heater No. 61, 62, 63	580,433		2,298,436
7	Rockport U1 Girder Blower Rplcmt	410,264		459,736
8	Rockport Unit 1 Sec Superheater	2,498,311		7,153,648
9	SS-CI-IMPCo-G GEN PLT	974,786		0
10	Stormwater Rerouting	437,994		140,897
11	TC 4 Cyclone/Reentrant Throat Repl	12,477,693		6,364,307
12	TC U4 Safety Valves Replace	155,849		791,126
13	TC4 HP\RH Turbine 2005 Inspection	1,086,626		305,695
14	TC4 LP Gen Retaining Ring Replace	1,556,596		382,952
15	TC4 LPA\LPB TURBINE BUCKETS\WHEELS	8,163,695		2,528,869
16	TC4 PRB Fuel Blend Proj Phase2 Engg	62,887,537		27,749,946
17	TC4 Stack Relining Project	1,779,795		4,595,128
18	Substation Intrusion Detection	129,874		0
19	138 kV line	(452,510)		729,825
20	Circuit Breaker Rehab Program-I&M	2,636,052		1,283,710
21	City of Garrett New 138 kV DP	155,976		736,824
22	ED CI IMCO D Driven T Asset Imp	195,872		0
23	ET-CI-IMPCo-T PPR	465,169		0
24	I&M static relay replacements 2005	265,946		869,159
25	I&M(T)-2005 RTU replacement	329,638		446,527
26	I&M-2005 Relay Rehab Projects	186,360		1,705,640
27	I&M-Transmission Pole Replacements	112,684		150,316
28	Olive-Replace 6 CBs (overduted)	831,337		1,494,663
29	ET-IMPCo-T	1,115,168		0
30	Purchase LTC Mobile Transformer	636,276		633,024
31	Sorenson Sta - Purchase spare trf	1,791,097		364,903
32	Other Minor Projects Under \$100,000	1,072,397		0
33				
34	Completed Construction Not Classified		59,913,179	
35	<u>STATE OF INDIANA</u>			
36				
37	TOTAL STATE OF INDIANA 107 \$146,213,645			
38	TOTAL STATE OF INDIANA 106 \$59,913,179			
39				
40				
41	<u>STATE OF MICHIGAN</u>			
42				
43	ED-CI-IMPCo-D AST IMP	9,472,510		0
44	ET-CI-I&M-T Drvn D Asset Imp	1,280,942		0
45	TOTAL	311,079,725	147,390,377	281,025,134

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	FRO Safety/Access I/M MI	136,322		0
2	IM/Mich/2004-2005 R/W Widening	2,472,905		4,829,131
3	IM/Mich/Cutout & Arrester Program	161,562		241,277
4	WS-CI-IMP Co-G PPB	6,674,138		0
5	12-RPA-4827 SG Blowdown System	887,435		3,918,794
6	12-RPA-5004 License Renewal	235,648		20,904,621
7	12-RPA-5350 Cook EAS Implementation	33,337,946		3,855,449
8	Early Warning System Siren Repl	641,872		369,768
9	EDG AOT	7,199,431		0
10	Prorad Rad Exposure Management Sys.	158,358		398,263
11	Radiation monitoring data managem	2,003,724		0
12	Replace U2 RX Pressure Vessel Head	12,752,454		30,426,709
13	Replacement of RMS Power Supplies	356,381		160,387
14	RPA005500 U1 Main/FPT Controls	3,353,052		7,162,120
15	RPA005520 U1 RX Head Replacement	18,184,185		27,804,042
16	RPA5348 Unit 1 Overdutied Breakers	292,851		2,587,344
17	RPA5349 Unit 2 Overdutied Breakers	1,991,716		1,102,513
18	RPA5501 U2 Main/FPT Controls	13,489,128		0
19	RP-CI-IMP Co-G NMIB	16,217,661		0
20	SS-CI-IMP Co-N Software	372,820		0
21	U1 Control Rm. Chart Recorders	175,730		560,859
22	U1 LP Turbine Rotor Rplc.	18,035,383		26,210,293
23	U1 RTD Bypass Mainfold Elimination	910,795		6,511,651
24	U2 Control Room Chart Recorders	340,611		265,429
25	STATE OF MICHIGAN			
26				
27	Unit 1 CT Sump Debris	563,801		3,832,053
28	Unit 1 Power Uprate	135,432		15,976,680
29	Unit 2 CT Sump Debris	560,975		4,052,550
30	Unit 2 Power Uprate	8,428,986		29,264,388
31	Upgrade analog rod position indicat	(618,644)		0
32	Upgrade Traveling Water Screens	(543,083)		12,648,857
33	DC Cook - replace 345 kv CB "N"	505,418		200,982
34	ET-CI-IMP Co-T SYS IMP	4,625,490		0
35	Other Minor Projects Under \$100,000	72,157		0
36				
37	Completed Construction Not Classified		87,477,198	
38				
39	TOTAL STATE OF MICHIGAN 107 \$164,866,080			
40	TOTAL STATE OF MICHIGAN 106 \$84,477,198			
41				
42	<u>STATE OF WEST VIRGINIA</u>			
43				
44	TOTAL STATE OF WEST VIRGINIA 106 \$0			
45	TOTAL	311,079,725	147,390,377	281,025,134

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
CONSTRUCTION OVERHEADS - ELECTRIC				
<p>1. List in columns (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather</p> <p>should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)		
1	Fossil/Hydro Construction Overheads	4,966,698		
2				
3	Nuclear Construction Overheads	5,489,602		
4				
5	Transmission Construction Overheads	4,618,187		
6				
7	Distribution Construction Overheads	15,398,386		
8				
9				
10				
11				
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38				
39	TOTAL	30,472,873		

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.

1. The company has certain administrative, supervisory and engineering personnel whose costs cannot, without undue burden and refinement, be classified directly to projects. Construction overheads are used to allocate these indirect costs to individual projects of this kind. The construction overhead rate calculated is applied to applicable capital work order charges.

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005		
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108 & 110)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 202-204A, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.		If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all cost included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.			
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	2,960,883,196	2,960,879,833	3,363	
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	175,521,083	175,521,046	37	
4	(403.1) Decommissioning Expense	22,824,958	22,824,958		
5	(413) Exp. Of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify):				
9					
10	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	198,346,041	198,346,004	37	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	63,204,101	63,175,692	28,409	
13	Cost of Removal	21,682,900	21,682,900		
14	Salvage (Credit)	12,791,979	12,791,966	13	
15	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	72,095,022	72,066,626	28,396	
16	Net Earnings of Decommissioning Funds				
17	Other Debit or Credit Items (Described)				
18	Retirement WIP	4,688,337	4,688,337		
19	Asbestos ARO	(3,518,582)	(3,518,582)		
20	Transfer between Accounts 108 & 111	(75,424)	(75,424)		
21	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	3,088,228,547	3,088,253,543	(24,996)	
Section B. Balances at End of Year According to Functional Classifications					
22	Steam Production	734,322,882	734,351,291	(28,409)	
23	Nuclear Production-Depreciation	1,280,517,440	1,280,517,440		
24	Nuclear Production-Decommissioning	165,784,491	165,784,491		
25	Hydraulic Production-Conventional	18,844,858	18,844,858		
26	Hydraulic Production-Pumped Storage				
27	Other Production	1,200,540	1,200,540		
28	Transmission	458,578,709	458,575,296	3,413	
29	Distribution	406,602,632	406,602,632		
30	General	22,376,995	22,376,995		
31	TOTAL (Enter total of lines 20 thru 28)	3,088,228,547	3,088,253,543	(24,996)	

Name of Respondent INDIANA MICHIGAN 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 of Report December 31, 2005
NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121.		4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.		
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.		5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other nonutility property.		
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.				
Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales Transfers, etc. (c)	Balance at End of Year (d)
1	Garage Building and site, South Bend, IN	232,347		232,347
2	(transferred from a/c 101 in Dec. 1980)			
3	Water Transportation Facilities,	30,628,901	1,582,094	32,210,995
4	headquartered at Lakin, WV			
5	Office Building Leasehold Improvements,	2,695,099		2,695,099
6	One Summit Square, Fort Wayne, IN			
7	Land, purchased in connection with Jefferson	164,576		164,576
8	West 765kv Corridor, Jefferson County, IN			
9	Land near Tanners Creek Plant, Lawrenceburg, IN	146,364		146,364
10	Land, Prosperity East 138kv Corridor, Madison	102,956		102,956
11	County, IN			
12	Service Building and Site, Marion, IN	148,875		148,875
13	(transferred from a/c 101 in Apr 1991)			
14	Minor items previously devoted to public service	8,368		8,368
15	Minor items - other nonutility property	301,961		301,961
16				
17				
TOTAL		34,429,447	1,582,094	36,011,541

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)		
Report below the information called for concerning depreciation and amortization of nonutility property.		
Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	10,584,172
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	841,230
4	(418) Nonoperating Rental Income	62,318
5	Other Accounts (Specify):	
6	Accounts 227 and 243	930,720
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	1,834,268
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	(79,580)
10	Cost of Removal	(3)
11	Salvage (Credit)	403
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	(79,180)
13	Other Debit or Credit Items (Describe):	
14	Reclassifications from/to Other Accounts	43
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	12,339,303

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
INVESTMENTS (Accounts 123, 124, 136)				
<p>1. Report below the investments in Accounts 123, <i>Investments in Associated Companies</i>, 124, <i>Other Investment</i>, and 136, <i>Temporary Cash Investments</i>.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(a) Investment in securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included</p>		<p>in Account 124, <i>Other Investments</i>), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i>, also may be grouped by classes.</p> <p>(b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or an open account. Each note should be</p>		
Line No.	Description of Investment (a)	Book Cost at Beginning of Year <i>(If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)</i> (b)		Purchases or from Improvement Disposed of (c)
		Original Cost	Book Value	
1	Account 123 - Investment in Associated Companies	(see pp. 224-225)		
2				
3	Account 124 - Other Investments			
4	Franklin Real Estate and Indiana Franklin - Land Purchase Contracts			
5	- Michigan		258,746	
6	- Other States		11,335,801	(200,000)
7				
8	Corporate Owned Life Insurance - Cash Surrender Value		7,868,002	
9				
10	Private Fuel Storage LLC		6,380,057	
11				
12	Fiber Optic Agreements with AEP Communications, Kentucky Data Link, Inc, and Citynet Fiber Network, Inc		5,620,492	
13				
14	Speculative Allowance Inventory			
15				
16	- Nox		0	113,037
17	- SO2		0	3,920,942
18				
19	Holtec Investment		1,250,000	
20				
21	Shell Building Loan		115,000	
22				
23	Other Miscellaneous Investments		8,040	1
24				
25	Total Account 124		32,836,138	3,833,981
26				
27	Account 136 - Temporary Cash Investments			
28				
29				
30	Grand Total		32,836,138	3,833,981

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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INVESTMENTS (Accounts 123, 124, 136) (Cont'd)

listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229.

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

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

5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

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

Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (f)		Revenues for Year (g)	Gain of Loss from Improvement Disposed of (h)	Line No.
		Original Cost	Book Value			
						1
						2
						3
						4
(8,041)			266,787			5
548,542			10,587,259			6
						7
7,868,002			0			8
						9
36,336			6,343,721			10
						11
61,067			5,559,425			12
						13
						14
						15
			113,037			16
			3,920,942			17
						18
1,250,000			0			19
						20
			115,000			21
						22
			8,041			23
						24
9,755,906			26,914,213			25
						26
						27
						28
						29
9,755,906	0	0	26,914,213	0	0	30

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)				
<p>Report below the investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances - Report separately the</p>		<p>amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.</p>		
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Blackhawk Coal Company, Inc	09/01/80		
2	Common Stock			39,521,000
3	Cash Capital Contribution			1,303,000
4	Equity in Earnings			3,847,552
5	Subtotal			44,671,552
6				
7	Price River Coal Company, Inc	12/01/65		
8	Common Stock			27,275
9	Subtotal			27,275
10				
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35				
36	TOTAL Cost of Account 123.1 \$ 0		TOTAL	44,698,827

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)				
<p>4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledgee and purpose of the pledge.</p> <p>5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.</p> <p>6. Report in column (f) interest and dividend revenues from investments, including such revenues from</p>		<p>securities disposed of during the year.</p> <p>7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).</p> <p>8. Report on Line 36, column (a) the total cost of Account 123.1.</p>		
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
808,083		39,521,000 1,303,000 4,655,635 45,479,635 27,275 27,275		1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35
808,083	0	45,506,910	0	36

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET				
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).				
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)	
1	Notes Receivable (Account 141)	5,559	8,949	
2	Customer Accounts Receivable (Account 142)	46,641,806	45,656,264	
3	Other Accounts Receivable (Account 143 & 172) (Disclose any capital stock subscriptions received)	18,650,538	18,368,417	
4	TOTAL	65,297,902	64,033,630	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	186,672	898,076	
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	65,111,230	63,135,554	
7	Account 141 consists of miscellaneous loans to employees.			
8	Account 143 includes employee receivables of \$1,216,423 @			
9	12/31/05 and \$1,277,544 @ 12/31/04 related to a 2001 biweekly			
10	payroll conversion that will be collected when the employees leave			
11	the company.			
12				
13				
14				

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision.						
2. Explain any important adjustments of subaccounts.						
3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year		376,448		(189,776)	186,672
2	Prov. For uncollectibles for current year		819,464			819,464
3	Account written off (less)				108,060	108,060
4	Coll. Of accounts written off					0
5	Adjustments (explain):					0 0
6	Balance end of year	0	1,195,912	0	(297,836)	898,076
7						
8						
9						
10						
11						

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)

- | | |
|---|--|
| <p>1. Report particulars of notes and accounts receivable from associated companies* at end of year.</p> <p>2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts.</p> <p>3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.</p> | <p>4. If any note was received in satisfaction of an open account, state the period covered by such open account.</p> <p>5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year.</p> <p>6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.</p> |
|---|--|

* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the account company. This includes related parties.

"Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 145					
2					0	
3	Account 146					
4	AEP Coal Marketing, LLC	307,872	540,414	848,286	0	
5	AEP Communications, LLC	866,706	194,025	1,060,732	0	
6	AEP Credit, Inc.	73,494	73,494	146,987	0	
7	AEP Desert Sky LP, LLC	0	184	156	28	
8	AEP Energy Services Invest Inc	111	223	334	0	
9	AEP Energy Services, Inc.	22,993,364	29,910	34,017	22,989,257	
10	AEP Generating Company	17,510,303	194,298,973	189,852,191	21,957,086	
11	AEP Kentucky Coal, LLC	0	464	0	464	
12	AEP Service Corporation	33,478,304	1,492,188,698	1,490,078,401	35,588,601	
13	AEP System Pool	4,037,552	404,990,621	396,534,489	12,493,684	
14	AEP T&D Services, LLC	(2,251)	23,828	19,536	2,041	
15	AEP Texas Central Company	1,576,509	1,567,883	466,138	2,678,254	
16	AEP Texas North Company	1,275,903	118,077	884,288	509,692	
17	AEP Utilities, Inc.	470,602	62,115,754	61,800,756	785,599	
18	AEP Wind Holding Company, LLC	1	86	62	25	
19	AEPEUS US Gas Trading	15,266,589	133,889,739	141,861,508	7,294,820	
20	AEPR Ohio, LLC	19	0	19	0	
21	American Electric Power Co	728,361	312,715,095	313,443,456	0	
22	Appalachian Power Co	8,445,563	90,462,788	91,057,727	7,850,623	
23	Blackhawk Coal Company Cardinal Operating	24,920	269,468	293,451	937	
24	Company Columbus Southern	795,108	5,724,277	6,151,646	367,739	
25	Power	16,851	6,025,835	2,401,502	3,641,184	

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005	
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Cook Coal Terminal	25,811	328,911	340,339	14,384	
2	CSW Energy, Inc.	2	2,230	2,187	45	
3	Kentucky Power Co	25,032	1,164,011	902,354	286,688	
4	Kingsport Power Co	193	7,645	7,832	6	
5	Memco Consolidated	1,258,705	4,578,154	4,530,021	1,306,839	
6	Ohio Power Co	12,865,866	30,734,785	35,677,434	7,923,217	
7	Public Service Co of Ok	602,340	1,200,235	1,126,051	676,524	
8	Southwestern Power Co	1,506,782	1,767,448	1,660,270	1,613,959	
9	Wheeling Power Co	8,016	53,870	61,878	8	
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44	TOTAL	124,158,628	2,745,067,126	2,741,244,048	127,981,706	0

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)
1	Fuel Stock (Account 151)	26,278,668	24,498,442	Electric
2	Fuel Stock Expenses Undistributed (Account 152)	939,616	1,395,834	Electric
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials & Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	6,014,705	10,058,693	Electric
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)	81,815,567	92,928,100	Electric
8	Transmission Plant (Estimated)	1,971,629	768,878	Electric
9	Distribution Plant (Estimated)	626,618	918,773	Electric
10	Assigned to - Other	281,988	225,014	Electric
11	TOTAL Account 154 (Enter total of line 5 thru 10)	90,710,507	104,899,458	Electric
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)	1,020,013	1,491,819	River Transportation
14	Nuclear Materials Held for Sale (Account 157) (not applicable to Gas utilities)			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials & Supplies (Per Balance Sheet)	118,948,804	132,285,553	

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Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)					
1. Report below the information called for concerning production fuel and oil stock.			affiliated companies, a statement should be submitted showing the quantity of such fuel so obtained, the quantity used and quantity on hand, and cost of the fuel classified as to the nature of the costs and expenses incurred with appropriate adjustment for the inventories at beginning and end of year.		
2. Show quantities in tons Of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable.					
3. Each kind of coal or oil should be shown separately.					
4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from					
Line No.	Item (a)	Total Cost (b)	KINDS OF FUEL AND OIL		
			Quantity (Coal Tons) (c)	Cost (Coal) (d)	
1	On hand beginning of year	26,278,670	867,742	25,221,742	
2	Received during year	226,454,184	6,922,326	222,977,926	
3	TOTAL	252,732,854	7,790,068	248,199,668	
4	Used during year (specify department)				
5	Electric Generation	225,638,101	7,011,370	222,537,259	
6	Storage Pile Adjustment	671,974	21,518	671,974	
7	Other - Rockport Plant Coal Pile Revision	1,924,337	64,009	1,910,150	
8					
9					
10					
11					
12					
13					
14					
15	Sold or transferred				
16	TOTAL DISPOSED OF	228,234,412	7,096,897	225,119,383	
17	BALANCE END OF YEAR	24,498,442	693,171	23,080,285	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151 (Continued))							
KINDS OF FUEL AND OIL (Continued)							
Quantity (Oil Bbls) (e)	Cost (Oil) (f)	Quantity (g)	Cost (h)	Quantity (i)	Cost (j)	Line No.	
23,789	1,056,928					1	
46,803	3,476,258					2	
70,592	4,533,186	0	0	0	0	3	
						4	
50,241	3,100,842					5	
0	0					6	
191	14,187					7	
						8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
50,432	3,115,029	0	0	0	0	16	
20,160	1,418,157	0	0	0	0	17	

Name of Respondent Indiana Michigan Power Compan	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005		
ALLOWANCES					
1. Report below the details called for concerning allowances. 2. Report all acquisitions of allowances at cost. 3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts. 4. Report the allowances transactions by the period they are first			eligible for use; the current year;s allowances in columns (b)-(c), allowances for the three succeeding years in column(d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k). 5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.		
Line No.	Allowance Inventory (a)	Current Year		2006	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance - Beginning of Year	1,140,674	13,309,657	162,413	8,560,029
2-4	Acquired During Year: Issued (Less Withheld Allow.)	19,518,050			
5	Returned by EPA				
6-8	Purchases/Transfers:				
9	EPA				
10	Cincinnati Gas & Electric			945	657,247
11	Buckeye Power	295	698,086		
12	Mirant Americas Energy	100	321,000		
13	Reliant Energy	50	162,250		
14	Other	25,267	345,366	1,816	3,794
15	Total	25,712	1,526,702	2,761	661,041
16					
17-18	Relinquished During Year: Charges to Acct. 509	18,501,998	8,804,096		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	Columbus Southern Power - affiliated	11,480	635,265		
23	Cincinnati Gas & Electric	659	36,737		
24	Basin Electric Power Cooperative	471	26,257		
25	East Kentucky Power	471	26,257		
26	Alpha Energy Masters LTD	188	10,480		
27	Other	25,124	1,182,995	1,277	1,781
28	Total	38,393	1,917,991	1,277	1,781
29	Balance - End of Year	2,144,045	4,114,272	163,897	9,219,289
30-31	Sales:				
32	Net Sales Proceeds (Assoc Co.)		10,050,701		
33	Net Sales Proceeds (Other)		2,100,030		2,588
34	Gains		10,257,082		807
35	Losses		24,342		
	Allowances Withheld				
36	Balance - Beginning of Year	1,182		1,167	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,182			
40	Balance - End of Year	0		1,167	
41-42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)		822,933		
45	Gains		822,933		
46	Losses				

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ALLOWANCES (Continued)

6. Report on line 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales or auction of the withheld allowances.

7. Report on lines 8-14 the names of vendors/transfers of allowances acquired and identify associated companies (See "associated co." under "Definitions" in Uniform System of Accounts).

8. Report on lines 22-27 the names of purchasers/transfers of allowances disposed of and identify associated companies.

9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.

10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.

2007		2008		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
120,292	3,900,780	130,826	5,622,636	2,186,690	7,311,421	3,740,895	38,704,523	1
				81,376		19,599,426		2-4
								5
								6-8
				10,741	3,276,962	10,741	3,276,962	9
945	657,247	945	657,247	945	657,247	3,780	2,628,988	10
						295	698,086	11
						100	321,000	12
						50	162,250	13
						27,083	349,160	14
945	657,247	945	657,247	11,686	3,934,209	42,049	7,436,446	15
								16
						18,501,998	8,804,096	17-18
								19
								20
								21
						11,480	635,265	22
						659	36,737	23
						471	26,257	24
						471	26,257	25
						188	10,480	26
						26,401	1,184,776	27
0	0	0	0	0	0	39,670	1,919,772	28
121,237	4,558,027	131,771	6,279,883	2,279,752	11,245,630	4,840,702	35,417,101	29
								30-31
							10,050,701	32
							2,102,618	33
							10,257,889	34
							24,342	35
1,170		1,168		57,324		62,011		36
						0		37
						0		38
				1,165		2,347		39
1,170		1,168		56,159		59,664		40
								41-42
								43
					348,228		1,171,161	44
					348,228		1,171,161	45
								46

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																																													
228	14	a	<table border="0"> <tr> <td></td> <td align="center" colspan="2">Current Year</td> <td align="center" colspan="2">2006</td> </tr> <tr> <td></td> <td align="center">Number</td> <td align="center">Amount</td> <td align="center">Number</td> <td align="center">Amount</td> </tr> <tr> <td></td> <td align="right">3,381</td> <td align="right">154,720</td> <td></td> <td></td> </tr> <tr> <td></td> <td align="right">50</td> <td align="right">150,500</td> <td></td> <td></td> </tr> <tr> <td></td> <td align="right">21,836</td> <td align="right">40,146</td> <td align="right">1,816</td> <td align="right">3,794</td> </tr> <tr> <td></td> <td></td> <td></td> <td align="right" colspan="2"><hr/></td> </tr> <tr> <td></td> <td></td> <td>Total</td> <td align="right">25,267</td> <td align="right">345,366</td> </tr> <tr> <td></td> <td></td> <td></td> <td align="right">1,816</td> <td align="right">3,794</td> </tr> </table>		Current Year		2006			Number	Amount	Number	Amount		3,381	154,720				50	150,500				21,836	40,146	1,816	3,794				<hr/>				Total	25,267	345,366				1,816	3,794					
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)

1. Give description and amount of other current and accrued assets as of the end of year.
2. Minor items may be grouped by classes, showing number of items in each class.

Line No.	Item (a)	Balance End of Year (b)
1	Pension Plan	16,110
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	TOTAL	16,110

Name of Respondent		This Report Is:		Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr)	December 31, 2005
OTHER REGULATORY ASSETS					
1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)			amortization in column (a).		
2. For regulatory assets being amortized, show period of			3. Minor items (amounts less than \$50,000) may be grouped by classes.		
			4. Give the number and name of the account(s) where each amount if recorded.		
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	SFAS 112 Post Employment Benefits	1,219,443	228	647,330	6,700,875
2					
3	Cook Plant Refueling Levelization	32,493,111	Various	53,766,082	22,971,085
4					
5	VEBA Trust Contributions				354,500
6					
7	SFAS 106 Post Retirement Benefits				4,545,667
8					
9	Department of Energy Decontamination Assesment	431,230	518	5,250,458	9,395,666
10	Amort 11/1992 - 10/2007				
11					
12	Unamortized Loss on Reacquired Debt		428	206,954	3,518,207
13	17 years remaining				
14					
15	Unrealized Loss on Forward Commitments	315,976,981	456	298,467,973	24,875,247
16					
17	Deregulation-Customer Educ & Transition Filing	5,051			74,920
18					
19	Deregulation Implementation	323,443			4,705,236
20					
21	Asset Retirement Obligations	196,454			1,313,541
22					
23	Merger Costs	191,818	407	1,531,021	3,686,611
24	Amort 8/2000 - 7/2008				
25					
26	Unrecovered Fuel Cost	8,936,988	Various	7,252,320	3,373,914
27					
28	Deferral of Michigan portion PJM Fees	1,198,670			1,534,658
29					
30	Deferred Equity Carrying Charges	76,914	407	1,047,469	(970,555)
31	Amort 1/2005 - 12/2019				
32					
33	BridgeCo Transmission Org Funding	1,440,850	407	52,833	1,388,017
34	Amort 1/2005 - 12/2019				
35	FERC Docket No AC04-101-000				
36					
37	PJM Integration Payments	3,907,866	407	705,962	3,201,904
38	Amort 1/2005 - 12/2014				
39	FERC Docket No EL05-74-000				
40					
41	Other PJM Integration	3,158,588	407	1,707,970	1,450,618
42	Amort 1/2005 - 12/2019				
43	FERC Docket No AC04-101-000				
44					
45	Carrying Charges - RTO Startup Costs	1,798,729	407	731,102	1,067,627
46	Amort 1/2005 - 12/2019				
47	FERC Docket No AC04-101-000				
48	and FERC Docket No EL05-74-000				
49					
50	Alliance RTO Deferred Expense	828,120	407	30,561	797,559
51	Amort 1/2005 - 12/2019				
52	FERC Docket No AC04-101-000				
53					
54	SFAS 109 Deferred SIT	6,113,000	283	18,691,000	36,704,000
55					
56	SFAS 109 Deferred FIT	11,159,316	Various	34,938,783	138,969,024
57	TOTAL	389,456,572		425,027,818	269,658,321

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Property Taxes	22,292,863	41,341,503	408	39,200,758	24,433,608
2						
3	Property Taxes - Capital Leases	76,766	526,485	408	515,506	87,745
4						
5	Emission Allowance Activity	23,453	10,709,259	158, 253	10,732,712	
6						
7	Expense Issue/Reaq Bonds & Stk	84,082	118,676	181	202,758	
8						
9	Cash Clearing	500	593,000	Various	593,500	
10						
11	Labor Accruals	552,887	17,405,982	Various	15,446,696	2,512,173
12						
13	Agency Fees, Factored Accts Rec	1,827,092	23,508,307	Various	23,281,153	2,054,246
14						
15	Bridge Co RTO Funding	1,440,850		Various	1,440,850	
16						
17	Bridge Co RTO Deferred Exp	896,526		234	896,526	
18						
19	PJM Payments	3,882,938	39,333	182	3,922,271	
20						
21	PJM Integration	660,287	42,616	234	702,903	
22						
23	Carrying Charges-Defrd RTO Costs	1,164,711	51,973	253	1,216,684	
24						
25	Decommissioning Work in Process	3,500				3,500
26						
27	River Transportation Division	520,471	68,708,225	Various	68,983,749	244,947
28						
29	Estimated Barging Bills	(9,489)	63,223,955	151	63,265,754	(51,288)
30						
31	Non Traditional Option Premiums	2,285,434	33,643,221	146, 421	35,411,893	516,762
32						
33	Railcar Lease Expense	482,401	5,286,121	Various	5,768,522	
34						
35						
36						
37						
38	Misc. Work in Progress	1,124,383				295,174
39	TOTAL	37,309,655	265,198,656		271,582,235	30,096,867

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Next is Tax Schedules

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

TAX SCHEDULES

I Purpose:

The Commission will permit the option to adopt FERC reporting requirements if the company agrees to file the MPSC information on a historical test-year basis in a rate case or upon request of the Commission Staff. For the following pages:

A.	Accumulated Deferred Income Taxes	234A-B
B.	Reconciliation of Report Net Income With Taxable Income for Federal Income Taxes	261A-B
C.	Calculation of Federal Income Tax	261C-D
D.	Taxes Accrued, Prepaid and Charged During Year	262-263
E.	Accumulated Deferred Income Taxes	272-277

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Nuclear Decommissioning	67,671,170	1,188,900	4,130,940
3	Deferred Gain Sale of Rockport Unit 2	22,600,378	1,297,350	
4	Accrued Pension Expense	6,136,039	35,305,414	1,967,293
5	Interest Expense Capitalized	18,625,463	1,749,524	2,301,517
6	SFAS 106 Post Retirement Benefits	4,020,024	1,964,696	3,086,691
7	Other (see pp. 234.1A-234.1B)	421,501,005	23,436,222	46,519,201
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	540,554,079	64,942,106	58,005,642
9	Gas			
10				
11				
12				
13				
14				
15	Other			
16	TOTAL Gas (Enter total of lines 10 thru 15)	0	0	0
17	Other (Specify)	99,394,550		
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	639,948,629	64,942,106	58,005,642
19	Classification of Total:			
20	Federal Income Tax	639,496,629	64,942,106	58,005,642
21	State Income Tax	452,000		
22	Local Income Tax			

NOTES

In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

Line 17 Other - Detail	Balance at Beginning of Year	Balance at End of Year
Non-Utility 190.2 Federal	8,966,416	11,470,073
Non-Utility 190.2 State	452,000	352,000
SFAS 133	5,469,187	3,422,601
SFAS 87	22,056,008	54,469
SFAS 109	<u>64,450,939</u>	<u>53,965,370</u>
Total	99,394,550	69,264,513

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other Other.

4. In the space provided below, identify by amount

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						70,613,210	2
						21,303,028	3
						(27,202,082)	4
						19,177,456	5
						5,142,019	6
				Various	1,359,398	445,943,382	7
0	0		0		1,359,398	534,977,013	8
							9
							10
							11
							12
							13
							14
0	0		0			0	15
0	0		0		0	0	16
11,191,340	13,594,994	1823/254	32,433,691			69,264,513	17
11,191,340	13,594,994		32,433,691		1,359,398	604,241,526	18
							19
11,078,340	13,581,994		32,433,691		1,359,398	603,889,526	20
113,000	13,000					352,000	21
							22

NOTES (Continued)

Name of Respondent Indiana Michigan 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 of Report End of <u>2005/Q4</u>
ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.		2. At Other (Specify), include deferrals relating to other income and deductions.		
Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Other (detail)			
2	Contribution & Advances for Construction	6,351,330	634,302	957,473
3	Provisions for Loss Trading Credit Risk	981,865	741,378	707,741
4	Property Tax Deferrals	4,292,694	460,181	1,176,732
5	Installation Allowances Capitalized	162,940	65,181	
6	Pre 04/83 Nuclear Fuel Disposal Costs	11,743,160	3,009,281	2,088,746
7	DOE Decontamination Fund	10,003,940	501,310	308,217
8	IRS Settlements	937,070	7,418	23,606
9	Emission Allowances	308,134	308,134	
10	Amortization of Step-up ITC Rockport Unit 2	7,156,923	397,583	
11	Accrued Vacation Pay	3,951,900	1,010,595	1,161,525
12	Accrued Severance Benefits	(148,027)	464,238	3,301,630
13	Accrued Incentive Plans	1,246,689	404,647	143,814
14	Book Provision for Uncollectible Debt	64,860	125,741	374,732
15	Mark to Market Gain/Loss	10,078,328	5,083,866	5,145,839
16	Capitalized Software - Tax	11,651	11,320	10,666
17	Revenue Refunds	(75,690)		
18	SFAS 112 Post Employment Benefits	2,223,845	226,564	408,781
19	Capitalized Property Tax	66,465,785	7,384,495	
20	Accrued State Income Tax and Interest	2,993,838		185,912
21	Reg. Liability - SFAS 143 ARO	85,811,058	1,540,443	10,690,643
22	Accrued ARO Expense - SFAS 143	207,565,468		18,609,212
23	Removal Costs - Cook U1 Steam Generator	241,094	250	
24	Accrued SIT			
25	Other Miscellaneous	(867,850)	1,059,294	1,223,932
26				
27	Total Other	421,501,005	23,436,222	46,519,201
28				
29				
30				
NOTES				

Name of Respondent Indiana Michigan 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 of Report End of <u>2005/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other Other.

4. In the space provided below, identify by amount

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.	
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS				
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)			
							1	
						6,674,501	2	
						948,228	3	
						5,009,245	4	
						97,759	5	
						10,822,625	6	
						9,810,847	7	
						953,258	8	
							9	
						6,759,340	10	
						4,102,830	11	
						2,689,365	12	
						985,856	13	
						313,851	14	
						10,140,301	15	
						10,997	16	
						(75,690)	17	
						2,406,062	18	
						59,081,290	19	
						3,179,750	20	
						94,961,258	21	
						226,174,680	22	
						240,844	23	
							24	
					282.1	1,359,398	25	
							26	
						1,359,398	445,943,382	27
							28	
							29	
							30	

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005	
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	7.2% Series First Mortgage Bonds. Due 2/2024.	4/2004	30,000,000	(1,270,107)
2	No Replacement Debt Issued - Amort thru 2/1/2024			
3				
4				
5	7.5% Series First Mortgage Bonds. Due 3/2024.	4/2004	25,000,000	(1,097,914)
6	No Replacement Debt Issued - Amort thru 3/1/2024			
7				
8	8-3/4% Series First Mortgage Bonds due 2/2017	3/1994	100,000,000	(7,562,180)
9	This debt was replaced by the following issuances:			
10	6.55% FMB due 3/2004. (Replaced by 6.875%			
11	SUN.)			
12	7.50% FMB due 3/2024 (Redeemed 4/2004, no			
13	replacement debt was issued.)			
14	No Replacement Debt Issued - Amort thru 2/1/2017			
15				
16	7.35% Series First Mortgage Bonds due 10/2023	5/2003	15,000,000	(383,698)
17	This debt was replaced by the following issuances:			
18	6.375% Senior Unsecured Note due 11/2012			
19	6.00% Senior Unsecured Note due 12/2032			
20				
21	8.5% Series First Mortgage Bonds due 12/2022	5/2003	75,000,000	(2,353,464)
22	This debt was replaced by the following issuances:			
23	6.375% Senior Unsecured Note due 11/2012			
24	6.00% Senior Unsecured Note due 12/2032			
25				
26	6.80% Series First Mortgage Bonds. Due 07/2003.	7/1999	20,000,000	(74,013)
27	Reacquired and refunded by the following issue:			
28	6.875% Series Senior Unsecured Notes. Due 07/2004.			
29	Loss being amortized over life of replacement debt.			
30				
31	6.55% Series First Mortgage Bonds. Due 10/2003.	5/1998	20,000,000	(71,106)
32				
33	6.55% Series First Mortgage Bonds. Due 03/2004.	4/1999	25,000,000	(103,444)
34				
35	8-3/8% Series First Mortgage Bonds. Due 12/2003.	12/1993	40,000,000	(613,019)
36	This debt was replaced by the following issuance:			
37	7.2% Series First Mortgage Bonds (This debt was			
38	redeemed 4/2004 - no replacement debt issued)			
39				
40	8-7/8% Series First Mortgage Bonds. Due 4/2000	9/1993	50,000,000	(1,081,285)
41	This debt was replaced by the following issuances:			
42	6.8% Series FMB due 7/2003			
43	(This debt was replaced by 6.875% SUN)			
44	6.55% FMB due 10/2003. (This issue replaced by			
45	6.875% SUN.)			
46	7.35% Series FMB due 10/2023			
47	(This debt was replaced by 6.0% & 6.375% SUN.)			
48	7.8% Series FMB due 7/2023			
49	(This debt was replaced by 7.6% Junior Debentures)			
50				

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1.

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
(1,608,803)		84,304	(1,524,500)	1
				2
				3
				4
(2,264,418)		118,144	(2,146,275)	5
				6
				7
				8
				9
				10
				11
				12
(398,734)		32,999	(365,735)	14
				15
				16
				17
(120,225)		15,348	(104,877)	18
(213,684)		7,632	(206,052)	19
				20
				21
				22
(737,419)		94,139	(643,280)	23
(1,310,658)		46,809	(1,263,849)	24
				25
				26
				27
				28
				29
				30
				31
				32
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Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	9-1/2% Series First Mortgage Bonds. Due 06/2003	1/1993	75,000,000	
2	This debt was replaced by the following issuance:			
3	8.5% Series FMB due 12/2022			(2,964,495)
4	(This debt was replaced by 6.0% & 6.375% SUN.)			
5				
6	9-1/2% Series First Mortgage Bonds. Due 07/1997	4/1993	30,000,000	
7	This debt was replaced by the following issuances:			
8	7.8% Series FMB due 7/2023			(341,870)
9	(This debt was replaced by 7.6% Junior Debentures)			
10	6.8% Series FMB due 7/2003			(331,585)
11	(This debt was replaced by 6.875% Senior Unsecured Nd			
12				
13	7.8% Series First Mortgage Bonds. Due 7/2023.	7/1998	20,000,000	(168,780)
14	Reacquired and refunded by the following issue:			
15	7.6% Junior Subordinated Debentures, due 6/2038			
16	(This debt was replaced by 6.0% & 6.375% SUN.)			
17				
18	9-1/2% First Mortgage Bond, due 5/2021	6/1996	40,000,000	(276,301)
19	This debt was replaced by the following issuance:			
20	8.0% Junior Subordinated Debentures, due 3/2026.			
21	(This debt was replaced by 6.0% & 6.375% SUN.)			
22				
23	7.0% Pollution Control Revenue Bonds	11/2003	25,000,000	(600,619)
24	Lawrenceburg, IN Series Due 4/2015			
25	Replaced by 2.625% Lawrenceburg Bonds Due 10/2019			
26	Loss being amortized over life of replacement debt			
27				
28	5.95% Pollution Control Revenue Bonds, due 5/2009	11/2004	45,000,000	(496,054)
29	City of Sullivan, Indiana. (Replaced by VAR%			
30	Sullivan, IN Bonds due 5/2009.)			
31				
32	5.9% Pollution Control Revenue Bonds, due 11/2021	11/2004	52,000,000	(1,089,232)
33	City of Lawrenceberg, Indiana. (Replaced by VAR%			
34	Lawrenceberg, IN Bonds due 11/2021.)			
35				
36	9-1/4% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(3,428,658)
37	City of Rockport, Indiana.			
38	Replaced by 6.55% Rockport Bonds due 6/2025			
39				
40	VAR% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(785,288)
41	City of Rockport, Indiana.			
42	Replaced by VAR% Rockport Bonds due 6/2025			
43				
44	7.6% Pollution Control Revenue Bonds	11/2003	40,000,000	(338,620)
45	Rockport, IN Series Due 3/2016			
46	Replaced by 2.625% Rockport IN Bonds Due 4/2025			
47	Loss being amortized over life of replacement debt.			
48				
49				
50				

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1.

