

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, 2007										
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 of 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 of 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 of 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, 2008</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, 2008	
<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, 2008								
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.

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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, 2007	
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		
<p>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.</p>		
01 Name Joseph M. Buonaiuto	03 Signature  Joseph M. Buonaiuto	04 Date Signed (Mo, Da, Yr) April 28, 2007
02 Title Controller		

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, 2007
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			
General Information	101		
Control Over Respondent & Other Associated Companies	M 102		
Corporations Controlled by Respondent	103		
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Directors	M 105		
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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)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	M 200-201		
Nuclear Fuel Materials	202-203		
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Electric Plant Leased to Others	213	NA	
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Materials and Supply	227		
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Other Regulatory Assets	232		
Miscellaneous Deferred Debits	233		
Accumulated Deferred Income Taxes (Account 190)	M 234A-B		
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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, 2007
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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Reconciliation of Reported Net Income with Taxable Income for Federal Income Tax	M 261A-B		
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Accumulated Deferred Income Taxes - Accelerated Amortization Property	M 272-273		
Accumulated Deferred Income Taxes - Other Property	M 274-275		
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Customer Choice Sales of Electricity by Rate Schedules	M 305		
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Number of Electric Department Employees	323		
Purchased Power	326-327		
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Transmission of Electricity by Others	332		
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Particulars Concerning Certain Income Deduction and Interest Charges Accounts	M 340		
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Regulatory Commission Expenses	350-351		
Research, Development and Demonstration Activities	352-353		
Distribution of Salaries and Wages	354-355		
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ELECTRIC PLANT STATISTICAL DATA			
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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, 2007
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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	
Electric Distribution Meters and Line Transformers	429	
Environmental Protection Facilities	430	NA
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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	
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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 from Disposition of Utility Plant	235A-B	NA
Unamortized Loss and Gain on Reacquired Debt	237A-B	
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255	
Notes Payable	260A	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, 2007
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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	
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Summary of Costs Billed to Associated Companies	358-359	
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Monthly Transmission System Peak Load	400	NA
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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, 2007
GENERAL INFORMATION			
<p>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.</p> <p>Joseph M. Buonaiuto, Controller</p> <p>1 Riverside Plaza</p> <p>Columbus, OH 43215</p>			
<p>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.</p> <p>Indiana - February 21, 1925</p>			
<p>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.</p> <p>None</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.</p> <p>Electric - Indiana</p> <p>Electric - Michigan</p>			
<p>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?</p> <p>(1) <input type="checkbox"/> Yes...Enter date when such independent accountant was initially engaged: _____.</p> <p>(2) <input checked="" type="checkbox"/> No</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) December 31, 2007	Year of Report December 31, 2007
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
<p>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.</p> <p>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.</p>			
<p>American Electric Power Company, Inc. - Ownership of 100% of the respondent's common stock</p> <p>The following list of subsidiaries was extracted from Exhibit 21 of the company's Form 10-K as filed with the SEC.</p> <p>Subsidiaries of American Electric Power Company, Inc., As of December 31, 2007</p> <p>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.</p> <ul style="list-style-type: none"> 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 Transmission Holding Company, LLC AEP Utilities, Inc. <ul style="list-style-type: none"> AEP Credit, Inc. AEP Texas Central Company <ul style="list-style-type: none"> AEP Texas Central Transition Funding LLC AEP Texas Central Transition Funding II LLC AEP Texas North Company <ul style="list-style-type: none"> AEP Texas North Generation Company LLC CSW Energy, Inc. CSW Energy Services, Inc. CSW International, Inc. Public Service Company of Oklahoma Southwestern Electric Power Company <ul style="list-style-type: none"> Dolet Hills Lignite Company, LLC Southwestern Arkansas Utilities Corporation SWEPCo Capital Trust I The Arklahoma Corporation AEP Utility Funding LLC Appalachian Power Company <ul style="list-style-type: none"> Cedar Coal Co. Central Appalachian Coal Company Central 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, 2007

CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES

Southern Appalachian Coal Company
 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
 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, 2007
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OFFICERS AND EMPLOYEES

1. Report below the name, title and salary for the five executive officers
2. Report in column (b) salaries and wages accrued during the year including deferred compensation.
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).
4. If a change was made during the year in the incumbency of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.
5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.

Line	Name and Title	Base Wages	Other Compensation	Type of Other Compensation	Total Compensation
	(a)	(b)	(c)	(d)	(e)
1	Michael G. Morris Chairman of the Board, President, & Chief Executive Officer	1,204,615	1,800,000 90,000 15,564,436 1,000,426	A B C D	19,659,477
2	Holly K. Koeppel Executive Vice President & Chief Financial Officer	451,731	400,000 38,908 2,139,592 110,036	A B C D	3,140,267
3	Susan Tomasky Executive Vice President	501,923	425,000 42,750 3,370,310 113,631	A B C D	4,453,614
4	Carl L. English Chief Operating Officer	511,961	400,000 45,883 3,166,371 113,057	A B C D	4,237,272
5	Robert P. Powers President - AEP Utilities	491,885	400,000 41,428 2,414,018 59,469	A B C D	3,406,800
6	Thomas M. Hagan Executive Vice President	441,692	373,000 38,763 2,086,342 8,609	A B C D	2,948,406

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, 2007
DIRECTORS			
<p>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.</p> <p>2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.</p>			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Nicholas K. Akins - Vice President ***	Columbus, Ohio	12	600
Karl G. Boyd - Vice President	Columbus, Ohio	0	0
Carl L. English - Vice President ***	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 President, Chief Financial Officer ***	Columbus, Ohio	12	600
Marc E. Lewis - Vice President	Fort Wayne, Indiana	0	0
Susanne M. Moorman Rowe	Fort Wayne, Indiana	0	0
<u>Footnote Data</u>			
1			
2			
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4			
5			

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, 2007
DIRECTORS (cont'd)			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Michael G. Morris - Chairman of Board, Chief Executive Officer **	Columbus, Ohio	12	600
Helen J. Murray - President, Chief Operating Officer	Fort Wayne, Indiana	0	0
Robert P. Powers - Vice Chair. of Bd., Vice President ***	Columbus, Ohio	10	500
Susan Tomasky - Vice President ***	Columbus, Ohio	10	500
<p style="text-align: center;"><u>Footnote Data</u></p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</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, 2007
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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 24, 2007

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, 2007
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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					
12					
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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 / /	Year/Period of Report End of 2007/Q4
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IMPORTANT CHANGES DURING THE QUARTER/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 applicable," 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 therefore 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 condition. 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 any 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 Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Indiana Michigan Power Company			2007/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. None
4. None
5. None
6. \$50,000,000 4.625% City of Rockport, Indiana Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project) Series 2002A, due June 1, 2025.

SEC File No. 35-27872, 70-10088 under the Public Utility Holding Company Act of 1935:

\$1,113,000 Letter of Credit issued by American Electric Power Company, Inc. on behalf of Indiana Michigan Power Company Co to benefit Travelers Insurance/DC Cook Workers Comp.
7. None
8. Wage agreements for 2007 resulted in general increase of 3.1% for represented employees.
9. Please refer to the Notes to Financial Statements Pages 122-123
10. None
11. (Reserved)
12. Not Used

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) 11	Year/Period of Report 2007/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

13. Sandra S. Bennett resigned as Assistant Controller effective March 29, 2007
- E. Kevin Bethel appointed as Assistant Controller effective March 29, 2007
- Susan E. Higginson appointed as Assistant Controller effective March 29, 2007
- Joseph N. Jensen resigned as Vice President – Site Support – Donald C. Cook Plant
- Joseph N. Jensen appointed as Site Vice President – Donald C. Cook Plant
- Mark A. Peifer resigned as Vice President – Site Support – Donald C. Cook Plant
- Mark A. Peifer appointed as Site Vice President – Donald C. Cook Plant
- Michael J. Sullivan resigned as Assistant Controller effective March 29, 2007
- Heather L. Geiger resigned as Secretary effective October 1, 2007
- Mano K. Nazar resigned as Vice President effective November 1, 2007
- Michael W. Rencheck appointed as Vice President effective November 1, 2007
- L. Rahmond Staggers appointed as Secretary effective October 1, 2007
- E. Kevin Bethel resigned as Assistant Controller effective November 30, 2007
14. Proprietary capital ratio exceeds 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) December 31, 2007	Year of Report December 31, 2007
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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	5,727,647,519	6,025,877,244
3	Construction Work in Progress (107)	200-201	183,893,241	122,295,816
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		5,911,540,760	6,148,173,060
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	3,262,944,328	3,381,988,502
6	Net Utility Plant (Enter total of line 4 less 5)		2,648,596,432	2,766,184,558
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)		15,834,455	84,296,278
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		255,694,249	224,782,337
10	Spent Nuclear Fuel (120.4)		117,514,678	154,501,824
11	Nuclear Fuel under Capital Leases (120.6)		0	83,763,353
12	Assemblies (120.5)	202-203	253,901,311	317,611,189
13	Net Nuclear Fuel (Enter total of line 7-11 less 12)		135,142,071	229,732,603
14	Net Utility Plant (Enter total of lines 6 and 13)		2,783,738,503	2,995,917,161
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	35,906,779	32,693,374
19	(Less) Accum.Prov. for Depr. and Amort. (122)	--	14,014,393	13,044,886
20	Investments in Associated Companies (123)	222-223	0	0
21	Investments in Subsidiary Companies (123.1)	224-225	45,774,770	25,440,094
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	23,289,824	20,370,620
24	Other Investments (124)		22,794,564	22,652,514
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		1,248,318,553	1,346,798,391
29	Special Funds (Non-Major Only) (129)		0	47,408,796
30	Long-Term Portion of Derivative Assets (175)		59,052,743	41,542,715
31	Long-Term Portion of Derivative Assets - Hedges (176)		84,409	125,383
32	TOTAL Other Property and Investments (Total of lines 18 thru 21, 23 thru 31)		1,421,207,249	1,523,987,001
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-Major Only) (130)		0	0
35	Cash (131)	--	1,363,971	1,127,948
36	Special Deposits (132-134)	--	8,220,296	5,275,512
37	Working Fund (135)	--	5,000	10,800
38	Temporary Cash Investments (136)	222-223	0	0
39	Notes Receivable (141)	226A	0	0
40	Customer Accounts Receivable (142)	226A	67,816,145	58,524,346
41	Other Accounts Receivable (143)	226A	16,116,425	13,737,996
42	(Less) Accum.Prov. for Uncoll. Acct.- Credit (144)	226A	601,056	2,710,512
43	Notes Receivable from Assoc. Companies (145)	226B	0	0
44	Accounts Receivable from Assoc. Companies (146)	226B	106,443,995	90,003,595
45	Fuel Stock (151)	227	62,837,672	59,263,106
46	Fuel Stock Expenses Undistributed (152)	227	1,831,141	2,078,757
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	121,190,597	129,406,913
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	1,750,990	2,502,333
51	Nuclear Materials Held for Sale (157)	202-203, 207	0	0
52	Allowances (158.1 and 158.2)	228-229	30,301,271	29,845,860

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, 2007
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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	---	23,289,824	20,370,620
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)	---	34,085,643	6,582,318
58	Advances for Gas (166-167)	---	0	0
59	Interest and Dividends Receivable (171)	---	0	0
60	Rents Receivable (172)	---	7,626	58,234
61	Accrued Utility Revenues (173)	---	2,206,082	16,206,684
62	Misc Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		122,817,916	74,435,757
64	(Less) LT Portion of Derivative Inst. Assets (175)		59,052,743	41,542,715
65	Derivative Instrument Assets - Hedges (176)		6,071,084	566,799
66	(Less) LT Portion of Derivative Inst. Assets - Hedges (176)		84,409	125,383
67	TOTAL Current and Accrued Assets (Enter total of lines 34 thru 66)		500,037,822	424,877,728
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)	---	16,073,972	15,526,840
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	352,208,477	280,403,495
73	Prelim. Survey & Invest. Charges (Elec) (183)	231	0	589,398
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	32,439,026	34,972,245
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	16,998,506	15,254,597
82	Accumulated Deferred Income Taxes (190)	234	649,221,139	684,370,419
83	Unrecovered Purchased Gas Costs (191)	---	0	0
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		1,066,941,120	1,031,116,994
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		5,771,924,694	5,975,898,884

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, 2007
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	8,082,400	8,080,200
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	4,317,965	4,317,933
7	Other Paid-In Capital (208-211)	253	856,972,914	856,973,599
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	381,773,371	483,463,999
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	4,923,495	88,819
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)	(12,815,431)	(13,948,239)
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		1,299,838,580	1,395,560,177
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	1,559,083,410	1,571,022,855
22	Unamortized Premium on Long-Term Debt (225)	---	0	0
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---	3,948,573	3,596,166
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		1,555,134,837	1,567,426,689
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)		27,073,295	77,176,965
27	Accumulated Prov. for Property Insurance (228.1)		0	0
28	Accumulated Prov. for Injuries and Damage (228.2)		93,204	89,580
29	Accumulated Prov. for Pensions and Benefits (228.3)		65,295,457	46,392,396
30	Accumulated Misc. Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		42,623,248	26,306,556
33	LT Portion of Derivative Instrument Liabilities - Hedges		17,786	75,047
34	Asset Retirement Obligations (230)		675,985,477	711,924,399
35	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 34)		811,088,467	861,964,943
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		146,733,488	184,435,002
39	Notes Payable to Associated Companies (233)		114,623,110	49,960,405
40	Accounts Payable to Associated Companies (234)		65,449,526	61,726,772
41	Customer Deposits (235)		34,945,719	28,854,533
42	Taxes Accrued (236)	262-263	32,330,058	57,249,939
43	Interest Accrued (237)		13,948,587	23,509,814
44	Dividends Declared (238)		84,903	84,874
45	Matured Long-Term Debt (239)		0	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, 2007
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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)		3,002,321	3,337,440
48	Misc. Current and Accrued Liabilities (242)		95,172,459	90,828,968
49	Obligations Under Capital Leases -Current (243)		15,983,112	43,381,779
50	Derivative Instrument Liabilities (244)		94,120,890	53,868,475
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		42,623,248	26,306,556
52	Derivative Instrument Liabilities - Hedges (245)		603,218	1,590,964
53	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		17,786	75,047
54	TOTAL Current and Accrued Liabilities (Enter total of lines 37 thru 53)		574,356,357	572,447,362
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		1,600,477	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	67,243,083	62,190,106
58	Deferred Gains from Disposition of Utility Plt. (256)	270	0	0
59	Other Deferred Credits (253)	269	80,800,505	86,985,880
60	Other Regulatory Liabilities	278	387,595,665	403,239,107
61	Unamortized Gain on Reacquired Debt (257)	237	28,675	26,963
62	Accum. Deferred Income Taxes-Accel. Amort. (281)		353,186	323,754
63	Accum. Deferred Income Taxes-Other Property (282)		469,985,198	474,537,634
64	Accum. Deferred Income Taxes-Other (283)	272-277	523,899,664	551,196,269
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		1,531,506,453	1,578,499,713
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		5,771,924,694	5,975,898,884

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, 2007	Year of Report December 31, 2007
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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 (I,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	2,006,310,907	1,893,316,452
3	Operating Expenses			
4	Operation Expenses (401)	320-323	1,222,776,619	1,126,045,113
5	Maintenance Expenses (402)	320-323	216,861,531	190,866,036
6	Depreciation Expenses (403)	336-337	157,429,415	176,257,130
7	Depreciation Expenses for Asset Retirement Costs (403.1)		5,504,242	30,031,368
8	Amortization and Depl. of Utility Plant (404-405)	336-337	24,388,935	21,326,612
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		2,451,839	2,430,441
13	(Less) Regulatory Credits			
14	Taxes Other Than Income Taxes (408.1)	262-263	69,825,841	68,999,861
15	Income Taxes-Federal (409.1)	262-263	72,649,228	63,520,579
16	-Other (409.1)	262-263	4,617,833	7,331,681
17	Provision for Deferred Income Taxes (410.1)	234,272-276	241,411,910	154,493,472
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	243,804,942	140,258,887
19	Investment Tax Credit Adj.- Net (411.4)	266-267	(5,397,362)	(7,252,623)
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B	84,987	87,342
21	Losses from Disposition of Utility Plant (411.6)	235A-B	0	17,910
22	(Less) Gains from Disposition of Allowances		14,389,287	13,713,518
23	Losses from Disposition of Allowances		3,248	0
24	Accretion Expense (411.10)		26,953,936	25,937,651
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,781,218,051	1,705,965,536
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		225,092,856	187,350,916

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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 explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding 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 departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank 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
2,006,310,907	1,893,316,452					2
						3
1,222,776,619	1,126,045,113					4
216,861,531	190,866,036					5
157,429,415	176,257,130					6
5,504,242	30,031,368					7
24,388,935	21,326,612					8
20,052	20,052					9
0	0					10
0	0					11
2,451,839	2,430,441					12
0	0					13
69,825,841	68,999,861					14
72,649,228	63,520,579					15
4,617,833	7,331,681					16
241,411,910	154,493,472					17
243,804,942	140,258,887					18
(5,397,362)	(7,252,623)					19
84,987	87,342					20
0	17,910					21
14,389,287	13,713,518					22
3,248	0					23
26,953,936	25,937,651					24
1,781,218,051	1,705,965,536	0	0	0	0	25
225,092,856	187,350,916	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, 2007
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 (Carried forward from page 114)		225,092,856	187,350,916
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282		
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282	0	2,101
33	Revenues From Nonutility Operations (417)	282	82,715,392	80,286,864
34	(Less) Expenses of Nonutility Operations (417.1)	282	75,552,216	73,173,527
35	Nonoperating Rental Income (418)	282	216,657	236,962
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282	(334,795)	267,859
37	Interest and Dividend Income (419)	282	1,503,039	8,902,432
38	Allowance for Other Funds Used During Construction (419.1)	282	4,521,997	7,937,177
39	Miscellaneous Nonoperating Income (421)	282	(541,865)	142,414
40	Gain on Disposition of Property (421.1)	280	41,040	882,840
41	TOTAL Other Income (enter Total of lines 31 thru 40)		12,569,249	25,480,920
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)	280	2,056	147,801
44	Miscellaneous Amortization (425)	340		
45	Donations (426.1)		4,647,981	4,693,559
46	Life Insurance (426.2)			
47	Penalties (426.3)		2,787,672	83,651
48	Exp. For Certain Civic, Political & Related Activities (426.4)		650,443	530,301
49	Other Deductions (426.5)		8,947,953	9,928,414
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		17,036,105	15,383,726
51	Taxes Applicable to Other Income and Deductions			
52	Taxes Other Than Income Taxes (408.2)	262-263	5,125,647	4,833,282
53	Income Taxes - Federal (409.2)	262-263	(8,823,732)	(565,263)
54	Income Taxes - Other (409.2)	262-263	813,632	(541,904)
55	Provision for Deferred Income Taxes (410.2)	234,272-276	21,400,544	17,746,520
56	(Less) Provision for Deffered Income Taxes - Cr. (411.2)	234,272-276	16,541,526	18,309,205
57	Investment Tax Credit Adjustment - Net (411.5)	264-265	344,385	(472,618)
58	(Less) Investment Tax Credits (420)	264-265		
59	TOTAL Taxes on Other Income and Deductions (total of 52 thru 58)		2,318,950	2,690,812
60	Net Other Income and Deductions (total of lines 41,50 & 59)		(6,785,806)	7,406,382
61	INTEREST CHARGES			
62	Interest on Long-Term Debt (427)	257	73,174,563	68,988,722
63	Amort. Of Debt Disc. And Expense (428)	256-257	2,586,865	2,540,593
64	Amortizaiton of Loss on Reacquired Debt (428.1)		1,950,862	1,939,898
65	(Less) Amort. Of Premium on Debt-Credit (429)	256-257		
66	(Less) Amort. of Gain on Reacquired Debt-Credit (429.1)		1,712	1,712
67	Interest on Debt to Associated Companies (430)	257-340	3,554,382	3,821,867
68	Other Interest Expense (431)	340	5,489,178	3,932,302
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		5,315,419	7,465,239
70	Net Interest Charges (total of lines 62 thru 69)		81,438,719	73,756,431
71	Income Before Extraordinary Items (total lines 27,60,70)		136,868,331	121,000,867
72	EXTRAORDINARY ITEMS			
73	Extraordinary Income (434)	342	0	216,074
74	(Less) Extraordinary Deductions (435)	342		
75	Net Extraordinary Items (total line 73 less line 74)		0	216,074
76	Income Taxes-Federal and Other (409.3)	262-263	0	75,626
77	Extraordinary Items After Taxes (Enter Total of lines 75 less line 76)		0	140,448
78	Net Income (Enter Total of lines 71 and 77)		136,868,331	121,141,315

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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	81,082,627	
3 Account 281	4,357	
4 Account 282	26,287,851	
5 Account 283	134,037,073	
6 Account 284		
7 Reconciling Adjustments	2	
8 TOTAL Account 410.1 (on pages 114-115 line 17)	241,411,910	
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	129,173,061	
12 Account 281	33,789	
13 Account 282	19,556,254	
14 Account 283	95,041,836	
15 Account 284		
16 Reconciling Adjustments	2	
17 TOTAL Account 411.1 (on page 114-115 line 18)	243,804,942	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	(5,397,362)	
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	(5,397,362)	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
	81,082,627	15,757,508	96,840,135	2
	4,357		4,357	3
	26,287,851	0	26,287,851	4
	134,037,073	5,643,036	139,680,109	5
				6
	2	-		7
0	241,411,910			8
		21,400,544		9
				10
	129,173,061	7,389,660	136,562,721	11
	33,789		33,789	12
	19,556,254	0	19,556,254	13
	95,041,836	9,151,866	104,193,702	14
				15
	2	(1.00)		16
0	243,804,942			17
		16,541,526		18
				19
				20
	(5,397,362)		(5,397,362)	21
				22
				23
				24
0	(5,397,362)	0		25
		344,385		26
		0		27

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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
- State the purpose and amount for each reservation or appropriation of retained earnings.
- 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.
- Show dividends for each class and series of capital stock.
- Show separately the state and federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)
- Explain in a footnote the basis for determining the amount reserved 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.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		380,738,834
2	Changes (<i>Identify by prescribed retained earnings accounts</i>)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Adoption of FASB Interpretation No. 48, net of tax of \$283,265	Various	327,061
5	Credit: Unrealized gain on securities		
6	Credit: Taxes related to unrealized gain on securities		
7	Credit: Minimum pension liability		
8	Credit: Taxes related to Minimum pension liability		
9	TOTAL Credits to Retained Earnings (439)		327,061
10	Debit:		0
11	Debit:		
12	Debit:		
13	Debit:		
14	TOTAL Debits to Retained Earnings (439)		0
15	Balance Transferred from Income (Account 433 Less Account 418.1)		137,203,126
16	Appropriations of Retained Earnings (Account 436)		
17	Excess Earnings on Hydro Licensed Projects	215.1	(166,126)
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Account 436)		(166,126)
23	Dividends Declared-Preferred Stock (Account 437)		
24	Preferred Stock Series 4-1/8%	238	(228,293)
25	Preferred Stock Series 4.12%	238	(45,547)
26	Preferred Stock Series 4.56%	238	(65,719)
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Account 437)		(339,559)

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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	(40,000,000)
31			
32			
33			
34			
35	TOTAL Dividends Declared-Common Stock (Account 438)		(40,000,000)
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings		4,500,000
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		482,263,336
APPROPRIATED RETAINED EARNINGS (Account 215)			
	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.		
38			
39			
40			
41			
42			
43	TOTAL Appropriated Retained Earnings (Account 215)		0
APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
	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.		
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		1,200,663
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		1,200,663
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		483,463,999
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
47	Balance-Beginning of Year (Debit or Credit)		4,923,495
48	Equity in Earnings for Year (Credit) (Account 418.1)		(334,795)
49	(Less) Dividends Received (Debit)		4,500,000
50	Other Changes (Explain)		119
51	Balance-End of Year (Enter Total of lines 47 thru 50)		88,819

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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	136,868,331	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	187,342,644	
5	Amortization of (Specify)		
6	Accretion of ARO	26,953,936	
7	Nuclear Fuel	65,165,769	
8	Regulatory Debits and Credits	2,451,839	
9	Deferred Income Taxes (Net)	2,465,986	
10	Investment Tax Credit Adjustment (Net)	(5,052,977)	
11	Net (Increase) Decrease in Receivables	20,607,033	
12	Net (Increase) Decrease in Inventory	(5,640,707)	
13	Net (Increase) Decrease in Allowances Inventory	455,411	
14	Net (Increase) Decrease in Payables and Accrued Expenses	2,353,191	
15	Net (Increase) Decrease in Other Regulatory Assets	15,333,653	
16	Net (Increase) Decrease in Other Regulatory Liabilities	3,467,189	
17	(Less) Allowance for Other Funds Used During Construction	4,521,997	
18	(Less) Undistributed Earnings from Subsidiary Companies	(4,834,795)	
19	Other: Misc Utility Plant	(13,773,218)	
20	Other Investments	95,640	
21	Special Deposits	2,940,469	
22	Prepayments	6,900,582	
23	Accrued Utility Revenues	(14,000,602)	
24	Misc Deferred Debits	(1,973,454)	
25	Other Assets	13,342,688	
26	Accumulated Other Comprehensive Income	(3,189,369)	
27	Other Long-Term Debt	11,939,445	
28	Accumulated Provision for Pensions and Benefits	1,788,856	
29	Misc Current and Accrued Liabilities	(6,997,439)	
30	Other Deferred Credits	5,986,375	
31	Other Liabilities	(6,893,251)	
32	Customer Deposits	(6,091,186)	
33	Mark to Market Risk Management Contracts	8,129,744	
34			
35			
36	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 35)	451,289,376	
37			
38	Cash Flows from Investment Activities:		
39	Construction and Acquisition of Plant (including land):		
40	Gross Additions to Utility Plant (less nuclear fuel)	(297,575,880)	
41	Gross Additions to Nuclear Fuel	(75,828,678)	
42	Gross Additions to Common Utility Plant		
43	Gross Additions to Nonutility Plant	(108,205)	
44	(Less) Allowance to Other Funds Used During Construction	(4,521,997)	
45	Other:		
46			
47			
48	Cash Outflows for Plant (Total of lines 40 thru 47)	(368,990,766)	
49			
50	Acquisition of Other Noncurrent Assets (d)		
51	Proceeds from Disposal of Noncurrent Assets (d)	2,849,389	
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) Do 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	15,500,000		
55	Disposition of Investments in (and Advances to)			
56	Associated and Subsidiary Companies			
57				
58	Purchase of Investment Securities (a)	(776,843,604)		
59	Proceeds from Sales of Investment Securities (a)	695,918,468		
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	46,410		
67	Net Increase (Decrease) in Payables and Accrued Expenses			
68	Other: Change in Other Cash Deposits, Net	4,314		
69				
70				
71	Net Cash Provided by (Used in) Investing Activities			
72	(Total of lines 50 thru 70)	(431,515,789)		
73				
74	Cash Flows from Financing Activities:			
75	Proceeds from Issuance of:			
76	Long Term Debt (b)			
77	Preferred Stock			
78	Common Stock			
79	Other:			
80				
81				
82	Net Increase in Short-Term Debt (c)			
83	Other: Proceeds from Sale & Leaseback of Nuclear Fuel	85,000,000		
84				
85				
86	Cash Provided by Outside Sources (Total of lines 76 thru 85)	85,000,000		
87				
88	Payments for Retirement of:			
89	Long Term Debt (b)			
90	Preferred Stock	(1,546)		
91	Common Stock			
92	Other:			
93				
94	Net Decrease in Short-Term Debt (c)			
95	Other: Notes Payable/Receivable Associated Companies	(64,662,705)		
96	Dividends on Preferred Stock	(339,559)		
97	Dividends on Common Stock	(40,000,000)		
98	Net Cash Provided by (Used in) Financing Activities			
99	(Total of lines 89 thru 97)	(20,003,810)		
100				
101	Net Increase (Decrease) in Cash and Cash Equivalents			
102	(Total of lines 36, 72 and 99)	(230,223)		
103				
104	Cash and Cash Equivalents at Beginning of Year	1,368,971		
105				
106	Cash and Cash Equivalents at End of Year	1,138,748		

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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		(101,158)		
2	Preceding Qtr/Yr to Date Reclass from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value		(3,751,008)		
4	Total		(3,751,008)		
5	Balance of Account 219 at End of Preceding Year		(3,852,166)		
6	Balance of Account 219 at Beginning of Current Year		(3,852,166)		
7	Current Qtr/Yr to Date Reclass from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value		2,056,561		
9	Total		2,056,561		
10	Balance of Account 219 at End of Current Year		(1,795,605)		

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, Year)	Year of Report December 31, 2007
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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	(2,591,608)	(876,364)	(3,569,130)		
2	235,570	1,112,076	1,347,646		
3	(10,178,711)	3,335,772	(10,593,947)		
4	(9,943,141)	4,447,848	(9,246,301)	121,141,315	111,895,014
5	(12,534,749)	3,571,484	(12,815,431)		
6	(12,534,749)	3,571,484	(12,815,431)		
7	1,006,165	(3,361,868)	(2,355,703)		
8	0	(833,666)	1,222,895		
9	1,006,165	(4,195,534)	(1,132,808)	136,868,331	135,735,523
10	(11,528,584)	(624,050)	(13,948,239)		

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NOTES TO FINANCIAL STATEMENTS

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.

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.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, gbe herein.

references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Where Accounts 189, *Unamortized Loss on Reacquired Debt*, and 257, *Unamortized Gain on Reacquired Debt*, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 16 of Uniform System of Accounts.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

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

All financial statement notes are located on Page 123 in a separate file.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

INDEX OF NOTES TO FINANCIAL STATEMENTS

Glossary of Terms for Notes

1. Organization and Summary of Significant Accounting Policies
2. New Accounting Pronouncements
3. Rate Matters
4. Effects of Regulation
5. Commitments, Guarantees and Contingencies
6. Benefit Plans
7. Nuclear
8. Business Segments
9. Derivatives, Hedging and Financial Instruments
10. Income Taxes
11. Leases
12. Financing Activities
13. Related Party Transactions
14. Property, Plant and Equipment

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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 AEP electric utility subsidiary.
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 electric utility companies.
AEP East companies	APCo, CSPCo, I&M, KPCo and OPCo.
AEPSC	American Electric Power Service Corporation, a service subsidiary providing management and professional services to AEP and its subsidiaries.
AEP System or the System	American Electric Power System, an integrated electric utility system, owned and operated by AEP's electric utility subsidiaries.
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.
AEP West companies	PSO, SWEPCo, TCC and TNC.
AFUDC	Allowance for Funds Used During Construction.
ALJ	Administrative Law Judge.
AOCI	Accumulated Other Comprehensive Income.
APCo	Appalachian Power Company, an AEP electric utility subsidiary.
ARO	Asset Retirement Obligations.
CAA	Clean Air Act.
CO ₂	Carbon Dioxide.
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.).
CSW Operating Agreement	Agreement, dated January 1, 1997, by and among PSO, SWEPCo, TCC and TNC governing generating capacity allocation. This agreement was amended in May 2006 to remove TCC and TNC. AEPSC acts as the agent.
DETM	Duke Energy Trading and Marketing L.L.C., a risk management counterparty.
DOE	United States Department of Energy.
DOJ	United States Department of Justice.
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	FASB Interpretation No.
FIN 47	FASB Interpretation No. 47, "Accounting for Conditional Asset Retirement Obligations."
FIN 48	FIN 48, "Accounting for Uncertainty in Income Taxes" and FASB Staff Position FIN 48-1 "Definition of <i>Settlement</i> in FASB Interpretation No. 48."
GAAP	Accounting Principles Generally Accepted in the United States of America.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

GLOSSARY OF TERMS FOR NOTES (Continued)

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

Term	Meaning
IGCC	Integrated Gasification Combined Cycle, technology that turns coal into a cleaner-burning gas.
IRS	Internal Revenue Service.
IURC	Indiana Utility Regulatory Commission.
I&M	Indiana Michigan Power Company, an AEP electric utility subsidiary.
KGPCo	Kingsport Power Company, an AEP electric distribution subsidiary.
KPCo	Kentucky Power Company, an AEP electric utility subsidiary.
kV	Kilovolt.
KWH	Kilowatthour.
MISO	Midwest Independent Transmission System Operator.
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.
NSR	New Source Review.
OATT	Open Access Transmission Tariff.
OCC	Corporation Commission of the State of Oklahoma.
OPCo	Ohio Power Company, an AEP electric utility subsidiary.
OPEB	Other Postretirement Benefit Plans.
OVEC	Ohio Valley Electric Corporation, which is 43.47% owned by AEP.
PJM	Pennsylvania – New Jersey – Maryland regional transmission organization.
Property, Plant and Equipment	Includes Utility Plant and Nonutility Property.
PSO	Public Service Company of Oklahoma, an AEP electric utility subsidiary.
PUCT	Public Utility Commission of Texas.
PUHCA	Public Utility Holding Company Act.
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 71	Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation."

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NOTES TO FINANCIAL STATEMENTS (Continued)			

GLOSSARY OF TERMS FOR NOTES (Continued)

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

Term	Meaning
SFAS 109	Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes."
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."
SFAS 157	Statement of Financial Accounting Standards No. 157, "Fair Value Measurements."
SFAS 158	Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."
SFAS 159	Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities."
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.
WPCo	Wheeling Power Company, an AEP electric distribution subsidiary.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

As a public utility, I&M engages in the generation and purchase of electric power, and the subsequent sale, transmission and distribution of that power to 583,000 retail customers at December 31, 2007 in its service territory in northern and eastern Indiana and a portion of southwestern Michigan. As a member of the AEP Power Pool, I&M shares the revenues and the costs of the AEP Power Pool's sales to neighboring utilities and power marketers. I&M also sells power at wholesale to municipalities and electric cooperatives. I&M's 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 and relative peak demand changes. 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.

Under unit power agreements, I&M purchases AEGCo's 50% share of the 2,600 MW Rockport Plant capacity unless it is sold to other utilities. AEGCo is an affiliate that is not a member of the AEP Power Pool. An agreement between AEGCo and KPCo provides for the sale of 390 MW of AEGCo's Rockport Plant capacity to KPCo through 2022. Therefore, I&M purchases 910 MW of AEGCo's 50% share of Rockport Plant capacity.

Prior to April 1, 2006, under the SIA, AEPSC allocated physical and financial revenues and expenses from neighboring utilities, power marketers and other power and gas risk management activities among AEP East companies and AEP West companies based on an allocation methodology established at the time of the AEP-CSW merger. Sharing in a calendar year was based upon the level of such activities experienced for the twelve months ended June 30, 2000, which immediately preceded the merger. This activity resulted in an AEP East companies' and AEP West companies' allocation of approximately 91% and 9%, respectively, for revenues and expenses.

Effective April 1, 2006, under the SIA, AEPSC allocates physical and financial revenues and expenses from neighboring utilities, power marketers and other power and gas risk management activities based upon the location of such 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. Margins resulting from other transactions are allocated among the AEP East companies, PSO and SWEPCo in proportion to the marketing realization directly assigned to each zone for the current month plus the preceding eleven months. Accordingly, the 2006 results of operations and cash flows reflect nine months of the SIA change.

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AEPSC conducts power, gas, coal and emission allowance risk management activities on I&M's behalf. I&M shares in the revenues and expenses associated with these risk management activities, as described in the preceding paragraph, with the other AEP East companies, PSO and SWEPCo. Power and gas risk management activities are allocated based on the existing power pool agreement and the SIA. I&M shares in coal and emission allowance risk management activities based on its proportion of fossil fuels burned by the AEP System. 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, coal and emission allowances. The electricity, gas, coal and emission allowance contracts include physical transactions, over-the-counter options and financially-settled swaps and exchange-traded futures and options. AEPSC settles the majority of the physical forward contracts by entering into offsetting contracts.

To minimize the credit requirements and operating constraints when operating within PJM, the AEP East companies as well as KGPCo and WPCo, agreed to a netting of all payment obligations incurred by any of the AEP East companies against all balances due to the AEP East companies, and to hold PJM harmless from actions that any one or more AEP East companies may take with respect to PJM.

I&M is jointly and severally liable for activity conducted by AEPSC on behalf of the AEP East companies, PSO and SWEPCo related to power purchase and sale activity pursuant to the SIA.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rates and Service Regulation

I&M is subject to regulation by the FERC under the Federal Power Act and the Energy Policy Act of 2005 (2005 PUHCA) and maintains accounts in accordance with regulatory guidelines. Rates are regulated by the FERC, the IURC and the MPSC. The IURC and the MPSC approve the retail rates charged and regulates the retail services and operations for the generation and supply of power, a majority of transmission energy delivery services and distribution services.

The FERC regulates wholesale power markets and wholesale power transactions. Wholesale power transactions are generally market-based and are not cost-based regulated unless I&M negotiates and files a cost-based contract with the FERC. I&M enters into wholesale all-requirements power supply contracts with various municipalities and cooperatives that are FERC regulated, cost-based contracts.

The FERC also regulates, on a cost basis, I&M's wholesale transmission service and rates. Retail transmission rates are regulated, on a cost basis, by the IURC and the MPSC.

In addition, the FERC regulates the AEP Power Pool, the CSW Operating Agreement, the East Transmission Equalization Agreement, Transmission Coordination Agreement, System Interim Allowance Agreement and SIA, all of which allocate shared costs and revenues to AEP's utility subsidiaries that are parties to the agreements.

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The Energy Policy Act of 2005 repealed the 1935 PUHCA effective February 8, 2006 and replaced it with the 2005 PUHCA. With the repeal of the 1935 PUHCA, the SEC no longer has jurisdiction over the affiliated activities of registered holding companies, their respective service corporations and their intercompany transactions, which the SEC regulated since 1935 predominantly at cost. Jurisdiction over holding company-related affiliated activities was transferred to the FERC and the required reporting was reduced by the 2005 PUHCA. The FERC also has jurisdiction over the issuances and acquisitions of securities, the acquisition or sale of certain utility assets, mergers with another electric utility or holding company, intercompany transactions, accounting and AEPSC intercompany service billings which are generally at cost. The intercompany sale of non-power goods and non-AEPSC services to affiliates cannot exceed market under the 2005 PUHCA.

Both the FERC and state regulatory commissions are permitted to review and audit the books and records of any company within a public utility holding company system.

Basis of Accounting

I&M's 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 an equity basis.
- The classification of deferred fuel as noncurrent rather than current.
- The classification of interest on deferred fuel as Interest Accrued rather than deferred fuel.
- The requirement to report deferred tax assets and liabilities separately rather than a single amount.
- The classification of accrued taxes as a single amount rather than assets and liabilities.
- The exclusion of current maturities of long-term debt from current liabilities.
- The classification of accrued non-ARO asset removal costs as accumulated depreciation rather than regulatory liabilities.
- The classification of capital lease payments as operating activities instead of financing activities.
- The classification of prepaid pension benefits as current assets instead of noncurrent assets in 2006.
- The classification of change in emission allowances held for speculation as investing activities instead of operating activities.
- The classification of PJM hourly activity for physical transactions as purchases and sales instead of net sales.
- The classification of the adoption of SFAS 158 as a component of Other Comprehensive Income instead of an adjustment to AOCI.
- The classification of certain tax liabilities related to FIN 48 as Deferred Income Taxes, Taxes Accrued or Interest Accrued rather than Deferred Credits.
- The classification of the cumulative effect of adoption of SFAS 123 (Revised 2004) "Share-Based Payment" as an extraordinary item.
- The classification of certain amounts as deferred credits instead of reductions to assets.
- The classification of certain other assets and liabilities as noncurrent instead of current.

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Accounting for the Effects of Cost-Based Regulation

As a cost-based rate-regulated electric public utility company, I&M's financial statements reflect the actions of regulators that result in the recognition of certain revenues and expenses in different time periods than enterprises that are not rate-regulated. In accordance with SFAS 71, 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.

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, long-lived asset impairment, 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

Electric utility property, plant and equipment are stated at original purchase cost. Additions, major replacements and betterments are added to the plant accounts. Normal and routine retirements from the plant accounts, net of salvage, are charged to accumulated depreciation under the group composite method of depreciation. The group composite method of depreciation assumes that on average, asset components are retired at the end of their useful lives and thus there is no gain or loss. The equipment in each primary electric plant account is identified as a separate group. Under the group composite method of depreciation, continuous interim routine replacements of items such as boiler tubes, pumps, motors, etc. result in the original cost, less salvage, being charged to accumulated depreciation. The depreciation rates that are established for the generating plants take into account the past history of interim capital replacements and the amount of salvage received. These rates and the related lives are subject to periodic review. Removal costs are charged to accumulated depreciation provision for cost-based rate-regulated operations. The costs of labor, materials and overhead incurred to operate and maintain the plants are included in operating expenses.

Long-lived assets are required to be tested for impairment when it is determined that the carrying value of the assets may no longer be recoverable or when the assets meet the criteria under SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets."

The fair value of an asset is the amount at which that asset or 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.

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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.

Valuation of Nonderivative Financial Instruments

The book values of Cash, Special Deposits, Working Fund, accounts receivable and accounts payable approximate fair value because of the short-term maturity of these instruments. The book value of the pre-April 1983 spent nuclear fuel disposal liability for I&M 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.

Supplementary Information

For the Year Ended December 31,	<u>2007</u>	<u>2006</u>
	(in thousands)	
Cash Was Paid for:		
Interest (Net of Capitalized Amounts)	\$ 71,247	\$ 83,320
Income Taxes (Net of Refunds)	38,891	56,015
Noncash Acquisitions Under Capital Leases	93,590	5,968
At December 31,		
Noncash Construction Expenditures Included in Accounts Payable	28,642	37,287
Noncash Acquisition of Nuclear Fuel Included in Accounts Payable	83,918	210

Special Deposits

Special Deposits include funds held by trustees primarily margin deposits for risk management activities.

Inventory

Fossil fuel, 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 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, I&M accrues and recognizes, as Accrued Utility Revenues, an estimate of the revenues for energy delivered since the last billing.

AEP Credit factors accounts receivable for I&M.

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Concentrations of Credit Risk and Significant Customers

I&M does not have any significant customers that comprise 10% or more of its Operating Revenues as of December 31, 2007 or 2006.

I&M monitors credit levels and the financial condition of its customers on a continuing basis to minimize credit risk. Management believes adequate provision for credit loss has been made in the financial statements.

Deferred Fuel Costs

The cost of fuel, related chemical and emission allowance consumables is 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 regulatory liabilities and under-recoveries (the excess of fuel costs incurred over fuel revenues billed to customers) are deferred as 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 regulators. On a routine basis, state regulatory commissions audit fuel cost calculations. When a fuel cost disallowance becomes probable, I&M adjusts its deferrals and records provisions for estimated refunds to recognize these probable outcomes.

In general, changes in fuel costs in Indiana (beginning July 1, 2007) and Michigan are reflected in rates in a timely manner through the fuel cost adjustment clauses in place in those states. All or a portion of profits from off-system sales are shared with customers through fuel clauses in some areas of Michigan. In Indiana where fuel clauses have been capped, frozen or suspended for a period of years, fuel costs impacted earnings. The Indiana fuel clause suspension ended June 30, 2007.

Revenue Recognition

Regulatory Accounting

The financial statements 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 or losses that occur due to changes in the fair value of physical and/or 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, I&M records them as assets on the balance sheet. I&M tests for probability of recovery at each balance sheet date and 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, I&M writes off that regulatory asset as a charge against earnings.

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Traditional Electricity Supply and Delivery Activities

I&M recognizes revenues from retail and wholesale electricity supply sales and electricity transmission and distribution delivery services. I&M recognizes the revenues in the financial statements upon delivery of the energy to the customer and includes unbilled as well as billed amounts.

Most of the power produced at the generation plants of the AEP East companies is sold to PJM, the RTO operating in the east service territory, and the AEP East companies purchase power back from the same RTO to supply power to their respective loads. These power sales and purchases are reported on an hourly net basis. In hours where the AEP East companies are required to purchase more power than they sold into PJM to cover retail and wholesale customer obligations, I&M's share of these amounts are reported in Operation Expenses. In hours where the AEP East companies sell more power than they purchased from PJM to cover retail and wholesale customer obligations, I&M's share of these amounts are reported in Operating Revenues. Other RTOs function as balancing organizations and not as an exchange.

For other physical energy purchases that are identified as non-trading with PJM and other counterparties, these purchases are recorded in Operation Expenses.

In general, I&M records expenses upon receipt of purchased electricity and when expenses are incurred, with the exception of certain power purchase contracts that are derivatives and accounted for using MTM accounting. The unrealized MTM amounts are deferred as regulatory assets (for losses) and regulatory liabilities (for gains).

Energy Marketing and Risk Management Activities

AEPSC, on behalf of the AEP East companies, PSO and SWEP Co, engages in wholesale electricity, coal, natural gas and emission allowances marketing and risk management activities focused on wholesale markets where the AEP System owns assets. These 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. Certain energy marketing and risk management transactions are with RTOs.

I&M recognizes its share of revenues and expenses from wholesale marketing and risk management transactions that are not derivatives upon delivery of the commodity. I&M uses MTM accounting for wholesale marketing and risk management transactions that are derivatives unless the derivative is designated in a qualifying cash flow hedge relationship or as a normal purchase or sale. Realized gains and losses on wholesale marketing and risk management transactions are included in Operating Revenues or Miscellaneous Nonoperating Income on a net basis depending upon the location of the transaction. Unrealized MTM gains and losses are included in regulatory assets or regulatory liabilities as appropriate.

Certain qualifying wholesale marketing and risk management derivatives transactions are designated as hedges of future cash flows as a result of forecasted transactions (cash flow hedge). I&M initially records the effective portion of the cash flow hedge's gain or loss as a component of AOCI. When the forecasted transaction is realized and affects earnings, I&M subsequently reclassifies the gain or loss on the hedge from AOCI into revenues or expenses within the same financial statement line item as the forecasted transaction. I&M defers the ineffective portion as regulatory assets (for losses) and regulatory liabilities (for gains). See "Cash Flow Hedging Strategies" section of Note 9.

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Levelization of Nuclear Refueling Outage Costs

In order to match costs with nuclear refueling cycles, I&M defers incremental operation and maintenance costs associated with periodic refueling outages at its Cook Plant and amortizes the costs 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. I&M adjusts the amortization amount as necessary to ensure full amortization of all deferred costs by the end of the refueling cycle.

Maintenance

I&M expenses maintenance costs as incurred. If it becomes probable that I&M 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.

Income Taxes and Investment Tax Credits

I&M uses 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.

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.

I&M accounts for uncertain tax positions in accordance with FIN 48. Effective with the adoption of FIN 48, I&M classified interest expense or interest income related to uncertain tax positions as interest expense or interest income as appropriate and classified penalties as Penalties.

Excise Taxes

I&M, as agents for some state and local governments, collects from customers certain excise taxes levied by those state or local governments on customers. I&M does 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 rate-making treatment unless the debt is refinanced. If the reacquired debt is refinanced, the reacquisition costs are generally deferred and amortized over the term of the replacement debt consistent with its recovery in rates.

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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.

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.

Emission Allowances

I&M records emission allowances at cost, including the annual SO₂ and NO_x emission allowance entitlements received at no cost from the Federal EPA. I&M follows the inventory model for all allowances. 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. Gains or losses on sale of emission allowances held speculatively are recorded in Miscellaneous Nonoperating Income and Other Deductions, respectively. The purchases and sales of allowances are reported in the Operating Activities section of the Statements of Cash Flows except speculative allowance transactions which are reported in Investing Activities.

Nuclear Trust Funds

Nuclear decommissioning and spent nuclear fuel trust funds represent funds that regulatory commissions allow I&M 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 established investment limitations and general risk management guidelines. In general, limitations include:

- Acceptable investments (rated investment grade or above when purchased).
- Maximum percentage invested in a specific type of investment.
- Prohibition of investment in obligations of AEP, I&M or their affiliates.
- Withdrawals permitted only for payment of decommissioning costs and trust expenses.

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

I&M records securities held in these trust funds in Other Special Funds. I&M records these securities at market value. I&M classifies securities in the trust funds as available-for-sale due to their long-term purpose. Upon the issuance of FASB Staff Position 115-1 and 124-1 "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments," I&M considers all nuclear decommissioning trust fund and spent nuclear fuel trust fund investments in unrealized loss positions to be other-than-temporary impairments because I&M does not make specific investment decisions regarding the assets held in trusts. Thus, effective in 2006, the other-than-temporary impairments are considered realized losses and will reduce the cost basis of the securities which will affect any future unrealized gain or realized gains or losses. I&M records unrealized gains and other-than-temporary impairments from securities in these trust funds 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. See Note 7 for additional discussion of nuclear matters.

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Investment in Subsidiary Companies

I&M has 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 the 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.

Reclassifications

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

2. NEW ACCOUNTING PRONOUNCEMENTS

Upon issuance of exposure drafts or final pronouncements, management thoroughly review the new accounting literature to determine its relevance, if any, to I&M's business. The following represents a summary of new final pronouncements that management has determined relate to I&M's operations.

SFAS 141 (revised 2007) "Business Combinations" (SFAS 141R)

In December 2007, the FASB issued SFAS 141R, improving financial reporting about business combinations and their effects. It establishes how the acquiring entity recognizes and measures the identifiable assets acquired, liabilities assumed, goodwill acquired, any gain on bargain purchases and any noncontrolling interest in the acquired entity. SFAS 141R no longer allows acquisition-related costs to be included in the cost of the business combination, but rather expensed in the periods they are incurred, with the exception of the costs to issue debt or equity securities which shall be recognized in accordance with other applicable GAAP. SFAS 141R requires disclosure of information for a business combination that occurs during the accounting period or prior to the issuance of the financial statements for the accounting period.

SFAS 141R is effective prospectively for business combinations with an acquisition date on or after the beginning of the first annual reporting period after December 15, 2008. Early adoption is prohibited. I&M will adopt SFAS 141R effective January 1, 2009 and apply it to any business combinations on or after that date.

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SFAS 157 “Fair Value Measurements” (SFAS 157)

In September 2006, the FASB issued SFAS 157, enhancing existing guidance for fair value measurement of assets and liabilities and instruments measured at fair value that are classified in shareholders’ equity. The statement defines fair value, establishes a fair value measurement framework and expands fair value disclosures. It emphasizes that fair value is market-based with the highest measurement hierarchy level being market prices in active markets. The standard requires fair value measurements be disclosed by hierarchy level, an entity include its own credit standing in the measurement of its liabilities and modifies the transaction price presumption. The standard also nullifies the consensus reached in EITF Issue No. 02-3 “Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities” (EITF 02-3) that prohibited the recognition of trading gains or losses at the inception of a derivative contract, unless the fair value of such derivative is supported by observable market data.

In February 2008, the FASB issued FASB Staff Position (FSP) FAS 157-1 “Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13” which amends SFAS 157 to exclude SFAS 13 “Accounting for Leases” and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under SFAS 13.

In February 2008, the FASB issued FSP FAS 157-2 “Effective Date of FASB Statement No. 157” which delays the effective date of SFAS 157 to fiscal years beginning after November 15, 2008 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually).

I&M partially adopted SFAS 157 effective January 1, 2008. I&M will adopt SFAS 157 effective January 1, 2009 for items within the scope of FSP FAS 157-2. The provisions of SFAS 157 are applied prospectively, except for a) changes in fair value measurements of existing derivative financial instruments measured initially using the transaction price under EITF 02-3, b) existing hybrid financial instruments measured initially at fair value using the transaction price and c) blockage discount factors. Although the statement is applied prospectively upon adoption, in accordance with the provisions of SFAS 157 related to EITF 02-3, amounts for transition adjustment are recorded to beginning retained earnings. The adoption had no impact on I&M’s retained earnings. The impact of considering AEP’s own credit risk when measuring the fair value of liabilities, including derivatives, had an immaterial impact on fair value measurements upon adoption.

SFAS 159 “The Fair Value Option for Financial Assets and Financial Liabilities” (SFAS 159)

In February 2007, the FASB issued SFAS 159, permitting entities to choose to measure many financial instruments and certain other items at fair value. The standard also establishes presentation and disclosure requirements designed to facilitate comparison between entities that choose different measurement attributes for similar types of assets and liabilities. If the fair value option is elected, the effect of the first remeasurement to fair value is reported as a cumulative effect adjustment to the opening balance of retained earnings. The statement is applied prospectively upon adoption.

I&M adopted SFAS 159 effective January 1, 2008. At adoption, I&M did not elect the fair value option for any assets or liabilities.

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***EITF Issue No. 06-10 "Accounting for Collateral Assignment Split-Dollar Life Insurance Arrangements"
(EITF 06-10)***

In March 2007, the FASB ratified EITF 06-10, a consensus on collateral assignment split-dollar life insurance arrangements in which an employee owns and controls the insurance policy. Under EITF 06-10, an employer should recognize a liability for the postretirement benefit related to a collateral assignment split-dollar life insurance arrangement in accordance with SFAS 106 "Employers' Accounting for Postretirement Benefits Other Than Pension" or Accounting Principles Board Opinion No. 12 "Omnibus Opinion - 1967" if the employer has agreed to maintain a life insurance policy during the employee's retirement or to provide the employee with a death benefit based on a substantive arrangement with the employee. In addition, an employer should recognize and measure an asset based on the nature and substance of the collateral assignment split-dollar life insurance arrangement. EITF 06-10 requires recognition of the effects of its application as either (a) a change in accounting principle through a cumulative effect adjustment to retained earnings or other components of equity or net assets in the statement of financial position at the beginning of the year of adoption or (b) a change in accounting principle through retrospective application to all prior periods. I&M adopted EITF 06-10 effective January 1, 2008 with an immaterial effect on its financial statements.

***EITF Issue No. 06-11 "Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards"
(EITF 06-11)***

In June 2007, the FASB ratified the EITF consensus on the treatment of income tax benefits of dividends on employee share-based compensation. The issue is how a company should recognize the income tax benefit received on dividends that are paid to employees holding equity-classified nonvested shares, equity-classified nonvested share units or equity-classified outstanding share options and charged to retained earnings under SFAS 123R, "Share-Based Payments." Under EITF 06-11, a realized income tax benefit from dividends or dividend equivalents that are charged to retained earnings and are paid to employees for equity-classified nonvested equity shares, nonvested equity share units and outstanding equity share options should be recognized as an increase to additional paid-in capital.

I&M adopted EITF 06-11 effective January 1, 2008. EITF 06-11 is applied prospectively to the income tax benefits of dividends on equity-classified employee share-based payment awards that are declared in fiscal years after September 15, 2007. The adoption of this standard had an immaterial impact on the financial statements.

FIN 48 "Accounting for Uncertainty in Income Taxes" and FASB Staff Position FIN 48-1 "Definition of Settlement in FASB Interpretation No. 48" (FIN 48)

In July 2006, the FASB issued FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" and in May 2007, the FASB issued FASB Staff Position FIN 48-1 "Definition of *Settlement* in FASB Interpretation No. 48." FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements by prescribing a recognition threshold (whether a tax position is more likely than not to be sustained) without which, the benefit of that position is not recognized in the financial statements. It requires a measurement determination for recognized tax positions based on the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

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FIN 48 requires that the cumulative effect of applying this interpretation be reported and disclosed as an adjustment to the opening balance of retained earnings for that fiscal year and presented separately. I&M adopted FIN 48 effective January 1, 2007. The impact of this interpretation was a favorable adjustment to retained earnings of \$327 thousand.

FIN 39-1 "Amendment of FASB Interpretation No. 39" (FIN 39-1)

In April 2007, the FASB issued FIN 39-1. It amends FASB Interpretation No. 39 "Offsetting of Amounts Related to Certain Contracts" by replacing the interpretation's definition of contracts with the definition of derivative instruments per SFAS 133. It also requires entities that offset fair values of derivatives with the same party under a netting agreement to also net the fair values (or approximate fair values) of related cash collateral. The entities must disclose whether or not they offset fair values of derivatives and related cash collateral and amounts recognized for cash collateral payables and receivables at the end of each reporting period.

I&M adopted FIN 39-1 effective January 1, 2008. This standard changed the method of netting certain balance sheet amounts and reduced assets and liabilities by an immaterial amount. It requires retrospective application as a change in accounting principle for all periods presented.