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
				1
				2
				3
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				18
				19
				20
				21
				22
(852,874)		57,822	(795,052)	23
				24
				25
				26
				27
(699,228)		161,360	(537,867)	28
				29
				30
				31
(1,435,624)		85,285	(1,350,340)	32
				33
				34
				35
(2,339,892)		114,607	(2,225,285)	36
				37
				38
				39
(535,922)		26,249	(509,673)	40
				41
				42
				43
(1,139,051)		56,249	(1,082,802)	44
				45
				46
				47
				48
				49
				50

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	8-1/2% Pollution Control Revenue Bonds,	7/1992	25,000,000	(653,844)
2	City of Lawrenceburg, IN, Series A. Due 4/2015			
3	Replaced by 7% Lawrenceburg, IN Bonds due 4/2015. (T			
4	(Replaced by 2.625% Lawrenceberg PCB.)			
5				
6	6-7/8% Pollution Control Revenue Bonds	9/1993	25,000,000	(444,986)
7	City of Sullivan, IN, Series A. Due 5/2006			
8	Replaced by 5.95% Sullivan Bonds due 5/2009			
9	(Replaced by VAR% Sullivan PCB.)			
10				
11	7-1/2% and 7-3/8% Pollution Control Revenue Bonds	9/1993	20,000,000	(355,988)
12	City of Sullivan, IN, Series B. Due 5/09 and 5/04.			
13	Replaced by 5.95% Sullivan Bonds due 5/2019			
14	(Replaced by VAR% Sullivan PCB.)			
15				
16	7% Pollution Control Revenue Bonds	10/1993	40,000,000	(482,349)
17	City of Lawrenceburg, IN, Series B. Due 5/2006			
18	Replaced by 5.9% Lawrenceberg Bonds due 11/2019			
19	(Replaced by VAR% Lawrenceberg PCB.)			
20				
21	6-7/8% Pollution Control Revenue Bonds	11/1993	12,000,000	(144,705)
22	City of Lawrenceburg, IN, Series C. Due 5/2006			
23	Replaced by 5.9% Lawrenceberg Bonds due 11/2019			
24	(Replaced by VAR% Lawrenceberg PCB.)			
25				
26	9-1/8--9-1/4% Pollution Control Revenue	6/1991	40,000,000	(1,765,020)
27	Bonds, Rockport Series A. Due 6/05 & due 6/10			
28	Replaced by 7.6% Rockport IN Bonds Due 3/2016			
29	(This issue was replaced by 2.625% Rockport PCB.)			
30				
31	8.0% Junior Subordinated Debentures due 3/2026	5/2003	40,000,000	(1,291,678)
32	This debt was replaced by the following issuances:			
33	6.375% Senior Unsecured Note due 11/2012			
34	6.00% Senior Unsecured Note due 12/2032			
35				
36	7.6% Junior Subordinated Debentures due 6/2038	5/2003	125,000,000	(2,911,019)
37	This debt was replaced by the following issuances:			
38	6.375% Senior Unsecured Note due 11/2012			
39	6.00% Senior Unsecured Note due 12/2032			
40				
41	9.00% Pref Stock Subject to Mandatory Redemption	4/1993	40,000,000	(896,000)
42	8.60% Pref Stock Subject to Mandatory Redemption	12/1993	40,000,000	(864,000)
43	8.68% Pref Stock Subject to Mandatory Redemption	1/1994	30,000,000	(540,000)
44	7.76% Pref Stock Subject to Mandatory Redemption	3/1994	35,000,000	(798,000)
45	6.875% Pref Stock Subject to Mandatory Redemption	1/2005	15,750,000	} (861,392)
46	5.90% Pref Stock Subject to Mandatory Redemption	1/2005	13,200,000	
47	6.25% Pref Stock Subject to Mandatory Redemption	1/2005	19,250,000	
48	6.30% Pref Stock Subject to Mandatory Redemption	1/2005	13,245,000	
49	(Balance transferred from FERC Acct 210 to 189)			
50	SUBTOTAL Unamortized Loss			

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1,

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
				1
				2
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				30
				31
				32
(404,726)		51,667	(353,059)	33
(719,343)		25,691	(693,652)	34
				35
				36
				37
(912,119)		116,441	(795,679)	38
(1,621,164)		57,899	(1,563,265)	39
				40
				41
				42
				43
				44
				45
	2,399,762	329,554	(2,070,208)	46
				47
				48
				49
(17,313,883)	2,399,762	1,482,196	(18,231,450)	50

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)					
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.			2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)	
1	7.35% Series First Mortgage Bonds. Due 7/2023.	6/2001	5,000,000	38,090	
2	Partially reacquired and not refunded.				
3	Gain being amortized over life of retired debt.				
4					
5	SUBTOTAL Unamortized Gain				
6					
7	TOTAL				
8					
9					
10					
11					
12					
13					
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15					
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18					
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1.

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
32,098	1,712		30,386	1
				2
				3
				4
32,098	1,712	-	30,386	5
				6
(17,281,785)	2,401,474	1,482,196	(18,201,064)	7
				8
				9
				10
				11
				12
				13
				14
				15
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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CAPITAL STOCK (Accounts 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Common Stock	2,500,000		
2	TOTAL Common Stock	2,500,000		
3				
4	Preferred Stock			
5	Par Value \$100	2,250,000		
6	Par Value \$25	11,200,000		
7				
8	Not Subject To Mandatory Redemption			
9	4-1/8% cumulative		100.00	106.13
10	4.56% cumulative		100.00	102.00
11	4.12% cumulative		100.00	102.73
12				
13	TOTAL Preferred Stock	13,450,000		
14				
15				
16				
17				
18				
19				
20				
21				
22				
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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CAPITAL STOCK (Accounts 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET <i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		HELD BY RESPONDENT				
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
1,400,000	56,583,866					1
1,400,000	56,586,866					2
						3
						4
						5
						6
						7
						8
55,369	5,536,900					9
14,412	1,441,200					10
11,055	1,105,500					11
						12
80,836	8,083,600					13
						14
						15
						16
						17
						18
						19
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 & 205, 203 & 206, 207, 212)			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 202 - <i>Common Stock Subscribed</i>		
2	None		
3			
4	Account 205 - <i>Preferred Stock Subscribed</i>		
5	None		
6			
7	Account 203 - <i>Common Stock Liability for Conversion</i>		
8	None		
9			
10	Account 206 - <i>Preferred Stock Liability for Conversion</i>		
11	None		
12			
13	Account 207 - <i>Capital Stock</i>		
14	Premium on Common Stock	1,400,000	4,234,635
15	Premium on Pref Stock not subject to Mandatory Redemp		
16	4.120% Preferred Stock	11,055	3,117
17	4-1/8% Preferred Stock	55,369	80,230
18			
19			
20			
21			
22			
23			
24			
25			
26			
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37			
38			
39			
40	TOTAL	1,466,424	4,317,982

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (account 209)-State amount and give brief explanation</p>		<p>of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)- Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	Donations received from stockholders (Account 208)		
2	Contributed by parent company	852,666,991	
3			
4	TOTAL Account 208	852,666,991	
5			
6	Gain on reacquired capital stock (Account 210)		
7	Pref Stock Begin Bal Credit		
8	9.00% (119,962) 119,962		
9	8.60% (97,098) 97,908		
10	8.68% (97,741) 97,741		
11	7.76% (76,504) 76,504		
12	Various (552,876) 552,876		
13	Series 4.12% Accum reacq gains until complete series redemption	266,292	
14	Series 4-1/8% Accum reacq gains until complete series redemption	160,631	
15	Series 4.56% Accum reacq gains until complete series redemption	4,400	
16			
17	TOTAL Account 210	431,323	
18			
19	Miscellaneous paid-in capital (Account 211)		
20	Amounts recorded in connection with:		
21	Merger of Indiana Service Corporation with respondent in 1948 as		
22	subsequently adjusted December 31, 1948	1,002,503	
23	Acquisiton of Citizen's Heat, Light, and Power Company by		
24	respondent in 1954	10,687	
25	Merger of Michigan Power Company with respondent in 1992	2,861,068	
26			
27	TOTAL Account 211	3,874,258	
28			
29			
30			
31			
32			
33			
34			
35	TOTAL	856,972,572	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED
DURING THE YEAR**

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

1. Securities refunded or retired during 2005

<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Retired</u>
5.900% Pref Stock Subj to Man Red	01/01/2009	13,200,000	01/03/2005
6.250% Pref Stock Subj to Man Red	04/01/2009	19,250,000	01/03/2005
6.300% Pref Stock Subj to Man Red	07/01/2009	13,245,000	01/03/2005
6.875% Pref Stock Subj to Man Red	04/01/2008	15,750,000	01/03/2005

2. Securities issued during 2005

<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Issued</u>
5.65% Senior Notes, Series G	12/1/2015	125,000,000	12/7/2005

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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LONG-TERM DEBT (Accounts 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate <i>(For new issue, give Commission Authorization numbers and dates)</i>	Principal Amount of Debt Issued	Total Expense, Premium or Discount
	(a)	(b)	(c)
1	Account 224 - Other Long Term Debt		
2	Spent Nuclear Fuel Disposal Costs Prior		
3	To April 7, 1983 - Basic Fee Assessment & Interest		
4			
5	SUBTOTAL - Other Long Term Debt		
6			
7	Pollution Control Revenue Bonds		
8	Lawrenceburg, IN		
9	Series F 2.625%	25,000,000	221,756
10			
11	Series G - 35 Day Auction Rate	52,000,000	1,290,294
12	Sullivan, IN		
13	Series D - 35 Day Auction Rate	45,000,000	1,367,796
14	Rockport, IN		
15	Series 2003 C 2.625%	40,000,000	386,618
16			
17	Series 2002 A 4.9%	50,000,000	296,785
18			325,000 D
19			382,272
20			136,351 D
21			
22	Series 1995 A 6.55%	50,000,000	1,194,420
23			467,500 D
24			
25	Series 1995 B - 35 Day Auction Rate	50,000,000	1,259,392
26			260,000 D
27			192,254
28			181,187 D
29	SUBTOTAL - Pollution Control Bonds	312,000,000	7,961,625
30	TOTAL	1,212,000,000	25,051,767

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt-Discout and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
				235,805,269		1 2 3 4 5 6 7 8
				235,805,269		9 10 11 12 13 14
10/13/2003	10/1/2019	10/1/2003	10/1/2019	25,000,000	656,250	15 16
10/15/2004	11/1/2021	10/15/2004	11/1/2021	52,000,000	1,318,394	17 18
10/5/2004	5/1/2009	10/5/2004	5/1/2009	45,000,000	1,089,585	19 20 21
10/13/2003	4/1/2025	10/1/2003	4/1/2025	40,000,000	1,050,000	22 23 24
8/1/1985	6/1/2025	8/1/1985	6/1/2025	50,000,000	2,450,000	25 26
6/1/2002	6/1/2007	6/1/2002	6/1/2007			27 28
6/1/1995	6/1/2025	6/1/1995	6/1/2025	50,000,000	3,275,000	29 30
6/1/1995	6/1/2025	6/1/1995	6/1/2025	50,000,000	1,274,433	
6/25/2001	6/1/2025	6/25/2001	6/1/2025			
				312,000,000	11,113,662	
				1,447,274,002	57,387,131	30

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Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)				
Line No.	Class and Series of Obligation, Coupon Rate <i>(For new issue, give Commission Authorization numbers and dates)</i>	Principal Amount of Debt Issued	Total Expense, Premium or Discount	
	(a)	(b)	(c)	
1	Senior Unsecured Notes			
2	Series 6.45%	50,000,000	120,499	
3			1,465,530	
4				
5	Series 6.125%	300,000,000	225,127	
6			2,007,000	
7	Series 6.125% - FAS 133 Fair Value Hedge			
8				
9	Series 6.375%	100,000,000	732,025	
10			119,000	
11				
12	Series 6.000%	150,000,000	4,854,767	
13			4,387,500	
14				
15	Series 5.05%	175,000,000	1,302,944	
16			637,000	
17				
18	Series 5.65%	125,000,000	1,062,500	
19	Issued Under IURC Cause # 42853		176,250	
20	SUBTOTAL - Senior Unsecured Notes	900,000,000	17,090,142	
21				
22				
23	SUBTOTAL - Preferred Stock			
24				
25				
26				
27				
28				
29				
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46				
47				
48				
49				
50	TOTAL	1,212,000,000	25,051,767	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)						
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
11/9/1998	11/10/2008	11/1/1998	11/10/2008	50,000,000	3,225,000	1 2 3 4
12/12/2001	12/15/2006	12/1/2001	11/30/2006	300,000,000	18,463,226	5 6 7 8
				(531,267)		9
11/22/2002	11/1/2012	11/22/2002	11/1/2012	100,000,000	6,375,000	10 11
11/22/2002	12/31/2032	11/22/2002	12/31/2032	150,000,000	9,000,000	12 13
		11/22/2002	12/31/2007			14
11/16/2004	11/15/2014	11/16/2004	11/15/2014	175,000,000	8,837,500	15 16 17
12/7/2005	12/1/2015	12/1/2005	11/30/2015	125,000,000	372,743	18 19
				899,468,733	46,273,469	20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49
				1,447,274,002	57,387,131	50

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																										
256	17	a	On June 3, 2002, the Series 1985A Pollution Control Bonds were remarketed as Series 2002A Pollution Control Bonds due June 1, 20205. This did not redeem the note itself but changed the method of interest calculation, the timing of interest payments, and the maturity date of the debt. This reoffered debt carries a 4.9% fixed interest rate that will be reoffered in 2007. There were \$257,759 in issuance expenses incurred in this reoffering, and no related discount. These issuance expenses are being amortized over the five year period the new fixed interest rate is in effect. Issuance expenses still remaining from the Series 1985A Pollution Control Bonds will be amortized until the maturity sate of the new Series.																										
256.1	7	a	SFAS 133 - Fair Value Hedge - Interest Rate: Debt: 6.125% Senior Unsecured Notes Hedge Item: \$30,000,000 Change in Fair Value: Contra account 421.0 Misc Nonoperating Income - \$531,267																										
256.1	12	a	This 6.00% Senior Unsecured Note was issued with an insurance policy that guarantees the principal if Indiana Michigan Power were to default on these bonds. The cost of this policy is \$4,387,500. It covers a period until December 31, 2007, and is being amortized over the life of the policy and not the bond.																										
257.1	29	i	<p>Long Term Debt:</p> <table border="0"> <tr> <td>Account 237 - Interest Accrued</td> <td align="right">\$57,387,131</td> </tr> <tr> <td colspan="2">Interest Expense</td> </tr> <tr> <td>Account 427 - Interest on Long-Term Debt</td> <td align="right">\$58,615,089</td> </tr> <tr> <td>Account 430 - Interest on Debt to Assoc Co</td> <td align="right"><u>3,510,364</u></td> </tr> <tr> <td></td> <td align="right">\$62,125,453</td> </tr> <tr> <td colspan="2">Less: Gain/Loss on Cash Flow Hedge - Interest Rate</td> </tr> <tr> <td>Account 190 - Accum Deferred Income Tax</td> <td align="right">\$307,244</td> </tr> <tr> <td>Account 219 - Accum Comprehensive Income</td> <td align="right">549,819</td> </tr> <tr> <td>Account 283 - Accum Deferred Income Tax</td> <td align="right">(11,187)</td> </tr> <tr> <td>Less: Auction Fees</td> <td align="right">382,082</td> </tr> <tr> <td colspan="2">Less: Current & Accrued Liabilities</td> </tr> <tr> <td>Account 233 - Notes Payable to Assoc Co</td> <td align="right"><u>3,510,364</u></td> </tr> <tr> <td></td> <td align="right">\$57,387,131</td> </tr> </table>	Account 237 - Interest Accrued	\$57,387,131	Interest Expense		Account 427 - Interest on Long-Term Debt	\$58,615,089	Account 430 - Interest on Debt to Assoc Co	<u>3,510,364</u>		\$62,125,453	Less: Gain/Loss on Cash Flow Hedge - Interest Rate		Account 190 - Accum Deferred Income Tax	\$307,244	Account 219 - Accum Comprehensive Income	549,819	Account 283 - Accum Deferred Income Tax	(11,187)	Less: Auction Fees	382,082	Less: Current & Accrued Liabilities		Account 233 - Notes Payable to Assoc Co	<u>3,510,364</u>		\$57,387,131
Account 237 - Interest Accrued	\$57,387,131																												
Interest Expense																													
Account 427 - Interest on Long-Term Debt	\$58,615,089																												
Account 430 - Interest on Debt to Assoc Co	<u>3,510,364</u>																												
	\$62,125,453																												
Less: Gain/Loss on Cash Flow Hedge - Interest Rate																													
Account 190 - Accum Deferred Income Tax	\$307,244																												
Account 219 - Accum Comprehensive Income	549,819																												
Account 283 - Accum Deferred Income Tax	(11,187)																												
Less: Auction Fees	382,082																												
Less: Current & Accrued Liabilities																													
Account 233 - Notes Payable to Assoc Co	<u>3,510,364</u>																												
	\$57,387,131																												

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts.
3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.
4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

**See definition on page 226B*

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 233					
2	AEP Utility Funding LLC	13,926,257	4,448,404,051	4,550,602,935	116,125,141	3,510,364
3	SUBTOTAL	13,926,257	4,448,404,051	4,550,602,935	116,125,141	3,510,364
4						
5	Account 234					
6	AEP Communications, LLC	16	14,438	14,422	0	
7	AEP Energy Services, Inc.	1,644,793	23,253	0	1,621,540	
8	AEP Generating Company	16,162,162	199,407,877	204,572,964	21,327,249	
9	AEP Pro Serv, Inc.	(7,631)	2,761	10,392	0	
10	AEP Resources, Inc.	206,377	206,377	0	0	
11	AEP Service Corporation	17,034,551	190,065,085	190,155,225	17,124,691	
12	AEP System Pool	6,669,768	160,295,252	164,740,623	11,115,139	
13	AEP Texas Central Company	5,329	2,613,063	2,619,050	11,316	
14	AEP Texas North Company	(16,007)	108,786	137,227	12,434	
15	AEP Utilities, Inc.	9,491	147,370	143,127	5,249	
16	AEP Utility Funding LLC	25,687	91,238	74,955	9,404	
17	AEPES US Gas Trading	1,404,713	1,404,713	0	0	
18	American Electric Power Co.	1,094,590	742,000,805	741,093,102	186,888	
19	Appalachian Power Co	459,073	12,495,540	17,272,912	5,236,444	
20	Blackhawk Coal Company	29,588	777,225	747,637	0	
21	Cardinal Operating Company	1,467	233,497	244,733	12,702	
22	Columbus Southern Power	45,128	4,066,457	4,117,411	96,081	
23	Cook Coal Terminal	1,270,680	17,820,858	17,524,832	974,654	
24	Houston Pipeline Company	(7,249)	0	7,249	0	
25	Indiana Franklin Realty, Inc	2,737	244,087	242,622	1,272	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)							
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)	
			Debits (c)	Credits (d)			
1	Kentucky Power Co	12,748	2,056,484	2,087,501	43,764		
2	Kingsport Power Co	730	35,668	35,236	298		
3	Memco Consolidated	2,097,986	15,976,249	15,543,095	1,664,832		
4	Ohio Power Co	2,855,827	19,352,062	17,242,490	746,255		
5	Public Service Co of Ok	63,568	879,921	867,650	51,298		
6	Southwestern Power Co	19,757	1,130,866	1,184,272	73,164		
7	Wheeling Power Co	7,363	23,745	19,361	2,980		
8	SUBTOTAL	51,093,243	1,371,473,678	1,380,698,088	60,317,653	0	
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	TOTAL	65,019,500	5,819,877,729	5,931,301,023	176,442,794	3,510,364	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>			
Line No.		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 26)	206,969,234	
2	Allocations:		
3	Net Other Income and Deductions	837,037	
4	Interest Charges	65,702,247	
5	Net income for the year (page 117 line 78)	142,104,024	
6	Allocation of Net income for the year (see footnote)		
7	Add: Federal income tax expenses		
8			
9	Total pre-tax income		
10			
11	Add: Taxable income not reported on books:		
12			
13			
14			
15	Add: Deductions recorded on books not deducted from return		
16			
17			
18			
19	Subtract: Income recorded on books not included in return:		
20			
21			
22			
23	Subtract: Deductions on return not charged against book income:		
24			
25			
26	Federal taxable income for the year	206,207,807	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)

3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2
4. A substitute page, designed to meet a particular need of a company, may be used as long as data is consistent and meets the requirements of the above instructions.

Utility	Other	Line No.
206,969,234		1
		2
837,037		3
65,702,247		4
		5
		6
		7
		8
		9
		10
		11
		12
		13
		14
		15
		16
		17
		18
		19
		20
		21
		22
		23
		24
		25
206,207,807		26

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 of Report
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
261A	6			In (000's)
			Net Income for the year per Page 117	142,104
			Federal Income Taxes	71,020
			Pretax Book Income	213,124
			Increase (Decrease) in Taxable Income resulting from:	
			Allowance for Funds Used During Construction and Other Differences	
			Between Items Capitalized for Books and Expenses for Tax	(2,564)
			Amortization of Deferred Book Gain - Rockport Unit 2 Sale	(3,707)
			Asset Retirement Obligation	(732)
			Michigan 3 Year Phase Out	4,430
			Book Accruals and Deferrals	3,568
			Capitalized Relocation Costs	(1,338)
			Corporate Owned Life Insurance (COLI)	(5,396)
			Deferred Fuel Costs	(1,686)
			Emission Allowances (Net)	894
			Equity in Earnings of Subsidiary Companies	(808)
			Excess Tax vs Book Depreciation	67,656
			Mark To Market	6,106
			Merger Costs	1,409
			Manufacturing Deduction	(2,700)
			Nuclear Book Deferred Costs	21,273
			Nuclear Decommissioning Costs	5,963
			Nuclear Fuel Adjustments	20,314
			Nuclear Fuel Disposal Costs	(7,597)
			Pension Expenses (Net)	(77,315)
			Premium of Reacquired Debt (Net)	1,358
			Property Tax	356
			RTO Expenses and Carrying Charges	(620)
			Removal Costs - ACRS	(14,292)
			Repair Allowance	(2,400)
			Reversal - Capitalized Cook Costs - Tax	(21,099)
			Savings Plan	8,046
			SFAS 106 - Post Retire Benefit Medicare	(4,083)
			SFAS 106 - Post Retirement Benefit Expense Accrued/Funded (Net)	(1,880)
			Accelerated Amortization	164
			Bk Amort - Loss Reacq Debt Red Pref Stock Dividend	330
			Other (Net)	(567)
			Federal Tax Net Income - Estimated Current Year Taxable Income (Separate Return Basis)	206,207
			Computation of Tax	
			Federal Income Tax on Current Year Taxable Income (Separate Return Basis) at the Statutory Rate of 35%	72,172
			Adjustment due to System Consolidation	(3,175)
			Tax Contingency Reserve Adjustment	(775)
			R & D Credit - 2005 Energy Policy Act	(507)
			Estimated Tax Currently Payable	67,715
			Adjustment of Prior Year's Accrual (Net)	(16,077)
			Estimated Current Federal Income Taxes (Net)	51,638

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	FEDERAL:					
2	INCOME	67,913,601		51,628,957	168,939,406	(2,524,600)
3	FICA - 2005	5,464		16,923,610	14,177,340	
4	UNEMPLOYMENT - 2005	2,751		156,139	156,508	
5	EXCISE TAX - 2004	470,831		5,769	476,600	
6	EXCISE TAX - 2005			2,071,281	1,558,704	
7	SUBTOTAL Federal	68,392,647		70,785,756	185,308,558	(2,524,600)
8						
9	STATE OF INDIANA:					
10	INCOME 2004 & PRIOR	3,612,062		1,715,562	1,083,624	
11	INCOME 2005			6,335,600	10,554,217	
12	UNEMPLOYMENT - 2005	3,717		185,458	186,181	
13	UTIL RECEIPTS TAX - 2004			(121,595)	(121,595)	
14	UTIL RECEIPTS TAX - 2005			12,305,000	12,305,000	
15	SALES & USE TAX-2004 & PRIOR	165,442		1,470,389	1,635,831	
16	SALES & USE TAX - 2005			2,856,141	2,597,792	
17	PUBL SERV COMM-2004		221,556	443,112	221,556	
18	PUBLI SERV COMM-2005			488,729	733,093	
19	REAL & PERS PROP-2002	3,377		(278,553)	(275,176)	
20	REAL & PERS PROP-2003	3,494,710		(1,613,875)	1,880,834	
21	REAL & PERS PROP-2004	16,668,516		1,473,308	18,141,824	
22	REAL & PERS PROP-2005			18,659,000	6,011	
23	PERS PROP LEASED-2003	405,136		(311,119)	94,017	
24	PERS PROP LEASED-2004	460,596		445,729	906,325	
25	PERS PROP LEASED-2005			526,485		
26	REAL PROP LEASED-2003	223,326		(223,326)		
27	REAL PROP LEASED-2004	(130,167)		130,167		
28	REAL PROP LEASED-2005			801,472	774,261	
29	SUBTOTAL Indiana	24,906,715	221,556	45,287,684	50,723,795	
30						
31						
32	STATE OF KENTUCKY:					
33	REAL & PERS PROP-2003			158	158	
34	REAL & PERS PROP-2004			65	65	
35	KY INCOME 2004 & PRIOR	4,100		14,505	18,605	
36	KY INCOME 2005			148,200	297,200	
37	SUBTOTAL Kentucky	4,100		162,928	316,028	
38						
39						
40						

Name of Respondent Indiana Michigan 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 of Report December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.</p> <p>7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.</p> <p>10. Fill in all columns for all line items.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
(51,921,448)		55,597,437			(3,968,480)	1
2,751,734		12,314,496			4,609,114	2
2,382		98,256			57,883	3
					5,769	4
512,577					2,071,281	5
(48,654,755)		68,010,189			2,775,567	6
						7
						8
						9
4,244,000		1,767,274			(51,712)	10
(4,218,617)		6,216,700			118,900	11
2,994		95,315			90,143	12
		(121,595)				13
		12,305,000				14
		1,526,653			(56,264)	15
258,349		1,022,369			1,833,772	16
		443,112				17
	244,364	488,729				18
		(278,553)				19
		(1,613,875)				20
		4,252,091			(2,778,783)	21
18,652,989		15,443,916			3,215,084	22
		(311,119)				23
		522,495			(76,766)	24
526,485		438,740			87,745	25
		(223,326)				26
		130,167				27
27,211					801,472	28
19,493,411	244,364	42,104,093			3,183,591	29
						30
						31
		158				32
		65				33
		14,419			86	34
(149,000)		149,900			(1,700)	35
(149,000)		164,542			(1,614)	36
						37
						38
						39
(58,620,688)	488,728	220,557,648	0	11,915,088		40

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	STATE OF MICHIGAN:					
2	MI 2005 LICENSE TAX			25	25	
3	SGL BUS TAX-2004 & PRIOR	193,198		(200,642)	(7,444)	
4	SINGLE BUS TAX - 2005			809,000	1,047,744	
5	UNEMPLOYMENT - 2005	6,803		532,574	533,306	
6	PUBL SERV COMM'S-2004		9,872	128,186	118,314	
7	PUBL SERV COMM'S-2005			77,220	128,883	
8	SALES & USE-2004 & PRIOR	(125,345)		26,641	(98,704)	1,676,000
9	SALES & USE - 2005			999,036	985,625	
10	REAL & PERS PROP-2003	7,761,560		423,384	8,184,944	
11	REAL & PERS PROP-2004	19,240,505			12,390,692	
12	REAL & PERS PROP-2005			20,905,751		
13	PERS PROP LEASED-2004			8,541	8,541	
14	REAL PROP LEASED-2003	62,974		(5,822)	57,152	
15	REAL PROP LEASED-2004			243,145	194,108	
16	SUBTOTAL Michigan	27,139,695	9,872	23,947,039	23,543,186	1,676,000
17						
18						
19	STATE OF WEST VIRGINIA:					
20	2004 LICENSE TAX					
21	2005 LICENSE TAX			60	60	
22	WVA INC TAX-2004 & PRIOR	333,825		(316,048)	90,648	
23	WEST VA INC TAX-2005			632,100	615,459	
24	WVA FRANCHISE - 2004	(79,002)		176,444	97,442	
25	WVA FRANCHISE - 2005			303,644	201,588	
26	REAL & PERS PROP-2003	13,144			13,144	
27	REAL & PERS PROP-2004	18,150		(2,276)	7,937	
28	REAL & PERS PROP-2005			86,055		
29	PP TAX RAILCAR-2003	43,959			43,959	
30	PP TAX RAILCAR-2004	93,274			35,903	
31	PERS PROP LEASED-2004			233	233	
32	WV USE TAX - 2004	2,164			2,164	
33	WV USE TAX - 2005			30,175	26,740	
34	WV EXCISE TAX - 2004	25,025		166	25,191	
35	WV EXCISE TAX - 2005			193,044	144,866	
36	UNEMPLOYMENT - 2005	557		38,259	37,699	
37	SUBTOTAL West Virginia	451,096		1,141,856	1,343,033	
38						
39						
40						

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.</p> <p>7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.</p> <p>10. Fill in all columns for all line items.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
		25				1
		(200,642)				2
(238,744)		786,100			22,900	3
6,071		440,414			92,160	4
		128,186				5
	51,663	77,220				6
1,676,000		19,914			6,727	7
13,411		195,382			803,654	8
		423,384				9
6,849,813		19,226,764			(19,226,764)	10
20,905,751					20,905,751	11
		8,541				12
		(5,822)				13
49,037		243,145				14
29,261,339	51,663	21,342,611			2,604,428	15
						16
						17
						18
						19
						20
		60				21
(72,871)		(223,056)			(92,992)	22
16,641		638,600			(6,500)	23
		98,989			77,455	24
102,056		226,189			77,455	25
		13,141			(13,141)	26
7,937		7,938			(10,214)	27
86,055		86,055				28
						29
57,371						30
					233	31
						32
3,435					30,175	33
					166	34
48,178					193,044	35
1,117		31,645			6,614	36
249,919		879,561			262,295	37
						38
						39
59,022,516	103,326	44,444,344	0	5,733,446		40

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)

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 taxes material was charged. If the actual or estimated amounts of such taxes 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.
5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.

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 (Incl. In Account 165) (c)			
1	STATE OF OHIO:					
2	REAL & PERS PROP-2005			137	137	
3	OHIO INCOME TAX - 2004	1,313,000		301,368	1,614,368	
4	OHIO INCOME TAX - 2005			1,205,400	4	
5	OHIO FRANCHISE TAX - 2005			150,000	150,000	
6	OHIO CAT TAX - 2005			200,000		
7	SUBTOTAL Ohio	1,313,000		1,856,905	1,764,509	
8						
9	STATE OF ILLINOIS:					
10	IL REAL & PERS PROP-2004			1,047	1,047	
11	IL INCOME TAX - 2004	1,975		(1,200)	775	
12	IL INCOME TAX - 2005			1,200		
13	SUBTOTAL Illinois	1,975		1,047	1,822	
14						
15	RAILCAR PROP TAX:					
16	AR PROP TAX-2003			2,141	2,141	
17	AR PROP TAX-2004			1,456	1,456	
18	AL PROP TAX-2004			32	32	
19	CO PROP TAX-2003			6,761	6,761	
20	CO PROP TAX-2004			173	173	
21	GA PROP TAX-2003			56	56	
22	LA PROP TAX-2004	(1,276)		5,686	4,410	
23	LA PROP TAX-2005				1,271	
24	MO PROP TAX-2004			31,426	31,426	
25	MT PROP TAX-2003			8,442	8,442	
26	MT PROP TAX-2004			3,975	3,975	
27	NE PROP TAX-2003	72,996		(20,413)	52,583	
28	NE PROP TAX-2004	75,550				
29	NE PROP TAX-2005			276,000		
30	SC PROP TAX-2003			18	18	
31	SC PROP TAX-2004			164	164	
32	TN PROP TAX-2003			233	233	
33	UT PROP TAX-2004			561	561	
34	VA PROP TAX-2004			517	517	
35	WY PROP TAX-2004	30,200			28,688	
36	WY PROP TAX-2005			30,200		
37	SUBTOTAL Railcar Prop Tax	177,470		347,428	142,907	
38						
39						
40						

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.</p> <p>7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.</p> <p>10. Fill in all columns for all line items.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
		137				1
		311,123			(9,755)	2
1,205,396		1,203,500			1,900	3
		149,536			464	4
200,000		200,000				5
1,405,396		1,864,296			(7,391)	6
						7
						8
						9
		1,047				10
		(1,200)				11
1,200		1,200				12
1,200		1,047				13
						14
					2,141	15
		1,456				16
		32				17
					6,761	18
					173	19
		56				20
		5,686				21
(1,271)						22
		31,426				23
					8,442	24
		3,975				25
		(20,413)				26
						27
75,550						28
276,000					276,000	29
		18				30
		164				31
		233				32
		561				33
		517				34
1,512						35
30,200					30,200	36
381,991		23,711			323,717	37
						38
						39
3,577,174	0	3,778,108	0	632,652		40

Name of Respondent Indiana Michigan 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 of Report December 31, 2005			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	STATE OF MISSOURI					
2	MO INCOME TAX - 2004	(37,906)		(8,679)	(46,585)	
3	MO INCOME TAX - 2005			2,100	46,585	
4	MO LICENSE TAX - 2005					
5	MISC RTD PROP-2003	427,142				
6	MISC RTD PROP-2004	(43,706)				
7	MISC RTD PROP-2005			114,381		
8	SUBTOTAL Missouri	345,530		107,802		
9						
10	MISCELLANEOUS:					
11	KY LICENSE 2004 & PRIOR			51,189	51,189	
12						
13	DE LICENSE 2004			60	60	
14						
15	IN LICENSE TAX 2005					
16	OK LICENSE TAX 2004					
17	NC LICENSE TAX 2004					
18						
19	ID FRANCHISE TAX 2004					
20	NC FRANCHISE TAX 2004					
21	TN FRANCHISE TAX 2004					
22						
23	OTHER INC 2004 & PRIOR					2,208,000
24	TOTAL Miscellaneous			51,249	51,249	2,208,000
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	122,732,228	231,428	143,689,694	263,195,087	1,359,400

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
<p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.</p> <p>7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.</p> <p>10. Fill in all columns for all line items.</p>						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
(44,485)		(7,600)			(1,079)	1
		2,100				2
						3
						4
427,142						5
(43,706)						6
114,381					114,381	7
453,332		(5,500)			113,302	8
						9
		41,766			9,423	10
		60				11
		23			(23)	12
		110			(110)	13
		20			(20)	14
		30			(30)	15
		35			(35)	16
		100			(100)	17
						18
2,208,000						19
2,208,000		42,144			9,105	20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
4,650,833	296,027	134,426,694			9,263,000	40

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
262	2	f	Reclass Adjustment
262.1	8	f	Reclass Adjustment
262.3	23	f	Reclass Adjustment

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Acct 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions	Balance at Beginning of Year	Deferred for Year		Allocation to Current Year's Income		Adjustments
	(a)		(b)	Account No. (c)	Amount (d)	Account No. (e)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	82,666,715			4114/4115	7,301,481	(396,910)
6							
7							
8	TOTAL	82,666,715		0		7,301,481	(396,910)
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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47							
48							

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
			1
			2
			3
74,968,324	Various	Adjustment to prior year's Federal Income Tax Return: \$(396,910)	4
			5
			6
			7
74,968,324			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Give description and amount of other current and accrued liabilities as of the end of year.			
2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1	Accrued Incentive Plans	30,884,430	
2	Accrued Leases/Rents	6,688,712	
3	Accrued Payroll	6,683,876	
4	Accrued Revenue Refunds	1,246,877	
5	Accrued Severance	316,146	
6	Accrued Vacation Pay	16,302,716	
7	Accrued Insurance Premiums/Claims	496,653	
8	Control Cash Disbursements	15,585,506	
9	Miscellaneous Current & Accrued Liabilities (4 Items)	294,751	
10	Non-Productive Payroll	448,219	
11	Payroll Deductions	1,727,095	
12	Provision for Estimated loss of Obsolete Inventory	1,685,779	
13	Spent Nuclear Disposal Costs	4,321,157	
14	Uranium Decommissioning Assessment	5,336,814	
15			
16			
17			
18			
19			
20	TOTAL	92,018,732	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by department (a)	Balance End of Year (b)
21	Electric	2,761,213
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	2,761,213

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits.						
2. For any deferred credit being amortized, show the period of amortization.						
3. Minor items (less than \$10,000) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Deferred Gain-Sale of Rockport 2					
2	Amtz Period 12/1989-12/2022	66,471,809	507	3,706,716		62,765,093
3						
4	Other Post Retirement Benefits	4,900,151				4,900,151
5						
6	Pole Attachment Rentals	464,542	454	1,625,876	1,637,291	475,957
7						
8	IPP-System Upgrade Credits	12,499,408	431	4,163,857	634,825	8,970,376
9						
10	Deferred Gain:					
11	Fiber Optic Agrmts - In Kind Svc					
12	Amortized thru 2025	5,620,491	411.6	61,067	2	5,559,426
13						
14	Deferred Revenues-Verizon	865,761	451	47,439		818,322
15	Amort through March 2023					
16						
17	Deferred Revenues-KDL		451	9,348	163,794	154,446
18	Amort through Dec 2022					
19						
20	RTO Carrying Charges	759,658	182.3	759,658		
21						
22	Deferred Coal Transactions	6,225,943	151	902,943		5,323,000
23						
24	Provision for Loss-Cook/McGee	200,000	124	200,000		
25	Ranch					
26						
27	I&M Railcar Sublease		Various	795,209	877,360	82,151
28						
29	Allowances	2,266	Various	2,128,487	2,126,221	
30						
31	Misc Items	17,510	Various	1,418,898	1,409,612	8,224
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	98,027,539		15,819,498	6,849,105	89,057,146

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY
(Account 281)**

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

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities	407,195	2,031	28,869
5	Other			
6				
7	TOTAL Electric <i>(Total of lines 3 thru 6)</i>	407,195	2,031	28,869
8	Gas			
9	Defense Facilities			
10	Pollution Control Facilities			
11	Other			
12				
13	TOTAL Gas <i>(Total of lines 9 thru 12)</i>	0	0	0
14	Other (Specify)			
15	TOTAL (Account 281)	407,195	2,031	28,869
16	Classification of TOTAL			
17	Federal Income Tax	407,195	2,031	28,869
18	State Income Tax			
19	Local Income Tax			

NOTES

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY
(Account 281) (Continued)**

3. Use footnotes as required.
4. Fill in all columns for all line items as appropriate.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
							2
							3
						380,357	4
							5
							6
						380,357	7
							8
							9
							10
							11
							12
							13
							14
						380,357	15
							16
						380,357	17
							18
							19

NOTES (Continued)

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY
(Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Account 282			
2	Electric	398,172,757	24,352,575	23,158,253
3	Gas			
4	Other (Define)			
5	TOTAL (Enter total of lines 2 thru 4)	398,172,757	24,352,575	23,158,253
6	Other (Specify)			
7	Non-Utility	118,025		
8	SFAS 109	86,358,584		
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	484,649,366	24,352,575	23,158,253
10	Classification of TOTAL			
11	Federal Income Tax	484,649,366	24,352,575	23,158,253
12	State Income Tax			
13	Local Income Tax			

NOTES

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY
(Account 282) (Continued)**

3. Use footnotes as required.
4. Fill in all columns for all line items as appropriate.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
				2831	744,414	400,111,493	2
							3
							4
0	0		0		744,414	400,111,493	5
3,946						121,971	6
		Various	12,606,351			73,752,233	7
							8
3,946	0		12,606,351		744,414	473,985,697	9
							10
3,946			12,606,351		744,414	473,985,697	11
							12
							13

NOTES (Continued)

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Electric			
2	Reacquired Debt	7,363,334		475,859
3	Reg Asset - SFAS 143 ARO	278,237,490	27,624,303	28,878
4	Deferred Cook O&M Restart Cost	15,485,417	6,691,669	14,137,210
5	Capitalized Software	13,682,017	5,480,296	2,587,554
6	Mark To Market	10,544,066	10,411,782	11,478,342
7	Other	18,086,685	10,361,381	13,913,375
8	TOTAL Electric (total of lines 2 thru 6)	343,399,009	60,569,431	42,621,218
9	Gas			
10				
11				
12				
13				
14	Other			
15	TOTAL Gas (Total of lines 9 thru 13)	0	0	0
16	Other (Specify)	135,797,385		
17	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	479,196,394	60,569,431	42,621,218
18	Classification of TOTAL			
19	Federal Income Tax	429,914,394	60,569,433	42,621,216
20	State Income Tax	49,282,000		
21	Local Income Tax			

NOTES

Detail of Line 16

	Balance at Beginning of Year	Balance at End of Year
Non-Utility	9,264,316	12,792,741
SFAS 133	3,274,195	1,555,231
SFAS 109	<u>123,258,874</u>	<u>98,956,410</u>
Total Line 16	135,797,385	113,304,382

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.
4. Fill in all columns for all items as appropriate.
5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
						6,887,475	2
						305,832,915	3
						8,039,876	4
						16,574,759	5
						9,477,506	6
		2821	744,414			13,790,277	7
0	0		744,414		0	360,602,808	8
							9
							10
							11
							12
							13
							14
0	0		0		0	0	15
7,962,959	4,434,533	Various	26,021,429			113,304,382	16
7,962,959	4,434,533		26,765,843		0	473,907,190	17
							18
7,962,959	4,434,533		14,187,843			437,203,190	19
			12,578,000			36,704,000	20
							21

NOTES (Continued)

Detail of Line 16

Non-Utility	9,264,316	12,792,741
Total Line 18	135,797,385	113,304,382

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
OTHER REGULATORY LIABILITIES					
<p>1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p> <p>3. Minor items (amounts less than \$50,000) may be grouped by classes.</p> <p>4. Give the number and name of the account(s) where each amount is recorded.</p>					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Unrealized Gain on Forward Commitments	456	1,024,440,672	1,041,165,984	52,258,915
2					
3	River Transportation Expense Normalization	417.1	773,876	3,067,093	2,648,759
4					
5	Asset Retire Oblig Excess Prov SFAS143	228	10,770,212	30,544,695	226,751,040
6					
7	SNF Trust Funds - Pre 4/83	Various	18,920,954	13,476,009	27,862,912
8					
9	SFAS Deferred FIT	Various	8,501,032	566,813	56,929,753
10					
11					
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37					
38					
39					
40	TOTAL		1,063,406,746	1,088,820,594	366,451,379

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421. 2)

1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility.
2. Individual gains or losses relating to property with an original cost of less than \$100,000 may be grouped with the number of such transactions disclosed in column (a).
3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See account 102, Utility Plant Purchased or Sold.)

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2	Sale of Utility Property:				
3	Twelve (12) properties each with original	21,169		77,578	
4	cost of less than \$100,000				
5					
6	Sale of Other Investment Property:				
7	Three (3) properties each with original	72,981		41,950	
8	cost of less than \$100,000				
9					
10					
11					
12					
13					
14					
15					
16					
17	Total Gain	94,150		119,528	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)

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Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19	Sale of Utility Property:				
20	Twelve (12) properties with original cost of	92,014			16,529
21	less than \$100,000				
22					
23	Sale of Other Investment Property:				
24	Collingwood-South Butler 345KV Line Land	479,281			465,286
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	571,295			481,815

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.</p> <p>6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.</p> <p>7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1	Accounts 415 & 416 - Other Income - Merchandising,		
2	Jobbing, and Contract Work		
3	- Income	0	
4	- Costs and Expenses	0	
5	Total Accounts 415 & 416	0	
6			
7	Account 417 - Nonutility Operations		
8	Water Transportation		
9	- Revenues	74,344,995	
10	- Expenses - Operation	(62,157,036)	
11	- Maintenance	(4,332,571)	
12	- Depreciation, Depletion, and Amortization	(868,228)	
13	- Other	0	
14	Total Account 417	6,987,160	
15			
16	Account 418 - Nonoperating Rental Income		
17	- Rent Revenue	252,934	
18	- Expense	(62,318)	
19	- Other	0	
20	Total Account 418	190,616	
21			
22	Account 418.1 - Equity in Earnings of Subsidiary Companies	808,084	
23			
24	Account 419 - Interest and Dividend Income		
25	- Communications Leases	769,694	
26	- Margin Interest	152,965	
27	- PJM Transmission	124,239	
28	- AMRO Gas	58,624	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS				
Line No.	Item (a)	Amount (b)		
1	- Paribas Gas	50,116		
2	- Other	15,439		
3	- Electric Futures Trading	12,517		
4	- Associated Companies	11,488		
5	- Southwest Power Pool	3,179		
6	- Michigan Unrecovered Fuel	(3,935)		
7	- Employee Heat Pump Loans	(9,162)		
8	Total Account 419	1,185,164		
9				
10	Account 419.1 - Allowance for Funds Used During Construction	4,457,091		
11				
12	Account 421 - Miscellaneous Nonoperating Income			
13	- Allowances	2,054,778		
14	- Power Trading	1,802,304		
15	- Royalties	646,864		
16	- Deregulation Implementation Carrying Charge	322,098		
17	MPSC Case U-12652			
18	- RTO Carrying Charges	321,481		
19	- Hedge Unrealized Gain	294,124		
20	- Other	85,662		
21	- Rents	43,049		
22	- AEP Service Corporation	(484,148)		
23	Total Account 421	5,086,213		
24				
25	Account 421.1 - Gain on Disposition of Property	119,528		
26				
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54				
55	Total Other Income	18,833,856		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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ELECTRIC OPERATING REVENUES (Account 400)

- Report below operating revenues for each prescribed account.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous year (columns (c), (e), and (g)), are not derived from previously reported figures explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	73,632,608	67,696,615
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	50,477,518	47,950,346
5	Large (or Industrial)	50,918,594	50,777,931
6	(444) Public Street and Highway Lighting	1,379,224	1,375,181
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	(449) Other Sales		
11			
12	TOTAL Sales to Ultimate Consumers	176,407,944	167,800,073
13			
14	(447) Sales for Resale	14,058,028	13,572,359
15	TOTAL Sales of Electricity	190,465,972 *	181,372,432
16			
17	(Less) (449.1) Provision for Rate Refunds		
18	TOTAL Revenue Net of Provision for Refunds	190,465,972	181,372,432
19	Other Operating Revenues		
20	(450) Forfeited discounts	479,240	462,036
21	(451) Miscellaneous Service Revenues	246,752	221,007
22	(453) Sales of Water and Water Power		
23	(454) Rent from Electric Property	1,026,885	952,853
24	(455) Interdepartmental Rents		
25	(456) Other Electric Revenues	971,176	871,191
26			
27			
28			
29			
30	TOTAL Other Operating Revenues	2,724,053	2,507,087
31			
32	TOTAL Electric Operating Revenues	193,190,025	183,879,519

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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ELECTRIC OPERATING REVENUES (Account 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in footnote.)
5. See Page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.
6. For line 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by account.
7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number or Previous Year (g)	
1,247,360	1,145,732	107,723	107,081	1
				2
				3
783,841	742,625	16,437	16,057	4
1,071,063	1,073,558	1,084	1,105	5
12,151	12,043	344	339	6
				7
				8
				9
				10
				11
3,114,415	2,973,958	125,588	124,582	12
358,103	342,268	4	5	13
				14
3,472,518 **	3,316,226	125,592	124,587	15
				16
				17
3,472,518	3,316,226	125,592	124,587	18

* Include \$ 422,488 unbilled revenues.

** Includes 3,874 MWH relating to unbilled revenues.

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Avg. No. of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	440 Residential Sales					
2	RESIDENTIAL SERVICE	1,130,596	67,387,329	101,982	11,086	0.0596
3	RESIDENTIAL SERVICE TOD	84,383	4,246,827	4,377	19,279	0.0503
4	RESIDENTIAL SVC LOAD MGMT TOD	3,764	154,408	159	23,673	0.0410
5	RESIDENTIAL OFF PEAK ENERGY	17,186	705,014	604	28,454	0.0410
6	RESIDENTIAL SVC OPT SENIOR	3,632	189,949	602	6,033	0.0523
7	OUTDOOR LIGHTING	4,391	605,195			0.1378
8	UNBILLED	3,408	285,310			0.0837
9	UNRECOVERED FUEL		58,576			
10	Total Residential Sales	1,247,360	73,632,608	107,724	11,579	0.0590
11						
12	442 Commercial Sales					
13	SMALL GENERAL SERVICE	92,907	7,895,073	11,939	7,782	0.0850
14	MEDIUM GENERAL SERVICE	297,070	21,524,329	3,053	97,304	0.0725
15	MEDIUM GENERAL SERVICE TOD	4,569	284,516	72	63,458	0.0623
16	LARGE GENERAL SERVICE	152,980	8,593,655	205	746,244	0.0562
17	LARGE POWER	23,364	796,963	1	23,364,000	0.0341
18	QUANTITY POWER	116,079	5,000,711	44	2,638,159	0.0431
19	ELECTRIC HEATING GENERAL	4,963	334,685	77	64,455	0.0674
20	ELECTRIC HEATING SCHOOLS	11,733	583,167	19	617,526	0.0497
21	MUNICIPAL & SCHOOL SERVICE	39,456	2,735,912	508	77,669	0.0693
22	IRRIGATION SERVICE	6,499	460,540	269	24,160	0.0709
23	WATER & SEWAGE SERVICE	27,297	1,343,867	248	110,069	0.0492
24	STREETLIGHTING SERVICE	23	1,851	1	23,000	0.0805
25	ESTIMATED	(8)	(491)			0.0614
26	OUTDOOR LIGHTING	6,221	757,064			0.1217
27	UNBILLED	688	101,552			0.1476
28	UNRECOVERED FUEL		64,124			
29	Total Commercial Sales	783,841	50,477,518	16,436	47,690	0.0644
30						
31	442 Industrial Sales					
32	SMALL GENERAL SERVICE	3,848	322,354	418	9,206	0.0838
33	MEDIUM GENERAL SERVICE	102,344	7,452,386	498	205,510	0.0728
34	MEDIUM GENERAL SERVICE TOD	51	3,525	1	51,000	0.0691
35	LARGE GENERAL SERVICE	98,236	5,852,087	58	1,693,724	0.0596
36	LARGE POWER	420,411	16,502,233	14	30,029,357	0.0393
37	QUANTITY POWER	444,396	20,230,032	90	4,937,733	0.0455
38	ELECTRIC HEATING GENERAL	559	38,389	5	111,800	0.0687
39	OUTDOOR LIGHTING	1,016	117,691			0.1158
40	ESTIMATED	426	24,216			0.0568
41	UNBILLED	(224)	35,362			(0.1579)
42	UNRECOVERED FUEL		340,319			
43	Total Industrial Sales	1,071,063	50,918,594	1,084	988,065	0.0475

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 01/00/00	12/31/05	
SALES OF ELECTRICITY BY RATE SCHEDULES						
Line No.	Number and Title of Rate Schedule	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	444 Public Street & Highway Light					
2	SMALL GENERAL SERVICE	620	58,209	106	5,849	0.0939
3	MEDIUM GENERAL SERVICE	106	7,585	2	53,000	0.0716
4	SL CUST OWNED SYS	497	33,214	6	82,833	0.0668
5	SL CUST OWNED SYS METERED	548	22,163	21	26,095	0.0404
6	MUNICIPAL & SCHOOL	815	61,948	77	10,584	0.0760
7	ENERGY CONSERV LIGHTING	5,085	709,338	82	62,012	0.1395
8	STREETLIGHTING SERVICE	4,385	475,239	50	87,700	0.1084
9	OUTDOOR LIGHTING	93	11,967			0.1287
10	UNBILLED	2	264			0.1320
11	UNRECOVERED FUEL		(703)			
12	Total Public Street & Highway Light	12,151	1,379,224	344	35,323	0.1135
13						
14	Fuel Clause (see footnote)					
15						
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55	Total Billed	3,110,541	175,985,456	125,588	24,768	0.0566
56	Total Unbilled Rev. (See Instr. 6)	3,874	422,488	0	0	0.1091
57	TOTAL	3,114,415	176,407,944	125,588	24,768	0.0566

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Name of Respondent		This Report Is:		Date of Report	Year of Report																																																																												
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	12/31/05																																																																												
FOOTNOTE DATA																																																																																	
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																																																																														
304	7	d	5,572 Residential Outdoor Lighting customers are served by multiple rate schedules																																																																														
304	26	d	2,429 Commercial Outdoor Lighting customers are served by multiple rate schedules																																																																														
304.1	9	d	267 Industrial Outdoor Lighting customers are served by multiple rate schedules																																																																														
304.1	23	d	43 Pub Street & Hwy Light Outdoor Light customers are served by multiple rate scheds																																																																														
304.1	28	a	<table border="0"> <tr> <td>440 Residential Sales</td> <td></td> </tr> <tr> <td>RESIDENTIAL SERVICE</td> <td>306,370</td> </tr> <tr> <td>RESIDENTIAL SERVICE TOD</td> <td>48,107</td> </tr> <tr> <td>RES SVC LOAD MGMT TOD</td> <td>2,452</td> </tr> <tr> <td>RESIDENTIAL OFF PEAK ENERGY STORAGE</td> <td>10,398</td> </tr> <tr> <td>RESIDENTIAL SVC OPT SENIOR CITIZEN</td> <td>2,471</td> </tr> <tr> <td>RESIDENTIAL TOTAL</td> <td>369,798</td> </tr> <tr> <td>442 Commercial Sales</td> <td></td> </tr> <tr> <td>SMALL GENERAL SERVICE</td> <td>16,775</td> </tr> <tr> <td>MEDIUM GENERAL SERVICE</td> <td>44,374</td> </tr> <tr> <td>MEDIUM GENERAL SERVICE TOD</td> <td>648</td> </tr> <tr> <td>LARGE GENERAL SERVICE</td> <td>34,181</td> </tr> <tr> <td>LARGE POWER</td> <td>15,888</td> </tr> <tr> <td>QUANTITY POWER</td> <td>59,008</td> </tr> <tr> <td>ELECTRIC HEATING GENERAL</td> <td>3,412</td> </tr> <tr> <td>ELECTRIC HEATING SCHOOLS</td> <td>4,615</td> </tr> <tr> <td>MUNICIPAL & SCHOOL SERVICE</td> <td>(2,475)</td> </tr> <tr> <td>IRRIGATION SERVICE</td> <td>(4,853)</td> </tr> <tr> <td>WATER & SEWAGE SERVICE</td> <td>7,805</td> </tr> <tr> <td>COMMERCIAL TOTAL</td> <td>179,378</td> </tr> <tr> <td>442 Industrial Sales</td> <td></td> </tr> <tr> <td>SMALL GENERAL SERVICE</td> <td>1,059</td> </tr> <tr> <td>MEDIUM GENERAL SERVICE</td> <td>(9,158)</td> </tr> <tr> <td>MEDIUM GENERAL SERVICE TOD</td> <td>(44)</td> </tr> <tr> <td>LARGE GENERAL SERVICE</td> <td>(27,572)</td> </tr> <tr> <td>LARGE POWER</td> <td>(143,375)</td> </tr> <tr> <td>QUANTITY POWER</td> <td>87,586</td> </tr> <tr> <td>ELECTRIC HEATING GENERAL</td> <td>380</td> </tr> <tr> <td>INDUSTRIAL TOTAL</td> <td>(91,124)</td> </tr> <tr> <td>444 Public Street & Highway Light</td> <td></td> </tr> <tr> <td>SMALL GENERAL SERVICE</td> <td>268</td> </tr> <tr> <td>MEDIUM GENERAL SERVICE</td> <td>(40)</td> </tr> <tr> <td>SL CUST OWNED SYS METERED</td> <td>373</td> </tr> <tr> <td>MUNICIPAL & SCHOOL SERVICE</td> <td>87</td> </tr> <tr> <td>PUBLIC STREET & HIGHWAY LIGHT TOTAL</td> <td>688</td> </tr> <tr> <td></td> <td></td> <td>GRAND TOTAL</td> <td>458,740</td> <td colspan="2"></td> </tr> </table>			440 Residential Sales		RESIDENTIAL SERVICE	306,370	RESIDENTIAL SERVICE TOD	48,107	RES SVC LOAD MGMT TOD	2,452	RESIDENTIAL OFF PEAK ENERGY STORAGE	10,398	RESIDENTIAL SVC OPT SENIOR CITIZEN	2,471	RESIDENTIAL TOTAL	369,798	442 Commercial Sales		SMALL GENERAL SERVICE	16,775	MEDIUM GENERAL SERVICE	44,374	MEDIUM GENERAL SERVICE TOD	648	LARGE GENERAL SERVICE	34,181	LARGE POWER	15,888	QUANTITY POWER	59,008	ELECTRIC HEATING GENERAL	3,412	ELECTRIC HEATING SCHOOLS	4,615	MUNICIPAL & SCHOOL SERVICE	(2,475)	IRRIGATION SERVICE	(4,853)	WATER & SEWAGE SERVICE	7,805	COMMERCIAL TOTAL	179,378	442 Industrial Sales		SMALL GENERAL SERVICE	1,059	MEDIUM GENERAL SERVICE	(9,158)	MEDIUM GENERAL SERVICE TOD	(44)	LARGE GENERAL SERVICE	(27,572)	LARGE POWER	(143,375)	QUANTITY POWER	87,586	ELECTRIC HEATING GENERAL	380	INDUSTRIAL TOTAL	(91,124)	444 Public Street & Highway Light		SMALL GENERAL SERVICE	268	MEDIUM GENERAL SERVICE	(40)	SL CUST OWNED SYS METERED	373	MUNICIPAL & SCHOOL SERVICE	87	PUBLIC STREET & HIGHWAY LIGHT TOTAL	688			GRAND TOTAL	458,740		
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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SALES FOR RESALE (Account 447)

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

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

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

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

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	City of Auburn	RQ	MRS			
2	City of Bluffton	RQ	MRS			
3	City of Garrett	RQ	MRS			
4	City of Gas City	RQ	MRS			
5	City of Mishawaka	RQ	MRS			
6	GM Truck Plant	RQ	MRS			
7	IMPA - Columbia City	RQ	MRS			
8	South Haven	RQ	MRS			
9	Town of Avilla	RQ	MRS			
10	Town of New Carlisle	RQ	MRS			
11	Town of Warren	RQ	MRS			
12	City of Niles	RQ	MRS			
13	Village of Paw Paw	RQ	MRS			
14	Unbilled	RQ	MRS			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SALES FOR RESALE (Account 447) (Continued)

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

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

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

6. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the avg. monthly billing demand in column (d), the avg. monthly non-coincident peak (NCP) demand in column (e), and the avg. monthly coincident peak (CP) demand in column (f).

For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand

reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

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

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j).

Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

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

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

Megawatthours Sold (g)	REVENUE				Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)	Total (\$) (h + i + j) (f)	
438,352	11,329,681	5,488,171	499,364	17,317,216	1
214,290	5,682,212	2,700,059	49,022	8,431,293	2
91,197	2,611,604	1,149,087	19,318	3,780,009	3
64,836	1,909,529	825,362	60,501	2,795,392	4
647,723	17,934,848	8,161,310	154,359	26,250,517	5
165,777	3,702,543	2,092,110	(17,091)	5,777,562	6
113,760	3,042,017	1,433,376	127,014	4,602,407	7
150,547	3,857,441	1,896,887	33,258	5,787,586	8
39,960	1,103,631	503,496	10,793	1,617,920	9
12,590	390,251	160,268	46,333	596,852	10
18,252	542,384	232,348	5,132	779,864	11
160,256	3,823,258	2,019,219	445,982	6,288,459	12
47,178	1,365,107	600,576	12,094	1,977,777	13
4,503		279,720		279,720	14

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Bristol Virginia Utilities	IF	Note 1			
2	Cleveland Public Power	IF	Note 1			
3	Craig-Botetourt Electric Coop	IF	Note 1			
4	Duquesne Power, L.P.	IF	Note 1			
5	East KY Power Co-Op Power Mktg	IF	Note 1			
6	NC Electric Membership Corp.	IF	APCO 135			
7	United Light & Power Company	IF	Note 1			
8	Wisconsin Public Service	IF	Note 1			
9	Wolverine Power Supply Coop	IF	Note 1			
10	American Municipal Power-Ohio	LF	OPCO 74			
11	City of Radford	LF	Note 1			
12	NC Electric Membership Corp.	LF	Note 1			
13	OMEG	LF	Note 1			
14	Wabash Valley Power Assn Inc.	LF	Note 1			
15	Carolina Power & Light	LU	APCO 24			
16	The Borough of Pitcairn, PA	SF	Note 1			
17	ABN AMRO, Inc.	OS	Note 1			
18	AEP Texas Central Company	OS	Note 1,2			
19	AEP Texas North Company	OS	Note 1,2			
20	Allegheny Electric Cooperative	OS	Note 1			
21	Allegheny Energy Supply Co LLC	OS	Note 1			
22	Allegheny Power GM	OS	Note 1			
23	Alliant Energy	OS	Note 1			
24	Amerada Hess Corporation	OS	Note 1			
25	Ameren Energy Inc.	OS	IMPCO 67			
26	Ameren Energy Marketing	OS	Note 1			
27	Ameren-Illinois Power	OS	Note 1			
28	Amerex Power, Ltd	OS	Note 1			
29	American Electric Power Service Corp	OS	OPCO20,Nte2			
30	American Municipal Power-Ohio	OS	Note 1			
31	Aquila Merchant Services, Inc.	OS	Note 1			
32	Arizona Public Service	OS	Note 1			
33	Arkansas Electric Co-Op Corp	OS	Note 1			
34	Associated Elect Cooperative	OS	Note 1			
35	Austin Energy	OS	Note 1			
36	Avista Corporation	OS	Note 1			
37	Avista Energy Inc.	OS	Note 1			
38	B.P. Energy Company	OS	Note 1			
39	Baltimore Gas & Electric	OS	Note 1			
40	BlueStar Energy Services, Inc.	OS	Note 1			
41	BNP Paribas Commodity Futures	OS	Note 1			
42	Bonneville Power Admin	OS	Note 1			

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold	REVENUE				Line No.
	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (\$) (h + i + j)	
(g)	(h)	(i)	(j)	(f)	
35,273	744,102	767,569		1,511,671	1
88,316	1,240,225	2,478,358		3,718,583	2
2,249	53,351	48,758		102,109	3
155	3,045	90,989		94,034	4
	326,825			326,825	5
244,537		8,212,494		8,212,494	6
9,047	87,271	351,673		438,944	7
	335,401			335,401	8
165,697	1,007,546	4,174,357		5,181,903	9
212,872	3,221,602	5,553,820		8,775,422	10
28,102		844,968		844,968	11
334,354	4,360,433	5,272,921		9,633,354	12
163,309	1,805,846	2,746,366		4,552,212	13
82,042	1,417,551	2,733,542		4,151,093	14
1,937,987	1,315,407	63,906,863		65,222,270	15
42	77,046	46,507		123,553	16
		684,530		684,530	17
	14,086	(14,086)		0	18
(123)	6,072	(11,036)		(4,964)	19
5,491		390,997		390,997	20
7,684		312,725		312,725	21
(968)		(90,366)		(90,366)	22
14,193		380,686		380,686	23
		1,011,714		1,011,714	24
(35,191)		(1,557,316)		(1,557,316)	25
4,630		221,328		221,328	26
29,457		1,941,240		1,941,240	27
		(10)		(10)	28
13,409,449		306,391,930		306,391,930	29
22,530		734,827		734,827	30
(106,640)		(2,672,039)		(2,672,039)	31
		(1)		(1)	32
(859)		(32,598)		(32,598)	33
16,181		1,078,722		1,078,722	34
		(266)		(266)	35
		(1)		(1)	36
		(11)		(11)	37
(360,903)		(12,552,024)		(12,552,024)	38
22,015		1,123,417		1,123,417	39
9,083		332,436		332,436	40
		556,351		556,351	41
		(5)		(5)	42

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	BP AMOCO	OS	Note 1			
2	Brascan Energy Marketing, Inc.	OS	Note 1			
3	Brazos Electric Power Co-op	OS	Note 1			
4	Bristol Virginia Utilities	OS	Note 1			
5	Buckeye Rural Electric Admin	OS	Note 1			
6	Calpine Power Service Company	OS	Note 1			
7	Carolina Power & Light	OS	APCO 24			
8	Chevron Texaco	OS	Note 1			
9	Cincinnati Gas & Electric Co.	OS	Note 1			
10	Cinergy Power Mktg & Trading	OS	Note 1			
11	Citadel Energy Products LLC	OS	Note 1			
12	Citadel Equity Fund Ltd.	OS	Note 1			
13	City of Bedford, VA	OS	Note 1			
14	City of Bryan Texas Utility	OS	Note 1			
15	City of Danville, VA	OS	Note 1			
16	City of Dowagiac, MI	OS	Note 1			
17	City of Garland	OS	Note 1			
18	City of Hearne	OS	Note 1			
19	City of Holland	OS	Note 1			
20	City of Lebanon	OS	Note 1			
21	City of Martinsville, VA	OS	Note 1			
22	City of New Martinsville	OS	Note 1			
23	City of Philippi, West Virginia	OS	Note 1			
24	City of Radford	OS	Note 1			
25	City of Salem, VA	OS	Note 1			
26	City of Seymour, Texas	OS	Note 1			
27	City of Sturgis	OS	Note 1			
28	Cleco Utility Group LLC	OS	Note 1			
29	Cleveland Public Power	OS	Note 1			
30	CMS Marketing Services & Trading	OS	Note 1			
31	ComEd Wholesale Marketing	OS	IMPCO 20			
32	Conectiv Energy Supply Inc.	OS	Note 1			
33	ConEd Energy	OS	Note 1			
34	Conoco Inc.	OS	Note 1			
35	Constellation Energy Commodities	OS	Note 1			
36	Constellation Power Source	OS	Note 1			
37	Consumers Energy Traders	OS	Note 1			
38	Cook Inlet Energy Supply LP	OS	Note 1			
39	Coral Power LLC	OS	Note 1			
40	Craig-Botetourt Electric Coop	OS	Note 1			
41	Delaware Electric Municipal Co.	OS	Note 1			
42	Detroit Edison Merch	OS	Note 1			

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold	REVENUE				Line No.
	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (\$) (h + i + j)	
(g)	(h)	(i)	(j)	(f)	
		(1,936,142)		(1,936,142)	1
(52,683)		(1,978,619)		(1,978,619)	2
		(2,171)		(2,171)	3
80,135		3,379,450		3,379,450	4
		4,524,743		4,524,743	5
(19,801)		(1,246,161)		(1,246,161)	6
(293)		(167,564)		(167,564)	7
		20,238		20,238	8
231,752		8,526,975		8,526,975	9
		(15,335)		(15,335)	10
414,639		17,934,437		17,934,437	11
		(1,430,409)		(1,430,409)	12
22,194		911,730		911,730	13
		(3)		(3)	14
100,767		4,194,426		4,194,426	15
15,876		569,535		569,535	16
		(90)		(90)	17
		785		785	18
1,438		41,016		41,016	19
19,245		1,179,771		1,179,771	20
19,699		834,863		834,863	21
87,158		3,516,423		3,516,423	22
64,476		3,069,094		3,069,094	23
28,545		1,199,439		1,199,439	24
41,656		1,743,436		1,743,436	25
64		(1,819)		(1,819)	26
46,210		1,651,030		1,651,030	27
386		24,180		24,180	28
(4,287)		(64,981)		(64,981)	29
1,811		68,490		68,490	30
		558		558	31
(126,906)		(6,492,120)		(6,492,120)	32
113,090		5,993,248		5,993,248	33
57,760		2,658,240		2,658,240	34
115,745		(824,083)		(824,083)	35
(37,657)		(1,326,215)		(1,326,215)	36
14,180		663,785		663,785	37
		8,962		8,962	38
(41,630)		(5,276,247)		(5,276,247)	39
6,653		274,151		274,151	40
596		47,061		47,061	41
1,844		166,410		166,410	42

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Direct Energy, LP	OS	Note 1			
2	Dominion Equipment Inc.	OS	Note 1			
3	Dow Plaquemine	OS	Note 1			
4	DP&L Power Services	OS	Note 1			
5	DTE Energy Trading Inc.	OS	Note 1			
6	Duke Energy Trading	OS	Note 1			
7	Duke Power Company	OS	APCO 18			
8	Duquesne Light Company	OS	Note 1			
9	Duquesne Power, L.P.	OS	Note 1			
10	Dynegy Marketing & Trade	OS	Note 1			
11	Dynegy Power Marketing Inc.	OS	Note 1			
12	East KY Power Co-Op Power Mktg	OS	Note 1			
13	Edison Mission Mktg & Trading	OS	Note 1			
14	El Paso Marketing, L.P.	OS	Note 1			
15	El Paso Merchant Energy L.P.	OS	Note 1			
16	El Paso Power Services Company	OS	Note 1			
17	Empire District Power Mrktg	OS	Note 1			
18	Energy USA - TPC Corp	OS	Note 1			
19	Eng Mktg, div of Amerada Hess	OS	Note 1			
20	Entergy - Koch Trading LP	OS	Note 1			
21	Entergy Power Serv	OS	Note 1			
22	Entergy Solutions Supply, Ltd.	OS	Note 1			
23	Eugene Water & Elect Board	OS	Note 1			
24	Exelon Generation - Power Team	OS	Note 1			
25	FirstEnergy Trading Services	OS	Note 1			
26	Florida Power Corporation	OS	Note 1			
27	FPL Energy Power Marketing Inc.	OS	Note 1			
28	Grand River Authority	OS	Note 1			
29	Harrison Rural Electrification	OS	Note 1			
30	Hess Energy Trading Company, LLC	OS	Note 1			
31	Hoosier Power Market	OS	Note 1			
32	HQ Energy Services US Inc.	OS	Note 1			
33	ICAP Energy LLC	OS	Note 1			
34	ID Eng Ltd Prt dba Eng Prt ID	OS	Note 1			
35	Indiana Municipal Power Agency	OS	IMPCO 74			
36	Indianapolis Power & Light Co.	OS	IMPCO 21			
37	Interstate Gas Supply, Inc.	OS	Note 1			
38	J ARON & Company	OS	Note 1			
39	Kansas City Power & Light Co.	OS	Note 1			
40	LG&E Energy Marketing, Inc.	OS	Note 1			
41	LG&E Utilities Power Sales	OS	Note 1			
42	Louis Dreyfus Energy Serv LP	OS	Note 1			

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold	REVENUE				Line No.
	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (\$) (h + i + j)	
(g)	(h)	(i)	(j)	(f)	
		(64)		(64)	1
(54,031)		(1,570,222)		(1,570,222)	2
		2,047		2,047	3
(71,806)		(4,391,897)		(4,391,897)	4
267,492		11,443,363		11,443,363	5
(319,153)		(11,068,603)		(11,068,603)	6
(70,952)		(4,139,756)		(4,139,756)	7
(206)		(20,905)		(20,905)	8
665,155		26,591,573		26,591,573	9
		171,279		171,279	10
(2,687)		6,050,980		6,050,980	11
15,040		954,020		954,020	12
68,617		3,214,720		3,214,720	13
50,917		1,660,976		1,660,976	14
1,148		77,351		77,351	15
		(1)		(1)	16
(6)		(452)		(452)	17
(7,233)		(383,484)		(383,484)	18
6,542		541,152		541,152	19
58,760		2,561,353		2,561,353	20
(6,859)		1,425,408		1,425,408	21
		(8,468)		(8,468)	22
		(1)		(1)	23
(177,422)		(5,275,023)		(5,275,023)	24
295,893		12,151,153		12,151,153	25
(18)		(1,465)		(1,465)	26
(87,387)		(3,001,936)		(3,001,936)	27
(8)		(408)		(408)	28
23,571		1,228,016		1,228,016	29
		(856,310)		(856,310)	30
76,283		3,605,364		3,605,364	31
10,139		415,306		415,306	32
		(37)		(37)	33
		(123)		(123)	34
111,974		4,657,478		4,657,478	35
2,650		213,742		213,742	36
		17,656		17,656	37
235,677		11,072,338		11,072,338	38
868		70,084		70,084	39
(4,626)		(143,400)		(143,400)	40
(72,054)		(2,859,822)		(2,859,822)	41
		(646)		(646)	42

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Lower Colorado River Authority	OS	Note 1			
2	Man Capital LLC	OS	Note 1			
3	Merrill Lynch Capital Services	OS	Note 1			
4	Merrill Lynch Commodities, Inc.	OS	Note 1			
5	Metropolitan Edison Company	OS	Note 1			
6	Michigan Public Power Agency	OS	Note 1			
7	Michigan South Cent Power Agency	OS	Note 1			
8	Mid Continent Corp.	OS	Note 1			
9	MidAmerican Energy	OS	Note 1			
10	Midwest ISO	OS	Note 1			
11	MIECO Inc.	OS	Note 1			
12	Mirant Americas Energy Mktg LP	OS	Note 1			
13	Monongahela Power Company	OS	Note 1			
14	Morgan Stanley Capital	OS	Note 1			
15	NC Electric Membership Corp.	OS	APCO 135			
16	New York Mercantile Exchange	OS	Note 1			
17	NIPSCO Energy Management	OS	Note 1			
18	NRG Power Marketing Inc.	OS	Note 1			
19	NSP Energy Marketing	OS	Note 1			
20	Occidental Energy Marketing, Inc.	OS	Note 1			
21	Occidental Power Services, Inc.	OS	Note 1			
22	Old Dominion Electric	OS	Note 1			
23	ONEOK Power Marketing	OS	Note 1			
24	OPPD Energy Marketing	OS	Note 1			
25	Otter Tail Power Company	OS	Note 1			
26	OVEC Power Scheduling	OS	Note 1			
27	Pacificorp Power Marketing	OS	Note 1			
28	Paribas	OS	Note 1			
29	Pedernales Electric Coop.	OS	Note 1			
30	Pennsylvania Electric Company	OS	Note 1			
31	PEPCO Services Inc.	OS	Note 1			
32	Pinnacle West Capital Corp	OS	Note 1			
33	PJM Interconnection	OS	Note 1			
34	Portland General Electric	OS	Note 1			
35	Powerex	OS	Note 1			
36	PP&L Energy Plus Co.	OS	Note 1			
37	PPL Gas Utilities Corp.	OS	Note 1			
38	Progress Energy	OS	Note 1			
39	Progress Ventures, Inc.	OS	Note 1			
40	PSEG Energy Resources & Trade	OS	Note 1			
41	Public Service Co of Colorado	OS	Note 1			
42	Public Service Co of OK	OS	Note 1,2			

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold	REVENUE				Line No.
	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (\$) (h + i + j)	
(g)	(h)	(i)	(j)	(f)	
		8		8	1
		(1)		(1)	2
6,499		298,366		298,366	3
(244,665)		(9,519,961)		(9,519,961)	4
46,452		1,298,656		1,298,656	5
419		21,520		21,520	6
139		6,921		6,921	7
		(50)		(50)	8
25,977		1,308,548		1,308,548	9
(203,770)		(11,302,017)		(11,302,017)	10
60,806		2,818,795		2,818,795	11
(45,716)		(3,707,064)		(3,707,064)	12
427		14,858		14,858	13
205,497		6,686,434		6,686,434	14
(63,889)		(2,427,601)		(2,427,601)	15
		(18,931)		(18,931)	16
26,424		1,587,074		1,587,074	17
11,725		591,129		591,129	18
(75,515)		(3,501,159)		(3,501,159)	19
		74,791		74,791	20
(9,323)		(670,804)		(670,804)	21
102		6,055		6,055	22
(3,554)		423,600		423,600	23
(80)		(2,519)		(2,519)	24
(234)		(8,333)		(8,333)	25
513		53,112		53,112	26
		(42)		(42)	27
		954,135		954,135	28
		442		442	29
12,683		756,627		756,627	30
465,900		19,496,955		19,496,955	31
		(2)		(2)	32
1,710,775		78,522,931		78,522,931	33
		(10)		(10)	34
		(15)		(15)	35
(38,028)		(1,716,212)		(1,716,212)	36
		10,764		10,764	37
		109		109	38
(4,069)		(173,206)		(173,206)	39
(51,058)		(2,499,314)		(2,499,314)	40
(21,818)		(1,031,981)		(1,031,981)	41
162,201	22,265	8,126,428		8,148,693	42

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Public Service Electric & Gas	OS	Note 1			
2	Puget Sound Energy Inc.	OS	Note 1			
3	Quest Energy, L.L.C.	OS	Note 1			
4	Rainbow Energy Marketing	OS	Note 1			
5	Rayburn County Electric Coop.	OS	Note 1			
6	REFCO Inc.	OS	Note 1			
7	Reliant Energy Serv.	OS	Note 1			
8	Sempra Energy Solutions, LLC	OS	Note 1			
9	Sempra Energy Trading	OS	Note 1			
10	SIGE Power Marketing	OS	Note 1			
11	Silicon Valley Power	OS	Note 1			
12	South Carolina Electric & Gas	OS	Note 1			
13	South Texas Electric Coop	OS	Note 1			
14	Southeastern Power Admin.	OS	Note 1			
15	Southern Maryland Elec. Coop Inc	OS	Note 1			
16	Southern Company	OS	Note 1			
17	Southern Electric Intl.	OS	Note 1			
18	Southern Illinois Power Co-Op	OS	Note 1			
19	Southwest Power Pool	OS	Note 1			
20	Southwestern Power Admin	OS	Note 1			
21	Southwestern Public Service Co.	OS	Note 1			
22	Southwestern Elec Power Co.	OS	Note 1,2			
23	Split Rock Energy, LLC	OS	Note 1			
24	Strategic Energy Ltd.	OS	Note 1			
25	System Integration Agreement	OS	Note 1			
26	Teco Energy Source	OS	Note 1			
27	Tenaska Power Services Company	OS	Note 1			
28	Texas Genco, LP	OS	Note 1			
29	TexLa Electric Coop	OS	Note 1			
30	Tex-La Electric Cooperative of Texas	OS	Note 1			
31	The Borough of Pitcairn, PA	OS	Note 1			
32	The Energy Authority	OS	Note 1			
33	Town of Richlands, VA	OS	Note 1			
34	Tractebel Energy Marketing	OS	Note 1			
35	TransAlta Energy Marketing US	OS	Note 1			
36	TVA Bulk Power Trading	OS	Note 1			
37	TXU Energy Trading	OS	Note 1			
38	TXU Generation Company LP	OS	Note 1			
39	UBS AG, London Branch	OS	Note 1			
40	Union Power Partners	OS	Note 1			
41	United Light & Power Company	OS	Note 1			
42	UtiliCorp United Inc.	OS	Note 1			

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold	REVENUE				Line No.
	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (\$) (h + i + j)	
(g)	(h)	(i)	(j)	(f)	
		(6)		(6)	1
		(4)		(4)	2
		(190,481)		(190,481)	3
5,407		762,057		762,057	4
(620)		459,691		459,691	5
		4,102,533		4,102,533	6
(66,406)		(2,474,401)		(2,474,401)	7
1,527		176,781		176,781	8
(23,265)		(854,039)		(854,039)	9
25,687		1,481,804		1,481,804	10
		(34)		(34)	11
(4,262)		(384,170)		(384,170)	12
		(14)		(14)	13
(1,074)					14
(14,271)		(1,128,720)		(1,128,720)	15
17,262		1,343,708		1,343,708	16
42,861		153,883		153,883	17
1,963		134,365		134,365	18
39		0		0	19
(3,897)		(16,741)		(16,741)	20
		(46)		(46)	21
159,547	26,260	6,828,247		6,854,507	22
7,061		204,759		204,759	23
107,160		3,609,931		3,609,931	24
		(12,070,432)		(12,070,432)	25
296		10,539		10,539	26
18,629		828,713		828,713	27
		(3,385)		(3,385)	28
		(4,711)		(4,711)	29
		127		127	30
112		10,301		10,301	31
542		100,555		100,555	32
6,333		269,320		269,320	33
(14,347)		(690,217)		(690,217)	34
73,438		1,612,710		1,612,710	35
26,194		1,253,402		1,253,402	36
5,780		526,144		526,144	37
		99		99	38
28,932		534,738		534,738	39
(3,651)		(192,173)		(192,173)	40
13,285		662,702		662,702	41
(1,955)		(91,405)		(91,405)	42