Future Accounting Changes

The FASB's standard-setting process is ongoing and until new standards have been finalized and issued by FASB, management cannot determine the impact on the reporting of I&M's operations and financial position that may result from any such future changes. The FASB is currently working on several projects including revenue recognition, liabilities and equity, derivatives disclosures, emission allowances, leases, insurance, subsequent events and related tax impacts. Management also expects 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

I&M is involved in rate and regulatory proceedings at the FERC, the IURC and the MPSC. This note is a discussion of rate matters and industry restructuring related proceedings that could have a material effect on the results of operations and cash flows.

Indiana Rate Matters

Indiana Depreciation Study Filing

In February 2007, I&M filed a request with the IURC for approval of revised book depreciation rates effective January 1, 2007. I&M recommended a decrease in pretax annual depreciation expense on an Indiana jurisdictional basis of approximately \$69 million 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. This petition was not a request for a change in customers' electric service rates. The filing included a settlement agreement that provided for direct benefits to I&M's customers if new lower book depreciation rates were approved by the IURC. The direct benefits included a \$5 million credit to fuel costs and an approximate \$8 million smart metering pilot program. In addition, if the agreement were approved, I&M would initiate a general rate proceeding on or before July 1, 2007.

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In June 2007, the IURC approved the settlement agreement, but modified the effective date of the new book depreciation rates to the date I&M filed a general rate petition. I&M filed its rate petition in June 2007 and reduced its book depreciation rates as agreed in the settlement agreement resulting in an increase of \$37 million in pretax earnings through December 31, 2007. The \$37 million increase was partially offset by a \$5 million regulatory liability, recorded in June 2007, to provide for the agreed-upon fuel credit. I&M's approved book depreciation rates are subject to further review in the general rate case.

Indiana Rate Filing

In January 2008, I&M filed for an increase in its Indiana base rates of \$82 million including a return on equity of 11.5%. The base rate increase includes a previously approved \$69 million reduction in depreciation. The filing requests trackers for certain variable components of the cost of service including PJM RTO costs, reliability enhancement costs, demand side management/energy efficiency costs, off-system sales margins and net environmental compliance costs. The trackers would increase annual revenues by \$46 million. I&M proposes to share 50% of an estimated \$96 million of off-system sales margins with ratepayers with a guaranteed minimum of \$20 million. A decision is expected from the IURC in early 2009.

Michigan Rate Matters

Michigan Restructuring

Customer choice commenced for I&M's Michigan customers on January 1, 2002. Effective on that date, the rates on I&M's 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. Total base rates in Michigan remain unchanged and reflect cost of service. As of December 31, 2007, none of I&M's customers elected to change suppliers and no alternative electric suppliers are registered to compete in I&M's Michigan service territory. As a result, management concluded that as of December 31, 2007, the requirements to apply SFAS 71 continue to be met since I&M's rates for generation in Michigan continue to be cost-based regulated.

Michigan Depreciation Study Filing

In December 2006, I&M filed a depreciation study in Michigan seeking to reduce its book depreciation rates. In September 2007, the MPSC approved a settlement agreement authorizing I&M to implement new book depreciation rates. I&M agreed to decrease pretax annual book depreciation expense, on a Michigan jurisdictional basis, by approximately \$10 million a year starting on October 1, 2007. This petition was not a request for a change in Michigan retail customers' electric service rates. In addition, pursuant to FERC-approved wholesale power sale agreements, I&M will decrease pretax annual book depreciation expense, on a FERC jurisdictional basis, by approximately \$11 million. Pursuant to agreements, the formula rates of approximately one-half of I&M's wholesale customer load changed commensurate with a decrease in FERC revenues in October 2007 and the wholesale rates for the remainder of I&M's formula rate wholesale load will decrease in June 2008. As a result, results of operations will increase by approximately \$12 million in 2008 and by \$10 million annually thereafter until base rates are revised in Michigan. Presently, I&M has no plan to revise base rates in Michigan.

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FERC Rate Matters

Transmission Rate Proceedings at the FERC

SECA Revenue Subject to Refund

Effective December 1, 2004, the AEP East companies eliminated transaction-based through-and-out transmission service (T&O) charges in accordance with FERC orders and collected load-based charges, referred to as RTO SECA, to partially mitigate the loss of T&O revenues on a temporary basis through March 31, 2006. Intervenors objected to the temporary SECA rates, raising various issues. As a result, the FERC set SECA rate issues for hearing and ordered that the SECA rate revenues be collected, subject to refund. The AEP East companies paid SECA rates to other utilities at considerably lesser amounts than they collected. If a refund is ordered, the AEP East companies would also receive refunds related to the SECA rates they paid to third parties. The AEP East companies recognized gross SECA revenues of \$220 million from December 2004 through March 2006 when the SECA rates terminated leaving AEP and ultimately its internal load customers to make up the short fall in revenues. Approximately \$10 million of SECA revenues billed by PJM and recognized by the AEP East companies were not collected. The AEP East companies filed a motion with the FERC to force payment of these uncollected SECA billings. I&M's portion of recognized gross SECA revenues is \$41.3 million.

In August 2006, a FERC ALJ issued an initial decision, finding that the rate design for the recovery of SECA charges was flawed and that a large portion of the "lost revenues" reflected in the SECA rates was not recoverable. The ALJ found that the SECA rates charged were unfair, unjust and discriminatory and that new compliance filings and refunds should be made. The ALJ also found that the unpaid SECA rates must be paid in the recommended reduced amount. As a result, SECA ratepayers are engaged with AEP in settlement discussions. Management has been advised by external FERC counsel that it is probable that the FERC will reverse the ALJ's decision as it is contrary to two prior FERC decisions and lacks merit.

In 2006, the AEP East companies provided reserves of \$37 million for net refunds for current and future SECA settlements. After reviewing existing settlements, the AEP East companies increased their reserves by an additional \$5 million in December 2007. I&M's portion of the provision was \$1 million and \$7 million for the years ended December 31, 2007 and 2006, respectively.

The AEP East companies have reached settlements related to approximately \$69 million of the \$220 million of SECA revenues for a net refund of \$3 million. The AEP East companies are also in the process of completing two settlements-in-principle on an additional \$36 million of SECA revenues and expect to make net refunds of \$4 million when those settlements are approved. Thus, completed and in-process settlements cover \$105 million of SECA revenues and cover about \$7 million of the reserve for refund, leaving approximately \$115 million of contested SECA revenues and \$35 million of refund reserves. However, if the ALJ's initial decision was upheld in its entirety, it could result in a disallowance of approximately \$90 million of the AEP East companies' remaining \$115 million of unsettled gross SECA revenues. Based on advice of external FERC counsel, recent settlement experience and the expectation that most of the unsettled SECA revenues will be settled, management believes that the remaining reserve of \$35 million is adequate to cover all remaining settlements and any uncollectible amounts.

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In September 2006, AEP filed briefs jointly with other affected companies noting exceptions to the ALJ's initial decision and asking the FERC to reverse the decision in large part. Management believes that the FERC should reject the ALJ's initial decision because it contradicts prior related FERC decisions, which are presently subject to rehearing. Furthermore, management believes the ALJ's findings on key issues are largely without merit. As directed by the FERC, management is working to settle the remaining \$115 million of unsettled revenues within the remaining reserve balance. Although management believes it has meritorious arguments and can settle with the remaining customers within the amount provided, management cannot predict the ultimate outcome of ongoing settlement talks and, if necessary, any future FERC proceedings or court appeals. If the FERC adopts the ALJ's decision and/or the AEP East companies cannot settle a significant portion of the remaining unsettled claims within the amount provided, it will have an adverse effect on future results of operations and cash flows.

The FERC PJM Regional Transmission Rate Proceeding

With the elimination of T&O rates and the expiration of SECA rates and after considerable administrative litigation at the FERC in which AEP sought to mitigate the effect of T&O rate elimination, the FERC failed to implement a regional rate in PJM. As a result, the AEP East companies' retail customers incur the bulk of the cost of the existing AEP east transmission zone facilities. However, the FERC ruled that the cost of any new 500 kV and higher voltage transmission facilities built in PJM will be shared by all customers in the region. It is expected that most of the new 500 kV and higher voltage transmission facilities will be built in other zones of PJM, not AEP's zone. The AEP East companies will need to obtain regulatory approvals for recovery of any costs of new facilities that are assigned to them. AEP had requested rehearing of this order which the FERC denied. Management expects to file an appeal. Management cannot estimate at this time what effect, if any, this order will have on the AEP East companies' future construction of new transmission facilities, results of operations and cash flows.

The AEP East companies are presently recovering from retail customers approximately 85% of the AEP System's lost T&O/SECA transmission revenues of \$128 million a year. I&M requested recovery of these lost revenues in its Indiana rate filing in late January 2008 but does not expect to commence recovering the new rates until early 2009. Future results of operations and cash flows will continue to be adversely affected in Indiana and Michigan until the remaining lost T&O/SECA transmission revenues are recovered in retail rates.

The FERC PJM and MISO Regional Transmission Rate Proceeding

In the SECA proceedings, the FERC ordered the RTOs and transmission owners in the PJM/MISO region (the Super Region) to file, by August 1, 2007, a proposal to establish a permanent transmission rate design for the Super Region effective February 1, 2008. All of the transmission owners in PJM and MISO, with the exception of AEP and one MISO transmission owner, voted to continue zonal rates in both RTOs. In September 2007, AEP filed a formal complaint proposing a highway/byway rate design be implemented for the Super Region where users pay based on their use of the transmission system. AEP argues the use of other PJM and MISO facilities by AEP is not as large as the use of AEP's transmission by others in PJM and MISO. Therefore, a regional rate design change is required to recognize that the provision and use of transmission service in the Super Region is not sufficiently uniform between transmission owners and users to justify zonal rates. In January 2008, the FERC denied AEP's complaint. Management expects to file for rehearing. Should this effort be successful, AEP would reduce future retail rates in fuel or base rate proceedings. Management is unable to predict the outcome of this case.

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PJM Marginal-Loss Pricing

In June 2007, in response to a 2006 FERC order, PJM revised its methodology for considering transmission line losses in generation dispatch and the calculation of locational marginal prices. Marginal-loss dispatch recognizes the varying delivery costs of transmitting electricity from individual generator locations to the places where customers consume the energy. Prior to the implementation of marginal-loss dispatch, PJM used average losses in dispatch and in the calculation of locational marginal prices. Locational marginal prices in PJM now include the real-time impact of transmission losses from individual sources to loads.

Due to the implementation of marginal-loss pricing, for the period June 1, 2007 through December 31, 2007, AEP experienced an increase in the cost of delivering energy from its generating plants to customer load zones which was partially offset by cost recoveries. Management believes these additional costs should be recoverable through retail and/or cost-based wholesale rates. I&M's share of these incremental PJM billings for the period June through December 2007 was \$19 million.

I&M filed a request to increase rates in Indiana in January 2008, which includes a request to recover these incremental PJM billings prospectively commensurate with the collection of the new rate. The IURC will probably not act on I&M's request for collection until early 2009. I&M also plans to seek recovery in Michigan. Management is unable to predict whether recovery will ultimately be approved in Indiana and Michigan.

AEP has initiated discussions with PJM regarding the impact it is experiencing from the change in methodology and will pursue a modification of such methodology through the appropriate PJM stakeholder processes.

Allocation of Off-system Sales Margins

In 2004, intervenors and OCC staff argued that AEP had inappropriately under allocated off-system sales credits to PSO by \$37 million under a FERC-approved allocation agreement. Also in 2004, an ALJ found that the OCC lacked authority to examine whether AEP deviated from the FERC-approved allocation methodology for off-system sales margins and held that any such complaints should be addressed at the FERC.

In August 2007, the OCC issued an order adopting an ALJ's recommendation that the allocation of system sales/trading margins is a FERC jurisdictional issue. In October 2007, the OCC orally directed the OCC staff to explore filing a complaint at FERC alleging the allocation of off-system sales margins to PSO was improper.

In December 2007, some cities served by TNC requested the PUCT to initiate, or order TNC to initiate a proceeding at the FERC to determine if TNC misapplied its tariff. In January 2008, TNC filed a response with the PUCT recommending the cities' request be denied.

To date, no claim has been asserted at the FERC. Although management cannot predict if a complaint will be filed at the FERC, management believes the allocations were in accordance with the then-existing FERC-approved allocation agreement and additional off-system sales margins should not be retroactively reallocated to the AEP West companies. A reallocation of off-system sales margins from the AEP East companies to the AEP West companies could result in an adverse effect on future results of operations and cash flows.

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4. EFFECTS OF REGULATION

Regulatory Assets and Liabilities

Regulatory assets and liabilities are comprised of the following items:

	2007	2006	Notes
	(in thousands)		
Regulatory Assets:			
SFAS 109 Regulatory Asset (Note 10)	\$ 150,461	\$ 159,893	(a) (g)
SFAS 158 Regulatory Asset (Note 6)	57,517	101,673	(a) (g)
Cook Nuclear Plant Refueling Outage Levelization	33,891	46,864	(a) (f)
Other	38,534	43,778	(c) (g)
Total FERC Account 182.3 Regulatory Assets	<u>\$ 280,403</u>	<u>\$ 352,208</u>	
Unamortized Loss on Reacquired Debt (d)	<u>\$ 15,255</u>	<u>\$ 16,999</u>	(b) (i)
Regulatory Liabilities:			
SFAS 109 Regulatory Liability (Note 10)	\$ 43,479	\$ 48,858	(a) (g)
Excess ARO for Nuclear Decommissioning (Note 7)	361,599	322,746	(e)
Other	57,840	69,341	(c) (g)
Total FERC Account 254 Regulatory Liabilities	<u>\$ 462,918</u>	<u>\$ 440,945</u>	
Deferred Investment Tax Credits (d)	<u>\$ 62,244</u>	<u>\$ 67,324</u>	(a) (h)

- (a) Amount does not earn a return.
- (b) Amount effectively earns a return.
- (c) A portion of this amount effectively earns a return.
- (d) Recorded in an account other than regulatory asset or liability on the balance sheet.
- (e) This is the difference in the cumulative amount of removal costs recovered through rates and the cumulative amount of ARO as measured by applying SFAS 143. This amount earns a return, accrues monthly and will be paid when the nuclear plant is decommissioned.
- (f) Amortized over the period beginning with the commencement of an outage and ending with the beginning of the next outage.
- (g) Recovery/refund period – various periods.
- (h) Recovery/refund period – up to 79 years.
- (i) Recovery/refund period – up to 25 years.

Merger with CSW

On June 15, 2000, AEP merged with CSW so that CSW became a wholly-owned subsidiary of AEP. The key provisions of the merger rate agreements were rate reductions starting the third quarter 2000 through 2007 of \$8.4 million per year in Indiana and \$1.8 million per year in Michigan. Rates will remain in effect until I&M changes base rates. In January 2008, I&M filed a base rate filing in Indiana. See "Indiana Rate Filing" section of Note 3 for additional information. I&M will file for new base rates in Michigan when appropriate.

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5. COMMITMENTS, GUARANTEES AND CONTINGENCIES

I&M is subject to certain claims and legal actions arising in its ordinary course of business. In addition, I&M's business activities are subject to extensive governmental regulation related to public health and the environment. The ultimate outcome of such pending or potential litigation cannot be predicted. For current proceedings not specifically discussed below, management does not anticipate that the liabilities, if any, arising from such proceedings would have a material adverse effect on the financial statements.

Insurance and Potential Losses

I&M maintains insurance coverage normal and customary for electric utilities, subject to various deductibles. Insurance coverage includes all risks of physical loss or damage to nonnuclear assets, subject to insurance policy conditions and exclusions. Covered property generally includes power plants, substations, facilities and inventories. Excluded property generally includes transmission and distribution lines, poles and towers. The insurance programs also generally provide coverage against loss arising from certain claims made by third parties and are in excess of I&M's retentions. Coverage is generally provided by a combination of a South Carolina domiciled insurance company together with and/or in addition to various industry mutual and commercial insurance carriers.

See Note 7 for a discussion of I&M's nuclear exposures and related insurance.

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.

COMMITMENTS

Construction and Commitments

I&M has substantial construction commitments to support its operations and environmental investments. In managing the overall construction program and in the normal course of business, I&M contractually commits to third-party construction vendors for certain material purchases and other construction services. I&M's estimated construction expenditures for 2008, 2009 and 2010 are \$385.7 million, \$440.2 million and \$380.3 million, respectively, and total \$1.2 billion for 2008 through 2010. 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, weather, legal reviews and the ability to access capital.

I&M enters into long-term contracts to acquire fuel for electric generation and transport it to its facilities. The longest contract extends to 2014. The contracts provide for periodic price adjustments and contain various clauses that would release I&M from its obligations under certain conditions.

I&M purchases materials, supplies, services and property, plant and equipment under contract as part of its normal course of business. Certain supply contracts contain penalty provisions for early termination. Management does not expect to incur penalty payments under these provisions that would materially affect results of operations, cash flows or financial condition.

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GUARANTEES

There is no collateral held in relation to any guarantees. In the event any guarantee is drawn, there is no recourse to third parties unless specified below.

Letters of Credit

I&M enters 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. These LOCs were issued in the ordinary course of business. At December 31, 2007, I&M's maximum future payments of the LOCs include \$1 million with a maturity of March 2008.

Indemnifications and Other Guarantees

Contracts

I&M enters 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. There are no material liabilities recorded for any indemnifications.

The AEP East companies, PSO and SWEPCo are jointly and severally liable for activity conducted by AEPSC on behalf of the AEP East companies, PSO and SWEPCo related to power purchase and sale activity conducted pursuant to the SIA.

Master Operating Lease

I&M leases 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, I&M has 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. Historically, at the end of the lease term the fair market value has been in excess of the unamortized balance. At December 31, 2007, the 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 \$6 million.

CONTINGENCIES

Federal EPA Complaint and Notice of Violation

The Federal EPA, certain special interest groups and a number of states alleged that APCo, CSPCo, I&M and OPCo modified certain units at their coal-fired generating plants in violation of the NSR requirements of the CAA. The Federal EPA filed its complaints in U.S. District Court for the Southern District of Ohio. The alleged modifications occurred over a 20-year period.

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In December 2007, the U.S. District Court approved the AEP System's consent decree with the Federal EPA, the DOJ, the states and the special interest groups. The consent decree resolved all issues related to various parties' claims in the NSR cases.

Under the consent decree, the AEP System agreed to annual SO₂ and NO_x emission caps for sixteen coal-fired power plants located in Indiana, Kentucky, Ohio, Virginia and West Virginia. In addition to completing the installation of previously announced environmental retrofit projects at many of the plants, AEGCo and I&M agreed to install selective catalytic reduction (SCR) and flue gas desulfurization (FGD or scrubbers) emissions control equipment on their jointly-owned Rockport Plant. Unit 1 at the Rockport Plant will be retrofit no later than the end of 2017, and Unit 2 will be retrofit no later than the end of 2019.

Under the consent decree, the AEP System paid a \$15 million civil penalty in 2008 and provided \$36 million for environmental projects coordinated with the federal government and \$24 million to the states for environmental mitigation. I&M expensed its share of these amounts in 2007 as follows:

<u>Penalty</u>	<u>Environmental Mitigation Costs</u>	<u>Total Expensed in September 2007</u>
(in thousands)		
\$ 2,770	\$ 11,503	\$ 14,273

Management believes that I&M can recover any capital and operating costs of additional pollution control equipment that may be required as a result of the consent decree through future regulated rates or market prices of electricity. If I&M is unable to recover such costs, it would adversely affect future results of operations, cash flows and possibly financial condition.

Carbon Dioxide (CO₂) Public Nuisance Claims

In 2004, eight states and the City of New York filed an action in federal district court for the Southern District of New York against AEP, AEPSC, Cinergy Corp, Xcel Energy, Southern Company and Tennessee Valley Authority. The Natural Resources Defense Council, on behalf of three special interest groups, filed a similar complaint against the same defendants. The actions allege that CO₂ emissions from the defendants' power plants constitute a public nuisance under federal common law due to impacts of global warming, and sought injunctive relief in the form of specific emission reduction commitments from the defendants. The dismissal of this lawsuit was appealed to the Second Circuit Court of Appeals. Briefing and oral argument have concluded. In April 2007, the U.S. Supreme Court issued a decision holding that the Federal EPA has authority to regulate emissions of CO₂ and other greenhouse gases under the CAA, which may impact the Second Circuit's analysis of these issues. The Second Circuit requested supplemental briefs addressing the impact of the Supreme Court's decision on this case. Management believes the actions are without merit and intends to defend 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, the generating plants and transmission and distribution facilities have used asbestos, polychlorinated biphenyls (PCBs) and other hazardous and nonhazardous materials. I&M currently incurs costs to safely dispose of these substances.

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Superfund addresses clean-up of hazardous substances that have been released to the environment. The Federal EPA administers the clean-up programs. Several states have enacted similar laws. At December 31, 2007, I&M was named as a Potentially Responsible Party (PRP) for two sites by the Federal EPA. There was one additional site for which I&M received an information request which could lead to PRP designation. I&M has also been named potentially liable at one site under state law. In those instances where I&M has been named a PRP or defendant, 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. Liability has been resolved for a number of sites with no significant effect on results of operations.

I&M evaluates the potential liability for each Superfund site separately, but several general statements can be made regarding its 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. At present, management's estimates do not anticipate material cleanup costs for identified sites.

FERC Long-term Contracts

In 2002, the FERC held a hearing related to a complaint filed by Nevada Power Company and Sierra Pacific Power Company (the Nevada utilities). 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 because the market for power was allegedly dysfunctional at the time such contracts were executed. In 2003, the FERC rejected the complaint. In 2006, the U.S. Court of Appeals for the Ninth Circuit reversed the FERC order and remanded the case to the FERC for further proceedings. That decision was appealed and the U.S. Supreme Court decided that it will review the Ninth Circuit's decision in 2008. Management is unable to predict the outcome of these proceedings or their impact on future results of operations and cash flows. I&M and certain other AEP subsidiaries asserted claims against certain companies that sold power to them, which was resold to the Nevada utilities, seeking to recover a portion of any amounts that may be due to the Nevada utilities.

6. BENEFIT PLANS

I&M participates 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. I&M participates in other postretirement benefit plans sponsored by AEP to provide medical and life insurance benefits for retired employees.

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I&M adopted SFAS 158 as of December 31, 2006. It requires employers to fully recognize the obligations associated with defined benefit pension plans and OPEB plans, which include retiree healthcare, in their balance sheets. Previous standards required an employer to disclose the complete funded status of its plan only in the notes to the financial statements and provided that an employer delay recognition of certain changes in plan assets and obligations that affected the costs of providing benefits resulting in an asset or liability that often differed from the plan's funded status. SFAS 158 requires a defined benefit pension or postretirement plan sponsor to (a) recognize in its statement of financial position an asset for a plan's overfunded status or a liability for the plan's underfunded status, (b) measure the plan's assets and obligations that determine its funded status as of the end of the employer's fiscal year and (c) recognize, as a component of other comprehensive income, the changes in the funded status of the plan that arise during the year but are not recognized as a component of net periodic benefit cost pursuant to previous standards. It also requires an employer to disclose additional information on how delayed recognition of certain changes in the funded status of a defined benefit pension or OPEB plan affects net periodic benefit costs for the next fiscal year. I&M recorded a SFAS 71 regulatory asset for qualifying SFAS 158 costs of regulated operations that for ratemaking purposes will be deferred for future recovery. The effect of this standard on the 2006 financial statements was a pretax AOCI adjustment of \$107.6 million that was partially offset by a SFAS 71 regulatory asset of \$101.7 million and a deferred income tax asset of \$2.1 million resulting in a net of tax AOCI equity reduction of \$3.8 million.

SFAS 158 requires adjustment of pretax AOCI at the end of each year, for both underfunded and overfunded defined benefit pension and OPEB plans, to an amount equal to the remaining unrecognized deferrals for unamortized actuarial losses or gains, prior service costs and transition obligations, such that remaining deferred costs result in an AOCI equity reduction and deferred gains result in an AOCI equity addition. The year-end AOCI measure can be volatile based on fluctuating investment returns and discount rates.

On January 1, 2007, I&M adopted the FERC's guidance on accounting and reporting for SFAS 158 which requires the prospective reclassification of prepaid pension costs from Prepayments to Special Funds.

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The following tables provide a reconciliation of the changes in projected benefit obligations and fair value of assets for AEP's plans over the two-year period ending at the plan's measurement date of December 31, 2007, and their funded status as of December 31 for each year:

Projected Pension Obligations, Plan Assets, Funded Status as of December 31, 2007 and 2006

	Pension Plans		Other Postretirement Benefit Plans	
	2007	2006	2007	2006
(in millions)				
Change in Projected Benefit Obligation				
Projected Obligation at January 1	\$ 4,108	\$ 4,347	\$ 1,818	\$ 1,831
Service Cost	96	97	42	39
Interest Cost	235	231	104	102
Actuarial Gain	(64)	(293)	(91)	(55)
Plan Amendments	18	2	-	-
Benefit Payments	(284)	(276)	(130)	(112)
Participant Contributions	-	-	22	21
Medicare Subsidy	-	-	8	(8)
Projected Obligation at December 31	\$ 4,109	\$ 4,108	\$ 1,773	\$ 1,818
Change in Fair Value of Plan Assets				
Fair Value of Plan Assets at January 1	\$ 4,346	\$ 4,143	\$ 1,302	\$ 1,172
Actual Return on Plan Assets	435	470	115	127
Company Contributions	7	9	91	94
Participant Contributions	-	-	22	21
Benefit Payments	(284)	(276)	(130)	(112)
Fair Value of Plan Assets at December 31	\$ 4,504	\$ 4,346	\$ 1,400	\$ 1,302
Funded (Underfunded) Status at December 31	\$ 395	\$ 238	\$ (373)	\$ (516)

Amounts Recognized on AEP's Balance Sheets as of December 31, 2007 and 2006

	Pension Plans		Other Postretirement Benefit Plans	
	2007	2006	2007	2006
(in millions)				
Employee Benefits and Pension Assets – Prepaid Benefit Costs	\$ 482	\$ 320	\$ -	\$ -
Other Current Liabilities – Accrued Short-term Benefit Liability	(8)	(8)	(4)	(5)
Employee Benefits and Pension Obligations – Accrued Long-term Benefit Liability	(79)	(74)	(369)	(511)
Funded (Underfunded) Status	\$ 395	\$ 238	\$ (373)	\$ (516)

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SFAS 158 Amounts Recognized in AEP's Accumulated Other Comprehensive Income (AOCI) as of December 31, 2007 and 2006

Components	Pension Plans		Other Postretirement Benefit Plans	
	2007	2006	2007	2006
	(in millions)			
Net Actuarial Loss	\$ 534	\$ 759	\$ 231	\$ 354
Prior Service Cost (Credit)	14	(5)	4	4
Transition Obligation	-	-	97	124
Pretax AOCI	\$ 548	\$ 754	\$ 332	\$ 482
Recorded as:				
Regulatory Assets	\$ 453	\$ 582	\$ 204	\$ 293
Deferred Income Taxes	33	60	45	66
Net of Tax AOCI	62	112	83	123
Pretax AOCI	\$ 548	\$ 754	\$ 332	\$ 482

Components of the Change in AEP's Plan Assets and Benefit Obligations Recognized in Pretax AOCI during the year ended December 31, 2007 are as follows:

Components	Other Postretirement Benefit Plans	
	Pension Plans	Other Postretirement Benefit Plans
	(in millions)	
2007 Actuarial Gain	\$ (166)	\$ (111)
Amortization of Actuarial Loss	(59)	(12)
2007 Prior Service Cost	19	-
Amortization of Transition Obligation	-	(27)
Total 2007 Pretax AOCI Change	\$ (206)	\$ (150)

Pension and Other Postretirement Plans' Assets

The asset allocations for AEP's pension plans at the end of 2007 and 2006, and the target allocation for 2008, by asset category, are as follows:

Asset Category	Target Allocation	Percentage of Plan Assets at Year End	
	2008	2007	2006
Equity Securities	55%	57%	63%
Real Estate	5%	6%	6%
Debt Securities	39%	36%	26%
Cash and Cash Equivalents	1%	1%	5%
Total	100%	100%	100%

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The asset allocations for AEP's other postretirement benefit plans at the end of 2007 and 2006, and target allocation for 2008, by asset category, are as follows:

<u>Asset Category</u>	<u>Target Allocation</u>	<u>Percentage of Plan Assets at Year End</u>	
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Equity Securities	66%	62%	66%
Debt Securities	33%	35%	32%
Cash and Cash Equivalents	1%	3%	2%
Total	100%	100%	100%

AEP's investment strategy for the employee benefit trust funds is to use a diversified portfolio of investments to achieve an acceptable rate of return while managing the interest rate sensitivity of the plans' assets relative to the plans' liabilities. To minimize investment risk, AEP's employee benefit trust funds are broadly diversified among classes of assets, investment strategies and investment managers. AEP regularly reviews the actual asset allocation and periodically rebalances the investments to AEP's targeted allocation when considered appropriate. AEP's investment policies and guidelines allow investment managers in approved strategies to use financial derivatives to obtain or manage market exposures and to hedge assets and liabilities. The investment policies prohibit investment in AEP securities, with the exception of proportionate and immaterial holdings of AEP securities in passive index strategies.

The value of the pension plans' assets increased to \$4.5 billion at December 31, 2007 from \$4.3 billion at December 31, 2006. The qualified plans paid \$277 million in benefits to plan participants during 2007 (nonqualified plans paid \$7 million in benefits). The value of AEP's Postretirement Plans' assets increased to \$1.4 billion in December 31, 2007 from \$1.3 billion at December 31, 2006. The Postretirement Plans paid \$130 million in benefits to plan participants during 2007.

AEP bases the 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>December 31,</u>	
	<u>2007</u>	<u>2006</u>
	(in millions)	
Qualified Pension Plans	\$ 3,914	\$ 3,861
Nonqualified Pension Plans	77	78
Total	\$ 3,991	\$ 3,939

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For the 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, 2007 and 2006 were as follows:

	Underfunded Pension Plans	
	December 31,	
	2007	2006
	(in millions)	
Projected Benefit Obligation	\$ 81	\$ 82
Accumulated Benefit Obligation	\$ 77	\$ 78
Fair Value of Plan Assets	-	-
Accumulated Benefit Obligation Exceeds the Fair Value of Plan Assets	\$ 77	\$ 78

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:

Assumptions	Pension Plans		Other Postretirement Benefit Plans	
	2007	2006	2007	2006
Discount Rate	6.00%	5.75%	6.20%	5.85%
Rate of Compensation Increase	5.90% (a)	5.90% (a)	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.

N/A = Not Applicable

To determine a discount rate, AEP uses a duration-based method by constructing a hypothetical portfolio of high quality corporate bonds similar to those included in the Moody's Aa bond index with a duration matching the benefit plan liability. The composite yield on the hypothetical bond portfolio is used as the discount rate for the plan.

For 2007, the rate of compensation increase assumed varies with the age of the employee, ranging from 5% 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 the 2008 expected cash flows for the pension (qualified and nonqualified) and other postretirement benefit plans is as follows:

<u>Employer Contributions</u>	<u>Pension Plans</u>	<u>Other Postretirement Benefit Plans</u>
	(in millions)	
Required Contributions (a)	\$ 8	\$ 4
Additional Discretionary Contributions	-	73

- (a) Contribution required to meet minimum funding requirement per the U.S. Department of Labor plus direct payments for unfunded benefits.

The contribution to the pension plans is based on the minimum amount required by the U.S. Department of Labor and the amount to pay unfunded nonqualified benefits. The contribution to the other postretirement benefit plans is generally based on the amount of the other postretirement benefit plans' periodic benefit cost for accounting purposes as provided for in agreements with state regulatory authorities, plus the additional discretionary contribution of AEP's Medicare subsidy receipts.

The table below reflects the total benefits expected to be paid from the plan or from the employer's assets, including both the employer'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 of the 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 AEP's pension benefits and other postretirement benefits are as follows:

	<u>Pension Plans Pension Payments</u>	<u>Other Postretirement Benefit Plans Benefit Payments</u>	<u>Medicare Subsidy Receipts</u>
	(in millions)		
2008	\$ 356	\$ 111	\$ (10)
2009	362	121	(11)
2010	363	131	(11)
2011	363	141	(12)
2012	368	149	(13)
Years 2013 to 2017, in Total	1,861	864	(82)

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Components of Net Periodic Benefit Cost

The following table provides the components of AEP's net periodic benefit cost for the plans for fiscal years 2007 and 2006:

	Pension Plans		Other Postretirement Benefit Plans	
	Years Ended December 31,			
	2007	2006	2007	2006
	(in millions)			
Service Cost	\$ 96	\$ 97	\$ 42	\$ 39
Interest Cost	235	231	104	102
Expected Return on Plan Assets	(340)	(335)	(104)	(94)
Amortization of Transition Obligation	-	-	27	27
Amortization of Prior Service Cost	-	(1)	-	-
Amortization of Net Actuarial Loss	59	79	12	22
Net Periodic Benefit Cost	<u>50</u>	<u>71</u>	<u>81</u>	<u>96</u>
Capitalized Portion	(14)	(21)	(25)	(27)
Net Periodic Benefit Cost Recognized as Expense	<u>\$ 36</u>	<u>\$ 50</u>	<u>\$ 56</u>	<u>\$ 69</u>

Estimated amounts expected to be amortized to net periodic benefit costs from AEP's pretax accumulated other comprehensive income during 2008 are shown in the following table:

	Pension Plans		Other Postretirement Benefit Plans	
	(in millions)			
	2008	2008	2008	2008
Net Actuarial Loss	\$ 26	\$ 26	\$ 5	\$ 5
Prior Service Cost	1	1	1	1
Transition Obligation	-	-	27	27
Total Estimated 2008 Pretax AOCI Amortization	<u>\$ 27</u>	<u>\$ 27</u>	<u>\$ 33</u>	<u>\$ 33</u>

Net Benefit Cost

I&M's net periodic benefit cost for the Pension Plans for the years ended December 31, 2007 and 2006 was \$7.6 million and \$9.3 million, respectively. I&M's net periodic benefit cost for the Other Postretirement Benefit Plans for the years ended December 31, 2007 and 2006 was \$9.7 million and \$11.2 million, respectively.

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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:

	Pension Plans		Other Postretirement Benefit Plans	
	2007	2006	2007	2006
Discount Rate	5.75%	5.50%	5.85%	5.65%
Expected Return on Plan Assets	8.50%	8.50%	8.00%	8.00%
Rate of Compensation Increase	5.90%	5.90%	N/A	N/A

N/A = Not Applicable

The expected return on plan assets for 2007 was determined by evaluating historical returns, the current investment climate (yield on fixed income securities and other recent investment market indicators), rate of inflation, and current prospects for economic growth.

The health care trend rate assumptions as of January 1, used for other postretirement benefit plans measurement purposes are shown below:

Health Care Trend Rates	2007	2006
Initial	7.5 %	8.0 %
Ultimate	5.0 %	5.0 %
Year Ultimate Reached	2012	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:

	1% Increase	1% Decrease
	(in millions)	
Effect on Total Service and Interest Cost Components of Net Periodic Postretirement Health Care Benefit Cost	\$ 19	\$ (16)
Effect on the Health Care Component of the Accumulated Postretirement Benefit Obligation	185	(154)

AEP Savings Plans

I&M participates in AEP sponsored defined contribution retirement savings plans for substantially all employees who are not members of the United Mine Workers of America (UMWA). These plans offer participants an opportunity to contribute a portion of their pay, include features under Section 401(k) of the Internal Revenue Code and provide for company matching contributions. The matching contributions to the plan are 75% of the first 6% of eligible compensation contributed by the employee. I&M's cost for contributions to the retirement savings plans was \$9.1 million and \$8.8 million for the years ended December 31, 2007 and 2006, respectively.

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7. NUCLEAR

I&M owns and operates the two-unit 2,110 MW Cook Plant under licenses granted by the NRC. A significant future financial commitment to safely dispose of SNF and to decommission and decontaminate the plant results from its ownership. The licenses to operate the two nuclear units at the Cook Plant expire in 2034 and 2037. The operation of a nuclear facility also involves special risks, potential liabilities, and specific regulatory and safety requirements. Should a nuclear incident occur at any nuclear power plant in the U.S., the resultant liability could be substantial. By agreement, I&M is 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.

Decommissioning and Low Level Waste Accumulation Disposal

The cost to decommission a nuclear plant is affected by NRC regulations and the SNF disposal program. Decommissioning costs are accrued over the service life of the Cook Plant. The estimated cost of decommissioning and disposal of low-level radioactive waste for the Cook Plant ranges from \$733 million to \$1.3 billion in 2006 nondiscounted dollars. The most recent decommissioning study was performed in 2006. The wide range is caused by variables in assumptions. I&M recovers estimated Cook Plant decommissioning costs in its rates. The amount recovered in rates was \$32 million in 2007 and \$30 million in 2006. Decommissioning costs recovered from customers are deposited in external trusts.

I&M deposited an additional \$4 million in 2007 and 2006 in its decommissioning trust under funding provisions approved by regulatory commissions. At December 31, 2007, the total decommissioning trust fund balance was \$1.1 billion. Trust fund earnings increase the fund assets and decrease the amount remaining to be recovered from ratepayers. The decommissioning costs (including interest, unrealized gains and losses and expenses of the trust funds) increase or decrease the recorded liability.

I&M continues to 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.

SNF Disposal

The Federal government is responsible 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. At December 31, 2007, fees and related interest of \$259 million for fuel consumed prior to April 7, 1983 at the Cook Plant have been recorded as Long-term Debt and funds collected from customers along with related earnings totaling \$285 million to pay the fee are recorded in Other Special Funds. I&M has not paid the government the pre-April 1983 fees due to continued delays and uncertainties related to the federal disposal program.

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Trust Assets for Decommissioning and SNF Disposal

I&M records securities held in trust funds for decommissioning nuclear facilities and for the disposal of SNF at market value. I&M classifies securities in the trust funds as available-for-sale due to their long-term purpose. As discussed in the "Nuclear Trust Funds" section of Note 1, I&M records unrealized gains and other-than-temporary impairments from securities in these trust funds as adjustments to the regulatory liability account for the nuclear decommissioning trust funds and to regulatory assets or liabilities for the SNF disposal trust funds in accordance with their treatment in rates. The gains, losses or other-than-temporary impairments shown below did not affect earnings or AOCI. The trust assets are recorded by jurisdiction and may not be used for another jurisdictions' liabilities. Regulatory approval is required to withdraw decommissioning funds.

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

	December 31,					
	2007			2006		
	Estimated Fair Value	Gross Unrealized Gains	Other-Than- Temporary Impairments	Estimated Fair Value	Gross Unrealized Gains	Other-Than- Temporary Impairments
	(in millions)					
Cash	\$ 22	\$ -	\$ -	\$ 24	\$ -	\$ -
Debt Securities	823	27	(6)	750	18	(8)
Equity Securities	502	205	(11)	474	192	(4)
Spent Nuclear Fuel and Decommissioning Trusts	\$ 1,347	\$ 232	\$ (17)	\$ 1,248	\$ 210	\$ (12)

Proceeds from sales of I&M's nuclear trust fund investments were \$696 million and \$631 million in 2007 and 2006, respectively. Purchases of I&M's nuclear trust fund investments were \$777 million and \$692 million in 2007 and 2006, respectively.

Gross realized gains from the sales of I&M's nuclear trust fund investments were \$15 million and \$7 million in 2007 and 2006, respectively. Gross realized losses from the sales of I&M's nuclear trust fund investments were \$5 million and \$7 million in 2007 and 2006, respectively.

The fair value of debt securities held in the nuclear trust funds, summarized by contractual maturities, at December 31, 2007 is as follows:

	Fair Value of Debt Securities
	(in millions)
Within 1 year	\$ 38
1 year – 5 years	205
5 years – 10 years	231
After 10 years	349
Total	\$ 823

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Nuclear Incident Liability

I&M carries insurance coverage for property damage, decommissioning and decontamination at the Cook Plant in the amount of \$1.8 billion. I&M purchases \$1 billion of excess coverage for property damage, decommissioning and decontamination. Additional insurance provides coverage for extra costs resulting from a prolonged accidental outage. I&M utilizes an industry mutual insurer for the placement of this insurance coverage. I&M's participation in this mutual insurer requires a contingent financial obligation of up to \$39 million which is assessable if the insurer's financial resources would be inadequate to pay for losses.

The Price-Anderson Act, extended through December 31, 2025, 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, I&M 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.

In the event of an incident of a catastrophic nature, I&M is initially covered for the first \$300 million through commercially available insurance. The next level of liability coverage of up to \$10.5 billion would be covered by claims made under the Price-Anderson Act. If the liability were in excess of amounts recoverable from insurance and retrospective claim payments made under the Price-Anderson Act, I&M would seek to recover those amounts from customers through rate increases. 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 could be adversely affected.

8. BUSINESS SEGMENTS

I&M has one reportable segment, an integrated electricity generation, transmission and distribution business. Other activities are insignificant.

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9. 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 AEP's approach at estimating current market consensus for forward prices in the current period. This is particularly true for long-term contracts.

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 an accrual or settlement basis.

I&M's 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. Depending on the exposure, I&M designates 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), I&M recognizes 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), I&M initially reports the effective portion of the gain or loss on the derivative instrument as a component of Accumulated Other Comprehensive Income (Loss) 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 recorded as a regulatory asset (for losses) or a regulatory liability (for gains).

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. Unrealized and realized gains and losses on derivative instruments held for trading purposes are reported on a net basis. Unrealized and realized gains and losses on derivative instruments not held for trading purposes are reported gross in I&M's revenues or expenses depending on the relevant facts and circumstances.

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Fair Value Hedging Strategies

At certain times, I&M enters into interest rate derivative transactions in order to manage interest rate risk exposure. These interest rate derivative transactions effectively modify exposure to interest rate risk by converting a portion of fixed-rate debt to a floating rate. I&M records 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. At various times during 2006, I&M designated interest rate derivatives as fair value hedges and did not recognize any hedge ineffectiveness related to these derivative transactions.

Cash Flow Hedging Strategies

I&M enters into, and designate as cash flow hedges, certain derivative transactions for the purchase and sale of electricity, coal and natural gas in order to manage the variable price risk related to the forecasted purchase and sale of these commodities. Management closely monitors the potential impacts of commodity price changes and, where appropriate, enters into derivative transactions 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 Operating Revenues or Operation Expense, depending on the specific nature of the risk being hedged. I&M does not hedge all variable price risk exposure related to energy commodities. At various times during 2007 and 2006, I&M designated cash flow hedge relationships using these commodities and recognized immaterial amounts in earnings related to hedge ineffectiveness.

I&M enters into a variety of interest rate derivative transactions in order to manage interest rate risk exposure. I&M enters into various derivative instruments to manage interest rate exposure related to anticipated borrowings of fixed-rate debt, or to manage floating-rate debt exposure by converting it to a fixed rate. 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. I&M reclassifies gains and losses on the hedges from Accumulated Other Comprehensive Income (Loss) into Interest Charges in those periods in which the interest payments being hedged occur. At various times during 2006, I&M designated interest rate derivatives as cash flow hedges and recognized immaterial amounts in earnings due to hedge ineffectiveness.

The following table represents the activity in Accumulated Other Comprehensive Income (Loss) for derivative contracts that qualify as cash flow hedges for the years 2006 and 2007:

	(in thousands)
Balance at December 31, 2005	\$ (3,467)
Effective portion of changes in fair value	(6,576)
Impact Due to Changes in SIA	(267)
Reclasses from AOCI to Net Income	1,348
Balance at December 31, 2006	<u>(8,962)</u>
Effective portion of changes in fair value	(834)
Reclasses from AOCI to Net Income	(2,355)
Balance at December 31, 2007	<u>\$ (12,151)</u>

Of I&M's net loss from cash flow hedges in Accumulated Other Comprehensive Income (Loss) at December 31, 2007, \$1.7 million is expected to be reclassified to net income in the next twelve months as the items being hedged settle. In addition, the maximum length of time the variability of future cash flows is hedged is 17 months. The actual amounts reclassified from AOCI to Net Income can differ as a result of market price changes.

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FINANCIAL INSTRUMENTS

The fair values of Long-term Debt are based on quoted market prices for the same or similar issues and the current 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.

The book values and fair values of significant Long-term Debt at December 31, 2007 and 2006 are summarized in the following table.

December 31, 2007		December 31, 2006	
<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>
(in thousands)			
\$ 1,567,427	\$ 1,527,320	\$ 1,555,135	\$ 1,549,985

10. INCOME TAXES

The details of income taxes before extraordinary item are as follows:

	Years Ended December 31,	
	<u>2007</u>	<u>2006</u>
	(in thousands)	
Charged (Credited) to Operating Expenses (net):		
Current	\$ 77,267	\$ 70,852
Deferred	(2,393)	14,235
Deferred Investment Tax Credits	(5,424)	(7,280)
Total	<u>69,450</u>	<u>77,807</u>
Charged (Credited) to Nonoperating Income (net):		
Current	(8,010)	(1,107)
Deferred	4,859	(563)
Deferred Investment Tax Credits	344	(472)
Total	<u>(2,807)</u>	<u>(2,142)</u>
Total Income Tax	<u>\$ 66,643</u>	<u>\$ 75,665</u>

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Shown below is a reconciliation of the 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.

	Years Ended December 31,	
	2007	2006
	(in thousands)	
Net Income	\$ 136,895	\$ 121,168
Extraordinary Item	-	(140)
Income Taxes	66,643	75,665
Pretax Income	\$ 203,538	\$ 196,693
Income Tax on Pretax Income at Statutory Rate (35%)	\$ 71,238	\$ 68,843
Increase (Decrease) in Income Tax resulting from the following items:		
Depreciation	14,251	20,834
Nuclear Fuel Disposal Costs	(5,610)	(5,538)
Allowance for Funds Used During Construction	(4,376)	(5,149)
Rockport Plant Unit 2 Investment Tax Credit	397	397
Removal Costs	(8,191)	(5,968)
Investment Tax Credits	(5,080)	(7,752)
State and Local Income Taxes	3,616	4,440
Other	398	5,558
Total Income Taxes	\$ 66,643	\$ 75,665
Effective Income Tax Rate	32.7%	38.5%

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

	December 31,	
	2007	2006
	(in thousands)	
Deferred Tax Assets	\$ 684,370	\$ 649,221
Deferred Tax Liabilities	(1,026,057)	(994,238)
Net Deferred Tax Liabilities	\$ (341,687)	\$ (345,017)
Property Related Temporary Differences	\$ 8,452	\$ (7,989)
Amounts Due from Customers for Future Federal Income Taxes	(23,509)	(23,938)
Deferred State Income Taxes	(39,634)	(42,329)
Deferred Income Taxes on Other Comprehensive Loss	7,511	6,901
Net Deferred Gain on Sale and Leaseback-Rockport Plant Unit 2	18,708	20,670
Accrued Nuclear Decommissioning Expense	(285,265)	(246,533)
Deferred Fuel and Purchased Power	263	(146)
Accrued Pensions	(13,880)	(25,272)
Nuclear Fuel	(11,862)	(16,403)
Regulatory Assets	(25,436)	(5,284)
All Other, Net	22,965	(4,694)
Net Deferred Tax Liabilities	\$ (341,687)	\$ (345,017)

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I&M joins in the filing of a consolidated federal income tax return with its affiliates in 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 such losses in determining their current tax expense. The tax benefit of the Parent is allocated to its subsidiaries with taxable income. With the exception of the loss of the Parent, the method of allocation reflects a separate return result for each company in the consolidated group.

I&M is no longer subject to U.S. federal examination for years before 2000. However, the AEP System has filed refund claims with the IRS for years 1997 through 2000 for the CSW pre-merger tax period, which are currently being reviewed. I&M has completed the exam for the years 2001 through 2003 and has issues that will be pursued at the appeals level. The returns for the years 2004 through 2006 are presently under audit 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. In addition, I&M accrues 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.

I&M, along with other AEP subsidiaries, files income tax returns in various state and local jurisdictions. These taxing authorities routinely examine the tax returns. I&M is currently under examination in several state and local jurisdictions. Management believes that positions on the filed tax returns may be challenged by these tax authorities. However, management does not believe that the ultimate resolution of these audits will materially impact results of operations. With few exceptions, I&M is no longer subject to state or local income tax examinations by tax authorities for years before 2000.

Prior to the adoption of FIN 48, I&M recorded interest and penalty expense related to uncertain tax positions in tax expense accounts. With the adoption of FIN 48, I&M began recognizing interest accruals related to uncertain tax positions in interest income or interest expense as applicable and penalties in Penalties. I&M's amount for interest expense was \$1 million in 2007. I&M's amount of interest and penalties as of December 31, 2007 and 2006 was \$2 million and \$7 million, respectively.

I&M adopted the provisions of FIN 48 on January 1, 2007. As a result of the implementation of FIN 48, I&M recognized approximately a \$327 thousand decrease in liabilities for unrecognized tax benefits, as well as related interest expense and penalties, which was accounted for as an increase to the January 1, 2007 balance of retained earnings.

As of December 31, 2007, the reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	(in millions)
Balance at January 1, 2007	\$ 18
Increase - Tax Positions Taken During a Prior Period	-
Decrease - Tax Positions Taken During a Prior Period	(9)
Increase - Tax Positions Taken During the Current Year	2
Increase - Settlements with Taxing Authorities	-
Decrease - Lapse of the Applicable Statute of Limitations	-
Balance at December 31, 2007	<u>\$ 11</u>

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Management believes that there will be no significant net increase or decrease in unrecognized benefits within 12 months of the reporting date. The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was \$6 million.

Federal Tax Legislation

In 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 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 announced plans to construct two new IGCC plants that may be eligible for the allocation of these credits. AEP filed applications for the Mountaineer and Great Bend projects with the DOE and the IRS. Both projects were certified by the DOE and qualified by the IRS. However, neither project was awarded credits during this round of credit awards. AEP will continue to pursue credits for the next round of available credits.

The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA 2005) was passed May 17, 2006. The majority of the provisions in TIPRA 2005 were directed toward individual income tax relief including the extension of reduced tax rates for dividends and capital gains through 2010. Management believes the application of this act will not materially affect results of operations, cash flows or financial condition.

The President signed the Pension Protection Act of 2006 (PPA 2006) into law on August 17, 2006. This law is directed toward strengthening qualified retirement plans and adding new restrictions on charitable contributions. Specifically, PPA 2006 concentrates on the funding of defined benefit plans and the health of the Pension Benefit Guaranty Corporation. PPA 2006 imposes new minimum funding rules for multiemployer plans as well as increasing the deduction limitation for contributions to multiemployer defined benefit plans. Due to the significant funding of AEP's pension plans in 2005, the Act will not materially affect results of operations, cash flows or financial condition.

On December 20, 2006, the Tax Relief and Health Care Act of 2006 (TRHCA 2006) was signed into law. The primary purpose of the bill was to extend expiring tax provisions for individuals and business taxpayers and provide increased tax flexibility around medical benefits. In addition to extending the lower capital gains and dividend tax rates for individuals, TRHCA 2006 extended the research credit and for 2007 provided a new alternative formula for determining the research credit. The application of TRHCA 2006 is not expected to materially affect results of operations, cash flows or financial condition.

Several tax bills and other legislation with tax-related sections were enacted in 2007, including the Tax Technical Corrections Act of 2007, the Tax Increase Prevention Act of 2007 and the Energy Independence and Security Act of 2007. The tax law changes enacted in 2007 are not expected to materially affect results of operations, cash flows or financial condition.

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State Tax Legislation

On July 12, 2007, the Governor of Michigan signed Michigan Senate Bill 0094 (MBT Act) and related companion bills into law providing a comprehensive restructuring of Michigan's principal business tax. The new law is effective January 1, 2008 and replaces the Michigan Single Business Tax that expired at the end of 2007. The MBT Act is composed of a new tax which will be calculated based upon two components: (a) a business income tax (BIT) imposed at a rate of 4.95% and (b) a modified gross receipts tax (GRT) imposed at a rate of 0.80%, which will collectively be referred to as the BIT/GRT tax calculation. The new law also includes significant credits for engaging in Michigan-based activity.

On September 30, 2007, the Governor of Michigan signed House Bill 5198, which amends the MBT Act to provide for a new deduction on the BIT and GRT tax returns equal to the book-tax basis difference triggered as a result of the enactment of the MBT Act. This new state-only temporary difference will be deducted over a 15 year period on the MBT Act tax returns starting in 2015. The purpose of the new MBT Act state deduction was to provide companies relief from the recordation of the SFAS 109 Income Tax Liability. Management has evaluated the impact of the MBT Act and the application of the MBT Act will not materially affect results of operations, cash flows or financial condition.

11. 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:

	Years Ended December 31,	
	2007	2006
	(in thousands)	
Net Lease Expense on Operating Leases	\$ 95,991	\$ 97,750
Amortization of Capital Leases	6,699	6,533
Interest on Capital Leases	2,679	2,807
Total Lease Rental Costs	\$ 105,369	\$ 107,090

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The following table shows the property, plant and equipment under capital leases and related obligations recorded on the balance sheets.

	December 31,	
	2007	2006
	(in thousands)	
Property, Plant and Equipment Under Capital Leases		
Production	\$ 15,643	\$ 18,480
Distribution	14,589	14,589
Other	117,249	40,227
Total Property, Plant and Equipment	147,481	73,296
Accumulated Amortization	26,922	30,240
Net Property, Plant and Equipment Under Capital Leases	\$ 120,559	\$ 43,056
Obligations Under Capital Leases		
Noncurrent	\$ 77,177	\$ 27,073
Current	43,382	15,983
Total Obligations Under Capital Leases	\$ 120,559	\$ 43,056

Future minimum lease payments consisted of the following at December 31, 2007:

	Capital Leases	Noncancelable Operating Leases
	(in thousands)	
2008	\$ 44,910	\$ 99,272
2009	34,988	97,549
2010	23,477	93,745
2011	8,531	92,640
2012	8,716	89,667
Later Years	20,873	781,992
Total Future Minimum Lease Payments	141,495	\$ 1,254,865
Less Estimated Interest Element	20,936	
Estimated Present Value of Future Minimum Lease Payments	\$ 120,559	

Rockport Lease

AEGCo and I&M 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.

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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 I&M. 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 I&M have the option to renew the lease or the Owner Trustee can sell the Plant. Neither AEGCo, I&M nor AEP has an ownership interest in the Owner Trustee and do not guarantee its debt. I&M's future minimum lease payments for this sale-and-leaseback transaction as of December 31, 2007 are as follows:

<u>Future Minimum Lease Payments</u>	(in millions)
2008	\$ 74
2009	74
2010	74
2011	74
2012	74
Later Years	738
Total Future Minimum Lease Payments	\$ <u>1,108</u>

Railcar Lease

In June 2003, AEP Transportation LLC (AEP Transportation), a subsidiary of AEP, entered into an agreement with BTM Capital Corporation, as lessor, to lease 875 coal-transporting aluminum railcars. The lease has an initial term of five years. At the end of each lease term, AEP may (a) renew for another five-year term, not to exceed a total of twenty years; (b) purchase the railcars for the purchase price amount specified in the lease, projected at the lease inception to be the then fair market value; or (c) return the railcars and arrange a third party sale (return-and-sale option). The lease is accounted for as an operating lease. AEP intends to renew the lease for the full twenty years. This operating lease agreement allows AEP to avoid a large initial capital expenditure and to spread the railcar costs evenly over the expected twenty-year usage.

Under the return-and-sale option, the lessor is guaranteed that the sale proceeds will equal at least a specified lessee obligation amount which declines with each five-year renewal. At December 31, 2007, the maximum potential loss was approximately \$30 million (\$20 million, net of tax) assuming the fair market value of the equipment is zero at the end of the current lease term. However, management believes that the fair market value would produce a sufficient sales price to avoid any loss.

In January 2008, AEP Transportation assigned 390 of the remaining 848 railcars under the original lease agreement to I&M. The assignment is accounted for as a new operating lease for I&M. The future minimum lease payments related to this lease are not included in the schedule of future minimum lease payments under operating leases earlier in this note. I&M intends to renew this lease for the remainder of the original twenty year term and has assumed the guarantee under the return-and-sale option.

I&M has other railcar leases arrangements that do not utilize this type of financing structure.