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
SALES FOR RESALE (Account 447)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Virginia Power Marketing	OS	Note 1			
2	Wabash Valley Power Assn Inc.	OS	Note 1			
3	Washington Gas Energy Services	OS	Note 1			
4	Westar Energy Inc.	OS	Note 1			
5	Western Farmers Electric Coop	OS	Note 1			
6	Williams Power Company, Inc.	OS	Note 1			
7	Wolverine Power Supply Coop	OS	Note 1			
8	WPS Energy Services Inc.	OS	Note 1			
9	Transmission Reclass	OS	Note 1			
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
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21						
22						
23						
24						
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26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	Subtotal RQ					
41	Subtotal Non-RQ					
42	Total					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05		
SALES FOR RESALE (Account 447) (Continued)					
Megawatthours Sold (g)	REVENUE				Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)	Total (\$) (h + i + j) (f)	
3,005		206,312		206,312	1
4,182		271,855		271,855	2
744		36,545		36,545	3
32,236		1,764,564		1,764,564	4
295		23,305		23,305	5
1,620		170,681		170,681	6
44,086		1,233,452		1,233,452	7
115,830		4,022,373		4,022,373	8
		(2,072,751)	2,072,751		9
					10
					11
					12
					13
					14
					15
					16
					17
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					31
					32
					33
					34
					35
					36
					37
					38
					39
2,169,221	57,294,506	27,541,989	1,446,079	86,282,574	40
21,144,076	16,064,334	591,404,684	2,072,751	609,541,769	41
23,313,297	73,358,840	618,946,673	3,518,830	695,824,343	42

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
311	1	j	Page 311, Lines 1 through 11 represent fuel charges and also credits resulting from the agreement related to the Central and South West Corporation merger.
311	12	j	Represents fuel charges and credits resulting from the agreement related to the Central and South West Corporation merger and nuclear decommissioning charges.
311	13	j	Represents fuel charges and credits resulting from the agreement related to the Central and South West Corporation merger and nuclear decommissioning charges.
310.1	1	c	AEP Power Sales Tariff, AEP Companies' FERC Electric Tariff Original Volume 2.
310.1	18	c	Affiliate of respondent
311.6	9	j	Represents transmission and ancillary charges associated with Account 447
310.1	18	a	Affiliated Company
310.1	19	a	Affiliated Company
310.1	29	a	Affiliated Company
310.4	42	a	Affiliated Company
310.5	22	a	Affiliated Company

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2005
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	3,538,391	2,570,464	
5	(501) Fuel	237,597,139	200,902,106	
6	(502) Steam Expenses	5,406,833	4,832,924	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses	1,549,844	1,127,697	
10	(506) Miscellaneous Steam Power Expenses	8,757,480	8,369,034	
11	(507) Rents	70,147,272	70,148,149	
12	Allowances	8,799,233	6,692,817	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	335,796,192	294,643,191	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	2,106,317	1,767,406	
16	(511) Maintenance of Structures	1,994,717	1,316,817	
17	(512) Maintenance of Boiler Plant	25,898,907	18,497,008	
18	(513) Maintenance of Electric Plant	9,629,731	5,514,058	
19	(514) Maintenance of Miscellaneous Steam Plant	1,335,866	1,033,266	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	40,965,538	28,128,555	
21	TOTAL Power Production Expenses-Steam Power (Total of lines 13 & 20)	376,761,730	322,771,746	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering	20,246,706	23,687,332	
25	(518) Fuel	80,867,007	78,616,107	
26	(519) Coolants and Water	73,186	785	
27	(520) Steam Expenses	3,656,776	2,845,241	
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses	755,781	612,999	
31	(524) Miscellaneous Nuclear Power Expenses	75,777,895	96,411,044	
32	(525) Rents	373,056	369,756	
33	TOTAL Operation (Enter Total of lines 24 thru 32)	181,750,407	202,543,264	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering	4,008,063	4,031,228	
36	(529) Maintenance of Structures	3,648,819	3,841,925	
37	(530) Maintenance of Reactor Plant Equipment	24,589,012	23,636,584	
38	(531) Maintenance of Electric Plant	5,382,867	4,071,834	
39	(532) Maintenance of Miscellaneous Nuclear Plant	62,046,748	59,100,790	
40	TOTAL Maintenance (Enter Total of Lines 35 thru 39)	99,675,509	94,682,361	
41	TOTAL Power Production Expenses-Nuclear Power (Total of lines 33 & 40)	281,425,916	297,225,625	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	462,684	362,143	
45	(536) Water for Power		156	
46	(537) Hydraulic Expenses	76,416	68,848	
47	(538) Electric Expenses	3,618	9,689	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	608,264	649,972	
49	(540) Rents	262	96	
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	1,151,244	1,090,904	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	52,869		35,345
54	(542) Maintenance of Structures	182,000		149,778
55	(543) Maintenance of Reservoirs, Dams, and Waterways	112,077		203,626
56	(544) Maintenance of Electric Plant	412,593		442,853
57	(545) Maintenance of Miscellaneous Hydraulic Plant	45,726		23,379
58	TOTAL Maintenance (Total of Lines 53 thru 57)	805,265		854,981
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr.(Total of lines 50 & 58)	1,956,509		1,945,885
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	21,607		16,780
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			3,307
66	(550) Rents			
67	TOTAL Operation (Total of Lines 62 thru 66)	21,607		20,087
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 (Total of Lines 69 thru 72)	0		0
74	TOTAL Pwr. Production Expenses-Other Power (Total of Lines 67 & 73)	21,607		20,087
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	354,494,586		309,464,174
77	(556) System Control and Load Dispatching	8,230,735		2,852,117
78	(557) Other Expenses	10,122,047		10,091,384
79	Total Other Power Supply Expenses (Total of Lines 76 thru 78)	372,847,368		322,407,675
80	Total Pwr. Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,033,013,130		944,371,018
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	1,348,549		1,316,713
84	(561) Load Dispatching	1,961,226		1,471,524
85	(562) Station Expenses	673,297		719,929
86	(563) Overhead Lines Expenses	490,331		603,878
87	(564) Underground Lines Expenses	681		(196)
88	(565) Transmission of Electricity by Others	(46,967,544)		(40,790,372)
89	(566) Miscellaneous Transmission Expenses	3,938,728		2,820,382
90	(567) Rents	24,895		44,917
91	TOTAL Operation (Total of Lines 83 thru 90)	(38,529,837)		(33,813,225)
92	Maintenance			
93	(568) Maintenance Supervision and Engineering	104,416		112,535
94	(569) Maintenance of Structures	233,278		69,403
95	(570) Maintenance of Station Equipment	4,299,445		3,479,053
96	(571) Maintenance of Overhead Lines	4,449,903		2,586,682
97	(572) Maintenance of Underground Lines	13,832		1,878
98	(573) Maintenance of Miscellaneous Transmission Plant	12,136		6,725
99	TOTAL Maintenance (Total of Lines 93 thru 98)	9,113,010		6,256,276
100	TOTAL Transmission Expenses (Total of Lines 91 & 99)	(29,416,827)		(27,556,949)
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering	3,883,372		2,561,109

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
104	3. DISTRIBUTION EXPENSES (Continued)			
105	(581) Load Dispatching	1,319,858	1,336,795	
106	(582) Station Expenses	807,791	849,227	
107	(583) Overhead Line Expenses	1,642,391	624,296	
108	(584) Underground Line Expenses	2,467,245	1,628,143	
109	(585) Street Lighting and Signal System Expenses	342,699	60,651	
110	(586) Meter Expenses	1,351,724	1,050,728	
111	(587) Customer Installations Expenses	447,709	502,620	
112	(588) Miscellaneous Expenses	12,078,036	8,333,046	
113	(589) Rents	938,596	1,469,517	
114	TOTAL Operation <i>(Total of Lines 103 thru 113)</i>	25,279,421	18,416,132	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	429,193	350,322	
117	(591) Maintenance of Structures	154,919	42,759	
118	(592) Maintenance of Station Equipment	3,368,693	3,256,027	
119	(593) Maintenance of Overhead Lines	34,038,831	23,295,801	
120	(594) Maintenance of Underground Lines	2,444,263	1,818,428	
121	(595) Maintenance of Line Transformers	1,561,551	2,757,010	
122	(596) Maintenance of Street Lighting and Signal Systems	2,099,941	650,140	
123	(597) Maintenance of Meters	434,125	354,742	
124	(598) Maintenance of Miscellaneous Distribution Plant	1,558,898	1,442,611	
125	TOTAL Maintenance <i>(Total of Lines 116 thru 124)</i>	46,090,414	33,967,840	
126	TOTAL Distribution Expenses <i>(Total of Lines 114 & 125)</i>	71,369,835	52,383,972	
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	1,256,982	1,245,198	
130	(902) Meter Reading Expenses	4,383,442	4,069,038	
131	(903) Customer Records and Collection Expenses	17,053,003	18,293,243	
132	(904) Uncollectible Accounts	535,673	205,993	
133	(905) Miscellaneous Customer Accounts Expenses	44,548	52,665	
134	TOTAL Customer Accounts Expenses <i>(Total of Lines 129 thru 133)</i>	23,273,648	23,866,137	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision	727,847	469,128	
138	(908) Customer Assistance Expenses	1,107,999	950,110	
139	(909) Informational and Instructional Expenses	453,580	312,777	
140	(910) Miscellaneous Customer Service and Informational Expenses	3,319	8,201	
141	TOTAL Cust. Service and Informational Exp. <i>(Total of Lines 137 thru 140)</i>	2,292,745	1,740,216	
142	6. SALES EXPENSE			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses	10,585	9,504	
146	(913) Advertising Expenses	13,436	19,000	
147	(916) Miscellaneous Sales Expenses			
148	Total Sales Expenses <i>(Total of Lines 144 thru 147)</i>	24,021	28,504	
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	27,002,126	22,873,122	
152	(921) Office Supplies and Expenses	3,686,062	3,109,136	
153	(Less) (922) Administrative Expenses Transferred - CR	3,043,704	1,190,877	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	24,437,724	30,289,316	
156	(924) Property Insurance	2,161,390	2,580,379	
157	(925) Injuries and Damages	4,562,873	5,625,635	
158	(926) Employee Pensions and Benefits	26,142,933	30,945,695	
159	(927) Franchise Requirements	440		
160	(928) Regulatory Commission Expenses	7,417,048	9,548,140	
161	(929) (Less) Duplicate Charges - CR.	427,223	379,186	
162	(930.1) General Advertising Expenses	654,519	523,716	
163	(930.2) Miscellaneous General Expenses	4,398,010	4,028,187	
164	(931) Rents	10,138,803	10,364,095	
165	TOTAL Operation (Total of Lines 151 thru 164)	107,131,001	118,317,358	
166	Maintenance			
167	(935) Maintenance of General Plant	6,259,633	4,414,240	
168	TOTAL Administrative and General Expenses (Total of Lines 165 & 167)	113,390,634	122,731,598	
169	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 100, 126, 134, 141, 148, and 168)	1,213,947,186	1,117,564,496	

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES		
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p>	<p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>	
1. Payroll Period Ended (Date)	12/31/2005	
2. Total Regular Full-Time Employees	2,598	
3. Total Part-Time and Temporary Employees	35	
4. Total Employees	2,633	

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Next is Page 326

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service, which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	AEP Generating Company	RQ	AEG 1			
2	American Electric Power Service Corp	OS	APCO 20			
3	Buckeye Rural Electric Admin	OS	Note 1			
4	Cincinnati Gas & Electric Co	OS	Note 1			
5	Consumers Energy Traders	OS	Note 1			
6	Detroit Edison Merch	OS	Note 1			
7	Duquesne Light Company	OS	OPCO 33			
8	East KY Power Co-Op Power Mktg	OS	KPCO 14			
9	FirstEnergy Trading Services	OS	Note 1			
10	French Paper	OS	COGEN SPP			
11	Indianapolis Power & Light Co	OS	IMPCO 21			
12	LG&E Utilities Power Sales	OS	Note 1			
13	Loop Interchange	OS	Note 1			
14	National Power Cooperative Inc	OS	Note 1			
15	NIPSCO Energy Management	OS	Note 1			
16	OVEC Power Scheduling	OS	Note 1			
17	PJM Interconnection	OS	Note 1			
18	System Integration Agreement	OS	Note 1			
19	Miscellaneous MWH Adjustments					
20	Total					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

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

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

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

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

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

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

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	6,277,535				189,381,388		
5,328,159				116,735,101		116,735,101	2
0				6,704,577		6,704,577	3
108				11,000		11,000	4
76				6,654		6,654	5
97				10,211		10,211	6
0				(117)		(117)	7
16				1,651		1,651	8
108				11,530		11,530	9
1,689				23,364		23,364	10
23				1,063		1,063	11
46				4,508		4,508	12
0				(17,275)		(17,275)	13
25,627			2,815,064	2,442,105		5,257,169	14
29				2,872		2,872	15
1,371,558				30,961,055		30,961,055	16
33,545				6,940,128		6,940,128	17
0				(1,540,293)		(1,540,293)	18
(138,904)				0		0	19
12,899,712			2,815,064	351,679,522		354,494,586	20

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																										
326	1	a	AEP Affiliate																										
326	2	a	Receipts of power from the members of the AEP System Power Pool (see note for column (c) below) governed by the terms of the interconnection agreement dated July 6, 1951, as amended.																										
326	2	c	The respondent, along with Appalachian Power Company, Columbus Southern Power Company, Kentucky Power Company, and Ohio Power Company, is an associated company and member of the American Electric Power System Power Pool, whose electric facilities are interconnected at a number of points and are operated in a fully coordinated manner on a system pool basis. APCO - Appalachian Power Company CSPCO - Columbus Southern Power Company IMPCO - Indiana Michigan Power Company KPCCO - Kentucky Power Company OPCO - Ohio Power Company																										
326	3	c	AEP Power Sales Tariff - AEP companies FERC Electric Tariff Original Volume 2																										
326	10	a	A non-FERC jurisdictional seller																										
326	19	a	Detail of Misc MWH Adjustments <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; border-bottom: 1px solid black;">MWH</th> </tr> </thead> <tbody> <tr> <td>Bookouts/Options</td> <td style="text-align: right;">(18,064)</td> </tr> <tr> <td>DOW Plaquemine</td> <td style="text-align: right;">(139,092)</td> </tr> <tr> <td>OVEC</td> <td style="text-align: right;">620</td> </tr> <tr> <td>MLR Purchases</td> <td style="text-align: right;">(106)</td> </tr> <tr> <td>Pool to I&M</td> <td style="text-align: right;">(66,295)</td> </tr> <tr> <td>PJM Non-ECR</td> <td style="text-align: right;">(33,545)</td> </tr> <tr> <td>Unit Energy</td> <td style="text-align: right;">(12,249)</td> </tr> <tr> <td>French Paper</td> <td style="text-align: right;">(1,689)</td> </tr> <tr> <td>PJM Spot Energy</td> <td style="text-align: right;">6,155</td> </tr> <tr> <td>AEP System Power Pool Adjustment (net)</td> <td style="text-align: right;">114,065</td> </tr> <tr> <td>Interruptible By-Thru</td> <td style="text-align: right; border-bottom: 1px solid black;">11,296</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">(138,904)</td> </tr> </tbody> </table>		MWH	Bookouts/Options	(18,064)	DOW Plaquemine	(139,092)	OVEC	620	MLR Purchases	(106)	Pool to I&M	(66,295)	PJM Non-ECR	(33,545)	Unit Energy	(12,249)	French Paper	(1,689)	PJM Spot Energy	6,155	AEP System Power Pool Adjustment (net)	114,065	Interruptible By-Thru	11,296	Total	(138,904)
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)
(Including transactions referred to as "wheeling")

1. Report all transmission of electricity, i.e. wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers.

2. Use a separate line of data for each distinct type of transmission service involving the entities listed in columns (a), (b), and (c).

3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate.

or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b), or (c).

4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:

LF - for long-term transmission service. "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 **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

Line No.	Payment By (Company or Public Authority) [Footnote Affiliations] (a)	Energy Received From (Company or Public Authority) [Footnote Affiliations] (b)	Energy Delivered To (Company or Public Authority) [Footnote Affiliation] (c)	Statistical Classification (d)
1	PJM Network Integration Transmission	various	various	FNO
2	PJM Point to Point Transmission Service	various	various	OLF
3	PJM Transmission Owner Administration	various	various	OS
4	SECA Transmission Revenue	various	various	OS
5	Buckeye Rural Electric Administration	Cardinal Operating Co	various	AD
6	Constellation Power Source	various	various	AD
7	Exelon Generation - Power Team	various	various	AD
8	Indiana Municipal Power Authority	various	various	AD
9				
10				
11				
12				
13				
14				
15				
16				
17	Total			

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued)
(Including transactions referred to as "wheeling")

SF - for short-term transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year.

OS - for other transmission service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm transmission service, regardless of the length of the contract. Describe the nature of the service in a footnote.

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

in a footnote for each adjustment.

5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for

MPSC Rate Schedule or Tariff Number (e)	Point or Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				Megawatthours Received (i)	Megawatthours Delivered (j)	
PJM OATT	various	various				1
PJM OATT	various	various				2
PJM OATT	various	various				3
PJM OATT	various	various				4
OPCO 69	various	various				5
Note 1	various	various				6
Note 1	various	various				7
Note 1	various	various				8
						9
						10
						11
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005	
TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued) (Including transactions referred to as "wheeling")				
<p>where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number or megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in columns (i) and (j) the total megawatthours received and delivered.</p> <p>9. In columns (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other</p>		<p>charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero ("0") in column (n). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and the type of energy or service rendered.</p> <p>10. Provide total amounts in column (i) through (n) as the last line. Enter "TOTAL" in column (a) as the last line. The total amounts in columns (i) and (j) must be reported as Transmission Received and Delivered on page 401, lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>		
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	Other Charges (\$) (m)	Total Revenues (\$) (k + l + m) (n)	Line No.
7,175,514			7,175,514	1
3,384,507			3,384,507	2
		613,165	613,165	3
		27,807,898	27,807,898	4
16,567			16,567	5
8,772			8,772	6
(13,328)			(13,328)	7
(5,309)			(5,309)	8
				9
				10
				11
				12
				13
				14
				15
				16
10,566,723		28,421,063	38,987,786	17

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
328	5	d	To settle outstanding transactions that were recorded prior to the PJM start date of 10/1/2004
328	6	d	To settle outstanding transactions that were recorded prior to the PJM start date of 10/1/2004
328	7	d	To settle outstanding transactions that were recorded prior to the PJM start date of 10/1/2004
328	8	d	To settle outstanding transactions that were recorded prior to the PJM start date of 10/1/2004
329	1	e	Effective Oct. 1, 2004, the administration of the transmission tariff was turned over to PJM. PJM does not provide any detail except for the total revenue by the major classes listed.
329	6	e	AEP Point to Point Tariff and 2nd Revised Tariff - AEP Companies FERC Electric Tariff Original Volume 1. Under the tariff, the transaction varies by megawatts and duration.

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SALES TO RAILROADS AND RAILWAYS AND INTERDEPARTMENTAL SALES (Accounts 446, 448)

- | | |
|---|---|
| <p>1. Report particulars concerning sales included in Accounts 446 and 448.</p> <p>2. For Sales to Railroads and Railways, Account 446, give name of railroad or railway in addition to other required information. If contract covers several points of delivery and small amounts of electricity are delivered at</p> | <p>each point, such sales may be grouped.</p> <p>3. For Interdepartmental Sales, Account 448, give name of other department and basis of charge to other department in addition to other required information.</p> <p>4. Designate associated companies.</p> <p>5. Provide subheading and total for each account.</p> |
|---|---|

Line No.	Item (a)	Point of Delivery (b)	Kilowatt-hours (c)	Revenue (d)	Revenue per kwh (in cents) (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

RENT FROM ELECTRICITY PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 454, 455)

- | | |
|---|---|
| <p>1. Report particulars concerning rents received included in Accounts 454 and 455.</p> <p>2. Minor rents may be grouped by classes.</p> <p>3. If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account</p> | <p>represents profit or return on property, depreciation and taxes, give particulars and the basis of apportionment of such charges to Accounts 454 and 455.</p> <p>4. Designate is lessee is an associated company.</p> <p>5. Provide a subheading and total for each account.</p> |
|---|---|

Line No.	Name of Lessee or Department (a)	Description of Property (b)	Amount of Revenue for Year (c)
16	Acct 454 - Rents from Electric Property - Michigan		
17	Miscellaneous Lessees	Pole Contact Rental	883,330
18	American Electric Power Service Corporation	Benton Harbor Service Center	10,182
19	American Electric Power Service Corporation	Michigan State President Office	56,248
20	Miscellaneous Lessees	Agricultural, Commercial, & Residential	77,125
21			
22	Total Acct 454		1,026,885
23			
24	Acct 455	None	
25			
26			
27			
28			
29			

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
SALES OF WATER AND WATER POWER (Account 453)				
1. Report below the information called for concerning revenues derived during the year from sales to others of water or water power. 2. In column (c) show the name of the power			development of the respondent supplying the water or water power sold. 3. Designate associated companies.	
Line No.	Name of Purchaser (a)	Purpose for Which Water Was Used (b)	Power Plant Development Supplying Water or Water Power (c)	Amount of Revenue for Year (e)
1	None			
2				
3				
4				
5				
6				
7				
8				
9				
10	TOTAL			0

MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)		
1. Report particulars concerning miscellaneous service revenues and other electric revenues derived from electric utility operations during year. Report separately in this schedule the total revenues from operation of fish and wildlife and recreation facilities, regardless of whether such facilities are operated by		company or by contract concessionaires. Provide a subheading and total for each account. For Account 456, list first revenues realized through Research and Development ventures, see Account 456. 2. Designate associated companies. 3. Minor items may be grouped by classes.
Line No.	Name of Company and Description of Service (a)	Amount of Revenue for Year (b)
11	Acct 451 - Miscellaneous Service Revenues - Michigan	
12	Other	246,752
13		
14	Acct 456 - Other Electric Revenues - Michigan	
15	Associated Business Development	971,176
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	TOTAL	1,217,928

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e., wheeling, of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.

2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company; abbreviated if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in our affiliation with the transmission service provider.

3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."

4. Report in columns (b) and (c) the total megawatthours received and delivered by the provider of the transmission service.

5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other charges on bills or vouchers rendered to respondent, including any out or period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (g) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") in column (g). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered.

6. Enter "TOTAL" in column (a) as the last line. Provide a total amount in columns (b) through (g) as the last line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, page 401. If the respondent received power from the wheeler, energy provided to account for losses should be reported on line 19, Transmission By Others Losses, on page 401. Otherwise, losses should be reported on line 27, Total Energy Losses, page 401.

7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Megawatthours Received (b)	Megawatthours Delivered (c)	Demand Charges (\$) (c)	Energy Charges (\$) (d)	Other Charges (\$) (e)	Total Cost of Transmission (\$) (f)
1	Ohio Valley Elec Corp					36,092	36,092
2							
3	AEP Trans Equal Agmt	FNS				(47,003,636)	(47,003,636)
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16	Total					(46,967,544)	(46,967,544)

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
332	3	a	The Respondent, Appalachian Power Company, Columbus Southern Power Company, Kentucky Power Company, and Ohio Power Company are associated companies and are parties to the Transmission Agreement dated April 1, 1984, as amended. Pursuant to the terms of the Transmission Agreement, American Electric Power Service Corporation serves as agent and the parties pool their investments in high voltage transmission facilities (138kV and above) and share the cost of ownership in proportion to the respective member's load ratio. As such, there is no transfer of energy and some parties receive credits designated by brackets "()" which are recorded in account 565.

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LEASE RENTALS CHARGED

1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.

2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000 the data called for in columns a, b (description only), f, g and j.

3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.

4. The annual charges referred to in Instruction 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements** and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) below.

5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replace under terms of the lease or for the pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property.

6. In column (a) report the name of the lessor. List lessors which are associated companies* (describing association) first, followed by non-associated lessors.

7. In column (b) for each leasing arrangement, report in order, classified by generating station, transmission line, distribution system, large substation, or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications:

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
Bankers Leasing Corp. (BLC)	Office Furniture and Equipment and Transportation Equipment	

** See Electric Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts.

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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LEASE RENTALS CHARGED (Continued)

Description of property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancellable by either party and the cancellation conditions, the tax treatment used the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever occurs first.

8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.

9. Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancellable leases will not be cancelled when estimating the remaining charges.

* See definition on page 226 (B)

A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES

Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		2,587				500	
		25,842				506	
		3,125				512	
		1,220				514	
		1,106,283				524	
		373,056				525	
		803				529	
		96,819				560	
		519				562	
		33,205				566	
		407				567	
		715				570	
		2,891				571	
		103				580	
		585				582	
		617				583	
		4,896				586	
		337,414				588	
		58				903	
		16,711				921	
		1,084				930	
		546,581				931	
		151,545				935	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
IOS Capital	Office Copiers (IKON)	
CBI Leasing	Personal Computer Equipment	
City of Fort Wayne, IN	Utility System (LS#330), including transmission and distribution facilities with lines and transformers, meters, and various other items 1. This is not a sale and leaseback 2. Lessee has no option to purchase 3. Lease may be cancelled only if lessee is in default 4. Respondent is responsible for all operation & maintenance expenses.	3/1/10 (P)
Blue Jay Associates	Fort Wayne General Service Center BLDG225 LPM 1853 Date of lease: 5/1/71 1. This is a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	4/30/11 (P)
SS Properties Associates III	Fort Wayne General Service Center BLDG225 LPM 1853 Date of lease: 5/1/71 1. This is a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	12/31/08 (P)

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		December 31, 2005	
A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor	Other	Lessor	Other		
		(f)	(g)	(h)	(i)	(j)	(k)
		3,743				514	
		133,340				524	
		494				532	
		476				545	
		1,850				573	
		8,529				588	
		5,898				598	
		573				903	
		4,025				921	
		4,894				931	
		1,482				935	
		2,496				506	
		1,096				514	
		2,977				561	
		1,341				581	
		1,172				588	
		851,250				931	
		183				935	
27,545,999	All expenses necessary to maintain the property, taxes, and insurance			9,305,522		550	6,451,853
				3,280,726		567	
		1,727,500		31,773,774		589	
				4,825,834		931	
3,678,395	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	86,352		431,760		931	431,760
	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	132,750				931	

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
Slater Associates	South Bend Service Building BLDG 235 LS #558 LPM2389 Date of lease: 10/1/79 1. This is a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	12/31/09 (P)
Aetna Life Insurance Co and One Summit Associates	Fort Wayne General Office Building - One Summit Square Date of Lease: 10/25/78 BLDG227 LS#2059 1. This is a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	10/23/13
Gateway Center, LLC	Muncie Office Building BLDG212 LS#614 LPM2429 Date of lease: 12/1/89 1. This is not a sale and leaseback 2. Lessee has no option to purchase 3. Lease may be cancelled only if lessee is in default 4. Respondent is responsible for all operation & maintenance expenses.	11/30/09 (P)
West Ohio II, LLC	State President Office - Indiana LPM2448 Date of lease: 1/17/2000 1. This is not a sale and leaseback 2. Lease does not have purchase option 3. Lease may be cancelled under certain conditions	12/31/05 (R)
U.S Bank Trust N.A.	Rockport Generating Plant Unit 2 Date of Lease: 12/7/89 1. This is not a sale and leaseback 2. Lessee has no option to purchase 3. Lease may be cancelled only if lessee is in default 4. Respondent is responsible for all operation & maintenance expenses.	6/7/23 (P)

Name of Respondent	This Report Is:	Date of Report	Year of Report				
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005				
A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor	Other	Lessor	Other		
(f)	(g)	(h)	(i)	(j)	(k)		
5,347,600	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	698,760		1,183,277 1,808,390 2,517,082 111,802 698,760 2,795,040		567 588 589 921 184 931	3,493,800
44,668,660	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	5,042,487		(22) 1,801,102 4,829,851 4,561,517 2,450,128 6,325,888 3,790,926 5,479,250		506 566 567 588 589 921 931 184	40,339,896
4,896,000	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	314,115		2,546,006 1,008,647 282,274		931 921 184	1,144,002
	Maintenance, alterations, replacements and additions, and insurance	60,233				931	
850,000,000	All expenses necessary to maintain the property, taxes, and insurance	73,853,988		1,184,019,677	26,654,952	507	1,255,517,801

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)	
Blue Jay associates	D.C. Cook Nuclear Plant Visitor Center BLDG248 LPM1862 Date of lease: 5/1/71 1. This is not a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	4/30/11 (P)	
Benton Associates	Benton Harbor Service Building BLDG237 LPM1864 Date of lease: 7/5/72 (formerly St Joseph Service Center) 1. This is a sale and leaseback 2. Lessee has purchase option under varying conditions depending on status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation & maintenance expenses.	12/31/08 (P)	
American Realty Equities, Inc	State President Office - Michigan LPM9010 Date of lease: 9/1/2000 1. This is not a sale and leaseback 2. Lease does not have purchase option 3. Lease may be cancelled under certain conditions	8/31/08 (R)	
Green, B.G. & Teresa	New Buffalo Service Center BLDG247 LS#2058	10/1/08	
Bankers Leasing Corp (BLC)	Cook Plant Warehouse LPM9326 Date of lease: 3/15/2002	3/14/12	
American Tower, LP	Milan Telecom Site	6/30/12	
TOTAL			

Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor	Other	Lessor	Other		
		(f)	(g)	(h)	(i)	(j)	(k)
		83,920				931	
		134,325				931	
		64,192				931	
		47,652				931	
	Real estate tax, assessments, maintenance, alterations, replacements and additions, insurance, and utilities	222,614		1,007,880		524	3,313,424
		28,077				935	
		86,229,847					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
333A	1	a	Apportionment based on percentage of equipment usage
333.1A	21	a	Apportionment based on percentage of City of Fort Wayne's investment in Electric Plant in Service at time of lease
333.1A	30	a	Apportionment based on percentage of floor space occupied
333.1A	40	a	Apportionment based on percentage of floor space occupied
333.2A	1	a	Apportionment based on percentage of floor space occupied
333.2A	11	a	Apportionment based on percentage of floor space occupied
333.3A	11	a	Apportionment based on percentage of floor space occupied

Name of Respondent	This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)			
Name of Lessor	Basic Details of Lease	Terminal Dates of Lease, Primary (P) or Renewal (R)	
(a)	(b)		
Bankers Leasing Corp (BLC)	Office Furniture and Equipment and Transportation Equipment		
Mellon Financial Services	Vehicles		
Wilmington Trust Co	Railcars Trust 2004-A (Lease 3616)	12/15/24	
U.S. Bank Trust N.A.	Railcars Trust 94-1 (Lease 3708)	12/30/14	
	Railcars Trust 91-2 (Lease 3702)	9/27/11	
	Railcars Trust 90-1 (Lease 00732)	12/27/05	
	Railcars Trust 91-1 (Lease 00733)	3/27/06	
	Railcars Trust 91-4 (Lease 00734)	9/27/06	
	Railcars Trust 91-3 (Lease 00735)	9/27/11	
	Railcars Trust 91-5 (Lease 00736)	12/30/11	
Citibank Railmark, Inc	Railcars Group A&B (Lease 3712)	12/31/09	
Pitney Bowes	Water Transportation Equipment	10/1/09	
ICX	Water Transportation Equipment	4/1/15	
State Street Bank	Water Transportation Equipment	10/1/09	
CIT Group/Equipment Financing	Water Transportation Equipment	1/1/10 (P)	
Whirlpool Acceptance	Date of Lease: 3/1/88, 2/1/89, 10/1/90, 4/1/93	4/1/09 (P)	
Bank One Leasing	1. This is not a sale and leaseback 2. Lessee has purchase option on any or all of the vessels at the end of the original charter period or any extension thereof at a purchase price equal to the fair market value of the vessels at such date 3. Lessee has option to terminate the lease subject to certain conditions 4. Respondent is responsible for all operation and maintenance expenses	1/1/07 (P)	
BLC Corporation	Water Transportation Equipment/Vehicles		
SCF Barges	Water Transportation Equipment	12/31/07	
RBS Asset Refinance	Water Transportation Equipment	12/30/22	
Rashid Brothers Enterprises	Water Transportation Equipment	7/31/18	
FM, LLC	Water Transportation Equipment	4/30/09	
GATX	Water Transportation Equipment	4/1/07	
State Street Bank	Water Transportation Equipment	7/1/13	
TOTAL			

Name of Respondent	This Report Is:	Date of Report	Year of Report				
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005				
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)							
Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor	Other	Lessor	Other		
		(f)	(g)	(h)	(i)	(j)	(k)
		259,839				107	
		3				108	
		489,481				152	
		4,189,984				184	
		417,434				184	
12,271,945		934,596		1,202,029		186	
8,220,826		562,180		562,180		186	
12,047,760		1,150,711		1,150,711		186	
1,178,899		136,392		136,392		186	
3,766,400		410,007		410,007		186	
2,771,300		242,490		242,490		186	
3,254,280		284,573		284,573		186	
13,871,080		999,710		999,710		186	
2,910,250		150,283				186	
36,397,500		3,499,729				417	
19,030,575		1,495,524				417	
12,656,244		339,416				417	
9,035,000	Taxes except federal & state income, assess- ments, operation and mainten- ance expenses, altering, replace- ments and addi- tions, insurance	443,840				417	
7,203,900		507,643					
6,547,335		797,176					
		830,132					
		1,347,075					
		226,376					
		12,731					
		41,975					
		1,146,375					
		433,895					
		21,349,571					

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
333C	1	a	Apportionment based on percentage of equipment usage
333C	26	a	Charged directly to operating expense of barge operation

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	2,612,176		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses	3,359		
4	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	148,442		
5	Other Expenses <i>(List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,000 by classes if the number of items so grouped is shown)</i>			
6	American Electric Power Service Corp billings	462,225		
7	Intercompany billings	(76,302)		
8	Nuclear plant insurance expense	1,021,887		
9	Nuclear plant replacement energy insurance refund	(3,264,502)		
10	Associated business development expenses	3,306,681		
11	Miscellaneous labor expenses	127,616		
12	Moneypool net income/loss allocations	49,714		
13	Miscellaneous legal & financing expenses	8,803		
14	Miscellaneous writeoffs	(13,661)		
15	Miscellaneous items <\$5,000	11,572		
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45	TOTAL	4,398,010		

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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405)
(Except amortization of acquisition adjustments)**

1. Report in section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).
2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404, 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant account included in any subaccounts used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing a composite total. Indicate at the bottom of Section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.
For columns (c), d, and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant.
If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section C the amounts and nature of the provisions and the plant items to which related.

A. SUMMARY OF DEPRECIATION AND AMORTIZATION CHARGES

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Account 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant		14,676,481		14,676,481
2	Steam Production Plant	47,276,451	1,376,340		48,652,791
3	Nuclear Prod Plant-Depreciation Nuclear Prod Plant- Decommissioning	81,165,931 5,770,746			81,165,931 5,770,746
4	Hydraulic Prod Plant-Conventional	1,436,774			1,436,774
5	Hydraulic Prod Plant-Pumped Storage				
6	Other Production Plant				
7	Transmission Plant	18,943,750			18,943,750
8	Distribution Plant	41,294,528			41,294,528
9	General Plant	2,457,861	352,742		2,810,603
10	Common Plant-Electric				
11	TOTAL	198,346,041	16,405,563	0	214,751,604

B. BASIS FOR AMORTIZATION CHARGES

Section A, Line 1, Column (d) represents amortization of franchises over the life of the franchise totaling \$76,755 and amortization of capitalized software development costs over a 5-year life for minor projects and up to a 10-year life for major projects totaling \$14,599,726.

Section A, Line 2, Column (d) represents amortization of Rockport Unit 2 Leasehold Improvements over the life of the Rockport Unit 2 Lease.

Section A, Line 9, Column (d) represents amortization of leasehold improvements over the lives of the related assets.

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation and Decommissioning Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	See Footnote						
13	Distribution	1,008,583			4.08		
14	General	64,634			3.84		
15	Hydraulic	42,910			3.35		
16	Nuclear	1,793,621			3.32		
17	Envir Proc Fac	90,374			3.48		
18	Other	316,573			7.56		
19	Rkprt 2 Assoc	30,246			3.16		
20	Rockport	596,287			3.21		
21	Transmission	1,016,369			1.85		
22							
23	Total	4,959,597					
24							
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
337	12	a	Depreciation is accrued monthly on a functional composite basis at the above rates per annum on electric plant in service, less land, land rights (except transmission and distribution land rights), intangibles, improvements to leased property, and automotive equipment as reflected by the books of account.
337	12	b	Depreciable plant base at year end by category identified above.
337	12	c	Estimated service lives and, to some extent, net salvage values, are determined by a number of factors including not only the physical characteristics of the property (which themselves vary from time to time), but management's judgment as reflected in the choice of equipment (as between alternatives) and the establishment and implementation of maintenance policies and operation practices.
337	12	e	The listed rates are averages based on rates as approved by FERC, the Michigan Public Service Commission, and the Indiana Utility regulatory Commission, and weighted by the relationship of the respective commission's jurisdictional share to the total company.

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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS			
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i>-- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p>		<p>Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be <u>grouped by classes within the above accounts.</u></p> <p>(c) <i>Interest on Debt to Associated Companies</i> (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>	
Line No.	Item (a)	Amount (b)	
1	Acct 425 - Miscellaneous Amortization		
2	None		
3			
4	Acct 426 - Other Income Deductions		
5			
6	426.1 Donations		
7	AEP Foundation	3,282,597	
8	Community Chest	917,059	
9	Service Organizations	597,616	
10	AEP Service Corp Contributions	512,207	
11	Schools, Colleges, and Universities	313,161	
12	Intercompany Billings	(74,748)	
13	Other minor items	3,627	
14	Subtotal 426.1	5,551,519	
15			
16	426.3 Penalties		
17	Nuclear Regulatory Commission Inspection Penalty	60,000	
18	State of Kentucky Audit Penalty	18,147	
19	Other minor items	1,821	
20	Subtotal 426.3	79,967	
21			
22	426.4 Expenditures for Certain Civic, Political, and Related Activity		
23	AEP Service Corp Expenses	218,914	
24	Labor Overheads	186,891	
25	Edison Electric Institute Dues	86,004	
26	Business & Meeting Expenses	69,768	
27	Legislative & Lobbying Services	52,350	
28	Other minor items	5,339	
29	Subtotal 426.4	619,266	
30			
31	426.5 Other Deductions		
32	Factored Customer Accounts Receivable	7,417,934	
33	Allowance Losses	1,226,646	
34	Blackhawk Coal Shutdown Costs	503,050	
35	SFAS 133 Impact on LTD Hedges	294,124	
36	Other minor items	190,353	
37	Subtotal 426.5	9,632,108	
38			
39	Total Acct 426	15,882,861	

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PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS				
Line No.	Item (a)	Amount (b)		
1	Acct 430 - Interest on Debt to Associated Companies			
2	Money pool interest to AEP Utility Funding LLC	3,510,364		
3				
4	Total Acct 430	3,510,364		
5				
6	Acct 431 - Other Interest Expense			
7	Interest on Customer Deposits	1,249,816		
8	Lines of Credit	904,266		
9	Margin Interest	565,672		
10	Interest on State Taxes re Company-Owned Life Insurance	510,000		
11	IPP Projects	491,621		
12	Other minor items	26,118		
13				
14	Total Acct 431	3,747,493		
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES

(Account 426.4)

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities, Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customer's bills; (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.

4. If respondent has not incurred any expenditures contemplated by the instruction of Account 426.4, so state.

5. Minor amount may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this amount is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1	Edison Electric Institute - Membership	86,004
2		
3	Muchmore, Harrington, Smalley & Associates - Legislative Services	42,350
4		
5	Hanna, Small, Sabatini, Becker, Murray, & Cox - Lobbying Expenses	10,000
6		
7	Event Sponsorship (4 items)	4,158
8		
9	Memberships/Subscriptions (4 items)	2,060
10		
11		
12	Total Acct 426.4 - Michigan	144,572
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REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or			cases in which such a body was a party. 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous.		
Line No.	Description <i>(Furnish name of regulatory commission or body, the docket or case number, and a description of the case.)</i> (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	Annual Assessment	24,083		24,083	
3	Hydro License Fee	39,552		39,552	
4					
5	Nuclear Regulatory Commission				
6	Inspection Fee	948,886		948,886	
7	Annual Fee	6,246,000		6,246,000	
8	Annual Materials Fee	9,900		9,900	
9	Indemnity Fee	1,000		1,000	
10					
11	Miscellaneous Expenses <\$25,000		147,627	147,627	
12					
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44	TOTAL	7,269,421	147,627	7,417,048	0

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REGULATORY COMMISSION EXPENSES (Continued)

years
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CHARGED CURRENTLY TO			Deferred	Contra Account	Amount	Deferred at End of Year	
Department	Account No.	Amount					
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	928	24,083					1
	928	39,552					2
							3
							4
	928	948,886					5
	928	6,246,000					6
	928	9,900					7
	928	1,000					8
							9
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	928	147,627					11
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		7,417,048					44

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

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

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

A. Electric R, D & D Performed Internally

(1) Generation

a. Hydroelectric

i. Recreation, fish, and wildlife

ii. Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(2) System Planning, Engineering and Operation

(3) Transmission

a. Overhead

b. Underground

(4) Distribution

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$5,000.)

(7) Total Cost Incurred

B. Electric R, D & D Performed Externally

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

Line No.	Classification (a)	Description (b)
1	A(1)b: Generation: Fossil-Fuel Steam	Advanced Generation Program Mgt
2		Advanced Generation Program Mgt
3		Coal Utilization Research Council
4		4 items < \$5,000
5	A(1)e: Generation: Unconventional	Muskingum River Biomass Co-Firing
6	A(3): Transmission	High Temp Superconducting Cable
7		Transmission Program Management
8		UCA/IEC 61850 Testing
9		SuperPower HTS Matrix Fault Current Limiter
10		1 item < \$5,000
11	A(3)a: Transmission: Overhead	CERTS Phasor Application
12		Galloping Conductor Mitigation
13		EHV Transformer Condition Monitoring
14		Transmission Line EMI Detection
15		345kv Optical Instrument Trans
16		3 items < \$5,000
17	A(3)b: Transmission: Underground	1 Item < \$5,000
18	A(4): Distribution	Advanced Distribution Program Mgmt.
19		Distribution EMI Inspection
20		Enhanced Distribution Monitoring
21		Fast Fault Detector
22		5 items < \$5,000
23	A(5): Environment (other than equipment)	General Mercury Science & Technology
24		Environmental Controls Program
25		Geologic Feasibility of CO2 Disposal
26		Conesville Sorbent Testing Facility
27	A(6)a: Other	1 item < \$5,000
28	A(6)g: Other	R&D Program Development
29		R&D Program Development
30		R&D Program Development
31		R&D Program Development
32		Dolan Operations
33		Dolan Operations
34		Dolan Operations
35		Dolan Operations
36		Wireless & EMI Demos
37		GSU Acoustic Emission Monitors
38		Competitive Technology Intelligence
39		Competitive Technology Intelligence
40		Competitive Technology Intelligence

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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES				
Line No.	Classification (a)	Description (b)		
1		Competitive Technology Intelligence		
2	A(6)g: Other cont.	2 items < \$5,000		
3		1 item < \$5,000		
4		2 item < \$5,000		
5		1 items < \$5,000		
6				
7				
8	A(7) TOTAL COSTS INCURRED INTERNALLY			
9				
10	B(1) Research Support to Elec. Research Council & Elec. Power Research Inst.	Nuclear Asset Program Mgt.		
11		EPRI Environmental Science Program		
12		EPRI Environmental Control Program		
13		EPRI EMF Research		
14		EPRI EMF Research		
15		EPRI EMF Research		
16		EPRI EMF Research		
17		Advanced Dist EPRI Base Program		
18		Generation EPRI Base Program		
19		Transmission EPRI Base Program		
20		Transmission EPRI Annual Research Portfolio		
21		Ohio River Ecological Research		
22		Dist EPRI Annual Research Portfolio		
23		Occupational Health & Safety		
24		Occupational Health & Safety		
25		Occupational Health & Safety		
26		Occupational Health & Safety		
27		Generation EPRI Base		
28		Mercury Deposition Modeling		
29		DR EPRI Annual Research Portfolio		
30		Inspect CF in Waterwalls		
31		Climate Contingency Roadmap		
32		Grade 91 Tubing Remaining Life		
33		Renewable Energy Sources EPRI		
34		Enhancement of MECO Model -CO2		
35		Utility Application BESS		
36		4 items < \$5,000		
37		10 items < \$5,000		
38		1 item < \$5,000		
39	B(4) Research Support to Others	FutureGen Project		
40		NEETRAC Membership		
41		Areva Transmission Operations Visualization		
42		PSerc		
43		MIT Climate Change Program		
44		Midwest Regional Carbon Sequestration Partnership		
45		Water Environment Research Foundation		
46		Water Environment Research Foundation		
47		1 Item < \$5,000		
48		5 Items < \$5,000		
49		4 Items < \$5,000		
50				
51	B(5) TOTAL COSTS INCURRED EXTERNALLY			
52				
53				
54				
55				
56				
57				
58	Total			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2005	Year of Report December 31, 2005
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, *Construction Work in Progress*, first. Show in column (f) the amounts related to the account charged in column (e).

(3) Research Support to Nuclear Power Groups

(4) Research Support to Others (*Classify*)

(5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(6) and B.(4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged

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

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

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

Costs Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
19,208		506	19,208		1
1,784		524	1,784		2
14,416		506	14,416		3
8,746		506	8,746		4
5,042		506	5,042		5
30,629		566	30,629		6
22,238		566	22,238		7
9,198		566	9,198		8
6,374		566	6,374		9
2,897		566	2,897		10
12,787		566	12,787		11
9,646		566	9,646		12
8,109		566	8,109		13
5,891		566	5,891		14
5,634		566	5,634		15
5,695		566	5,695		16
2,212		566	2,212		17
15,649		588	15,649		18
13,229		588	13,229		19
11,037		588	11,037		20
5,846		588	5,846		21
7,802		588	7,802		22
111,150		506	111,150		23
33,679		506	33,679		24
22,189		506	22,189		25
21,507		506	21,507		26
1,705		506	1,705		27
46,528		506	46,528		28
132,105		524	132,105		29
42,924		566	42,924		30
51,765		588	51,765		31
20,473		506	20,473		32
53,231		524	53,231		33
20,674		566	20,674		34
24,736		588	24,736		35
24,302		506	24,302		36
17,486		506	17,486		37
918		506	918		38
2,360		524	2,360		39
944		566	944		40

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
Costs Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
1,127		588	1,127		1
			0		2
1,357		506	1,357		3
49		524	49		4
1,303		566	1,303		5
1,276		588	1,276		6
					7
857,857			857,857		8
					9
	1,236,556	524	1,236,556		10
	501,693	506	501,693		11
	132,385	506	132,385		12
	17,544	506	17,544		13
	51,799	524	51,799		14
	13,859	566	13,859		15
	17,076	588	17,076		16
	69,104	588	69,104		17
	58,989	506	58,989		18
	49,141	566	49,141		19
	45,268	566	45,268		20
	38,472	506	38,472		21
	30,327	588	30,327		22
	4,208	506	4,208		23
	10,898	524	10,898		24
	1,516	566	1,516		25
	6,792	588	6,792		26
	11,562	506	11,562		27
	10,593	506	10,593		28
	10,304	588	10,304		29
	9,955	506	9,955		30
	9,653	506	9,653		31
	7,761	506	7,761		32
	7,759	506	7,759		33
	7,722	506	7,722		34
	6,813	588	6,813		35
	4,449	506	4,449		36
	16,524	566	16,524		37
	38	588	38		38
	61,155	506	61,155		39
	26,442	588	26,442		40
	24,632	566	24,632		41
	8,380	566	8,380		42
	6,435	506	6,435		43
	5,986	506	5,986		44
	3,428	506	3,428		45
	1,768	524	1,768		46
	(8,480)	506	(8,480)		47
	10,193	566	10,193		48
	7,441	588	7,441		49
					50
	2,536,140		2,536,140		51
					52
					53
					54
					55
857,857	2,536,140		3,393,997		56

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	ELECTRIC			
2	Operation			
3	Production	77,433,935		
4	Transmission	1,189,823		
5	Distribution	7,401,380		
6	Customer Accounts	5,679,911		
7	Customer Service and Informational	1,436,050		
8	Sales			
9	Administrative and General	2,629,047		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	95,770,146		
11	Maintenance			
12	Production	41,953,887		
13	Transmission	3,361,247		
14	Distribution	11,025,204		
15	Administrative and General	1,508,537		
16	TOTAL Maint. (Total of lines 12 thru 15)	57,848,875		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	119,387,822		
19	Transmission (Enter Total of lines 4 and 13)	4,551,070		
20	Distribution (Enter Total of lines 5 and 14)	18,426,584		
21	Customer Accounts (Transcribe from line 6)	5,679,911		
22	Customer Svc. And Informational (Transcribe from line 7)	1,436,050		
23	Sales (Transcribe from line 8)			
24	Administrative and General (Enter Total of lines 9 & 15)	4,137,584		
25	TOTAL Oper. And Maint. (Total of lines 18 thru 24)	153,619,021	8,235,437	161,854,458
26	GAS			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 46)			

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DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	GAS (Continued)			
48	Total Operation and Maintenance			
49	Production-Manufactured Gas <i>(Total of lines 28 and 40)</i>			
50	Production-Nat. Gas (Including Expl. & Dev.) <i>(Total of lines 29 and 41)</i>			
51	Other Gas Supply <i>(Enter Total of lines 30 and 42)</i>			
52	Storage, LNG Terminating and Processing <i>(Total of lines 31 and 43)</i>			
53	Transmission <i>(Lines 32 and 44)</i>			
54	Distribution <i>(Lines 33 and 45)</i>			
55	Customer Accounts <i>(Line 34)</i>			
56	Customer Service and Informational <i>(Line 35)</i>			
57	Sales <i>(Line 36)</i>			
58	Administrative and General <i>(Lines 37 and 46)</i>			
59	TOTAL Operation & Maint. <i>(total of lines 49 thru 58)</i>			
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. <i>(Total of lines 25, 59 & 61)</i>	153,619,021	8,235,437	161,854,458
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	25,145,359	1,348,030	26,493,389
66	Gas Plant			
67	Other			
68	TOTAL Construction <i>(Total of lines 65 thru 67)</i>	25,145,359	1,348,030	26,493,389
69	Plant Removal (By Utility Departments)			
70	Electric Plant	4,439,253	237,986	4,677,239
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal <i>(Total of lines 70 thru 72)</i>	4,439,253	237,986	4,677,239
74	Other Accounts (Specify):			
75	120 - Nuclear Fuel	411,108		411,108
76	122 - Depreciation & Amortization	45		45
77	124 - Other Investments	874		874
78	152 - Fuel Stock Undistributed	4,208,936		4,208,936
79	163 - Stores Expense Undistributed	7,142,819	(7,142,819)	
80	184 - Clearing Accounts	2,678,634	(2,678,634)	
81	185 - ODD Temporary Facilities	145,353		145,353
82	186 - Misc Deferred Debits	1,699,987		1,699,987
83	188 - Research & Development	2,534		2,534
84	417 - Operating Expense - RTD	6,960,554		6,960,554
85	426 - Donations/Political Activities	119,414		119,414
86				
87				
88				
89				
90				
88	TOTAL Other Accounts	23,370,258	(9,821,453)	13,548,805
89	TOTAL SALARIES AND WAGES	206,573,891		206,573,891

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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COMMON UTILITY PLANT AND EXPENSES

<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated</p>	<p>provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>
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Name of Respondent Indiana Michigan 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 of Report December 31, 2005	
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES				
1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account		426.4, Expenditures for Certain Civic, Political and Related Activities.) (a) Name and address of person or organization rendering services, (b) description of services received during year and project or case to which services relate, (c) basis of charges, (d) total charges for the year, detailing utility department and account charged.		
1. A American Electric Power Service Corporation - * (Associated Company) 1 Riverside Plaza Columbus, Ohio 43215-2373		2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.		
B American Electric Power Service Corporation renders management and advisory services to American Electric Power Company, Inc. (Parent) and its subsidiary companies. Such services furnished include, but are not limited to: administrative; planning, and engineering, financial and accounting management; legal; fuel and material procurement; pension and employee benefits administration; and other technical services.		3. Designate with an asterisk associated companies.		
C The services are provided on a non-profit basis. Under a work order system, costs are identified and billed directly to the company benefiting from the service rendered to the extent practical. Other costs that cannot be directly attributed to particular companies are collected on work orders which are allocated to the companies on the basis stated in the service agreement.				
D Total charges for the year and Utility Department and account charged;				
Electric	Construction Work in Progress	107	28,599,482	
	Retirement Work in Progress	108	886,713	
	Nonutility Property	121	49,937	
	Other Investments	124	3,265	
	Fuel Stock	151	3,830	
	Fuel Stock Undistributed	152	2,098,201	
	Clearing Accounts	163	2,051,151	
	Misc Deferred Charges	182	183,031	
	Clearing Accounts	184	17,950	
	Misc Deferred Debits	186	217,356	
	Deferred Debits-R&D	188	3,358,556	
	Non-Utility Operations Revenue	417	7,628	
	Misc Non-Operating Revenues	421	478,810	
	Other Income Deductions	426	796,926	
	Misc Service Revenues	451	(8,355)	
Electric	Account 401	Operating Expense	500	3,927,900
			501	142,686
			502	34,944
			505	7,872
			506	1,093,819
			517	3,526,544
			520	743
			524	2,743,695
			535	445,129
			539	143,650
			546	21,607
			555	241,698
			556	1,625,742
			557	440,911
			560	1,191,370
			561	1,958,250
			562	49,102
			563	14,139
			566	842,964
			580	2,051,030
			581	1,189,327
			582	25,304
			583	4,696
			584	57,209

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2005	
Electric	Account 401	Operating Expense (contd.)	585	649
			586	500,234
			587	1,101
			588	1,245,178
			901	486,608
			902	293,725
			903	14,274,267
			905	36,670
			907	255,104
			908	67,079
			909	745
			910	3,332
			912	1,505
			913	3,436
			920	23,925,661
			921	1,557,750
			922	4,049
			923	20,282,022
			925	20,375
			926	153,962
			928	51,752
			930	902,808
			931	14,768
		Total Operating Expense		85,863,111
Electric	Account 401	Maintenance Expense	510	1,489,530
			511	70,006
			512	1,029,727
			513	2,020,585
			514	60,824
			528	6,572
			530	70,054
			531	92,536
			532	1,029,340
			541	42,263
			543	4,806
			544	5,465
			551	(142)
			568	80,089
			570	208,309
			571	163,744
			572	1,509
			573	4,270
			590	14,335
			592	79,293
			593	990,188
			594	585
			595	13,091
			597	1,825
			935	178,341
		Total Maintenance Expense		7,657,145
		Total O&M		93,520,256
		Total AEP Service Corp charges		132,264,737
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
A I R GROUP INC 2050 W 18TH STREET CHICAGO, IL 60608	air heater tubes supplier	Invoice Cost	512	49,430
A-1 EXPERT TREE SERVICE 57710 M-51 S DOWAGIAC, MI 49047	tree trimming	Invoice Cost	529	17,080
			570	12,244
				29,324
ABSG CONSULTING INC PO BOX 915095 DALLAS, TX 75391	consulting services	Invoice Cost	524	28,867
			532	116,161
				145,028

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ACTION TEMPORARY SERVICES INC 4004 E MORGAN AVE EVANSVILLE, IN 47715	temporary staffing services	Invoice Cost	152 501 506 511 512 513	23,315 3,492 159,453 16,681 674 <u>832</u> 204,447
ADVANCED INDUSTRIAL MACHINING 30 DILLMONT DR WORTHINGTON, OH 43235	machining & heat treatment services	Invoice Cost	532	61,155
ADVAN. SPECIALTY CONTRACTORS PO BOX 64191 BALTIMORE, MD 24264	asbestos removal services	Invoice Cost	108 512	1,527,045 <u>4,973</u> 1,532,018
AIRCRAFT DYNAMICS PO BOX 3038 LIMA, OH 45807	equipment leasing	Invoice Cost	590 593	25,692 <u>246</u> 25,938
ALION SCIENCE & TECHNOLOGY 6000 UPTOWN BLVD ALBUQUERQUE, NM 87110	meeting expenses	Invoice Cost	524 532	5,000 <u>31,500</u> 36,500
ALL CITIES OCCUPATIONAL & ENVIR 3333 SOUTH STATE ST ST JOSEPH, MI 49085	employee physicals	Invoice Cost	163 524	419 <u>29,286</u> 29,705
ALLEN REFRACTORIES CO INC 131 SHACKELFORD RD PATASKALA, OH 43062	boiler equipment repair	Invoice Cost	107 512	5,946 <u>43,258</u> 49,204
AMERICAN BOILER & CHIMNEY 3401 GRAND AVE NEVILLE ISLAND, PA 15225	chimney stack repair	Invoice Cost	107 108 512	20,551 22,311 <u>77,917</u> 120,779
AMERICAN EFFICIENCY SERVICES 9025 CHEVROLET DRIVE STE F ELLCOTT CITY, MD 21042	inspection services	Invoice Cost	519 524 532	18,911 7,125 <u>17,550</u> 43,586
AMERICAN ELEVATORS INC 12 WALNUT ST. CINCINNATI, OH 45215	elevator repairs	Invoice Cost	511 512	12,408 <u>44,942</u> 57,350
AMERICAN POWER SERVICES INC PO BOX 23128 CINCINNATI, OH 45215	leak repair services	Invoice Cost	512	95,358
ANALYSIS & MEASUREMENT 9111 CROSS PARK DR. KNOXVILLE, TN 37923	sample testing services	Invoice Cost	532	230,451
ANATEC INTERNATIONAL INC PO BOX 73190 SAN CLEMENTE, CA 92673	nuclear support services	Invoice Cost	532	41,375
ANOBA CONSULTING SERVICES LLC PO BOX 8259 NEWARK, DE 19714	nuclear consulting services	Invoice Cost	517	60,415
AQUARIUS MARINE INC 800 ELM ST. LUDLOW, KY 41016	underwater services	Invoice Cost	107 108 511 512 513	64,654 38,793 20,352 28,278 <u>195,182</u> 347,259

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
AQUILA 711 STARLITE DR BENTON HARBOR, MI 49022	natural gas service	Invoice Cost	163	70,815
ARNT ASPHALT SEALING CO 1240 S CRYSTAL AVE BENTON HARBOR, MI 49022	asphalt repairs	Invoice Cost	529	28,020
ARROW FENCE 318 EDGEWOOD AVE FORT WAYNE, IN 46805	fencing supplier	Invoice Cost	569 570 591 592 935	9,460 1,200 13,710 2,530 <u>5,369</u> 32,269
ASHER AGENCY INC PO BOX 2535 FORT WAYNE, IN 46801	advertising campaign	Invoice Cost	923	149,350
ASI GROUP LTD 250 MARTINDALE RD ST CATHERINES, ON L2R7R8	inspection services	Invoice Cost	524	82,743
ATLANTIC GROUP, THE 5426 ROBIN HOOD RD NORFOLK, VA 23513	temporary staffing services	Invoice Cost	530 532	2,636,378 <u>2,043,135</u> 4,679,513
AWP INC 2641 S ARLINGTON RD AKRON, OH 44319	flagman & traffic control services	Invoice Cost	107 108 186 571 583 588 593 594 596	1,287 1,799 33,666 1,191 437 314 5,462 1,064 <u>2,085</u> 47,305
BACHMANS INC 4058 CLOUGH WOODS DR BATAVIA, OH 45103	ventilation systems service	Invoice Cost	107 108 511 570	11,780 6,509 13,537 <u>751</u> 32,577
BAKER & DANIELS 300 N MERIDIAN ST STE 2700 INDIANAPOLIS, IN 46204	legal services-misc issues	Invoice Cost	242 535 539 923 925	24,525 6,887 1,371 46,808 <u>2,835</u> 82,426
BANK OF NEW YORK 101 BARCLAY ST NEW YORK, NY 10286	financial services	Invoice Cost	181 427 926 930	1,000 315,480 1,508 <u>40,860</u> 358,848
BARNES & THORNBURG 11 S MERIDIAN ST INDIANAPOLIS, IN 46204	legal services case/fuel/regulatory filings	Invoice Cost	923	162,790
BARTLETT NUCLEAR INC 60 INDUSTRIAL PARK RD PLYMOUTH, MA 02360	nuclear engineering services	Invoice Cost	524	1,262,147
BCP TECHNICAL SERVICES INC 1251 PINEHURST RD STE 107 DUNEDIN, FL 34698	refueling support services	Invoice Cost	530 532	72,889 <u>32,775</u> 105,664

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
BENTLY NEVADA LLC 431 OVERBROOK RD VALENCIA, NC 16059	plant equipment	Invoice Cost	107 513	299,325 <u>6,510</u> 305,835
BEST WAY DISPOSAL INC 3290 HENNESSY RD WATERVLIET, MI 49098	waste disposal	Invoice Cost	107 184 524	1,370 26,005 <u>4,160</u> 31,535
BLACK & VEATCH 11401 LAMAR AVE OVERLAND PARK, KS 66211	nuclear plant consultants	Invoice Cost	107	36,500
BRAY MARINE INC HOUSTON RD CONDOMINIUMS FLORENCE, KY 41042	fuel handling-related services	Invoice Cost	152	828,277
BROOKS 1ST CONSTRUCTION CO INC 6525 ARDMORE AVE FT WAYNE, IN 46809	general construction work	Invoice Cost	935	424,134
BROWN SERVICES CO LLC 11692 B GALLIA ST WHEELERSBURG, OH 45694	project construction services	Invoice Cost	107	148,679
BRUNS-GUTZMILLER INC 305 SOUTH JOHN STREET BATESVILLE, IN 47006	building & grounds services	Invoice Cost	107	55,115
BULLDOG BOILER RENTALS LTD 1641 CANIFF HAMTRAMCK, MI 48212	boiler inspection & repair services	Invoice Cost	530 531	66,118 <u>80,616</u> 146,734
BULLDOG DIVING INC 2968 W COUNTY RD 300S ROCKPORT, IN 47635	underwater services	Invoice Cost	512 513	18,707 <u>10,443</u> 29,150
BURHANS LAW OFFICES 109 HAWTHORNE AVE ST JOSEPH, MI 49085	legal services- labor grievance issues	Invoice Cost	524	32,191
BZW MASTER PAINTERS INC 1115 ROY ST FT WAYNE, IN 46803	painting services	Invoice Cost	935	32,350
C & G FILTER SERVICE PO BOX 83 GREENVILLE, KY 42345	filter parts & supplies	Invoice Cost	511	25,203
C K ENTERPRISE 1369 SILVER CREEK PLACE ST JOSEPH, MI 49085	temporary staffing services	Invoice Cost	520 524 532	20,735 18,650 <u>11,160</u> 50,545
CALDON INC 1070 BANKSVILLE AVE PITTSBURGH, PA 15216	plant equipment	Invoice Cost	530 532	1,200 <u>26,124</u> 27,324
CANBERRA INDUSTRIES INC 800 RESEARCH PKWY MERIDEN, CT 06450	maintenance agreements	Invoice Cost	524	67,903
CAPTIVA SOFTWARE CORP 10145 PACIFIC HEIGHTS BLVD SAN DIEGO, CA 92121	software support	Invoice Cost	524 532	49,553 <u>1,108</u> 50,661
CARBON STEEL INSPECTION INC 755 WILLIAM PITT WY PITTSBURGH, PA 15238	testing services	Invoice Cost	512	122,260

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
CBI SERVICES INC 24 READS WAY NEW CASTLE, DE 19720	fuel oil tank repairs	Invoice Cost	511	93,000
CFM/VR TESCO INC 1875 FOX LN ELGIN, IL 60123	valve repairs	Invoice Cost	512 513	44,856 <u>10,962</u> 55,818
CHUMLEYS VAC-A-LOT 13978 ROYALWOOD DR FISHERS, IN 46038	parking lot maintenance	Invoice Cost	184	25,422
CIOCCA'S EXECUTIVE CLEANING 1504 DIRECTORS ROW FT WAYNE, IN 46808	office cleaning services	Invoice Cost	184	92,627
CITY PLUMBING & HEATING CO 407 STATE ST ST JOSEPH, MI 49085	maintenance services	Invoice Cost	163 529 592 935	26,965 97,479 1,674 <u>2,971</u> 129,089
COMMERCIAL EQUIPMENT CO PO BOX 140587 GRAND RAPIDS, MI 49514	office equipment maintenance contracts	Invoice Cost	532	38,587
COMPUTATIONAL SYSTEMS INC 835 INNOVATION DR KNOXVILLE, TN 37932	maintenance contracts	Invoice Cost	512 514	5,960 <u>22,779</u> 28,739
CONAM INSP. & ENGINEERING SVCS. 195 CLARKSVILLE RD PRINCETON JCT, NJ 08550	radiography services	Invoice Cost	512 524 530	568 3,544 <u>22,652</u> 26,764
CONCO SERVICES CORP 530 JONES ST VERONA, PA 15147	condenser cleaning services	Invoice Cost	513	41,842
CONFIDENTIAL SERVICES INC PO BOX 167 SOUTH HAVEN, MI 49090	employee background check services	Invoice Cost	524	41,745
CONNER & WINTERS 3700 FIRST PLACE TOWER TULSA, OK 74103	legal - labor matters -nuclear plant related	Invoice Cost	923	183,193
CONSTRUCTION MANAGEMENT INC 108 JACKMAN ST GEORGETOWN, MA 01833	boiler & furnace repairs	Invoice Cost	512	152,856
CONSUMERS ENERGY 530 W WILLOW ST LANSING, MI 48906	legal settlement payment	Invoice Cost	182	158,006
CONWAY, W F 41588 N 107TH WAY SCOTTSDALE, AZ 85262	nuclear consulting services	Invoice Cost	524	96,353
COOPERHEAT-MQS INC PO BOX 4437 HOUSTON, TX 77210	heat treatment services	Invoice Cost	512 514	43,379 <u>777</u> 44,156
DELL COMPUTER CORP ROUND ROCK, TX 78682	software licenses & support	Invoice Cost	510 524 930 935	1,759 336,139 109 <u>824</u> 338,831

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
CORESTAR INTERNATIONAL CORP 1044 SANDY HILL RD IRWIN, PA 15642	software supplier	Invoice Cost	524	36,000
CORNERSTONE CONTROLS INC 7251 E KEMPER RD CINCINNATI, OH 45249	equipment repairs	Invoice Cost	532	25,442
CORPORATE TRUST 5 PENN PLAZA NEW YORK, NY 10001	financial services	Invoice Cost	427	71,458
CRANE NUCLEAR INC 2825 COBB INTERNATIONAL BLVD KENNESAW, GA 30152	equipment repair	Invoice Cost	524 532	66,833 <u>7,639</u> 74,472
CRANE PRO SERVICES INC 2710 D EASTSIDE PARK DR EVANSVILLE, IN 47715	equipment repairs	Invoice Cost	513	35,441
CULP ENTERPRISES INC COLUMBIA CITY, IN 46725	mowing services	Invoice Cost	184	34,358
CUSTER OFFICE ENVIRONMENTS 217 GRANDVILLE AVE SW GRAND RAPIDS, MI 49503	carpeting materials & labor	Invoice Cost	529 532	15,841 <u>10,174</u> 26,015
CUSTOM TOWER SYSTEMS INC 14560 LINCOLN HWY PLYMOUTH, IN 46563	microwave tower service	Invoice Cost	107 935	82,674 <u>12,775</u> 95,449
CYA TECHNOLOGIES INC 100 TECHNOLOGY DR TRUMBULL, CT 06611	software licenses & support	Invoice Cost	524	94,312
DAP TECHNOLOGIES CORP 661 ROUTE 3 UNIT D PLATTSBURGH, NY 12901	equipment repair	Invoice Cost	902	25,110
DAVEY RESOURCE GROUP PO BOX 5193 KENT, OH 44240	pole contact services	Invoice Cost	186	48,789
DAVIS, J & ASSOCIATES INC 2371 SUNDERLAND AVE STE 4 WELLINGTON, FL 33414	employment recruitment services	Invoice Cost	524	43,500
DAY & ZIMMERMAN NPS INC 1866 COLONIAL VILLAGE LANE LANCASTER, PA 17601	nuclear engineering support	Invoice Cost	107 519 524 529 530 531 532	647,413 22,728 32,606 411,784 3,758,460 1,746,770 <u>3,267,351</u> 9,887,112
DEANGELO BROTHERS INC 100 N CONAHAN DR HAZLETON, PA 18201	vegetation control services	Invoice Cost	524 562 582	4,728 10,654 <u>22,119</u> 37,501
DELOITTE & TOUCHE LLP 1633 BROADWAY NEW YORK, NY 10019	auditing services	Invoice Cost	242 923	24,881 <u>25,750</u> 50,631
DELOITTE TAX LLP 13943 COLLECTIONS CENTER DR CHICAGO, IL 60693	tax services	Invoice Cost	923	30,350

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
DETROIT EDISON COMPANY 2000 2ND AVE DETROIT, MI 48226	service cable installation	Invoice Cost	182 930	280,407 <u>1,500</u> 281,907
DEVELOPMENT DIMENSIONS 1225 WASHINGTON PIKE BRIDGEVILLE, PA 15017	employee training	Invoice Cost	524 532	21,600 <u>29,936</u> 51,536
DIALOGIC COMMUNICATIONS CORP. 381 RIVERSIDE DRIVE FRANKLIN, TN 37064	emergency management program fees	Invoice Cost	524	41,310
DOCUMENTUM INC 6801 KOLL CTR PKWY PLEASANTON, CA 94566	PDF annotation services	Invoice Cost	524	43,125
DOERING, JOHN JR PO BOX 189 PARKERFORD, PA 19457	nuclear consulting services	Invoice Cost	524	40,198
DUBOIS COUNTY TIRE & SUPPLY P O BOX 328 JASPER, IN 47547	equipment repairs	Invoice Cost	152 500 512 514	32,071 69 3,796 <u>163</u> 36,099
DUDECK LAND CO LLC 1110 HUNTINGTON PL HEBER SPRINGS, AR 72543	substation roofing repairs	Invoice Cost	107	31,560
DURATEK INC PO BOX 95000-1132 PHILADELPHIA, PA 19195	nuclear waste disposal	Invoice Cost	520 524	257,871 <u>249,382</u> 507,253
E & T TREE SERVICE 125 MT AUBURN ST DUNKIRK, IN 47336	landscaping & tree removal services	Invoice Cost	184 935	45,081 <u>7,025</u> 52,106
EABAR LC PO BOX 144 ST CLAIR, MI 48079	inspection & maintenance of Hytorc equipment	Invoice Cost	530 532	29,451 <u>16,004</u> 45,455
ECOLOCHEM INC #2 ARROWHEAD INDUSTRIAL BLVD ST PETERS, MO 63376	water demineralization svcs	Invoice Cost	532	31,044
EDISON ELECTRIC INSTITUTE 701 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	membership fees	Invoice Cost	506	70,473
EISENHUT CONSULTING INC 29 TREWORTHY RD GAITHERSBURG, MD 20878	nuclear safety consulting	Invoice Cost	524	81,721
EMC CORPORATION DEPT 33354 SAN FRANCISCO, CA 94139	maintenance agreements	Invoice Cost	524	72,035
ENERGY COST REDUCTION CONSULTANTS INC 5070 STELLHORN RD FORT WAYNE, IN 46815	engineering consultant svcs	Invoice Cost	930	45,340
ENERTECH 2950 E BIRCH ST BREA, CA 92821	equipment testing	Invoice Cost	530 532	115,784 <u>110,063</u> 225,847

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
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ENGINEERING PLANNING & MGMT 959 CONCORD ST FRAMINGHAM, MA 01701	nuclear engineering & consulting svcs	Invoice Cost	517 524	23,400 <u>25,000</u> 48,400
ENVIRONMENTAL PROTECTION SVCS. PO BOX 710 WHEELING, WV 26003	environmental waste product disposal	Invoice Cost	108 531 570 592 930 935	190,040 784 -2,062 -138 5,372 <u>3,777</u> 197,773
ENVIRONMENTAL REMEDIATION SVCS. 4010 OPTION PASS FT WAYNE, IN 46818	emergency cleanup services	Invoice Cost	107 108 163 186 571 580 583 588 930	8,017 4,781 1,686 75,084 1,893 3,248 3,794 22,525 <u>311</u> 121,339
EPRI 10228 DANUBE DRIVE CUPERTINO, CA 95014	employee training	Invoice Cost	107 506 524 930	243,500 87,605 682,195 <u>3,150</u> 1,016,450
EXCEL SERVICES CORP 11921 ROCKVILLE PIKE STE 100 ROCKVILLE, MD 20852	nuclear project support	Invoice Cost	517	1,462,153
FED. EMERGENCY MGMT AGENCY 500 C ST SW RM 723 WASHINGTON, DC 20472	emergency management program fees	Invoice Cost	524	256,864
FEDERAL INDUSTRIAL 12980 INKSTER RD REDFORD, MI 48239	plant maintenance contracts	Invoice Cost	107 512 513	35,462 1,451 <u>19,597</u> 56,510
FINDLAY ENGINEERING INC 70 OLD FIELD RD YARMOUTH, ME 04096	hydro plant inspection	Invoice Cost	539	39,979
FIRST CONSULTING GROUP 575 E SWEDES FORD RD WAYNE, PA 19087	electronic document mgmt system	Invoice Cost	524	248,101
FLEET CHARGE, DIV OF INTL TRUCK 8650 COLLEGE BLVD OVERLAND PARK, KS 66210	fleet service charges	Invoice Cost	184	114,586
FLOWSERVE CORP 1000 CREEK PKWY BOOTHWYN, PA 19061	equipment repair	Invoice Cost	512 530 532	31,097 9,150 <u>30,459</u> 70,706
FORSEY CONSTRUCTION INC 2018 IRONWOOD CIRCLE SOUTH BEND, IN 46635	construction services	Invoice Cost	524 529	3,784 <u>39,852</u> 43,636
FRAMATOME ANP INC 155 MILL RIDGE RD LYNCHBURG, VA 24502	nuclear support svcs & sample testing	Invoice Cost	107 517 524 530 532	8,408,160 12,433 64,948 2,580,637 <u>2,290,666</u> 13,356,844

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FUN COMPANY, THE 3658 ATLANTA INDUSTRIAL ATLANTA, GA 30331	promotional event services	Invoice Cost	524	49,500
FURMANITE AMERICA 8900 MISSISSIPPI ST MERRILLVILLE, IN 46410	machining services	Invoice Cost	512 530 532	25,842 122,155 <u>84,978</u> 232,975
G & L CORPORATION 3101 BROOKLYN AVE FORT WAYNE, IN 46809	equipment moving	Invoice Cost	107 108 583 592 930	29,520 20,661 888 23,928 <u>3,788</u> 78,785
G & T SERVICES 1630 SUMMIT ST NEW HAVEN, IN 46774	substation weed control	Invoice Cost	562 570 582 592	11,768 14,927 7,835 <u>4,210</u> 38,740
G O O S JANITORIAL SERVICES 3820 WALDEN RUN FORT WAYNE, IN 46825	janitorial cleaning services	Invoice Cost	184	27,904
GE BETZ INC 4636 SOMERTON RD TREVOSE, PA 19053	nuclear plant material supplier	Invoice Cost	505 524 530	3,500 16,000 <u>20,408</u> 39,908
GE INTERNATIONAL INC 133 CIRCLE FREEWAY DR CINCINNATI, OH 45246	plant outage support services	Invoice Cost	107 513 530 532	3 205,000 9,948 <u>(127,046)</u> 87,905
GE INTERNATIONAL LIFE EXTENSION 1 RIVER RD SCHENECTADY, NY 12345	turbine repairs	Invoice Cost	513	40,000
GENERAL BINDING CORP 214 3RD AVE WALTHAM, MA 02451	employee benefit plan materials	Invoice Cost	926	28,686
GENERAL ELECTRIC CO 1 RIVER RD SCHENECTADY, NY 12345	equipment repair	Invoice Cost	517	25,057
GEOSPATIAL INNOVATION INC 880 WORTH AVE WASHINGTON, PA 15301	electronic equipment supplier	Invoice Cost	107	30,603
GHEENS, BARBARA PAINTING INC 50771 RAINBOW RIDGE RD LONG BOTTOM, OH 45743	painting services	Invoice Cost	107	88,353
GIBBCO INC PO BOX 15396 CINCINNATI, OH 45215	boiler slag recycler & processor	Invoice Cost	107 152 501 512	103,492 1,072,747 522,904 <u>8,750</u> 1,707,893
GLOBAL DOSIMETRY SOLUTIONS INC 2652 MCGAW AVENUE IRVINE, CA 92614	radiation monitoring	Invoice Cost	532	41,250

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GOODYEAR TIRE & RUBBER PO BOX 277350 ATLANTA, GA 30384	equipment installation & repair	Invoice Cost	184	30,523
GOETH & SONS EXCAVATING INC 5611 W COUNTY ROAD 500 N MUNCIE, IN 47304	excavating services	Invoice Cost	107 184 562 569 570 571 588 592 594 935	21,561 7,502 126 168 294 12,337 480 588 1,023 <u>14,149</u> 58,228
GREAT LAKES CLEANING INC 216 COURT ST ST JOSEPH, MI 49085	cleaning services	Invoice Cost	163 184 524 529 935	21,360 22,084 67,080 5,780 <u>62</u> 116,366
H & S SERVICES INC PO BOX 3101 FAIRBORN, OH 45324	plant equipment	Invoice Cost	107 108 511 512 513 514	42,742 11,487 10,888 399,161 267,234 <u>5,972</u> 737,484
HALL ALUMINUM PRODUCTS INC 5402 MOELLER RD FORT WAYNE, IN 46806	building repair & maintenance	Invoice Cost	935	57,613
HARMEILING EQUIPMENT SERVICES 1021 AMBER DR FLORENCE, KY 41042	plant equipment repairs	Invoice Cost	152 506 511 512 514	609 10,017 265 86,284 <u>17,499</u> 114,674
HAVERFIELD CORP 104 SANDERS RD CARROLL VALLEY, PA 17320	aerial inspection services	Invoice Cost	563 571	164,987 <u>122,895</u> 287,882
HEARTLAND PUMP RENTAL & SALES 102 BROWN ST CARTERVILLE, IL 62918	pump rental	Invoice Cost	152 511 512	4,474 2,081 <u>23,254</u> 29,809
HENRY, ROBERT CORP PO BOX 1407 SOUTH BEND, IN 46624	drain installation	Invoice Cost	186 921 930	6,070 823 <u>31,809</u> 38,702
HERGUTH LABORATORIES INC 101 CORPORATE PL VALLEJO, CA 94590	equipment analysis	Invoice Cost	524 529 530 532	2,834 2,936 459 <u>52,842</u> 59,071
HERRMAN & GOETZ INC 225 S LAFAYETTE ST SOUTH BEND, IN 46601	electrical construction services	Invoice Cost	596 930 935	838 267,639 <u>8,974</u> 277,451

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HEWLETT-PACKARD CO 5012 W 79TH STREET INDIANAPOLIS, IN 46278	software licenses	Invoice Cost	524	96,742
HI-LINE UTILITY SUPPLY CO 1695 CAMBRIDGE DR ELGIN, IL 60123	equipment reconditioning	Invoice Cost	593	30,637
HILLS, DAVID W MD 1418 LAKE BLVD SAINT JOSEPH, MI 49085	employee medical testing	Invoice Cost	524	44,860
HOLLIDAY ENTERPRISES INC 1001 FAIRLAWN STREET ALLEN, TX 75002	computer support & training	Invoice Cost	524	448,812
HOMESCAPES 2040 HENRIETTA STREET FORT WAYNE, IN 46802	landscaping services	Invoice Cost	562 571 582	25,643 18,513 <u>30,119</u> 74,275
HONIGMAN MILLER SCHWARTZ 660 WOODWARD AVE DETROIT, MI 48226	legal services- fuel filing & tax issues	Invoice Cost	923	208,078
HOOSIER COMPANY INC PO BOX 681064 INDIANAPOLIS, IN 46268	electrical repairs	Invoice Cost	571	25,128
HOOSIER HELICOPTER SERVICES 7900 N THAMES DR BLOOMINGTON, IN 47408	aerial inspection services	Invoice Cost	563	150,552
HOUSTON, R & SON SANDBLASTING 115 MAY DR HARRISON, OH 45030	sandblasting services	Invoice Cost	512 513	22,710 <u>33,230</u> 55,940
HOWDEN BUFFALO INC PO BOX 752196 CHARLOTTE, NC 28275	fan repairs	Invoice Cost	107 108 512	27,646 7,641 <u>43,038</u> 78,325
IEPSON CONSULTING ENTERPRISES 311 MIDLAND AVE ST DAVIDS, PA 19087	nuclear project consulting	Invoice Cost	107	69,700
IJUS LLC 1108 CITY PARK AVE COLUMBUS, OH 43206	pole attachment evaluation	Invoice Cost	107 186 588	39,956 71,594 <u>7,264</u> 118,814
IKON OFFICE SOLUTIONS various US locations	equipment leasing	Invoice Cost	532 921	186,473 <u>45,186</u> 231,659
INDIANA EQUITIES 605 FRONT STREET, SUITE 200 COLUMBUS, OH 43215	building maintenance services	Invoice Cost	184 935	31,307 <u>159,590</u> 190,897
INDIANA UNDERGROUND PLANT PO BOX 50392 INDIANAPOLIS, IN 46250	trade organization membership fees	Invoice Cost	584	104,696
INDUS INTERNATIONAL 3301 WINDY RIDGE PARKWAY ATLANTA, GA 30339	software maintenance	Invoice Cost	921 923	391,233 <u>460,628</u> 851,861