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I&M Nuclear Fuel Lease

In December 2007, I&M entered into a sale-and-leaseback transaction with Citicorp Leasing, Inc. (CLI), an unrelated, unconsolidated, wholly-owned subsidiary of Citibank, N.A. to lease nuclear fuel for I&M's Cook Plant. I&M sold a portion of its unamortized nuclear fuel inventory to CLI at cost for \$85 million. The lease has a variable rate based on one month LIBOR and is accounted for as a capital lease with lease terms up to 60 months. The future payment obligations of \$94 million are included in the future minimum lease payments schedule earlier in this note. The future minimum lease payments for this sale-and-leaseback transaction as of December 31, 2007 are as follows, based on estimated fuel burn:

<u>Future Minimum Lease Payments</u>	<u>(in millions)</u>
2008	\$ 37
2009	28
2010	19
2011	6
2012	4
Total Future Minimum Lease Payments	\$ 94

12. FINANCING ACTIVITIES

Preferred Stock

<u>Company</u>	<u>Par Value</u>	<u>Authorized Shares</u>	<u>Shares Outstanding</u>		<u>Series</u>	<u>Redemption</u>	<u>December 31,</u>	
			<u>at December 31, 2007</u>	<u>at December 31, 2007 (a)</u>			<u>2007</u>	<u>2006</u>
I&M	\$ 25	11,200,000	-	-	-	-	-	-
I&M	100	(b)	55,335	106.13	4.125%	Any time	5,533	5,535
I&M	100	(b)	14,412	102.00	4.56%	Any time	1,441	1,441
I&M	100	(b)	11,055	102.73	4.12%	Any time	1,106	1,106

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

(b) I&M has 2,250,000 authorized \$100 par value per share shares in total.

I&M redeemed 22 shares and 12 shares of its 4.12% preferred stock during the years ended December 31, 2007 and 2006, respectively.

Long-term Debt

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

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The following details long-term debt outstanding as of December 31, 2007 and 2006:

Type of Debt	Maturity	Interest Rates at December 31,		December 31,	
		2007	2006	2007	2006
(in thousands)					
Pollution Control Bonds, City of Sullivan, Series D (a)	2009 (c)	4.50%	3.70%	\$ 45,000	\$ 45,000
Pollution Control Bonds, City of Lawrenceburg, Series F (a)	2019	4.75%	3.55%	25,000	25,000
Pollution Control Bonds, City of Lawrenceburg, Series G (a)	2021	4.65%	3.50%	52,000	52,000
Pollution Control Bonds, City of Rockport, Series C (a)	2025	4.25%	3.74%	40,000	40,000
Pollution Control Bonds, City of Rockport, Series B (a)	2025 (d)	4.10%	3.60%	50,000	50,000
Pollution Control Bonds, City of Rockport, Series 2002A (a)	2025	4.625%	4.90%	50,000	50,000
Pollution Control Bonds, City of Rockport, Series 2006A (a)	2025	5.00%	3.90%	50,000	50,000
Unamortized Premium (Discount)				(657)	(695)
Total Pollution Control Bonds				<u>311,343</u>	<u>311,305</u>
Senior Unsecured Notes, Series A	2008	6.45%	6.45%	50,000	50,000
Senior Unsecured Notes, Series E	2012	6.375%	6.375%	100,000	100,000
Senior Unsecured Notes, Series F	2014	5.05%	5.05%	175,000	175,000
Senior Unsecured Notes, Series G	2015	5.65%	5.65%	125,000	125,000
Senior Unsecured Notes, Series D	2032	6.00%	6.00%	150,000	150,000
Senior Unsecured Notes, Series H	2037	6.05%	6.05%	400,000	400,000
Unamortized Premium (Discount)				(2,939)	(3,254)
Total Senior Unsecured Notes				<u>997,061</u>	<u>996,746</u>
Spent Nuclear Fuel Liability (b)				259,023	247,084
Total Spent Nuclear Fuel Liability				<u>259,023</u>	<u>247,084</u>
Total Long-term Debt				<u>\$ 1,567,427</u>	<u>\$ 1,555,135</u>

- (a) Under the terms of the pollution control bonds, I&M is 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 pollution control bonds, interest rates are subject to periodic adjustment. Interest payments range from monthly to semi-annually. Letters of credit from banks, standby bond purchase agreements and insurance policies support certain series.
- (b) 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 \$285 million and \$274 million related to this obligation are included in Other Special Funds at December 31, 2007 and 2006, respectively.
- (c) In February 2008, notification was made to the trustee that I&M plans to retire these pollution control bonds.
- (d) In February 2008, notification was made to the trustee that I&M plans to redeem these pollution control bonds for possible future remarketing.

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At December 31, 2007 future annual long-term debt payments are as follows:

2008	\$ 145,000
2009	-
2010	-
2011	-
2012	100,000
Later Years	<u>1,326,023</u>
Total Principal Amount	1,571,023
Unamortized Discount	<u>(3,596)</u>
Total	<u>\$ 1,567,427</u>

As of December 31, 2007, I&M had \$262 million of tax-exempt long-term debt (Pollution Control Bonds) sold at auction rates that are reset every 7 or 35 days and insured by bond insurers previously AAA-rated, namely Ambac Assurance Corporation and Financial Guaranty Insurance Co. Due to the exposure that these bond insurers have in connection with recent developments in the subprime credit market, the credit ratings of these insurers have been downgraded or placed on negative outlook. This has contributed to higher interest rates in successful auctions and increasing occurrences of failed auctions, including auctions of I&M's tax-exempt long-term debt. The instruments under which the bonds are issued allow for conversion to other short-term variable-rate structures, term-put structures and fixed-rate structures. Management is planning to reduce outstanding auction rate market securities by redeeming, refunding or converting such debt securities to other permitted modes, including term-put and fixed-rate structures. Management expects this to result in additional transaction costs and higher interest charges for this tax-exempt long-term debt.

In March 2008, I&M repurchased \$50 million of its auction rate pollution control bonds due 2025 for later reissuance to the public. The bonds are held by the trustee. In March 2008, I&M also retired \$45 million of its auction rate pollution control bonds due 2009.

In April 2008, the Parent, the AEP East companies and the AEP West companies entered into a \$650 million 3-year credit agreement with a third party. Concurrently, the Parent, the AEP East companies and the AEP West companies also entered into a \$350 million 364-day credit agreement with a third party. The revolving credit agreements contain certain covenants and require the individual borrowing companies to maintain their respective percentage of debt to total capitalization at a level that does not exceed 67.5%.

Dividend Restrictions

Under the Federal Power Act, I&M is restricted from paying dividends out of stated capital.

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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. The amount of outstanding borrowings from the Utility Money Pool as of December 31, 2007 and 2006 are included in Notes Payable to Associated Companies on the balance sheets. The Utility Money Pool activity and corresponding authorized limits for the years ended December 31, 2007 and 2006 are described in the following tables:

Years Ended December 31,	Maximum Borrowings from Utility Money Pool	Maximum Loans to Utility Money Pool	Average Borrowings from Utility Money Pool	Average Loans to Utility Money Pool	Borrowings from Utility Money Pool as of December 31,	Authorized Short-Term Borrowing Limit
	(in thousands)					
2007	\$ 131,645	\$ 29,233	\$ 68,324	\$ 15,456	\$ 49,960	\$ 500,000
2006	150,582	298,427	86,049	268,875	114,623	500,000

Maximum, minimum and average interest rates for funds borrowed from and loaned to the Utility Money Pool for the years ended December 31, 2007 and 2006 were as follows:

Years Ended December 31,	Maximum Interest Rates for Funds Borrowed from the Utility Money Pool	Minimum Interest Rates for Funds Borrowed from the Utility Money Pool	Maximum Interest Rates for Funds Loaned to the Utility Money Pool	Minimum Interest Rates For Funds Loaned to the Utility Money Pool	Average Interest Rate for Funds Borrowed from the Utility Money Pool	Average Interest Rate for Funds Loaned to the Utility Money Pool
2007	5.94%	5.16%	5.91%	5.73%	5.39%	5.83%
2006	5.41%	3.61%	4.29%	3.32%	4.79%	3.84%

Interest expense related to the Utility Money Pool is included in Interest Charges. I&M incurred interest expense for amounts borrowed from the Utility Money Pool of \$3.5 million and \$3.8 million for the years ended December 31, 2007 and 2006, respectively.

Interest income related to the Utility Money Pool is included in Interest and Dividend Income. I&M earned interest income for amounts advanced to the Utility Money Pool of \$58 thousand and \$889 thousand for the years ended December 31, 2007 and 2006, respectively.

Sale of Receivables – AEP Credit

AEP Credit has a sale of receivables agreement with banks and commercial paper conduits. Under the sale of receivables agreement, AEP Credit sells an interest in the receivables it acquires from affiliated utility subsidiaries to the commercial paper conduits and banks and receives cash.

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In October 2007, AEP renewed AEP Credit's sale of receivables agreement. The sale of receivables agreement provides a commitment of \$650 million from banks and commercial paper conduits to purchase receivables from AEP Credit. Under the agreement, the commitment will increase to \$700 million for the months of August and September to accommodate seasonal demand. This agreement will expire in October 2008. AEP intends to extend or replace the sale of receivables agreement.

AEP Credit purchases accounts receivable through purchase agreements with I&M. Under the factoring arrangement, I&M sells, without recourse, certain customer accounts receivable and accrued unbilled revenue balances to AEP Credit and is charged a fee based on AEP Credit financing costs, I&M's uncollectible accounts experience for receivables and administrative costs.

The amount of factored accounts receivable and accrued unbilled revenues was \$101 million and \$94.5 million at December 31, 2007 and 2006, respectively.

The fees paid to AEP Credit for factoring customer accounts receivable were \$9.3 million and \$9.2 million for the years ended December 31, 2007 and 2006, respectively. These amounts were included in Other Deductions.

13. RELATED PARTY TRANSACTIONS

For other related party transactions, also see "Lines of Credit – AEP System" and "Sale of Receivables-AEP Credit" sections of Note 12.

AEP System Power Pool

APCo, CSPCo, I&M, 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, APCo, CSPCo, I&M, 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 System Integration Agreement. 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.

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CSW Operating Agreement

PSO, SWEPCo and AEPSC are parties to a Restated and Amended Operating Agreement originally dated as of January 1, 1997 (CSW Operating Agreement), which was approved by the FERC. AEP filed with the FERC a proposed amendment to the CSW Operating Agreement to remove TCC and TNC as parties to the agreement. AEP made a similar filing to remove those two companies as parties to the System Integration Agreement. The filings were approved effective May 1, 2006 and April 1, 2006, respectively.

System Integration Agreement (SIA)

AEP's System Integration Agreement, which has been approved by the FERC, provides for the integration and coordination of AEP's East companies and West companies zones. 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 a zone.

In November 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 causes such profits to be allocated generally on the basis of the zone in which the underlying transactions occur or originate. 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 and was approved as filed effective April 1, 2006.

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

Under both the Interconnection Agreement and CSW Operating Agreement, power generated that is not needed to serve the AEP System's native load 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, 2007 and 2006:

	Years Ended December 31,	
	2007	2006
	(in thousands)	
Sales to East System Pool	\$ 237,035	\$ 285,048
Direct Sales to West Affiliates	10,136	12,538
Natural Gas Contracts with AEPES	(1,123)	(9,296)
Other	2,366	2,743

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The following table shows the purchased power expense incurred from purchases from the pools and affiliates for the years ended December 31, 2007 and 2006:

	Years Ended December 31,	
	2007	2006
	(in thousands)	
Purchases from East System Pool	\$ 133,885	\$ 126,345
Direct Purchases from East Affiliates	207,160	216,723
Direct Purchases from West Affiliates	936	88

AEP System Transmission Pool

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 AEP West companies zones. Similar to the System Integration Agreement, the System Transmission Integration Agreement functions as an umbrella agreement in addition to the Transmission Equalization Agreement (TEA) and the Transmission Coordination Agreement (TCA). 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.

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

APCo, CSPCo, I&M, KPCo and OPCo are parties to the TEA, dated April 1, 1984, as amended, 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." I&M's net credits allocated under the TEA during the years ended December 31, 2007 and 2006 were \$34.6 million and \$37.3 million, respectively. The net credits are recorded in Operation Expenses.

PSO, SWEPCo, TCC, TNC and AEPSC are parties to the TCA, originally dated January 1, 1997. The TCA has been approved by the FERC and establishes a coordinating committee, which is charged with overseeing the coordinated planning of the transmission facilities of the AEP West companies.

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. Beginning in 2007, PSO and SWEPCo were allocated a portion of the DETM assignment based on the SIA methodology of sharing trading and marketing margins between the AEP East companies and PSO and SWEPCo. Concurrently, in order to ensure that there would be no financial impact to the AEP East companies, PSO or SWEPCo 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. I&M's risk management liabilities related to DETM at December 31, 2007 and 2006 were \$5.3 million and \$7.5 million, respectively.

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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 have an agreement to purchase 100% of the available generating capacity from the plant through May 2012. I&M's related purchases of gas managed by AEPES were \$2.6 million and \$1.1 million for the years ended December 31, 2007 and 2006, respectively. These purchases are reflected in Operation Expenses.

Unit Power Agreements (UPA)

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 AEGCo's common equity 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 Plants

AEGCo and I&M 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 AEGCo and I&M since each company has a 50% interest. I&M's share of costs is included in the appropriate expense accounts. I&M's investment in these plants is included in Utility Plant.

Cook Coal Terminal

In 2007 and 2006, Cook Coal Terminal, a division of OPCo, performed coal transloading services at cost for I&M. I&M recorded the cost of the transloading services of \$18.4 million and \$15.9 million for the years ended December 31, 2007 and 2006, respectively, in Fuel Stock.

In 2007 and 2006, Cook Coal Terminal also performed railcar maintenance services at cost for I&M. I&M recorded the cost of the railcar maintenance services of \$2.5 million and \$2.5 million for the years ended December 31, 2007 and 2006, respectively, in Fuel Stock.

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SWEPco Railcar Facility

SWEPco operates a railcar maintenance facility in Alliance, Nebraska. The facility performs maintenance on I&M's railcars. SWEPco billed I&M \$2.2 million and \$1.2 million for railcar services provided in 2007 and 2006, respectively. These costs are recorded in Fuel Stock.

I&M Barging, Urea Transloading and Other Services

I&M provides barging, urea transloading and other transportation services to affiliates. Urea is a chemical used to control NO_x emissions at certain generation plants in the AEP System. I&M recorded revenues of \$49.1 million and \$47.9 million from barging, transloading and other services for the years ended December 31, 2007 and 2006, respectively, as Revenues from Nonutility Operations.

In addition, I&M provided transloading services to OVEC totaled \$89 thousand and \$121 thousand for the years ended December 31, 2007 and 2006, respectively.

Services Provided by MEMCO

AEP MEMCO LLC (MEMCO) provides services for barge towing and general and administrative expenses to I&M. I&M recorded costs of \$18 million and \$16 million for the years ended December 31, 2007 and 2006, respectively.

Central Machine Shop

APCo operates a facility which repairs and rebuilds specialized components for the generation plants across the AEP System. APCo billed \$2.5 million and \$1.8 million to I&M for the years ended December 31, 2007 and 2006, respectively. I&M recorded the billings as capital or maintenance expense depending on the nature of the services received. These billings are recoverable from customers.

Affiliate Railcar Agreement

I&M has an agreement providing for the use of affiliates' leased or owned railcars when available. The agreement specifies that the company using the railcar will be billed, at cost, by the company furnishing the railcar. I&M records these costs or reimbursements as costs or reduction of costs, respectively, in Fuel Stock and such costs are recoverable from customers. Under this agreement, I&M billed its affiliates \$3.6 million and was billed \$2.3 million by affiliates during 2007.

Purchased Power from OVEC

The amounts of power purchased from OVEC, which is 43.47% owned by AEP and CSPCo, for the years ended December 31, 2007 and 2006 were \$40.8 million and \$39 million, respectively. The amounts are recoverable from customers.

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AEP Power Pool Purchases from OVEC

Beginning in 2006, the AEP Power Pool began purchasing power from OVEC as part of wholesale marketing and risk management activity. The current agreement will expire in May 2008. I&M's amounts for the years ended December 31, 2007 and 2006 were \$5.5 million and \$7.2 million, respectively.

Sales and Purchases of Property

I&M sold and purchased electric property individually amounting to \$100 thousand or more, for the years ended December 31, 2007 and 2006 as shown in the following table:

<u>Companies</u>	Years Ended December 31,	
	<u>2007</u>	<u>2006</u>
	(in thousands)	
APCo to I&M	\$ 2,893	\$ -
I&M to CSPCo	-	173
I&M to PSO	1,729	-
I&M to SWEPCo	212	111
I&M to WPCo	-	201
OPCo to I&M	2,070	-

In addition, certain AEP affiliated subsidiaries had aggregate affiliated sales and purchases of meters and transformers for the years ended December 31, 2007 and 2006 as shown in the following table:

	<u>APCo</u>	<u>CSPCo</u>	<u>KGPCo</u>	<u>KPCo</u>	<u>OPCo</u>	<u>PSO</u>	<u>SWEPCo</u>	<u>TCC</u>	<u>TNC</u>	<u>WPCo</u>	<u>TOTAL</u>
<u>Sales</u>	(in thousands)										
2007	\$ 22	\$ 79	\$ 3	\$ 4	\$ 436	\$ 54	\$ 29	\$ 4	\$ -	\$ 20	\$ 651
2006	86	44	-	18	2,052	25	158	2	-	10	2,395
<u>Purchases</u>											
2007	\$ 61	\$ 11	\$ -	\$ 21	\$ 614	\$ -	\$ 3	\$ -	\$ 1	\$ 6	\$ 717
2006	187	2	-	40	910	26	-	-	-	21	1,186

The amounts above are recorded in Utility Plant at cost.

AEPSC

AEPSC provides certain managerial and professional services to AEP System companies. The costs of the services are billed to its affiliated companies 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 and are recoverable from customers. Effective February 8, 2006, the PUHCA of 2005 was enacted, which repealed the PUHCA of 1935 and transferred the regulatory responsibility from the SEC to the FERC.

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Intercompany Billings

AEP affiliated subsidiaries perform certain utility services for each other when necessary or practical. The costs of these services are billed on a direct-charge basis, whenever possible, or 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. Billings are capitalized or expensed depending on the nature of the services rendered.

14. PROPERTY, PLANT AND EQUIPMENT

Depreciation

I&M provides for depreciation of Utility Plant 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 generally used by functional class:

<u>Year</u>	<u>Nuclear</u>	<u>Steam</u>	<u>Hydro</u>	<u>Transmission</u>	<u>Distribution</u>	<u>General</u>
2007	2.3%	3.3%	3.0%	1.7%	3.2%	11.3%
2006	3.1%	4.5%	3.3%	1.9%	4.0%	10.3%

The composite depreciation rate generally includes a component for nonasset retirement obligation (non-ARO) removal costs, which is credited to accumulated depreciation. Actual removal costs incurred are charged to accumulated depreciation.

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. Upon settlement of an ARO, I&M recognizes any difference between the ARO liability and actual costs as income or expense.

FIN 47 interprets the application of SFAS 143. It 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. A review of I&M's FIN 47 conditional ARO concluded that legal liabilities exist for asbestos removal and disposal in general buildings and generating plants.

As of December 31, 2007 and 2006, I&M's ARO liability was \$846 million and \$803 million for nuclear decommissioning of the Cook Plant. These liabilities are reflected in Asset Retirement Obligations. As of December 31, 2007 and 2006, the fair value of I&M's assets that are legally restricted for purposes of settling decommissioning liabilities totaled \$1.1 billion and \$974 million, respectively. These assets are included in Other Special Funds.

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/Period of Report 2007/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

I&M has 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 I&M plans to use its facilities indefinitely. The retirement obligation would only be recognized if and when I&M abandons or ceases the use of specific easements, which is not expected.

The following is a reconciliation of the 2007 and 2006 aggregate carrying amounts of ARO related to ash ponds, nuclear decommissioning costs and asbestos removal:

	<u>ARO at January 1,</u>	<u>Accretion Expense</u>	<u>Liabilities Settled</u>	<u>Revisions in Cash Flow Estimates</u>	<u>ARO at December 31,</u>
			<u>(in thousands)</u>		
2007	\$ 809,853	\$ 43,254	\$ (482)	\$ 21	\$ 852,646
2006	737,959	48,806	(507)	23,595	809,853

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, 2007
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)	5,798,824,515	5,798,824,515	
4	Property Under Capital Leases	25,523,474	25,523,474	
5	Plant Purchased or Sold			
6	Completed Construction not Classified	193,703,148	193,703,148	
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	6,018,051,137	6,018,051,137	
9	Leased to Others			
10	Held for Future Use	7,787,716	7,787,716	
11	Construction Work in Progress	122,295,816	122,295,816	
12	Acquisition Adjustments	38,391	38,391	
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	6,148,173,060	6,148,173,060	
14	Accum. Prov. For Depr., Amort., & Depl.	3,381,988,502	3,381,988,502	
15	Net Utility Plant (Enter Total of line 13 less 14)	2,766,184,558	2,766,184,558	
DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
16				
17	In Service:			
18	Depreciation	3,298,316,284	3,298,316,284	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights			
20	Amort. Of Underground Storage Land & Land Rights			
21	Amort. Of Other Utility Plant	83,668,582	83,668,582	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	3,381,984,866	3,381,984,866	
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	3,636	3,636	
29	Amortization			
30	TOTAL held for Future Use (Enter Total of Lines 28 and 29)	3,636	3,636	
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)	3,381,988,502	3,381,988,502	

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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	15,658,709	156,330,515
4	Allowance for Funds Used during Construction	175,746	3,279,405
5	(Other Overhead Construction Costs)		
6	SUBTOTAL (Enter Total of lines 2 thru 5)	15,834,455	
7	Nuclear Fuel Materials & Assemblies		
8	In Stock (120.2)		91,220,961
9	In Reactor (120.3)	255,694,249	91,148,097
10	SUBTOTAL (Enter Total of lines 8 & 9)	255,694,249	
11	Spent Nuclear Fuel (120.4)	117,514,678	36,987,146
12	Nuclear Fuel Under Capital Leases (120.6)		85,000,000
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)	253,901,311	63,709,878
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	135,142,071	
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	

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, 2007
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)(Continued)				
Changes During the Year				
Amortization (d)	Other Reductions (Explain in a Footnote) (e)	Balance End of Year (f)		Line No.
				1
				2
	87,700,957	84,288,267		3
	3,447,140	8,011		4
				5
		84,296,278		6
				7
	91,220,961	0		8
	122,060,009	224,782,337		9
		224,782,337		10
	0	154,501,824		11
1,236,647		83,763,353		12
	0	317,611,189		13
		229,732,603		14
				15
				16
				17
				18
				19
				20
				21
		0		22

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, 2007	Year of Report December 31, 2007
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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
			Nuclear Fuel Removed from reactor & placed into spent fuel pool. \$37,060,010
			Reclassified Nuclear Fuel from owned leased account due to sale/leaseback. <u>\$85,000,000</u>
203	9	e	Total \$122,060,010
203	12	f	Cost in connection with the Nuclear fuel sale/leaseback include interim finance charges of \$152,244, administration fees of \$17,000 and closing fees of \$50,000.

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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, 2007
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	19,857,641	0
4	303 Miscellaneous Intangible Plant	119,463,702	10,457,039
5	TOTAL Intangible Plant	139,438,769	10,457,039
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	7,617,627	
9	310.2 Land Rights	222,069	
10	311 Structures and Improvements	140,827,339	3,702,605
11	312 Boiler Plant Equipment	777,383,821	42,073,272
12	313 Engines and Engine-Driven Generators		
13	314 Turbogenerator Units	156,316,067	14,661,842
14	315 Accessory Electric Equipment	78,033,346	1,238,200
15	316 Miscellaneous Power Plant Equipment	25,901,934	983,230
16	317 Asset Retirement Costs for Steam Production	2,773,579	
17	TOTAL Steam Production Plant	1,189,075,782	62,659,149
18	Nuclear Production Plant		
19	320.1 Land	1,879,588	
20	320.2 Land Rights		
21	321 Structures and Improvements	311,538,510	1,164,360
22	322 Reactor Plant Equipment	998,664,534	83,527,197
23	323 Turbogenerator Units	298,974,836	31,945,504
24	324 Accessory Electric Equipment	152,929,877	1,052,926

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, 2007
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

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.

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)

to primary account classifications.

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.

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.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			117,426	301	2
			19,857,641	302	3
6,804,516			123,116,225	303	4
6,804,516	0	0	143,091,292		5
					6
					7
			7,617,627	310.1	8
			222,069	310.2	9
1,363,536			143,166,408	311	10
4,287,612		9,405	815,178,886	312	11
				313	12
1,899,646			169,078,263	314	13
235,179			79,036,367	315	14
10,178		29,088	26,904,074	316	15
			2,773,579	317	16
7,796,151		38,493	1,243,977,273		17
					18
			1,879,588	320.1	19
				320.2	20
378,793			312,324,077	321	21
2,674,550			1,079,517,181	322	22
749,564			330,170,776	323	23
294,468			153,688,335	324	24

Name of Respondent		This Report Is:	Date of Report	Year of Report
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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	140,256,258	(380,832)	
25	326 Asset Retirement Costs for Nuclear Production	200,044,970		
26	TOTAL Nuclear Production Plant	2,104,288,573	117,309,155	
27	Hydraulic Production Plant			
28	330.1 Land	463,694	46,817	
29	330.2 Land Rights	196,076		
30	331 Structures and Improvements	2,840,982	281,948	
31	332 Reservoirs, Dams and Waterways	18,337,404		
32	333 Water Wheels, Turbines and Generators	15,962,572	104,827	
33	334 Accessory Electric Equipment	5,212,047	17,415	
34	335 Miscellaneous Power Plant Equipment	1,488,362	18,633	
35	336 Roads, Railroads and Bridges	853		
36	337 Asset Retirement Costs for Hydraulic Production	6,850	105,226	
37	TOTAL Hydraulic Production Plant	44,508,840	574,866	
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	3,337,873,195	180,543,170	
50	3. TRANSMISSION PLANT			
51	350.1 Land	6,914,709		
52	350.2 Land Rights	49,739,741	29,787	
53	352 Structures and Improvements	19,847,556	14,165	
54	353 Station Equipment	475,922,123	28,902,782	
55	354 Towers and Fixtures	221,622,796	275	
56	355 Poles and Fixtures	67,735,447	4,733,877	
57	356 Overhead Conductors and Devices	198,758,054	2,054,621	
58	357 Underground Conduit	1,479,279	(136)	
59	358 Underground Conductors and Devices	4,651,971	81,528	

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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.
101,546			139,773,880	325	24
			200,044,970	326	25
4,198,921		0	2,217,398,807		26
					27
41			510,470	330.1	28
			196,076	330.2	29
4,913			3,118,017	331	30
			18,337,404	332	31
33,679			16,033,720	333	32
			5,229,462	334	33
			1,506,995	335	34
			853	336	35
			112,076	337	36
38,633	0	0	45,045,073		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
12,033,705	0	38,493	3,506,421,153		49
					50
1,266		26,191	6,939,634	350.1	51
		(23,500)	49,746,028	350.2	52
			19,861,721	352	53
4,017,291		388,793	501,196,407	353	54
112,994			221,510,077	354	55
259,476			72,209,848	355	56
104,935		(388,793)	200,318,947	356	57
6,069			1,473,074	357	58
7,167			4,726,332	358	59

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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, 2007
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	349,749		
58	359.1 Asset Retirement Costs for Transmission Plant			
59	TOTAL Transmission Plant	1,047,021,425	35,816,899	
60	4. DISTRIBUTION PLANT			
61	360.1 Land	2,402,260	59,164	
62	360.2 Land Rights	8,786,382	6,083,512	
63	361 Structures and Improvements	5,942,985		
64	362 Station Equipment	111,037,782	15,542,998	
65	363 Storage Battery Equipment			
66	364 Poles, Towers and Fixtures	168,566,243	11,959,807	
67	365 Overhead Conductors and Devices	169,389,425	36,146,804	
68	366 Underground Conduit	44,429,102	4,406,403	
69	367 Underground Conductors and Devices	136,152,270	14,592,247	
70	368 Line Transformers	214,880,308	17,123,059	
71	368.1 Capacitors			
72	369 Services	128,121,956	5,518,280	
73	370 Meters	64,243,985	6,466,715	
74	371 Installations on Customers' Premises	15,862,853	643,658	
75	372 Leased Property on Customers' Premises			
76	373 Street Lighting and Signal Systems	17,543,128	511,097	
77	374 Asset Retirement Costs for Distribution Plant			
78	TOTAL Distribution Plant	1,087,358,679	119,053,744	
79	5. GENERAL PLANT			
80	389.1 Land	2,026,594		
81	389.2 Lands Rights	13,868		
82	390 Structures and Improvments	41,211,685	574,261	
83	391 Office Furniture and Equipment	5,121,479	299,562	
84	391.1 Computers / Computer Related Equipment			
85	392 Transportation Equipment	29,088		
86	393 Stores Equipment	102,173		
87	394 Tools, Shop and Garage Equipment	7,424,135	625,585	
88	395 Laboratory Equipment	1,777,666	95,986	
89	396 Power Operated Equipment	455,962		
90	397 Communication Equipment	18,255,588	456,201	
91	398 Miscellaneous Equipment	2,270,847	2,711,073	
92	SUBTOTAL	78,689,085	4,762,668	

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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.
			349,749	359	57
				359.1	58
4,509,198	0	2,691	1,078,331,817		59
					60
		850	2,462,274	360.1	61
		(5,660,821)	9,209,073	360.2	62
16,836		22,601	5,948,750	361	63
2,517,803			124,062,977	362	64
				363	65
1,945,260			178,580,790	364	66
3,900,977		5,660,821	207,296,073	365	67
29,935			48,805,570	366	68
1,422,410			149,322,107	367	69
7,499,227			224,504,140	368	70
				368.1	71
2,592,809			131,047,427	369	72
3,696,450			67,014,250	370	73
688,632			15,817,879	371	74
				372	75
402,631			17,651,594	373	76
				374	77
24,712,970	0	23,451	1,181,722,904		78
					79
		(850)	2,025,744	389.1	80
			13,868	389.2	81
228,753		(22,601)	41,534,592	390	82
11,689		(9,405)	5,399,947	391	83
				391.1	84
		(29,088)		392	85
			102,173	393	86
101,933			7,947,787	394	87
87,367			1,786,285	395	88
			455,962	396	89
162,411			18,549,378	397	90
19,173			4,962,747	398	91
611,326	0	(61,944)	82,778,483		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) December 31, 2007	Year of Report December 31, 2007
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	259,892	(77,878)	
93	TOTAL General Plant	78,948,977	4,684,790	
94	TOTAL (Accounts 101 and 106)	5,690,641,045	350,555,642	
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)	5,690,641,045	350,555,642	

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, 2007
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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
			182,014	399.1	92
611,326	0	(61,944)	82,960,497		93
48,671,715		2,691	5,992,527,663		94
					95
				102	96
					97
				103	98
48,671,715	0	2,691	5,992,527,663		99

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FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
204	94	C	302 - Franchises and Consents 303 - Misc Intangible Plant (50,573,487) Total Misc Intangible Plant <u>(50,573,487)</u> 310 - Land - Coal Fired (739) 311 - Structures and Improvements 726,610 312 - Boiler Plant Equipment (51,452,059) 314 - Turbogenerator Units 7,522,301 315 - Accessory Electric Equipment 297,966 316 - Misc Power Plant Equipment 171,174 Total Steam Production <u>(42,734,747)</u> 321 - Structures and Improvements (3,154,616) 322 - Reactor Plant Equipment 18,380,172 323 - Turbogenerator Units (35,481,934) 324 - Accessory Electric Equipment (14,595,894) 325 - Misc Power Plant Equipment (4,347,648) Total Nuclear Production <u>(39,199,920)</u> 331 - Structures and Improvements 146,798 332 - Reservoirs,Dams,Waterways (420,219) 333 - Water Wheels,Turbines,Generators 104,827 Total Hydro Production <u>(168,594)</u> 350.1 - Land 350.2 - Land Rights 21,770 352 - Structures and Improvements 353 - Station Equipment (3,391,332) 354 - Towers and Fixtures (910,948) 355 - Poles and Fixtures 381,145 356 - Overhead Conductors, Devices (1,084,072) 357 - Underground Conduit (1,196) 358 - Undergrnd Conductors, Devices 2,203 Total Transmission Plant <u>(4,982,430)</u> 360.1 - Land 360.2 - Land Rights (306,453) 362 - Station Equipment 1,727,397 364 - Poles, Towers and Fixtures (586,142) 365 - Overhead Conductors, Devices (1,169,901) 366 - Underground Conduit 209,580 367 - Undergrnd Conductors, Devices 4,514,222 368 - Line Transformers (218,002) 369 - Services 1,024,901 370 - Meters (334,623) 371 - Installs on Customer Premises (21,604) 373 - Street Lighting,Signal System 41,134 Total Distribution Plant <u>4,880,509</u> 390 - Structures and Improvements 13,998 391 - Office Furniture, Equipment 7,971 393 - Stores Equipment 394 - Tools, Shop, Garage Equipment (255,307) 395 - Laboratory Equipment 396 - Power Operated Equipment		

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, 2007	Year of Report December 31, 2007
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
204	94	C	397 - Communication Equipment (257,500) 398 - Miscellaneous Equipment (61,592) <hr/> Total General Plant (552,430) Total Account 106 Additions (133,331,099)

Name of Respondent INDIANA MICHIGAN POWER COMPANY State of Michigan	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 Dec 31, 2007		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
NOTES TO PAGES 204 - 207					
DESCRIPTION	BEG. BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	END. BALANCE
ANALYSIS OF LAND & RIGHTS : TOTAL COMPANY					
ACCT 310 - STEAM PRODUCTION PLANT					
Land	7,617,627	0	0	0	7,617,627
Rights	222,069	0	0	0	222,069
TOTAL	7,839,696	0	0	0	7,839,696
ACCT 320 - NUCLEAR PRODUCTION PLANT					
Land	1,879,588	0	0	0	1,879,588
Rights	0	0	0	0	0
TOTAL	1,879,588	0	0	0	1,879,588
ACCT 330 HYDRAULIC PRODUCTION PLANT					
Land	463,694	46,817	41	0	510,470
Rights	196,076	0	0	0	196,076
TOTAL	659,770	46,817	41	0	706,546
ACCT 350 - TRANSMISSION PLANT					
Land	6,914,709	0	1,266	26,191	6,939,634
Rights	49,739,742	29,787	0	(23,500)	49,746,029
TOTAL	56,654,451	29,787	1,266	2,691	56,685,663
ACCT 360 - DISTRIBUTION PLANT					
Land	2,402,260	59,164	0	850	2,462,274
Rights	8,786,382	6,083,512	0	(5,660,821)	9,209,073
TOTAL	11,188,642	6,142,676	0	(5,659,971)	11,671,347
ACCT 389 - GENERAL PLANT					
Land	2,026,594	0	0	(850)	2,025,744
Rights	13,868	0	0	0	13,868
TOTAL	2,040,462	0	0	(850)	2,039,612
ANALYSIS OF LAND & LAND RIGHTS: STATE OF MICHIGAN					
ACCT 320 - NUCLEAR PRODUCTION PLANT					
Land	1,879,588	0	0	0	1,879,588
Rights	0	0	0	0	0
TOTAL	1,879,588	0	0	0	1,879,588
ACCT 330 HYDRAULIC PRODUCTION PLANT					
Land	300,056	46,817	0	0	346,873
Rights	52,357	0	0	0	52,357
TOTAL	352,413	46,817	0	0	399,230
ACCT 350 - TRANSMISSION PLANT					
Land	2,098,684	0	0	0	2,098,684
Rights	7,591,836	0	0	0	7,591,836
TOTAL	9,690,520	0	0	0	9,690,520
ACCT 360 - DISTRIBUTION PLANT					
Land	215,331	0	0	850	216,181
Rights	3,315,200	5,991,746	0	(5,660,821)	3,646,125
TOTAL	3,530,531	5,991,746	0	(5,659,971)	3,862,306
ACCT 389 - GENERAL PLANT					
Land	190,423	0	0	(850)	189,573
Rights	11,311	0	0	0	11,311
TOTAL	201,734	0	0	(850)	200,884
ANALYSIS OF LINE TRANSFORMERS: (Page 208-209, Line 70)					
ACCT 368					
Line Transformers & Devices	214,880,307	17,123,059	7,499,227	0	224,504,139
Capacitors	0	0	0	0	0
TOTAL	214,880,307	17,123,059	7,499,227	0	224,504,139
ACCT 368 State of Michigan					
Line Transformers & Devices	34,492,777	2,854,825	1,456,961	0	35,890,641
Capacitors	0	0	0	0	0
TOTAL	34,492,777	2,854,825	1,456,961	0	35,890,641

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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, 2007
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. 2. For property having an original cost of \$1,000,000 or		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.		
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 Generating 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)	Year of Report December 31, 2007
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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	58,443		406	20,052	38,391
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) 03/14/08	Year of Report December 31, 2007
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**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.

2. The information specified by this schedule for Account 106, Completed Construction

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.

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	IM/Northland Add 3 Feeders	103,643		0
3	Rewind spare generator field.	103,835		956,632
4	RK CIA I&M U2 HP Flash Tank	109,451		349,549
5	I&M Distribution Overhead	110,125		0
6	TL/I&M/Bluff Poin-Portland Lin	121,915		1,798,185
7	IM/Grabill Sta 12kV Fdr	122,414		9,806
8	I&M-2006-2007 RTU replacement prog	125,087		3,637,913
9	ET-CI-IMPCo-T CUST SERV	126,381		149,739
10	Wallen Expansion	128,301		469,142
11	TL/I&M/Breed -Dequine ReRating	131,753		593,546
12	PRIOR 2002 RP-IMPCo-G	138,619		0
13	IM/Colony Bay Add 2-12kV Fdrs	139,040		43,398
14	DS/I&M/Service to Ult Ethanol	141,869		182,330
15	IM/Utica Sta Add 3 Circuits	147,824		177,900
16	Lusher-5-4 Convert 4 kV to 12 kV	151,147		149,784
17	ACCESS CONTROL I&M - T	153,899		0
18	S Bend/Elkhart-2006 WPC-Non-Veg	166,100		382,585
19	RKP04CIIM ElevatorsN&S U1	168,775		137,168
20	I&M-2006-2007 RTU replacement prog	168,794		0
21	IM/Mich/Trans CKT Reliabil Program	169,611		0
22	Industrial Park Energize 69 kV	173,544		36,755
23	IM/Hobson 124 126 4kV Con	175,626		501,088
24	IM/Blaine St North 4kv Ckts	181,766		527,499
25	IM/Butler Sta Const 3rd Fdr	188,363		0
26	TS/I&M/Service to Ult Ethanol	202,834		122,866
27	IM/Quinn Repl TX w 10.5MVA	203,683		836,316
28	PRIOR 2002 ET-IMPCo-T	207,962		0
29	IM/Thomas Rd 69kV Loop Feed	214,448		596,952
30	Muncie-2006 WPC - Non-Veg Reliab	219,952		1,701,226
31	I&M-2006-2007 Line Rehab Program	240,834		20,372,537
32	TS/I&M/Reconductor Line	262,807		442,893
33	ED-CI-IMPCo-D CUST MTR	266,344		0
34	SS-CI-IMPCo-D GEN PLT	268,206		0
35	TOTAL	122,295,816	193,703,148	357,023,374

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**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.

2. The information specified by this schedule for Account 106, Completed Construction

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.

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	ET-CI-IMP Co-T PPR	269,395		2,408,069
3	RKP04CIIM Elevators N&S U2	285,142		77,841
4	South Bend SC Addition	293,944		267,221
5	CCTV-IDS FOR I&M-G	310,494		0
6	RKU207 LP1,LP2,LP3&LP4 Replacement	319,337		0
7	IM/Wallen Sta 3-12kv Fdrs	321,727		0
8	EIMS:GHG & TITEL V MODEL	321,902		0
9	RK07 CI U1 BFPT Blade Replace	351,727		77,780
10	SS-CI-IMP Co-G Software	354,519		0
11	IM/Fairmount Sta 12kV Ckt	355,103		117,912
12	IM Ind/S Berne Station 20MVA	395,361		995,339
13	ED-CI-IMP Co-D PPR	400,095		0
14	IM/West Side Ckt #3 4 to 12	428,637		1,257,108
15	DS/I&M/Construct New Station	441,433		2,517,166
16	IM/Butler Sta Add 3rd 12kV CB	460,159		173,340
17	Rockport Unit 2 Girder Blowers	476,019		0
18	Rockport U1 Girder Blower Rplcmt	478,559		0
19	800 MHz Phase IV IMP Co (IN) Capital	531,328		489,492
20	TS/I&M/Purchase-Rebuild Eq I&M	536,254		6,809,686
21	I&M - Purchase Major Equip Program	542,595		7,361,805
22	RK08CI U2 Purchase Bld Assem	552,701		2,659,279
23	TS/I&M/IN/Dequine-West (Cinerg	560,568		3,552,032
24	Indiana AMI/DA Pilot	560,920		6,439,080
25	RK07CIU1 Shock System	564,383		155,255
26	IM/Spring Convert 4kV to 12kV	576,857		1,507,786
27	IM Ind/Thomas Rd Sta 20MVA	624,940		2,290,958
28	SS-CI-IMP Co-D Software	626,797		0
29	RK06 CI Landfill Expansion	746,237		4,615,299
30	ED-CI-IMP Co-D LN TRNSF	755,250		0
31	IM/Blaine St Repl T#4	874,468		430,731
32	Decatur	935,657		1,944,318
33	ET-CI-I&M-T Drvn D Asset Imp	966,244		0
34	IM/Spring Street Station	985,806		138,392
35	TOTAL	122,295,816	193,703,148	357,023,374

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**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.
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.

2. The information specified by this schedule for Account 106, Completed Construction

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	IM/Colony Bay Repl 12kV Switch	1,011,707		443,892
3	Circuit Breaker Rehab Program-I&M	1,118,085		4,950,138
4	IM/Harlan Sta Add 69/12kV	1,177,545		782,687
5	IM/Granger Add 2nd 138/12kV	1,298,590		723,310
6	RK2 Replace Heater No. 61, 62, 63	1,303,861		1,575,006
7	South Bend Area Improvements	1,305,900		450,162
8	DS/I&M/Purchase-Rebuild Eq	1,371,621		0
9	IM/West Side Add 2nd Xfmer	1,399,388		296,011
10	ET-CI-IMP Co-T SYS IMP	1,539,828		0
11	RKP05CIIM Horiz RH ReplaceU1	1,571,845		7,612,195
12	I&M - Purchase Major Equip Program	1,769,206		0
13	RK U1 Carbon Injection	1,829,979		10,467,655
14	IM IN Utica Add 34.5/12 Xfmer	1,889,665		1,095,333
15	PRIOR 2002 ED-IMP Co-D	1,916,138		0
16	TL/I&M/TS/I&M/Service to Ultim	2,069,095		836,091
17	TL/I&M/Jay Portland 69kV Line	2,480,955		1,693,644
18	ED-CI-IMP Co-D CUST SERV	2,604,950		0
19	I&M Hg Monitoring Project	2,628,356		988,058
20	RK10 CI U2 Economizer	2,783,715		15,113,697
21	RK10 CI U1 Economizer	2,792,871		14,401,186
22	WS-CI-IMP Co-G PPB	3,097,015		0
23	IM/Ind/2004-2006 R/W Widening	3,301,278		545,954
24	TCU0 Flyash Landfill Expansion	3,383,134		25,438,842
25	Tanners Creek Plant Land Purch	3,452,317		642,683
26	IM/Ind/Trans CKT Reliab Program	3,840,001		0
27	ED-CI-IMP Co-D AST IMP	7,236,592		0
28	Other Minor Projects Under \$100,000	602,929		75,799,488
29				
30	Completed Construction Not Classified		85,877,540	
31				
32	TOTAL STATE OF INDIANA 107 \$83,516,076			
33	TOTAL STATE OF INDIANA 106 \$85,877,540			
34				
35	TOTAL	122,295,816	193,703,148	357,023,374

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) 03/14/08	Year of Report December 31, 2007
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**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.

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.

2. The information specified by this schedule for Account 106, Completed Construction

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 MICHIGAN</u>			
2	WS-CI-IMPCo-G PPB	116,684		0
3	IM/Mich/Trans CKT Reliabil Program	132,328		0
4	ET-CI-I&M-T Drvn D Asset Imp	143,572		0
5	Unit 1 Power Uprate	155,266		7,513,068
6	U2 RHR Discharge Cross-Ties	181,082		309,739
7	Almena-3rd 34.5 Ckt	191,470		0
8	PRIOR 2002 RP-IMPCo-G	198,414		0
9	U1 RTD BYPASS MAINFOLD ELIMINATION	224,421		282,312
10	IM/Sauk Trail 138/12kV	227,241		622,249
11	IM/Sauk Trail 2 Mile Ckt Ext	286,374		863,625
12	Unit 1 RCCA Replacement	393,450		983,307
13	IM/Moorepark Install 138/12kV	406,910		2,201,690
14	RPA005500 U1 Main/FPT Controls	410,842		363,878
15	SS-CI-IMPCo-N Software	463,007		0
16	RPA005520 U1 RX Head Replacement	488,592		1,795,527
17	U2 NI Replacement Drawers	523,248		2,201,987
18	Three Rivers Addition	537,049		1,173,938
19	TB Pyrojector Replacements	600,174		0
20	Circuit Breaker Rehab Program-I&M	718,028		3,178,949
21	ED-CI-IMPCo-D CUST SERV	751,609		0
22	U2 MSR Replacement	858,724		26,845,358
23	U1 LP Turbine Rotor Rplc.	894,916		0
24	U1 RHR Discharge Cross-Ties	1,142,787		1,684,433
25	ET-CI-IMPCo-T SYS IMP	1,156,774		0
26	Early Warning System Siren Repl	1,163,005		0
27	IM/Mich/2004-2006 R/W Widening	1,298,681		0
28	RPA5501 U2 Main/FPT Controls	1,786,460		0
29	ED-CI-IMPCo-D AST IMP	2,038,117		0
30	Dry Cask Storage	2,092,860		31,794,706
31	Unit 1 CT Sump Debris	2,258,559		12,858,173
32	RP-CI-IMPCo-G NMIB	8,141,476		0
33	Unit 2 Power Uprate	8,428,986		0
34	Other Minor Projects Under \$100,000	368,631		18,032,703
35	TOTAL	122,295,816	193,703,148	357,023,374

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, 2007
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**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.

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.

2. The information specified by this schedule for Account 106, Completed Construction

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 MICHIGAN</u>			
2	Completed Construction Not Classified		107,825,608	
3				
4	TOTAL STATE OF MICHIGAN 107 \$38,779,740			
5	TOTAL STATE OF MICHIGAN 106 \$107,825,608			
6				
7	<u>STATE OF OHIO</u>			
8	Completed Construction Not Classified		0	
9				
10	TOTAL STATE OF OHIO 106 \$0			
11				
12	<u>STATE OF TEXAS</u>			
13	Completed Construction Not Classified		0	
14				
15	TOTAL STATE OF TEXAS 106 \$0			
16				
17	<u>STATE OF WEST VIRGINIA</u>			
18	Completed Construction Not Classified		0	
19				
20	TOTAL STATE OF WEST VIRGINIA 106 \$0			
21				
22				
23				
24				
25				
26				
27				
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34				
35	TOTAL	122,295,816	193,703,148	357,023,374

Name of Respondent Indiana Michigan Power Co.	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, 2007
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CONSTRUCTION OVERHEADS - ELECTRIC

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.

2. On page 218 furnish information concerning construction overheads.

3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather

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.

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.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)
1	Fossil/Hydro Construction Overheads	5,105,792
2		
3	Nuclear Construction Overheads	2,626,881
4		
5	Transmission Construction Overheads	5,103,108
6		
7	Distribution Construction Overheads	16,247,186
8		
9		
10		
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39	TOTAL	29,082,967

Name of Respondent Indiana Michigan Power Co.	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, 2007
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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 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, 2007
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT(Account 108 & 110)

- | | |
|---|--|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>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.</p> <p>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.</p> | <p>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.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|---|--|

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	3,196,063,106	3,196,059,581	3,525	
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	157,429,415	157,429,304	111	
4	(403.1) Decommissioning Expense	5,504,242	5,504,242	0	
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)	162,933,657	162,933,546	111	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	41,289,418	41,289,418		
13	Cost of Removal	47,769,660	47,769,660		
14	Salvage (Credit)	11,582,585	11,582,585		
15	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	77,476,493	77,476,493	0	
16	Net Earnings of Decommissioning Funds				
17	Other Debit or Credit Items (Described)				
18	Retirement WIP	17,164,132	17,164,132		
19	Asbestos ARO	(394,546)	(364,684)		
20	Transfer between Accounts 108 & 111	202	202		
21	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	3,298,319,920	3,298,316,284	3,636	

Section B. Balances at End of Year According to Functional Classifications

22	Steam Production	779,459,998	779,459,998	0	
23	Nuclear Production-Depreciation	1,354,599,666	1,354,599,666		
24	Nuclear Production-Decommissioning	200,399,874	200,399,874		
25	Hydraulic Production-Conventional	21,935,094	21,935,094		
26	Hydraulic Production-Pumped Storage				
27	Other Production	0	0		
28	Transmission	484,949,300	484,945,664	3,636	
29	Distribution	432,020,851	432,020,851		
30	General	24,955,137	24,955,137		
31	TOTAL (Enter total of lines 20 thru 28)	3,298,319,920	3,298,316,284	3,636	

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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, 2007
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NONUTILITY PROPERTY (Account 121)

- | | |
|---|---|
| <p>1. Give a brief description and state the location of nonutility property included in Account 121.</p> <p>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.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.</p> | <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.</p> <p>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.</p> |
|---|---|

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)	0
2	(transferred from a/c 101 in Dec. 1980)			
3	Water Transportation Facilities,	32,134,094	(2,977,269)	29,156,825
4	headquartered at St Louis, MO			
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	274,100	(3,789)	270,311
16				
17				
	TOTAL	35,906,779	(3,213,405)	32,693,374

**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	14,014,393
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	777,632
4	(418) Nonoperating Rental Income	56,637
5	Other Accounts (Specify):	
6	Accounts 227 and 243	9,116,046
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	9,950,315
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	(11,109,281)
10	Cost of Removal	(51,637)
11	Salvage (Credit)	155,188
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	(11,005,730)
13	Other Debit or Credit Items (Describe):	
14	Reclassifications from/to Other Accounts	85,908
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	13,044,886

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, 2007	Year of Report December 31, 2007	
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 (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (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		266,786	
6	- Other States		10,523,335	
7				
8	Private Fuel Storage LLC		6,306,875	
9				
10	Fiber Optic Agreements with AEP Communications, Kentucky Data		5,489,994	
11	Link, Inc, and Citynet Fiber Network, Inc			
12				
13	Speculative Allowance Inventory			
14	- NOx		29,525	
15	- SO2		155,008	
16	- CO2		0	26,385
17				
18	Shell Building Loan		15,000	
19				
20	Other Miscellaneous Investments		8,041	
21				
22				
23				
24				
25				
26	Total Account 124		22,794,564	26,385
27				
28	Account 136 - Temporary Cash Investments			
29				
30				
31	Grand Total		22,794,564	26,385

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, 2007	Year of Report December 31, 2007
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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
(1) 0			266,787			5
			10,523,335			6
13,338			6,293,537			7
						8
78,945			5,411,049			9
						10
						11
						12
27,373			2,152			13
45,423			109,585			14
			26,385			15
						16
			15,000			17
						18
3,357			4,684			19
						20
						21
						22
168,435			22,652,514			23
						24
						25
						26
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						29
168,435	0	0	22,652,514	0	0	30
						31

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, 2007	Year of Report December 31, 2007
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)				
Report below the investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i> .		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.		
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).		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.		
(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.				
(b) Investment Advances - Report separately the				
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			4,923,495
5	Subtotal			45,747,495
6				
7	Price River Coal Company, Inc	12/01/65		
8	Common Stock			27,275
9	Subtotal			27,275
10				
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36	TOTAL Cost of Account 123.1 \$	146,936,960	TOTAL	45,774,770

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, 2007	Year of Report December 31, 2007
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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

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.
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.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
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).
8. Report on Line 36, column (a) the total cost of Account 123.1.

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.
				1
	14,197,000	25,324,000		2
	1,303,000	0		3
(334,795)	4,500,000	88,819		4
(334,795)	20,000,000	25,412,819		5
				6
				7
		27,275		8
		27,275		9
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(334,795)	20,000,000	25,440,094	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, 2007
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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)	0	0
2	Customer Accounts Receivable (Account 142)	67,816,145	58,524,346
3	Other Accounts Receivable (Account 143 & 172) (Disclose any capital stock subscriptions received)	16,124,051	13,796,230
4	TOTAL	83,940,196	72,320,576
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	601,056	2,710,512
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	83,339,140	69,610,064
7			
8	Account 143 includes employee receivables of \$1,117,278 @		
9	12/31/07 and \$1,180,372 @ 12/31/06 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)

- Report below the information called for concerning this accumulated provision.
- Explain any important adjustments of subaccounts.
- 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		42,310		558,746	601,056
2	Prov. For uncollectibles for current year		23,545		2,113,368	2,136,913
3	Account written off (less)		27,458		0	27,458
4	Coll. Of accounts written off					0
5	Adjustments (explain): Adjustment to Beginning Balance		0		0	0
6	Balance end of year	0	38,397	0	2,672,114	2,710,511
7						
8						
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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 Credit	60,829.00	60,829.00	121,658.00	0	
5	AEP Elmwood	0	2,575	574	2,001	
6	AEP Generating Company	27,440,880	317,745,179	318,971,110	26,214,949	
7	AEP Memco	1,711,795	9,180,464	9,158,127	1,734,132	
8	AEP Pro Serv	0	6,583	5,885	698	
9	AEP Service Corporation	24,563,393	1,210,622,179	1,212,995,816	22,189,756	
10	AEP System Pool (AEPSC)	10,882,617	391,248,234	393,088,825	9,042,026	
11	AEP T&D Services, LLC	5,829	314,616	300,529	19,916	
12	AEP Texas Central Company	974,180	5,439,418	6,402,138	11,460	
13	AEP Texas North Company	(12,778)	132,095	117,311	2,006	
14	AEP Utilities, Inc.	593,598	93,254,352	93,313,402	534,548	
15	AEP Utility Funding LLC	113,264	0	113,264	0	
16	AEPES Power Trading	0	5,977	5,794	183	
17	AEPES US Gas Trading	7,517,342	157,241,759	159,503,960	5,255,141	
18	American Electric Power Co	17,024,375	253,533,409	270,548,006	9,778	
19	Appalachian Power Co	7,189,002	111,688,701	110,129,070	8,748,633	
20	Blackhawk Coal Company Cardinal Operating Company	51,027	20,783,873	20,829,284	5,616	
21	Columbus Southern Power	718,957	11,041,522	11,317,790	442,689	
22	Conesville Coal Prep	5,517	13,476,741	2,103,320	11,378,938	
23	Cook Coal Terminal	2	839	839	2	
24	CSW Energy, Inc.	29,552	3,796,000	3,821,150	4,402	
25		1	51	41	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) December 31, 2007	Year of Report December 31, 2007
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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	Kentucky Power Co	4,995	18,272,182	16,243,900	2,033,277	
2	Kingsport Power Co	36	4,045	3,929	152	
3	Ohio Power Co	7,221,735	29,288,976	34,583,589	1,927,122	
4	Public Service Co of Ok	140,317	2,998,287	2,975,605	162,999	
5	Southwestern Power Co	207,506	2,903,458	2,828,006	282,958	
6	Wheeling Power Co	24	59,979	59,801	202	
7						
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44	TOTAL	106,443,995	2,653,102,323	2,669,542,723	90,003,595	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, 2007
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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)	62,837,672	59,263,106	Electric
2	Fuel Stock Expenses Undistributed (Account 152)	1,831,141	2,078,757	Electric
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials & Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	61,070,397	80,745,920	Electric
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)	58,220,116	42,165,155	Electric
8	Transmission Plant (Estimated)	663,584	797,213	Electric
9	Distribution Plant (Estimated)	874,148	4,957,595	Electric
10	Assigned to - Other	362,352	741,030	Electric
11	TOTAL Account 154 (Enter total of line 5 thru 10)	121,190,597	129,406,913	Electric
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)	1,750,990	2,502,333	River Trans, Elec
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)	187,610,400	193,251,109	

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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, 2007
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PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)

- | | |
|---|---|
| <p>1. Report below the information called for concerning production fuel and oil stock.</p> <p>2. Show quantities in tons Of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable.</p> <p>3. Each kind of coal or oil should be shown separately.</p> <p>4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from</p> | <p>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.</p> |
|---|---|

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	62,837,672	2,055,955	60,763,095
2	Received during year	258,990,543	7,288,663	253,645,855
3	TOTAL	321,828,215	9,344,618	314,408,950
4	Used during year (specify department)			
5	Electric Generation	257,708,413	7,274,304	252,687,313
6	Storage Pile Adjustment	4,734,257	131,085	4,734,257
7	Other - Rockport Plant Coal Pile Revision	122,439	0	0
8				
9				
10				
11				
12				
13				
14				
15	Sold or transferred			
16	TOTAL DISPOSED OF	262,565,109	7,405,389	257,421,570
17	BALANCE END OF YEAR	59,263,106	1,939,229	56,987,380

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, 2007	
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.	
26,861	2,074,577					1	
54,160	5,344,688					2	
81,021	7,419,265	0	0	0	0	3	
						4	
54,901	5,021,100					5	
0	0					6	
1,273	122,439					7	
						8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
56,174	5,143,539	0	0	0	0	16	
24,847	2,275,726	0	0	0	0	17	

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, 2007	
ALLOWANCES					
1. Report below the details called for concerning allowances.			eligible for use; the current year;s allowances in columns (b)-(c),		
2. Report all acquisitions of allowances at cost.			allowances for the three succeeding years in column(d)-(i), starting		
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.			with the following year, and allowances for the remaining succeeding		
4. Report the allowances transactions by the period they are first			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		2007	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	175,048	11,566,157	135,154	6,293,922
2-4	Acquired During Year: Issued (Less Withheld Allow)	21,751,623			
5	Returned by EPA				
6-8	Purchases/Transfers:				
9	Constellation Energy Comm	300	285,500		
10	PPL EnergyPlus LLC	400	338,500		
11	Morgan Stanley Capitol Gp				
12	Evolution Markets, LLC				
13	US EPA				
14	Other	1,531	635,621	1,000	
15	Total	2,231	1,259,621	1,000	
16					
17-18	Relinquished During Year: Charges to Account 509	17,496,739	7,358,116		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	AEP System Pool	8,192	393,027		
23	Columbus Southern Power	29,507	1,415,654		
24	Constellation Energy Comm	2,345	112,506		
25	Louis Dreyfus	675	32,263		
26	Koch Supply & Trading	185	68,022		
27	Other	52,443	257,066	1,000	7,806
28	Total	93,347	2,278,538	1,000	7,806
29	Balance-End of Year	4,338,816	3,189,124	135,154	6,286,116
30-31	Sales:				
32	Net Sales Proceeds (Assoc Co.)		9,945,426		
33	Net Sales Proceeds (Other)		15,920,139		
34	Gains		13,641,601		
35	Losses		3,249		
	Allowances Withheld				
36	Balance - Beginning of Year	1,170		1,168	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,170			
40	Balance - End of Year	0		1,168	
41-42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)		521,198		
44	Net Sales Proceeds (Other)		521,198		
45	Gains		521,198		
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, 2007
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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/transfersors 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/transfersors 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.

2008		2009		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
106,632	2,685,531	102,922	2,010,819	2,155,683	7,744,840	2,675,439	30,301,269	1
				81,376		21,832,999		2-4
								5
								6-8
						300	285,500	9
						400	338,500	10
				15,400	3,087,700	15,400	3,087,700	11
				8,380	1,713,123	8,380	1,713,123	12
				15,406	3,088,133	15,406	3,088,133	13
1,926	44,745	1,000		1	198	5,458	680,564	14
1,926	44,745	1,000	0	39,187	7,889,154	45,344	9,193,520	15
								16
						17,496,739	7,358,116	17-18
								19
								20
								21
						8,192	393,027	22
						29,507	1,415,654	23
						2,345	112,506	24
						675	32,263	25
						185	68,022	26
1,000	2,232	1,000	2,232			55,443	269,336	27
1,000	2,232	1,000	2,232	0	0	96,347	2,290,808	28
107,558	2,728,044	102,922	2,008,587	2,276,246	15,633,994	6,960,696	29,845,865	29
								30-31
							9,945,426	32
							15,920,139	33
							13,641,601	34
							3,249	35
1,168		1,164		54,991		59,661		36
				3,952		3,952		37
						0		38
				1,167		2,337		39
1,168		1,164		57,776		61,276		40
								41-42
								43
					226,488		747,686	44
					226,488		747,686	45
								46

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																																																												
228	14	b	<p align="center">Current Year</p> <table border="0"> <tr> <td></td> <td align="right">Number</td> <td align="right">Amount</td> </tr> <tr> <td>Domtar Paper Company, LLC (Nox)</td> <td align="right">200</td> <td align="right">195,000</td> </tr> <tr> <td>Sempra Energy Trading (Nox)</td> <td align="right">150</td> <td align="right">150,000</td> </tr> <tr> <td>St. Lawrence Cement Co. (Nox)</td> <td align="right">100</td> <td align="right">99,500</td> </tr> <tr> <td>Koch Supply & Trading (Nox)</td> <td align="right">100</td> <td align="right">97,500</td> </tr> <tr> <td>ANP Funding, LLC</td> <td align="right">125</td> <td align="right">92,000</td> </tr> <tr> <td>Chicago Climate Exchange</td> <td align="right">856</td> <td align="right">1621</td> </tr> <tr> <td>TOTAL</td> <td align="right"><u>1,531</u></td> <td align="right"><u>632,621</u></td> </tr> </table>		Number	Amount	Domtar Paper Company, LLC (Nox)	200	195,000	Sempra Energy Trading (Nox)	150	150,000	St. Lawrence Cement Co. (Nox)	100	99,500	Koch Supply & Trading (Nox)	100	97,500	ANP Funding, LLC	125	92,000	Chicago Climate Exchange	856	1621	TOTAL	<u>1,531</u>	<u>632,621</u>																																				
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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	none	
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	0

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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.)
2. For regulatory assets being amortized, show period of amortization in column (a).
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	992,864	228	1,441,880	6,353,887
2					
3	Cook Plant Refueling Levelization	34,838,829	Various	47,812,622	33,890,697
4					
5	VEBA Trust Contributions				354,500
6					
7	SFAS 106 Post Retirement Benefits				4,545,667
8					
9	Department of Energy Decontamination Assesment		518	4,213,844	0
10	Amort 11/1992 - 10/2007				
11					
12	Unamortized Loss on Reacquired Debt		428	206,954	3,104,300
13	Amort 1/1995 - 12/2022				
14					
15	River Transportation Div - Defd. Exp. Selling Price Variance	3,239,966	254	305	3,239,661
16					
17	Unrealized Loss on Forward Commitments	26,893,266	456	30,770,932	2,023,123
18					
19	Deregulation-Customer Educ & Transition Filing	5,807			86,143
20					
21	Deregulation Implementation	364,212			5,402,421
22					
23	Asset Retirement Obligations	98,363			1,515,172
24					
25	Merger Costs		407	1,427,667	832,845
26	Amort 8/2000 - 7/2008				
27					
28	Deferral of Michigan portion PJM Fees	1,433,854	561	1,363	4,333,314
29					
30	Deferred Equity Carrying Charges	88,116			(860,819)
31	Amort 1/2005 - 12/2019				
32					
33	BridgeCo Transmission Org Funding		407	59,630	1,273,468
34	Amort 1/2005 - 12/2019				
35	FERC Docket No AC04-101-000				
36					
37	PJM Integration Payments		407	281,387	2,653,392
38	Amort 1/2005 - 12/2014				
39	FERC Docket No EL05-74-000				
40					
41	Other PJM Integration		407	55,500	1,185,272
42	Amort 1/2005 - 12/2019				
43	FERC Docket No AC04-101-000				
44					
45	Carrying Charges - RTO Startup Costs	528,247	407	593,410	917,360
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		407	34,244	731,336
51	Amort 1/2005 - 12/2019				
52	FERC Docket No AC04-101-000				
53					
54	Unrecovered Fuel Cost	5,826,081	Various	5,626,152	844,246
55					
56	SFAS 158 Employer Accounting for Defined	68,900	165,228	44,225,278	57,516,779
57	Benefit Pension & Other Postretirement Plans				
58					
59	SFAS 109 Deferred SIT	2,715,000	283	5,541,000	39,814,000
60					
61	SFAS 109 Deferred FIT	8,902,280	Various	15,508,599	110,646,731
62	TOTAL	85,995,785		157,800,767	280,403,495

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, 2007	Year of Report December 31, 2007
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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	25,085,321	46,220,969	408	44,119,835	27,186,455
2						
3	Property Taxes - Capital Leases	87,700	500,000	408	504,370	83,330
4						
5	Emission Allowance Activity	(12,269)	9,451,959	158, 253	9,439,690	0
6						
7	Labor Accruals	4,233,565	38,432,579	Various	38,885,328	3,780,816
8						
9	Agency Fees, Factored Accts Rec	1,890,054	23,487,682	Various	23,358,204	2,019,532
10						
11	River Transportation Division	151,651	166,714,267	Various	166,774,788	91,130
12						
13	Estimated Barging Bills	62,382	77,335,221	151	77,397,603	0
14						
15	Deferred Rate Case Expense	-	534,275	Various	264,751	269,524
16						
17	Unamortized Credit Line Fees	-	623,621	431	203,508	420,113
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38	Misc. Work in Progress	940,622				1,121,345
39	TOTAL	32,439,026	363,300,573		360,948,077	34,972,245

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, 2007	Year of Report December 31, 2007
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	74,812,824	230,608	4,136,452
3	Deferred Gain Sale of Rockport Unit 2	20,005,678	1,297,349	
4	Accrued Pension Expense	(24,417,704)	0	2,259,379
5	Interest Expense Capitalized	20,125,443	956,326	1,653,720
6	SFAS 106 Post Retirement Benefits	9,981,692	2,362,179	1,342,863
7	Other (see pp. 234.1A-234.1B)	475,543,396	76,236,164	119,780,648
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	576,051,329	81,082,626	129,173,062
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)	73,169,810	0	
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	649,221,139	81,082,626	129,173,062
19	Classification of Total:			
20	Federal Income Tax	648,910,139	81,082,627	129,173,061
21	State Income Tax	311,000		
22	Local Income Tax			
NOTES				
<i>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.</i>				
Line 17 Other - Detail		<u>Balance at Beginning of Year</u>		<u>Balance at End of Year</u>
Non-Utility 190.2 Federal		12,735,551		4,498,703
Non-Utility 190.2 State		311,000		180,000
SFAS 133		8,148,311		7,803,171
SFAS 87		2,074,244		966,865
SFAS 109		49,900,704		45,648,101
Total		73,169,810		59,096,840

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, 2007
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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
						78,718,668	2
						18,708,327	3
						(22,158,325)	4
						20,822,837	5
						8,962,376	6
		Various	863,120	Various	1,994,936	520,219,696	7
0	0		863,120		1,994,936	625,273,579	8
							9
							10
							11
							12
							13
							14
						0	15
0	0		0		0	0	16
15,757,508	7,389,660	Various	6,036,013	Various	330,891	59,096,840	17
15,757,508	7,389,660		6,899,133		2,325,827	684,370,419	18
							19
15,409,000	7,172,660		6,899,133		2,325,827	684,190,419	20
348,000	217,000					180,000	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) December 31, 2007	Year of Report December 31, 2007
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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				
2	Contributions and Advances for Construction	7,819,272	1,026,246	948,274
3	Provisions for Loss Trading Credit Risk	806,492	91,728	85,002
4	Property Tax Deferrals	3,018,014	853,434	1,065,289
5	Installation Allowances Capitalized	64,379	20,954	0
6	Pre 04/83 Nuclear Fuel Cost	10,239,473	5,812,025	4,081,104
7	DOE Decontamination Fund	10,327,097	11,220,168	814,404
8	IRS Settlements	969,453	1,474,651	10,873,813
9	Emission Allowances	0	137,559	0
10	Amortization of Step Up ITC Rockport Unit 2	6,361,755	397,583	1
11	Accrued Vacation Pay	4,234,677	1,153,225	1,375,867
12	Accrued Severance Benefits	(153,909)	219,025	217,043
13	Accrued Incentive Plans	1,897,303	1,181,882	253,515
14	Book Provision for Uncollectible Debt	209,895	14,434	752,743
15	Mark to Market Gain/Loss	11,538,493	9,808,363	10,977,583
16	Capitalized Software Tax	4,362	4,784	50,318
17	Revenue Refunds	650,001	0	0
18	SFAS 112 Post Employment Benefits	1,594,638	456,245	171,334
19	Tax Capitalized Property	53,523,407	6,297,179	364
19	Accrued State Income Tax and Interest	2,079,516	2,590,062	1,402,669
20	Reg Liability SFAS 143 ARO	112,961,245	14,586,025	28,184,541
21	Accrued ARO- Expense SFAS 143	251,335,176	56,195	15,035,875
22	Accrued SIT	508,269	323,704	766,287
23	Other Miscellaneous	(4,445,612)	18,510,693	42,724,620
24	Total Other	475,543,396	76,236,163	119,780,648
25				
26				
27				
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) December 31, 2007	Year of Report December 31, 2007
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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
						7,741,300	2
						799,766	3
						3,229,869	4
						43,425	5
						8,508,552	6
						(78,667)	7
						10,368,615	8
						(137,559)	9
						5,964,173	10
						4,457,319	11
						(155,891)	12
						968,936	13
						948,204	14
						12,707,713	15
						49,896	16
						650,001	17
						1,309,727	18
						47,226,592	18
						892,123	19
						126,559,761	20
						266,314,856	21
						950,852	22
		Various	863,121	Various	1,994,936	20,900,133	23
						520,219,696	24
							25
							26
							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, 2007
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired 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 17 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	7.5% Series First Mortgage Bonds. Due 3/2024.	4/2004	25,000,000	(1,097,914)
5	No Replacement Debt Issued - Amort thru 3/1/2024			
6				
7	8-3/4% Series First Mortgage Bonds due 2/2017	3/1994	100,000,000	(7,562,180)
8	This debt was replaced by the following issuances:			
9	6.55% FMB due 3/2004. (Replaced by 6.875%			
10	SUN.)			
11	7.50% FMB due 3/2024 (Redeemed 4/2004, no			
12	replacement debt was issued.)			
13	No Replacement Debt Issued - Amort thru 2/1/2017			
14				
15	7.35% Series First Mortgage Bonds due 10/2023	5/2003	15,000,000	(383,698)
16	This debt was replaced by the following issuances:			
17	6.375% Senior Unsecured Note due 11/2012			
18	6.00% Senior Unsecured Note due 12/2032			
19				
20	8.5% Series First Mortgage Bonds due 12/2022	5/2003	75,000,000	(2,353,464)
21	This debt was replaced by the following issuances:			
22	6.375% Senior Unsecured Note due 11/2012			
23	6.00% Senior Unsecured Note due 12/2032			
24				
25	7.0% Pollution Control Revenue Bonds	11/2003	25,000,000	(600,619)
26	Lawrenceburg, IN Series Due 4/2015			
27	Replaced by 2.625% Lawrenceburg Bonds Due 10/2019			
28	Loss being amortized over life of replacement debt			
29				
30	5.95% Pollution Control Revenue Bonds, due 5/2009	11/2004	45,000,000	(496,054)
31	City of Sullivan, Indiana. (Replaced by VAR%			
32	Sullivan, IN Bonds due 5/2009.)			
33				
34	5.9% Pollution Control Revenue Bonds, due 11/2021	11/2004	52,000,000	(1,089,232)
35	City of Lawrenceberg, Indiana. (Replaced by VAR%			
36	Lawrenceberg, IN Bonds due 11/2021.)			
37				
38	9-1/4% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(3,928,658)
39	City of Rockport, Indiana.			
40	Replaced by 6.55% Rockport Bonds due 6/2025			
41	Replaced 5/06 by VAR% Rockport Bonds Due 6/2025,			
42	with \$500,000 premium paid for early redemption			
43				
44	VAR% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(785,290)
45	City of Rockport, Indiana.			
46	Replaced by VAR% Rockport Bonds due 6/2025			
47				
48	7.6% Pollution Control Revenue Bonds	11/2003	40,000,000	(338,620)
49	Rockport, IN Series Due 3/2016			
50	Replaced by 2.625% Rockport IN Bonds Due 4/2025			
51	Loss being amortized over life of replacement debt.			

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, 2007
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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.
1,440,195		84,304	1,355,891	1
				2
				3
2,028,131		118,144	1,909,987	4
				5
				6
				7
				8
				9
				10
				11
				12
332,736		32,998	299,738	13
				14
				15
				16
89,529		15,347	74,182	17
198,420		7,632	190,788	18
				19
				20
				21
549,142		94,138	455,004	22
1,217,040		46,809	1,170,231	23
				24
737,230		57,822	679,408	25
				26
				27
				28
				29
376,507		161,360	215,147	30
				31
				32
				33
1,265,055		85,284	1,179,771	34
				35
				36
				37
2,595,327		140,923	2,454,404	38
				39
				40
				41
				42
				43
483,424		26,250	457,174	44
				45
				46
				47
1,026,552		56,249	970,303	48
				49
				50
				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, 2007
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	8.0% Junior Subordinated Debentures due 3/2026	5/2003	40,000,000	(1,291,678)
2	This debt was replaced by the following issuances:			
3	6.375% Senior Unsecured Note due 11/2012			
4	6.00% Senior Unsecured Note due 12/2032			
5				
6	7.6% Junior Subordinated Debentures due 6/2038	5/2003	125,000,000	(2,911,019)
7	This debt was replaced by the following issuances:			
8	6.375% Senior Unsecured Note due 11/2012			
9	6.00% Senior Unsecured Note due 12/2032			
10				
11	9.00% Pref Stock Subject to Mandatory Redemption	4/1993	40,000,000	(896,000)
12	8.60% Pref Stock Subject to Mandatory Redemption	12/1993	40,000,000	(864,000)
13	8.68% Pref Stock Subject to Mandatory Redemption	1/1994	30,000,000	(540,000)
14	7.76% Pref Stock Subject to Mandatory Redemption	3/1994	35,000,000	(798,000)
15	6.875% Pref Stock Subject to Mandatory Redemption	1/2005	15,750,000	
16	5.90% Pref Stock Subject to Mandatory Redemption	1/2005	13,200,000	(861,392)
17	6.25% Pref Stock Subject to Mandatory Redemption	1/2005	19,250,000	
18	6.30% Pref Stock Subject to Mandatory Redemption	1/2005	13,245,000	
19	(Balance transferred from FERC Acct 210 to 189)			
20				
21	SUBTOTAL Unamortized Losses			
22				
23	7.35% Series First Mortgage Bonds. Due 7/2023.	6/2001	5,000,000	38,090
24	Partially reacquired and not refunded.			
25	Gain being amortized over life of retired debt.			
26				
27	SUBTOTAL Unamortized Gains			
28				
29	TOTAL			
30				
31				
32				
33				
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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, 2007
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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.
301,392		51,668	249,724	1
667,961		25,690	642,271	2
				3
				4
				5
679,239		116,442	562,797	6
1,505,367		57,899	1,447,468	7
				8
				9
				10
				11
				12
1,505,258		564,949	940,309	13
				14
				15
				16
				17
				18
				19
16,998,505	0	1,743,908	15,254,597	20
				21
(28,674)	1,711		(26,963)	22
				23
				24
				25
				26
(28,674)	1,711		(26,963)	27
				28
16,969,831	1,711	1,743,908	15,227,634	29
				30
				31
				32
				33
				34
				35
				36
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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, 2007
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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				
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34				

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, 2007	Year of Report December 31, 2007	
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.			5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.			
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.			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		HELD BY RESPONDENT				
<i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		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
55,335	5,533,500					9
14,412	1,441,200					10
11,055	1,105,500					11
						12
80,802	8,080,200					13
						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, 2007
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**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)**

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, *Common Stock Subscribed*, and Account 205, *Preferred Stock Subscribed*, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed
- under Account 203, *Common Stock Liability for Conversion*, or Account 206, *Preferred Stock Liability for Conversion*, at the end of the year.
4. For Premium on Account 207, *Capital Stock*, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

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	3,118
17	4-1/8% Preferred Stock	55,335	80,180
18			
19			
20			
21			
22			
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24			
25			
26			
27			
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36			
37			
38			
39			
40	TOTAL	1,466,390	4,317,933

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, 2007
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	Series 4.12% Accum reacq gains until complete series redemption	266,292	
8	Series 4-1/8% Accum reacq gains until complete series redemption	161,658	
9	Series 4.56% Accum reacq gains until complete series redemption	4,400	
10			
11	TOTAL Account 210	432,350	
12			
13			
14	Miscellaneous paid-in capital (Account 211)		
15	Amounts recorded in connection with:		
16	Merger of Indiana Service Corporation with respondent in 1948 as		
17	subsequently adjusted December 31, 1948	1,002,503	
18	Acquisiton of Citizen's Heat, Light, and Power Company by		
19	respondent in 1954	10,687	
20	Merger of Michigan Power Company with respondent in 1992	2,861,068	
21			
22	TOTAL Account 211	3,874,258	
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35	TOTAL	856,973,599	

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, 2007
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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 2007
NONE

2. Securities issued during 2007
NONE

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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, 2007
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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> (a)	Principal Amount of Debt Issued (b)	Total Expense, Premium or Discount (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 - 35 day Auction Rate	25,000,000	221,756
10			228,136
11			
12	Series G - 35 Day Auction Rate	52,000,000	1,290,294
13	Sullivan, IN		
14	Series D - 35 Day Auction Rate	45,000,000	1,377,796
15	Rockport, IN		
16	Series 2003 C - 7 Day Auction Rate	40,000,000	386,618
17			345,636
18			
19	Series 2002 A 4.625%	50,000,000	296,785
20			325,000 D
21			382,272
22			136,351 D
23			444,593
24			
25	Series 2006 A - 7 Day Auction Rate	50,000,000	396,817
26	Issued Under IURC Cause #42853		-500,000 P
27			1,194,420
28			467,500 D
29			
30			
31			
32			
33			
34	TOTAL	1,312,000,000	30,726,451

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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-Discount 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)			
				259,022,855		1
						2
				259,022,855		3
						4
						5
						6
						7
						8
10/13/2003	10/1/2019	10/1/2003 10/1/2006	10/1/2019 10/1/2019	25,000,000	960,035	9
						10
						11
10/15/2004	11/1/2021	10/15/2004	11/1/2021	52,000,000	1,971,522	12
						13
10/5/2004	5/1/2009	10/5/2004	5/1/2009	45,000,000	1,689,000	14
						15
10/13/2003	4/1/2025	10/1/2003 10/1/2006	4/1/2025 4/1/2025	40,000,000	1,484,589	16
						17
						18
8/1/1985	6/1/2025	8/1/1995	6/1/2025	50,000,000	2,369,792	19
						20
6/1/2002	6/1/2007	6/1/2002	6/1/2007			21
						22
6/1/2007	6/1/2025	6/1/2007	6/1/2025			23
						24
5/17/2006	6/1/2025	5/1/2006	6/1/2025	50,000,000	1,898,832	25
						26
6/1/1995	6/1/2025	6/1/1995	6/1/2025			27
						28
						29
						30
						31
						32
						33
				1,571,022,855	70,973,909	34

Name of Respondent		This Report Is:	Date of Report	Year of Report
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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	Series 1995 B - 35 Day Auction Rate	50,000,000	1,259,392	
2			260,000 D	
3			192,254	
4			181,187 D	
5				
6	SUBTOTAL - Pollution Control Bonds	312,000,000	8,886,807	
7				
8	Senior Unsecured Notes			
9	Series A - 6.45%	50,000,000	120,499	
10			1,465,530 D	
11				
12	Series E - 6.375%	100,000,000	732,025	
13			119,000 D	
14				
15	Series D - 6.00%	150,000,000	4,854,767	
16			4,387,500	
17			1,050,000	
18				
19	Series F - 5.05%	175,000,000	1,302,944	
20			637,000 D	
21				
22	Series G - 5.65%	125,000,000	906,746	
23			176,250 D	
24				
25	Series H - 6.05%	400,000,000	3,815,383	
26	Issued Under IURC Cause # 42853		2,272,000 D	
27				
28	SUBTOTAL - Senior Unsecured Notes	1,000,000,000	21,839,644	
29				
30				
31				
32	SUBTOTAL - Preferred Stock	none	none	
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46	TOTAL	1,312,000,000	30,726,451	

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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, 2007	
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)			
6/1/1995	6/1/2025	6/1/1995	6/1/2025	50,000,000	1,900,139	1
						2
6/25/2001	6/1/2025	6/25/2001	6/1/2025			3
						4
				312,000,000	12,273,909	5
						6
						7
						8
11/9/1998	11/10/2008	11/1/1998	11/10/2008	50,000,000	3,225,000	9
						10
						11
11/22/2002	11/1/2012	11/22/2002	11/1/2012	100,000,000	6,375,000	12
						13
						14
11/22/2002	12/31/2032	11/22/2002	12/31/2032	150,000,000	9,000,000	15
		11/22/2002	12/31/2007			16
		12/1/2007	11/30/2008			17
						18
11/16/2004	11/15/2014	11/16/2004	11/15/2014	175,000,000	8,837,500	19
						20
						21
12/7/2005	12/1/2015	12/1/2005	11/30/2015	125,000,000	7,062,500	22
						23
						24
11/14/2006	3/15/2037	11/14/2006	3/15/2037	400,000,000	24,200,000	25
						26
						27
				1,000,000,000	58,700,000	28
						29
						30
				none	none	31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
				1,571,022,855	70,973,909	46

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
256	19	A	On June 3, 2002, the Series 1985A Pollution Control Bonds were re-marketed as Series 2002A Pollution Control Bonds due June 1, 2025, at a 4.9% fixed interest rate. This did not redeem the note itself but changed the method of interest calculation, the timing of the interest payments and the maturity date of the debt. These bonds were again re-marketed in June 2007 at a 4.625% fixed interest rate. There were \$444,593 in issuance expenses incurred in this re-offering and no related discount. These plus the Issuance expenses still remaining from the Series 1985A Pollution Control Bonds will be amortized through the June 2025 maturity date of the new Series.
256.1	15	A	The \$150MM 6.00% Series D Senior Unsecured Note was originally issued with an insurance policy that guarantees the principal if Indiana Michigan Power were to default on these bonds. The original policy costing \$4,387,500 covered the period of Dec 2002 - Dec 2007 and was fully amortized over that policy period. The renewal policy issued in Dec 2007 cost \$1,050,000 and covers the period Dec 2007 - Nov 2008 over which the premium will be amortized.
257.1	46	I	The difference between the total interest on this schedule and the total of accounts 427 and 430 is due to interest on short-term advances from the AEP Money Pool, cash flow hedge interest, and interest brokerage fees related to Pollution Control Bonds.

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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	114,623,110	5,123,605,010	5,058,942,305	49,960,405	3,554,382
3	SUBTOTAL	114,623,110	5,123,605,010	5,058,942,305	49,960,405	3,554,382
4						
5	Account 234					
6	AEP Coal Marketing, LLC	0	427,320	427,320	0	
7	AEP Elmwood, LLC	0	0	2,575	2,575	
8	AEP Gas Power GP, LLC	0	1,010	1,010	0	
9	AEP Generating Company	22,350,686	282,916,319	282,448,478	21,882,845	
10	AEP Memco, LLC	4,842,570	62,683,425	67,482,208	9,641,353	
11	AEP Pro Serv, Inc.	4	397	393	0	
12	AEP Service Corporation	17,429,600	173,125,808	175,594,444	19,898,236	
13	AEP System Pool (AEPSC)	15,767,782	153,455,021	141,844,358	4,157,119	
14	AEP T&D Services	0	1,448	1,448	0	
15	AEP Texas Central Company	984,833	5,955,948	4,976,591	5,476	
16	AEP Texas North Company	133	317,294	318,230	1,069	
17	AEP Transportation, LLC	19,884	483,499	532,459	68,844	
18	AEP Utilities, Inc	0	10,626	10,626	0	
19	AEP Utility Funding LLC	0	20,435	24,027	3,592	
20	AEPES Power Trading	0	751,653	813,093	61,440	
21	American Electric Power Co	734,663	467,705,585	467,471,008	500,086	
22	Appalachian Power Co	606,840	15,628,617	15,734,936	713,159	
23	Blackhawk Coal Company	0	364,719	433,012	68,293	
24	Cardinal Operating Company	1,558	161,130	160,021	449	
25	Columbus Southern Power	19,017	1,410,092	1,419,209	28,134	
26	Conesville Coal Prep Co	0	24,450	24,450	0	
27	Cook Coal Terminal	2,029,133	27,175,111	26,811,984	1,666,006	
28	CSW Energy, Inc	0	2,226	2,226	0	
29	Franklin Real Estate Company	0	8,015	8,015	0	
30	Indiana Franklin Realty, Inc	436	154,636	156,103	1,903	
31	Kentucky Power Co	22,791	16,329,239	18,331,128	2,024,680	
32	Kingsport Power Co	0	403	403	0	
33	Ohio Power Co	447,298	26,589,960	26,453,971	311,309	
34	Public Service Co of OK	35,738	788,953	1,109,791	356,576	
35	Southwestern Electric Power Co	153,976	2,852,797	3,032,449	333,628	
36	United Sciences Testing, Inc	0	41,419	41,419	0	
37	Wheeling Power Co	2,584	12,765	10,181	0	
38	SUBTOTAL	65,449,526	1,239,400,320	1,235,677,566	61,726,772	0
39						
40	TOTAL	180,072,636	6,363,005,330	6,294,619,871	111,687,177	3,554,382

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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. Statenames 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)	225,092,856	
2	Allocations:		
3	Net Other Income and Deductions	(6,785,806)	
4	Interest Charges	81,438,719	
5	Net income for the year (page 117 line 78)	136,868,331	
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	201,135,781	

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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.
225,092,856		1
		2
(6,785,806)		3
81,438,719		4
		5
		6
		7
		8
		9
		10
		11
		12
		13
		14
		15
		16
		17
		18
		19
		20
		21
		22
		23
		24
		25
201,135,781		26

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
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261A	6		<p align="right">In (000's)</p> <p>Net income for the year per Page 117 136,868</p> <p>Federal Income Taxes 61,107</p> <p>Pretax Book Income 197,975</p> <p>Increase (Decrease) in Taxable Income resulting from:</p> <p>Allowance for Funds Used During Construction and Other Differences</p> <p> Between Items Capitalized for Books and Expenses for Tax (5,132)</p> <p> Amortization of Deferred Book Gain - Rockport Unit 2 Sale (3,707)</p> <p> Book Accruals and Deferrals (11,205)</p> <p> Capitalized Relocation Costs (1,872)</p> <p> Deferred Fuel Costs 1,445</p> <p> Emission Allowances (Net) 3,016</p> <p> Equity in Earnings of Subsidiary Companies 335</p> <p> Excess Tax vs Book Depreciation 30,610</p> <p> Federal and State Mitigation Programs 11,078</p> <p> Accrued Interest Long and Short Term (837)</p> <p> Mark To Market (959)</p> <p> Merger Costs 1,428</p> <p> Manufacturing Deduction (2,640)</p> <p> Nuclear Book Deferred Costs 12,974</p> <p> Nuclear Decommissioning Costs 5,963</p> <p> Nuclear Fuel Adjustments (1,570)</p> <p> Nuclear Fuel Disposal Costs (13,620)</p> <p> Pension Expenses (Net) 7,249</p> <p> RTO Expenses and Carrying Charges (385)</p> <p> Removal Costs - ACRS (22,276)</p> <p> Repair Allowance (720)</p> <p> Reversal - Capitalized Cook Costs - Tax (17,988)</p> <p> Savings Plan 1,970</p> <p> SFAS 106 - Post Retire Benefit Medicare (4,165)</p> <p> SFAS 106 - Post Retirement Benefit Expense Accrued/Funded (Net) 12,956</p> <p>Other (Net) 565</p> <p>Federal Income Tax on Current Year Taxable Income (Seperate Return) 648</p> <hr/> <p>201,136</p> <p>Computation of Tax *</p> <p>Federal Income Tax on Current Year Taxable Income (Seperate Return Basis) at the Statutory Rate of 35% (a) 70,398</p> <p>Adjustment due to System Consolidation (b) (925)</p> <p>Estimated Tax Currently Payable 69,473</p> <p>Tax Provision Adjustment 1,508</p> <p>Audit Settlement (1,322)</p> <p>Adjustments of Prior Years Accruals (Net) (5,833)</p> <hr/> <p>Estimated Current Federal Income Taxes (Net) 63,826</p>
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(a) Represents the allocation of the estimated current year net operating tax loss of American Electric Power Company, Inc.

(b) The Company joins in the filing of a consolidated Federal income tax return with its affiliated companies in the AEP system. The allocation of the AEP System's consolidated Federal income tax to the System companies allocates the benefit of current tax losses to the System companies giving rise to them in determining their current tax expense. The tax loss of the System parent company, American Electric Power Company, Inc., is allocated to its subsidiaries with taxable income. With the exception of the loss of the parent company, the method of allocation approximates a separate return result for each company in the consolidating group.

INSTRUCTION 2.

* The tax computation above represents an estimate of the Company's allocated portion of the System consolidated Federal income tax. The computation of actual 2007 System Federal income taxes will not be available until the consolidated Federal income tax return is completed and filed by September 2008. The actual allocation of the System consolidated Federal income tax to the members of the consolidated group will not be available until after the Consolidated Federal Income Tax is filed.

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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, 2007
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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	FEDERAL:					
2	INCOME	-27,037,584.00		63,503,361.00	31,416,515.00	-8,812,764.00
3	FICA - 2007	2,880,228.00		15,864,156.00	16,146,003.00	
4	UNEMPLOYMENT - 2007	53,370.00		172,214.00	161,039.00	
5	EXCISE TAX - 2006	568,548.00		8,049.00	576,597.00	
6	EXCISE TAX - 2007			1,734,817.00	1,325,263.00	
7	SUBTOTAL Federal	-23,535,438.00		81,282,597.00	49,625,417.00	-8,812,764.00
8						
9	STATE OF INDIANA:					
10	INCOME 2004 & PRIOR	2,934,145.00		-1,372,949.00	839,873.00	-471,323.00
11	INCOME 2006	-913,991.00		-304,375.00	-1,218,366.00	
12	INCOME 2007			7,970,200.00	5,517,366.00	
13	IN LICENSE			22.00	22.00	
14	UNEMPLOYMENT IN - 2007	45,881.00		136,170.00	131,476.00	
15	UTIL RECEIPTS TAX - 2006	55,000.00		58,419.00	113,419.00	
16	UTIL RECEIPTS TAX - 2007			12,805,000.00	12,805,000.00	
17	UTIL RECEIPTS TAX - Audit			1,700,000.00		
18	SALES & USE TAX - 2006	351,314.00		96,203.00	447,517.00	
19	SALES & USE TAX - 2007			3,373,135.00	3,128,414.00	
20	SALES & USE TAX AUDIT	401,000.00		-22,716.00	378,284.00	
21	PUBLI SERV COMM-2006		231,298.00	462,597.00	231,299.00	
22	PUBLI SERV COMM-2007			573,108.00	859,662.00	
23	REAL & PERS PROP-2004			-7,994.00	-7,994.00	
24	REAL & PERS PROP-2005			-40.00	-40.00	
25	REAL & PERS PROP-2006	19,439,607.00		-1,057,180.00	18,220,741.00	
26	REAL & PERS PROP-2007			20,429,770.00	228.00	
27	PERS PROP LEASED-2006	526,200.00		-37,657.00	488,543.00	
28	PERS PROP LEASED-2007			500,000.00		
29	REAL PROP LEASED-2005			-6,429.00	-6,429.00	
30	REAL PROP LEASED-2006	26,124.00		-135,172.00	-129,574.00	
31	REAL PROP LEASED-2007			762,830.00	1,045,198.00	
32	SUBTOTAL Indiana	22,865,280.00	231,298.00	45,922,942.00	42,844,639.00	-471,323.00
33						
34	STATE OF KENTUCKY:					
35	REAL & PERS PROP-2005	-7,896.00		9,120.00	1,224.00	
36	REAL & PERS PROP-2006	-159.00		3,207.00	3,048.00	
37	KY INCOME 2004 & PRIOR	-25,530.00		56,668.00	65,040.00	
38	KY INCOME 2006	-39,000.00		-67,146.00	-106,146.00	
39	KY INCOME 2007			174,400.00	356,146.00	
40	SUBTOTAL Kentucky	-72,585.00		176,249.00	319,312.00	

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)	Year of Report December 31, 2007
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
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.
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.
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.
10. Fill in all columns for all line items.

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.
						1
-3,763,501.00		72,649,228.00			-9,145,867.00	2
2,598,381.00		10,570,012.00			5,294,144.00	3
64,545.00		105,618.00			66,596.00	4
		373.00			7,676.00	5
409,554.00		33,179.00			1,701,638.00	6
-691,021.00		83,358,410.00			-2,075,813.00	7
						8
						9
250,000.00		-1,372,949.00				10
		-1,029,072.00			724,697.00	11
2,452,834.00		7,913,300.00			56,900.00	12
		22.00				13
50,575.00		97,631.00			38,539.00	14
		58,419.00				15
		12,805,000.00				16
1,700,000.00		1,700,000.00				17
		-247,794.00			343,997.00	18
244,721.00		409,665.00			2,963,470.00	19
					-22,716.00	20
		462,597.00				21
	286,554.00	573,108.00				22
		-7,994.00				23
		-40.00				24
161,686.00		2,176,139.00			-3,233,319.00	25
20,429,542.00		16,976,810.00			3,452,960.00	26
		50,043.00			-87,700.00	27
500,000.00		416,670.00			83,330.00	28
		-6,429.00				29
20,526.00		-74,523.00			-60,649.00	30
-282,368.00					762,830.00	31
25,527,516.00	286,554.00	40,900,603.00			5,022,339.00	32
						33
						34
		7,896.00			1,224.00	35
		159.00			3,048.00	36
-33,902.00		56,668.00				37
		-67,263.00			117.00	38
-181,746.00		173,000.00			1,400.00	39
-215,648.00		170,460.00			5,789.00	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, 2007
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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 MICHIGAN:					
2	MI INCOME 2004 & PRIOR	-574,895.00		273,835.00	-200,730.00	100,330.00
3	MI 2007 LICENSE TAX			25.00	25.00	
4	SINGLE BUS TAX - 2005			10,503.00	10,503.00	
5	SINGLE BUS TAX - 2006	-285,567.00		-829,762.00	-1,115,329.00	
6	SINGLE BUS TAX - 2007			632,500.00	1,304,826.00	
7	UNEMPLOYMENT - 2007	160,018.00		471,156.00	457,954.00	
8	PUBL SERV COMM'S-2006		43,326.00	188,290.00	144,964.00	
9	PUBL SERV COMM'S-2007			79,495.00	175,001.00	
10	SALES & USE-2006	-70,023.00		31,083.00	-38,940.00	
11	SALES & USE - 2007			1,096,560.00	1,119,259.00	
12	SALES & USE - TAX PROVISION	1,312,200.00		-497,300.00		
13	REAL & PERS PROP-2005	7,115,508.00		-698,087.00	6,417,421.00	
14	REAL & PERS PROP-2006	21,514,080.00		1,007,920.00	16,422,110.00	
15	REAL & PERS PROP-2007			23,423,280.00		
16	REAL PROP LEASED-2005	73,260.00		-32,890.00	40,370.00	
17	REAL PROP LEASED-2006			266,774.00	195,871.00	
18	SUBTOTAL Michigan	29,244,581.00	43,326.00	25,423,382.00	24,933,305.00	100,330.00
19						
20	STATE OF WEST VIRGINIA:					
21	2007 LICENSE TAX			305.00	305.00	
22	WVA INC TAX-2004 & PRIOR	-229,891.00		-24,093.00	-148,264.00	
23	WEST VA INC TAX-2006	291,934.00		-132,721.00	159,213.00	
24	WEST VA INC TAX-2007			786,500.00	880,387.00	
25	WVA FRANCHISE - 2006	406,897.00		116,676.00	523,573.00	
26	WVA FRANCHISE - 2007			618,100.00	616,127.00	-7,400.00
27	REAL & PERS PROP-2005	13,463.00		58,518.00	71,981.00	
28	REAL & PERS PROP-2006	134,127.00			75,977.00	
29	REAL & PERS PROP-2007			169,344.00	8,572.00	
30	WV USE TAX - 2006	2,355.00			2,355.00	
31	WV USE TAX - 2007			33,338.00	27,449.00	
32	WV EXCISE TAX - 2006	42,562.00		841.00	43,403.00	
33	WV EXCISE TAX - 2007			304,170.00	269,638.00	
34	UNEMPLOYMENT - 2007	1,437.00		-96.00		
35	SUBTOTAL West Virginia	662,884.00		1,930,882.00	2,530,716.00	-7,400.00
36						
37						
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, 2007
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
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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.
10. Fill in all columns for all line items.

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.
		273,835.00				1
		25.00				2
		25,082.00			-14,579.00	3
		-850,346.00			20,584.00	4
-672,326.00		632,000.00			500.00	5
173,220.00		379,659.00			91,497.00	6
		188,290.00				7
	95,506.00	79,495.00				8
		32,873.00			-1,790.00	9
-22,699.00		632,711.00			463,849.00	10
814,900.00		-497,300.00				11
		-698,087.00				12
6,099,890.00		22,515,700.00			-21,507,780.00	13
23,423,280.00					23,423,280.00	14
		-32,890.00				15
70,903.00		266,774.00				16
29,887,168.00	95,506.00	22,947,821.00			2,475,561.00	17
						18
		610.00			-305.00	19
-105,720.00		24,093.00			-48,186.00	20
		-169,368.00			36,647.00	21
-93,887.00		780,100.00			6,400.00	22
		122,012.00			-5,336.00	23
-5,427.00		573,800.00			44,300.00	24
		6,695.00			51,823.00	25
58,150.00		6,564.00			-6,564.00	26
160,772.00					169,344.00	27
						28
5,889.00					33,338.00	29
					841.00	30
34,532.00					304,170.00	31
1,341.00		-8,330.00			8,234.00	32
55,650.00		1,336,176.00			594,706.00	33
						34
						35
						36
						37
						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, 2007
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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.
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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.
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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-2001			3,501.00	3,501.00	
3	REAL & PERS PROP-2002			2,985.00	2,985.00	
4	REAL & PERS PROP-2006					
5	REAL & PERS PROP-2007			790.00	790.00	
6	PERS PROP LEASED-2005			50.00	50.00	
7	OHIO INC. TAX -2004&Prior				-100,330.00	-100,330.00
8	OHIO INCOME TAX - 2006	-441,713.00		114,123.00	-327,590.00	
9	OHIO INCOME TAX - 2007			354,000.00	237,590.00	
10	OHIO FRANCH TAX - 2007			90,000.00	90,000.00	
11	OHIO LICENSE TAX			100.00	100.00	
12	OHIO CAT TAX - 2006	66,000.00		-19,602.00	46,398.00	
13	OHIO CAT TAX - 2007			263,548.00	164,548.00	
14	SUBTOTAL Ohio	-375,713.00		809,495.00	118,042.00	-100,330.00
15						
16	STATE OF ILLINOIS:					
17	IL REAL/PERS PROP-2006				1,815.00	
18	IL INCOME TAX - 2006	468.00		6,018.00	6,486.00	
19	IL INCOME TAX - 2007			26,000.00	26,828.00	
20	SUBTOTAL Illinois	468.00		32,018.00	35,129.00	
21						
22	STATE OF LOUISIANA:					
23	LA REAL/PERS PROP 2006	-432.00		8,313.00	7,881.00	
24	LA REAL/PERS PROP 2007			432.00	432.00	
25	SUBTOTAL Louisiana	-432.00		8,745.00	8,313.00	
26						
27	RAILCAR PROP TAX:					
28	AR PROP TAX-2005			1,993.00	1,993.00	
29	AR PROP TAX-2006			1,484.00	1,484.00	
30	AL PROP TAX-2006			48.00	48.00	
31	CO PROP TAX-2005			9,481.00	9,440.00	
32	FL PROP TAX-2006			592.00	592.00	
33	GA PROP TAX-2006			1,240.00	1,240.00	
34	MO PROP TAX-2006			52,139.00	52,139.00	
35	NE PROP TAX-2005	144,000.00		-45,900.00	98,100.00	
36	NE PROP TAX-2006	123,200.00				
37	NE PROP TAX-2007			103,450.00		
38	SC PROP TAX-2006			53.00	53.00	
39	TN PROP TAX-2006			486.00	486.00	
40	VA PROP TAX-2006			100.00	100.00	

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)	December 31, 2007	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.						
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.						
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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.						
10. Fill in all columns for all line items.						
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.
						1
		3,501.00				2
		2,985.00				3
		791.00			-791.00	4
		790.00				5
		50.00				6
						7
		105,656.00			8,467.00	8
116,410.00		350,100.00			3,900.00	9
		89,618.00			382.00	10
		100.00				11
		-19,602.00				12
99,000.00		263,548.00				13
215,410.00		797,537.00			11,958.00	14
						15
						16
-1,815.00						17
		6,018.00				18
-828.00		26,000.00				19
-2,643.00		32,018.00				20
						21
						22
		432.00			7,881.00	23
		432.00				24
		864.00			7,881.00	25
						26
						27
					1,993.00	28
					1,484.00	29
					48.00	30
41.00					9,481.00	31
					592.00	32
					1,240.00	33
					52,139.00	34
					-45,900.00	35
123,200.00						36
103,450.00					103,450.00	37
					53.00	38
					486.00	39
					100.00	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, 2007
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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	WY PROP TAX-2006	28,300.00			26,143.00	
2	WY PROP TAX-2007			26,928.00		
3	SUBTOTAL Railcar Prop Tax	295,500.00		152,094.00	191,818.00	
4						
5	STATE OF MISSOURI					
6	MO INCOME TAX - 2005			-322.00	-322.00	
7	MO INCOME TAX - 2006	-42,088.00		-3,600.00	-45,688.00	
8	MO INCOME TAX - 2007			400.00	44,726.00	
9	MO LICENSE TAX - 2007			20.00	20.00	
10	MO FRANCHISE - 2006	211.00		228.00	439.00	
11	MO FRANCHISE - 2007			845.00	845.00	
12	MISC RTD PROP-2006	1,079,390.00		-138,894.00	940,496.00	
13	MISC RTD PROP-2007			442,866.00	-940,496.00	
14	SUBTOTAL Missouri	1,037,513.00		301,543.00	20.00	
15						
16	OTHER INC 2004 & PRIOR	2,208,000.00		-1,435,995.00	65,569.00	-706,436.00
17	FED FIN-48 - 2007					4,707,320.00
18	STATE FIN-48 - 2007			-988,566.00	173,266.00	1,503,794.00
19	LOCAL INCOME TAX				1,587.00	
20						
21						
22						
23						
24						
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31						
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39						
40	TOTAL	32,330,058	274,624	153,615,386	120,847,133	(3,786,809)

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, 2007
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
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.
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.
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.
10. Fill in all columns for all line items.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
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)	
2,157.00						1
26,928.00					26,928.00	2
255,776.00					152,094.00	3
						4
						5
		-530.00			208.00	6
		-3,500.00			-100.00	7
-44,326.00		400.00				8
		20.00				9
		436.00			-208.00	10
		841.00			4.00	11
					-138,894.00	12
1,383,362.00					442,866.00	13
1,339,036.00		-2,333.00			303,876.00	14
						15
		-1,435,995.00				16
4,707,320.00						17
341,962.00		-1,012,659.00			24,093.00	18
-1,587.00						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
61,418,939	382,060	147,092,952	0	0	6,522,484	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, 2007		
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%	0					
4	7%						
5	10%	67,243,083			4114/4115	5,397,362	344,385
6							
7							
8	TOTAL	67,243,083		0		5,397,362	344,385
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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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) December 31, 2007	Year of Report December 31, 2007
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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
62,190,106	Various	Adjustment to prior year's Federal Income Tax Return: \$344385	4
			5
			6
62,190,106			7
			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
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			46
			47
			48

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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	31,960,379
2	Accrued Vacation, Holiday, and Other Non-Productive	19,502,690
3	Accrued Payroll	7,062,079
4	Payroll Deductions	619,617
5	Miscellaneous Employee Benefits (4 Items)	1,603,343
6	Accrued Workers Compensation	751,599
7	Accrued Lease/Rents	8,357,352
8	Accrued Revenue Refunds	4,939,427
9	Control Cash Disbursements	8,436,736
10	Accrued Civil Penalties	3,138,880
11	Spent Nuclear Fuel Disposal Costs	3,551,547
12	Miscellaneous Current & Accrued Liabilities (5 Items)	905,319
13		
14		
15		
16		
17		
18		
19		
20	TOTAL	90,828,968

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)

Line No.	List Advances by department (a)	Balance End of Year (b)
21	None	0
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	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, 2007
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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	59,058,377	507	3,706,716		55,351,661
3						
4	Other Post Retirement Benefits	4,900,151				4,900,151
5						
6	Pole Attachment Rentals	523,994	454	1,578,821	1,586,584	531,757
7						
8	IPP-System Upgrade Credits	9,591,769	431	7,464,886	3,354,406	5,481,289
9						
10	Deferred Gain:					
11	Fiber Optic Agrmts - In Kind Svc					
12	Amortized thru 2025	5,489,994	411	78,945		5,411,049
13						
14	Deferred Revenues-Verizon	770,883	451	47,438		723,445
15	Amort through March 2023					
16						
17	Deferred Revenues-KDL	145,098	451	9,348		135,750
18	Amort through Dec 2022					
19						
20	Assoc Business Dev. - Defd Rev	255,970	456.00	255,970		0
21						
22	Railcar Maintenance - Defd Rev	17,379	186.00	17,379	0	0
23						
24	I&M Railcar Sublease	45,858	186, 557	1,293,388	1,329,820	82,290
25						
26	Customer Advance Receipts				3,455,222	3,455,222
27						
28	State Mitigation Deferral (NSR)				4,431,360	4,431,360
29						
30	Federal Mitigation Deferral (NSR)				6,277,760	6,277,760
31						
32	Accrued Penalties - Tax Reserves				199,135	199,135
33						
34	Misc Items	1,032	Various	27,390	31,369	5,011
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45	TOTAL	80,800,505		14,480,281	20,665,656	86,985,880

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, 2007
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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	353,186	4,357	33,789
5	Other			
6				
7	TOTAL Electric (Total of lines 3 thru 6)	353,186	4,357	33,789
8	Gas			
9	Defense Facilities			
10	Pollution Control Facilities			
11	Other			
12				
13	TOTAL Gas (Total of lines 9 thru 12)	0	0	0
14	Other (Specify)			
15	TOTAL (Account 281)	353,186	4,357	33,789
16	Classification of TOTAL			
17	Federal Income Tax	353,186	4,357	33,789
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, 2007
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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
						323,754	4
							5
							6
						323,754	7
							8
							9
							10
							11
							12
							13
							14
						323,754	15
							16
						323,754	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, 2007
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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	407,295,949	26,287,851	19,556,254
3	Gas			
4	Other (Define)			
5	TOTAL (Enter total of lines 2 thru 4)	407,295,949	26,287,851	19,556,254
6	Other (Specify)	121,971		
7	Non-Utility	62,567,278		
8	SFAS 109			
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	469,985,198	26,287,851	19,556,254
10	Classification of TOTAL			
11	Federal Income Tax	469,985,198	26,287,851	19,556,254
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, 2007
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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
						414,027,546	2
							3
							4
						414,027,546	5
						121,971	6
		Various	2,179,161			60,388,117	7
							8
			2,179,161			474,537,634	9
							10
			2,179,161			474,537,634	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, 2007
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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	7,197,445		485,069
3	Reg Asset - SFAS 143 ARO	342,371,687	39,465,734	0
4	Deferred Cook O&M Restart Cost	16,402,569	9,302,245	13,843,072
5	Capitalized Software	16,400,904	220,574	4,641,573
6	Mark To Market	13,965,366	0	18,131,020
7	Other	12,346,453	85,048,520	57,941,102
8	TOTAL Electric (total of lines 2 thru 6)	408,684,424	134,037,073	95,041,836
9	Gas			
10				
11				
12				
13				
14	Other			
15	TOTAL Gas (Total of lines 9 thru 13)	0	0	0
16	Other (Specify)	115,215,240		
17	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	523,899,664	134,037,073	95,041,836
18	Classification of TOTAL			
19	Federal Income Tax	481,259,664	134,037,073	95,041,836
20	State Income Tax	42,640,000		
21	Local Income Tax			

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, 2007
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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
						6,712,376	2
						381,837,421	3
						11,861,742	4
						11,979,905	5
						(4,165,654)	6
						39,453,871	7
						447,679,661	8
							9
							10
							11
							12
							13
							14
0	0		0		0	0	15
5,643,036	9,151,866	Various	8,189,802	Various		103,516,608	16
5,643,036	9,151,866		8,189,802		0	551,196,269	17
							18
5,643,036	9,151,866		8,189,802			508,556,269	19
						42,640,000	20
							21

NOTES (Continued)

Detail of Line 16

	Beginning of Year	End of Year
NON-UTILITY	13,524,534	10,015,704
SFAS 109	98,368,769	92,241,457
SFAS 133	3,321,937	1,259,447
TOTAL LINE 18	115,215,240	103,516,608

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, 2007	Year of Report December 31, 2007
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OTHER REGULATORY LIABILITIES

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).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
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 is recorded.

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	359,058,600	347,865,886	26,086,579
2					
3	River Transportation Selling Price Variance	417.1	14,883,667	10,046,638	0
4					
5	Asset Retire Oblig Excess Prov SFAS143	228	41,674,357	80,527,261	361,599,313
6					
7	SNF Trust Funds - Pre 4/83	Various	37,908,071	37,058,781	26,375,396
8					
9	SFAS 109 Deferred FIT	Various	5,484,091	105,640	43,479,257
10					
11	Michigan Over Recovered Fuel Costs	Various	1,939,139	7,316,315	5,377,176
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
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35					
36					
37					
38					
39					
40	TOTAL		460,947,925	482,920,521	462,917,721

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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) 03/18/08	Year of Report December 31, 2007
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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					
3	Sale of Utility Property				
4	Six (6) properties each with	1,307.00		21,267.00	
5	original cost of less than \$100,000.				
6					
7	Sale of Non-Utility Property				
8	One (1) properties each with	142.00		19,773.00	
9	original cost of less than \$100,000.				
10					
11					
12					
13					
14					
15					
16					
17	Total Gain	1,449.00		41,040.00	

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) 03/18/08	Year of Report December 31, 2007
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)

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					
20	Sale of Non-Utility Property				
21	One (1) properties with original cost				
22	of less than \$100,000	956.00			2,056.00
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	956.00			2,056.00

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) December 31, 2007	Year of Report December 31, 2007
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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS

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.

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.

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.

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.

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.

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.

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.