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
INDUSTRIAL CONTRACTORS INC 1001 BUCHANAN ROAD EVANSVILLE, IN 47720	equipment repairs	Invoice Cost	107 152 506 511 512 513 524	145,594 1032 47,883 122,687 5,024,311 180,926 <u>1,497</u> 5,523,930
INDUSTRIAL PEER-TO-PEER LLC 55 EAST MONROE CHICAGO, IL 60603	software maintenance & support	Invoice Cost	524	46,095
INDUSTRIAL TOOL PRODUCTS INC 919 N CENTRAL AVE WOOD DALE, IL 60191	equipment repairs	Invoice Cost	530 532	1,725 <u>40,158</u> 41,883
INFORMATION HANDLING SERVICES 15 INVERNESS WAY ENGLEWOOD, CO 80112	software supplier	Invoice Cost	532	131,802
INFRASTRUCTURE ALTERNATIVES 960 W RIVER CENTER DR STE B COMSTOCK PARK, MI 49321	wastewater treatment mgmt fees	Invoice Cost	524	99,270
INTL. QUALITY CONSULTANTS INC 201 SOUTH DUFFY ROAD BUTLER, PA 16001	QA/QC inspection & examination support services	Invoice Cost	530	137,091
INTERVECT USA INC PO BOX 8500-50425 PHILADELPHIA, PA 19178	electrical supplies	Invoice Cost	511	42,298
IPC PRINT SERVICES 501 COLONIAL DR. ST JOSEPH, MI 49085	printing services	Invoice Cost	930	37,453
IRON MOUNTAIN various US addresses	records storage	Invoice Cost	532	66,075
ITRON INC 2818 N. SULLIVAN RD SPOKANE, WA 99216	project consulting	Invoice Cost	186	43,035
JONES BUILDING SERVICES 317 SHILLELAGH LN NILES, MI 49120	building maintenance services	Invoice Cost	529	28,680
JPMORGAN CHASE BANK 2001 BRYAN ST 10TH FL DALLAS, TX 75201	financial services	Invoice Cost	431 923	801,591 <u>61,158</u> 862,749
KALSI ENGINEERING INC 745 PARK TWO DRIVE SUGARLAND, TX 77478	valve evaluation project	Invoice Cost	531	83,331
KEITH FIRE EXTINGUISHER SERVICE 601 S HIGH ST RISING SUN, IN 47040	fire extinguisher supplier	Invoice Cost	511 514	417 <u>40,349</u> 40,766
KELLY KARES LAWN & LANDSCAP. 220 W HAMILTON RD N FT WAYNE, IN 46814	landscaping services	Invoice Cost	184	25,583
KENRICH GROUP LLC 120 NEW HAMPSHIRE AVE NW WASHINGTON, DC 20036	legal services- liability claims issues	Invoice Cost	923	75,493

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KINECTRICS INC 800 KIPLING AVENUE TORONTO, ON M8Z6C4	nuclear consulting services	Invoice Cost	524	30,000
KINEMATRICS INC 222 VISTA AVE PASADENA, CA 91107	machine calibration services	Invoice Cost	532	40,270
KOORSEN PROTECTION SERVICES 2719 N ARLINGTON AVE INDIANAPOLIS, IN 46218	fire prevention maintenance	Invoice Cost	163	14
			184	5,016
			506	17,386
			588	125
			935	<u>9,879</u>
				32,420
LAFARGE NORTH AMERICA 600 SW JEFFERSON ST LEE SUMMIT, MO 64063	fly ash disposal	Invoice Cost	501	604,902
LAKE CHARTER PO BOX 818 BRIDGMAN, MI 49106	water service	Invoice Cost	524	168,547
LAKELAND EMPLOYEE ASSISTANCE 2845 NILES AVE SAINT JOSEPH, MI 49085	employee assistance programs	Invoice Cost	524	53,500
LANDSCAPE SOLUTIONS GROUP INC 1198 ANDERSON RD NILES, MI 49120	landscaping services	Invoice Cost	184	71,647
			584	1,594
			594	1,432
			921	650
			935	<u>3,950</u>
				79,273
LAW WEATHERS & RICHARDSON 333 BRIDGE ST STE 800 GRAND RAPIDS, MI 49504	legal services	Invoice Cost	524	35,000
LEACH ENGINEERING SERVICES 10381 DELIHANT RD THREE RIVERS, MI 49093	nuclear engineering services	Invoice Cost	524	90,000
LUNZ EXCAVATING INC 5915 ARDMORE AVE FORT WAYNE, IN 46809	excavation services	Invoice Cost	108	16,250
			591	1,200
			592	<u>23,000</u>
				40,450
MACHINE TECH INC 2988 E 24TH RD MARSEILLES, IL 61341	mobilization services	Invoice Cost	530	150,535
MANAGEMENT SUPPORT SERVICES 10083 COUNTY ROAD 215 GRAND JUNCTION, MI 49056	nuclear support services	Invoice Cost	523	41,250
			532	<u>13,750</u>
				55,000
MANPOWER various US locations	temporary staffing services	Invoice Cost	107	176,280
			108	9,233
			184	23,829
			186	7,859
			580	22,680
			583	35,331
			584	8,466
			588	49,586
			590	18,796
			902	488,893
			903	123
905	5,548			
921	<u>1,850</u>			
				848,474

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
MANSFIELD OIL CORP 1025 AIRPORT PARKWAY, SW GAINESVILLE, GA 30505	fuel equipment installation	Invoice Cost	107 184	33,090 <u>25,708</u> 58,798
MARTIN ENGINEERING CO 135 S LASALLE DEPT 2475 CHICAGO, IL 60674	engineering services	Invoice Cost	512	32,559
MARYS MOP & SHINE 15486 LAKE DILLDEER RD DILLSBORO, IN 47018	cleaning services	Invoice Cost	514	70,922
MASTER-LEE DECON SERVICES INC 350 MILLER RD MEDFORD, NJ 08055	decontamination services	Invoice Cost	530	26,490
MASTER-LEE ENERGY SERVICES CO 1639 CLEARVIEW DR LATROBE, PA 15650	nuclear support services	Invoice Cost	530 532	26,605 <u>12,500</u> 39,105
MAZZELLA LIFTING TECHNOLOGIES 10605 CHESTER RD CINCINNATI, OH 45215	equipment supplier & repairs	Invoice Cost	107 108 512 513 514	6,598 1,416 20,260 26,928 <u>1,459</u> 56,661
MCAULAY FIRM 100 N TRYON ST STE 5220 CHARLOTTE, NC 28202	employee search consultant	Invoice Cost	524	85,998
MCGILL POWER S&E INC PO BOX 368 ROSSVILLE, IN 46065	engineering services	Invoice Cost	930	32,313
MEDIUM TERM FINANCE 2 PENNS WAY STE 200 NEW CASTLE, DE 19720	credit line fees	Invoice Cost	431	99,816
MEG CONSULTING 822 SUNSET DR LAWRENCEBURG, IN 47025	engineering consulting	Invoice Cost	506	38,790
MEYLAN INDUSTRIAL SERVICES 6225 S 60TH ST OMAHA, NE 68117	air basket cleaning for outages	Invoice Cost	512	135,006
MICHIANA LAND SERVICES INC 505 PLEASANT ST ST JOSEPH, MI 49085	land right of way services	Invoice Cost	107 108 563 571	26,152 1,955 5,810 <u>461</u> 34,378
MICHIANA RECYCLING & DISPOSAL 2268 REUM RD NILES, MI 49120	recycling & disposal services	Invoice Cost	107 108 184	350 6,266 <u>27,712</u> 34,328
MICHIGAN CAT 4350 CLYDE PARK AVE SW GRAND RAPIDS, MI 49509	equipment supplier	Invoice Cost	107	1,663,054
MICHIGAN DEPT OF STATE POLICE 714 S HARRISON RD EAST LANSING, MI 48823	radiological emergency planning	Invoice Cost	524	410,778
MICROSOFT CORP 7000 N ST HWY 161 IRVING, TX 75039	software support services	Invoice Cost	524	41,575

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MICROWAVE TRANSMISSION SYSTEMS 541 STERLING DR RICHARDSON, TX 75081	electric tower removal	Invoice Cost	108	76,900
MILBANK TWEED HADLEY & MCCLOY 601 S FIGUEROA ST LOS ANGELES, CA 90017	tax consulting services	Invoice Cost	923	99,616
MILLER, ROY A & SON INC 37 W HIGH ST LAWRENCEBURG, IN 47025	hauling services	Invoice Cost	107 108 511 512 513 569	123,985 4,595 18,455 9,333 394 <u>26</u> 156,788
MINERAL SOLUTIONS PO BOX 70337 CHICAGO, IL 60673	fly ash disposal	Invoice Cost	501	27,404
MISS DIG SYSTEM INC 1030 FEATHERSTONE ST PONTIAC, MI 48342	line location services membership	Invoice Cost	584	33,827
MMIC 10904 DEERFIELD RD STE 100 CINCINNATI, OH 45242	boiler repairs	Invoice Cost	107 108 506 512	61,178 20,491 1,692 <u>16,729</u> 100,090
MODSANCO INC 215 S PARK RD BENTON HARBOR, MI 49022	portable toilet rental & sewage removal	Invoice Cost	524	65,550
MOODYS INVESTORS SERVICE P O BOX 102597 ATLANTA, GA 30368	credit rating service	Invoice Cost	181 923	43,998 <u>22,163</u> 66,161
MORETECH INC 406 MILITARY EAST BENICIA, CA 94510	technical support services	Invoice Cost	532	51,021
MORGAN LEWIS & BOCKIUS LLP 111 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	legal services-liability claims & regulatory issues	Invoice Cost	923	176,923
MPR ASSOCIATES INC 320 KING STREET ALEXANDRIA, VA 22314	design engineering support	Invoice Cost	517	32,748
NATURCHEM WEST INC 270 BRUNER ROAD LEXINGTON, SC 29072	vegetation control	Invoice Cost	506 511 570 930	19,642 8,500 16,480 <u>960</u> 45,582
NEW BROTHERS INC 1200 N JACKSON PIKE UNION CITY, NJ 47390	plant cleaning services	Invoice Cost	184	38,603
NEW HORIZON COMPUTER LEARNING CENTERS various US locations	employee computer training	Invoice Cost	524 921	50,250 <u>120</u> 50,370
NISYS CORPORATION 4233 PLEASANT HILL RD DULUTH, GA 30096	project consultants	Invoice Cost	517 524	195,810 <u>14,137</u> 209,947

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NOE, CONNIE S. 9412 NEWGATE CT NEW HAVEN, IN 46774	title & easement services	Invoice Cost	170 186 563 566 571	14,737 782 6,429 5,082 <u>176</u> 27,206
NORMANDEAU ASSOCIATES INC PO BOX 845335 BOSTON, MA 02284	nuclear support services	Invoice Cost	524	87,359
NORTH AMERICAN PROPERTY SVC 6400 S FIDDLERS GREEN CIRCLE ENGLEWOOD, CO 80111	janitorial services	Invoice Cost	184	161,930
NP ENERGY INC various US locations	technical support	Invoice Cost	530	85,000
NSI CONSULTING & DEVELOPMENT 26657 WOODWARD AV STE 100 HUNTINGTON WOODS, MI 48070	project consultants	Invoice Cost	588	89,319
NUCLEAR ENERGY INSTITUTE 1776 I ST NW STE 400 WASHINGTON, DC 20006	annual assessment fees	Invoice Cost	524	75,606
NURSING CORPS INC PO BOX 2580 WINTERSVILLE, OH 43953	nursing services during outages	Invoice Cost	107	61,067
NWI CONSULTING PO BOX 30654 KNOXVILLE, TN 37930	operations training consulting services	Invoice Cost	524	167,928
ONYX ENVIRONMENTAL SERVICES 28900 NETWORK PL CHICAGO, IL 60673	environmental cleaning supplies	Invoice Cost	108 184 520 585	400 306 30,335 <u>18,062</u> 49,103
ONYX INDUSTRIAL SERVICES INC PO BOX 70610 CHICAGO, IL 60673	equipment cleaning services	Invoice Cost	512	82,468
OSI SOFT INC P O BOX 4586 HAYWARD, CA 94540	software supplier	Invoice Cost	524	25,511
OSMOSE 980 ELLICOTT ST BUFFALO, NY 14209	streetlight inventorying services	Invoice Cost	588	410,000
OTIS ELEVATOR CO various US locations	elevator services	Invoice Cost	506 511 512 935	13,787 100,455 1,567 <u>46,703</u> 162,512
PEOPLESOFT USA 2 WESTBROOK CORP CTR WESTCHESTER, IL 60154	software maintenance & support	Invoice Cost	923	173,889
PERFORMANCE IMPROVEMENT INTL 112 W CANADA SAN CLEMENTE, CA 92672	engineering consultiiong	Invoice Cost	532	48,000

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PERKIN ELMER LAS INC 710 BRIDGEPORT AVE SHELTON, CT 06848	equipment maintenance contracts	Invoice Cost	524	34,644
PERMA-FIX ENVIRONMENTAL SVCS 1940 NM 67TH PLACE GAINESVILLE, FL 32653	radioactive waste disposal	Invoice Cost	520 524	25,777 <u>4,610</u> 30,387
PERRY BALLARD INC 526 UPTON DR EAST ST. JOSEPH, MI 49085	advertising & public relations services	Invoice Cost	524 921 930	5,437 4,059 <u>84,972</u> 94,468
PERRY, J STEPHEN 74 MARBELLA SAN CLEMENTE, CA 92673	nuclear safety review board services	Invoice Cost	524	37,254
PIEDMONT MGMT & TECH SERVICES 2505 SOUTH 17TH STREET WILMINGTON, NC 28401	nuclear staff support	Invoice Cost	530	93,984
PILLSBURY WINTHROP SHAW & PITTMAN LLP 2300 N ST NW WASHINGTON, DC 20037	legal services	Invoice Cost	923	124,089
PINNACLE ENVIRON. CONSULTING 500 B PRESTIGE PK STE 1 HURRICANE, WV 25526	asbestos consulting services	Invoice Cost	108	52,166
PIONEER/DPS 1440 NICHOLAS RD DAYTON, OH 45418	boiler tube work & support	Invoice Cost	107 512 513	51,400 61,376 <u>378</u> 113,154
POLY HI SOLIDUR INC 2710 AMERICAN WAY FORT WAYNE, IN 46899	liners for coal bunkers	Invoice Cost	512	79,172
POOLED EQUIPMENT INVENTORY CO PO BOX 10992 BIRMINGHAM, AL 35202	inventory management svcs	Invoice Cost	163	101,270
PRECISION BLASTING INC PO BOX 785 FLATWOODS, KY 41139	blasting services	Invoice Cost	512	102,363
PRECISION DATA PRODUCTS INC 5036 FALCON VIEW AVE GRAND RAPIDS, MI 49512	computer hardware	Invoice Cost	524	205,376
PRO TOUCH PAINTING INC 201 N ORCHARD DR MUNCIE, IN 47303	painting services	Invoice Cost	935	54,066
PROFESSIONAL CONSTRUCTION SVCS PO BOX 510 RIPLEY, WV 25271	construction services	Invoice Cost	107	133,328
PROGRESS PUMP & MACHINE SVCS. 918 KENNEDY AVE SCHERERVILLE, IN 46375	equipment machining & tooling	Invoice Cost	107 524 530 532	7,500 237 41,138 <u>59,003</u> 107,878
PULLMAN POWER LLC 9411 NE VOORMAN DR KANSAS CITY, MO 64161	chimney repair & construction	Invoice Cost	512	283,080

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NAME / ADDRESS RACE - RADIOLOGICAL ASSISTANCE PO BOX 13143 MEMPHIS, TN 38113	DESCRIPTION radioactive waste disposal	CHARGES Invoice Cost	ACCOUNT 520	AMOUNT 364,319
RDJ ASSOCIATES INC PO BOX 5514 FORT WAYNE, IN 46895	cleaning services	Invoice Cost	184	51,974
REAL TIME SOLUTIONS COMPANY PO BOX 712543 SALT LAKE CITY, UT 84171	equipment inspections	Invoice Cost	532	129,251
RELIABLE DISPOSAL INC 7227 RELIABLE PATH STEVENSVILLE, MI 49127	refuse disposal	Invoice Cost	529 530	137,568 <u>3,630</u> 141,198
REMEX SYSTEMS 3145 PRAIRIE SW GRANDVILLE, MI 49418	equipment repair	Invoice Cost	524	36,125
RESOURCE TECHNICAL SERVICES INC 50 CHESTNUT ST DOVER, NH 03820	nuclear technical support staffing	Invoice Cost	530	66,981
RICOH BUSINESS SYSTEMS 31478 INDUSTRIAL RD STE 200 LIVONIA, MI 48150	equipment maintenance agreements	Invoice Cost	532	28,352
ROBIN ENTERPRISES CO 111 N OTTERBEIN AVE WESTERVILLE, OH 43081	employee benefit plan printing	Invoice Cost	926	65,075
RUMPKE CONTAINER SERVICE INC 10795 HUGHES RD CINCINNATI, OH 45251	waste removal services	Invoice Cost	107 108 506 512	5,676 1,867 41,979 <u>800</u> 50,322
RUSSELL W T INC 400 PLANTATION LANE STEVENSVILLE, MD 21666	nuclear consulting services	Invoice Cost	524	71,765
RWE NUKEM CORP 3800 FEMANDINE RD COLUMBIA, SC 29210	rapid dewatering system services	Invoice Cost	520 524	161,667 <u>127,488</u> 289,155
S D M INC 8850 W COUNTY ROAD 300 N MEROM, IN 47861	lawn mowing services	Invoice Cost	506 512 935	3,771 11,279 <u>18,487</u> 33,537
SARGENT & LUNDY LLC 55 E MONROE ST CHICAGO, IL 60603	engineering & nuclear staff services	Invoice Cost	107 517 524 528 529 530 532 928	8,759,419 715,230 22,589 99,392 157,745 157,483 102,895 <u>6,360</u> 10,021,113
SCHALCO CONSTRUCTION 10700 STATE RD 662 NEWBURGH, IN 47630	door & facilities repair	Invoice Cost	511 512	36,891 <u>3,110</u> 40,001
SCHINDLER ELEVATOR CORP 3109 FORBES AVE PITTSBURGH, PA 15213	elevator inspection services	Invoice Cost	529 935	58,620 <u>405</u> 59,025

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SCHUELL FENCE 22377 ADAMS RD SOUTH BEND, IN 46628	fencing supplier	Invoice Cost	107 108 562 569 570 591 592	3,031 3,950 2,047 47,307 5,490 2,468 <u>1,984</u> 66,277
SCIENTECH LLC various US locations	software support services	Invoice Cost	107 517 524 532	16,170 157,000 76,000 <u>28,271</u> 277,441
SEMCO ENERGY PO BOX 79001 DETROIT, MI 48279	natural gas supplier	Invoice Cost	524	36,356
SEQUOIA CONSULTING GROUP INC 111 WASHINGTON ST PLAINVILLE, MA 02762	nuclear plant staffing	Invoice Cost	107	298,425
SERVICE MECHANICAL INC 1411 LINCOLN HWY E NEW HAVEN, IN 46774	plumbing repairs	Invoice Cost	108 935	519 <u>27,670</u> 28,189
SESSIONS SERVICES EXCAVATING 18025 DOEHRMAN RD WOODBURN, IN 46797	lawn repair services	Invoice Cost	186 593 594	24,708 21,903 <u>5,850</u> 52,461
SHAW PITTMAN 2300 N STREET NW WASHINGTON, DC 20037	legal services-liability claims & regulatory issues	Invoice Cost	923	100,327
SHEETS, W A & SONS INC 1336 POLK STREET FORT WAYNE, IN 46808	building maintenance & repairs	Invoice Cost	935	77,324
SHELL ENGINEERING & ASSOCIATES 2403 W ASH ST COLUMBIA, MO 65203	engineering services	Invoice Cost	506	48,333
SIEMENS WESTINGHOUSE POWER various US locations	nuclear plant support services	Invoice Cost	107	15,074,000
SMITH & JOHNSON CONSTRUCTION 855 GRANDVIEW AVE - SUITE 270 COLUMBUS, OH 43215	retention pond repairs	Invoice Cost	511	55,000
SOUTH BEND MEDICAL FOUNDATION 530 N LAFAYETTE BLVD SOUTH BEND, IN 46601	employee radiation exposure monitoring	Invoice Cost	520 524	33,969 <u>13,504</u> 47,473
SPECIALTY SYST. OF SOUTH BEND 55215 MAYFLOWER RD SOUTH BEND, IN 46628	asbestos removal services	Invoice Cost	107 108	472 <u>145,777</u> 146,249
STAFFMARK INC 2914 NORTH GRANVILLE AVE MUNCIE, IN 47303	temporary staffing services	Invoice Cost	107 186 583 586 587 588 593 596	17,086 117,058 37,582 2,551 6,496 5,641 26,775 <u>10,262</u> 223,451

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STAHURA INDUSTRIAL SERVICES 1622 N MAIN ST BUTLER, PA 16001	equipment installation & modifications	Invoice Cost	107 108	83,490 <u>7,260</u> 90,750
STANDARD & POORS 55 WATER ST 46TH FL NEW YORK, NY 10041	financial rating services	Invoice Cost	923	45,826
STATE GROUP 13800 N HWY 57 EVANSVILLE, IN 47725	pole installation	Invoice Cost	107	63,020
STEPTOE & JOHNSON LLP 1330 CONNECTICUT AVE NW WASHINGTON, DC 20036	legal services liability claims issues	Invoice Cost	186 923	1,127 <u>48,338</u> 49,465
STEVENS PAINTON CORPORATION 5997 CARLSON AVE PORTAGE, IN 46368	door & fence installation & repairs	Invoice Cost	524 532	5,826 <u>95,884</u> 101,710
STRAHM INC PO BOX 8299 FT WAYNE, IN 46898	waste removal services	Invoice Cost	935	129,304
STRUCTURAL INTEGRITY ASSOC. 3315 ALMADEN EXPRESSWAY SAN JOSE, CA 95118	structural analysis consulting	Invoice Cost	512 524	20,150 <u>6,452</u> 26,602
STUDSVIK PROCESSING FACILITY 151 T.C. RUNION ROAD ERWIN, TN 37650	radioactive waste disposal	Invoice Cost	520	934,576
STUDSVIK SCANDPOWER INC 1087 BEACON STREET NEWTON, MA 02459	annual software licensing	Invoice Cost	524	118,790
SUN TECHNICAL SERVICES INC 6490 S MCCARRAN BLVD STE 6 RENO, NV 89509	engineering services	Invoice Cost	107 108 163 188 500 501 512 513 517 524 529 530 532	866,112 58,919 3,905 3,088 55,577 2,011 9,406 64,546 165,995 5,285,346 1,339,248 234,087 <u>1,507,799</u> 9,596,039
SUNPRO INC 7392 WHIPPLE AVE NW NORTH CANTON, OH 44720	emergency response & cleanup services	Invoice Cost	107 108 562 570 588	2,823 42,088 808 17,559 <u>39,515</u> 102,793
SUPERHEAT SERVICES INC 10201 W 191 STREET MOKENA, IL 60448	nuclear engineering services	Invoice Cost	532	56,969
SWALLOWS LANDSCAPE SERVICE 242 N FULTON PARKER CITY, IN 47368	landscaping services	Invoice Cost	562 582 935	24,413 23,590 <u>120</u> 48,123

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SYSTEMS ENGINEERING & ELECTRIC 3550 TWO MILE HOUSE RD COLUMBUS, IN 47201	utility pole contacts	Invoice Cost	186 588	679 <u>48,012</u> 48,691
TAGLIA FETTE DUMKE & WHITE PO BOX 890 ST JOSEPH, MI 49085	legal services-administer & participate in labor grievances	Invoice Cost	923	51,000
TAPLIN ENVIRON. CONTRACTING 5100 WEST MICHIGAN KALAMAZOO, MI 49006	vacuum excavation	Invoice Cost	107 524	29,214 <u>4,935</u> 34,149
TECHNICAL INTERIORS 10901 HAMPSHIRE AVE SO MINNEAPOLIS, MN 55438	office furniture supplier	Invoice Cost	529	170,200
TEI CONSTRUCTION SERVICES INC 201 N 4TH ST ROYERSFORD, PA 19468	equipment repairs	Invoice Cost	107 108 512 513	15,914 27,138 22,531 <u>638</u> 66,221
TEKSYSTEMS 3940 PENINSULAR DRIVE SE GRAND RAPIDS, MI 49546	project support services	Invoice Cost	524	1,721,227
THERMOGAMMA-METRICS LLC 10010 MESA RIM RD SAN DIEGO, CA 92121	employee training	Invoice Cost	524 532	26,847 <u>36,450</u> 63,297
THIELSCH ENG. INC. 195 FRANCES CRANSTON, RI 02910	boiler outlet header work	Invoice Cost	512	130,604
THOMPSON COBURN LLP 1 MERCANTILE CTR SAINT LOUIS, MO 63101	legal services	Invoice Cost	923	30,542
TIP TOP INDUSTRIAL SERVICE INC 4690 ASHLEY DR HAMILTON, OH 45011	machine repair	Invoice Cost	107 108 512	19,123 1,103 <u>27,502</u> 47,728
TOWERS PERRIN 1100 SUPERIOR AVE E STE 900 CLEVELAND, OH 44114	financial & actuarial services	Invoice Cost	926	82,390
TRAFFIC & SAFETY CONTROL SYS. 48584 DOWNING WIXOM, MI 48393	traffic control barricades	Invoice Cost	524	41,305
TRANS TECH ELECTRIC LP 4601 W CLEVELAND RD SOUTH BEND, IN 46628	electrical system maintenance	Invoice Cost	163 524 528 529 530 532	17,456 16,419 24,900 12,385 2,105 <u>5,269</u> 78,534
TROY, PHILIP E ESQ 217 ASH COURT WEXFORD, PA 15090	legal services-liability claims & regulatory issues	Invoice Cost	923	31,463
TRUE NORTH CONSULTING LLC 9230 6400 RD MONTROSE, CO 81401	software licenses & maintenance	Invoice Cost	524	159,750

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
U S BANK CM 9533 ST PAUL, MN 55170	lease administration fees	Invoice Cost	930	26,750
UNDERWATER CONSTRUCTION CORP PO BOX 699 ESSEX, CT 06426	underwater construction services	Invoice Cost	107	17,573
			524	307,096
			530	579,889
			532	<u>340,437</u>
				1,244,995
UNIQUE DESIGN LANDSCAPING 9116 W COUNTY LINE RD PLYMOUTH, IN 46563	lawn care services	Invoice Cost	562	25,377
			582	<u>53,538</u>
				78,915
UNITECH SERVICES GROUP 1006 3RD AVE. MORRIS, IL 60450	uniform & cleaning services	Invoice Cost	520	108,310
			524	275,362
			532	<u>154,000</u>
				537,672
UNITED CONSTRUCTION CO INC 1340 OLD ROSEMAR RD PARKERSBURG, WV 26104	project construction services	Invoice Cost	107	753,661
			108	11,146
			500	<u>83,490</u>
				848,297
UNITED DYNAMICS ADVANCED TECH. 3046 BRECKENRIDGE LN STE LL4 LOUISVILLE, KY 40220	boiler inspections	Invoice Cost	512	72,130
US INSPECTION SVCS OF CINCINNATI 502 W CRESENTVILLE RD CINCINNATI, OH 45246	inspection services	Invoice Cost	107	12,151
			108	303
			512	57,172
			513	2,889
			514	<u>190</u>
				72,705
US NUCLEAR REG. COMMISSION PO BOX 74514 ST LOUIS, MO 63195	inspection & annual licensing fees	Invoice Cost	928	1,621,661
US TRACKWORKS LLC 1165 142ND AVE WAYLAND, MI 49348	railroad repairs	Invoice Cost	529	41,107
UTILITIES SERVICE ALLIANCE INC 9200 INDIAN CREEK PARKWAY OVERLAND PARK, KS 66210	regulatory training proj. costs	Invoice Cost	524	25,839
UTILX CORP 22820 RUSSELL RD KENT, WA 98064	utility pole treatment	Invoice Cost	107	2,193,960
VAN OVERBERGHE 53922 OLIVE RD SOUTH BEND, IN 46628	genl. & carpentry contractors	Invoice Cost	569	7,128
			570	<u>41,990</u>
				49,118
VARNUM RIDDERING SCHMIDT & HOWLETT LLP PO BOX 352 GRAND RAPIDS, MI 49501	legal services-labor & liability claim issues	Invoice Cost	923	87,326
VECTREN ENERGY DELIVERY PO BOX 209 EVANSVILLE, IN 47702	auxiliary power & electrical line relocation	Invoice Cost	107	80,797
VITALE & ASSOCIATES 9 HAVEN RD OLD BRIDGE, NJ 08857	project time studies	Invoice Cost	107	45,614

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WABASH VALLEY REFUSE REMOVAL 316 SPRING VALLEY RD WABASH, IN 46992	waste removal services	Invoice Cost	108 184 935	2,572 27,533 <u>2,109</u> 32,214
WACKENHUT CORP 4200 WACKENHUT DR PALM BEACH GARDENS, FL 33140	security services	Invoice Cost	107 108 184 501 506 512 524	33,179 1,163 27,207 739 54,902 46,535 <u>11,948,548</u> 12,112,273
WALSH & KELLY 24358 SR 23 SOUTH BEND, IN 46614	asphalt patching services	Invoice Cost	935	64,395
WEIR VALVES & CONTROLS USA INC 285 CANAL STREET SALEM, MA 01970	plant equipment	Invoice Cost	512 530	5,037 <u>94,265</u> 99,302
WELLS FARGO BANK various US locations	bond trustee fees	Invoice Cost	930	28,600
WESTINGHOUSE ELECTRIC CO various US locations	engineering & project support	Invoice Cost	517 524 530 531 532	359,696 178,573 1,051,718 22,425 <u>6,488,967</u> 8,101,379
WHAYNE SUPPLY CO 1600 N EIGHTH STREET PADUCAH, KY 42001	equipment repair	Invoice Cost	152 506 512 513 514	5,449 839 57,948 1,242 <u>690</u> 66,168
WHITING SERVICES INC 15700 LATHROP AVE. HARVEY, IL 60426	nuclear plant support svcs	Invoice Cost	530 532	70,901 <u>31,650</u> 102,551
WIECZOREK HILLIARD 12724 S WOLCOTT ST SAWYER, MI 49125	equipment & building repairs	Invoice Cost	184 935	570 <u>33,112</u> 33,682
WILMINGTON TRUST CO 1100 N MARKET ST WILMINGTON, DE 19890	financial services	Invoice Cost	930	30,340
WINSTON & STRAWN 1400 L ST NW STE 800 WASHINGTON, DC 20005	legal services-nuclear & regulatory issues	Invoice Cost	923	115,173
ZELLER ELEVATOR CO 8875 MEINSCHIN RD MOUNT VERNON, IN 47620	elevator services	Invoice Cost	511	61,781
ZIOLKOWSKI CONSTRUCTION INC 1005 S LAFAYETTE BLVD SOUTH BEND, IN 46601	transformer painting	Invoice Cost	570 592 935	38,458 43,971 <u>3,070</u> 85,499

Name of Respondent	This Report Is:	Date of Report	Year of Report		
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.		services provided (administrative and general expenses, dividends declared, etc.).			
2. In column (b) describe the affiliation (percentage ownership, etc.).		4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.			
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Ohio Power Company	Subsidiaries of AEP	Coal & Urea Barging		
2	Appalachian Power Co		Costs		
3	AEP Generating Company				
4	Kentucky Power				
5	Memco Consolidated				
6	Cook Coal Terminal	Subsidiary of AEP	Boat Rental		
7	Cardinal Operating Co	Subsidiaries of AEP	Rail Car Rental		
8	AEP Generating Company				
9	Southwest Elec Power Co				
10	Ohio Power Company				
11	Public Service Co of OK				
12	Appalachian Power Co				
13	AEP Service Corporation	Parent Company	Transmission Equalization	565	2,059,887,245
14	(agent for AEP System)	Service Corp.			
15	AEP Generating Company	Subsidiary of AEP	Costs billed to operate	408	3,907,361
16			jointly-owned Rockport	456	(210,000)
17			facilities	500	1,903,537
18				501	140,067,516
19				502	1,157,633
20				505	1,470,061
21				506	2,707,119
22				507	68,283,036
23				509	(181)
24				510	1,130,802
25				511	448,970
26				512	7,713,574
27				513	1,439,070
28				514	646,918
29				557	22,625
30				920	26,133
31				921	139,655
32				922	1,464
33				923	350,016
34				924	671,438
35				925	45,120
36				926	736,743
37				928	9,850
38				930	66,932
39				931	18,592
40				935	137,252
41	AEP Communications LLC	Subsidiary of AEP	(1)	920	3
42				935	11,174
43	AEP Desert Sky LP, LLC	Subsidiary of AEP	(1)	920	10
44				921	104
45	AEP Energy Services, Inc	Subsidiary of AEP	(1)	920	56
46				921	1,131
47				923	1,176
48	AEP Generating Company	Subsidiary of AEP	(1)	506	2,859
49				920	29
50				921	15
51				925	9
52	AEP Pro Serv, Inc	Subsidiary of AEP	(1)	920	605
53				921	2
54	AEP Service Corporation	Parent Company	(1)	506	2,068
55		Service Corp.		588	(380)
56				903	474
57				920	27
58				921	2,514
59				935	58,310

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number	Amount Classified to Non-operating Income	Account Number	Amount Classified to Balance Sheet	Total	Pricing Method	Line No.
(f)	(g)	(h)	(i)	(j)	(k)	
417	2,543,629 18,548,528 11,351,397 132,984 10,556,861			43,133,399	Alloc of barging costs based on deliveries of coal.	1 2 3 4 5
417	13,619			13,619	Fee - contract	6
		151	469,039		Alloc of actual usage of cars.	7
		151	2,171,624			8
		151	1,354,577			9
		151	1,250,227			10
		151	788,499			11
		151	649,383	6,683,348		12
				2,059,887,245	Trans Equal Agmt appr by FERC.	13 14
421	(194)	107	14,827,390		Cost	15
426	209,618	108	(1,393,749)			16
		151	(2,014,534)			17
		152	(6,654)			18
		154	1,055,118			19
		186	779			20
		236	3,055,189			21
		242	(73,853,988)			22
		253	5,570,952			23
				180,341,163		
				11,177	Cost	41
				114	Cost	42 43
				2,363	Cost	44 45
				2,912	Cost	46 47 48 49
				607	Cost	50 51 52
		107	13,361		Cost	53
		184	(2,572)			54
				73,802		55 56 57 58 59

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.		services provided (administrative and general expenses, dividends declared, etc.).			
2. In column (b) describe the affiliation (percentage ownership, etc.).		4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.			
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	AEP T&D Services, LLC	Subsidiary of AEP	(1)	566	2,968
2				930	17,559
3	AEP Texas Central Co	Subsidiary of AEP	(1)	506	2,859
4				583	158
5				586	4,860
6				587	45
7				588	506
8				592	1,358
9				596	245
10				598	618
11				903	474
12				920	44,674
13				921	1,588
14				923	318
15				924	(3,152)
16				926	133
17				930	(334)
18	AEP Texas North Co	Subsidiary of AEP	(1)	500	180
19				506	2,859
20				512	815
21				583	559
22				584	485
23				586	351
24				588	(144)
25				594	(6)
26				598	8
27				920	1,035
28				921	725
29				923	135
30				924	(1,311)
31				926	49
32				930	(93)
33	American Electric Power Co.	Parent Company	(1)	920	36
34				921	29
35				930	(161)
36	Appalachian Power Co.	Subsidiary of AEP	(1)	456	(18,948)
37				500	5,383
38				506	2,859
39				510	2,794
40				511	2,581
41				512	1,121
42				513	(9)
43				514	1,237
44				539	8,329
45				542	6,102
46				567	5
47				570	122
48				583	45
49				584	1
50				586	(6,361)
51				588	(1,478)
52				592	3,164
53				593	97
54				594	49
55				595	1
56				596	118
57				597	121
58				598	38
59				903	(903)
60				920	5,740

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent	This Report Is:	Date of Report	Year of Report			
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				20,527	Cost	1
		107	856		Cost	2
		108	(221)			3
		163	82			4
		184	55			5
		185	140			6
		186	13,853			7
		188	2,488			8
				71,603		9
		107	642		Cost	10
		184	25			11
		188	1,099			12
				7,413		13
426	12,849	184	242,203		Cost	14
				254,956		15
		107	79,286		Cost	16
		108	9,064			17
		151	1,269			18
		163	(12,888)			19
		184	34,634			20
		186	2			21
		188	2,875			22
						23
						24
						25
						26
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Name of Respondent	This Report Is:	Date of Report	Year of Report		
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.		services provided (administrative and general expenses, dividends declared, etc.).			
2. In column (b) describe the affiliation (percentage ownership, etc.).		4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.			
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1				921	8,941
2				923	744
3				924	(7,013)
4				925	40
5				926	503
6				930	(138)
7				935	863
8	Blackhawk Coal Co	Subsidiary of AEP	(1)		
9	Cardinal Operating Co	Subsidiary of AEP	(1)	500	278
10				506	2,859
11				510	10
12				921	51
13	Columbus South Power	Subsidiary of AEP	(1)	456	(7,482)
14				500	1,642
15				506	2,859
16				512	1,686
17				563	1,850
18				570	23
19				580	362
20				583	180
21				586	1,130
22				588	18,459
23				592	5,390
24				593	37,925
25				595	126,445
26				597	59
27				598	290
28				903	108
29				920	2,253
30				921	2,308
31				922	(1,272)
32				923	201
33				924	(3,874)
34				925	28
35				926	110
36				930	(7)
37				935	18,832
38	Cook Coal Terminal	Subsidiary of AEP	(1)	500	67,171
39				920	1
40				921	17
41	CSW Energy, Inc	Subsidiary of AEP	(1)	920	15
42				921	168
43	Kentucky Power Co	Subsidiary of AEP	(1)	500	1,189
44				502	2,859
45				570	398
46				586	306
47				588	(194)
48				593	44
49				597	15
50				598	7
51				903	(1)
52				920	1,331
53				921	1,375
54				923	170
55				924	(1,793)
56				925	9
57				926	39
58				930	13
59				935	5,648
60	Kingsport Power Co	Subsidiary of AEP	(1)	586	102

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				130,390		1
		228	24,586	24,586	Cost	2
		184	3		Cost	3
		188	227			4
				3,428		5
426	150	107	51,957		Cost	6
427	5,902	108	8,800			7
		163	37,858			8
		184	13,858			9
		185	111			10
		186	(4,612)			11
		188	1,132			12
				324,661		13
		184	2		Cost	14
				67,191		15
		163	(1,933)		Cost	16
				(1,750)		17
		107	1,166		Cost	18
		143	(29,699)			19
		163	93			20
		184	6,531			21
		188	574			22
				(9,920)		23
		107	(19)		Cost	24