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	82,715,392
10	-Expenses - Operation	(69,712,183)
11	-Maintenance	(5,035,401)
12	-Depreciation, Depletion, and Amortization	(804,632)
13	-Other	0
14	Total Account 417	7,163,176
15		
16	Account 418 - Nonoperating Rental Income	
17	-Rent Revenue	274,002
18	-Expense	(57,345)
19	-Other	0
20	Total Account 418	216,657
21		
22	Account 418.1 - Equity in Earnings of Subsidiary Companies	(334,795)
23		
24	Account 419 - Interest and Dividend Income	
25	- Communications Leases	751,814
26	- Margin Interest	53,840
27	- Dedicated Sales	293,358
28	- UBS/ABNAMRO Gas	268,732

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, 2007
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS				
Line No.	Item (a)	Amount (b)		
1	- Paribas Gas	20,123		
2	- Other	18,498		
3	- Associated Companies	52,423		
4	- Michigan Unrecovered Fuel	38,891		
5	- Employee Heat Pump Loans	5,360		
6	Total Account 419	1,503,039		
7				
8				
9	Account 419.1 - Allowance for Funds Used During Contruction	4,521,997		
10				
11	Account 421 - Miscellaneous Nonoperating Income			
12	- Allowances	(107,086)		
13	- Power Trading	(1,364,139)		
14	- Royalties	91,825		
15	- Deregulation Implementation Carrying Charge	370,020		
16	MPSC Case U-12652			
17	- RTO Carrying Charges	616,364		
18	- Other	(195,502)		
19	- Rents	38,740		
20	- AEP Service Corporation	21,251		
21	- Private Fuel Storage	(13,338)		
22	Total Account 421	(541,865)		
23				
24	Account 421.1 - Gain on Disposition of Property	41,040		
25				
26	Account 421.2 - Loss on Disposition of Property	2,056		
27				
28				
29				
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39				
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48				
49				
50				
51				
52				
53	Total Other Income	12,571,305		
54				
55				

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 31,2007
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ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account.
2. 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.
3. 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	78,285,779	73,405,514
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	55,607,301	51,014,326
5	Large (or Industrial)	51,110,586	50,914,160
6	(444) Public Street and Highway Lighting	1,420,183	1,404,021
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	186,423,849	176,738,021
13			
14	(447) Sales for Resale	46,095,011	19,146,139
15	TOTAL Sales of Electricity	232,518,860 *	195,884,160
16			
17	(Less) (449.1) Provision for Rate Refunds		
18	TOTAL Revenue Net of Provision for Refunds	232,518,860	195,884,160
19	Other Operating Revenues		
20	(450) Forfeited Discounts	527,491	511,507
21	(451) Miscellaneous Service Revenues	282,226	273,275
22	(453) Sales of Water and Water Power		
23	(454) Rent from Electric Property	1,118,639	1,124,211
24	(455) Interdepartmental Rents		
25	(456) Other Electric Revenues	306,844	451,719
26			
27			
28			
29			
30	TOTAL Other Operating Revenues	2,235,200	2,360,712
31			
32	TOTAL Electric Operating Revenues	234,754,060	198,244,872

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, 2007	
ELECTRIC OPERATING REVENUES (Account 400) (Continued)				
<p>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.)</p> <p>5. See Page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.</p> <p>6. For line 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by account.</p> <p>7. Include unmetered sales. Provide details of such sales in a footnote.</p>				
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)	
1,260,537	1,203,561	108,926	108,382	1
834,860	765,698	16,927	16,756	2
1,008,558	1,025,363	1,045	1,067	3
12,114	12,107	346	342	4
				5
				6
				7
				8
				9
				10
				11
3,116,069	3,006,729	127,244	126,547	12
492,732	438,035	0	2	13
				14
3,608,801 **	3,444,764	127,244	126,549	15
				16
				17
3,608,801	3,444,764	127,244	126,549	18
<p>* Include \$ 1,857,123 unbilled revenues.</p> <p>** Includes 28,927 MWH relating to unbilled revenues.</p>				

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) December 31, 2007	Year of Report December 31, 2007
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CUSTOMER CHOICE ELECTRIC OPERATING REVENUES

1. Report below operating revenues for each prescribed account.
2. 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.
3. If increases or decreases from pervious 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	Customer Choice Sales of Electricity	None	None
2	Residential Sales		
3	Commercial and Industrial Sales		
4	Small (or Commercial)		
5	Large (or Industrial)		
6			
7			
8			
9			
10			
11			
12	TOTAL Customer Choice Sales		
13			
14			
15	TOTAL Sales of Electricity		
16			
17			
18	TOTAL Revenue Net of Provision for Refunds		
19	Other Operating Revenues		
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	TOTAL Other Operating Revenues		
31			
32	TOTAL Electric Operating Revenues		

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) December 31, 2007	Year of Report December 31, 2007
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CUSTOMER CHOICE ELECTRIC OPERATING REVENUES (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)	
None	None	None	None	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
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				18

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 31,2007
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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	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	440 Residential Sales					
2	RESIDENTIAL SERVICE	1,133,329	73,235,241	103,194	10,983	0.0646
3	RESIDENTIAL SERVICE TOD	87,319	4,779,976	4,578	19,074	0.0547
4	SMALL GENERAL SERVICE	44	2,627	0		0.0597
5	RESIDENTIAL OFF PEAK ENERGY	17,447	786,571	622	28,050	0.0451
6	RESIDENTIAL SVC OPT SENIOR	3,054	171,442	532	5,741	0.0561
7	OUTDOOR LIGHTING	4,332	620,452			0.1432
8	UNBILLED	15,012	1,008,377			0.0672
9	UNRECOVERED FUEL		(2,318,907)			
10	Total Residential Sales	1,260,537	78,285,779	108,926	11,572	0.0621
11						
12	442 Commercial Sales					
13	SMALL GENERAL SERVICE	89,668	8,154,892	12,363	7,253	0.0909
14	MEDIUM GENERAL SERVICE	315,524	24,462,791	3,357	93,990	0.0775
15	MEDIUM GENERAL SERVICE TOD	4,402	294,874	73	60,301	0.0670
16	LARGE GENERAL SERVICE	154,722	9,401,685	210	736,771	0.0608
17	LARGE POWER	22,797	883,887	1	22,797,000	0.0388
18	QUANTITY POWER	154,382	7,456,866	54	2,858,926	0.0483
19	ELECTRIC HEATING GENERAL	4,821	346,208	70	68,871	0.0718
20	ELECTRIC HEATING SCHOOLS	10,525	577,288	19	553,947	0.0548
21	MUNICIPAL & SCHOOL SERVICE	36,837	2,734,684	477	77,226	0.0742
22	IRRIGATION SERVICE	505	54,207	50	10,100	0.1073
23	WATER & SEWAGE SERVICE	25,541	1,391,458	252	101,353	0.0545
24	STREETLIGHTING SERVICE	23	1,962	1	23,000	0.0853
25	RESIDENTIAL SERVICE	2	114			0.0570
26	OUTDOOR LIGHTING	6,319	804,922			0.1274
27	UNBILLED	8,792	564,500			0.0642
28	UNRECOVERED FUEL		(1,523,037)			
29	Total Commercial Sales	834,860	55,607,301	16,927	49,321	0.0666
30						
31	442 Industrial Sales					
32	SMALL GENERAL SERVICE	2,941	270,877	386	7,619	0.0921
33	MEDIUM GENERAL SERVICE	97,509	7,649,185	502	194,241	0.0784
34	MEDIUM GENERAL SERVICE TOD	64	4,600	1	64,000	0.0719
35	LARGE GENERAL SERVICE	79,880	5,241,481	49	1,630,204	0.0656
36	LARGE POWER	407,603	18,399,453	16	25,475,188	0.0451
37	QUANTITY POWER	413,910	21,179,201	86	4,812,907	0.0512
38	ELECTRIC HEATING GENERAL	601	43,199	5	120,200	0.0719
39	OUTDOOR LIGHTING	953	114,568			0.1202
40	ESTIMATED	0	0			
41	UNBILLED	5,097	282,116			0.0553
42	UNRECOVERED FUEL		(2,074,094)			
43	Total Industrial Sales	1,008,558	51,110,586	1,045	965,127	0.0507

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 31,2007
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SALES OF ELECTRICITY BY RATE SCHEDULES

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	444 Public Street & Highway Light					
2	SMALL GENERAL SERVICE	627	61,701	108	5,806	0.0984
3	MEDIUM GENERAL SERVICE	146	11,947	2	73,000	0.0818
4	SL CUST OWNED SYS	523	37,065	7	74,714	0.0709
5	SL CUST OWNED SYS METERED	551	24,976	21	26,238	0.0453
6	MUNICIPAL & SCHOOL	676	55,677	76	8,895	0.0824
7	ENERGY CONSERV LIGHTING	5,096	739,737	83	61,398	0.1452
8	STREETLIGHTING SERVICE	4,375	495,413	49	89,286	0.1132
9	OUTDOOR LIGHTING	94	12,440			0.1323
10	UNBILLED	26	2,130			0.0819
11	UNRECOVERED FUEL		(20,903)			
12	Total Public Street & Highway Light	12,114	1,420,183	346	35,012	0.1172
13						
14	Fuel Clause (see footnote)					
15						
16						
17						
18						
19						
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49						
50						
51						
52						
53						
54						
55	Total Billed	3,087,142	184,566,726	127,244	24,262	0.0598
56	Total Unbilled Rev. (See Instr. 6)	28,927	1,857,123			0.0642
57	TOTAL	3,116,069	186,423,849	127,244	24,489	0.0598

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 31,2007
FOOTNOTE DATA					
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)		
304	7	d	5,489 Residential Outdoor Lighting customers are served by multiple rate schedules		
304	26	d	2,453 Commercial Outdoor Lighting customers are served by multiple rate schedules		
304	39	d	262 Industrial Outdoor Lighting customers are served by multiple rate schedules		
304.1	9	d	43 Pub Street & Hwy Light Outdoor Light customers are served by multiple rate scheds		
304.1	14	a	440 Residential Sales RESIDENTIAL SERVICE 6,127,434 RESIDENTIAL SERVICE TOD 483,657 SMALL GENERAL SERVICE 72 RESIDENTIAL OFF PEAK ENERGY STORAGE 97,466 RESIDENTIAL SVC OPT SENIOR CITIZEN 17,437 RESIDENTIAL TOTAL 6,726,066 442 Commercial Sales RESIDENTIAL SERVICE 7 SMALL GENERAL SERVICE 476,174 MEDIUM GENERAL SERVICE 1,681,036 MEDIUM GENERAL SERVICE TOD 23,312 LARGE GENERAL SERVICE 828,900 LARGE POWER 129,031 QUANTITY POWER 845,935 ELECTRIC HEATING GENERAL 27,195 ELECTRIC HEATING SCHOOLS 57,418 MUNICIPAL & SCHOOL SERVICE 191,279 IRRIGATION SERVICE 2,861 WATER & SEWAGE SERVICE 137,787 COMMERCIAL TOTAL 4,400,935 442 Industrial Sales SMALL GENERAL SERVICE 15,958 MEDIUM GENERAL SERVICE 506,856 MEDIUM GENERAL SERVICE TOD 299 LARGE GENERAL SERVICE 405,345 LARGE POWER 2,012,597 QUANTITY POWER 2,217,800 ELECTRIC HEATING GENERAL 3,399 INDUSTRIAL TOTAL 5,162,254 444 Public Street & Highway Light SMALL GENERAL SERVICE 3,441 MEDIUM GENERAL SERVICE 713 SL CUST OWNED SYS METERED 3,104 MUNICIPAL & SCHOOL SERVICE 3,559 PUBLIC STREET & HIGHWAY LIGHT TOTAL 10,817 GRAND TOTAL 16,300,072		

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) December 31, 2007	Year of Report December 31, 2007
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CUSTOMER CHOICE SALES OF ELECTRICITY BY RATE SCHEDULES

1. 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.
2. 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.
3. 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.
4. 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).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. 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	None					
2						
3						
4						
5						
6						
7						
8						
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36						
37						
38						
39						
40						
41						
42						
43						
44	Total Billed					
45	Total Unbilled Rev. (See Instr. 6)					
46	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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	CITY OF AUBURN	RQ	Note 2			
2	UNITED REMC	RQ	Note 3			
3	UNBILLED	RQ				
4	CITY OF BLUFFTON	RQ	IMPCO #104			
5	CITY OF GARRETT	RQ	IMPCO #109			
6	CITY OF MISHAWAKA	RQ	IMPCO #102			
7	CITY OF NILES	RQ	IMPCO #106			
8	CITY OF SOUTH HAVEN	RQ	IMPCO #108			
9	CITY OF STURGIS	RQ	IMPCO #107			
10	INDIANA MUNICIPAL POWER AGENCY	RQ	IMPCO #101			
11	TOWN OF AVILA	RQ	IMPCO #105			
12	TOWN OF NEW CARLISLE	RQ	IMPCO #103			
13	TOWN OF WARREN	RQ	IMPCO #110			
14	VILLAGE OF PAW PAW	RQ	IMPCO #111			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
442,213	11,834,319	5,536,512	1,208,553	18,579,384	1
152,090	3,624,789	1,919,374	186,672	5,730,835	2
-645		39,635		39,635	3
228,836		11,280,168		11,280,168	4
93,839		4,927,894		4,927,894	5
646,521		34,709,716		34,709,716	6
149,524		7,769,492		7,769,492	7
151,304		7,861,372		7,861,372	8
248,580		12,710,259		12,710,259	9
1,325,215		56,777,559		56,777,559	10
37,388		1,921,470		1,921,470	11
12,855		719,588		719,588	12
19,178		1,022,031		1,022,031	13
48,976		2,695,385		2,695,385	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	AMERICAN MUNICIPAL POWER-OHIO	IF	Note 1			
2	CLEVELAND PUBLIC POWER	IF	Note 1			
3	DUQUESNE POWER, L.P.	IF	Note 1			
4	NC ELECTRIC MEMBERSHIP CORP.	IF	Note 1			
5	OMEG	IF	Note 1			
6	TOWN OF FRONT ROYAL	IF	Note 1			
7	WISCONSIN PUBLIC SERVICE	IF	Note 1			
8	WOLVERINE POWER SUPPLY COOP	IF	Note 1			
9	AMERICAN MUNICIPAL POWER-OHIO	LF	Note 1			
10	NC ELECTRIC MEMBERSHIP CORP.	LF	Note 1			
11	CAROLINA POWER & LIGHT	LU	IMPCO #77			
12	THE BOROUGH OF PITCAIRN, PA	SF	Note 1			
13	ABN AMRO, INC.	OS	Note 1			
14	ALLEGHENY ENERGY SUPPLY CO LLC	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
40,236	1,851,151	893,478		2,744,629	1
14,017		740,921		740,921	2
451,856		18,205,598		18,205,598	3
238,816		8,208,833		8,208,833	4
85,853	4,465,994	690,849		5,156,843	5
31,695	1,330,138	692,892		2,023,030	6
	229,558	-76,238		153,320	7
113,425	657,454	4,597,104		5,254,558	8
130,995	3,273,502	1,925,455		5,198,957	9
229,620	7,058,909	1,520,639		8,579,548	10
1,741,161	1,348,653	71,750,388		73,099,041	11
		71,935		71,935	12
		-75		-75	13
3,372		201,045		201,045	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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) 11	Year/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447)

- 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 (Page 326-327).
- 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.
- 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	AMEREN ENERGY FUELS & SERVICES	OS	Note 1			
2	AMEREN ENERGY INC.	OS	Note 1			
3	AMEREN ENERGY MARKETING	OS	Note 1			
4	AMERENCILCO,CIPS,AMEREN IP	OS	Note 1			
5	AMEREN-ILLINOIS POWER	OS	Note 1			
6	AMERICAN ELEC. POWER SERVICE	OS	Note 1			
7	AMERICAN MUNICIPAL POWER-OHIO	OS	Note 1			
8	ASSOCIATED ELECT COOPERATIVE	OS	Note 1			
9	B.P. ENERGY COMPANY	OS	Note 1			
10	BALTIMORE GAS & ELECTRIC	OS	Note 1			
11	BARCLAYS BANK PLC	OS	Note 1			
12	BLUESTAR ENERGY SERVICES, INC.	OS	Note 1			
13	BNP PARIBAS COMMODITY FUTURES	OS	Note 1			
14	BP AMOCO	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
867		72,658		72,658	1
-4,577		-2,804		-2,804	2
		-60,285		-60,285	3
200		18,631		18,631	4
1,214		97,961		97,961	5
11,481,279		227,089,964		227,089,964	6
66,702		3,930,060		3,930,060	7
-3,080		-210,134		-210,134	8
49,051		2,481,095		2,481,095	9
61,471		5,599,056		5,599,056	10
47,741		2,707,009		2,707,009	11
1,728		115,829		115,829	12
		-211		-211	13
		-10,720		-10,720	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447)

- 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 (Page 326-327).
- 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.
- 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	BRISTOL VIRGINIA UTILITIES	OS	Note 1			
2	BROKER COMMISSION WRITE OFFS	OS	Note 1			
3	BUCKEYE POWER GENERATING, LLC	OS	Note 1			
4	BUCKEYE RURAL ELECTRIC ADMIN	OS	Note 1			
5	CALPINE POWER SERVICE COMPANY	OS	Note 1			
6	CAMP GROVE WIND FARM LLC	OS	Note 1			
7	CHEVRON TEXACO	OS	Note 1			
8	CHEVRON USA INC	OS	Note 1			
9	CINCINNATI GAS & ELECTRIC CO	OS	Note 1			
10	CITADEL ENERGY INVESTMENTS LTD	OS	Note 1			
11	CITADEL ENERGY PRODUCTS LLC	OS	Note 1			
12	CITADEL EQUITY FUND LTD.	OS	Note 1			
13	CITIGROUP ENERGY INC.	OS	Note 1			
14	CITY OF BEDFORD, VA	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
116,430		4,815,906		4,815,906	1
		-100		-100	2
		-1,766,120		-1,766,120	3
64,346		13,098,695		13,098,695	4
40,626		820,638		820,638	5
		1,846		1,846	6
		-3,607		-3,607	7
		8,474		8,474	8
-11		-1,126		-1,126	9
		-23,830		-23,830	10
-15,058		115,606		115,606	11
		-72,908		-72,908	12
36,204		1,884,638		1,884,638	13
		248		248	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	CITY OF COLUMBUS	OS	Note 1			
2	CITY OF DANVILLE, VA	OS	Note 1			
3	CITY OF DOWAGIAC, MI	OS	Note 1			
4	CITY OF LEBANON	OS	Note 1			
5	CITY OF MARTINSVILLE, VA	OS	Note 1			
6	CITY OF NEW MARTINSVILLE	OS	Note 1			
7	CITY OF PHILIPPI, WEST VA.	OS	Note 1			
8	CITY OF RADFORD, VA	OS	Note 1			
9	CITY OF SALEM, VA	OS	Note 1			
10	CLEVELAND PUBLIC POWER	OS	Note 1			
11	COMED WHOLESALE MARKETING	OS	Note 1			
12	CONECTIV ENERGY SUPPLY INC.	OS	Note 1			
13	CONOCO INC.	OS	Note 1			
14	CONSTELLATION ENGY COMMODITIES	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

- 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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
177,776		9,322,807		9,322,807	1
		1,239		1,239	2
16,231		590,941		590,941	3
63,110		3,797,391		3,797,391	4
		238		238	5
7,345		285,733		285,733	6
7,010		267,542		267,542	7
		218		218	8
		469		469	9
10,870		500,779		500,779	10
131,404		9,108,496		9,108,496	11
-71,044		135,177		135,177	12
-24,966		-1,174,211		-1,174,211	13
1,380,905		66,425,106		66,425,106	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447)

- 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 (Page 326-327).
- 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.
- 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	CONSTELLATION POWER SOURCE	OS	Note 1			
2	CORAL POWER LLC	OS	Note 1			
3	CRAIG-BOTETOURT ELECTRIC COOP	OS	Note 1			
4	CREDIT SUISSE ENERGY	OS	Note 1			
5	DELAWARE ELECTRIC MUNICIPAL CO	OS	Note 1			
6	DELMARVA POWER & LIGHT	OS	Note 1			
7	DOMINION EQUIPMENT INC	OS	Note 1			
8	DP&L POWER SERVICES	OS	Note 1			
9	DTE ENERGY TRADING INC.	OS	Note 1			
10	DUKE ENERGY CAROLINAS, LLC	OS	Note 1			
11	DUKE ENERGY OHIO, INC	OS	Note 1			
12	DUKE ENERGY TRADING	OS	Note 1			
13	DUKE POWER COMPANY	OS	Note 1			
14	DUQUESNE POWER, L.P.	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$ (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
		-1,959		-1,959	1
-2,102		-146,163		-146,163	2
		53		53	3
		-386,943		-386,943	4
480		52,215		52,215	5
8,529		959,545		959,545	6
-156,515		-56,253		-56,253	7
2,342		562,885		562,885	8
17,461		3,464,593		3,464,593	9
11,116		892,691		892,691	10
-66,500		-2,637,772		-2,637,772	11
-11,754		1,046,003		1,046,003	12
-17,529		-965,478		-965,478	13
155,626		3,897,119		3,897,119	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	DYNEGY POWER MARKETING INC.	OS	Note 1			
2	EAGLE ENERGY PARTNER I, L.P.	OS	Note 1			
3	EAST KY POWER CO-OP POWER MKTG	OS	Note 1			
4	EASTON UTILITIES	OS	Note 1			
5	EDISON MISSION MKTG & TRADING	OS	Note 1			
6	EMPIRE DISTRICT POWER MRKTG	OS	Note 1			
7	ENG MKTG, DIV OF AMERADA HESS	OS	Note 1			
8	ENTERGY POWER SERVICES	OS	Note 1			
9	EXELON GENERATION - POWER TEAM	OS	Note 1			
10	FIRSTENERGY TRADING SERVICES	OS	Note 1			
11	FLORIDA POWER CORPORATION	OS	Note 1			
12	FPL ENERGY POWER MARKETING	OS	Note 1			
13	HARRISON RURAL ELECTRIFICATION	OS	Note 1			
14	HESS ENERGY TRADING COMPANY	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
-35,529		-441,989		-441,989	1
-5,898		-344,854		-344,854	2
7,130		552,877		552,877	3
13,102		806,155		806,155	4
-592,931		-33,568,963		-33,568,963	5
243		9,964		9,964	6
206,624		12,770,572		12,770,572	7
96,543		4,442,637		4,442,637	8
-1,665,604		-89,105,888		-89,105,888	9
-170,198		-6,210,124		-6,210,124	10
-19		-1,310		-1,310	11
179,249		3,047,993		3,047,993	12
15,215		591,481		591,481	13
		122,741		122,741	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	HOOSIER POWER MARKET	OS	Note 1			
2	HQ ENERGY SERVICES US INC.	OS	Note 1			
3	INTEGRYS ENERGY SERVICES, INC	OS	Note 1			
4	INTERSTATE POWER & LIGHT CO	OS	Note 1			
5	J ARON & COMPANY	OS	Note 1			
6	JERSEY CENTRAL POWER & LIGHT	OS	Note 1			
7	JP MORGAN VENTURES ENERGY CORP	OS	Note 1			
8	KANSAS CITY POWER & LIGHT CO	OS	Note 1			
9	LEHMAN BROTHERS COMMODITY SVCS	OS	Note 1			
10	LG&E UTILITIES POWER SALES	OS	Note 1			
11	LOUIS DREYFUS ENERGY SERV LP	OS	Note 1			
12	MADISON GAS AND ELECTRIC CO	OS	Note 1			
13	MERRILL LYNCH COMMODITIES, INC	OS	Note 1			
14	MICHIGAN PUBLIC POWER AGENCY	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
47,880		2,416,052		2,416,052	1
-308		-146,692		-146,692	2
476,575		21,900,833		21,900,833	3
5,543		318,542		318,542	4
196,687		10,768,485		10,768,485	5
-35,523		-4,069		-4,069	6
		-77,861		-77,861	7
-10,691		-387,859		-387,859	8
126,404		6,210,825		6,210,825	9
-11,027		-297,166		-297,166	10
		-6,159		-6,159	11
		-89,104		-89,104	12
-343		-471,770		-471,770	13
1,563		88,794		88,794	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of <u>2007/Q4</u>
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SALES FOR RESALE (Account 447)

- 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 (Page 326-327).
- 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.
- 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	MID CONTINENT CORP.	OS	Note 1			
2	MIDAMERICAN ENERGY	OS	Note 1			
3	MIDWEST ISO	OS	Note 1			
4	MIECO INC.	OS	Note 1			
5	MONONGAHELA POWER COMPANY	OS	Note 1			
6	MORGAN STANLEY CAPT.	OS	Note 1			
7	NC ELECTRIC MEMBERSHIP CORP.	OS	Note 1			
8	NIPSCO ENERGY MANAGEMENT	OS	Note 1			
9	NO CAROLINA MUNI PWR AGENCY #1	OS	Note 1			
10	NRG POWER MARKETING INC.	OS	Note 1			
11	NSP ENERGY MARKETING	OS	Note 1			
12	OCCIDENTAL POWER SERVICES, INC	OS	Note 1			
13	OLD DOMINION ELECTRIC	OS	Note 1			
14	OLIN CORPORATION	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
		-13,724		-13,724	1
-170,803		-10,722,555		-10,722,555	2
-234,897		-16,453,516		-16,453,516	3
		67		67	4
		6,316,814		6,316,814	5
-383,385		-18,846,004		-18,846,004	6
83,758		2,467,235		2,467,235	7
54,384		3,436,190		3,436,190	8
-16		-289		-289	9
29,858		1,769,310		1,769,310	10
-1,620		-18,057		-18,057	11
2,807		171,805		171,805	12
39,334		3,223,857		3,223,857	13
		248,176		248,176	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	OMEG	OS	Note 1			
2	OPPD ENERGY MARKETING	OS	Note 1			
3	OTTER TAIL POWER COMPANY	OS	Note 1			
4	OVEC POWER SCHEDULING	OS	Note 1			
5	PARIBAS	OS	Note 1			
6	PEPCO SERVICES INC.	OS	Note 1			
7	PJM INTERCONNECTION	OS	Note 1			
8	PP&L ENERGY PLUS CO.	OS	Note 1			
9	PROGRESS VENTURES, INC.	OS	Note 1			
10	PSEG ENERGY RESOURCES & TRADE	OS	Note 1			
11	PUBLIC SERVICE CO. OF OKLAHOMA	OS	Note 1			
12	RAINBOW ENERGY MARKETING	OS	Note 1			
13	REFCO INC.	OS	Note 1			
14	RELIANT ENERGY SERVICES	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
40,533		3,212,502		3,212,502	1
		-6,097		-6,097	2
-13,810		-970,125		-970,125	3
-131,614		-5,025,226		-5,025,226	4
		865,248		865,248	5
864,217		65,410,091		65,410,091	6
2,855,680		118,596,844		118,596,844	7
226,317		10,057,015		10,057,015	8
-29,374		-910,189		-910,189	9
54,310		4,464,089		4,464,089	10
155,286	201,441	6,080,933		6,282,374	11
31,181		1,764,147		1,764,147	12
		-61,197		-61,197	13
-106,568		-59,573		-59,573	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447)

- 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 (Page 326-327).
- 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.
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 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	SEMPRA ENERGY SOLUTIONS, LLC	OS	Note 1			
2	SEMPRA ENERGY TRADING	OS	Note 1			
3	SOUTH CAROLINA ELECTRIC & GAS	OS	Note 1			
4	SOUTHEN MARYLAND ELEC COOP INC	OS	Note 1			
5	SOUTHERN COMPANY	OS	Note 1			
6	SOUTHERN ELECTRIC INTL	OS	Note 1			
7	SOUTHWESTERN ELECTRIC POWER	OS	Note 1			
8	SPLIT ROCK ENERGY, LLC	OS	Note 1			
9	STRATEGIC ENERGY LTD.	OS	Note 1			
10	SYSTEM INTEGRATION AGREEMENT	OS	Note 1			
11	SYSTEM INTEGRATION AGREEMENT-ADJ	AD	Note 1			
12	TENASKA MARKETING VENTURES	OS	Note 1			
13	TENASKA POWER SERVICES COMPANY	OS	Note 1			
14	THE BOROUGH OF PITCAIRN, PA	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
194,886		9,380,531		9,380,531	1
141,001		9,001,923		9,001,923	2
-5,637		-368,292		-368,292	3
2,024		138,480		138,480	4
-4,596		-220,264		-220,264	5
35,521		2,994,007		2,994,007	6
85,715	351,968	3,831,294		4,183,262	7
21,925		1,029,408		1,029,408	8
64,648		3,886,234		3,886,234	9
		613,369		613,369	10
			-329,668	-329,668	11
		-6		-6	12
638		22,282		22,282	13
678		62,565		62,565	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 designated unit.
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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	THE ENERGY AUTHORITY	OS	Note 1			
2	THE POTOMAC EDISON COMPANY	OS	Note 1			
3	TOWN OF FRONT ROYAL	OS	Note 1			
4	TOWN OF RICHLANDS, VA	OS	Note 1			
5	TRANSMISSION RECLASS	OS	Note 1			
6	TVA BULK POWER TRADING	OS	Note 1			
7	TXU ENERGY TRADING	OS	Note 1			
8	UBS AG, LONDON BRANCH	OS	Note 1			
9	UBS SECURITIES LLC	OS	Note 1			
10	UNION ELECTRIC COMPANY	OS	Note 1			
11	UNION POWER PARTNERS	OS	Note 1			
12	VIRGINIA POWER MARKETING	OS	Note 1			
13	WABASH VALLEY POWER ASSN INC.	OS	IMPCO #112			
14	WASHINGTON GAS ENERGY SERVICES	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
1,501		185,795		185,795	1
13,404		848,216		848,216	2
5,774		5,555		5,555	3
		61		61	4
		-2,124,366	2,124,366		5
7,658		260,411		260,411	6
		29,064		29,064	7
-79,000		-3,653,778		-3,653,778	8
		6,665,566		6,665,566	9
1,717		95,891		95,891	10
4,067		227,929		227,929	11
15,062		1,249		1,249	12
1,172,889		55,330,669		55,330,669	13
182,690		6,225,222		6,225,222	14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report End of 2007/Q4
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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 (Page 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 setter 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 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.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	WASHINGTON MILLS COMPANY, INC	OS	Note 1			
2	WESTAR ENERGY INC.	OS	Note 1			
3	WISCONSIN PUBLIC SERVICE	OS	Note 1			
4	WOLVERINE POWER SUPPLY COOP	OS	Note 1			
5	WPS ENERGY SERVICES INC.	OS	Note 1			
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	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/Period of Report End of 2007/Q4
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SALES FOR RESALE (Account 447) (Continued)

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. Group requirements RQ sales together and 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 (9) 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 average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average 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 megawatt hours 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 column (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 Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
		133,725		133,725	1
-15,675		5,130		5,130	2
		76,238		76,238	3
127,127		2,761,476		2,761,476	4
87,090		2,665,418		2,665,418	5
					6
					7
					8
					9
					10
					11
					12
					13
					14
3,555,874	15,459,108	149,890,455	1,395,225	166,744,788	
20,937,346	20,768,768	674,074,670	1,794,698	696,638,136	
24,493,220	36,227,876	823,965,125	3,189,923	863,382,924	

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/Period of Report 2007/Q4
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 1 Column: c

NOTE 2 - I&M FERC Electric Tariff, Original Vol. No. 7, SA No. 013

Schedule Page: 310 Line No.: 1 Column: j

Page 310, Lines 1 through 2 Column j represent fuel charges and also credits resulting from the agreement related to the Central and South West Corporation merger and nuclear decommissioning charges.

Schedule Page: 310 Line No.: 2 Column: c

NOTE 3 - I&M FERC Electric Tariff, Original Vol. No. 8, SA No. 016

Schedule Page: 310.1 Line No.: 1 Column: c

NOTE 1 - AEP Power Sales Tariff, AEP Companies' FERC Electric Tariff Original Volume 2.

Schedule Page: 310.2 Line No.: 6 Column: a

Affiliated Company

Schedule Page: 310.9 Line No.: 11 Column: a

Affiliated Company

Schedule Page: 310.10 Line No.: 7 Column: a

Affiliated Company

Schedule Page: 310.10 Line No.: 11 Column: j

Out of Period adjustment for AEP West to AEP East Energy Transfers under the AEP System Integration Agreement

Schedule Page: 310.11 Line No.: 5 Column: j

Represents transmission and ancillary charges associated with Account 447.

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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, 2007
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived 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	4,789,646	3,763,237	
5	(501) Fuel	277,186,321	287,543,030	
6	(502) Steam Expenses	5,355,013	5,906,129	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses	1,437,363	1,307,890	
10	(506) Miscellaneous Steam Power Expenses	22,718,994	8,780,154	
11	(507) Rents	70,147,272	70,147,272	
12	(509) Allowances	7,363,171	11,171,001	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	388,997,780	388,618,713	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	2,513,506	2,248,527	
16	(511) Maintenance of Structures	1,802,519	1,656,089	
17	(512) Maintenance of Boiler Plant	36,699,737	17,913,258	
18	(513) Maintenance of Electric Plant	9,171,629	4,920,929	
19	(514) Maintenance of Miscellaneous Steam Plant	1,606,262	1,556,905	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	51,793,653	28,295,708	
21	TOTAL Power Production Expenses-Steam Power (Total of lines 13 & 20)	440,791,433	416,914,421	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering	11,966,534	13,116,470	
25	(518) Fuel	89,706,219	75,027,347	
26	(519) Coolants and Water	3,172,947	623,230	
27	(520) Steam Expenses	5,460,481	2,616,190	
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses	1,556,570	387,457	
31	(524) Miscellaneous Nuclear Power Expenses	74,356,428	80,889,556	
32	(525) Rents	119,876	422,281	
33	TOTAL Operation (Enter Total of lines 24 thru 32)	186,339,055	173,082,531	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering	8,949,715	2,036,525	
36	(529) Maintenance of Structures	5,542,476	2,954,622	
37	(530) Maintenance of Reactor Plant Equipment	63,445,647	47,806,900	
38	(531) Maintenance of Electric Plant	6,190,206	17,962,834	
39	(532) Maintenance of Miscellaneous Nuclear Plant	23,792,901	36,103,741	
40	TOTAL Maintenance (Enter Total of Lines 35 thru 39)	107,920,945	106,864,622	
41	TOTAL Power Production Expenses-Nuclear Power (Total of lines 33 & 40)	294,260,000	279,947,153	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	437,444	411,560	
45	(536) Water for Power			
46	(537) Hydraulic Expenses	60,838	58,450	
47	(538) Electric Expenses	3,213	8,122	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	655,140	486,921	
49	(540) Rents	0	1,117	
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	1,156,635	966,170	
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	3,562	17,120	
53	(542) Maintenance of Structures	203,326	364,628	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	655,972	775,329	
55	(544) Maintenance of Electric Plant	482,596	363,296	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	35,129	48,037	
57	TOTAL Maintenance (Total of Lines 52 thru 56)	1,380,585	1,568,410	

Name of Respondent		This Report Is:	Date of Report	Year of Report
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
58	C. Hydraulic Power Generation (Continued)			
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr. (Total of lines 50 & 57)	2,537,220	2,534,580	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	22,778	44,827	
63	(547) Fuel			
64	(548) Generation Expenses	0	41	
65	(549) Miscellaneous Other Power Generation Expenses	1,108	5,165	
66	(550) Rents			
67	TOTAL Operation (Total of Lines 62 thru 66)	23,886	50,033	
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)	23,886	50,033	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	490,290,475	414,743,444	
77	(556) System Control and Load Dispatching	1,573,923	3,387,525	
78	(557) Other Expenses	7,651,076	10,236,697	
79	Total Other Power Supply Expenses (Total of Lines 76 thru 78)	499,515,474	428,367,666	
80	Total Pwr. Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,237,128,013	1,127,813,853	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	1,531,566	1,271,344	
84	(561) Load Dispatching		4,103,855	
85	(561.1) Load Dispatch-Reliability	20,550		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	1,185,365		
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services	4,075,623		
89	(561.5) Reliability, Planning and Standards Development	29,191		
90	(561.6) Transmission Service Studies			
91	(561.7) Generation Interconnection Studies			
92	(561.8) Reliability, Planning and Standards Development Services	556,831		
93	(562) Station Expenses	811,096	891,710	
94	(563) Overhead Lines Expenses	287,888	362,721	
95	(564) Underground Lines Expenses	159		
96	(565) Transmission of Electricity by Others	(34,541,852)	(37,310,259)	
97	(566) Miscellaneous Transmission Expenses	2,743,272	1,551,958	
98	(567) Rents	23,761	29,017	
99	TOTAL Operation (Total of Lines 83 thru 98)	(23,276,550)	(29,099,654)	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	142,714	93,772	
102	(569) Maintenance of Structures	218,060	783,911	
103	(569.1) Maintenance of Computer Hardware	123,385		
104	(569.2) Maintenance of Computer Software	417,162		
105	(569.3) Maintenance of Communication Equipment	435,317		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	4,664,029	4,175,776	
108	(571) Maintenance of Overhead Lines	7,600,412	5,290,519	
109	(572) Maintenance of Underground Lines	24,446	13,641	
110	(573) Maintenance of Miscellaneous Transmission Plant	8,177	3,859	
111	TOTAL Maintenance (Total of Lines 101 thru 110)	13,633,702	10,361,478	
112	TOTAL Transmission Expenses (Total of Lines 99 & 111)	(9,642,848)	(18,738,176)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			

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, 2007
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
115	(575.1) Operation Supervision			
116	(575.2) Day-Ahead and Real-Time Market Facilitation			
117	(575.3) Transmission Rights Market Facilitation			
118	(575.4) Capacity Market Facilitation			
119	(575.5) Ancillary Services Market Facilitation			
120	(575.6) Market Monitoring and Compliance			
121	(575.7) Market Facilitation, Monitoring and Compliance Services	3,260,954	2,705,851	
122	(575.8) Rents			
123	TOTAL Operation (Total of Lines 115 thru 122)	3,260,954	2,705,851	
124	Maintenance			
125	(576.1) Maintenance of Structures and Improvements			
126	(576.2) Maintenance of Computer Hardware			
127	(576.3) Maintenance of Computer Software			
128	(576.4) Maintenance of Communication Equipment			
129	(576.5) Maintenance of Miscellaneous Market Operation Plant			
130	TOTAL Maintenance (Total of Lines 125 thru 129)	0	0	
131	TOTAL Distribution Expenses (Total of Lines 123 & 130)	3,260,954	2,705,851	
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	4,328,247	4,330,751	
135	(581) Load Dispatching	1,013,113	1,035,076	
136	(582) Station Expenses	1,003,727	1,024,364	
137	(583) Overhead Line Expenses	441,329	865,059	
138	(584) Underground Line Expenses	1,965,058	1,882,547	
139	(585) Street Lighting and Signal System Expenses	61,206	(14,156)	
140	(586) Meter Expenses	809,670	633,383	
141	(587) Customer Installations Expenses	474,425	473,045	
142	(588) Miscellaneous Expenses	10,783,201	10,164,683	
143	(589) Rents	1,919,500	1,765,568	
144	TOTAL Operation (Total of Lines 134 thru 143)	22,799,476	22,160,320	
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	389,387	550,989	
147	(591) Maintenance of Structures	55,696	116,360	
148	(592) Maintenance of Station Equipment	2,953,221	2,584,322	
149	(593) Maintenance of Overhead Lines	26,966,555	27,284,938	
150	(594) Maintenance of Underground Lines	2,233,738	1,904,720	
151	(595) Maintenance of Line Transformers	2,070,241	2,218,716	
152	(596) Maintenance of Street Lighting and Signal Systems	475,214	473,549	
153	(597) Maintenance of Meters	435,004	451,471	
154	(598) Maintenance of Miscellaneous Distribution Plant	2,169,768	1,854,045	
155	TOTAL Maintenance (Total of Lines 146 thru 154)	37,748,824	37,439,110	
156	TOTAL Distribution Expenses (Total of Lines 144 & 155)	60,548,300	59,599,430	
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision	1,671,939	1,528,177	
160	(902) Meter Reading Expenses	3,635,670	3,683,346	
161	(903) Customer Records and Collection Expenses	17,077,474	16,610,048	
162	(904) Uncollectible Accounts	(301,171)	(12,013)	
163	(905) Miscellaneous Customer Accounts Expenses	101,472	12,309	
164	TOTAL Customer Accounts Expenses (Total of Lines 159 thru 163)	22,185,384	21,821,867	
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
166	Operation			
167	(907) Supervision	1,005,726	852,403	
168	(908) Customer Assistance Expenses	1,190,012	1,138,296	
169	(909) Informational and Instructional Expenses	723,990	550,412	
170	(910) Miscellaneous Customer Service and Informational Expenses	76	290	
171	TOTAL Cust. Service and Informational Exp. (Total of Lines 167 thru 170)	2,919,804	2,541,401	

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, 2007
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)	
172	7. SALES EXPENSE			
173	Operation			
174	(911) Supervision			
175	(912) Demonstrating and Selling Expenses	1,135	1,443	
176	(913) Advertising Expenses			
177	(916) Miscellaneous Sales Expenses			
178	Total Sales Expenses (Total of Lines 174 thru 177)	1,135	1,443	
179	8. ADMINISTRATIVE AND GENERAL EXPENSES			
180	Operation			
181	(920) Administrative and General Salaries	25,585,477	24,817,828	
182	(921) Office Supplies and Expenses	3,676,364	4,022,369	
183	(Less) (922) Administrative Expenses Transferred - CR	3,406,656	2,929,940	
184	(923) Outside Services Employed	30,242,776	28,261,566	
185	(924) Property Insurance	2,121,722	2,039,237	
186	(925) Injuries and Damages	4,810,720	5,139,106	
187	(926) Employee Pensions and Benefits	31,214,137	31,195,475	
188	(927) Franchise Requirements			
189	(928) Regulatory Commission Expenses	10,915,507	8,377,165	
190	(929) (Less) Duplicate Charges - CR.	762,047	174,878	
191	(930.1) General Advertising Expenses	1,260,967	887,519	
192	(930.2) Miscellaneous General Expenses	2,891,119	2,918,630	
193	(931) Rents	10,303,500	10,274,695	
194	TOTAL Operation (Total of Lines 181 thru 193)	118,853,586	114,828,772	
195	Maintenance			
196	(935) Maintenance of General Plant	4,383,822	6,336,708	
197	TOTAL Administrative and General Expenses (Total of Lines 194 & 196)	123,237,408	121,165,480	
198	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 112, 131, 156, 164, 171, 178, and 197)	1,439,638,150	1,316,911,149	
199				

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES		
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.	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.	
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.		
1. Payroll Period Ended (Date)	12/31/2007	12/31/2006
2. Total Regular Full-Time Employees	2,666	2,618
3. Total Part-Time and Temporary Employees	21	25
4. Total Employees	2,687	2,643

Name of Respondent Indiana Michigan Power Company	This Report Is: (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2007	Year of Report December 31, 2007
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
320-323	103	b	Allocated maintenance expenses for joint use computer hardware, computer software and communication equipment are determined by using various factors, which include number of remote terminal units, number of radios, number of employees and other factors assigned to each function.

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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	National Power Cooperative Inc	LF	Note 1			
3	OVEC Power Scheduling	LF	Note 1			
4	American Electric Power Service Corp.	OS	APCO 20			
5	BP Amoco	OS	Note 1			
6	Buckeye Rural Electric Admin	OS	Note 1			
7	Citadel Energy Products, LLC	OS	Note 1			
8	Citigroup Energy Inc.	OS	Note 1			
9	Constellation Energy Commodities	OS	Note 1			
10	Credit Suisse Energy	OS	Note 1			
11	Dominion Equipment Inc	OS	Note 1			
12	Edison Mission Mktg & Trading	OS	Note 1			
13	Exelon Generation - Power Team	OS	Note 1			
14	French Paper	OS	COGEN SPP			
15	Integrity's Energy Services, Inc	OS	Note 1			
16	JP Morgan Ventures Energy Corp	OS	Note 1			
17	Midwest ISO	OS	Note 1			
18	Morgan Stanley Capt.	OS	Note 1			
19	PJM Environmental Info Sys Inc	OS	Note 1			
20	PJM Interconnection	OS	Note 1			
21	PP&L Energy Plus Co	OS	Note 1			
22	Public Service Co of Oklahoma	OS	Note 1			
23	Reliant Energy Serv.	OS	Note 1			
24	Sempra Energy Trading	OS	Note 1			
25	Southwestern Electric Power Co.	OS	Note 1			
26	Tenaska Power Services Company	OS	Note 1			
27	Miscellaneous MWH Adjustments	OS	Note 1			
28	Total					

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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 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	Megawatthours Delivered	Demand Charges (\$)	Energy Charges (\$)	Other Charges (\$)	Total (j + k + l) or Settlement (\$)	
	(h)	(i)	(j)	(k)	(l)	(m)	
5,637,872			98,650,142	108,510,166		207,160,308	1
33,257			78,700	2,765,322		2,844,022	2
1,149,150				40,826,652		40,826,652	3
5,548,441				133,885,005		133,885,005	4
				(22,347)		(22,347)	5
				(1,209,189)		(1,209,189)	6
				99,455		99,455	7
				(15,095)		(15,095)	8
7,275				454,846		454,846	9
				(51,525)		(51,525)	10
				11,101		11,101	11
3,235				260,445		260,445	12
7,019				239,054		239,054	13
2,256				31,235		31,235	14
3,235				245,547		245,547	15
				166,992		166,992	16
2,180				111,952		111,952	17
39,557				3,266,636		3,266,636	18
				2,035		2,035	19
1,482,702				101,047,844		101,047,844	20
				(7,138)		(7,138)	21
8,346				520,046		520,046	22
				29,233		29,233	23
231				(15,639)		(15,639)	24
6,421				416,059		416,059	25
				(7,059)		(7,059)	26
356,886							27
14,288,063			98,728,842	391,561,633		490,290,475	28

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																								
326	1	a	AEP Affiliate																								
326	2	b	The termination date of the contract is September 30, 2032.																								
326	2	c	AEP Power Sales Tariff - AEP companies FERC Electric Tariff Original Volume 2																								
326	3	b	The termination date of the contract is the earlier of (1) March 13, 2026 or (2) the sale of or other disposition of all of the facilities of the Project Generating Stations or the permanent cessation of the operation of such facilities.																								
326	4	a	AEP Affiliate																								
326	4	b	Statistical classification "OS" included non-firm hourly, daily and weekly purchases that the supplier may cancel, if necessary, with little notice.																								
326	4	c	Receipts of power from the members of the AEP System Power Pool, governed by the terms of the interconnection agreement dated July 6, 1951, as amended.																								
326	22	a	AEP Affiliate																								
326	25	a	AEP Affiliate																								
326	27	a	Detail of Misc MWH Adjustments																								
			<table> <tr> <td></td> <td align="right"><u>MWH</u></td> </tr> <tr> <td>Bookouts/Options</td> <td align="right">330,862</td> </tr> <tr> <td>DOW Plaquemine</td> <td align="right">-</td> </tr> <tr> <td>MLR Purchases</td> <td align="right">545</td> </tr> <tr> <td>Pool to I&M</td> <td align="right">(60,335)</td> </tr> <tr> <td>PJM Non-ECR</td> <td align="right">(81,353)</td> </tr> <tr> <td>Unit Energy</td> <td align="right">(17,115)</td> </tr> <tr> <td>French Paper</td> <td align="right">(2,256)</td> </tr> <tr> <td>Spot Energy (PJM)</td> <td align="right">272</td> </tr> <tr> <td>AEP System Power Pool Adjustment (net)</td> <td align="right">164,380</td> </tr> <tr> <td>Interruptible By-Thru</td> <td align="right"><u>21,886</u></td> </tr> <tr> <td>Total</td> <td align="right">356,886</td> </tr> </table>		<u>MWH</u>	Bookouts/Options	330,862	DOW Plaquemine	-	MLR Purchases	545	Pool to I&M	(60,335)	PJM Non-ECR	(81,353)	Unit Energy	(17,115)	French Paper	(2,256)	Spot Energy (PJM)	272	AEP System Power Pool Adjustment (net)	164,380	Interruptible By-Thru	<u>21,886</u>	Total	356,886
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Bookouts/Options	330,862																										
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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 Service	various	various	FNO
2	PJM Point to Point Transmission Service	various	various	OLF
3	PJM Transmission Owner Administration Revenues	various	various	OS
4	PJM Transmission Distribution/Meeting Service	various	various	OS
5	SECA Transmission Revenue	various	various	OS
6	PJM Expansion Cost Recovery	various	various	OS
7	RTO Formation Cost Recovery	various	various	OS
8				
9				
10				
11				
12				
13				
14				
15				
16				
17	Total			

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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
PJM OATT	various	various				5
PJM OATT	various	various				6
PJM OATT	various	various				7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17

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TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued)
(Including transactions referred to as "wheeling")

where energy was delivered as specified in the contract.

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.

8. Report in columns (i) and (j) the total megawatthours received and delivered.

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

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.

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.

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

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	Other Charges (\$) (m)	Total Revenues (\$) (k + l + m) (n)	Line No.
10,753,412			10,753,412	1
2,692,685			2,692,685	2
		523,931	523,931	3
		584,342	584,342	4
		(1,011,484)	(1,011,484)	5
		270,579	270,579	6
		52,024	52,024	7
				8
				9
				10
				11
				12
				13
				14
				15
				16
13,446,097		419,392	13,865,489	17

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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
329	1	e	Effective October 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.

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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 if 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	1,058,117
18	American Electric Power Service Corporation	Benton Harbor Service Center	5,872
19	Miscellaneous Lessees	Agricultural, Commercial, & Residential	60,522
20			
21			
22	Total Acct 454		1,124,511
23			
24	Acct 455	None	
25			
26			
27			
28			
29			

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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			282,226
13				
14	Acct 456 - Other Electric Revenues - Michigan			
15	Associated Business Development			306,844
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30	TOTAL			589,070

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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

- | | |
|--|--|
| <p>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.</p> <p>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.</p> <p>3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."</p> <p>4. Report in columns (b) and (c) the total megawatthours received and delivered by the provider of the transmission service.</p> <p>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</p> | <p>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.</p> <p>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.</p> <p>7. Footnote entries and provide explanations following all required data.</p> |
|--|--|

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	PJM					56,187	56,187
2							
3	AEP Trans Equal Agmt					(34,598,039)	(34,598,039)
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16	Total					(34,541,852)	(34,541,852)

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, 2007	Year of Report December 31, 2007
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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 which are recorded in account 565.

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 12/31/2007
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LEASE RENTALS CHARGED

- | | |
|---|--|
| <p>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.</p> <p>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.</p> <p>3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.</p> <p>4. The annual charges referred to in instruction 1 and 2 include the basic lease payment and other payments to or in behalf of the lessor such as taxes, depreciation, assumed interest or dividends</p> | <p>on the lesser Securities, cost of property replacements ** and other expenditures with respect to leased property except the expenses paid by lessee are to be itemized in column f below.</p> <p>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 replaced under terms of the lease or for 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.</p> <p>6. In column a report the name of the</p> |
|---|--|

A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)
Bankers Leasing Corp. (BLC)	Office Furniture and Equipment and Transportation Equipment (2)	
Citicorp Leasing Inc. (CLI)	IT equip, Telecom equip, and other	

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 12/31/2007
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LEASE RENTALS CHARGED (Continued)

lessor. List lessors that are associated companies * (describing association) first, followed by non-associated lessors. * See definition on page 226 (B)

The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever occurs first.

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:

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

Description of the property, whether the 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, state the tax treatment used and 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.

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.

A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Original Cost (O) or Fair Market Value (D) of Property (d)	Expense 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		Lessor (h)	Other (i)		
		Lessor (f)	Other (g)				
		8,348				500	
		12,857				506	
		844,573				524	
		119,876				525	
		86,066				560	
		25,142				566	
		1,655				580	
		255,673				588	
		1,100,257				931	
		16,357				935	
		30,589				506	
		399,800				524	
		1,919				566	
		1,713				571	
		10,568				580	
		70,437				588	
		2,203				930	
		516,648				931	
		2,014				935	

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 12/31/2007
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A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)
City of Fort Wayne, Indiana	Utility System (Ls# 2566), including transmission and distribution facilities with lines and transformers meters, and various other items. (4) 1. This is not a sale and leaseback 2. Lessee does not have the option to purchase 3. Lease may be cancelled only if lessee is in default 4. Respondent is responsible for all operation and maintenance expenses.	09/13/09 (P)
Blue Jay Associates	Fort Wayne General Service Center BLDG225 (1) LPM1853 Date of Lease: 5-1-71 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the 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 and maintenance expenses.	04/30/11 (P)
SS Properties Associates III	Muncie Service Building BLDG218 LPM1863 (1) Date of Lease: 5-26-72 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the 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 and maintenance expenses.	12/31/2012

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)		12/31/2007		
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)								
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense 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						
		Lessor (f)	Other (g)	Lessor (h)	Other (i)			
27,545,999	All expenses necessary to operate, maintain, preserve and keep the leased property in good working order. Also responsible for taxes and insurance.		N/A	9,305,522	N/A	550	2,971,853	
			N/A	3,280,726	N/A	567		
				N/A	31,773,774	N/A		589
		1,740,000			8,305,834			931
3,678,395	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	86,352	N/A	604,464	N/A	931		
	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	132,750				931		

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 12/31/2007
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)		Terminal Dates of Lease, Primary (P) or Rental (R) (c)
Slater Associates	South Bend Service Building BLDG235 Ls# 558 (1) LPM2389 Date of Lease: 10-1-79 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the 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 and maintenance expenses.		12/31/09 (P)
Aetna Life Insurance Co. and One Summit Associates	Fort Wayne General Office Building- One Summit Square (1) Date of Lease: 10-25-78 BLDG227 Ls# 2059 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease is noncancellable 4. Respondent is responsible for all operation and maintenance expenses.		10/23/13
Gateway Center, LLC	Muncie Office Building BLDG212 Ls# 614, LPM2429 Date of Lease: 12/01/89 1. This is not a sale and leaseback 2. Lease does not have an option to purchase 3. Lease may be cancelled under certain conditions 4. Respondent is responsible for all operation and 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 an option to purchase 3. Lease may be cancelled under certain conditions		2/28/2011
U.S. Bank Trust N.A.	Rockport Generating Plant Unit 2 Date of Lease: 12/7/89 1. This is a sale and leaseback 2. No purchase option 3. Lease may be cancelled under certain conditions 4. Respondent is responsible for all operation and maintenance expenses.		12/07/22 (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)		12/31/2007	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense 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					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
5,347,600	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.			1,183,277 1,808,390 2,517,082 111,802 698,760 4,192,560		567 588 589 921 184 931	1,397,520
		698,760	N/A				
44,668,660	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.			-22 1,801,102 4,829,851 4,561,517 2,450,128 6,325,888 47,475,900 5,479,250		506 566 567 588 589 921 931 184	30,254,922
		5,042,487	N/A				
4,896,000	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.			3,174,236 1,008,647 282,274		931 921 184	515,772
		314,115	N/A				
	Maintenance, alterations, replacements, additions and insurance			113,531		931	
		58,684	N/A				
850,000,000	All expenses necessary to operate, maintain, preserve and keep the leased property in good working order. Also responsible for taxes and insurance.			1,332,727,654	26,654,952	507	1,107,809,824
		73,853,988	0				

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 12/31/2007
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Blue Jay Associates	D.C. Cook Nuclear Plant Visitor's Center BLDG248, LPM1862 Date of Lease: 5-1-71 1. This is not a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the 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 and maintenance expenses.	04/30/11 (P)	
Benton Associates	Benton Harbor Service Building BLDG237 LPM1864 (1) Date of Lease: 7-15-72 (formerly St Joe Serv Ctr) 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the 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 and maintenance expenses.	12/31/2012	
Capital Center Associates, LLC	State President Office - Michigan, LPM9010 Date of Lease: 9/1/2000 1. This is not a sale and leaseback 2. Lease does not have an option to purchase 3. Lease may be cancelled under certain conditions	08/31/08 (R)	
Green, B.G. & Teresa	New Buffalo Service Center BLDG247 Ls# 2058	10/01/08	
American Tower, LP	Milan Telecom Site	06/30/12	
Global Tower, LLC	Butler Telecom	6/30/11	
Carter Lumber Co.	Carter Lumber Facility, LPM10230	6/30/08	
<p>NOTES:</p> <p>(1) Apportionment based on percentage of floor space occupied. (2) Apportionment based on percentage of equipment usage. (3) Charged directly to operating expense of barging operation. (4) Apportionment based on percentage of City of Fort Wayne's investment in Electric Plant in Service at time of lease. (5) Charged to operating expense based on amount of nuclear fuel consumed and carrying costs incurred during period. Tax treatment: Treated as lease, rental payments are deducted for federal income tax purposes. Accounting treatment: Leasing rentals distributed to benefiting accounts as incurred based on accrual method.</p>			

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) 12/31/2007		Year of Report 12/31/2007	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense 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					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		83,920	N/A			931	
		134,325	N/A			931	
		49,149	N/A			931	
		50,751	N/A			931	
		30,368				935	
		29,516				935	
		32,720				931	
	Total Section A	85,844,580					

Name of Respondent	This Report Is:	Date of Report	Year of Report
INDIANA MICHIGAN POWER COMPANY - MICHIGAN	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	12/31/2007
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Bankers Leasing Corp. (BLC)	Office Furniture and Equipment and Transportation Equipment (2)		
Citicorp Leasing Inc. (CLI)	IT equip, Telecom equip, and other		
Wilmington Trust Co.	Railcars Trust 2004-A (Lease 3616)	12/15/24	
U.S. Bank Trust N.A.	Railcars Trust 94-1 (Lease 3708) Railcars Trust 91-2 (Lease 3702) Railcars Trust 90-1 (Lease 00732) Railcars Trust 91-4 (Lease 00734) Railcars Trust 91-3 (Lease 00735) Railcars Trust 91-5 (Lease 00736)	12/30/14 09/30/11 12/31/10 09/30/11 09/30/11 12/30/11	
The Andersons (formerly Citibank Railmark, Inc)	Railcars Group A & B (Lease 3712)	12/31/09	
Citicorp North America, Inc	Cook Plant Warehouse, LPM9326, Ls# 3171 Date of Lease: 3/15/02	03/14/12	
Pitney Bowes	Water Transportation Equipment	10/01/09	
Wilmington Trust	Water Transportation Equipment	04/01/15	
State Street Bank	Water Transportation Equipment	07/01/13	
CIT Group/Equipment Financing, Inc. Farragut Barge Chase Equip Leasing	Water Transportation Equipment (3) Date of Lease: 03/01/88, 02/01/89, 10/01/90, & 04/01/93 1. This is not a sale and leaseback. 2. Lessee has an option to purchase 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 this lease subject to certain conditions. 4. Respondent is responsible for all operation and maintenance expenses.	01/01/10 (P) 04/01/09 (P) 12/31/09	
BLC Corporation	Water Transportation Equipment/Vehicles		
RBS Asset Refinance	Water Transportation Equipment	12/30/22	
Rashid Brothers Enterprises	Water Transportation Equipment	07/31/18	
FM, LLC	Water Transportation Equipment	04/30/09	
GATX	Water Transportation Equipment	1/15/08	
RBS Asset Refinance	Water Transportation Equipment	08/31/20	
State Street Bank	Water Transportation Equipment	10/1/2009	

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)		12/31/2007	
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.) (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense 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		Lessor (h)	Other (i)		
		Lessor (f)	Other (g)				
		187,223				107	
		714,826				152	
		4,908,682				184	
		193,666				107	
		111,767				152	
		604,849				184	
12,271,945		1,869,192		4,005,817		186	
8,220,826		1,124,361				186	
12,047,760		2,325,743				186	
1,178,899		169,992				186	
2,771,300		269,562				186	
3,254,280		602,812				186	
13,871,080		2,056,047				186	
2,910,250		373,592				186	
	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	333,231	N/A	1,680,115		163	2,641,189
36,397,500		3,624,384		29,565,365		417	
19,030,575		1,495,524		13,046,568		417	
12,656,244		416,100		5,011,568		417	
9,035,000	Taxes except federal & state income, assessments	443,840		46,412,670		417	
7,203,900	operation and maintenance	387,708					
6,547,335	expenses, altering, replacements and additions, insurance, etc.	362,220					
		1,031,098					
		2,215,116					
		13,752					
		41,975					
		328,500					
		1,825,800					
		339,416					
	Total Section B	28,370,978					

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, 2007	Year of Report December 31, 2007
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	2,441,089		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses	20,635		
4	Publishing & Distributing Information & Reports to Stockholders; Trustee, Registrar, & Transfer Agent Fees & Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	1,005		
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	595,086		
7	Intercompany billings	(106,439)		
8	Nuclear plant insurance expense	937,919		
9	Nuclear plant replacement energy insurance refund	(3,522,297)		
10	Associated Business Development expenses	1,855,530		
11	Miscellaneous labor expenses	6,061		
12	Money Pool net income/loss allocations	24,168		
13	Cafeteria subsidy expenses	23,652		
14	Miscellaneous legal & financing expenses	131,357		
15	Aramco, Inc. - Pandemic Preparedness Program	410,782		
16	Corporate Contributions & Sponsorships	75,708		
17	Miscellaneous items < \$5,000	(3,137)		
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22				
23				
24				
25				
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45				
46	TOTAL	2,891,119		

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, 2007	Year of Report December 31, 2007
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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		22,567,675		22,567,675
2	Steam Production Plant	39,264,153	1,333,658		40,597,811
3	Nuclear Prod Plant-Depreciation Nuclear Prod Plant- Decommissioning	45,902,827 18,687,288			45,902,827 18,687,288
4	Hydraulic Prod Plant-Conventional	1,330,355			1,330,355
5	Hydraulic Prod Plant-Pumped Storage				
6	Other Production Plant				
7	Transmission Plant	17,882,372			17,882,372
8	Distribution Plant	37,722,997			37,722,997
9	General Plant	2,143,665	487,602		2,631,267
10	Common Plant-Electric				
11	TOTAL	162,933,657	24,388,935	0	187,322,592

B. BASIS FOR AMORTIZATION CHARGES

Section A, Line 1, Column (c) represents amortization of franchises over the life of the franchise totaling \$610,045 and amortization of capitalized software development costs over a 5-year life totaling \$21,957,630.

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

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

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, 2007		
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)
1	STEAM						
2	311	142,454			1.74		
3	312	790,040			2.15		
4	314	161,235			1.94		
5	315	78,661			1.83		
6	316	26,737			2.66		
7	Subtotal Steam	1,199,127					
8							
9	NUCLEAR						
10	321	312,324			1.36		
11	322	1,007,547			1.63		
12	323	310,442			1.35		
13	324	153,688			1.37		
14	325	140,377			1.84		
15	Subtotal Nuclear	1,924,378					
16							
17	HYDRO						
18	331	2,858			2.27		
19	332	18,337			2.32		
20	333	16,034			2.79		
21	334	5,229			2.79		
22	335	1,507			2.71		
23	336	1			1.79		
24	Subtotal Hydro	43,966					
25							
26	TRANSMISSION						
27	350	49,746	65.00		1.14	R5.0	
28	352	19,862	75.00		1.14	R4.0	
29	353	496,777	46.00	24.00	1.45	R1.0	
30	354	221,512	55.00	-15.00	1.42	R5.0	
31	355	71,406	52.00	-25.00	2.17	L1.0	
32	356	199,825	60.00	5.00	1.21	R4.0	
33	357	1,473	50.00		1.41	R4.0	
34	358	4,726	57.00		1.32	R3.0	
35	359	350	65.00		1.50	R5.0	
36	Subtotal Transmission	1,065,677					
37							
38	DISTRIBUTION						
39	360	9,209	65.00		1.39	R5.0	
40	361	5,949	70.00		1.24	R2.0	
41	362	121,947	48.00	10.00	1.64	R1.0	
42	364	178,049	38.00	-60.00	3.67	R0.5	
43	365	206,503	35.00	25.00	1.73	R2.5	
44	366	48,536	55.00		1.61	R3.0	
45	367	148,829	38.00		2.29	L2.0	
46	368	223,341	30.00	5.00	2.49	R2.0	
47	369	130,982	40.00	-14.00	2.46	S0.0	

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, 2007
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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)
1	370	67,143	29.00	-20.00	3.58	L0.0	
2	371	15,839	14.00	-20.00	7.08	L0.0	
3	373	17,650	20.00		2.23	S6.0	
4	Subtotal Distribution	1,173,977					
5							
6	GENERAL PLANT						
7	390	29,398	40.00	25.00	1.71	S0.5	
8	391	5,386	22.00	15.00	3.35	R1.5	
9	393	102	14.00		5.58	L0.5	
10	394	7,856	16.00	5.00	5.30	R0.5	
11	395	1,786	20.00		3.13	R1.5	
12	396	456	25.00		3.91	R1.0	
13	397	18,527	27.00	30.00	2.26	R1.5	
14	398	4,963	30.00	15.00	2.49	R3.0	
15	Subtotal General Plant	68,474					
16							
17	TOTAL DEPRECIABLE	5,475,599					
18							
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FOOTNOTE DATA

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
337	1	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.
337.1	17	b	The depreciable plant base is the November 30, 2007 total company depreciable plant.

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 Dec. 31, 2007
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS
AND INTERST CHARGES ACCOUNTS**

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.

(a) *Miscellaneous Amortization (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.

(b) *Miscellaneous Income Deductions* - 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

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 grouped by classes within the above accounts

(c) *Interest on Debt to Associated Companies (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.

(d) *Other Interest Expense (Account 431)* - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	425 MISCELLANEOUS AMORTIZATION	
2		
3		
4	TOTAL 425	
5		
6	426 OTHER INCOME DEDUCTIONS	
7		
8	426.1 DONATIONS	
9	AEP Foundation	3,189,178
10	Community Chest	967,624
11	Service Organizations	325,798
12	AEP Service Corp Contributions	139,474
13	Schools, Colleges, and Universities	169,186
14	Other minor items	(143,279)
15		
16	Subtotal 426.1	4,647,981
17		
18	426.3 PENALTIES	
19	NSR Settlement Penalties	2,769,000
20	State of Kentucky Tax Penalties	13,881
21	Other minor items	4,791
22		
23	Subtotal 426.3	2,787,672
24		
25	426.4 EXPENDITURES FOR CERTAIN CIVIC, POLITICAL, AND RELATED ACTIVITY	
26	AEP Service Corp Expenses	342,866
27	Labor Overheads	114,435
28	Edison Electric Institute Dues	74,350
29	Business & Meeting Expenses	77,193
30	Legislative & Lobbying Services	42,000
31	Other minor items	(401)
32	Subtotal 426.4	650,443
33		
34	426.5 OTHER DEDUCTIONS	
35	Factored Customer Accounts Receivable	9,335,645
36	Allowance Losses	258,950
37	Blackhawk Coal Shutdown Costs	(516,920)
38	FAS 106-2 Medicare Subsidy	(416,722)
39	AEP Service Corp Expenses	197,067
40	Other minor items	89,933
41	Subtotal 426.5	8,947,953
42		
43		
44	TOTAL 426	17,034,049

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	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 Dec. 31, 2007
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS
AND INTERST CHARGES ACCOUNTS**

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.

(a) *Miscellaneous Amortization* (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.

(b) *Miscellaneous Income Deductions* - 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

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 grouped by classes within the above accounts

(c) *Interest on Debt to Associated Companies* (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.

(d) *Other Interest Expense* (Account 431) - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	430 INTEREST ON DEBT TO ASSOCIATED COMPANIES	
2	Moneypool interest to AEP Utility Funding LLC	3,554,382
3		
4	TOTAL 430	3,554,382
5		
6	431 OTHER INTEREST EXPENSE	
7	Interest related to FIN-48 tax adjustments	1,704,444
8	Interest on Customer Deposits	1,372,485
9	Prior Years tax return settlement payments	506,494
10	Lines of Credit	499,104
11	Fuel Recovery	426,477
12	Margin Interest	347,979
13	IPP Projects	328,143
14	Michigan Single Business Tax	147,492
15	Company-Owned Life Insurance (COLI) Insurance	88,000
16	Other minor items	68,560
17		
18		
19	TOTAL 431	5,489,178
20		
21		
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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	Lobbying Expenses - Company Employees	161,576
2		
3	Muchmore, Harrington, Smalley & Associates - Legislative Services	42,000
4		
5	Misc items under 5% of total (7 items)	7,918
6		
7		
8		
9		
10		
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16	Total Acct 426.4	211,494
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EXTRAORDINARY ITEMS (Accounts 434 and 435)

1. Give below a brief description of each item included in Accounts 434, Extraordinary Income and 435, Extraordinary Deductions. on income. (See General Instruction 7 of the Uniform System of Accounts).
2. List date of Commission approval for extraordinary treatment of any item which amounts to less than 5% 3. Income tax effects relating to each extraordinary item should be listed in Column (c).
4. For additional space use an additional page.

Line No.	Description of Items (a)	Gross Amount (b)	Related Income Taxes (c)
1	Extraordinary Income (Account 434):		
2			
3			
4			
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11			
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14			
15			
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18			
19	Total Extraordinary Income	0	0
20	Extraordinary Deductions (Account 435):		
21			
22			
23			
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38			
39	Total Extraordinary Deductions	0	0
40	Net Extraordinary Items	0	0

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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 (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (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	Hydro License Fee	27,331		27,331	
3					
4	Nuclear Regulatory Commission				
5	Inspection Fee	1,579,592	208,144	1,787,736	
6	Annual Fee	8,255,500		8,255,500	
7	Licensing Fees	504,771		504,771	
8	Operator Exam Fees	92,703		92,703	
9					
10	Nuclear Plant Decommissioning Cost Studies		15,625	15,625	
11					
12	Indiana Rate Case		208,314	208,314	
13					
14	Miscellaneous Expenses <\$25,000		23,527	23,527	
15					
16					
17					
18					
19					
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49	TOTAL	10,459,897	455,610	10,915,507	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	27,331					1
							2
							3
							4
	928	1,787,736					5
	928	8,255,500					6
	928	504,771					7
	928	92,703					8
							9
	928	15,625					10
							11
	928	208,314					12
							13
	928	23,527					14
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		10,915,507					49

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, 2007	Year of Report December 31, 2007
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES				
<p>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.)</p> <p>2. Indicate in column (a) the applicable classification, as shown below. Classifications:</p> <p>A. Electric R, D & D Performed Internally</p> <p>(1) Generation</p> <p>a. Hydroelectric</p> <p>i. Recreation, fish, and wildlife</p> <p>ii. Other hydroelectric</p> <p>b. Fossil-fuel steam</p> <p>c. Internal combustion or gas turbine</p> <p>d. Nuclear</p> <p>e. Unconventional generation</p> <p>f. Siting and heat rejection</p> <p>(2) System Planning, Engineering and Operation</p> <p>(3) Transmission</p> <p>a. Overhead</p> <p>b. Underground</p> <p>(4) Distribution</p> <p>(5) Environment (other than equipment)</p> <p>(6) Other (Classify and include items in excess of \$5,000.)</p> <p>(7) Total Cost Incurred</p> <p>B. Electric R, D & D Performed Externally</p> <p>(1) Research Support to the Electrical Research Council or Electric Power Research Institute</p>				
Line No.	Classification (a)	Description (b)		
1	A(1)b: Generation: Fossil-Fuel Steam	Advanced Generation Program Mgmt		
2		Coal Utilization Research Council		
3		3 items < \$5,000		
4	A(1)e: Generation: Unconventional	Distributed Energy Resources Program		
5		RRFCS 1MW SOFC Test & Evaluation		
6		1 item < \$5,000		
7	A(2): Transmission	Devel Trans Plan & Ops Tools-Phasor		
8		Transmission R&D Program Mgmt		
9		8 items < \$5,000		
10	A(2)a: Transmission: Overhead	2 items < \$5,000		
11	A(3): Distribution	CERTS Micro-Grid Test Bed		
12		Coordinate AEP's Advanced Distrib R&D Prog		
13		Micro-Grid Project - Inverter Gen.		
14		1 item < \$5,000		
15		4 items < \$5,000		
16	A(4): Regional Transm. & Market Operation	1 item < \$5,000		
17	A(5): Environment (other than equipment)	Demo Sieving Electrostatic Precipitator		
18		Environ Science & Controls Prog Mgmt		
19		EOR Feasibility Study		
20		General Mercury Science & Technology		
21		Oxy-Coal Feasibility Study		
22		Oxy-Coal Pilot Demonstration		
23		2 items < \$5,000		
24	A(6): Other	AMI Test Bed Development		
25		Corporate Technology Prog Mgmt		
26		Corporate Technology Prog Mgmt		
27		Corporate Technology Prog Mgmt		
28		Corporate Technology Prog Mgmt		
29		Grid of the Future Test Bed		
30		Line Equip Investigation Tools		
31		3 items < \$5,000		
32		2 items < \$5,000		
33		2 items < \$5,000		
34	A(7) TOTAL COSTS INCURRED INTERNALLY			
35				
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37				
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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, 2007	Year of Report December 31, 2007
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES				
Line No.	Classification (a)	Description (b)		
1	B(1) Research Support to Elec. Research Council & Elec. Power Research Inst.	Adv. Generation EPRI Annual Research		
2		Assess Selenium Bioaccumulation		
3		EPRI Annual Research Portfolio		
4		EPRI Environmental Controls		
5		EPRI Environmental Science		
6		EPRI Nuclear Annual Research		
7		EPRI Renewable Energy Base Program		
8		GAM EPRI Annual Research Portfolio		
9		Insptn Of 765kv NCI's w/Avian Damage		
10		O&M Excellence (OMX) - Plant View		
11		Ohio River Ecological Research Program		
12		Transmission 2007 EPRI Annual Portfolio		
13		Use of Synchronized Sampling		
14		16 items < \$5,000		
15		1 item < \$5,000		
16		6 items < \$5,000		
17		3 items < \$5,000		
18	B(4) Research Support to Others	NEETRAC Membership		
19		Ash Pond SCR Ammonia Mitigation		
20		FutureGen - Cost Share		
21		PSerc		
22		Water Environment Research Fund		
23		Water Environment Research Fund		
24		BPL Use for Data Transportation		
25		1 item < \$5,000		
26		4 items < \$5,000		
27		3 items < \$5,000		
28	B(5) TOTAL COSTS INCURRED EXTERNALLY			
29				
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute
(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 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).

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)		
39,467		506	39,467		1
16,733		506	16,733		2
11,751		506	11,751		3
46,610		588	46,610		4
10,387		588	10,387		5
2,534		506	2,534		6
27,710		566	27,710		7
11,337		566	11,337		8
14,760		566	14,760		9
1,085		566	1,085		10
5,845		588	5,845		11
19,242		588	19,242		12
10,802		588	10,802		13
3,166		566	3,166		14
424		588	424		15
681		588	681		16
11,099		506	11,099		17
37,477		506	37,477		18
14,063		506	14,063		19
53,913		506	53,913		20
56,977		506	56,977		21
7,618		506	7,618		22
742		506	742		23
12,745		588	12,745		24
2,991		506	2,991		25
5,261		524	5,261		26
3,474		566	3,474		27
42,627		588	42,627		28
29,383		588	29,383		29
12,787		588	12,787		30
2,013		506	2,013		31
1,688		566	1,688		32
2,259		588	2,259		33
519,651			519,651		34
					35
					36
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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, 2007		
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)		
	15,239	506	15,239		1
	23,706	506	23,706		2
	89,846	588	89,846		3
	164,223	506	164,223		4
	702,759	506	702,759		5
	1,259,332	524	1,259,332		6
	7,339	506	7,339		7
	42,536	506	42,536		8
	8,791	566	8,791		9
	21,017	506	21,017		10
	37,133	506	37,133		11
	22,259	566	22,259		12
	6,118	566	6,118		13
	19,750	506	19,750		14
	870	524	870		15
	6,540	566	6,540		16
	2,472	588	2,472		17
	18,463	588	18,463		18
	7,447	506	7,447		19
	23,960	506	23,960		20
	8,041	566	8,041		21
	6,216	506	6,216		22
	3,683	524	3,683		23
	11,890	566	11,890		24
	923	506	923		25
	5,780	566	5,780		26
	5,158	588	5,158		27
	2,521,491		2,521,491		28
					29
					30
					31
					32
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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, 2007	Year of Report December 31, 2007
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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	78,609,401		
4	Transmission	1,548,230		
5	Distribution	6,877,791		
6	Customer Accounts	5,707,798		
7	Customer Service and Informational	1,468,540		
8	Sales			
9	Administrative and General	3,030,861		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	97,242,621		
11	Maintenance			
12	Production	44,177,224		
13	Transmission	3,360,594		
14	Regional Market	35,156		
15	Distribution	12,146,699		
16	Administrative and General	1,592,793		
17	TOTAL Maint. (Total of lines 12 thru 15)	61,312,466		
18	Total Operation and Maintenance			
19	Production (Enter Total of lines 3 and 12)	122,786,625		
20	Transmission (Enter Total of lines 4 and 13)	4,908,824		
21	Regional (Enter Total of lines 14)	35,156		
22	Distribution (Enter Total of lines 5 and 15)	19,024,490		
23	Customer Accounts (Transcribe from line 6)	5,707,798		
24	Customer Svc. And Informational (Transcribe from line 7)	1,468,540		
25	Sales (Transcribe from line 8)			
26	Administrative and General (Enter Total of lines 9 & 16)	4,623,654		
27	TOTAL Oper. And Maint. (Total of lines 18 thru 24)	158,555,087	8,141,963	166,697,050
28	GAS			
29	Operation			
30	Production-Manufactured Gas			
31	Production-Nat. Gas (Including Expl. And Dev.)			
32	Other Gas Supply			
33	Storage, LNG Terminating and Processing			
34	Transmission			
35	Distribution			
36	Customer Accounts			
37	Customer Service and Informational			
38	Sales			
39	Administrative and General			
40	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 Terminating and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 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)	Year of Report December 31, 2007
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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 (Total of lines 28 and 40)			
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)			
55	Customer Accounts (Line 34)			
56	Customer Service and Informational (Line 35)			
57	Sales (Line 36)			
58	Administrative and General (Lines 37 and 46)			
59	TOTAL Operation & Maint. (total of lines 49 thru 58)			
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	158,555,087	8,141,963	166,697,050
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	27,161,231	1,394,757	28,555,988
66	Gas Plant			
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)	27,161,231	1,394,757	28,555,988
69	Plant Removal (By Utility Departments)			
70	Electric Plant	4,960,132	254,708	5,214,840
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	4,960,132	254,708	5,214,840
74	Other Accounts (Specify):			
75	120 - Nuclear Fuel	281,929		281,929
76	152- Fuel Stock Undistributed	4,942,245		4,942,245
77	163 - Stores Expense Undistributed	7,383,337	(7,383,337)	0
78	184 - Clearing Accounts	2,408,091	(2,408,091)	0
79	185 - ODD Temporary Facilities	103,990		103,990
80	186 - Misc Deferred Debits	423,470		423,470
81	188 - Research & Development	(7,569)		(7,569)
82	417 - Operating Expense - RTD	16,172,270		16,172,270
83	426 - Donations/Political Activities	103,647		103,647
84				
85				
86				
87				
88				
89				
90				
87				
88	TOTAL Other Accounts	31,811,410	(9,791,428)	22,019,982
89	TOTAL SALARIES AND WAGES	222,487,860		222,487,860

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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, 2007
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COMMON UTILITY PLANT AND EXPENSES

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.

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

provisions relate, including explanation of basis of allocation and factors used.

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.

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.

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, 2007
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES			
<p>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</p> <p>426.4, Expenditures for Certain Civic, Political and Related Activities.)</p> <p>(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.</p> <p>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.</p> <p>3. Designate with an asterisk associated companies.</p>			
<p>1 a. American Electric Power Service Corporation - * (Associated Company) 1 Riverside Plaza Columbus, Ohio 43215-2373</p> <p>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 & engineering, financial and accounting management, legal, fuel & material procurement, pension & employee benefits administration, and other technical services.</p> <p>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.</p>			
<p>2. Date of Contract - June 15,2000 (supercedes contract dated January 1, 1980) Term of Contract - Indeterminate Date of FERC Authorization - Not Required Date of SEC Authorization - June 14, 2000</p>			
Total charges for the year and Utility Department and account charged		ACCOUNT	AMOUNT
Electric	Construction Work in Progress	107	25,286,131
	Retirement Work in Progress	108	776,132
	Nonutility Property	121	108,195
	Fuel Stock	151	9,936
	Fuel Stock Undistributed	152	3,036,479
	Clearing Accounts	163	1,960,712
	Prelim Survey & Investig. Chgs.	183	16,644
	Clearing Accounts	184	87,731
	Misc Deferred Debits	186	262,143
	Deferred Debits-R&D	188	2,927,044
	Non-Utility Operations Revenue	417	1,338,797
	Misc Non-Operating Revenues	421	(21,251)
	Other Income Deductions	426	679,518
Electric	Account 401	500	5,720,730
	Operating Expense	501	99,839
		502	15,796
		505	21050
		506	812,888
		517	(212,554)
		518	2,892
		520	2
		524	1,880,524
		535	430,568
		537	612
		538	3,137
		539	249,252
		546	22,778
		549	311
		555	135,198
		556	1,650,278
		557	6,618,090
		560	1,358,080
		561	1,235,107
		562	83,512
		563	13,999
		566	807,784

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, 2007	
Electric	Account 401	Operating Expense (contd.)	580	2,336,850
			581	45,058
			582	39,913
			583	24,919
			584	23,297
			586	640,462
			587	737
			588	1,965,790
			901	578,624
			902	236,426
			903	14,149,708
			904	146
			905	6,926
			907	459,496
			908	104,469
			909	151
			910	18
			920	21,513,529
			921	1,672,807
			922	4,762
			923	27,249,387
			924	2,039
			925	32,318
			926	99,166
			928	40,671
			930	946,008
			931	<u>2,959</u>
Electric	Account 401	Total Operating Expense		93,126,509
Electric	Account 402	Maintenance Expense	510	1624149
			511	49705
			512	1,862,477
			513	1,946,452
			514	36,302
			528	318,985
			530	612,407
			531	2,226
			532	15,238
			541	3,562
			542	35,865
			543	71,177
			544	76,150
			545	29
			568	109,066
			569	348,471
			570	251,221
			571	172,893
			572	41
			573	8,177
			590	23,926
			592	126,192
			593	90,094
			594	806
			595	4,907
			597	7,575
			935	<u>41,603</u>
Electric	Account 402	Total Maintenance Expense		7,839,696
		Total O&M		100,966,205
		Total AEP Service Corp charges		137,434,416

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, 2007	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
AAA ROOFING CO INC 910 NORTH HIGHLAND AVE PICKERINGTON, OH 43147	roofing installation	Invoice Cost	107	36,925
ABSG CONSULTING INC 16855 NORTHCHASE DR HOUSTON, TX 77060	consulting services	Invoice Cost	532	25,018
ACTION TEMPORARY SERVICES INC 4004 E MORGAN AVE EVANSVILLE, IN 47715	temporary staffing services	Invoice Cost	107	9,768
			152	1,583
			506	9,534
			512	1,542
			514	<u>27,771</u>
				50,198
ADVANCE BUILDING SERVICES P O BOX 61 HEBRON, KY 41048	janitorial services	Invoice Cost	514	55,616
ADVANCE THERMAL CORP 544 NORTH YORK AVE BENSENVILLE, IL 60106	pad fabrication & measurement services	Invoice Cost	529	6,433
			530	<u>117,867</u>
				124,300
AGGREKO INC 4602 W ADMIRAL DOYLE DR NEW IBERIA, LA 70560	equipment rental	Invoice Cost	107	30,725
			524	(4,357)
			530	<u>145,807</u>
				172,175
AGT SERVICES 24 SAM STRATTON RD AMSTERDAM, NY 12010	plant equipment repairs	Invoice Cost	107	28,148
AIR RELIEF INC 32 N POWELL RD MAYFIELD, KY 42066	equipment service	Invoice Cost	514	82,336
AIRCRAFT DYNAMICS 418 E KIRACOFE AVE ELIDA, OH 45807	equipment leasing	Invoice Cost	590	28,277
			593	361
				28,638
ALIMAK HEK INC 8400 VILLA DR HOUSTON, TX 77061	equipment repair	Invoice Cost	107	3,896
			108	1,500
			511	<u>42,019</u>
				47,415
ALION SCIENCE & TECHNOLOGY 6000 UPTOWN BLVD ALBUQUERQUE, NM 87110	nuclear plant support services	Invoice Cost	107	710,869
			524	<u>5,000</u>
				715,869
ALL CITIES OCCUPATIONAL & ENVIR 3333 SOUTH STATE ST ST JOSEPH, MI 49085	employee physicals	Invoice Cost	107	741
			184	245
			524	34,890
			926	<u>506</u>
				36,382
ALSTOM POWER INC 2800 WATERFORD LAKE DR MIDLOTHIAN, VA 23112	inspection & measurement devices	Invoice Cost	107	15,550
			512	14,081
			513	314,706
			523	58,398
			530	<u>172,610</u>
				575,345
AMANDA GRAPHICS 2554 RED ROCK BLVD GROVE CITY, OH 43123	design & drafting services	Invoice Cost	107	29,923
			524	294
			539	<u>1,180</u>
				31,397
AMBAC ASSURANCE CORP ONE STATE ST NEW YORK, NY 10004	financial services	Invoice Cost	431	75,000

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
AMERICAN EFFICIENCY SERVICES 15925 NORTH AVENUE WOODBINE, MD 21797	inspection services	Invoice Cost	513 524	16,750 <u>35,662</u> 52,412
AMERICLERK INC 1025 N CAMPBELL ROAD ROYAL OAK, MI 48067	legal services - liability claims	Invoice Cost	925	82,025
AMES MULTI-IMAGE 1340 S MANOR DR ST. JOSEPH, MI 49085	emergency calendar supplier	Invoice Cost	921	29,309
ANALYSIS & MEASUREMENT 9111 CROSS PARK DR. KNOXVILLE, TN 37923	sample testing services	Invoice Cost	107 530	442,464 <u>45,111</u> 487,575
ANATEC INTERNATIONAL INC 1241 PUERTA DEL SOL SAN CLEMENTE, CA 92673	nuclear support services	Invoice Cost	530	160,093
ANLAAN CORPORATION P O BOX 333 FERRYSBURG, MI 49409	construction services	Invoice Cost	107	87,050
APPROVED FIRE PROTECTION CO 2513 N BURDICK ST KALAMAZOO, MI 49007	fire detection services	Invoice Cost	524 532	13,094 <u>16,987</u> 30,081
APTECH ENGINEERING SERVICES 601 W CALIFORNIA AVENUE SUNNYVALE, CA 94086	engineering services	Invoice Cost	532	34,781
AQUARIUS MARINE INC 800 ELM ST. LUDLOW, KY 41016	underwater services	Invoice Cost	107 108 512 513	18,141 1,485 20,179 <u>51,630</u> 91,435
AQUATIC SCIENCES LP QUAKER CENTRE BUSINESS PARK ORCHARD PARK, NY 14127	underwater inspection services	Invoice Cost	532	42,770
ARCADIA GARDENS P O BOX 88 STEVENSVILLE, MI 49127	interior plantscaping	Invoice Cost	529 532	4,270 <u>22,530</u> 26,800
ARCADIS OF NEW YORK INC 6723 TOWPATH RD SYRACUSE, NY 12314	fish studies	Invoice Cost	532	32,839
ARCHITECTURAL ENERGY CORP 2540 FRONTIER AVE STE 201 BOULDER, CO 80301	energy model project study	Invoice Cost	107	38,687
AREVA NP INC 29 RESEARCH DR WESTBOROUGH, MA 01581	nuclear plant engineering services	Invoice Cost	524 530 532	22,153 3,499,314 <u>1,426,062</u> 4,947,529
ARNT ASPHALT SEALING CO 1240 S CRYSTAL AVE BENTON HARBOR, MI 49022	asphalt repairs	Invoice Cost	529	107,245
ARROW FENCE 318 EDGEWOOD AVE FORT WAYNE, IN 46805	fencing supplier	Invoice Cost	107 186 570 591 592 935	13,402 5,929 32,351 833 1,486 <u>8,645</u> 62,646

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ART & IMAGE INC 582 E NAPIER AVE BENTON HARBOR, MI 49022	sign supplier	Invoice Cost	532 935	29,309 <u>9,866</u> 39,175
ARTEMIS INTL. SOLUTIONS CORP LTD 6011 WEST COURTYARD DR AUSTIN, TX 78730	software licenses & support	Invoice Cost	524 528	22,686 <u>27,000</u> 49,686
ASHER AGENCY INC PO BOX 2535 FORT WAYNE, IN 46801	advertising campaign	Invoice Cost	921 923 930	53,648 13,098 <u>185,000</u> 251,746
ASI GROUP LTD 250 MARTINDALE RD ST CATHERINES, ON L2R7R8	inspection services	Invoice Cost	524 532	9,806 <u>19,984</u> 29,790
ATLANTIC GROUP, THE 5426 ROBIN HOOD RD NORFOLK, VA 23513	temporary staffing services	Invoice Cost	530	1,959,097
ATLANTIC PLANT MAINTENANCE INC 1010 EXECUTIVE COURT WESTMONT, IL 60559	turbine rotor services	Invoice Cost	107 530 531	67,164 1,017,313 <u>868,349</u> 1,952,826
AUTOMATED ENGINEERING SERVICES 387 SHUMAN BLVD NAPIERVILLE, IL 60563	nuclear plant engineering support	Invoice Cost	107 530	158,988 <u>1,871</u> 160,859
AUTRYS SEPTIC TANK SERVICE INC 500 EWING RD OWENSBORO, KY 42301	portable toilet rental	Invoice Cost	107 152 506 512 514	260 850 17,629 9,775 <u>312</u> 28,826
AWP INC 2641 S ARLINGTON RD AKRON, OH 44319	flagman & traffic control services	Invoice Cost	107 186 524 571 583 593 595 596	6,384 49,972 2,648 303 565 17,751 104 <u>647</u> 78,374
B & J SANITATION INC 100 ELLIS SMEATHERS RD OWENSBORO, KY 42303	trash disposal	Invoice Cost	506	44,520
BACHMANS INC 4058 CLOUGH WOODS DR BATAVIA, OH 45103	ventilation systems service	Invoice Cost	107 108 511 570	31,677 3,737 25,297 <u>477</u> 61,188
BAKER & DANIELS 300 N MERIDIAN ST STE 2700 INDIANAPOLIS, IN 46204	legal fees-financing, property & liability issues	Invoice Cost	107 242 923 925	2,664 16,712 11,659 <u>2,730</u> 33,765
BANK OF NEW YORK 101 BARCLAY ST NEW YORK, NY 10286	financial services	Invoice Cost	427 930	519,514 <u>33,740</u> 553,254
BARCLAYS BANK PLC 200 CEDAR KNOLLS RD WHIPPANY, NJ 07981	financial services	Invoice Cost	431	204,577

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
BANTA ELECTRICAL CONTRACTORS 5701 ST RT 128 CLEVES, OH 45002	electrical maintenance svcs	Invoice Cost	107 108 501 506 511 512 513 514 571	885,851 105,282 3,154 778 67,622 124,994 69,129 38,567 <u>234</u> 1,295,611
BARNES & THORNBURG 11 S MERIDIAN ST INDIANAPOLIS, IN 46204	legal services case/fuel/regulatory filings	Invoice Cost	923	240,432
BARNHART CRANE & RIGGING CO. 3115 NORTH ROUTE 23 OTTAWA, IL 61350	hauling services	Invoice Cost	107 108	162,600 <u>182,048</u> 344,648
BARTLETT NUCLEAR INC 60 INDUSTRIAL PARK RD PLYMOUTH, MA 02360	nuclear engineering services	Invoice Cost	107 108 500 520 524 530 532	1,008,303 42,610 2,957 338,422 31,895 1,324,205 <u>41,565</u> 2,789,957
BCP TECHNICAL SERVICES INC 1251 PINEHURST RD STE 107 DUNEDIN, FL 34698	refueling support services	Invoice Cost	530	144,922
BENTLEY SYSTEMS INC 685 STOCKTON DR EXTON, PA 19341	software support	Invoice Cost	524 588	56,962 <u>523</u> 57,485
BENTLY NEVADA LLC 431 OVERBROOK RD VALENCIA, NC 16059	plant equipment	Invoice Cost	107 512 513	36,093 18,608 <u>8,332</u> 63,033
BEST WAY DISPOSAL INC 3290 HENNESSY RD WATERVLIET, MI 49098	waste disposal	Invoice Cost	107 184 524 532	400 40,664 2,280 <u>2,763</u> 46,107
BIACH INDUSTRIES INC 75 CHESTNUT STREET CRANFORD, NJ 07016	plant equipment supplier	Invoice Cost	530	108,941
BIGGE CRANE AND RIGGING CO 10700 BIGGE AVENUE SAN LEANDRO, CA 94577	equipment rental	Invoice Cost	107	37,000
BLACK & VEATCH 11401 LAMAR AVE OVERLAND PARK, KS 66211	nuclear plant consultants	Invoice Cost	530	97,900
BLUE GRASS 107 MILDRED STREET GREENVILLE, AL 36037	concrete cutting services	Invoice Cost	107	93,111
BOWEN ENGINEERING CORP. 10315 ALLISONVILLE RD FISHERS, IN 46038	plant construction & engineering svcs	Invoice Cost	107 512	55,282 <u>653,460</u> 708,742
BRANDENBURG INDUSTRIAL SERVICE 1680 JOHN A PAPALAS DRIVE LINCOLN PARK, MI 48146	asbestos removal services	Invoice Cost	108	971,265

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BRAY MARINE INC 7000 HOUSTON RD FLORENCE, KY 41042	fuel handling-related services	Invoice Cost	152	853,198
BREHOB CORPORATION 6403 HIGHVIEW DR FT WAYNE, IN 46818	inspection & repair services	Invoice Cost	107 108 184 935	8,367 450 1,319 <u>18,376</u> 28,512
BROWN ELECTRIC CO INC 1100 CHARLES AVE DUNBAR, WV 25064	electrical construction services	Invoice Cost	107	32,402
BROWN SERVICES CO LLC 11692 B GALLIA ST WHEELERSBURG, OH 45694	project construction services	Invoice Cost	107 108 186	124,416 340,975 <u>21,792</u> 487,183
BRUNS-GUTZMILLER INC 305 SOUTH JOHN STREET BATESVILLE, IN 47006	building & grounds services	Invoice Cost	107 108 152 502 511 512 570	162,871 470 8,909 1,425 43,000 7,182 <u>18,072</u> 241,929
BULLDOG BOILER RENTALS LTD 1641 CANIFF HAMTRAMCK, MI 48212	boiler inspection & repair services	Invoice Cost	532	158,347
BULLDOG DIVING INC 2968 W COUNTY RD 300S ROCKPORT, IN 47635	underwater services	Invoice Cost	512	43,453
C & G FILTER SERVICE PO BOX 83 GREENVILLE, KY 42345	filter parts & supplies	Invoice Cost	511	25,333
CARBON STEEL INSPECTION INC 755 WILLIAM PITT WY PITTSBURGH, PA 15238	testing services	Invoice Cost	512	191,913
CFM/VR TESCO INC 1475 RODDENBURG RD SCHAUMBURG, IL 60193	valve repairs	Invoice Cost	512	69,053
CHARLES L BERGER ESQ 313 MAIN ST EVANSVILLE, IN 47708	legal settlement IUOE 181, 320 TVA H/W FUND	Invoice Cost	107	36,542
CHUMLEYS VAC-A-LOT 13978 ROYALWOOD DR FISHERS, IN 46038	parking lot maintenance	Invoice Cost	184	27,212
CITY PLUMBING & HEATING CO 407 STATE ST ST JOSEPH, MI 49085	maintenance services	Invoice Cost	107 163 524 529 530 532 935	37,938 29,252 5,000 129,155 1,026 4,500 <u>4,573</u> 211,444
COMMERCIAL EQUIPMENT CO 2225 OAK INDUSTRIAL DR NE GRAND RAPIDS, MI 49505	office equipment maintenance contracts	Invoice Cost	524	48,815
COMMONWEALTH ASSOCIATES INC 2700 W ARGYLE JACKSON, MI 49204	electrical engineering & design services	Invoice Cost	107	419,375

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
COMPUTATIONAL SYSTEMS INC 835 INNOVATION DRIVE KNOXVILLE, TN 37932	maintenance contracts	Invoice Cost	510 514 532	22,404 5,515 <u>13,300</u> 41,219
CONCO SERVICES CORP 530 JONES ST VERONA, PA 15147	condenser cleaning	Invoice Cost	512 513 524	1,849 32,961 <u>24,801</u> 59,611
CONFIDENTIAL SERVICES INC PO BOX 167 SOUTH HAVEN, MI 49090	employee background check services	Invoice Cost	524 530	34,216 <u>56,654</u> 90,870
CONSOLIDATED METAL SVC INC 3101 PARKER LANE CHATTANOOGA, TN 37419	equipment repairs	Invoice Cost	107 512	8,445 <u>21,530</u> 29,975
CONSTRUCTION MANAGEMENT INC 108 JACKMAN ST GEORGETOWN, MA 01833	boiler & furnace repairs	Invoice Cost	107 512	37,012 <u>39,047</u> 76,059
CORROSION CONTROL SERVICE INC PO BOX 3708 DAVENPORT, IA 52808	equipment cleaning & repairs	Invoice Cost	530	87,060
CRANE NUCLEAR INC 2825 COBB INTERNATIONAL BLVD KENNESAW, GA 30152	equipment repair	Invoice Cost	107 524 530	97,934 5,602 <u>2,285,078</u> 2,388,614
CRANE PRO SERVICES INC 2710 D EASTSIDE PARK DR EVANSVILLE, IN 47715	equipment repairs	Invoice Cost	512 513	9,650 <u>20,092</u> 29,742
CRUTCHFIELD, DENNIS M 16087 PARQUE LANE NAPLES, FL 34110	nuclear plant support services	Invoice Cost	524	32,405
CULP ENTERPRISES INC 610 N WOLF RD COLUMBIA CITY, IN 46725	mowing services	Invoice Cost	184	43,046
CUSTER OFFICE ENVIRONMENTS 2435 PLZ DR BENTON HARBOR, MI 49022	carpeting materials & labor	Invoice Cost	107 524 529	1,444 1,895 <u>47,661</u> 51,000
CUSTOM STAFFING SERVICES 1820 N GREEN RIVER RD EVANSVILLE, IN 47715	cleaning staff services	Invoice Cost	152 506	491 <u>118,943</u> 119,434
DATAGLANCE INC 927 ORCA TERRACE FREMONT, CA 94536	quality assurance records development	Invoice Cost	524	110,055
DAVIS, J & ASSOCIATES INC 2371 SUNDERLAND AVE STE 4 WELLINGTON, FL 33414	employment recruitment services	Invoice Cost	524	84,000
DAY & ZIMMERMAN NPS INC 1866 COLONIAL VILLAGE LANE LANCASTER, PA 17601	nuclear engineering support	Invoice Cost	107 108 524 529 530 531 532	10,904,873 751,093 1,516,511 763,943 11,445,276 281,900 <u>134,385</u> 25,797,981

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
INDIANA MICHIGAN POWER COMPANY				
DAYTON PRECISION SERVICES LTD 1440 NICHOLAS RD DAYTON, OH 45418	heat treatment services	Invoice Cost	107 108 512 513	44,967 5,231 17,787 <u>1,096</u> 69,081
DEANGELO BROTHERS INC 100 N CONAHAN DR HAZLETON, PA 18201	vegetation control services	Invoice Cost	524 562 582	5,212 23,778 <u>11,806</u> 40,796
DELOITTE & TOUCHE LLP various US locations	auditing services	Invoice Cost	242 921 923	1,745,154 43,683 <u>96,794</u> 1,885,631
DELOITTE TAX LLP 155 E BROAD STREET COLUMBUS, OH 43215	tax services	Invoice Cost	923	168,905
DELPHI CONTROL SYSTEM, INC. 2806 METROPOLITAN PL POMONA, CA 91767	equipment calibration	Invoice Cost	524	25,370
DEWEY BALLANTINE LLP 1301 AVENUE OF THE AMERICAS NEW YORK, NY 10019	legal fees - corporate financing issues	Invoice Cost	242	78,057
DEVELOPMENT DIMENSIONS 1225 WASHINGTON PIKE BRIDGEVILLE, PA 15017	employee training	Invoice Cost	524	36,082
DIAMOND POWER SPECIALTY CO 2600 E MAIN ST LANCASTER, OH 43130	equipment repairs & maintenance	Invoice Cost	107 512	15,671 <u>12,746</u> 28,417
DIVERSIFIED SCIENTIFIC SERVICE 657 GALLAHER ROAD KINGSTON, TN 37763	environmental waste disposal	Invoice Cost	524 532	25,118 <u>27,799</u> 52,917
DRILLCO DEVICES LTD 24-32 44TH ST LONG ISLAND CITY, NY 11103	nuclear plant drilling services	Invoice Cost	107	40,130
DURATEK INC 1560 BEAR CREEK RD OAK RIDGE, TN 37831	nuclear plant support services	Invoice Cost	520 532	321,770 <u>44,698</u> 366,468
DYNAMIC CONSTRUCTION INC 7705 NATIONAL RD SW PATASKALA, OH 43062	tower repairs & inspection	Invoice Cost	107 935	30,751 <u>13,764</u> 44,515
E & T TREE SERVICE 125 MT AUBURN ST DUNKIRK, IN 47336	landscaping & tree removal services	Invoice Cost	107 184 590 935	4,280 74,765 1,440 <u>7,180</u> 87,665
EATON ELECTRICAL INC 11305 STRANG LINE RD LENEXA, KS 66215	electrical equipment testing & repair	Invoice Cost	107	115,254
ECKERT FIRE PROTECTION SYSTEMS 510 W BENSON ST CINCINNATI, OH 45215	fire protection systems	Invoice Cost	511 512 513 514	2,185 1,898 925 <u>25,987</u> 30,995
ECKSTEIN C A INC 264 STILLE DR CINCINNATI, OH 45233	roof repairs	Invoice Cost	107 108	32,114 <u>19,105</u> 51,219

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
EDISON ELECTRIC INSTITUTE 701 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	membership fees	Invoice Cost	506	77,774
EISENHUT CONSULTING INC 29 TREWORTHY RD GAITHERSBURG, MD 20878	nuclear safety consulting	Invoice Cost	524	64,587
EMC CORPORATION 10145 PACIFIC HGTS BLVD SAN DIEGO, CA 92121	software support	Invoice Cost	524	88,916
ENERCON SERVICES, INC 500 TOWNPARK LN KEENESAW, GA 30144	water chemistry upgrade study	Invoice Cost	532	117,760
ENERGYSOLUTIONS DIVERSIFIED 140 STONERIDGE DR - STE 5 COLUMBIA, SC 29210	water treatment system services	Invoice Cost	532	148,689
ENERTECH 2950 E BIRCH ST BREA, CA 92821	equipment testing	Invoice Cost	530	94,549
ENGINEERING PLANNING & MGMT 959 CONCORD ST FRAMINGHAM, MA 01701	nuclear engineering & consulting svcs	Invoice Cost	517 530	82,651 <u>1,366,726</u> 1,449,377
ENVIRONMENTAL PROTECTION SVCS PO BOX 710 WHEELING, WV 26003	environmental waste product disposal	Invoice Cost	108 506 532	84,780 600 <u>255</u> 85,635
ENVIRONMENTAL REMEDIATION SVC 4010 OPTION PASS FT WAYNE, IN 46818	emergency cleanup services	Invoice Cost	108 186 571 588	3,093 3,932 10,937 <u>11,055</u> 29,017
EPRI various US locations	employee training	Invoice Cost	524	668,722
EPRI SOLUTIONS 942 CORRIDOR PARK BLVD KNOXVILLE, TN 37932	power quality audit	Invoice Cost	107 506 510 514	4,844 55,506 8,122 <u>24,700</u> 93,172
EVANSVILLE MARINE SERVICE INC PO BOX 6048 EVANSVILLE, IN 47719	barge fleetng	Invoice Cost	152 512	29,640 <u>26,463</u> 56,103
EXCEL SERVICES CORP 11921 ROCKVILLE PIKE STE 100 ROCKVILLE, MD 20852	legal services - internal & code of conduct investigations	Invoice Cost	923	30,938
EXELON MIDWEST FIRE TRAINING 4210 PINEBLUFF RD MORRIS, IL 60450	employee fire safety training	Invoice Cost	524	33,510
FED. EMERGENCY MGMT AGENCY 500 C ST SW RM 723 WASHINGTON, DC 20472	emergency management program fees	Invoice Cost	524	321,266
FEDERAL INDUSTRIAL SERVICES 12980 INKSTER RD REDFORD, MI 48239	equipment sandblasting services	Invoice Cost	107 512 513	16,010 29,078 <u>54,194</u> 99,282

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FLOWSERVE CORP 2424 WISCONSIN AVE DOWNERS GROVE, IL 60515	equipment repair	Invoice Cost	107 524 530 532	9,216 8,000 83,975 <u>1,960</u> 103,151
FLSMIDTH INC 2040 AVENUE C BETHLEHEM, PA 18017	material handling system project	Invoice Cost	107	791,488
FMSM ENGINEERS 11687 LEBANON RD CINCINNATI, OH 45241	soil engineering services	Invoice Cost	107	558,798
FOCUS LEARNING CORPORATION 173 CROSS ST STE 200 SAN LUIS OBISPO, CA 94401	software licensing	Invoice Cost	524	47,000
FORSEY CONSTRUCTION INC 2018 IRONWOOD CIRCLE SOUTH BEND, IN 46635	construction services	Invoice Cost	524 529	6,746 <u>160,296</u> 167,042
FRAMATOME ANP INC PO BOX 10935 LYNCHBURG, VA 24506	nuclear support svcs & sample testing	Invoice Cost	107 524 530	108,000 213,918 <u>2,684,652</u> 3,006,570
FUEL TANK MAINTENANCE COMPANY 755 HUMBLE DR COOKEVILLE, TN 38501	fuel tank maintenance	Invoice Cost	532	31,708
FUN SERVICES KIDS PLACE BELLEVUE, MI 49021	employee picnic catering services	Invoice Cost	524	41,846
FURMANITE AMERICA 8900 MISSISSIPPI ST MERRILLVILLE, IN 46410	equipment repair, testing & heat treatment svcs	Invoice Cost	107 108 512 513 529 530	47,759 16,629 72,132 18,543 15,397 <u>505,574</u> 676,034
G & L CORPORATION 3101 BROOKLYN AVE FORT WAYNE, IN 46809	equipment moving services	Invoice Cost	107 108 186 570 583 935	13,582 19,418 4,762 1,486 375 <u>23,532</u> 63,155
GAI CONSULTANTS INC 385 E WATERFRONT DR HOMESTEAD, PA 15120	project consultants	Invoice Cost	107	39,579
GALBRETH COMPLETE LANDSCAPE 270 CONRAD RD NILES, MI 49120	mowing & landscaping services	Invoice Cost	562 582	46,060 <u>32,366</u> 78,426
GAYLOR GROUP INC 11711 N COLLEGE AVE STE 150 CARMEL, IN 46082	electrical construction svcs	Invoice Cost	186	55,430
GE ENERGY SERVICES 184 S AVE TALLMADGE, OH 44278	equipment replacement & testing	Invoice Cost	570	55,554
GE INFRASTRUCTURE WATER & PROC 3457 ERINDALE STATION RD MISSISSAUGA, ON L5C2S9	equipment maintenance & leasing	Invoice Cost	524	50,055

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GE INTERNATIONAL INC 4200 WILDWOOD PKWY ATLANTA, GA 30339	plant outage support & inspection services	Invoice Cost	107 108 512 513 524	501,754 264,010 16,685 343,297 <u>632,770</u> 1,758,516
GE MOBILE WATER INC 4545 PATENT ROAD NORFOLK, VA 23502	water demineralization services	Invoice Cost	530	56,980
GIBBCO INC PO BOX 15396 CINCINNATI, OH 45215	boiler slag recycler & processor	Invoice Cost	107 152 501 512	452,352 682 721,666 <u>195,784</u> 1,370,484
GLOBAL INSULATION INC 1501 RAFF RD SW CANTON, OH 44710	plant maintenance	Invoice Cost	107 108 152 186 502 511 512 513 514	243,916 153,947 168,675 206,254 187,992 5,615 698,717 139,016 <u>8,407</u> 1,812,539
GLOBAL QUALITY ASSURANCE INC 13454 LAKE TURNBERRY CIRCLE ORLANDO, FL 32828	nuclear plant support services	Invoice Cost	107	83,931
GLOBE NUCLEAR SVCS. & SUPPLIES 3 BETHESDA METRO CTR - STE 910 BETHESDA, MD 20814	nuclear chemical supplier	Invoice Cost	120	5,250,000
GOHMANN ASPHALT & CONSTRUCTION P O BOX 2428 CLARKSVILLE, IN 47131	pond construction	Invoice Cost	107 511	28,693 <u>44,483</u> 73,176
GOTH & SONS EXCAVATING INC 5611 W COUNTY ROAD 500 N MUNCIE, IN 47304	excavating services	Invoice Cost	107 108 184 186 563 571 935	575 516 25,228 3,691 3,053 1,656 <u>6,209</u> 40,928
GRAND-DAVO CRANE SERVICES INC 1717 E MICHIGAN AVE KALAMAZOO, MI 49048	crane services	Invoice Cost	107 108 529	26,405 2,570 <u>46,475</u> 75,450
GREAT LAKES CLEANING INC 216 COURT ST ST JOSEPH, MI 49085	cleaning services	Invoice Cost	163 184 529	21,891 132,884 <u>80,015</u> 234,790
H & S SERVICES INC PO BOX 3101 FAIRBORN, OH 45324	plant equipment	Invoice Cost	107 108 505 511 512 513 514	25,421 16,978 1,759 5,655 662,523 219,710 <u>654</u> 932,700

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HARMEILING EQUIPMENT SERVICES 1021 AMBER DR FLORENCE, KY 41042	plant equipment repairs	Invoice Cost	107 108 184 506 512 513 514	24,322 14,384 279 5,856 106,407 348 <u>17,349</u> 168,945
HAVERFIELD CORP 104 SANDERS RD CARROLL VALLEY, PA 17320	aerial inspection services	Invoice Cost	563 571 930	36,687 363,317 <u>6,300</u> 406,304
HENRY, ROBERT CORP 404 S FRANCES STREET SOUTH BEND, IN 46624	drain installation	Invoice Cost	107 108 569 570 592	6,381 26,587 46,620 43,284 <u>8,983</u> 131,855
HERGUTH LABORATORIES INC 101 CORPORATE PL VALLEJO, CA 94590	equipment analysis	Invoice Cost	524 532	13,491 <u>66,192</u> 79,683
HERRMAN & GOETZ INC 225 S LAFAYETTE ST SOUTH BEND, IN 46601	electrical construction services	Invoice Cost	184 524 930 935	1,612 6,934 1,011 <u>81,606</u> 91,163
HI-LINE UTILITY SUPPLY CO 1695 CAMBRIDGE DR ELGIN, IL 60123	equipment reconditioning	Invoice Cost	107 566 593	2,552 2,552 <u>26,129</u> 31,233
HOH CHEMICALS INC 500 S VERMONT ST PALATINE, IL 60067	zebra mussel test equipment	Invoice Cost	524	40,000
HOLLIDAY ENTERPRISES INC PO BOX 1429 HALLSVILLE, TX 75650	computer support & training	Invoice Cost	524	501,588
HOMESCAPES 2040 HENRIETTA STREET FORT WAYNE, IN 46802	landscaping services	Invoice Cost	562 571 582	20,017 18,513 <u>13,344</u> 51,874
HONIGMAN MILLER SCHWARTZ COHN 660 WOODWARD AVE DETROIT, MI 48226	legal services - regulatory & non-rate case filings	Invoice Cost	923	101,971
HOOSIER HELICOPTER SERVICES 7900 N THAMES DR BLOOMINGTON, IN 47408	aerial inspection services	Invoice Cost	563 571 930	59,965 82,324 <u>600</u> 142,889
HOUSTON, R & SON SANDBLASTING 115 MAY DR HARRISON, OH 45030	sandblasting services	Invoice Cost	512 513	10,287 <u>49,109</u> 59,396
HOWDEN BUFFALO INC 1799 AKRON PENINSULA RD AKRON, OH 44313	plant equipment installation	Invoice Cost	107 108 512	26,531 20,606 <u>5,107</u> 52,244
HRI INC RT 2 BOX 802 BUFFALO, MO 65622	equipment inspection & repairs	Invoice Cost	512	94,903