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1				588	(32)
2				592	701
3				593	75
4				597	4
5				598	2
6				903	(3)
7				920	201
8				921	97
9				923	49
10				924	(123)
11				926	7
12				930	16
13	Memco Consolidated	Subsidiary of AEP	(1)	921	48,951
14	Ohio Power Co	Subsidiary of AEP	(1)	456	(36,639)
15				500	5,084
16				506	2,859
17				511	219
18				512	49
19				513	4,705
20				539	4,068
21				542	6,664
22				563	409
23				566	833
24				567	26
25				568	501
26				570	39,201
27				571	64,117
28				580	5,823
29				581	10,959
30				586	3,091
31				588	192,861
32				592	21,147
33				593	124,772
34				594	2,598
35				595	60,744
36				596	1
37				597	59
38				598	78
39				901	3,189
40				902	832
41				903	660
42				920	7,642
43				921	4,536
44				922	(2,012)
45				923	347
46				924	(6,511)
47				925	1,820
48				926	134
49				930	78
50				931	1
51				935	47,845
52	Public Liability	Subsidiary of AEP	(1)		
53	Public Service Co of OK	Subsidiary of AEP	(1)	500	2,372
54				506	2,859
55				570	148
56				584	349
57				586	2,655
58				588	(751)
59				593	387
60				596	(20)

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number	Amount Classified to Non-operating Income	Account Number	Amount Classified to Balance Sheet	Total	Pricing Method	Line No.
(f)	(g)	(h)	(i)	(j)	(k)	
		108	3			1
		163	29			2
		184	1,253			3
		188	45			4
						5
						6
						7
						8
						9
						10
						11
				2,407		12
417	1,640			50,591	Cost	13
417	2,316	107	485,600		Cost	14
		108	27,626			15
		124	1,138			16
		163	346,997			17
		184	24,413			18
		186	(216)			19
		188	2404			20
		242	(654)			21
						22
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						45
						46
						47
						48
						49
				1,462,414		50
		242	662	662	Cost	51
		107	14		Cost	52
		108	116			53
		184	43			54
		188	1,356			55
						56
						57
						58
						59
						60

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.		services provided (administrative and general expenses, dividends declared, etc.).			
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3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1				598	21
2				903	223
3				920	2,286
4				921	3,498
5				923	286
6				924	(2,914)
7				926	109
8				930	(58)
9	Southwest Elec Power Co	Subsidiary of AEP	(1)	454	(2,062)
10				500	2,402
11				506	2,859
12				512	1
13				583	166
14				584	99
15				586	1,486
16				587	8
17				588	6,549
18				592	12
19				593	89,974
20				597	24
21				598	18
22				903	563
23				920	2,680
24				921	4,253
25				923	377
26				924	(3,506)
27				926	110
28				930	47
29	Wheeling Power Co	Subsidiary of AEP	(1)	580	1
30				581	25
31				586	50
32				588	(9)
33				593	903
34				597	3
35				598	2
36				904	1
37				920	208
38				921	103
39				923	47
40				924	(124)
41				926	9
42				930	15
43	Miscellaneous - For affiliate	Subsidiary of AEP	(1)	920	42
44	totals less than \$50			921	40
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60	TOTALS				2,293,988,396

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				12,979		1 2 3 4 5 6 7 8
426	300	107 108 184 185 186 188	53,128 14,511 (242) 53 1 1,527		Cost	9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28
				175,338		29 30 31 32 33 34 35 36 37 38 39 40 41 42
		107 163 184 188	4 22 1,129 74		Cost	43 44
				2,463		45 46 47 48 49 50 51 52 53 54 55 56 57 58 59
				82	Cost	60
	43,379,599		(44,618,225)	2,292,749,770		

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Memco Consolidated	Subsidiary of AEP	Coal Barging		
2	Memco Consolidated	Subsidiary of AEP	River Trans G&A		
3	Appalachian Power Co	Subsidiary of AEP	Lakin Electric Billing		
4	Southwest Elec Power Co	Subsidiaries of AEP	Rail Car Rental		
5	Ohio Power Co				
6	Public Service Co of OK				
7	AEP Generating Company	Subsidiary of AEP	Purchased Power	555	189,381,388
8	AEP Service Corporation				115,346,168
9	AEP System Pool				1,388,933
10	AEP Communication, LLC	Subsidiary of AEP	(1)		
11	AEP Generating Company	Subsidiary of AEP	(1)		
12	AEP Pro Serv, Inc	Subsidiary of AEP	(1)	921	168
13	AEP Texas Central Co	Subsidiary of AEP	(1)	512	125
14				560	9
15				570	70
16				580	52
17				583	490
18				586	1,393
19				588	698
20				592	138
21				593	2,100
22				596	373
23				598	84
24				903	629
25				921	307
26				922	(307,356)
27				924	(1,128)
28				930	78
29				931	1,176
30				935	167
31	AEP Texas North Co	Subsidiary of AEP	(1)	570	23
32				580	1,296
33				586	717
34				587	782
35				588	289
36				592	1,190
37				593	1,709
38				594	5
39				595	18
40				596	58
41				598	86
42				903	849
43				921	297
44				922	16,442
45				925	28
46				930	(96)
47				931	1,887
48	Appalachian Power Co	Subsidiary of AEP	(1)	456	(96,451)
49				500	12,178
50				506	35,090
51				510	2,673
52				511	(1,376)
53				512	3,379
54				513	37,661
55				531	229
56				539	45,011
57				566	1,072
58				570	1,017
59				571	4,497
60				572	4,388

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
417	11,409,615			11,409,615	Cost	1
417	2,672,184			2,672,184	Cost	2
417	42,443			42,443	Cost	3
		151	231,877		Alloc of actual expense	4
		151	189,024			5
		151	158,343	579,244		6
				306,116,489	The AEP System operates all gen facilities as agent	7
						8
						9
		108	13,958	13,958	Cost	10
408	12	107	(593)	(581)	Cost	11
		152	1,148	1,316	Cost	12
426	145	107	8,995		Cost	13
		108	63			14
		184	13,304			15
		186	(2,160,445)			16
						17
				(2,438,533)		18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
		107	418		Cost	31
		108	125			32
		163	(29)			33
		184	4,543			34
		186	(22,310)			35
		188	226			36
						37
					38	
					39	
					40	
					41	
					42	
					43	
					44	
					45	
				8,553		46
						47
426	17,694	107	107,614			48
		108	21,265			49
		152	1,907			50
		163	1,713			51
		182	64,975			52
		184	4,589			53
		185	403			54
		186	(182,819)			55
		188	1,613			56
						57
					58	
					59	
					60	

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated services provided (administrative and general expenses, company. dividends declared, etc.).</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company	Affiliation	Description: Nature of Goods and Services	Account Number	Amount Classified to Operating Income
	(a)	(b)	(c)	(d)	(e)
1				580	2,858
2				586	64,030
3				587	328
4				588	13,814
5				592	3,088
6				593	372,609
7				594	122
8				595	19,437
9				596	136
10				597	4,576
11				598	4,314
12				903	3,024
13				920	5,793
14				921	13,027
15				922	101,704
16				923	8,345
17				925	192
18				926	1,956
19				930	3,115
20				931	839
21				935	8,540
22	Cardinal Operating Co	Subsidiary of AEP	(1)	511	4
23				593	(1)
24					
25	Columbus South Power	Subsidiary of AEP	(1)	454	(269)
26				456	(9,416)
27				500	1,390
28				506	4,863
29				512	2,117
30				564	435
31				566	133
32				570	932
33				580	15,420
34				581	12,904
35				584	240
36				586	8,175
37				587	235
38				588	60,779
39				590	18,301
40				592	498
41				593	56,572
42				594	65
43				595	141
44				596	685
45				597	55
46				598	253
47				903	863
48				921	3,670
49				923	88,265
50				925	23
51				926	430
52				930	7,192
53				931	1,080
54				935	9,557
55	Franklin Real Estate Co	Subsidiary of AEP	(1)		
56					
57	Indiana Franklin Realty, Inc	Subsidiary of AEP	(1)		
58					
59	Kentucky Power Co	Subsidiary of AEP	(1)	567	80
60				571	1,299

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
				720,169		20
						21
		152	988		Cost	22
		163	36			23
		188	476	1,503		24
		107	98,251		Cost	25
		108	4,135			26
		163	202			27
		182	21,725			28
		184	4,509			29
		186	6,857			30
		188	25,754			31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
						49
						50
						51
						52
				447,021		53
426	97	124	3,377		Cost	54
		236	7,714	11,188		55
		108	(108,430)		Cost	56
		236	130,418	21,988		57
		107	58,267		Cost	58
		108	10,931			59
						60

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1				580	659
2				586	1,571
3				587	52
4				588	965
5				593	131,042
6				597	16
7				903	2,522
8				920	158
9				921	2,068
10				923	23,914
11				925	53
12				930	122
13				935	154
14	Kingsport Power Co	Subsidiary of AEP	(1)	570	239
15				587	175
16				588	72
17				593	25,063
18				598	2
19				921	643
20	Ohio Power Co	Subsidiary of AEP	(1)	456	(9,504)
21				500	7,880
22				506	5,586
23				512	(15,491)
24				514	71
25				539	1,679
26				560	3
27				564	247
28				566	706
29				567	50
30				570	3,446
31				571	16,962
32				580	32,734
33				583	4,728
34				584	12
35				586	136,035
36				587	118
37				588	32,458
38				589	2
39				590	(275)
40				591	292
41				592	1,239
42				593	26,431
43				594	(145)
44				595	6,758
45				596	116
46				597	10,523
47				598	21,059
48				902	10,307
49				903	3,580
50				920	1,457
51				921	5,969
52				922	49,196
53				923	771,435
54				925	3,566
55				926	3,749
56				930	41,140
57				931	1,103,752
58				935	21,101
59	Public Service Co of OK	Subsidiary of AEP	(1)	500	1,279
60				506	7,960
61				510	43

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		142	91			1
		163	182			2
		182	9,370			3
		184	1,152			4
						5
						6
						7
						8
						9
						10
						11
				244,668		12
						13
		107	4,854		Cost	14
		108	1,159			15
		163	7			16
						17
				32,214		18
						19
426	27,674	107	211,021		Cost	20
		108	14,143			21
		121	882			22
		154	(15)			23
		163	5,560			24
		182	62,412			25
		184	1,289			26
		185	123			27
		186	(206,133)			28
		188	992			29
		236	(19,390)			30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
						49
						50
						51
						52
						53
						54
						55
						56
				2,397,530		57
						58
		101	8		Cost	59
		107	54,175			60
		108	13,109			61

Name of Respondent	This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1				512	2,517
2				535	(7)
3				570	578
4				580	164
5				583	110
6				586	8,508
7				588	4,651
8				592	760
9				593	198,737
10				594	2
11				597	(9)
12				903	871
13				907	2,070
14				920	2,566
15				921	4,399
16				926	201
17				930	62
18				931	4,171
19				935	350
20	Southwest Elec Power Co	Subsidiary of AEP	(1)	500	1,695
21				506	1,876
22				512	105
23				513	1,449
24				570	120
25				580	13,304
26				583	110
27				586	4,337
28				587	43
29				588	663
30				592	2,015
31				593	1,297
32				594	8
33				595	826
34				596	666
35				597	1,910
36				901	167
37				903	6,832
38				907	471
39				920	1,252
40				921	7,427
41				930	(42)
42				931	2,023
43	Wheeling Power Co	Subsidiary of AEP	(1)	583	10,163
44				588	1,538
45				593	3,617
46				903	24
47				921	24
48	Miscellaneous - For affiliate	Subsidiary of AEP	(1)	921	1
49	totals less than \$50				
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60	TOTALS				309,602,193

(1) Misc transactions rendered at cost under provisions of the Holding Company Act of 1935, as administered by the SEC

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		163	1,516			1
		184	(2,194)			2
		186	1			3
		188	72			4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
				306,670		18
						19
		107	4,829		Cost	20
		108	158			21
		163	17,672			22
		184	(1,437)			23
		185	5,731			24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
				75,507		42
		107	209		Cost	43
		163	163			44
						45
				15,738		46
						47
		163	2		Cost	48
		188	34			49
		236	23	60		50
						51
						52
						53
						54
						55
						56
						57
						58
						59
	14,169,864		(1,093,112)	322,678,945		60

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MWH's (b)	Line No.	Item (a)	MWH's (b)
1	SOURCES OF ENERGY		18	Net Transmission for other (<i>line 16</i>	0
2	Generation (Excluding Station Use):			<i>minus line 17)</i>	
3	Steam	13,971,432	19	Transmission by others losses	0
4	Nuclear	17,471,383	20	TOTAL (<i>Total of lines 9, 10, 14, 18 & 19</i>)	44,434,938
5	Hydro-Conventional	92,411	21	DISPOSITION OF ENERGY	
6	Hydro-Pumped Storage		22	Sales to Ultimate Consumers	
7	Other			(Including Interdepartmental Sales)	19,248,200
8	LESS Energy for Pumping		23	Requirements Sales for Resale	
9	Net Generation (<i>Total of lines 3 thru 8</i>)	31,535,226		(See instruction 4, page 311.)	2,169,221
10	Purchases	12,899,712	24	Non-Requirements Sales For Resale	
11	Power Exchanges:			(See instruction 4, page 311.)	21,144,076
12	Received		25	Energy furnished without charge	52
13	Delivered		26	Energy used by the company (Electric	
14	NET Exchanges (<i>line 12 minus 13</i>)			Dept. only, excluding station use)	
15	Transmission for other (Wheeling)		27	Total Energy Losses	1,873,389
16	Received		28	TOTAL (<i>Enter total of lines 22 thru</i>	
17	Delivered			27) (MUST equal line 20)	44,434,938

MONTHLY PEAKS AND OUTPUT

- | | |
|---|---|
| <p>1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system</p> <p>2. Report in column (b) the system's energy output for each month such that the total on line 41 matches the total on line 20.</p> <p>3. Report in column (c) a monthly breakdown on the Non-Requirements Sales for Resale reported on line 24. Include in the monthly amounts any energy losses associated with the sales so that the total on line 41 exceeds the</p> | <p>amount on line 24 by the amount of losses incurred (or estimated) in making the non-requirements Sales for Resale.</p> <p>4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c).</p> <p>5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).</p> |
|---|---|

NAME of SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instruction 4) (d)	Day of Month (e)	Hour (f)
29	January	4,027,455	1,989,971	3465	28	900
30	February	3,570,662	1,755,760	3426	2	800
31	March	4,016,676	2,086,505	3198	1	2000
32	April	3,171,928	1,473,366	2936	19	1400
33	May	3,533,651	1,783,690	3090	10	1400
34	June	3,952,166	1,892,265	4102	29	1400
35	July	4,032,565	1,886,479	4093	21	1500
36	August	3,975,945	1,820,128	4193	3	1400
37	September	3,778,576	1,774,272	3980	13	1500
38	October	3,165,853	1,317,984	3577	4	1500
39	November	3,237,542	1,439,983	3265	30	1900
40	December	3,971,919	1,923,673	3537	8	1800
41	TOTAL	44,434,938	21,144,076			

Name of Respondent Indiana Michigan 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 of Report 12/31/05	
STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)							
1. Report data for Plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants 3. Indicate by footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.				6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mef. 7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21. 8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned. 9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System			
Line No.	Item (a)	ROCKPORT UNIT 1 I&M (b)		ROCKPORT UNIT 2 I&M (c)			
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear	Steam		Steam			
2	Plant Constrcn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional		Conventional			
3	Year originally constructed	1984		1989			
4	Year last unit was installed	1984		1989			
5	Total Installed cpcty. (max. generator name plate ratings in MW)	650.00		650.00			
6	Net Peak Demand on Plant-MW (60 minutes)	672		668			
7	Plant hours connected to load	7268		8029			
8	Net continuous plant capability (megawatts)	0		0			
9	When not limited by condenser water	650		650			
10	When limited by condenser water	650		650			
11	Average number of employees	0		0			
12	Net generation, exclusive of plant use-KWh	4237542000		4735703000			
13	Cost of plant: Land and Land Rights	6507738		68087			
14	Structures and Improvements	85964394		4207209			
15	Equipments costs	506134223		59442065			
16	Asset Retirement Costs	392327		370056			
17	Total cost	598998682		64087417			
18	Cost per KW of Installed capacity (line 5)	921.5364		98.5960			
19	Production Expenses: Oper., Supv., & Engr.	948583		954952			
20	Fuel	66206411		73940779			
21	Coolants and Water (Nuclear Plants only)	0		0			
22	Steam expenses	623942		533691			
23	Steam from other sources	0		0			
24	Steam transferred (credit)	0		0			
25	Electric expenses	768370		701690			
26	Misc. steam (or nuclear) power expenses	1401695		1307895			
27	Rents	0		70147272			
28	Allowances	2587648		2587649			
29	Maintenance Supervision and Engineering	579703		551098			
30	Maintenance of structures	312369		136600			
31	Maintenance of boiler (or reactor) plant	4808168		2906319			
32	Maintenance of electric plant	925406		513661			
33	Maintenance of Misc. steam (or nuclear) plant	376204		270812			
34	Total Production Expenses	79538499		154552418			
35	Expenses per net KWh	0.0188		0.0326			
36	Fuel: Kind (coal, gas, oil, or nuclear)						
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.) (Gas-Mcf) (Nuclear-indicate)						
38	Quantity (units) of fuel burned						
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)						
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year						
41	Avg. cost of fuel per unit burned						
42	Avg. cost of fuel burned per million Btu						
43	Avg. cost of fuel burned per KWh net gen.						
44	Avg. Btu per KWh net generation						

Name of Respondent Indiana Michigan 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 of Report December 31, 2005
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.

10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.

11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.

12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

ROCKPORT TOTAL I&M (d)		ROCKPORT TOTAL PLANT (e)		TANNERS CREEK PLANT (f)		Line No.
	Steam		Steam		Steam	1
	Conventional		Conventional		Conventional	2
	1984		1984		1951	3
	1989		1989		1964	4
	1300.00		2600.00		995.00	5
	1340		2679		996	6
	8029		8029		8181	7
	0		0		0	8
	1300		2600		995	9
	1300		2600		980	10
	0		237		171	11
	8973245000		17942286000		4998187000	12
	6575825		13122325		393903	13
	90171603		182262522		45351664	14
	565576288		1137451397		360396351	15
	762383		1524766		688246	16
	663086099		1334361010		406830164	17
	510.0662		513.2158		408.8745	18
	1903535		3807072		1323155	19
	140147190		280224648		97449950	20
	0		0		0	21
	1157633		2315266		4244094	22
	0		0		0	23
	0		0		0	24
	1470060		2940121		79783	25
	2709590		5453185		5601400	26
	70147272		138430308		0	27
	5175297		5175297		3623936	28
	1130801		2261604		954587	29
	448969		897940		1545895	30
	7714487		15428985		18183657	31
	1439067		2878137		8109476	32
	647016		1293934		688789	33
	234090917		461106497		141804722	34
	0.0261		0.0257		0.0284	35
COAL	OIL	COAL	OIL	COAL	OIL	36
TONS	BARRELS	TONS	BARRELS	TONS	BARRELS	37
4822250	30392	9641933	60785	2211921	20088	38
8964	138273	8964	138273	11633	139261	39
29.253	72.454	29.253	72.454	44.867	75.983	40
28.72	54.55	28.72	54.55	43.401	71.83	41
1.602	9.393	1.602	9.393	1.865	12.281	42
0.015		0.015		0.019		43
9655		9654		10319		44

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)

- | | |
|--|---|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants</p> <p>3. Indicate by footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mef.</p> <p>7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> <p>9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System</p> |
|--|---|

Line No.	Item (a)	DONALD C COOK PLANT (b)		
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	Nuclear		
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional		
3	Year originally constructed	1975		
4	Year last unit was installed	1978		
5	Total Installed cpcty. (max. generator name plate ratings in MW)	2285.00		
6	Net Peak Demand on Plant-MW (60 minutes)	2320		
7	Plant hours connected to load	8604		
8	Net continuous plant capability (megawatts)	0		
9	When not limited by condenser water	2143		
10	When limited by condenser water	2093		
11	Average number of employees	962		
12	Net generation, exclusive of plant use-KWh	17471383000		
13	Cost of plant: Land and Land Rights	1879588		
14	Structures and Improvements	310528817		
15	Equipments costs	1494092521		
16	Asset Retirement Costs	176467294		
17	Total cost	1982968220		
18	Cost per KW of Installed capacity (line 5)	867.8198		
19	Production Expenses: Oper., Supv., & Engr.	20244954		
20	Fuel	80867007		
21	Coolants and Water (Nuclear Plants only)	73186		
22	Steam expenses	3656766		
23	Steam from other sources	0		
24	Steam transferred (credit)	0		
25	Electric expenses	755781		
26	Misc. steam (or nuclear) power expenses	92456660		
27	Rents	373055		
28	Allowances	0		
29	Maintenance Supervision and Engineering	4007790		
30	Maintenance of structures	3648819		
31	Maintenance of boiler (or reactor) plant	24589148		
32	Maintenance of electric plant	5376353		
33	Maintenance of Misc. steam (or nuclear) plant	62046748		
34	Total Production Expenses	298096267		
35	Expenses per net KWh	0.0171		
36	Fuel: Kind (coal, gas, oil, or nuclear)	NUCLEAR		
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.) (Gas-Mcf) (Nuclear-indicate)			
38	Quantity (units) of fuel burned			
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)			
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year			
41	Avg. cost of fuel per unit burned			
42	Avg. cost of fuel burned per million Btu	0.425		
43	Avg. cost of fuel burned per KWh net gen.	0.005		
44	Avg. Btu per KWh net generation	10883		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
403	1	e	The Rockport Plant is a two unit coal fired generating facility. Unit 1 is jointly owned and Unit 2 is jointly leased by the Respondent and AEP Generating Company. Column (b) Respondent's 50% share of Unit 1 and column (c) represents the Respondent's 50% share of Unit 2. Column (d) represents Respondent's total share of Rockport Plant and column (e) represents Total Rockport Plant owned and leased by the Respondent and AEP Generating Company.

Name of Respondent Indiana Michigan 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 of Report 12/31/05	
GENERATING PLANT STATISTICS (Small Plants)							
1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and umped storage plants of less than 10,000 Kw installed capacity (name plate rating).				2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.			
Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity-Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)	
1	Hydroelectric						
2	Berrien Springs	1908	7.20	7.0	30,076	13,975,870	
3	Buchanan (Project #2551)	1919	4.10	3.0	14,058	7,008,370	
4	Constantine (Project #10661)	1921	1.20	1.0	4,036	2,395,891	
5	Elkhart (Project #2651)	1913	3.44	4.0	14,898	5,734,844	
6	Mottville (Project #401)	1923	1.60	2.0	5,949	3,022,720	
7	Twin Branch (Project #2579)	1904	4.80	5.0	23,394	10,842,403	
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see inst. 11, p. 403. steacm, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

4. If net peak demand for 60 minutes if not available, give that which is available, specifying period.

5. If any plant is equipped with combinations of

Plant Cost Per MW Inst Capacity (g)	Operation Exc'l Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
1,941,093	343,352		192,946			1
1,709,359	215,118		150,544			2
1,996,576	90,531		41,502			3
1,667,106	162,963		132,031			4
1,889,200	98,386		61,279			5
2,258,834	240,893		226,964			6
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STEAM ELECTRIC GENERATING PLANTS

1. Include on this page steam-electric plants of 25,000 Kw (name plate rating) or more of installed capacity.

2. Report the information called for concerning generating plants and equipment at year end. Show unit type Installation, boiler, and turbine-generator on same line.

3. Exclude plant, the book cost of which is located in Account 121, *Nonutility Property*.

4. Designate any generating plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant or portion thereof for which the respondent is not the sole owner but which the respondent operates or share in the of, furnish a succinct statement explaining the arrangement and giving details as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.

5. Designate any generating plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company.

6. Designate any plant or equipment owned, not

Line No.	Name of Plant (a)	Location of Plant (b)	BOILERS (Include both ratings for the boiler and the turbine-generator or dual-rated installations)				
			Number and Year Installed (c)	Kind of Fuel And Method of Firing (d)	Rated Pressure (In psig) (e)	Rated Steam Temp. (Indicate reheat boilers as 1050/1000) (f)	Rated Max. Continuous M lbs. Steam per Hour (g)
1	Tanners Creek	Lawrenceburg, IN	1-1951	Pulv. Coal	2080	1050/1000	930
2							
3			2-1952	Pulv. Coal	2080	1050/1000	930
4							
5			3-1954	Pulv. Coal	2075	1050/1050	1,335
6							
7			4-1964	Coal-Cyclone	3500	1000/1025 /1050	3,840
8							
9							
10							
11							
12							
13							
14							
15	Donald C. Cook	Bridgeman, MI	1-1975	Nuclear	2250	507	13,708
16			2-1978	Nuclear	1818	521	13,670
17							
18							
19							
20							
21	Rockport*	Rockport, IN	1-1984	Pulv. Coal	3650	1000/1000	9,775
22							
23			2-1989	Pulv. Coal	3650	1000/1000	9,775
24							
25							
26							
27							
28	* Figures shown are the totals for the plant which is shared one-half by respondent and one-half						
29	by AEP Generating Company (an associated company). Both companies are subsidiaries of American						
30	Electric Power Company. Operating expenses are shared on the basis of ownership percentage.						
31	Unit 1 is owned 50% by each and unit 2 is leased 50% by each from a consortium of financial institutions.						
32							
33							

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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STEAM ELECTRIC GENERATING PLANTS (cont'd)

operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment

and its book cost are contemplated.
7. Report gas-turbines operated in a combined cycle with a conventional steam unit with its associated steam unit.

Turbine-Generators <i>(Report cross-compound turbine generator units on two lines-H.P. section and I.P. section. Designate units with shaft connected boiler feed pumps. Give capacity rating of pumps in terms of full load requirements.)</i>												Line No.	
Year Installed	TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>				GENERATORS NAME PLATE Rating in Kw								Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))
	Max. Rating Mega-Watt	Type <i>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</i>	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <i>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</i>	Hydrogen Pressure <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV) <i>(If other than 3 phase, 60 cycle indicate other characteristic)</i>	(s)		
							Min.	Max.					
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)		
1951	90	CC	Var.	1800	90,000	109,800	0.5	25	0.80	13.8	152,500	1	
1951	35	CC	2000	3600	35,000	42,700	0.5	25	0.80	13.8		2	
1952	90	CC	Var.	1800	90,000	109,800	0.5	25	0.80	13.8	152,500	3	
1952	35	CC	2000	3600	35,000	42,700	0.5	25	0.80	13.8		4	
1954	100	CC	Var.	1800	112,000	137,200	0.5	30	0.80	18	215,400	5	
1954	60	CC	2000	3600	63,750	78,200	0.5	30	0.85	18		6	
1964	580	CC	Var.	1800	108,000	238,850	0.5	45	0.85	20	579,700	7	
1964		CC	3500	3600	108,000	340,850	0.5	45	0.85	20		8	
											1,100,100	9	
												10	
												11	
												12	
												13	
												14	
1975	1089	TC	728	1800	771,840	1,152,000	30	75	0.90	26	1,152,000	15	
1978	1162	TC	785	1800	933,850	1,133,333	40	60	0.85	26	1,133,333	16	
											2,285,333	17	
												18	
												19	
												20	
1984	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	21	
1984	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		22	
1989	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	23	
1989	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		24	
											2,600,000	25	
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TRANSMISSION LINE STATISTICS

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

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

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

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

5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood or

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

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

Line No.	DESIGNATION		VOLTAGE <i>(Indicate where other than 60 cycle, 3 phase)</i>		Type of Supporting Structure (e)	LENGTH (Pole Miles) <i>(in the case of underground lines, report circuit miles)</i>		Number Circuits (h)
	From	To	Operating	Designed		(f)	(g)	
	(a)	(b)	(c)	(d)		(f)	(g)	
1	STATE OF INDIANA							
2	6128 DUMONT	JEFFERSON	765	765	ALUM TOWER	203.00		1
3	6136 DUMONT	WILTON CENTER	765	765	STEEL	63.00		1
4	6141 DUMONT	MARYSVILLE	765	765	STEEL	104.00		1
5	6215 D.C. COOK	DUMONT	765	765	STEEL	20.00		1
6	6223 ROCKPORT	JEFFERSON	765	765	STEEL	111.00		1
7	6224 ROCKPORT	SULLIVAN	765	765	STEEL	97.00		1
8	6226 JEFFERSON	WEST	765	765				
9	6236 HANGING ROCK	JEFFERSON	765	765	STEEL	1.00		1
10	0675 TANNERS CREEK	SORENSEN	345	345	STEEL	136.00		2
11	0676 SORENSON	EAST LIMA	345	345	STEEL	30.00		1
12	0677 BREED	DEQUINE EAST	345	345	STEEL	188.19		2
13	0678 DEQUINE	OLIVE	345	345				
14	0679 SORENSON	OLIVE	345	345	STEEL	78.00		2
15	0680 OLIVE	GOODINGS GROVE	345	345	STEEL	41.00		2
16	0683 DESOTO	JCT TOWER (MAR. CO)	345	345	STEEL	53.00	6.00	1
17	0684 TANNERS CREEK	JUNCTION TOWER	345	345	ST & ALUM	80.00		1
18	0685 HANNA	JUNCTION TOWER	345	345				
19	0687 TANNERS CREEK	MIAMI FORT	345	345	STEEL			2
20	0688 EUGENE	SIDNEY	345	345	WOOD POLE	2.00		1
21	0689 SORENSON-OLIVE	TWIN BRANCH	345	345	STEEL	11.00		2
22	0690 BREED	CIPSCO	345	345	STEEL	1.00		1
23	0691 BREED	PETERSBURG	345	345	STEEL	1.00		1
24	6118 ROBISON PARK	SORENSON-EAST LIMA	345	345	STEEL	23.00		1
25	6119 COOK	OLIVE	345	345	STEEL	4.00		2
26	6122 DUMONT	OLIVE	345	345	STEEL	15.00		2
27	6123 DUMONT	TWIN BRANCH	345	345	STEEL	17.00		2
28	6125 ROBISON PARK	EAST	345	345				
29	6133 DUMONT	BABCOCK	345	345	STEEL	9.00		1
30	6145 TWIN BRANCH	COOK-ROB PARK JCT	345	345	STEEL	6.00		2
31	6147 COOK	ROBISON PARK	345	345	STEEL	68.00		2
32	6148 JACKSON ROAD	SORENSON-OLIVE	345	345	STEEL	4.00		2
33	6213 COOK-ROB-PARK JCT	ARGENTA	345	345	STEEL	2.00		2
34	6237 JACKSON ROAD	WEST	345	345				
35	6240 TWIN BRANCH	SUBSTATION CORRIDOR	345	345				

Name of Respondent Indiana Michigan 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 of Report 12/31/05
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TRANSMISSION LINE STATISTICS (Continued)

whether expenses with respect to such structures are included in the expenses reported for the line designated.

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

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not

the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

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

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

Size of Conductor and Material (i)	COST OF LINE <i>(Include in column (j) land, land rights, and clearing right-of-way)</i>			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction & Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
4-954 MCM	2,873,075	39,232,355	42,105,430					1
4-954 MCM	1,542,558	8,560,683	10,103,241					2
4-954 MCM	1,234,793	18,980,412	20,215,205					3
4-954 MCM	431,470	4,416,003	4,847,473					4
4-1351 MCM	6,254,900	87,758,115	94,013,015					5
4-1351 MCM	14,100,277	67,792,044	81,892,321					6
	761,721	9,497	771,218					7
4-1351 MCM	31,637	766,942	798,579					8
1275 MCM	667,658	10,930,401	11,598,059					9
1275 MCM	107,576	1,432,971	1,540,547					10
1414 MCM	517,048	9,343,692	9,860,740					11
	481,566	10,759,881	11,241,447					12
1414 MCM	447,262	7,320,463	7,767,725					13
1414 MCM	429,643	3,881,577	4,311,220					14
2-954 MCM	513,937	2,695,835	3,209,772					15
2-954 MCM	457,068	5,268,180	5,725,248					16
	232,250	655,842	888,092					17
2-954 MCM		197,080	197,080					18
1414 MCM	10,089	444,692	454,781					19
1563 MCM	237,747	1,280,439	1,518,186					20
2-1024 MCM		295,778	295,778					21
2-954 MCM		185,874	185,874					22
1414 MCM	169,865	2,558,278	2,728,143					23
2-954 MCM	30,751	676,537	707,288					24
2-954 MCM	180,037	2,592,872	2,772,909					25
2-954 MCM	344,724	3,009,145	3,353,869					26
	173,109		173,109					27
2-954 MCM	163,248	1,187,624	1,350,872					28
2-954 MCM	58,820	1,035,507	1,094,327					29
2-954 MCM	1,599,622	13,602,924	15,202,546					30
2303 MCM	219,514	954,544	1,174,058					31
2-954 MCM	77,031	369,085	446,116					32
	48,061		48,061					33
	8,817		8,817					34
								35

Name of Respondent		This Report Is:		Date of Report	Year of Report			
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005			
TRANSMISSION LINE STATISTICS								
Line No.	DESIGNATION		VOLTAGE <i>(Indicate where other than 60 cycle, 3 phase)</i>		Type of Supporting Structure (e)	LENGTH (Pole Miles) <i>(in the case of underground lines, report circuit miles)</i>		Number Circuits (h)
	From	To	Operating	Designed		(f)	(g)	
	(a)	(b)	(c)	(d)				
1	6256 BREED	SULLIVAN	345	345	STEEL	2.00		2
2	6259 COLLINGWOOD	SOUTH BUTLER	345	345	STEEL POLE	12.00		1
3	6127 EAST ELKHART TAP		138	138				
4	6232 GODMAN TAP		34	138				
5	0602 TWIN BRANCH	RIVERSIDE	138	138	STEEL	6.00		2
6	0603 TWIN BRANCH	SOUTH BEND	138	138	STEEL	5.00		1
7	0604 TWIN BRANCH	ROBISON PARK	138	138	STEEL	65.00		2
8	0605 SOUTH BEND	MICHIGAN CITY	138	138	STEEL			1
9	0606 ROBISON PARK	LIMA	138	138	STEEL	20.00		2
10	0607 ROBISON PARK	DEER CREEK	138	138	STEEL	60.00		2
11	0608 DEER CREEK	KOKOMO	138	138	STEEL	7.00		1
12	0609 CONCORD TAP		138	138	STEEL	4.00		2
13	0613 TWIN BRANCH	JACKSON ROAD	138	138	STEEL	8.00		2
14	0614 LINCOLN TAP		138	138	STEEL	4.00		2
15	0615 TWIN BRANCH	LINCOLN	138	138	STEEL	84.00		1
16	0616 DEER CREEK	DELAWARE	138	138	STEEL	21.00		2
17	0617 DELAWARE	MADISON	138	138	STEEL	19.00		2
18	0618 DELAWARE	TRENTON	138	138	STEEL TWR & UG	57.00		2
19	0725 DELAWARE	TRENTON	138	138	STEEL TWR & UG			
20	0619 MADISON	NEW CASTLE	138	138	STEEL	6.00	1.00	1
21	0620 TANNERS CREEK	MADISON	138	138	STEEL	82.00		2
22	0622 JACKSON ROAD	OLIVE	138	138	STEEL	17.00	1.00	1
23	0623 MADISON	PENDLETON	138	138	WOOD & STEEL	5.00		1
24	0624 DRAGOON TAP		138	138	STEEL	2.00		1
25	0625 TANNERS CREEK	COLLEGE CORNER	138	138	STEEL	40.00		2
26	0626 COLLEGE CORNER	RANDOLPH	138	138	WOOD H-FRAME	39.00		1
27	0627 RANDOLPH	JAY	138	138	WOOD H-FRAME	24.00		1
28	0628 MCKINLEY TAP		138	138	STEEL	1.00		2
29	0629 JAY	LINCOLN	138	138	WOOD & STEEL	49.00		1
30	0630 NEW CARLISLE	MAPLE	138	138	WOOD H-FRAME	1.00		1
31	6104 SORENSON	DEVILS HOLLOW	138	138	STEEL	3.00		2
32	0632 SORENSON	DEVILS HOLLOW	138	138	STEEL			
33	0634 DEER CREEK	MULLIN	138	138	WOOD H-FRAME	15.00		1
34	0635 PENDLETON	MULLIN	138	138	WOOD & STEEL	16.00		1
35	0636 DEER CREEK	FISHER BODY	138	138	STEEL	5.00		2
36	0637 TWIN BRANCH	CONCORD	138	138	STEEL	17.00	1.00	1
37	0638 GRANT	FISHER BODY	138	138	STEEL	0.00	1.00	1
38	0639 ROBISON PARK	AUBURN	138	138	WOOD & STEEL	15.00		1
39	0641 DESOTO	MEDFORD	138	138	STEEL	7.00		2
40	0642 OLIVE	HICKORY CREEK	138	138	STEEL	3.00	2.00	1
41	0645 COREY TAP		138	138	WOOD H-FRAME	4.00		1
42	0646 OLIVE	NEW CARLISLE	138	138	STEEL	2.00		1
43	0647 OLIVE	SOUTH BEND	138	138	STEEL	1.00	16.00	1
44	0648 MEDFORD TAP		138	138	STEEL	8.00		2
45	0714 EAST SIDE STA ENTR		138	138	UNDERGROUND			1
46	0723 SPY RUN STATION		138	138	UNDERGROUND			1
47	6101 WESTINGHOUSE TAP		138	138	STEEL	2.00		2
48	6102 MILAN TAP		138	138	STEEL	6.00		2
49	6103 MILAN	GOODRICH	138	138	STEEL	1.00		2
50	0641 DESOTO	JAY	138	138	WOOD & STEEL	13.00		1
51	6106 DESOTO	DEER CREEK-DELAWARE	138	138	STEEL	8.00		2

Name of Respondent		This Report Is:		Date of Report	Year of Report			
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	12/31/05			
TRANSMISSION LINE STATISTICS (Continued)								
Size of Conductor and Material (i)	COST OF LINE <i>(Include in column (j) land, land rights, and clearing right-of-way)</i>			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction & Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1351.5 MCM		1,899,884	1,899,884					1
2-954 MCM	652,439	3,115,754	3,768,193					2
	4,006	54,344	58,350					3
	5,999	93,336	99,335					4
397.5 MCM	50,884	99,820	150,704					5
397.5 MCM	21,836	311,315	333,151					6
397.5 MCM	103,367	1,375,115	1,478,482					7
397.5 MCM	88,927	1,825,476	1,914,403					8
397.5 MCM	26,662	690,555	717,217					9
397.5 MCM	146,959	1,405,252	1,552,211					10
336.4 MCM	20,552	387,202	407,754					11
397.5 MCM	45,025	189,834	234,859					12
447 MCM	88,528	504,578	593,106					13
397.5 MCM	48,187	120,885	169,072					14
477 MCM	317,644	2,142,745	2,460,389					15
397.5 MCM	57,269	355,705	412,974					16
397.5 MCM	82,081	479,923	562,004					17
397.5 MCM	233,078	966,381	1,199,459					18
397.5 MCM		1,301,281	1,301,281					19
795 MCM	39,152	279,396	318,548					20
636 MCM	405,394	2,423,004	2,828,398					21
556.5 MCM	176,429	1,062,216	1,238,645					22
477 MCM	64,558	222,814	287,372					23
795 MCM	18,502	160,276	178,778					24
636 MCM	178,525	1,652,881	1,831,406					25
556.5 MCM	196,883	2,217,314	2,414,197					26
556.5 MCM	133,748	973,443	1,107,191					27
300 MCM CU	38,296	109,551	147,847					28
556.5 MCM	207,712	1,570,835	1,778,547					29
397.5 MCM	2,242	32,335	34,577					30
556.5 MCM	35,617	260,900	296,517					31
556.5 MCM	40,380	2,364,131	2,404,511					32
556.5 MCM	126,284	407,863	534,147					33
556.5 MCM	124,403	505,474	629,877					34
397.5 MCM	41,365	204,739	246,104					35
556.5 MCM	176,422	616,780	793,202					36
397.5 MCM	2,880	48,472	51,352					37
556.5 MCM	76,321	491,661	567,982					38
556.5 MCM	75,010	280,989	355,999					39
556.5 MCM	23,973	159,356	183,329					40
477 MCM	29,668	129,527	159,195					41
556.5 MCM	20,280	155,782	176,062					42
556.5 MCM		301,878	301,878					43
556.5 MCM	125,413	302,296	427,709					44
795 MCM		724,752	724,752					45
3.5IN OD		398,528	398,528					46
556.5 MCM	31,370	80,037	111,407					47
397.5 MCM	30,796	207,838	238,634					48
397.5 MCM	1,694	31,137	32,831					49
2-556.5 MCM	67,227	484,713	551,940					50
636 MCM	63,247	338,575	401,822					51