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HURST TECHNOLOGIES CORP 201 E MYRTLE ANGLETON, TX 77516	nuclear plant engineering support	Invoice Cost	107	65,467
HYDROCHEM INDUSTRIAL SERVICES 620 HOWARD DR DEER PARK, TX 77536	boiler cleaning & waste removal	Invoice Cost	512	100,707
ICE MILLER ONE AMERICAN SQUARE INDIANAPOLIS, IN 46282	legal services - liability claims	Invoice Cost	923	32,836
IJUS LLC 560 OFFICENTER PLACE GAHANNA, OH 43230	pole attachment evaluation	Invoice Cost	107 108 186 566 588	3,633 1,557 119,580 5,445 <u>46,967</u> 177,182
IKON OFFICE SOLUTIONS various US locations	equipment leasing	Invoice Cost	524 532 921	19,847 195,718 <u>127,031</u> 342,596
INDEPENDENT COMPRESS. AIR SERV 10645 US HIGHWAY 62 BAUDWELL, KY 42023	equipment cleaning & repairs	Invoice Cost	512	25,889
INDIANA EQUITIES 605 FRONT STREET, SUITE 200 COLUMBUS, OH 43215	building maintenance services	Invoice Cost	184 935	49,757 <u>253,640</u> 303,397
INDIANA UNDERGROUND PLANT PO BOX 50392 INDIANAPOLIS, IN 46250	trade organization membership	Invoice Cost	584	99,173
INDUSTRIAL CONTRACTORS INC 1001 BUCHANAN ROAD EVANSVILLE, IN 47720	equipment repairs	Invoice Cost	107 108 152 511 512 513 514	45,589 13,784 3,602 177,266 1,302,317 414,735 <u>26,856</u> 1,984,149
INDUSTRIAL PIPING & ENGINEERING 2215 MEYER RD FT WAYNE, IN 46803	equipment piping repairs & engineering	Invoice Cost	935	46,672
INDUSTRIAL WASTE CONTROL INC 240 SINTER CT YOUNGSTOWN, OH 44510	plant outage equipment cleaning	Invoice Cost	108 512	108,835 <u>(13,531)</u> 95,304
INFRASTRUCTURE ALTERNATIVES 960 W RIVER CENTER DR STE B COMSTOCK PARK, MI 49321	wastewater treatment mgmt fees	Invoice Cost	532	157,374
INSTEP SOFTWARE LLC 55 EAST MONROE STREET CHICAGO, IL 60603	software support & maintenance	Invoice Cost	524	47,926
INTECH INC 2802 BELL ARBOR AVENUE CHATTANOOGA, TN 37406	nuclear plant support services	Invoice Cost	531 532	107,006 <u>113,001</u> 220,007
INTERNTL. QUAL CONSULTANTS 106 FREEPORT RD BUTLER, PA 16002	QA/QC inspection & examination support services	Invoice Cost	107 163 524 530	73,457 41,338 225,739 <u>43,068</u> 383,602

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IRON MOUNTAIN 1137 BRANCHTON RD BOYERS, PA 16020	records storage	Invoice Cost	524	68,616
IUOE 181, 320 TVA H/W FUND C/O CHARLES L BERGER ESQ EVANSVILLE, IN 47708	legal settlement	Invoice Cost	107	36,542
JOHNSON CONTROLS INC 402 RAWLES CT INDIANAPOLIS, IN 46229	nuclear plant support services	Invoice Cost	511 530	31,871 <u>1,307,929</u> 1,339,800
JONES BUILDING SERVICES 317 SHILLELAGH LN NILES, MI 49120	building maintenance services	Invoice Cost	529	32,826
JP MORGAN CHASE BANK 2001 BRYAN ST 10TH FL DALLAS, TX 75201	financial services	Invoice Cost	431	162,769
KEITH FIRE EXTINGUISHER SERVICE 601 S HIGH ST RISING SUN, IN 47040	fire extinguisher supplier	Invoice Cost	506 511 514	25 832 <u>48,431</u> 49,288
KENRICH GROUP LLC 1200 NEW HAMPSHIRE AVE NW WASHINGTON, DC 20036	legal services- nuclear spent fuel issues	Invoice Cost	923	68,289
KENT POWER INC 90 SPRING ST KENT CITY, MI 49330	power line relocation	Invoice Cost	107	30,487
KINECTRICS NORTH AMERICA INC 800 KIPLING AVE TORONTO, ONTARIO, ON M8Z55	nuclear testing services	Invoice Cost	524 530	14,699 <u>18,001</u> 32,700
KOORSEN PROTECTION SERVICES 4725 HITCH-PETERS ROAD EVANSVILLE, IN 47711	fire prevention maintenance	Invoice Cost	107 184 506 511 593 935	6,375 1,283 16,482 2,646 1,622 <u>16,746</u> 45,154
LAFAVORITE INDUSTRIES INC 33 SHADY ST PATERSON, NJ 07524	condenser expansion joints	Invoice Cost	530	48,800
LAING, JOHN S 39878 BAKER DR STERLING HEIGHTS, MI 48310	nuclear plant pollution control consulting	Invoice Cost	923	85,444
LAKE MICHIGAN COLLEGE 2755 E NAPIER AVE BENTON HARBOR, MI 49022	employee training	Invoice Cost	524 921	53,016 <u>90</u> 53,106
LAKELAND EMPLOYEE ASSISTANCE 2845 NILES AVE SAINT JOSEPH, MI 49085	employee assistance programs	Invoice Cost	524	57,635
LANDSCAPE SOLUTIONS GROUP INC 52041 PATRICIA LANE SOUTH BEND, IN 46628	landscaping services	Invoice Cost	107 184 935	457 46,198 <u>75,598</u> 122,253
LARKIN CONTRACTORS INC 1427 OLDTOWN VALLEY RD SE NEW PHILADELPHIA, OH 44663	equipment hauling	Invoice Cost	107	35,465

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
LARVA, BRUCE MD 1616 LAKEVIEW ST JOSEPH, MI 49085	employee medical testing	Invoice Cost	524	65,360
LAW OFFICES OF GREGORY S FEIS 3 BETHESA METRO CENTER STE 200 BETHESDA, MD 20814	legal fees-contract issues	Invoice Cost	923	47,276
LEACH ENGINEERING SERVICES 10381 DELIHANT RD THREE RIVERS, MI 49093	nuclear engineering services	Invoice Cost	524	120,000
LL GEANS CONSTRUCTION COMPANY 1923 N HOME ST MISHAWAKA, IN 46545	substation concrete construction	Invoice Cost	107	26,529
LUSE-STEVENSON COMPANY 3990 ENTERPRISE COURT AURORA, IL 60504	tank insulation services	Invoice Cost	108	296,680
M P W INDUSTRIAL SERVICES INC 150 S 29TH ST NEWARK, OH 43055	equipment installation & repair	Invoice Cost	502	78,750
M.A.A.C. PROPERTY SERVICES 1198 ANDERSON ROAD NILES, MI 49120	snow removal services	Invoice Cost	107 184 562 582	4,063 76,971 9,535 <u>24,216</u> 114,785
MANAGEMENT RECRUITERS 710B APPLE ST NORCO, LA 70079	employment recruitment services	Invoice Cost	524	29,000
MANCINI CONSULTING SERVICES 4163 HERBET DRIVE DOYLESTOWN, PA 18901	plant consulting & employee training	Invoice Cost	524 530	12,500 <u>105,000</u> 117,500
MANNINGS USA 200 RICHARDS AVE DOVER, NJ 07802	temporary staffing services	Invoice Cost	107 108	18,713 <u>10,479</u> 29,192
MANPOWER various US locations	temporary staffing services	Invoice Cost	107 108 152 163 184 186 501 502 506 512 539 580 581 583 588 590 593 594 902 930	159,007 6,863 14,195 52,788 31,058 98,446 240 2,463 102,076 4,573 1,390 (341) 9,666 42,974 92,629 18,879 23,999 16,622 269,144 <u>2,827</u> 949,498
MANSFIELD OIL CORP 1025 AIRPORT PARKWAY, SW GAINESVILLE, GA 30505	fuel equipment installation	Invoice Cost	184	49,087

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MARINE BUILDERS INC 208 W CHURCH ST UTICA, IN 47130	boat painting & repairs	Invoice Cost	512	204,160
MARTELL ELECTRIC LLC 1125 SOUTH WALNUT STREET SOUTH BEND, IN 46619	electrical construction & repairs	Invoice Cost	107 163 524 529	203,314 6,993 73,259 <u>83,674</u> 367,240
MARTIN ENGINEERING CO 1 MARTIN PL NEPONSET, IL 61345	engineering services	Invoice Cost	107 108 512	38,728 4,787 <u>41,921</u> 85,436
MASTER-LEE DECON SERVICES INC 430 MILLER ROAD MEDFORD, NJ 08055	decontamination services	Invoice Cost	524 530	8,048 <u>68,936</u> 76,984
MASTER-LEE ENERGY SERVICES 1639 CLEARVIEW DR LATROBE, PA 15650	nuclear plant support services	Invoice Cost	524 530	21,036 <u>1,786,543</u> 1,807,579
MAZZELLA LIFTING TECHNOLOGIES 21000 AEROSPACE PKWY CLEVELAND, OH 44194	equipment supplier & repairs	Invoice Cost	107 512 513	912 11,862 <u>13,174</u> 25,948
MECHANICAL SERVICES INC 8 ALTON CT NEWARK, DE 19711	equipment repairs	Invoice Cost	513	43,503
MEGAWATT MACHINE 201 WESCOTT DR RAHWAY, NJ 07065	equipment repairs	Invoice Cost	513	37,500
MEYLAN INDUSTRIAL SERVICES 6225 S 60TH ST OMAHA, NE 68117	air basket cleaning for outages	Invoice Cost	512	39,489
MH EQUIPMENT 2630 N CULLEN AVE EVANSVILLE, IN 47715	equipment repairs	Invoice Cost	163 514	1,042 <u>25,468</u> 26,510
MICHIANA LAND SERVICES INC 505 PLEASANT ST ST JOSEPH, MI 49085	land right of way services	Invoice Cost	107 108 186 563 566 571	20,346 433 366 15,047 145 <u>1,760</u> 38,097
MICHIANA RECYCLING & DISPOSAL 2268 REUM RD NILES, MI 49120	recycling & disposal services	Invoice Cost	184 186 570	32,764 2,613 <u>630</u> 36,007
MICHIGAN STATE, STATE POLICE DEF 714 S HARRISON RD EAST LANSING, MI 48823	radiological emergency mgmt planning	Invoice Cost	524	304,715
MICROSOFT CORP 7000 N ST HWY 161 IRVING, TX 75039	software support services	Invoice Cost	524	29,944
MICROWAVE TRANSMISSION SYS. 541 STERLING DR RICHARDSON, TX 75081	transmission tower installation	Invoice Cost	107	147,232

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MIDLAND ENGINEERING CO INC 53269 US 33 N (SR 933 N) SOUTH BEND, IN 46624	roofing repairs	Invoice Cost	529	846,375
MOBILE FACILITY ENGINEERING PO BOX 387 CASSOPOLIS, MI 49031	modular building rental	Invoice Cost	107 530 532	22,151 6,319 6,675 35,145
MODSANCO INC 215 S PARK RD BENTON HARBOR, MI 49022	portable toilet rental & sewage removal	Invoice Cost	524 532	7,438 66,306 73,744
MOODYS INVESTORS SERVICE P O BOX 102597 ATLANTA, GA 30368	credit rating service	Invoice Cost	181 923	82,000 19,930 101,930
MORETECH INC 406 MILITARY EAST BENICIA, CA 94510	technical support services	Invoice Cost	530	47,000
MORGAN LEWIS & BOCKIUS LLP 1111 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	legal services-liability claims & regulatory issues	Invoice Cost	923	101,457
MPR ASSOCIATES INC 320 KING STREET ALEXANDRIA, VA 22314	design engineering support	Invoice Cost	107 524 532	111,840 82,162 42,175 236,177
MUCHMORE HARRINGTON SMALLEY 124 WEST ALLEGANY ST STE 1900 LANSING, MI 48933	legislative services	Invoice Cost	426	42,000
N P ENERGY INC 12020 OCEAN VIEW DR SPARKS, NV 89436	nuclear plant support services	Invoice Cost	530	87,000
NATIONAL SERV-ALL 6231 MACBETH RD FORT WAYNE, IN 46809	soil hauling	Invoice Cost	107 108 184 186 580 588	1,684 49,652 13,997 1,633 30 1,179 68,175
NATIONAL THEATRE FOR CHILDREN 2733 PARK AVE S MINNEAPOLIS, MN 55407	school electric safety programs	Invoice Cost	930	88,318
NATURCHEM WEST INC 2518 PLUM STREET NASHVILLE, TN 37207	vegetation control	Invoice Cost	107 511	2,000 31,642 33,642
NELS CONSULTING SERVICES INC 40 NEILSON AVE ST CATHARINES, ON	plant consulting services	Invoice Cost	512	31,468
NEPTUNE TECHNOLOGY GROUP INC 2222 W SPRING CREEK PKWY PLANO, TX 75023	software licenses	Invoice Cost	902	34,990
NESCO SALES & RENTALS 3112 E STATE RD 124 BLUFFTON, IN 46714	equipment rental	Invoice Cost	107 186 593	4,536 19,949 7,730 32,215
NEW BROTHERS INC 1200 N JACKSON PIKE UNION CITY, NJ 47390	plant cleaning services	Invoice Cost	184	85,126

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
INDIANA MICHIGAN POWER COMPANY NEW HORIZON COMPUTER LEARNING CENTERS 5315 28TH ST CT SE STE B GRAND RAPIDS, MI 49546	employee computer training	Invoice Cost	524	35,000
NEWMAN TRACTOR INC 2841 VERONA RD VERONA, KY 41092	fly ash landfill construction services	Invoice Cost	107	44,350
NEWPORT NEWS INDUSTRIAL CORP 182 ENTERPRISE DRIVE NEWPORT NEWS, VA 23603	nuclear plant support services	Invoice Cost	530	508,033
NISYS CORPORATION 4233 PLEASANT HILL RD DULUTH, GA 30096	project consultants	Invoice Cost	517	8,783
			524	5,087
			530	15,990
				29,860
NOE, CONNIE S. 9412 NEWGATE CT NEW HAVEN, IN 46774	title & easement services	Invoice Cost	107	25,594
			108	687
			186	49
			563	7,810
			566	116
			571	153
			34,409	
NORMANDEAU ASSOCIATES INC 25 NASHUA RD BEDFORD, NH 03110	nuclear support services	Invoice Cost	524	53,576
NORTH AMERICAN INDUSTRIAL SERV 927 BLDG 3 BARLOW DR CHARLESTON, WV 25311	boiler cleaning & deslagging	Invoice Cost	501	30,031
			511	17,389
			512	205,517
			513	14,362
			514	1,525
			268,824	
NORTH AMERICAN PROPERTY SVC 6400 S FIDDLERS GREEN CIRCLE ENGLEWOOD, CO 80111	janitorial services	Invoice Cost	184	157,624
N-SHIELD LLC 29152 OUTRIGGER ST LAKE ELSINORE, CA 92530	cyber security consulting services	Invoice Cost	524	31,218
NUCLEAR ENERGY INSTITUTE 1776 I ST NW STE 400 WASHINGTON, DC 20006	annual assessment fees	Invoice Cost	524	79,540
NUTTING H C CO PO BOX C CINCINNATI, OH 45226	concrete testing services	Invoice Cost	107	100,323
NWI CONSULTING LLC 9054 HEMINGWAY GROVE KNOXVILLE, TN 37922	operations training consulting svcs	Invoice Cost	524	46,965
OHIO CAT 5232 WALCUTT CT COLUMBUS, OH 43228	equipment rental	Invoice Cost	588	33,610
OHIO TRANSMISSION CORP 1900 JETWAY BLVD COLUMBUS, OH 43219	plant equipment supplier & repairs	Invoice Cost	107	47,615
ONECIS INSURANCE COMPANY 3663 N SAM HOUSTON PKWY E HOUSTON, TX 77032	plant inspection services	Invoice Cost	532	112,608

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ONYX INDUSTRIAL SERVICES INC 7 PK HUB INDUSTRIAL NITRO, WV 25143	equipment cleaning services	Invoice Cost	107 108 152 501 502 511 512 513 514	15,651 10,966 448,808 152,055 4,276 62,280 165,526 9,258 15,149 883,969
OPERATION TECHNOLOGY INC 17 GOODYEAR STE 100 IRVINE, CA 92618	employee training	Invoice Cost	517	30,004
OTIS ELEVATOR COMPANY 622 E MARKET ST INDIANAPOLIS, IN 46202	elevator repair & inspection services	Invoice Cost	107 511 935	155,044 103,566 109,035 367,645
PAUSTIAN INC 6410 OLD PIPESTONE RD EAU CLAIRE, MI 49111	nuclear plant equipment supplier	Invoice Cost	524 529 530	6,000 16,709 4,090 26,799
PAWLIK INVESTIGATIVE ASSOCIATES 1212 SOUTH NAPER BLVD STE 119 NAPERVILLE, IL 60540	legal service - internal & code of conduct investigations	Invoice Cost	923	44,191
PCI ENERGY SERVICES ONE ENERGY DR LAKE BLUFF, IL 60044	nuclear plant equipment installation	Invoice Cost	107	2,973,100
PERKIN ELMER INC 710 BRIDGEPORT AVE SHELTON, CT 06484	equipment maintenance & leasing	Invoice Cost	524	42,575
PERRY BALLARD INC 526 UPTON DR E ST. JOSEPH, MI 49085	nuclear plant PR & media support svcs	Invoice Cost	107 921 923 930	2,048 77,140 5,500 12,646 97,334
PHILIP SERVICES CORP 1900 ST CHARLES RD PUEBLO, CA 81006	blasting services	Invoice Cost	512	82,314
PILLSBURY WINTHROP SHAW & PITTMAN LLP 2300 N ST NW WASHINGTON, DC 20037	legal services-liability claims & regulatory issues	Invoice Cost	923	206,187
PLASTOCOR INC 100 RESEARCH ROAD HINGHAM, MA 02043	nuclear plant equipment repairs	Invoice Cost	532	396,600
PLATT ENVIRONMENTAL SERVICES 371 BALM COURT WOOD DALE, IL 60191	emissions testing	Invoice Cost	506	27,831
PRECISION BLASTING INC PO BOX 785 FLATWOODS, KY 41139	blasting services	Invoice Cost	512	196,450
PRECISION DATA PRODUCTS INC 5036 FALCON VIEW AVE GRAND RAPIDS, MI 49512	computer hardware	Invoice Cost	524	84,623
PREFERRED METAL TECHNOLOGIES 140 E TOWER DRIVE BURR RIDGE, IL 60521	equipment engineering, testing & modification	Invoice Cost	530	346,800

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PRIMAVERA SYSTEMS INC 333 E CITY AVE STE 600 BALA CYNWYD, PA 19004	computer maintenance agreements	Invoice Cost	921	53,750
PROCESS PUMP & SEAL INC 2993 WOODSDALE RD TRENTON, OH 45067	plant equipment upgrades	Invoice Cost	513	34,328
PRODUCTIVE BUSINESS INTERIORS 126 W COLUMBIA ST FORT WAYNE, IN 46802	interior construction svcs	Invoice Cost	935	33,395
PROFESSIONAL CONSTRUCTION SVC PO BOX 510 RIPLEY, WV 25271	construction services	Invoice Cost	107 108	163,081 <u>332,787</u> 495,868
PROFESSIONAL SERVICE IND. 4960 VULCAN AVE COLUMBUS, OH 43228	geotechnical land inspection & preparation	Invoice Cost	107	36,609
PROGRESS PUMP & MACHINE SVCS. 918 KENNEDY AVE SCHERERVILLE, IN 46375	equipment machining & tooling	Invoice Cost	107 530	66,613 <u>44,389</u> 111,002
PRO-TEM INC 2525 S SHORE BLVD STE 401 LEAGUE CITY, TX 77573	software licensing	Invoice Cost	524	40,000
PROTO-POWER CORP 15 THAMES STREET GROTON, CT 06340	software maintenance	Invoice Cost	524	29,500
PSYCHOLOGY ASSOCIATES PC 2095 NILES RD ST JOSEPH, MI 43085	employee evaluations	Invoice Cost	524 530	11,693 <u>19,212</u> 30,905
PULLMAN POWER LLC 9411 NE VOORMAN DR KANSAS CITY, MO 64161	plant ductwork repairs	Invoice Cost	512	291,540
PULVERIZER SERVICES, INC 200 PARK LOOP CALHOUN, KY 42327	plant equipment rebuilding services	Invoice Cost	512	423,107
QUADRANT EPP 2710 AMERICAN WAY FT WAYNE, IN 46809	plant inspection services	Invoice Cost	512	26,337
QUALITY NUCLEAR SERVICES INC P O BOX 329 DARDANELLE, AR 72834	nuclear plant support services	Invoice Cost	530	202,110
RACE LLC 2550 CHANNEL AVE MEMPHIS, TN 38113	radioactive waste disposal	Invoice Cost	107 520	23,701 <u>98,344</u> 122,045
RDJ ASSOCIATES INC PO BOX 5514 FORT WAYNE, IN 46895	cleaning services	Invoice Cost	184	138,201
REAL TIME SOLUTIONS COMPANY 13095 BLAZE CT RIVERTON, UT 84065	equipment inspections	Invoice Cost	530	80,720
RED BUD SERVICES PO BOX 185 BUCHANAN, MI 49107	snow removal services	Invoice Cost	529	25,059

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REINHAUSEN MFG INC 2549 N 9TH AVE HUMBLOT, TN 38343	nuclear plant support services	Invoice Cost	530	79,972
REINTJES, GEORGE P CO INC 449 S MERIDIAN RD YOUNGSTOWN, OH 44509	plant equipment installation	Invoice Cost	107 512	26,285 <u>26,847</u> 53,132
RELIABLE DISPOSAL INC 7227 RELIABLE PATH STEVENSVILLE, MI 49127	refuse disposal	Invoice Cost	524 529 530	192,791 12,110 <u>10,433</u> 215,334
REPROMAX INC 500 SCHROCK RD COLUMBUS, OH 43229	engineering blueprint services	Invoice Cost	107 186 512 563 570 592	27,474 81 3 1,291 37 <u>63</u> 28,949
RICOH BUSINESS SYSTEMS 31478 INDUSTRIAL RD STE 200 LIVONIA, MI 48150	equipment maintenance agreements	Invoice Cost	524	34,534
ROYAL EXCURSION 12807 MCKINLEY HIGHWAY MISHAWAKA, IN 46545	employee transportation services	Invoice Cost	530	368,970
RUDOLPH, J H & CO INC 4590 E A W MULZER DR DALE, IN 47523	gas tank roadway paving repairs	Invoice Cost	511	43,312
RUMPKE CONTAINER SERVICE INC 10795 HUGHES RD CINCINNATI, OH 45251	waste removal services	Invoice Cost	107 506 512 513	56 47,282 1,804 <u>49</u> 49,191
RWE NUKEM CORP 3800 FERNANDINA RD COLUMBIA, SC 29210	rapid dewatering system services	Invoice Cost	520 532	75,729 <u>9,379</u> 85,108
SAFETY-KLEEN INC 5400 LEGACY DR PLANO, TX 75024	hazardous waste disposal	Invoice Cost	506 524 532 570 588 592	24,593 1,333 7,966 3,282 53 <u>332</u> 37,559
SARGENT & LUNDY LLC 55 E MONROE ST CHICAGO, IL 60603	engineering & nuclear staff services	Invoice Cost	107 108 524 530 532	9,143,004 6,449 73,825 118,958 <u>573,828</u> 9,916,064
SCHALCO CONSTRUCTION 10700 STATE RD 662 NEWBURGH, IN 47630	door & facilities repair	Invoice Cost	511	62,712
SCHINDLER ELEVATOR CORP 3725 W CLEVELAND RD SOUTH BEND, IN 46628	elevator inspection services	Invoice Cost	529 935	81,208 845 82,053
SCIENTECH LLC 440 W BROADWAY ST IDAHO FALLS, ID 83402	software support services	Invoice Cost	107 517 524	34,432 40,000 <u>159,500</u> 233,932

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SCHUELL FENCE 22377 ADAMS RD SOUTH BEND, IN 46628	fencing supplier	Invoice Cost	107 569 570 591 935	17,311 5,542 517 348 <u>1,432</u> 25,150
SHELL ENGINEERING & ASSOCIATES 2403 W ASH ST COLUMBIA, MO 65203	engineering services	Invoice Cost	506	57,309
SIEMENS POWER GENERATION INC various US locations	nuclear plant equipment support services	Invoice Cost	107	10,265,151
SIEMENS WATER TECHNOLOGIES COF 100 HIGHPOINT DR CHALFONT, PA 18914	plant equipment repairs & installation	Invoice Cost	107 513	23,833 <u>27,294</u> 51,127
SLICK ROLLERS, INC. PO BOX 1472 FLORENCE, KY 41022	install & align conveyor roller equipment	Invoice Cost	107 512	28,443 <u>16,025</u> 44,468
SOFTWARE HOUSE INTERNATIONAL 2 RIVERVIEW DR SOMERSET, NJ 08873	software licensing	Invoice Cost	107 417 500 506 512 524 588 901 921 935	4,837 1,047 320 793 278 62,485 783 190 1,938 <u>550</u> 73,221
SOUTH BEND MEDICAL FOUNDATION 530 N LAFAYETTE BLVD SOUTH BEND, IN 46601	employee radiation exposure monitoring	Invoice Cost	524 530	20,458 <u>30,274</u> 50,732
SOUTHWEST TRANSPORT CO 137 HILLSBOROUGH ST HARTFORD, MI 49057	snow removal services	Invoice Cost	184	29,419
STANDARD & POORS 55 WATER ST 46TH FL NEW YORK, NY 10041	financial rating services	Invoice Cost	923	45,946
STAR FIELD FIT INC 116 LATOURETTE ST MARION, OH 43302	engineering services	Invoice Cost	107 108 513 530	99,475 2,557 35,757 <u>12,742</u> 150,531
STEVENS PAINTON CORPORATION 5997 CARLSON AVE PORTAGE, IN 46368	door & fence installation & repairs	Invoice Cost	107 524 529	7,460 110,916 <u>(760)</u> 117,616
STRUCTURAL GROUP INC 280 WEST JEFFERSON TRENTON, MI 48183	nuclear plant support services	Invoice Cost	529	39,140
STRUCTURAL INTEGRITY ASSOC. 3315 ALMADEN EXPRESSWAY SAN JOSE, CA 95118	structural analysis consulting	Invoice Cost	512 524 530	38,485 51,198 <u>16,082</u> 105,765
STUDSVIK PROCESSING FACILITY 151 T.C. RUNION ROAD ERWIN, TN 37650	radioactive waste disposal	Invoice Cost	532	219,785

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STUDSVIK SCANDPOWER INC 1087 BEACON STREET NEWTON, MA 02459	annual software licensing	Invoice Cost	524	76,743
STUDSVIKRACE 2250 CHANNEL AVE MEMPHIS, TN 38113	radioactive waste disposal	Invoice Cost	108 532	63,908 <u>194,524</u> 258,432
SUN TECHNICAL SERVICES INC 6490 S MCCARRAN BLVD STE 6 RENO, NV 89509	engineering services	Invoice Cost	107 108 163 186 188 500 501 513 523 524 529 530 532	5,313,585 127,616 5,790 1,527 334 110,146 14,658 32,272 41,708 1,684,225 1,062,270 1,756,400 <u>332,523</u> 10,483,054
SUNPRO INC 7392 WHIPPLE AVE NW NORTH CANTON, OH 44720	emergency response & cleanup services	Invoice Cost	107 108 532 570 588 935	3,613 45,911 8,220 4,146 37,234 <u>876</u> 100,000
SWALLOWS LANDSCAPE SERVICE 242 N FULTON PARKER CITY, IN 47368	landscaping services	Invoice Cost	562 582	23,135 <u>25,270</u> 48,405
SWARTZ CAMPBELL LLC TWO LIBERTY 50 S 16TH ST PHILADELPHIA, PA 19102	legal services - liability claims	Invoice Cost	925	86,046
SYNERGETIC DESIGN INC PO BOX 411247 CHARLOTTE, NC 28241	engineering services	Invoice Cost	107 108 580 590	269,175 36,107 30,164 <u>30,164</u> 365,610
SYSTEMS ENGINEERING & SALES CO 3805 PONTIAC ST FT WAYNE, IN 46803	install & modify plant equipment	Invoice Cost	570	84,690
TAPLIN ENVIRONMENTAL CONT. 5100 WEST MICHIGAN KALAMAZOO, MI 49006	vacuum excavation services	Invoice Cost	107 529 530 531	51,221 31,558 31,515 <u>6,000</u> 120,294
T-E INC 5540 HUGUENARD RD FORT WAYNE, IN 46818	asphalt removal & installation	Invoice Cost	184 186 935	28,161 8,380 <u>2,909</u> 39,450
TEI CONSTRUCTION SERVICES INC 201 N 4TH ST ROYERSFORD, PA 19468	equipment repairs	Invoice Cost	512 513	30,842 <u>1,985</u> 32,827
TEKSYSTEMS 3940 PENINSULAR DRIVE SE GRAND RAPIDS, MI 49546	project support services	Invoice Cost	107 186 524	13,032 2,711 <u>725,453</u> 741,196

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
TERRY, CARL D 1399 WEST GENESEE RD BALDWINVILLE, NY 13027	nuclear safety review board services	Invoice Cost	524	40,717
THIELSCH ENGINEERING INC 195 FRANCES CRANSTON, RI 02910	boiler inspections & evaluations	Invoice Cost	512	90,989
THYSSENKRUPP SAFWAY INC 3200 CALUMENT AVENUE HAMMOND, IN 46320	equipment rental	Invoice Cost	107 530 531	35,003 234,039 <u>4,466</u> 273,508
TIP TOP INDUSTRIAL SERVICE INC 4690 ASHLEY DR HAMILTON, OH 45011	machine repair	Invoice Cost	107 108 512	20,441 14,048 <u>56,247</u> 90,736
TIPTON, KENNETH J 430 E 8TH ST HOLLAND, MI 49423	legal services - organized labor issues	Invoice Cost	524	255,942
TOWERS PERRIN 1100 SUPERIOR AVE E STE 900 CLEVELAND, OH 44114	financial & actuarial services	Invoice Cost	926	77,787
TOWNSEND TREE SERVICE INC P O BOX 128 PARKER CITY, IN 47368	brush & tree trimming services	Invoice Cost	562 582	25,262 <u>3,445</u> 28,707
TRAFFIC & SAFETY CONTROL SYS. 48584 DOWNING WIXOM, MI 48393	traffic control barricades	Invoice Cost	107 108 524	1,333 767 <u>50,002</u> 52,102
TRANS IND CORP 2031 WESTWOOD AVE RICHMOND, VA 23230	circuit breaker disposal	Invoice Cost	108	76,380
TREMCO ROOFING 3735 GREEN RD BEACHWOOD, OH 44122	plant roof inspections	Invoice Cost	524 529	32,555 <u>53,157</u> 85,712
TRI STATE PAINTING CO INC 5119 GRAHAM AVE EVANSVILLE, IN 47715	floor painting services	Invoice Cost	511	71,318
TRUE NORTH CONSULTING LLC 9230 6400 RD MONTROSE, CO 81401	software licenses & maintenance	Invoice Cost	524 532	53,758 <u>25,469</u> 79,227
UNDERWATER CONSTRUCTION CORP PO BOX 699 ESSEX, CT 06426	underwater construction services	Invoice Cost	107 108 513 530 531 532	18,693 18,693 7,845 315,603 21,600 <u>373,600</u> 756,034
UNDERWATER SERVICES LTD PO BOX 268 SCOTT DEPOT, WV 25560	underwater inspection & videtaping services	Invoice Cost	512 513	27,652 <u>5,737</u> 33,389
UNITECH SERVICES GROUP 1006 3RD AVE. MORRIS, IL 60450	uniform & cleaning services	Invoice Cost	107 520 524 530 532	154,275 (69,407) 70,520 164,207 <u>247,419</u> 567,014

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report	
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		December 31, 2007	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
UNITED CONSTRUCTION CO INC 1340 OLD ROSEMAR RD PARKERSBURG, WV 26104	project construction services	Invoice Cost	107 108 186 500 506	480,284 490,973 22,342 189,700 <u>1,310</u> 1,184,609
UNITED DYNAMICS CORPORATION 2681 CORAL RIDGE RD BROOKS, KY 40109	inspection services	Invoice Cost	512	184,201
UNITED RENTALS various US locations	equipment rental	Invoice Cost	107 514 570	21,168 3,696 <u>5,104</u> 29,968
UNITED STATES ENRICHMENT CORP 6903 ROCKLEDGE DR BETHESDA, MD 20817	nuclear fuel supplier	Invoice Cost	120	31,550,626
UNIVERSAL INCORPORATED ST RT 2 S NEW MARTINSVILLE, WV 26155	plant painting & maintenance	Invoice Cost	511 512 513 514	19,841 12,336 115,314 <u>43</u> 147,534
URENCO INC 2600 VIRGINIA AVENUE NW WASHINGTON, DC 20003	nuclear fuel supplier	Invoice Cost	120	24,325,000
US INSPECTION SVCS OF CINCINNATI 502 W CRESENTVILLE RD CINCINNATI, OH 45246	inspection services	Invoice Cost	107 108 512 513 530 532	53,881 2,230 67,827 2,513 43,573 <u>1,800</u> 171,824
UTILX CORP 22820 RUSSELL RD KENT, WA 98064	utility pole treatment	Invoice Cost	107 513 532	1,835,918 11,068 <u>28,600</u> 1,875,586
VARNUM RIDDERING SCHMIDT PO BOX 352 GRAND RAPIDS, MI 49501	legal services-labor & liability claim issues	Invoice Cost	923	88,313
VARO ENGINEERS LTD 2751 TULLER PARKWAY DUBLIN, OH 43017	engineering services	Invoice Cost	107 500	62,004 <u>1,136</u> 63,140
VEC SYSTEMS INC 6792 BELMONT AVE UNIT B GIRARD, OH 44420	electrical contractor	Invoice Cost	107	41,577
VENTURESUM CORPORATION 9102 AVIATION BLVD CONCORD, NC 28027	joint use pole inventorying	Invoice Cost	186	52,412
VENTYX INC PO BOX 934340 ATLANTA, GA 31193	software licensing & maintenance	Invoice Cost	524 935	418,501 <u>41,757</u> 460,258

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
VEOLIA ENVIRONMENTAL SERVICES 28900 NETWORK PLACE CHICAGO, IL 60673	environmental disposal & cleanup services	Invoice Cost	108 152 184 501 511 532 585 592	1,941 (1,473) 1,300 (2,572) (34) 26,408 9,796 <u>125</u> 35,491
VFP FIRE SYSTEMS XX41 3RD AVE W HUNTINGTON, WV 25704	fire protection systems	Invoice Cost	107 108 935	26,850 1,550 <u>2,961</u> 31,361
WABASH VALLEY REFUSE REMOVAL 316 SPRING VALLEY RD WABASH, IN 46992	waste removal services	Invoice Cost	107 108 184 935	2,310 7,708 49,853 <u>354</u> 60,225
WACKENHUT CORP 4200 WACKENHUT DR PALM BEACH GARDENS, FL 33140	security services	Invoice Cost	107 184 501 506 524	940 130,328 44 443,576 <u>12,967,801</u> 13,542,689
WASKO, G L & SONS LLC PO BOX 806 BRIDGMAN, MI 49106	equipment rental	Invoice Cost	107 108 530	23,312 6,518 <u>2,480</u> 32,310
WEIR VALVES & CONTROLS USA INC 285 CANAL ST SALEM, MA 01970	equipment installation & repair	Invoice Cost	512	100,780
WELLS FARGO BANK various US locations	financial services	Invoice Cost	427 930	126,389 <u>30,300</u> 156,689
WESTINGHOUSE ELECTRIC CO various US locations	engineering & project support	Invoice Cost	107 120 517 524 530 531 532	402,022 11,007,211 65,288 110,316 473,916 24,425 <u>300,101</u> 12,383,279
WESTINGHOUSE POWER GENERATIC 1105 SCHROCK RD COLUMBUS, OH 43229	equipment installation & repair	Invoice Cost	107	31,544
WHAYNE SUPPLY CO 1600 N EIGHTH STREET PADUCAH, KY 42001	equipment repair	Invoice Cost	107 108 152 511 512 514	47,148 11,607 6,923 5,848 39,729 <u>22,228</u> 133,483
WHITING SERVICES INC 15700 LATHROP AVE. HARVEY, IL 60426	nuclear plant support svcs	Invoice Cost	530	73,720
WIECZOREK HILLIARD 12724 S WOLCOTT ST SAWYER, MI 49125	equipment & building repairs	Invoice Cost	184 935	2,514 <u>48,241</u> 50,755

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS WILMINGTON TRUST CO 1100 N MARKET ST WILMINGTON, DE 19890	DESCRIPTION financial services	CHARGES Invoice Cost	ACCOUNT 930	AMOUNT 39,775
WYLE LABORATORIES INC PO BOX 077777 HUNTSVILLE, AL 35807	equipment testing	Invoice Cost	107	414,000
ZEEFAX INC 4050 SKYRON DR STE B1 DOYLESTOWN, PA 18901	nuclear plant support services	Invoice Cost	107	131,436
ZELLER ELEVATOR CO 8875 MEINSCHEN RD MOUNT VERNON, IN 47620	elevator services	Invoice Cost	511	81,148

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, 2007	Year of Report December 31, 2007
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES

1. In column (a) report the name of the associated company.
2. In column (b) describe the affiliation (percentage ownership, etc.).
3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).
4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.

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 Costs		
2	Appalachian Power Co				
3	AEP Generating Company				
4	Kentucky Power				
5	Memco Consolidated				
6	Ohio Power - Cook Coal Terminal	Subsidiary of AEP	Boat Rental		
7	Cardinal Operating Co	Subsidiaries of AEP	Rail Car Rental		
8	Southwest Elec Power Co				
9	Ohio Power Company				
10	Public Service Co of OK				
11	Kentucky Power				
12	Appalachian Power Co				
13	AEP Service Corporation (agent for AEP System)	Parent Company Service Corp.	Transmission Equalization	565	34,598,039
14					
15	AEP Generating Company	Subsidiary of AEP	Costs billed to operate jointly-owned Rockport facilities	408	4,038,050
16				456	(210,000)
17				500	2,385,271
18				501	103,976,045
19				502	1,329,640
20				505	1,353,839
21				506	2,897,733
22				507	68,283,036
23				510	1,697,818
24				511	577,423
25				512	14,192,225
26				513	3,560,883
27				514	655,914
28				556	76,354
29				557	(43,858)
30				920	10,225
31				921	153,968
32				922	383
33				923	580,414
34				924	646,796
35				925	39,513
36				926	1,516,134
37				928	7,187
38				930	117,335
39				931	17,582
40				935	135,104
41					
42					
43	AEP Generating Company	Subsidiary of AEP	(1)	408	47,815
44				500	59
45				506	53,813
46				509	87
47				510	68
48				511	46
49				512	63,192
50				513	173,482
51				514	24,078
52				515	3,241
53				519	11,416
54				544	5,523
55				546	1,951,928
56				553	439,647
57				921	(3)
58				925	121
59				926	15,732
60	AEP Elmwood LLC	Subsidiary of AEP	(1)	921	2,575
61					

(1) Misc transactions rendered at cost

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, 2007			
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	7,058,414 16,589,194 9,181,020 79,719 16,214,939			49,123,286	Alloc of barging costs based on deliveries of coal.	1 2 3 4 5
417	20,640			20,640	Fee - contract	6
		151	260,740		Alloc of actual usage of cars.	7
		151	2,265,830			8
		151	429,100			9
		151	932,326			10
		151	28			11
		151	367	3,888,391		12
				34,598,039	Trans Equal Agmt appr by FERC.	13
421	(231)	107	37,138,702		Cost	14
426	211,695	108	3,581,585			15
		151	1,816,011			16
		152	324,169			17
		154	548,648			18
		186	75,254			19
		236	3,570,915			20
		253	5,570,952			21
						22
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						39
						40
				260,832,714		41
						42
		107	44,349		Cost	43
		108	607			44
		163	40,765			45
						46
						47
						48
						49
						50
						51
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				2,875,966		59
				2,575	Cost	60
						61

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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	AEP Pro Serv, Inc.	Subsidiary of AEP	(1)	920	1
2				923	3,582
3	AEP Resources, Inc.	Subsidiary of AEP	(1)	508	822
4	AEP Service Corporation	Parent Company Service Corp.	(1)	500	63
5				566	622
6				921	2,636
7				923	372
8				925	830
9				935	6,313
10	AEP T&D Services, LLC	Subsidiary of AEP	(1)	588	960
11				930	39,683
12	AEP Texas Central Co	Subsidiary of AEP	(1)	506	669
13				560	2,380
14				566	456
15				570	504
16				580	(29)
17				584	66
18				586	54
19				588	5,542
20				598	2
21				901	287
22				903	20
23				904	1,066
24				921	587
25				923	73
26				924	(4,302)
27				935	25
28	AEP Texas North Co	Subsidiary of AEP	(1)	500	473
29				506	1,133
30				560	2,355
31				566	456
32				570	153
33				571	2,196
34				580	(11)
35				584	7
36				586	52
37				588	626
38				901	31
39				920	332
40				921	180
41				923	23
42				924	(1,644)
43				935	324
44	American Electric Power Co	Parent Company	(1)	920	4,581
45				921	1,065
46	Appalachian Power Co	Subsidiary of AEP	(1)	500	6,063
47				506	1,642
48				510	584
49				512	2,012
50				513	192
51				514	42,185
52				539	7,442
53				542	5
54				560	2,563
55				563	318
56				566	456
57				567	53
58				570	1,796
59				580	(50)
60				584	39

(1) Misc transactions rendered at cost

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, 2007			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported. 6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported. 7. In column (j) report the total. 8. In column (k) indicate the pricing method (cost, per contract terms, etc.)						
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)	
				3,583	Cost	1
				822	Cost	2
		107	21,235		Cost	3
		186	48			4
				32,119		5
		163	(1,176)		Cost	6
				39,467		7
		107	34,124		Cost	8
		108	(236)			9
		188	904			10
				42,192		11
		108	3,325		Cost	12
		188	851			13
				10,862		14
426	32,374			38,020	Cost	15
		107	59,204		Cost	16
		108	65			17
		163	183			18
		184	1,233			19
		188	1,693			20
						21
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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	Appalachian Power Co (cont)			586	124
2				588	3,401
3				592	(2,503)
4				593	915
5				597	176
6				598	22
7				901	175
8				903	(132)
9				920	4,058
10				921	1,158
11				923	151
12				924	(11,273)
13				925	858
14				930	363
15				935	14,108
16	Blackhawk Coal Co	Subsidiary of AEP	(1)		
17	Cardinal Operating Co	Subsidiary of AEP	(1)	500	94
18				506	1,134
19				510	16,416
20				512	114
21				513	10,205
22				920	126
23				921	120
24				923	18
25				935	2,985
26	Columbus Southern Co	Subsidiary of AEP	(1)	456	(7,482)
27				500	2,582
28				506	1,134
29				560	956
30				566	456
31				571	33
32				580	(13)
33				584	24
34				586	75
35				588	2,752
36				592	6,833
37				593	530
38				594	12
39				595	5,304
40				596	12
41				597	139
42				598	2
43				901	104
44				903	(78)
45				920	733
46				921	560
47				922	(1,091)
48				923	74
49				924	(5,450)
50				925	598
51				935	6,656
52	Conesville Coal Prep Co	Subsidiary of AEP	(1)	920	5
53				921	15
54				923	2
55				925	12
56	Ohio Power - Cook Coal Terminal	Subsidiary of AEP	(1)	500	140,790
57				501	1,692
58				920	14
59				921	38
60				923	20,944

(1) Misc transactions rendered at cost

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, 2007	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported. 6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported. 7. In column (j) report the total. 8. In column (k) indicate the pricing method (cost, per contract terms, etc.)						
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.
				139,279		1
		228	(1,991)	(1,991)		2
					Cost	3
				31,212		4
		107	20,205		Cost	5
		108	32			6
		163	21,955			7
		184	14			8
		186	(5,632)			9
		188	547			10
				52,576		11
		163	805		Cost	12
				839		13
417	341	165	3,436,828		Cost	14
				3,600,647		15

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	CSW Energy	Subsidiary of AEP	(1)	921	22
2				923	2
3	Kentucky Power Co	Subsidiary of AEP	(1)	500	905
4				506	1,134
5				510	77
6				560	555
7				566	493
8				570	74
9				571	6
10				580	(13)
11				584	9
12				586	43
13				588	2,030
14				597	33
15				901	37
16				920	281
17	921	221			
18	923	29			
19	924	(2,179)			
20	925	152			
21	930	(33)			
22	935	1,510			
23	Kingsport Power Co	Subsidiary of AEP	(1)	560	23
24				566	456
25				580	(1)
26				584	1
27				586	7
28				588	120
29				592	2
30				597	9
31				901	6
32				920	42
33				921	28
34				923	3
35	924	(157)			
36	Memco Consolidated	Subsidiary of AEP	(1)	920	14,259
37				921	23,853
38	Ohio Power Co	Subsidiary of AEP	(1)	456	(36,639)
39				500	6,771
40				502	80
41				506	1,378
42				512	110
43				542	1
44				560	2,772
45				562	120
46				563	14,088
47				566	28,029
48				570	32,800
49				571	48,663
50				580	768
51				583	240
52				584	25
53				585	454
54				586	2,044
55				587	112
56	588	157,391			
57	592	17,708			
58	593	2,275			
59	594	145			
60	595	1,027			

(1) Misc transactions rendered at cost

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, 2007	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				reported.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				7. In column (j) report the total.		
				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
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)	
		186	26	50	Cost	1
						2
		107	7,741		Cost	3
		108	411			4
		143	1,120			5
		163	(2)			6
		184	7			7
		185	(4)			8
		188	336			9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
				14,973		21
						22
		188	11		Cost	23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
				550		35
417	127,501				Cost	36
				165,613		37
		107	267,156		Cost	38
		108	13,297			39
		143	3,729			40
		163	214,518			41
		184	387			42
		185	157			43
		186	2,046			44
		188	1,734			45
						46
						47
						48
						49
						50
						51
						52
						53
						54
						55
						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)	December 31, 2007		
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 Co (cont)			596	99
2				597	336
3				598	3
4				901	539
5				903	1,444
6				920	16,897
7				921	1,177
8				922	(607)
9				923	1,135
10				924	(9,084)
11				925	1,176
12				930	2,405
13				935	64,308
14	Public Service Co of OK	Subsidiary of AEP	(1)	500	1,811
15				506	1,133
16				510	145
17				512	798
18				553	1,988
19				560	1,669
20				566	456
21				570	1,866
22				571	(1,666)
23				580	(25)
24				583	(2)
25				584	22
26				586	122
27				588	1,909
28				592	3,452
29				593	5,276
30				598	1
31	901	89			
32	903	(82)			
33	920	858			
34	921	568			
35	923	75			
36	924	(3,852)			
37	935	3,740			
38	Southwest Electric Power Co	Subsidiary of AEP	(1)	500	2,612
39				506	1,134
40				510	217
41				512	2,791
42				530	232
43				532	59
44				560	1,697
45				566	456
46				570	912
47				580	(27)
48				584	19
49				586	(35)
50				588	1,684
51				592	(2,850)
52				598	1
53				901	81
54				903	24
55	920	902			
56	921	631			
57	923	84			
58	924	(4,432)			
59	935	5,005			
60	Wheeling Power Co	Subsidiary of AEP	(1)	560	89

(1) Misc transactions rendered at cost

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, 2007	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				reported.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				7. In column (j) report the total.		
				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
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.
				863,214		1 2 3 4 5 6 7 8 9 10 11 12 13
		107 108 184 188	96,599 1,825 14 647		Cost	14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37
				119,436		
426	531	107 184 188	12,479 98,583 667		Cost	38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59
		107	11	123,457	Cost	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) December 31, 2007	Year of Report December 31, 2007
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES

1. In column (a) report the name of the associated company.
2. In column (b) describe the affiliation (percentage ownership, etc.).
3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).
4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.

Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Wheeling Power Co (cont)			566	456
2				570	112
3				571	156
4				580	(2)
5				584	2
6				586	10
7				588	154
8				592	249
9				593	(17)
10				597	8
11				901	7
12				920	38
13				921	28
14				923	4
15				924	(174)
16	Miscellaneous - For affiliate totals less than \$50	Subsidiary of AEP	(1)	921	6
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					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60	TOTALS				246,185,472

(1) Misc transactions rendered at cost

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, 2007
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.