Name of Respondent		This Report Is:		Date of Report	Year of Report			
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2005			
TRANSMISSION LINE STATISTICS								
Line No.	DESIGNATION		VOLTAGE <i>(Indicate where other than 60 cycle, 3 phase)</i>		Type of Supporting Structure (e)	LENGTH (Pole Miles) <i>(in the case of underground lines, report circuit miles)</i>		Number Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		(f)	(g)	
1	6107 DARDEN TAP		138	138	WOOD H-FRAME	1.00		1
2	6109 ROBISON PARK	RICHLAND	138	138	WOOD & STEEL	18.00		1
3	6110 WESTINGHOUSE	23RD STREET	138	138	STEEL			2
4	6111 KANKAKEE	WEST SIDE	138	138	WOOD POLE	2.00		1
5	6113 INDUSTRIAL PARK		138	138	STEEL	3.00		2
6	6114 OLIVE	MICHIGAN CITY	138	138	STEEL	2.00	1.00	1
7	6115 HUMMEL CREEK	VAN BUREN	138	138	STEEL	6.00		2
8	6130 HUMMEL CREEK	TOWER 70, GREENTOWN	138	138				
9	6116 SOUTH ELWOOD TAP		138	138	WOOD POLE	3.00		1
10	6117 PENDLETON	FALL CREEK	138	138	STEEL	10.00		2
11	6121 ROBISON PARK	LINCOLN	138	138	STEEL	8.00		1
12	6126 CONCORD	EAST ELKHART	138	138	STEEL	11.00		1
13	6129 GREENTOWN-GRANT	HUMMEL CREEK	138	138	STEEL	21.00		1
14	6131 INDUSTRIAL PARK	MC KINLEY	138	138	WOOD POLE	5.00		1
15	6132 CROSS STREET TAP	JUNCTION TOWER #88	138	138	WOOD POLE	4.00		1
16	6134 LINCOLN	ANTHONY	138	138	WOOD POLE	3.00		1
17	6135 WAYNEDEALE TAP		138	138	STEEL			2
18	6138 JACKSON ROAD	SOUTH SIDE	138	138	WOOD POLE	2.00		1
19	6142 ALBION	KENDALLVILLE	138	138	WOOD POLE	10.00		1
20	6150 SOUTHSIDE	SOUTH BEND	138	138	WOOD & STEEL	6.07		1
21	6219 DELCO BATTERY TAP		138	138	STEEL POLE	1.00		2
22	6220 FALL CREEK	MADISON-NEW CASTLE	138	138	STEEL	1.00		2
23	6225 INDUSTRIAL PARK	SPY RUN	138	138	WOOD POLE	4.00		1
24	6234 CABOT TAP	TOWER 54	138	138	WOOD POLE			1
25	6238 SORENSON	MCKINLEYTOWER	138	138	STEEL	3.00		2
26	6241 KENDALLVILLE TAP	CITY OF AUBURN #5	138	138	WOOD H-FR & POL	14.00		1
27	6242 AUBURN	CITY OF AUBURN #5	138	138	WOOD POLE	2.00		1
28	6245 LAPORTE JCT	LIQUID CARBONICS	138	138	WOOD POLE	5.00		1
29	6246 LAPORTE JCT	AIRCO	138	138	WOOD POLE	1.00		1
30	6248 ELCONA TAP	CONC-DUN-E-ELK	138	138	WOOD POLE	2.00		1
31	6249 ALLEN	LINCOLN	138	138	STEEL	5.00		2
32	6250 ALLEN	ADAMS/HILLCREST	138	138	STEEL	5.00		2
33	6251 OLIVE	EDISON	138	138	STEEL	1.00		2
34	6253 TRIER RD TAP		138	138	STEEL POLE			1
35	6257 KENZIE CREEK	TWIN BRANCH	138	138	STEEL			2
36	6260 WILMINGTON TAP		138	138	WOOD POLE	1.00	9.00	1
37	6229 DUNLAP NORTH TAP		34	138	WOOD POLE	2.00		2
38	6140 INDIANA-PURDUE		34	138	STEEL POLE			2
39	6217 HILLCREST	KINNERK	69	138	WOOD POLE	4.00		1
40	6252 KENDALLVILLE	BIXLER	138	138	WOOD POLE	2.00		1
41	6254 ALLEN/LINCOLN	ALLEN/HILLCREST	138	138				
42	6265 CONCORD	WOLF	138	138	WOOD POLE	0.56	0.54	1
43	LINES<132 KV	SYSTEM	69	0	WOOD, STEEL	927.70	72.00	1
44			0	0				
45	STATE OF MICHIGAN		0	0				
46	6216 D.C. COOK	DUMONT	765	765	STEEL	16.00		1
47	6120 COOK	PALISADES	345	345	STEEL	42.00		2
48	6143 D.C. COOK	OLIVE-PALISADES	345	345	STEEL	5.00		2
49	6144 TWIN BRANCH	COOK-ROB PARK JCT	345	345	STEEL			2
50	6151 COOK	OLIVE	345	345				
51	6152 COOK	ROBINSON PARK	345	345				

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/05		Year of Report 12/31/05		
TRANSMISSION LINE STATISTICS (Continued)								
Size of Conductor and Material (i)	COST OF LINE <i>(Include in column (j) land, land rights, and clearing right-of-way)</i>			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction & Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
336.4 MCM	5,232	719,390	724,622					1
636 MCM	123,078	718,259	841,337					2
556.5 MCM	13,643	60,184	73,827					3
636 MCM	19,773	45,149	64,922					4
745 MCM	32,372	267,899	300,271					5
636 MCM	15,878	189,366	205,244					6
795 MCM	40,836	486,308	527,144					7
	44,222	584,596	628,818					8
556.5 MCM	5,090	677,832	682,922					9
795 MCM	150,802	969,302	1,120,104					10
795 MCM	677	871,349	872,026					11
795 MCM	179,558	978,091	1,157,649					12
795 MCM	180,124	1,321,738	1,501,862					13
795 MCM	75,285	326,046	401,331					14
795 MCM	262,613	177,784	440,397					15
795 MCM	90,524	436,357	526,881					16
795 MCM	22,040	71,621	93,661					17
795 MCM	1,268	622,290	623,558					18
795 MCM	77,153	539,898	617,051					19
795 MCM	344,897	1,941,804	2,286,701					20
795 MCM AA	47,993	59,531	107,524					21
795 MCM	65,007	307,522	372,529					22
1033 MCM	91,134	591,044	682,178					23
556.5 MCM		650,701	650,701					24
795 MCM	157,782	1,127,906	1,285,688					25
795 MCM	694,850	2,341,025	3,035,875					26
795 MCM	61,515	370,703	432,218					27
795 MCM	58,646	1,020,175	1,078,821					28
795 MCM	45,547	267,987	313,534					29
795 MCM	87,386	557,013	644,399					30
1033 MCM		1,658,256	1,658,256					31
1033 MCM		1,723,668	1,723,668					32
795 MCM	202,537	688,549	891,086					33
795 MCM		69,888	69,888					34
1033 MCM		136,604	136,604					35
2-954 MCM		1,365,463	1,365,463					36
795 MCM	10,443	304,289	314,732					37
1033 MCM	428	127,388	127,816					38
795 MCM	47,490	263,787	311,277					39
795 MCM	142,466	912,953	1,055,419					40
	385,522		385,522					41
336.4 ACSR KCM		707,685	707,685					42
VARIOUS	2,475,619	51,832,530	54,308,149					43
								44
								45
4-954 MCM	871,513	3,483,777	4,355,290					46
2-954 MCM	1,073,200	5,482,619	6,555,819					47
2-954 MCM	722,573	1,122,861	1,845,434					48
2-954 MCM		37,966	37,966					49
		1,497,837	1,497,837					50
	12,355		12,355					51

Name of Respondent		This Report Is:		Date of Report		Year of Report		
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)		December 31, 2005		
TRANSMISSION LINE STATISTICS								
Line No.	DESIGNATION		VOLTAGE <i>(Indicate where other than 60 cycle, 3 phase)</i>		Type of Supporting Structure	LENGTH (Pole Miles) <i>(in the case of underground lines, report circuit miles)</i>		Number Circuits
	From (a)	To (b)	Operating (c)	Designed (d)		(f)	(g)	
1	6146 D.C. COOK	ROBISON PARK	345	345	STEEL	37.00		2
2	6214 COOK-ROB PARK	ARGENTA	345	345	STEEL	29.00		2
3	6221 D.C. COOK	OLIVE-PALISADES	345	345	STEEL	5.00		2
4	6263 BARODA TAP		138	138				
5	0601 TWIN BRANCH	RIVERSIDE	138	138	STEEL	33.00		2
6	0610 AUTO SPECIALTIES		138	138				
7	0621 TWIN BRANCH - R	HICKORY CREEK	138	138	STEEL	5.00		2
8	0644 RIVERSIDE	HARTFORD	138	138	WOOD H-FRAME	16.33		1
9	0649 COREY TAP		138	138	WOOD H-FRAME	13.00		1
10	6108 RIVERSIDE	OLIVE-HICKORY CREEK	138	138	WOOD & STEEL	6.00		1
11	6124 BENTON HARBOR	RIVERSIDE-HARTFORD	138	138	STEEL	1.00		2
12	6137 EDGEWATER TAP		138	138	WOOD POLE	1.00		1
13	6139 BENTON HARBOR	TWIN BRANCH-R SIDE	138	138	STEEL	6.00		2
14	6149 HARTFORD	COREY	138	138	WOOD POLE	41.00		1
15	6218 MOTTVILLE TAP		138	138	WOOD POLE	1.00		1
16	6255 KENZIE CREEK	VALLEY	138	138	WOOD POLE	20.00		1
17	6257 KENZIE CREEK	T B/R'SIDE/HICK CR	138	138	STEEL			
18	6261 FLATBUSH TAP		138	138		1.00		1
19	6262 WEST ST TAP		138	138		1.00		2
20	6700 GM HYDRAMATIC		138	138	STEEL	2.00		2
21	6227 NICKERSON	TOWER #13A	138	138				
22	0643 OLIVE	HICKORY CREEK	138	138				
23								
24	LESS THAN 132 KV LINES		69	0	WOOD, STEEL	436.94	12.00	
25								
26	VOLTAGE OTHER							
27	VOLTAGE LESS THAN 132 KV							
28	VOLTAGE 138KV							
29	VOLTAGE 345KV							
30	VOLTAGE 765KV							
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
44								
45								
46								
47								
48								
49								
50								
51					TOTAL	3948.79	122.54	198

Name of Respondent		This Report Is:		Date of Report	Year of Report			
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	12/31/05			
TRANSMISSION LINE STATISTICS (Continued)								
Size of Conductor and Material (i)	COST OF LINE <i>(Include in column (j) land, land rights, and clearing right-of-way)</i>			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction & Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2-954 MCM	1,373,242	6,474,185	7,847,427					1
2-954 MCM	853,389	4,679,125	5,532,514					2
2-954 MCM		1,801,661	1,801,661					3
		(8,230)	(8,230)					4
397.5 MCM	187,261	852,444	1,039,705					5
	821		821					6
397.5 MCM	51,083	307,583	358,666					7
397.5 MCM	117,604	1,015,744	1,133,348					8
477 MCM	73,434	312,859	386,293					9
636 MCM	72,387	970,304	1,042,691					10
795 MCM	88,699	168,142	256,841					11
556.5 MCM	552	56,413	56,965					12
795 MCM	472,534	628,432	1,100,966					13
795 MCM	794,466	1,902,014	2,696,480					14
795 AA	16,279	100,911	117,190					15
1033 MCM	579,785	4,804,096	5,383,881					16
795 MCM		383,038	383,038					17
	64,293	430,007	494,300					18
	24,993	331,419	356,412					19
795 MCM	10,463	370,087	380,550					20
		16,381	16,381					21
	171,678	1,190,287	1,361,965					22
								23
VARIOUS	1,578,542	23,739,814	25,318,356					24
								25
								26
				174,709	1,588,263		1,762,972	27
				132,723	1,206,569		1,339,292	28
				109,409	994,627		1,104,036	29
				74,170	674,275		748,445	30
								31
								32
								33
								34
								35
								36
								37
								38
								39
								40
								41
								42
								43
								44
								45
								46
								47
								48
								49
								50
	54,423,684	485,955,856	540,379,540	491,011	4,463,734		4,954,745	51

Name of Respondent Indiana Michigan 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 of Report 12/31/05		
TRANSMISSION LINES ADDED DURING YEAR							
1. Report below the information called for concerning transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.				underground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these			
2. Provide separate subheadings for overhead and							
Line No.	LINE DESIGNATION		Line Length in Miles	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	6265 Concord	Wolf	1.10	Wood Pole		1	
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43			1.10			1	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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TRANSMISSION LINES ADDED DURING YEAR (Continued)

columns the estimated final completion costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate foot- note, and costs of Underground Conduit in col. (m). 3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating)	LINE COST				Line No.
Size (h)	Specifi- cation (i)	Config- uration & Spacing (j)		Land and Land Rights (l)	Poles, Towers, and Fixtures (m)	Conduct- tors and Device (n)	Total (o)	
336.4 ACSR			138		263,533	444,152	707,685	1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
								18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
								36
								37
								38
								39
								40
								41
								42
			138		263,533	444,152	707,685	43

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
1. Report below the information called for concerning substations of the respondent as of the end of the year. 2. Substations which serve only one industrial or street railway customer should not be listed below. 3. Substations with capacities of less than 10Mva, except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.			4. Indicate in col. (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f). 5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.		
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	ADAMS (IM)-IN	T	138.00	69.00	34.00
2		T	34.50	13.00	
3	ALBION-IN	T	138.00	69.50	36.20
4		T	138.00		
5		T	69.00	12.00	
6		T	69.00		
7	ALEXANDRIA-IN	D	34.50	13.00	
8		D	34.50	4.00	
9		D	34.50		
10	ALLEN (IM)-IN	T	345.00	138.00	13.80
11	ALMENA-IN	T	69.00	34.50	
12		T	69.00	34.00	
13		T	69.00	12.00	
14		T	69.00		
15	ANCHOR HOCKING (IM)-IN	D	69.00	13.00	
16		D	69.00	2.40	
17	ANTHONY-IN	T	138.00	34.00	
18		T	34.50	12.00	
19	ARMSTRONG CORK-IN	D	69.00	4.00	
20	ARNOLD HOGAN-IN	T	138.00	34.00	
21		T	138.00	13.00	
22		T	34.50		
23	AUBURN-IN	T	138.00	69.00	34.00
24		T	138.00		
25	BARODA-MI	D	138.00	13.09	
26	BEECH ROAD-IN	D	138.00	13.00	
27	BELLAIRE (IM)-IN	D	34.50	4.00	
28		D	34.50	0.00	
29	BENTON HARBOR-MI	T	345.00	138.00	13.00
30	BERNE-IN	D	69.00	12.00	
31		D	69.00		
32	BERRIEN SP HYDR STAT-MI	T	34.50	12.00	
33		T	34.50		
34	BETHEL-IN	D	34.50	13.00	
35	BIXLER-IN	D	138.00	12.00	
36	BLAINE STREET-IN	D	34.50	13.00	
37		D	34.50	4.00	
38		D	4.00	2.40	
39	BLUFF POINT-IN	T	138.00	69.50	13.09
40		T	69.00	13.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/05
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SUBSTATIONS (Continued)

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

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
115	1					1
4	1					2
21	1					3
8	1		STATCAP	1	53	4
20	1					5
6	1		STATCAP	1	14	6
450	1					7
30	1					8
22	1		STATCAP	1	7	9
7	1					10
20	1					11
13	2					12
112	1					13
29	2					14
20	2					15
30	1					16
22	1					17
30	1		STATCAP	1	14	18
20	1					19
20	1					20
11	1					21
448	2		STATCAP	2	29	22
20	1					23
9	2		STATCAP	2	106	24
11	1					25
20	1					26
9	1					27
7	1		STATCAP	1	10	28
2	1					29
60	1					30
6	1		STATCAP	1	16	31
	2					32
	1		STATCAP	1	10	33
	1					34
	1					35
	1					36
	1					37
	1					38
	1					39
	1					40

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1		T	69.00		
2	BRANSON-IN	D	34.50	4.00	
3	BREED-IN	T	345.00		
4		T	345.00		
5	BRIDGMAN-MI	D	69.00	12.00	
6		D	69.00		
7	BUCHANAN HYDRO STA-MI	T	69.00	34.00	
8		T	69.00	12.00	
9	BUCHANAN SOUTH-MI	D	69.00	12.00	
10	BUTLER (IM)-IN	D	69.00	13.00	
11		D	69.00		
12	CALVERT-IN	D	138.00	13.00	
13	CHURUBUSCO-IN	D	34.50	13.00	
14		D	34.50		
15	CLEVELAND-IN	D	138.00	13.09	
16	COLBY-MI	T	138.00	69.00	34.50
17		T	138.00	12.00	
18		T	69.00	34.50	
19		T	34.50		
20	COLFAX-IN	D	34.50	12.00	
21		D	34.50	4.00	
22	COLOMA Y-MI	T	69.00	34.00	
23		T	69.00		
24	COLONY BAY-IN	D	69.00	13.00	
25		D	69.00	12.00	
26		D	69.00		
27	COLUMBIA(IM)-IN	T	138.00	69.00	34.00
28		T	138.00	34.00	
29	CONANT-IN	D	34.50	12.00	
30	CONCORD-IN	T	138.00	34.00	
31		T	138.00	13.00	
32		T	138.00		
33		T	34.50		
34	COREY-MI	T	138.00	69.00	34.50
35		T	69.00		
36	COUNTY LINE (IM)-IN	D	138.00	13.00	
37	COUNTY ROAD 4-IN	D	138.00	13.09	
38	CROSS STREET-IN	D	138.00	13.00	
39	CRYSTAL-MI	D	138.00	12.00	
40	DALEVILLE-IN	D	138.00	13.00	
41	DARDEN ROAD-IN	D	138.00	13.00	
42	DC COOK EHV-MI	T	765.00	345.00	34.00
43		T	345.00	34.50	
44	DECATUR (FTW)-IN	T	69.00	34.00	
45		T	69.00	13.00	
46		T	69.00	4.00	
47		T	69.00		
48	DEER CREEK-IN	T	138.00	69.00	34.00

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr)	12/31/05	
SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
11	1		STATCAP	1	16	1
						2
65	1		REACTOR	1	250	3
19	2					4
						5
20	1		STATCAP	1	14	6
8	1					7
22	1					8
20	1					9
						10
20	1		STATCAP	2	30	11
11	1					12
						13
20	1		STATCAP	1	5	14
75	1					15
8	1					16
20	1					17
						18
22	1		STATCAP	1	17	19
9	1					20
22	1					21
						22
22	1		STATCAP	1	14	23
20	1					24
						25
50	1		STATCAP	1	16	26
20	1					27
22	1					28
50	1					29
45	2					30
						31
			STATCAP	1	53	32
			STATCAP	1	14	33
130	1					34
			STATCAP	1	14	35
20	1					36
20	1					37
20	1					38
22	1					39
20	1					40
42	2					41
1500	3	1				42
150	1					43
20	1					44
20	1					45
5	1					46
			STATCAP	1	13	47
90	1					48

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1		T	138.00	34.50	
2		T	138.00	13.00	
3		T	138.00		
4		T	34.50	13.09	
5		T	34.50	11.00	4.00
6		T	34.50		
7	DELAWARE (IM)-IN	T	138.00	34.00	
8		T	138.00		
9		T	34.50		
10	DERBY-MI	T	138.00	69.00	34.50
11	DESOTO-IN	T	345.00	138.00	34.50
12	DOCK FOUNDRY-MI	D	69.00	12.00	
13	DRAGOON-IN	T	138.00	69.00	34.00
14		T	34.50		
15	DREWRYS-IN	D	34.50	13.09	
16		D	34.50	13.00	
17	DUMONT-IN	T	765.00		
18		T	765.00	345.00	34.50
19		T	765.00	345.00	17.00
20	DUNLAP-IN	T	138.00	69.00	34.00
21		T	138.00	13.09	
22		T	138.00	13.00	
23		T	34.50		
24	EAST ELKHART-IN	T	345.00	138.00	13.80
25		T	138.00	69.00	34.00
26		T	34.50	7.20	
27	EAST SIDE (IM)-IN	D	138.00	13.00	
28	ELCONA-IN	D	138.00	13.00	
29	ELKHART HYDRO STAT-IN	T	34.50	13.00	
30		T	34.50		
31	ELMRIDGE-IN	D	34.50	13.00	
32	ELWOOD (IM)-IN	D	34.50	13.00	
33		D	34.50		
34	FAIRMOUNT-IN	D	34.50	13.00	
35		D	34.50	7.20	
36		D	34.50	4.00	
37		D	34.50	2.40	
38	FALL CREEK-IN	T	345.00	138.00	34.00
39	FERGUSON-IN	D	69.00	13.00	
40	FISHER BODY-IN	D	138.00	13.80	
41	FLORENCE ROAD-MI	D	69.00	12.00	
42		D	69.00		
43	FULTON (IM)-IN	D	34.50	13.00	
44	GARRETT (IM)-IN	T	69.00	34.00	
45		T	34.50	13.00	
46	GARST-IN	D	34.50	12.00	
47	GAS CITY-IN	D	34.50	13.00	
48		D	34.50		

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr)	12/31/05	
SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
75	1					1
20	1					2
			STATCAP	1	58	3
4	1					4
20	1					5
			STATCAP	2	30	6
125	2					7
			STATCAP	1	53	8
			STATCAP	2	59	9
75	1					10
675	1					11
20	1					12
85	1					13
			STATCAP	1	12	14
8	1					15
8	1					16
			REACTOR	9	750	17
1500	3					18
1500	3					19
130	1					20
20	1					21
20	1					22
			STATCAP	1	29	23
450	1					24
75	1					25
1	1					26
42	2					27
20	1					28
8	1					29
			STATCAP	1	14	30
8	1					31
19	2					32
			STATCAP	1	5	33
2	1					34
11	1					35
1	2					36
1	1					37
672	1					38
20	1					39
100	2					40
20	1					41
			STATCAP	1	19	42
20	1					43
10	1					44
1	3					45
10	2					46
20	1					47
			STATCAP	1	10	48

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Moa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	GATEWAY (IM)-IN	T	69.00	34.00	
2		T	69.00		
3	GERMAN-IN	D	138.00	13.00	
4	GLENBROOK-IN	D	34.50	13.00	
5	GRABILL-IN	D	138.00	13.00	
6	GRANGER-IN	D	138.00	13.00	
7	GRANT-IN	T	138.00	34.00	
8		T	138.00	13.09	
9	GREENLEAF-IN	D	34.50	13.09	
10	GREENTOWN-IN	T	765.00		
11	HACIENDA-IN	D	138.00	13.00	
12		D	138.00	12.00	
13	HADLEY-IN	D	69.00	13.00	
14	HAGAR-MI	D	69.00	12.00	
15	HAMILTON-IN	D	69.00	13.00	
16	HARPER-IN	D	138.00	13.00	
17	HARTFORD-MI	T	138.00	69.00	34.00
18		T	69.00	12.00	
19		T	34.50		
20	HARTFORD CITY-IN	T	69.00	34.00	
21		T	69.00	13.00	
22		T	69.00		
23	HARVEST PARK-IN	D	34.50	13.00	
24	HAWTHORNE-MI	D	69.00	12.00	
25	HAYMOND-IN	D	34.50	13.00	
26		D	34.50	4.00	
27		D	34.50		
28	HICKORY CREEK-MI	T	138.00	69.00	34.50
29		T	138.00	34.50	
30		T	34.50	12.00	
31		T	34.50		
32	HILLCREST-IN	T	138.00	69.00	34.00
33		T	138.00	13.00	
34		T	138.00		
35	HUMMEL CREEK-IN	T	138.00	69.00	34.00
36		T	138.00	13.00	
37	ILLINOIS ROAD-IN	T	138.00	69.00	13.00
38		T	138.00	13.09	
39	INDUSTRIAL PARK-IN	T	138.00	69.00	34.00
40		T	138.00	13.00	
41		T	138.00		
42		T	34.50	13.00	
43		T	34.50		
44	IRELAND ROAD-IN	D	138.00	13.00	
45	IUPU-IN	D	34.50	13.00	
46		D	13.80	4.00	
47	JACKSON ROAD-IN	T	345.00	138.00	34.00
48		T	138.00	34.00	

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr)	12/31/05	
SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
20	1					1
			STATCAP	1	13	2
45	2					3
28	2					4
20	1					5
20	1					6
30	1					7
	1					8
12	1					9
			REACTOR	3	300	10
20	1					11
25	1					12
40	2					13
11	1					14
11	1					15
20	1					16
129	1					17
11	1					18
			STATCAP	1	5	19
18	1					20
20	1					21
			STATCAP	1	16	22
20	1					23
22	1					24
9	1					25
16	2					26
			STATCAP	1	10	27
75	1					28
60	2					29
31	2					30
			STATCAP	1	31	31
84	1					32
42	2					33
			STATCAP	1	53	34
75	1					35
20	1					36
84	1					37
20	1					38
75	1					39
22	1					40
0			STATCAP	1	50	41
22	1					42
			STATCAP	1	16	43
20	1					44
40	2					45
5	1					46
672	1					47
30	1					48

Name of Respondent		This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUBSTATIONS						
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)			
			Primary	Secondary	Tertiary	
	(a)	(b)	(c)	(d)	(e)	
1		T	138.00	13.09		
2		T	138.00	12.00		
3		T	34.50			
4	JAY (IM)-IN	T	138.00	69.00	34.00	
5		T	138.00	13.00		
6		T	138.00			
7	JEFFERSON (IM)-IN	T	765.00			
8		T	765.00	345.00	34.00	
9		T	138.00			
10	KANKAKEE-IN	T	138.00	34.00	11.00	
11		T	138.00	13.00		
12	KENDALLVILLE-IN	T	138.00	69.00	13.00	
13		T	138.00			
14		T	69.00	13.00		
15	KENZIE CREEK-MI	T	345.00	138.00	13.00	
16	KLINE-IN	T	138.00	34.00		
17		T	34.50			
18	LAKE STREET-MI	T	69.00	34.00		
19		T	69.00			
20	LAKEHEAD-MI	D	69.00	13.00		
21	LANGLEY (IM)-MI	D	34.50	13.00		
22	LANTERN PARK-IN	D	138.00	13.09		
23	LAPORTE JUNCTION-IN	T	138.00	69.00	34.00	
24	LAWTON PARK-IN	D	34.50	14.00		
25		D	34.50	4.00		
26	LIGONIER-IN	D	138.00	13.09		
27	LINCOLN-IN	T	138.00	34.00	11.00	
28		T	138.00	13.00		
29		T	138.00			
30		T	34.50			
31	LUSHER AVENUE-IN	D	34.50	13.00		
32		D	34.50	4.00		
33	LYDICK-IN	D	34.50	13.09		
34	MADISON (IM)-IN	T	138.00	35.00		
35		T	34.50	13.00		
36		T	34.50			
37	MAGLEY-IN	T	138.00	69.00	13.00	
38		T	69.00	13.00		
39	MAIN STREET-MI	T	138.00	34.00		
40		T	138.00	13.00		
41		T	34.50	4.00		
42		T	34.50			
43	MARATHON OIL (IM)-IN	D	69.00	4.00		
44	MARION PLANT-IN	D	34.50	13.00		
45		D	34.50	4.00		
46		D	34.50			
47	MAYFIELD-IN	D	138.00	13.00		
48	MCGALLIARD ROAD-IN	D	34.50	13.00		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
12	1					1
20	1					2
			STATCAP	1	14	3
115	1					4
9	1					5
			STATCAP	1	58	6
			REACTOR	9	750	7
2000	4					8
			REACTOR	1	20	9
100	2					10
22	1					11
75	1					12
			STATCAP	1	43	13
15	2					14
450	1					15
100	1					16
			STATCAP	1	14	17
40	1					18
			STATCAP	1	26	19
11	1					20
17	2					21
20	1					22
84	1					23
53	2					24
7	1					25
29	2					26
100	6					27
20	1					28
			STATCAP	1	53	29
			STATCAP	2	29	30
20	1					31
8	1					32
12	1					33
60	1					34
5	1					35
			STATCAP	1	18	36
90	1					37
9	1					38
30	1					39
20	1					40
8	1					41
			STATCAP	1	14	42
6	1					43
22	1					44
8	1					45
			STATCAP	1	9	46
20	1					47
29	2					48

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	MCKINLEY-IN	T	138.00	69.00	34.00
2		T	138.00	34.00	11.50
3		T	138.00	13.00	
4		T	138.00	12.00	
5		T	138.00		
6		T	69.00		
7		T	34.50		
8	MEADOWBROOK-IN	T	138.00	35.00	
9		T	34.50		
10	MEDFORD-IN	T	138.00	69.00	34.00
11		T	34.50		
12	MODOC-IN	T	138.00	69.00	13.00
13		T	69.00	13.00	
14	MONTPELIER-IN	D	69.00	13.00	
15	MOORE PARK-MI	T	138.00	69.00	34.50
16		T	69.00		
17	MOTTVILLE-MI	T	138.00	69.00	34.00
18		T	69.00	12.00	
19	MULLIN-IN	T	138.00	34.00	
20		T	34.50		
21	MURCH-MI	D	69.00	12.00	
22		D	69.00		
23	NEW BUFFALO-MI	D	69.00	12.00	
24	NEW CARLISLE-IN	T	138.00	34.50	
25		T	34.50	13.00	
26	NICKERSON-MI	D	138.00	12.00	
27	NILES-MI	T	69.00	34.00	
28		T	69.00	13.09	
29		T	69.00		
30	NOBLE-IN	D	69.00	13.00	
31	NORTH KENDALLVILLE-IN	D	69.00	12.00	
32	NORTH PORTLAND-IN	D	69.00	13.00	
33	NORTHLAND-IN	D	138.00	13.09	
34	NORTHWEST ELKHART-IN	D	34.50	13.00	
35		D	34.50		
36	OLIVE-IN	T	345.00	138.00	34.50
37		T	138.00	69.00	34.00
38		T	138.00	13.00	
39	OSOLO-IN	T	138.00	69.00	34.00
40		T	138.00	13.00	
41		T	34.50		
42	OSSIAN-IN	D	69.00	13.00	
43	PARNELL-IN	D	34.50	13.00	
44	PEARL STREET-MI	D	34.50	12.00	
45	PENDLETON-IN	T	138.00	35.00	
46		T	34.50		
47	PETTIT AVENUE-IN	D	34.50	13.00	
48	PIGEON RIVER-MI	D	69.00	12.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (In Mva)	
			(i)	(j)	(k)	
84	1					1
100	2					2
20	1					3
20	1					4
			STATCAP	1	86	5
			STATCAP	1	22	6
			STATCAP	2	29	7
100	1					8
			STATCAP	2	29	9
75	1					10
			STATCAP	1	15	11
60	1					12
5	1					13
22	1					14
90	1					15
			STATCAP	1	16	16
90	1					17
3	1					18
30	1					19
			STATCAP	1	20	20
20	1					21
			STATCAP	1	26	22
21	2					23
30	1					24
8	1					25
20	1					26
45	1					27
20	1					28
			STATCAP	1	14	29
11	1					30
22	1					31
20	1					32
12	1					33
29	2					34
			STATCAP	1	14	35
675	1					36
27	1					37
9	1					38
75	1					39
42	2					40
			STATCAP	1	14	41
20	1					42
20	1					43
17	2					44
125	2					45
			STATCAP	2	47	46
20	1					47
20	1					48

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	PINE ROAD-IN	D	138.00	13.00	
2	POKAGON(MBH)-MI	T	138.00	69.00	13.00
3		T	69.00	13.00	
4		T	69.00		
5	PORTLAND (IM)-IN	D	69.00	13.00	
6	RANDOLPH-IN	T	138.00	69.00	13.00
7		T	138.00	13.00	
8		T	69.00		
9		T	34.50	13.00	
10	REED-IN	D	138.00	13.00	
11	RIVERSIDE (IM)-MI	T	138.00	69.00	34.00
12		T	138.00	13.00	
13		T	138.00		
14		T	34.50	13.00	
15	ROBISON PARK-IN	T	345.00	138.00	13.00
16		T	138.00		
17		T	138.00	69.00	34.00
18		T	138.00	13.00	
19		T	138.00	12.00	
20		T	34.50		
21	ROCKPORT-IN	T	765.00		
22		T	138.00		
23		T	34.50	13.00	
24	SCHOOLCRAFT-MI	D	69.00	13.00	
25	SCOTTDALE-MI	D	34.50	13.00	
26	SODUS-MI	D	138.00	13.00	
27	SORENSEN-IN	T	345.00	138.00	34.00
28	SOUTH BEND-IN	T	138.00	69.00	34.00
29		T	138.00	34.00	
30		T	138.00	13.00	
31		T	138.00		
32	SOUTH DECATUR-IN	D	69.00	13.00	
33	SOUTH ELWOOD-IN	T	138.00	34.00	
34		T	138.00	13.00	
35	SOUTH HAVEN-MI	T	69.00		
36	SOUTH SIDE (MARION)-IN	D	34.50	4.00	
37	SOUTH SIDE (SOUTH BEND)-IN	D	138.00	13.00	
38	SOYA-IN	D	34.50	4.00	
39	SPRING STREET-IN	D	34.50	13.00	
40		D	34.50	4.00	
41	SPY RUN-IN	T	138.00	34.00	
42		T	138.00	13.00	
43		D	34.50		
44		D	34.50	12.00	
45		D	34.50	4.00	
46	STATE STREET-IN	D	138.00	13.00	
47	STEVENSVILLE-MI	D	69.00	13.00	
48	STONE LAKE-MI	D	69.00	34.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (In Mva)	
			(i)	(j)	(k)	
20	1					1
115	1					2
5	1					3
			STATCAP	1	14	4
19	2					5
56	1					6
22	1					7
			STATCAP	1	14	8
4	1					9
22	1					10
134	2					11
20	1					12
			STATCAP	1	106	13
5	1					14
672	1					15
			STATCAP	1	86	16
84	1					17
20	1					18
20	1					19
			STATCAP	1	14	20
			REACTOR	6	300	21
			REACTOR	2	40	22
2	2	1				23
22	1					24
11	1					25
11	1					26
1347	2					27
130	1					28
150	2					29
20	1					30
			STATCAP	1	53	31
20	1					32
30	1					33
20	1					34
			STATCAP	2	19	35
12	6					36
20	1					37
11	1					38
8	1					39
4	1					40
200	2					41
22	1					42
			STATCAP	1	10	43
20	1					44
8	1					45
22	1					46
19	2					47
20	1					48

Name of Respondent		This Report Is:	Date of Report	Year of Report		
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05		
SUBSTATIONS						
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Moa)			
			Primary	Secondary	Tertiary	
	(a)	(b)	(c)	(d)	(e)	
1		D	69.00	13.00		
2		D	34.50			
3	STUBEY ROAD-MI	D	69.00	12.00		
4		D	69.00			
5	STUDEBAKER-IN	D	138.00	13.80		
6	SULLIVAN (IM)-IN	T	765.00			
7		T	765.00	345.00	34.00	
8		T	138.00			
9	SUMMIT-IN	D	138.00	13.00		
10		D	138.00	12.00		
11	SWANSON-IN	D	69.00	34.00		
12		D	69.00			
13	TANNERS CREEK-IN	T	345.00	138.00	13.00	
14		T	345.00	138.00	12.00	
15	THREE M-IN	D	69.00	4.00		
16	THREE RIVERS (FTW)-IN	D	34.50	14.40		
17		D	34.50	13.00		
18	THREE RIVERS (MBH)-MI	D	69.00	12.00		
19	TILLOTSON-IN	D	34.50	13.00		
20	TRIER-IN	D	138.00	13.00		
21	TWENTY FIRST STREET-IN	D	34.50	13.00		
22	TWENTY THIRD STREET (IM)-IN	T	138.00	69.00	34.00	
23		T	34.50			
24	TWIN BRANCH 138KV-IN	T	345.00	138.00	13.20	
25		T	138.00	12.00		
26	TWIN BRANCH 34KV-IN	G	34.50	13.00		
27		G	34.50			
28	UPLAND-IN	D	69.00	13.20		
29	UTICA (IM)-IN	D	34.50	13.00		
30	VALLEY-MI	T	138.00	69.00	34.00	
31		T	138.00			
32		T	34.50	34.00		
33		T	34.50			
34	VAN BUREN-IN	T	138.00	69.00	13.00	
35	VICKSBURG-MI	D	69.00	13.09		
36		D	69.00	12.00		
37	WABASH AVENUE-IN	D	69.00	13.00		
38	WALLEN-IN	T	34.50	13.00		
39	WAYNE TRACE-IN	D	138.00	13.00		
40	WAYNE DALE-IN	D	138.00	13.00		
41	WEBSTER-IN	D	34.50	14.00		
42		D	34.50	12.00		
43		D	13.80			
44	WES-DEL-IN	D	138.00	13.00		
45	WEST END-IN	D	34.50	13.00		
46		D	34.50	4.00		
47	WEST SIDE-IN	T	138.00	69.00	34.00	
48		T	138.00	13.00		

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr)	12/31/05	
SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
7	1					1
			STATCAP	1	10	2
11	1					3
			STATCAP	1	14	4
36	2					5
			REACTOR	4	200	6
3000	6	1				7
			REACTOR	1	20	8
20	1					9
20	1					10
45	2					11
			STATCAP	1	14	12
150	1					13
150	1					14
11	1					15
22	2					16
10	2					17
22	1					18
22	1					19
20	1					20
19	2					21
213	2					22
			STATCAP	2	29	23
450	1					24
20	1					25
3	1					26
			STATCAP	1	14	27
20	1					28
20	1					29
75	1					30
			STATCAP	1	44	31
11	1					32
			STATCAP	1	7	33
56	1					34
20	1					35
6	1					36
20	1					37
20	1					38
22	1					39
22	1					40
18	4					41
20	1					42
			STATCAP	2	14	43
22	1					44
9	2					45
8	1					46
84	1					47
22	1					48

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/05	
SUBSTATIONS					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1		T	34.50	27.00	
2		T	34.50	4.00	
3		T	34.50		
4	WEST STREET-MI	D	138.00	12.00	
5	WHEELER STREET-MI	D	69.00	12.00	
6	WHITAKER-IN	D	34.50	12.00	
7	WINCHESTER (IM)-IN	T	69.00	34.00	
8		T	69.00	13.00	
9		T	69.00		
10	WOODBURN-IN	D	69.00	13.00	
11					
12	114 STATIONS UNDER 10 MVA	T/D			
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
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40					
41					
42					
43					
44					
45					
46					
47					
48					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
45	1					1
8	3	1	STATCAP	1	12	2
20	1					3
11	1					4
20	1					5
17	1					6
26	2					7
			STATCAP	1	11	8
11	1					9
558	140					10
						11
						12
						13
						14
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/05	Year of Report 12/31/05
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ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS

1. Report below the information called for concerning distribution watt-hour metes and line transformers. or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than external demand meters. by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's book of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

2. Include watt-hour demand distribution meters, but not external demand meters.

3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters

Line No.	Item (a)	Number of Watt-Hours Meters (b)	LINE TRANSFORMERS	
			Number (c)	Total Capacity (In Mva) (d)
1	Number at Beginning of Year	765,006	183,925	7,947
2	Additions During Year			
3	Purchases	147,470	5,594	340
4	Associated with Utility Plant Acquired			
5	Other	160,577		
6	TOTAL Additions (Enter Total of lines 3 and 4)	308,047	5,594	340
7	Reduction During Year			
8	Retirements	133,210	2,814	117
9	Associated with Utility Plant Sold	48,393		
10	Other	519		
11	TOTAL Reductions (Enter Total of lines 7 and 8)	182,122	2,814	117
12	Number at End of Year (Lines 1+ 5 - 9)	890,931	186,705	8,170
13	In Stock	294,762	4,034	215
14	Locked Meters on Customers' Premises	45,712		
15	Inactive Transformers on System			
16	In Customers' Use	550,154	182,671	7,955
17	In Companys' Use	303		
18	Total End of Year (Enter Total of lines 11 to 15. This line should equal line 10)	890,931	186,705	8,170

NOTES:

2,463 meters leased from City of Fort Wayne through 3/1/2010. The total charge for the entire lease in 2005 was \$1,727,500, as seen on pages 333.1A & 333.1B.

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