7. In column (j) report the total.
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

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.
		188	34			1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
				1,165		15
		107	102		Cost	16
				108		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
						44
						45
						46
						47
						48
						49
						50
						51
						52
						53
						54
						55
						56
						57
						58
	49,516,137		60,918,195	356,619,804		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)	December 31, 2007		
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	AEP Transportation	Subsidiaries of AEP	Rail Car Usage		
5	Ohio Power Co				
6	Public Service Co of OK				
7	Southwest Elec Power Co				
8					
9	AEP Generating Company	Subsidiary of AEP	Purchased Power	555	207,160,308
10	AEP Service Corporation				133,885,005
11	Public Service Co of OK				520,046
12	Southwest Elec Power Co				416,059
13					
14	AEP Pro Serv, Inc	Subsidiary of AEP	(1)	921	194
15	AEP Generating Company	Subsidiary of AEP	(1)	408	791
16				514	300
17	AEP Texas Central Co	Subsidiary of AEP	(1)	560	2,045
18				566	(3)
19				570	98
20				580	761
21				586	1,004
22				588	11,323
23				592	101
24				593	5,760
25				597	7
26				903	147
27				920	3,896
28				922	(853)
29				923	137
30				931	(3,398)
31				935	151
32	AEP Texas North Co	Subsidiary of AEP	(1)	560	1,213
33				566	226
34				570	350
35				580	767
36				586	51
37				588	60
38				593	4
39				597	(2)
40				903	(51)
41				907	741
42				920	2,823
43				921	452
44	American Electric Power Co	Parent Co	(1)		
45					
46					
47	Appalachian Power Co	Subsidiary of AEP	(1)	456	(83,761)
48				500	14,895
49				502	164
50				506	6,261
51				510	161
52				511	88
53				512	1,158
54				513	68
55				535	1,756
56				538	76
57				539	56,898
58				549	241
59				560	192
60				566	291

(1) Misc transactions rendered at cost

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, 2007
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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.
7. In column (j) report the total.
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

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	13,140,902			13,140,902	Cost	1
417	4,812,781			4,812,781	Cost	2
417	41,874			41,874	Cost	3
		151	532,459		Alloc of actual expense	4
		151	829,471			5
		151	387,467			6
		151	595,002			7
		151		2,344,399		8
					The AEP System operates all gen facilities as agent	9
						10
				341,981,418		11
						12
		152	199	393	Cost	13
					Cost	14
				1,091	Cost	15
		107	408		Cost	16
		108	45			17
		163	9,751			18
		181	42,073			19
		186	(73,229)			20
						21
					22	
					23	
					24	
					25	
					26	
					27	
					28	
					29	
					30	
				224	Cost	31
		107	584		Cost	32
		108	4			33
		163	78			34
		181	294,510			35
		186	(916)			36
						37
					38	
					39	
					40	
					41	
					42	
				300,894	Cost	43
		186	(3)		Cost	44
		236	42			45
				39	Cost	46
		107	13,139		Cost	47
		108	7,847			48
		152	464			49
		163	1,611			50
		184	67,334			51
		185	(51)			52
		186	(10,300)			53
		188	6,699			54
					55	
					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)	December 31, 2007		
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	Appalachian Power Co (cont)			570	3,316
2				571	12,613
3				580	2,654
4				583	(1)
5				586	23,117
6				588	19,818
7				592	21,258
8				593	956
9				595	5,143
10				597	4,290
11				598	6,865
12				903	297
13				920	6,536
14				921	264
15				923	7,019
16				925	595
17				926	2,797
18				930	31,340
19				935	15,914
20					
21	Cardinal Operating Co	Subsidiary of AEP	(1)	510	22,605
22				935	2,651
23	Columbus Southern Power	Subsidiary of AEP	(1)	500	1,150
24				506	1,621
25				510	241
26				511	546
27				512	1,113
28				513	1,278
29				549	120
30				560	8
31				566	152
32				570	398
33				571	11,213
34				580	19,750
35				583	1,901
36				584	70,418
37				586	1,510
38				588	28,139
39				590	17,675
40				593	33,464
41				594	(218)
42				597	233
43				598	483
44				903	1,458
45				920	24,783
46				921	49
47				923	764
48				926	336
49				930	826
50				931	4
51				935	54,430
52	Franklin Real Estate Co	Subsidiary of AEP	(1)		
53	Indiana Franklin Realty Inc.	Subsidiary of AEP	(1)	431	68
54	Kentucky Power Co	Subsidiary of AEP	(1)	512	1,460
55				560	5
56				566	206
57				580	(61)
58				586	1,060
59				587	39
60				588	225

(1) Misc transactions rendered at cost

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, 2007	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				reported.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				7. In column (j) report the total.		
				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
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
				250,022		19
		186	(2,472)		Cost	20
				22,784		21
		107	48,064		Cost	22
		108	2,163			23
		163	294			24
		184	148			25
		186	(3,359)			26
		188	98,024			27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
				419,179		49
		236	8,015	8,015	Cost	50
		236	149,180	149,248	Cost	51
			107	3,471	Cost	52
			108	(5,591)		53
			184	1,117		54
			186	(1,432)		55
			188	2,905		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)	December 31, 2007		
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	Affiliation	Description: Nature of Goods and Services	Account Number	Amount Classified to Operating Income
	(a)	(b)	(c)	(d)	(e)
1	Kentucky Power Co (cont)			592	2,133
2				593	91,324
3				594	2,336
4				597	11
5				903	125
6				920	2,563
7				923	4,725
8				930	4
9				935	2,390
10	Kingsport Power Co	Subsidiary of AEP	(1)	570	294
11	Ohio Power Co	Subsidiary of AEP	(1)	456	(8,750)
12				500	11,677
13				506	1,099
14				512	13
15				513	89
16				539	3,130
17				560	802
18				563	738
19				566	1,012
20				567	15
21				570	10,814
22				571	6,468
23				580	15,258
24				583	2,287
25				586	146,960
26				588	42,031
27				592	9,623
28				593	27,994
29				594	71
30				595	7,355
31				596	4
32				597	9,899
33				598	17,955
34				903	2,644
35				904	(2)
36				920	355
37				921	2,115
38				922	(4,353)
39				923	467,774
40				925	3,114
41				926	8
42				930	1,153
43				931	682,479
44				935	96,541
45	Public Service Co of OK	Subsidiary of AEP	(1)	500	962
46				512	814
47				530	2,692
48				560	13
49				566	2,659
50				570	1,020
51				571	708
52				580	2,206
53				586	2,089
54				588	4,318
55				593	673
56				594	(4)
57				597	78
58				598	(13)
59				903	1,586
60				908	201

(1) Misc transactions rendered at cost

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, 2007	Year of Report December 31, 2007	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				7. In column (j) report the total.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
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.
				109,015		1
						2
						3
						4
						5
						6
						7
						8
						9
		107	109	403	Cost	10
		107	44,814		Cost	11
		108	4,359			12
		163	1,455			13
		184	114			14
		185	3,057			15
		186	(151,383)			16
		188	2,585			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
				1,463,373		44
		107	3,994		Cost	45
		108	27			46
		143	(7,012)			47
		163	(2,064)			48
		181	84,146			49
		186	(84,743)			50
						51
						52
						53
						54
						55
						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)	December 31, 2007	
SUMMARY OF COSTS BILLED FROM 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	Public Service Co of OK(cont)			920	650
2				921	1
3				922	(12,956)
4				923	1,195
5				935	4,544
6	Southwestern Electric Co	Subsidiary of AEP	(1)	500	4,925
7				506	818
8				512	6,282
9				513	514
10				514	251
11				560	356
12				566	274
13				570	502
14				571	37
15				580	11
16				586	5,216
17				587	(20)
18				588	1,999
19				592	(6)
20				593	3,981
21				596	18
22				597	28
23				598	107
24				903	3,188
25				920	1,541
26	921	45			
27	923	49,452			
28	925	31			
29	935	3,199			
30	Wheeling Power Co	Subsidiary of AEP	(1)	560	1
31				563	3,510
32				583	321
33				586	75
34				593	74
35	905	(218)			
36					
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59					
60	TOTALS				344,240,120

(1) Misc transactions rendered at cost

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, 2007	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				reported.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				7. In column (j) report the total.		
				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
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.
				7,784		1
426	417	107	1,323		Cost	2
		108	(7,654)			3
		163	1,071			4
		184	12			5
		185	2,546			6
		186	(6,385)			7
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				74,079		29
		107	1		Cost	30
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	17,995,974		2,895,890	365,131,984		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)	Year of Report December 31, 2007
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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 (line 16	0
2	Generation (Excluding Station Use):			minus line 17)	
3	Steam	14,112,897	19	Transmission by others losses	0
4	Nuclear	17,377,156	20	TOTAL (Total of lines 9, 10, 14, 18 & 19)	45,892,937
5	Hydro-Conventional	114,821	21	DISPOSITION OF ENERGY	
6	Hydro-Pumped Storage		22	Sales to Ultimate Consumers	
7	Other			(Including Interdepartmental Sales)	19,552,126
8	LESS Energy for Pumping		23	Requirements Sales for Resale	
9	Net Generation (Total of lines 3 thru 8)	31,604,874		(See instruction 4, page 311.)	3,555,874
10	Purchases	14,288,063	24	Non-Requirements Sales For Resale	
11	Power Exchanges:			(See instruction 4, page 311.)	20,937,346
12	Received		25	Energy furnished without charge	58
13	Delivered		26	Energy used by the company (Electric Dept. only, excluding station use)	
14	NET Exchanges (line 12 minus 13)				
15	Transmission for other (Wheeling)		27	Total Energy Losses	1,847,533
16	Received		28	TOTAL (Enter total of lines 22 thru	
17	Delivered		27) (MUST equal line 20)		45,892,937

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	4,380,194	2,299,461	3773	31	800
30	February	3,816,975	1,786,755	3945	6	1200
31	March	3,886,551	1,921,373	3581	8	800
32	April	3,978,250	2,187,390	3494	11	1000
33	May	3,514,220	1,605,411	3854	31	1400
34	June	3,720,065	1,620,477	4377	18	1400
35	July	4,369,669	2,239,886	4460	9	1400
36	August	4,081,784	1,739,898	4528	7	1500
37	September	3,532,050	1,527,611	4211	5	1600
38	October	3,081,330	1,085,103	3961	8	1300
39	November	3,059,914	1,166,199	3541	29	1900
40	December	4,471,935	2,410,608	3754	17	1900
41	TOTAL	45,892,937	21,590,172			

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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, 2006
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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)	ROCKPORT UNIT 1 I&M		ROCKPORT UNIT 2 I&M	
		(b)		(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)	660		667	
7	Plant hours connected to load	6,396		6,939	
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	3,794,298,000		4,264,912,000	
13	Cost of plant: Land and Land Rights	6,508,470		68,095	
14	Structures and Improvements	88,026,052		6,073,127	
15	Equipments costs	533,496,108		66,165,942	
16	Asset Retirement Costs	392,328		370,56	
17	Total cost	628,422,958		72,677,220	
18	Cost per KW of Installed capacity (line 5)	967		119	
19	Production Expenses: Oper., Supv., & Engr.	1,202,378		1,182,891	
20	Fuel	72,840,133		82,249,169	
21	Coolants and Water (Nuclear Plants only)	0		0	
22	Steam expenses	709,265		620,374	
23	Steam from other sources	0		0	
24	Steam transferred (credit)	0		0	
25	Electric expenses	665,999		687,839	
26	Misc. steam (or nuclear) power expenses	1,570,145		1,442,829	
27	Rents	0		70,147,272	
28	Allowances	2,099,673		2,099,673	
29	Maintenance Supervision and Engineering	855,574		842,243	
30	Maintenance of structures	445,780		131,642	
31	Maintenance of boiler (or reactor) plant	8,116,734		6,075,476	
32	Maintenance of electric plant	2,138,499		1,422,381	
33	Maintenance of Misc. steam (or nuclear) plant	391,884		264,027	
34	Total Production Expenses	91,036,064		167,165,816	
35	Expenses per net KWh	0.0240		0.0392	
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) December 31, 2006	Year of Report December 31, 2006
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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		
Conventional		Conventional		Conventional		
						1
						2
						3
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COAL	OIL	COAL	OIL	COAL	OIL	36
TONS	BARRELS	TONS	BARRELS	TONS	BARRELS	37
4548066	32862	9093894	65725	2858440	22038	38
8803	139178	8803	139178	10625	139088	39
33.673	99.736	33.673	99.736	42.704	97.072	40
33.447	89.933	33.449	89.933	41.996	93.732	41
1.9	15.385	1.9	15.385	1.976	16.045	42
0.019		0.019		0.02		43
9960		9960		10055		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)	Year of Report December 31, 2007
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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 term 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)	2,226			
7	Plant hours connected to load	8,728			
8	Net continuous plant capability (megawatts)	0			
9	When not limited by condenser water	2,143			
10	When limited by condenser water	2,093			
11	Average number of employees	941			
12	Net generation, exclusive of plant use-KWh	17,377,156,000			
13	Cost of plant: Land and Land Rights	1,879,588			
14	Structures and Improvements	312,324,076			
15	Equipments costs	1,703,150,170			
16	Asset Retirement Costs	200,044,971			
17	Total cost	2,217,398,805			
18	Cost per KW of Installed capacity (line 5)	970			
19	Production Expenses: Oper., Supv., & Engr.	11,966,534			
20	Fuel	89,706,219			
21	Coolants and Water (Nuclear Plants only)	3,172,947			
22	Steam expenses	5,460,480			
23	Steam from other sources	0			
24	Steam transferred (credit)	0			
25	Electric expenses	1,556,570			
26	Misc. steam (or nuclear) power expenses	87,534,473			
27	Rents	119,876			
28	Allowances	0			
29	Maintenance Supervision and Engineering	8,949,687			
30	Maintenance of structures	5,542,476			
31	Maintenance of boiler (or reactor) plant	63,445,647			
32	Maintenance of electric plant	6,182,150			
33	Maintenance of Misc. steam (or nuclear) plant	23,792,899			
34	Total Production Expenses	307,429,958			
35	Expenses per net KWh	0.0177			
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	0.482			
43	Avg. cost of fuel burned per KWh net gen.	0.005			
44	Avg. Btu per KWh net generation	10703			

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, 2007	Year of Report December 31, 2007
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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) December 31, 2007	Year of Report December 31, 2007
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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 pumped 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	38,674	14,315,138
3	Buchanan (Project #2551)	1919	4.10	3.0	15,794	7,047,106
4	Constantine (Project #10661)	1921	1.20	1.0	5,420	2,551,713
5	Elkhart (Project #2651)	1913	3.44	4.0	20,528	6,079,719
6	Mottville (Project #401)	1923	1.60	2.0	8,237	3,025,539
7	Twin Branch (Project #2579)	1904	4.80	5.0	26,168	11,481,445
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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, 2007	
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.			steam, 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)			
1,941,721	338,105		294,989			1
1,710,260	199,239		365,183			2
2,085,520	66,352		46,851			3
1,763,751	199,911		124,766			4
1,889,200	123,878		81,587			5
2,346,365	229,150		467,209			6
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Name of Respondent INDIANA MICHIGAN POWER COMPANY MICHIGAN		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, 2007		
CHANGES MADE OR SCHEDULED TO BE MADE IN GENERATING PLANT CAPACITIES							
Give below information called for concerning changes in electric generating plant capacities during the year.							
A. Generating Plants or Units Dismantled, Removed from Service, Sold or Leased to Others During Year.							
1. State in column (b) whether dismantled, removed from service, sold, or leased to another. Plants removed from service include those not maintained for regular or emergency service.				2. In column (f), give date dismantled, removed from service, sold, or leased to another. Designate complete plants as such.			
Line No.	Name of Plant (a)	Disposition (b)	Installed Capacity (in megawatts)			Date (f)	If Sold or Leased to Another, Give Name and Address of Purchaser or Lessee (g)
			Hydro (c)	Steam (d)	(Other) (e)		
1	NONE						
2							
3							
4							
5							
6							
7							
B. Generating Units Scheduled for or Undergoing Major Modifications							
Line No.	Name of Plant (a)	Character of Modification (b)	Installed Plant Capacity After Modification (in MW) (c)	Estimated Dates of Construction			
				Start (d)	Completion (e)		
8	NONE						
9							
10							
11							
12							
13							
14							
C. New Generating Plants Scheduled for or Under Construction							
Line No.	Plant Name and Location (a)	Type (Hydro, Pumped Storage, Steam, Internal Combustion Gas-Turbine, Nuclear, etc) (b)	Installed Capacity (in megawatts)		Estimated Dates of Construction		
			Initial (c)	Ultimate (d)	Start (e)	Completion (f)	
15	NONE						
16							
17							
18							
19							
20							
21							
D. New Units in Existing Plants Scheduled for or Under Construction							
Line No.	Plant Name and Location (a)	Type (Hydro, Pumped Storage, Steam, Internal Combustion Gas-Turbine, Nuclear, etc) (b)	Unit No. (c)	Size of Unit (in megawatts) (d)	Estimated Dates of Construction		
					Start (e)	Completion (f)	
22	NONE						
23							
24							
25							
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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, 2007	Year of Report December 31, 2007
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STEAM ELECTRIC GENERATING PLANTS

- | | |
|--|--|
| <p>1. Include on this page steam-electric plants of 25,000 Kw (name plate rating) or more of installed capacity.</p> <p>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.</p> <p>3. Exclude plant, the book cost of which is located in Account 121, <i>Nonutility Property</i>.</p> <p>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</p> | <p>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.</p> <p>Specify if lessor, co-owner, or other party is an associated company.</p> <p>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.</p> <p>6. Designate any plant or equipment owned, not</p> |
|--|--|

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	Bridgman, MI	1-1975	Nuclear	2485	556	15,600
16			2-1978	Nuclear	2485	556	14,740
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							

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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>													
Year Installed	TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>				GENERATORS <i>NAME PLATE Rating in Kw</i>							Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	Line No.
	Max. Rating Mega-Watt	Type <small>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</small>	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <small>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</small>	Hydrogen Pressure <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV) <small>(If other than 3 phase, 60 cycle indicate other characteristic)</small>			
							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	
												26	
												27	
												28	
												29	
												30	
												31	
												32	
												33	

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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 type of construction 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 whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	STATE OF INDIANA							
2	6128 DUMONT	JEFFERSON	765.00	765.00	ALUM TOWER	203.00		1
3	6136 DUMONT	WILTON CENTER	765.00	765.00	STEEL	63.00		1
4	6141 DUMONT	MARYSVILLE	765.00	765.00	STEEL	104.00		1
5	6215 D.C. COOK	DUMONT	765.00	765.00	STEEL	20.00		1
6	6223 ROCKPORT	JEFFERSON	765.00	765.00	STEEL	111.00		1
7	6224 ROCKPORT	SULLIVAN	765.00	765.00	STEEL	97.00		1
8	6226 JEFFERSON	WEST	765.00	765.00				
9	6236 HANGING ROCK	JEFFERSON	765.00	765.00	STEEL	1.00		1
10	0675 TANNERS CREEK	SORENSEN	345.00	345.00	STEEL	136.00		2
11	0676 SORENSON	EAST LIMA	345.00	345.00	STEEL	30.00		1
12	0677 BREED	DEQUINE EAST	345.00	345.00	STEEL	188.19		2
13	0678 DEQUINE	OLIVE	345.00	345.00				
14	0679 SORENSON	OLIVE	345.00	345.00	STEEL	78.00		2
15	0680 OLIVE	GOODINGS GROVE	345.00	345.00	STEEL	41.00		2
16	0683 DESOTO	JCT TOWER (MAR. CO)	345.00	345.00	STEEL	53.00	6.00	1
17	0684 TANNERS CREEK	JUNCTION TOWER	345.00	345.00	ST & ALUM	80.00		1
18	0685 HANNA	JUNCTION TOWER	345.00	345.00				
19	0687 TANNERS CREEK	MIAMI FORT	345.00	345.00	STEEL			2
20	0688 EUGENE	SIDNEY	345.00	345.00	WOOD POLE	2.00		1
21	0689 SORENSON-OLIVE	TWIN BRANCH	345.00	345.00	STEEL	11.00		2
22	0690 BREED	CIPSCO	345.00	345.00	STEEL	1.00		1
23	0691 BREED	PETERSBURG	345.00	345.00	STEEL	1.00		1
24	6118 ROBISON PARK	SORENSON-EAST LIMA	345.00	345.00	STEEL	23.00		1
25	6119 COOK	OLIVE	345.00	345.00	STEEL	4.00		2
26	6122 DUMONT	OLIVE	345.00	345.00	STEEL	15.00		2
27	6123 DUMONT	TWIN BRANCH	345.00	345.00	STEEL	17.00		2
28	6125 ROBISON PARK	EAST	345.00	345.00				
29	6133 DUMONT	BABCOCK	345.00	345.00	STEEL	9.00		1
30	6145 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL	6.00		2
31	6147 COOK	ROBISON PARK	345.00	345.00	STEEL	68.00		2
32	6148 JACKSON ROAD	SORENSON-OLIVE	345.00	345.00	STEEL	4.00		2
33	6213 COOK-ROB-PARK JCT	ARGENTA	345.00	345.00	STEEL	2.00		2
34	6237 JACKSON ROAD	WEST	345.00	345.00				
35	6240 TWIN BRANCH	SUBSTATION CORRIDOR	345.00	345.00				
36					TOTAL	3,948.37	122.54	199

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TRANSMISSION LINE STATISTICS (Continued)

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 (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
								1
4-954 MCM	2,873,075	39,501,722	42,374,797					2
4-954 MCM	1,542,558	8,824,286	10,366,844					3
4-954 MCM	1,234,793	18,984,521	20,219,314					4
4-954 MCM	431,470	4,457,716	4,889,186					5
4-1351 MCM	6,254,900	87,758,115	94,013,015					6
4-1351 MCM	14,100,277	67,792,044	81,892,321					7
	761,721	9,497	771,218					8
4-1351 MCM	31,637	766,942	798,579					9
1275 MCM	667,658	10,987,468	11,655,126					10
1275 MCM	107,576	1,432,971	1,540,547					11
1414 MCM	517,048	10,955,417	11,472,465					12
	481,566	10,780,457	11,262,023					13
1414 MCM	447,262	7,334,506	7,781,768					14
1414 MCM	429,643	3,938,740	4,368,383					15
2-954 MCM	513,937	2,695,835	3,209,772					16
2-954 MCM	457,068	5,863,241	6,320,309					17
	232,250	655,842	888,092					18
2-954 MCM		197,080	197,080					19
1414 MCM	10,088	535,733	545,821					20
1563 MCM	237,747	1,280,439	1,518,186					21
2-1024 MCM		295,778	295,778					22
2-954 MCM		185,874	185,874					23
1414 MCM	169,865	2,558,278	2,728,143					24
2-954 MCM	30,751	771,641	802,392					25
2-954 MCM	180,037	2,616,730	2,796,767					26
2-954 MCM	344,724	3,016,379	3,361,103					27
	173,109		173,109					28
2-954 MCM	163,248	1,187,624	1,350,872					29
2-954 MCM	58,820	1,035,507	1,094,327					30
2-954 MCM	1,599,622	13,630,224	15,229,846					31
2303 MCM	219,514	954,544	1,174,058					32
2-954 MCM	77,031	369,085	446,116					33
	48,061		48,061					34
	8,817		8,817					35
	54,469,415	498,094,559	552,563,974	288,047	7,624,858		7,912,905	36

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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.
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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 type of construction 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 whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	6256 BREED	SULLIVAN	345.00	345.00	STEEL	2.00		2
2	6259 COLLINGWOOD	SOUTH BUTLER	345.00	345.00	STEEL POLE	12.00		1
3								
4	6127 EAST ELKHART TAP		138.00	138.00				
5	6232 GODMAN TAP		34.00	138.00				
6	0602 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	6.00		2
7	0603 TWIN BRANCH	SOUTH BEND	138.00	138.00	STEEL	5.00		1
8	0604 TWIN BRANCH	ROBISON PARK	138.00	138.00	STEEL	65.00		2
9	0605 SOUTH BEND	MICHIGAN CITY	138.00	138.00	STEEL			1
10	0606 ROBISON PARK	LIMA	138.00	138.00	STEEL	20.00		2
11	0607 ROBISON PARK	DEER CREEK	138.00	138.00	STEEL	60.00		2
12	0608 DEER CREEK	KOKOMO	138.00	138.00	STEEL	7.00		1
13	0609 CONCORD TAP		138.00	138.00	STEEL	4.00		2
14	0613 TWIN BRANCH	JACKSON ROAD	138.00	138.00	STEEL	8.00		2
15	0614 LINCOLN TAP		138.00	138.00	STEEL	4.00		2
16	0615 TWIN BRANCH	LINCOLN	138.00	138.00	STEEL	84.00		1
17	0616 DEER CREEK	DELAWARE	138.00	138.00	STEEL	21.00		2
18	0617 DELAWARE	MADISON	138.00	138.00	STEEL	19.00		2
19	0618 DELAWARE	TRENTON	138.00	138.00	STEEL TWR &	57.00		2
20	0725 DELAWARE	TRENTON	138.00	138.00	STEEL TWR &			
21	0619 MADISON	NEW CASTLE	138.00	138.00	STEEL	6.00	1.00	1
22	0620 TANNERS CREEK	MADISON	138.00	138.00	STEEL	82.00		2
23	0622 JACKSON ROAD	OLIVE	138.00	138.00	STEEL	17.00	1.00	1
24	0623 MADISON	PENDLETON	138.00	138.00	WOOD &	5.00		1
25	0624 DRAGOON TAP		138.00	138.00	STEEL	2.00		1
26	0625 TANNERS CREEK	COLLEGE CORNER	138.00	138.00	STEEL	40.00		2
27	0626 COLLEGE CORNER	RANDOLPH	138.00	138.00	WOOD	39.00		1
28	0627 RANDOLPH	JAY	138.00	138.00	WOOD	24.00		1
29	0628 MCKINLEY TAP		138.00	138.00	STEEL	1.00		2
30	0629 JAY	LINCOLN	138.00	138.00	WOOD &	49.00		1
31	0630 NEW CARLISLE	MAPLE	138.00	138.00	WOOD	1.00		1
32	6104 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL	3.00		2
33	0632 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL			
34	0634 DEER CREEK	MULLIN	138.00	138.00	WOOD	15.00		1
35	0635 PENDLETON	MULLIN	138.00	138.00	WOOD &	16.00		1
36					TOTAL	3,948.37	122.54	199

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TRANSMISSION LINE STATISTICS (Continued)

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 (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1351.5 MCM		1,580,164	1,580,164					1
2-954 MCM	652,439	3,115,754	3,768,193					2
								3
	4,006	54,344	58,350					4
	5,999	93,336	99,335					5
397.5 MCM	50,884	99,820	150,704					6
397.5 MCM	21,836	311,315	333,151					7
397.5 MCM	103,367	1,375,115	1,478,482					8
397.5 MCM	88,927	1,825,476	1,914,403					9
397.5 MCM	26,662	690,555	717,217					10
397.5 MCM	146,959	1,888,085	2,035,044					11
336.4 MCM	20,552	387,202	407,754					12
397.5 MCM	45,025	368,110	413,135					13
447 MCM	88,528	504,578	593,106					14
397.5 MCM	48,187	120,885	169,072					15
477 MCM	317,644	2,142,745	2,460,389					16
397.5 MCM	57,269	355,705	412,974					17
397.5 MCM	82,081	479,923	562,004					18
397.5 MCM	233,078	966,381	1,199,459					19
397.5 MCM		1,360,786	1,360,786					20
795 MCM	39,152	279,396	318,548					21
636 MCM	405,394	2,446,699	2,852,093					22
556.5 MCM	187,919	1,062,216	1,250,135					23
477 MCM	64,558	222,814	287,372					24
795 MCM	18,502	160,276	178,778					25
636 MCM	178,525	1,652,881	1,831,406					26
556.5 MCM	196,883	2,235,462	2,432,345					27
556.5 MCM	133,748	985,649	1,119,397					28
300 MCM CU	38,296	109,551	147,847					29
556.5 MCM	207,712	1,602,820	1,810,532					30
397.5 MCM	2,242	32,335	34,577					31
556.5 MCM	35,618	318,074	353,692					32
556.5 MCM	40,380	1,975,339	2,015,719					33
556.5 MCM	126,284	407,941	534,225					34
556.5 MCM	124,403	410,265	534,668					35
	54,469,415	498,094,559	552,563,974	288,047	7,624,858		7,912,905	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/Period of Report End of 2007/Q4
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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 type of construction 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 whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	0636 DEER CREEK	FISHER BODY	138.00	138.00	STEEL	5.00		2
2	0637 TWIN BRANCH	CONCORD	138.00	138.00	STEEL	17.00	1.00	1
3	0638 GRANT	FISHER BODY	138.00	138.00	STEEL		1.00	1
4	0639 ROBISON PARK	AUBURN	138.00	138.00	WOOD &	15.00		1
5	0641 DESOTO	MEDFORD	138.00	138.00	STEEL	7.00		2
6	0642 OLIVE	HICKORY CREEK	138.00	138.00	STEEL	3.00	2.00	1
7	0645 COREY TAP		138.00	138.00	WOOD	4.00		1
8	0646 OLIVE	NEW CARLISLE	138.00	138.00	STEEL	2.00		1
9	0647 OLIVE	SOUTH BEND	138.00	138.00	STEEL	1.00	16.00	1
10	0648 MEDFORD TAP		138.00	138.00	STEEL	8.00		2
11	0714 EAST SIDE STA ENTR		138.00	138.00	UNDERGROU			1
12	0723 SPY RUN STATION		138.00	138.00	UNDERGROU			1
13	6101 WESTINGHOUSE TAP		138.00	138.00	STEEL	2.00		2
14	6102 MILAN TAP		138.00	138.00	STEEL	6.00		2
15	6103 MILAN	GOODRICH	138.00	138.00	STEEL	1.00		2
16	6105 DESOTO	JAY	138.00	138.00	WOOD &	13.00		1
17	6106 DESOTO	DEER CREEK-DELAWARE	138.00	138.00	STEEL	8.00		2
18	6107 DARDEN TAP		138.00	138.00	WOOD	1.00		1
19	6109 ROBISON PARK	RICHLAND	138.00	138.00	WOOD &	18.00		1
20	6110 WESTINGHOUSE	23RD STREET	138.00	138.00	STEEL			2
21	6111 KANKAKEE	WEST SIDE	138.00	138.00	WOOD POLE	2.00		1
22	6113 INDUSTRIAL PARK		138.00	138.00	STEEL	3.00		2
23	6114 OLIVE	MICHIGAN CITY	138.00	138.00	STEEL	2.00	1.00	1
24	6115 HUMMEL CREEK	VAN BUREN	138.00	138.00	STEEL	6.00		2
25	6130 HUMMEL CREEK	TOWER 70, GREENTOWN	138.00	138.00				
26	6116 SOUTH ELWOOD TAP		138.00	138.00	WOOD POLE	3.00		1
27	6117 PENDLETON	FALL CREEK	138.00	138.00	STEEL	10.00		2
28	6121 ROBISON PARK	LINCOLN	138.00	138.00	STEEL	8.00		1
29	6126 CONCORD	EAST ELKHART	138.00	138.00	STEEL	11.00		1
30	6129 GREENTOWN-GRANT	HUMMEL CREEK	138.00	138.00	STEEL	21.00		1
31	6131 INDUSTRIAL PARK	MC KINLEY	138.00	138.00	WOOD POLE	5.00		1
32	6132 CROSS STREET TAP	JUNCTION TOWER #88	138.00	138.00	WOOD POLE	4.00		1
33	6134 LINCOLN	ANTHONY	138.00	138.00	WOOD POLE	3.00		1
34	6135 WAYNE DALE TAP		138.00	138.00	STEEL			2
35	6138 JACKSON ROAD	SOUTH SIDE	138.00	138.00	WOOD POLE	2.00		1
36					TOTAL	3,948.37	122.54	199

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/Period of Report End of 2007/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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 (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
397.5 MCM	41,365	204,739	246,104					1
556.5 MCM	176,267	668,024	844,291					2
397.5 MCM	2,880	48,472	51,352					3
556.5 MCM	76,321	594,463	670,784					4
556.5 MCM	75,010	280,989	355,999					5
556.5 MCM	23,973	159,356	183,329					6
477 MCM	29,668	129,527	159,195					7
556.5 MCM	20,280	155,782	176,062					8
556.5 MCM		306,637	306,637					9
556.5 MCM	125,413	302,296	427,709					10
795 MCM		724,752	724,752					11
3.5IN OD		398,528	398,528					12
556.5 MCM	31,370	80,037	111,407					13
397.5 MCM	30,796	207,838	238,634					14
397.5 MCM	1,694	31,137	32,831					15
2-556.5 MCM	67,227	568,160	635,387					16
636 MCM	63,247	338,575	401,822					17
336.4 MCM	5,232	719,390	724,622					18
636 MCM	123,078	718,259	841,337					19
556.5 MCM	13,643	60,184	73,827					20
636 MCM	19,773	175,970	195,743					21
745 MCM	32,372	436,056	468,428					22
636 MCM	15,878	189,366	205,244					23
795 MCM	40,836	486,308	527,144					24
	44,222	584,596	628,818					25
556.5 MCM	5,090	677,832	682,922					26
795 MCM	150,802	969,302	1,120,104					27
795 MCM	677	871,349	872,026					28
795 MCM	179,506	978,091	1,157,597					29
795 MCM	180,124	1,321,738	1,501,862					30
795 MCM	75,267	326,046	401,313					31
795 MCM	262,613	177,784	440,397					32
795 MCM	90,524	634,914	725,438					33
795 MCM	22,040	71,621	93,661					34
795 MCM	1,633	627,504	629,137					35
	54,469,415	498,094,559	552,563,974	288,047	7,624,858		7,912,905	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/Period of Report End of 2007/Q4
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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 type of construction 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 whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	6142 ALBION	KENDALLVILLE	138.00	138.00	WOOD POLE	10.00		1
2	6150 SOUTHSIDE	SOUTH BEND	138.00	138.00	WOOD &	6.07		1
3	6219 DELCO BATTERY TAP		138.00	138.00	STEEL POLE	1.00		2
4	6220 FALL CREEK	MADISON-NEW CASTLE	138.00	138.00	STEEL	1.00		2
5	6225 INDUSTRIAL PARK	SPY RUN	138.00	138.00	WOOD POLE	4.00		1
6	6266 WALLEN		138.00	138.00	STEEL POLE	0.22		1
7	6234 CABOT TAP	TOWER 54	138.00	138.00	WOOD POLE			1
8	6238 SORENSON	MCKINLEYTOWER	138.00	138.00	STEEL	3.00		2
9	6241 KENDALLVILLE TAP	CITY OF AUBURN #5	138.00	138.00	WOOD H-FR	14.00		1
10	6242 AUBURN	CITY OF AUBURN #5	138.00	138.00	WOOD POLE	2.00		1
11	6245 LAPORTE JCT	LIQUID CARBONICS	138.00	138.00	WOOD POLE	5.00		1
12	6246 LAPORTE JCT	AIRCO	138.00	138.00	WOOD POLE	1.00		1
13	6248 ELCONA TAP	CONC-DUN-E-ELK	138.00	138.00	WOOD POLE	2.00		1
14	6249 ALLEN	LINCOLN	138.00	138.00	STEEL	5.00		2
15	6250 ALLEN	ADAMS/HILLCREST	138.00	138.00	STEEL	5.00		2
16	6251 OLIVE	EDISON	138.00	138.00	STEEL	1.00		2
17	6253 TRIER RD TAP		138.00	138.00	STEEL POLE			1
18	6258 KENZIE CREEK	TWIN BRANCH	138.00	138.00	STEEL			2
19	6260 WILMINGTON TAP		138.00	138.00	WOOD POLE	1.00	9.00	1
20	6229 DUNLAP NORTH TAP		34.00	138.00	WOOD POLE	2.00		2
21	6140 INDIANA-PURDUE		34.00	138.00	STEEL POLE			2
22	6217 HILLCREST	KINNERK	69.00	138.00	WOOD POLE	4.00		1
23	6252 KENDALLVILLE	BIXLER	138.00	138.00	WOOD POLE	2.00		1
24	6254 ALLEN/LINCOLN	ALLEN/HILLCREST	138.00	138.00				
25	6265 CONCORD	WOLF	138.00	138.00	WOOD POLE	0.56	0.54	1
26	LINES<132 KV	SYSTEM	69.00		WOOD,	927.06	72.00	1
27								
28	STATE OF MICHIGAN							
29	6216 D.C. COOK	DUMONT	765.00	765.00	STEEL	16.00		1
30	6120 COOK	PALISADES	345.00	345.00	STEEL	42.00		2
31	6143 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
32	6144 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL			2
33	6151 COOK	OLIVE	345.00	345.00				
34	6152 COOK	ROBINSON PARK	345.00	345.00				
35	6146 D.C. COOK	ROBISON PARK	345.00	345.00	STEEL	37.00		2
36					TOTAL	3,948.37	122.54	199

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TRANSMISSION LINE STATISTICS (Continued)

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 (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
795 MCM	77,153	539,898	617,051					1
795 MCM	321,397	1,941,803	2,263,200					2
795 MCM AA	47,993	59,531	107,524					3
795 MCM	65,007	307,522	372,529					4
1033 MCM	91,134	603,198	694,332					5
1033.5 KCM		484,324	484,324					6
556.5 MCM		650,701	650,701					7
795 MCM	157,782	1,127,906	1,285,688					8
795 MCM	694,850	2,341,025	3,035,875					9
795 MCM	61,515	370,703	432,218					10
795 MCM	58,646	1,024,628	1,083,274					11
795 MCM	45,547	267,987	313,534					12
795 MCM	87,386	557,013	644,399					13
1033 MCM	23,500	1,658,256	1,681,756					14
1033 MCM		1,723,668	1,723,668					15
795 MCM	202,537	688,549	891,086					16
795 MCM		69,888	69,888					17
1033 MCM		136,604	136,604					18
2-954 MCM		1,365,463	1,365,463					19
795 MCM	10,443	304,289	314,732					20
1033 MCM	428	127,388	127,816					21
795 MCM	47,490	264,978	312,468					22
795 MCM	118,432	760,317	878,749					23
	385,522		385,522					24
336.4 ACSR KCM		636,518	636,518					25
VARIOUS	2,533,756	59,690,887	62,224,643					26
								27
								28
4-954 MCM	871,513	3,483,777	4,355,290					29
2-954 MCM	1,073,200	5,751,082	6,824,282					30
2-954 MCM	722,573	1,122,861	1,845,434					31
2-954 MCM		37,966	37,966					32
		1,497,837	1,497,837					33
	12,355		12,355					34
2-954 MCM	1,373,242	6,524,834	7,898,076					35
	54,469,415	498,094,559	552,563,974	288,047	7,624,858		7,912,905	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/Period of Report End of <u>2007/Q4</u>
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TRANSMISSION LINE STATISTICS

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Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	6214 COOK-ROB PARK	ARGENTA	345.00	345.00	STEEL	29.00		2
2	6221 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
3	6263 BARODA TAP		138.00	138.00				
4	0601 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	33.00		2
5	0610 AUTO SPECIALTIES		138.00	138.00				
6	0621 TWIN BRANCH - R	HICKORY CREEK	138.00	138.00	STEEL	5.00		2
7	0644 RIVERSIDE	HARTFORD	138.00	138.00	WOOD	16.33		1
8	0649 COREY TAP		138.00	138.00	WOOD	13.00		1
9	6108 RIVERSIDE	OLIVE-HICKORY CREEK	138.00	138.00	WOOD &	6.00		1
10	6124 BENTON HARBOR	RIVERSIDE-HARTFORD	138.00	138.00	STEEL	1.00		2
11	6137 EDGEWATER TAP		138.00	138.00	WOOD POLE	1.00		1
12	6139 BENTON HARBOR	TWIN BRANCH-R SIDE	138.00	138.00	STEEL	6.00		2
13	6149 HARTFORD	COREY	138.00	138.00	WOOD POLE	41.00		1
14	6218 MOTTVILLE TAP		138.00	138.00	WOOD POLE	1.00		1
15	6255 KENZIE CREEK	VALLEY	138.00	138.00	WOOD POLE	20.00		1
16	6257 KENZIE CREEK	T B/R'SIDE/HICK CR	138.00	138.00	STEEL			
17	6261 FLATBUSH TAP		138.00	138.00		1.00		1
18	6262 WEST ST TAP		138.00	138.00		1.00		2
19	6700 GM HYDRAMATIC		138.00	138.00	STEEL	2.00		2
20	6227 NICKERSON	TOWER #13A	138.00	138.00				
21	0643 OLIVE	HICKORY CREEK	138.00	138.00				
22								
23	LESS THAN 132 KV LINES		69.00		WOOD,	436.94	12.00	
24								
25	VOLTAGE OTHER							
26	VOLTAGE LESS THAN 132							
27	VOLTAGE 138KV							
28	VOLTAGE 345KV							
29	VOLTAGE 765KV							
30								
31								
32								
33								
34								
35								
36					TOTAL	3,948.37	122.54	199

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/Period of Report End of 2007/Q4
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	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2-954 MCM	853,389	4,679,125	5,532,514					1
2-954 MCM		1,845,551	1,845,551					2
		-8,230	-8,230					3
397.5 MCM	187,259	621,551	808,810					4
	821		821					5
397.5 MCM	51,083	307,583	358,666					6
397.5 MCM	117,604	1,021,538	1,139,142					7
477 MCM	73,434	312,859	386,293					8
636 MCM	72,387	982,907	1,055,294					9
795 MCM	88,699	168,142	256,841					10
556.5 MCM	552	56,413	56,965					11
795 MCM	472,534	628,432	1,100,966					12
795 MCM	794,466	1,902,014	2,696,480					13
795 AA	16,279	100,911	117,190					14
1033 MCM	579,785	4,804,096	5,383,881					15
795 MCM		383,038	383,038					16
	64,293	430,007	494,300					17
	24,993	331,419	356,412					18
795 MCM	10,463	370,087	380,550					19
0		16,381	16,381					20
	171,678	1,190,287	1,361,965					21
								22
VARIOUS	1,578,542	23,607,192	25,185,734					23
								24
								25
				102,457	2,712,119		2,814,576	26
				77,884	2,061,660		2,139,544	27
				64,190	1,699,177		1,763,367	28
				43,516	1,151,902		1,195,418	29
								30
								31
								32
								33
								34
								35
	54,469,415	498,094,559	552,563,974	288,047	7,624,858		7,912,905	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) December 31, 2007	Year of Report December 31, 2007
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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	New Lines Added:						
2	6266 Wallen 138kv Extension		0.22	Steel		1	1
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			0.22			1	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) December 31, 2007	Year of Report December 31, 2007
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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				Total	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)	Asset Retire. Costs (o)		
1033.5 KCM	ACSR		138		413,064	71,260		484,324	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		413,064	71,260		484,324	43

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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

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	69.00	12.00
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-MI	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		
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	13.00	
33		T	34.50	12.00	
34		T	34.50		
35	BETHEL-IN	D	34.50	13.00	
36	BIXLER-IN	D	138.00	12.00	
37	BLAINE STREET-IN	D	34.50	13.00	
38	BLUFF POINT-IN	T	138.00	69.50	13.09
39		T	69.00	13.00	
40		T	69.00		

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) / /	Year/Period of Report End of 2007/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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
90	1					3
			STATCAP	1	53	4
8	1					5
			STATCAP	1	14	6
20	1					7
6	1					8
			STATCAP	1	7	9
450	1					10
30	1					11
22	1					12
7	1					13
			STATCAP	1	14	14
20	1					15
13	2					16
112	1					17
29	2					18
20	2					19
30	1					20
22	1					21
			STATCAP	2	29	22
30	1					23
			STATCAP	2	106	24
20	1					25
20	1					26
11	1					27
			STATCAP	1	10	28
448	2					29
20	1					30
			STATCAP	1	16	31
5	1					32
5	1					33
			STATCAP	1	10	34
11	1					35
20	1					36
9	1					37
60	1					38
6	1					39
			STATCAP	1	16	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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	BREED-IN	T	345.00		
2		T	345.00		
3	BRIDGMAN-MI	D	69.00	12.00	
4		D	69.00		
5	BUCHANAN HYDRO STA-MI	T	69.00	34.00	
6		T	69.00	12.00	
7	BUCHANAN SOUTH-MI	D	69.00	12.00	
8	BUTLER (IM)-IN	D	69.00	13.00	
9		D	69.00		
10	CALVERT-IN	D	138.00	13.00	
11	CHURUBUSCO-IN	D	34.50	13.00	
12		D	34.50		
13	CLEVELAND-IN	D	138.00	13.09	
14	COLBY-MI	T	138.00	69.00	34.50
15		T	138.00	12.00	
16		T	69.00	34.50	
17		T	34.50		
18	COLFAX-IN	D	34.50	12.00	
19	COLOMA Y-MI	T	69.00	34.00	
20		T	69.00		
21	COLONY BAY-IN	D	69.00	13.00	
22		D	69.00	12.00	
23		D	69.00		
24	COLUMBIA(IM)-IN	T	138.00	69.00	34.00
25		T	138.00	34.00	
26	CONANT-IN	D	34.50	12.00	
27	CONCORD-IN	T	138.00	34.00	
28		T	138.00	13.00	
29		T	138.00		
30		T	34.50		
31	COREY-MI	T	138.00	69.00	34.50
32		T	69.00		
33	COUNTRYSIDE-IN	D	138.00	12.00	
34	COUNTY LINE (IM)-IN	D	138.00	13.00	
35	COUNTY ROAD 4-IN	D	138.00	13.09	
36	CROSS STREET-IN	D	138.00	13.00	
37	CRYSTAL-MI	D	138.00	12.00	
38	DALEVILLE-IN	D	138.00	13.00	
39	DARDEN ROAD-IN	D	138.00	13.00	
40	DC COOK EHV-MI	T	765.00	345.00	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) / /	Year/Period of Report End of 2007/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
			REACTOR	1	250	1
65	1					2
19	2					3
			STATCAP	1	14	4
20	1					5
8	1					6
22	1					7
20	1					8
			STATCAP	2	30	9
20	1					10
11	1					11
			STATCAP	1	5	12
20	1					13
75	1					14
8	1					15
20	1					16
			STATCAP	1	17	17
22	1					18
22	1					19
			STATCAP	1	14	20
22	1					21
20	1					22
			STATCAP	1	16	23
50	1					24
20	1					25
22	1					26
50	1					27
45	2					28
			STATCAP	1	53	29
			STATCAP	1	14	30
130	1					31
			STATCAP	1	14	32
20	1					33
20	1					34
20	1					35
20	1					36
22	1					37
20	1					38
42	2					39
1500	3	1				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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1		T	345.00	34.50	
2	DECATUR (FTW)-IN	T	69.00	34.00	
3		T	69.00	13.00	
4		T	69.00	4.00	
5		T	69.00		
6	DEER CREEK-IN	T	138.00	69.00	34.00
7		T	138.00	34.50	
8		T	138.00	13.00	
9		T	138.00		
10		T	34.50	13.09	
11		T	34.50	11.00	4.00
12		T	34.50		
13	DELAWARE (IM)-IN	T	138.00	34.00	
14		T	138.00		
15		T	34.50		
16	DERBY-MI	T	138.00	69.00	34.50
17	DESOTO-IN	T	345.00	138.00	34.50
18	DOCK FOUNDRY-MI	D	69.00	12.00	
19	DRAGOON-IN	T	138.00	69.00	34.00
20		T	34.50		
21	DREWRY-S-IN	D	34.50	13.09	
22		D	34.50	12.00	
23	DUMONT-IN	T	765.00		
24		T	765.00	345.00	34.50
25		T	765.00	345.00	17.00
26	DUNLAP-IN	T	138.00	69.00	34.00
27		T	138.00	13.00	
28		T	138.00	12.00	
29		T	34.50		
30	EAST ELKHART-IN	T	345.00	138.00	13.80
31		T	138.00	69.00	34.00
32		T	34.50	7.20	
33	EAST SIDE (IM)-IN	D	138.00	13.09	
34	ELCONA-IN	D	138.00	13.00	
35	ELKHART HYDRO STAT-IN	T	34.50	13.00	
36		T	34.50		
37	ELMRIDGE-IN	D	34.50	13.00	
38	ELWOOD (IM)-IN	D	34.50	13.00	
39		D	34.50		
40	FAIRMOUNT-IN	D	34.50	13.00	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
150	1					1
20	1					2
20	1					3
5	1					4
			STATCAP	1	13	5
90	1					6
75	1					7
20	1					8
			STATCAP	1	58	9
4	1					10
20	1					11
			STATCAP	2	30	12
125	2					13
			STATCAP	1	53	14
			STATCAP	2	59	15
75	1					16
675	1					17
20	1					18
84	1					19
			STATCAP	1	12	20
8	1					21
8	1					22
			REACTOR	8	650	23
1500	3					24
1500	3					25
130	1					26
20	1					27
20	1					28
			STATCAP	1	29	29
450	1					30
84	1					31
1		1				32
45	2					33
22	1					34
8	1					35
			STATCAP	1	14	36
8	1					37
19	2					38
			STATCAP	1	5	39
2	1					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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1		D	34.50	7.20	
2		D	34.50	4.00	
3		D	34.50	2.40	
4	FALL CREEK-IN	T	345.00	138.00	34.00
5	FERGUSON-IN	D	69.00	13.00	
6	FISHER BODY-IN	D	138.00	13.80	
7	FLORENCE ROAD-MI	D	69.00	12.00	
8		D	69.00		
9	FULTON (IM)-IN	D	34.50	13.00	
10	GARRETT (IM)-IN	T	69.00	34.00	
11		T	34.50	13.00	
12	GAS CITY-IN	D	34.50	13.00	
13		D	34.50		
14	GATEWAY (IM)-IN	T	69.00	34.00	
15		T	69.00		
16	GERMAN-IN	D	138.00	13.00	
17		D	138.00	12.00	
18	GLENBROOK-IN	D	34.50	13.00	
19	GRABILL-IN	D	138.00	13.00	
20	GRANGER-IN	D	138.00	13.00	
21		D	138.00	12.00	
22	GRANT-IN	T	138.00	34.00	
23		T	138.00	13.09	
24	GREENLEAF-IN	D	34.50	13.09	
25	GREENTOWN-IN	T	765.00		
26	HACIENDA-IN	D	138.00	13.00	
27		D	138.00	12.00	
28	HADLEY-IN	D	69.00	13.00	
29	HAGAR-MI	D	69.00	12.00	
30	HAMILTON-IN	D	69.00	13.00	
31	HARLAN-IN	D	69.00	13.00	
32	HARPER-IN	D	138.00	13.00	
33	HARTFORD-MI	T	138.00	69.00	34.00
34		T	69.00	12.00	
35		T	34.50		
36	HARTFORD CITY-IN	T	69.00	34.00	
37		T	69.00	13.00	
38		T	69.00		
39	HARVEST PARK-IN	D	34.50	13.00	
40	HAWTHORNE-MI	D	69.00	12.00	

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
11	1					1
1	2					2
1	1					3
672	1					4
20	1					5
100	2					6
20	1					7
			STATCAP	1	19	8
20	1					9
10	1					10
1	3					11
20	1					12
			STATCAP	1	10	13
20	1					14
			STATCAP	1	13	15
22	1					16
22	1					17
20	1					18
20	1					19
20	1					20
20	1					21
30	1					22
	1					23
20	1					24
			REACTOR	3	300	25
20	1					26
25	1					27
40	2					28
11	1					29
11	1					30
5	1					31
20	1					32
129	1					33
11	1					34
			STATCAP	1	5	35
20	1					36
20	1					37
			STATCAP	1	16	38
20	1					39
22	1					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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	HAYMOND-IN	D	34.50	13.00	
2		D	34.50	4.00	
3	HICKORY CREEK-MI	T	138.00	69.00	34.50
4		T	138.00	34.50	
5		T	34.50	12.00	
6		T	34.50		
7	HILLCREST-IN	T	138.00	69.00	34.00
8		T	138.00	13.00	
9		T	138.00		
10	HUMMEL CREEK-IN	T	138.00	69.00	34.00
11		T	138.00	13.00	
12	ILLINOIS ROAD-IN	T	138.00	69.00	13.00
13		T	138.00	13.09	
14	INDUSTRIAL PARK-IN	T	138.00	69.00	34.00
15		T	138.00	13.00	
16		T	138.00		
17		T	34.50	13.00	
18		T	34.50		
19	IRELAND ROAD-IN	D	138.00	13.00	
20	IUPU-IN	D	34.50	13.00	
21		D	13.80	4.00	
22	JACKSON ROAD-IN	T	345.00	138.00	34.00
23		T	138.00	34.00	
24		T	138.00	13.09	
25		T	138.00	12.00	
26		T	34.50		
27	JAY (IM)-IN	T	138.00	69.00	34.00
28		T	138.00	13.00	
29		T	138.00		
30	JEFFERSON (IM)-IN	T	765.00		
31		T	765.00	345.00	34.00
32		T	138.00		
33	KANKAKEE-IN	T	138.00	34.00	11.00
34		T	138.00	13.00	
35	KENDALLVILLE-IN	T	138.00	69.00	13.00
36		T	138.00		
37		T	69.00	13.00	
38		T	69.00	12.00	
39	KENZIE CREEK-MI	T	345.00	138.00	13.00
40	KLINE-IN	T	138.00	34.00	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
24	2					1
16	2					2
75	1					3
60	2					4
31	2					5
			STATCAP	1	31	6
84	1					7
42	2					8
			STATCAP	1	53	9
75	1					10
20	1					11
84	1					12
20	1					13
75	1					14
22	1					15
			STATCAP	1	50	16
22	1					17
			STATCAP	1	16	18
20	1					19
40	2					20
5	1					21
672	1					22
30	1					23
12	1					24
20	1					25
			STATCAP	1	14	26
115	1					27
9	1					28
			STATCAP	1	58	29
			REACTOR	9	750	30
2000	4					31
			REACTOR	1	20	32
100	2					33
22	1					34
75	1					35
			STATCAP	1	43	36
8	1					37
11	1					38
450	1					39
100	1					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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

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		
2	LAKE STREET-MI	T	69.00	34.00	
3		T	69.00		
4	LAKEHEAD-MI	D	69.00	13.00	
5	LANGLEY (IM)-MI	D	34.50	13.00	
6	LANTERN PARK-IN	D	138.00	13.09	
7	LAPORTE JUNCTION-IN	T	138.00	69.00	34.00
8	LAWTON PARK-IN	D	34.50	14.00	
9		D	34.50	4.00	
10	LIGONIER-IN	D	138.00	13.09	
11	LINCOLN-IN	T	138.00	34.00	11.00
12		T	138.00	13.00	
13		T	138.00		
14		T	34.50		
15	LINWOOD (IM)-IN	D	138.00	12.00	
16	LUSHER AVENUE-IN	D	34.50	12.00	
17		D	34.50	4.00	
18	LYDICK-IN	D	34.50	13.09	
19	MADISON (IM)-IN	T	138.00	35.00	
20		T	34.50	13.09	
21		T	34.50		
22	MAGLEY-IN	T	138.00	69.00	13.00
23		T	69.00	13.00	
24	MAIN STREET-MI	T	138.00	34.00	
25		T	138.00	13.09	
26		T	34.50	4.00	
27		T	34.50		
28	MARATHON OIL (IM)-IN	D	69.00	4.00	
29	MARION ETHANOL-IN	D	34.50	4.00	
30	MARION PLANT-IN	D	34.50	13.00	
31		D	34.50	4.00	
32		D	34.50		
33	MAYFIELD-IN	D	138.00	13.00	
34	MCGALLIARD ROAD-IN	D	34.50	13.00	
35	MCKINLEY-IN	T	138.00	69.00	34.00
36		T	138.00	34.00	11.50
37		T	138.00	13.00	
38		T	138.00	12.00	
39		T	138.00		
40		T	69.00		

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
			STATCAP	1	14	1
40	1					2
			STATCAP	1	26	3
11	1					4
17	2					5
20	1					6
84	1					7
53	2					8
7	1					9
29	2					10
100	6					11
20	1					12
			STATCAP	1	53	13
			STATCAP	2	29	14
11	1					15
20	1					16
8	1					17
20	1					18
60	1					19
5	1					20
			STATCAP	1	18	21
90	1					22
9	1					23
30	1					24
22	1					25
8	1					26
			STATCAP	1	14	27
6	1					28
11	1					29
22	1					30
8	1					31
			STATCAP	1	9	32
20	1					33
29	2					34
84	1					35
100	2					36
20	1					37
20	1					38
			STATCAP	1	86	39
			STATCAP	1	22	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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

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		
2	MEDFORD-IN	T	138.00	69.00	34.00
3		T	34.50		
4	MODOC-IN	T	138.00	69.00	13.00
5		T	69.00	13.00	
6	MONTPELIER-IN	D	69.00	13.00	
7	MOORE PARK-MI	T	138.00	69.00	34.50
8		T	69.00		
9	MOTTVILLE-MI	T	138.00	69.00	34.00
10		T	69.00	12.00	
11	MULLIN-IN	T	138.00	34.00	
12		T	34.50		
13	MURCH-MI	D	69.00	12.00	
14		D	69.00		
15	NEW BUFFALO-MI	D	69.00	12.00	
16	NEW CARLISLE-IN	T	138.00	34.50	
17		T	34.50	13.00	
18	NICKERSON-MI	D	138.00	12.00	
19	NILES-MI	T	69.00	34.00	
20		T	69.00	13.09	
21		T	69.00		
22	NOBLE-IN	D	69.00	13.00	
23	NORTH KENDALLVILLE-IN	D	69.00	12.00	
24	NORTH PORTLAND-IN	D	69.00	13.00	
25	NORTHLAND-IN	D	138.00	13.09	
26		D	138.00	12.00	
27	NORTHWEST ELKHART-IN	D	34.50	13.00	
28		D	34.50		
29	OLIVE-IN	T	345.00	138.00	34.50
30		T	138.00	69.00	34.00
31		T	138.00	13.00	
32	OSOLO-IN	T	138.00	69.00	34.00
33		T	138.00	13.00	
34		T	138.00	12.00	
35		T	34.50		
36	OSSIAN-IN	D	69.00	13.00	
37	PARNELL-IN	D	34.50	13.09	
38		D	34.50	13.00	
39	PEARL STREET-MI	D	34.50	12.00	
40	PENDLETON-IN	T	138.00	35.00	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
			STATCAP	2	29	1
75	1					2
			STATCAP	1	15	3
60	1					4
5	1					5
22	1					6
90	1					7
			STATCAP	1	16	8
90	1					9
3	1					10
30	1					11
			STATCAP	1	20	12
20	1					13
			STATCAP	1	26	14
21	2					15
30	1					16
8	1					17
20	1					18
45	1					19
20	1					20
			STATCAP	1	14	21
11	1					22
22	1					23
20	1					24
12	1					25
20	1					26
29	2					27
			STATCAP	1	14	28
675	1					29
27	1					30
9	1					31
75	1					32
22	1					33
20	1					34
			STATCAP	1	14	35
20	1					36
20	1					37
20	1					38
17	2					39
125	2					40

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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.
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4. Indicate in column (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).

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		
2	PETTIT AVENUE-IN	D	34.50	13.00	
3	PIGEON RIVER-MI	D	69.00	12.00	
4	PINE ROAD-IN	D	138.00	12.00	
5	POKAGON(MBH)-MI	T	138.00	69.00	13.00
6		T	69.00	13.00	
7		T	69.00		
8	PORTLAND (IM)-IN	D	69.00	13.00	
9	RANDOLPH-IN	T	138.00	69.00	13.00
10		T	138.00	13.00	
11		T	69.00		
12		T	34.50	13.00	
13	REED-IN	D	138.00	13.00	
14	RIVERSIDE (IM)-MI	T	138.00	69.00	34.00
15		T	138.00	13.00	
16		T	138.00		
17	ROBISON PARK-IN	T	345.00	138.00	13.00
18		T	138.00		
19		T	138.00	69.00	34.00
20		T	138.00	13.00	
21		T	138.00	12.00	
22		T	34.50		
23	ROCKPORT-IN	T	765.00		
24		T	138.00		
25		T	34.50	13.00	
26	SCHOOLCRAFT-MI	D	69.00	13.00	
27	SCOTSDALE-MI	D	34.50	13.00	
28	SODUS-MI	D	138.00	13.00	
29	SORENSEN-IN	T	345.00	138.00	34.00
30	SOUTH BEND-IN	T	138.00	69.00	34.00
31		T	138.00	34.00	
32		T	138.00	12.00	
33		T	138.00		
34	SOUTH DECATUR-IN	D	69.00	13.09	
35		D	69.00	13.00	
36	SOUTH ELWOOD-IN	T	138.00	34.00	
37		T	138.00	13.00	
38	SOUTH HAVEN-MI	T	69.00		
39	SOUTH SIDE (MARION)-IN	D	34.50	4.00	
40	SOUTH SIDE (SOUTH BEND)-IN	D	138.00	12.00	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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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)	
			STATCAP	2	47	1
20	1					2
20	1					3
20	1					4
115	1					5
5	1					6
			STATCAP	1	14	7
19	2					8
56	1					9
22	1					10
			STATCAP	1	14	11
4	1					12
22	1					13
134	2					14
20	1					15
			STATCAP	1	106	16
672	1					17
			STATCAP	1	86	18
84	1					19
20	1					20
20	1					21
			STATCAP	1	14	22
			REACTOR	6	300	23
			REACTOR	2	40	24
2	2	1				25
22	1					26
11	1					27
11	1					28
1347	2					29
130	1					30
150	2					31
20	1					32
			STATCAP	1	53	33
20	1					34
20	1					35
30	1					36
20	1					37
			STATCAP	2	19	38
12	6					39
20	1					40

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	SOYA-IN	D	34.50	4.00	
2	SPRING STREET-IN	D	34.50	13.00	
3		D	34.50	4.00	
4	SPY RUN-IN	T	138.00	34.00	
5		T	138.00	13.00	
6		D	34.50		
7		D	34.50	12.00	
8		D	34.50	4.00	
9	STATE STREET-IN	D	138.00	13.00	
10	STEVENSVILLE-MI	D	69.00	13.00	
11	STONE LAKE-MI	D	69.00	34.00	
12		D	69.00	13.00	
13		D	34.50		
14	STUBEY ROAD-MI	D	69.00	12.00	
15		D	69.00		
16	STUDEBAKER-IN	D	138.00	13.80	
17		D	138.00	12.00	
18	SULLIVAN (IM)-IN	T	765.00		
19		T	765.00	345.00	34.00
20		T	138.00		
21	SUMMIT-IN	D	138.00	13.00	
22		D	138.00	12.00	
23	SWANSON-IN	D	69.00	34.00	
24		D	69.00		
25	TANNERS CREEK-IN	T	345.00	138.00	13.00
26		T	345.00	138.00	12.00
27	THREE M-IN	D	69.00	4.00	
28	THREE RIVERS (FTW)-IN	D	34.50	14.40	
29		D	34.50	13.00	
30	THREE RIVERS (MBH)-MI	D	69.00	12.00	
31	TILLOTSON-IN	D	34.50	13.00	
32	TRIER-IN	D	138.00	13.00	
33	TWENTY FIRST STREET-IN	D	34.50	13.00	
34	TWENTY THIRD STREET (IM)-IN	T	138.00	69.00	34.00
35		T	34.50		
36	TWIN BRANCH 138KV-IN	T	345.00	138.00	13.20
37		T	138.00	12.00	
38	TWIN BRANCH 34KV-IN	G	34.50	13.00	
39		G	34.50		
40	UPLAND-IN	D	69.00	13.20	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
11	1					1
8	1					2
4	1					3
200	2					4
22	1					5
			STATCAP	1	10	6
20	1					7
8	1					8
22	1					9
19	2					10
20	1					11
7	1					12
			STATCAP	1	10	13
11	1					14
			STATCAP	1	14	15
36	2					16
20	1					17
			REACTOR	4	200	18
3000	6	1				19
			REACTOR	1	20	20
20	1					21
20	1					22
45	2					23
			STATCAP	1	14	24
150	1					25
150	1					26
13	1					27
22	2					28
10	2					29
22	1					30
22	1					31
20	1					32
19	2					33
213	2					34
			STATCAP	2	29	35
450	1					36
20	1					37
3	1					38
			STATCAP	1	14	39
20	1					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/Period of Report End of 2007/Q4
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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 10 MVA 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 column (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).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	UTICA (IM)-IN	D	34.50	13.09	
2	VALLEY-MI	T	138.00	69.00	34.00
3		T	138.00		
4		T	34.50	34.00	
5		T	34.50		
6	VAN BUREN-IN	T	138.00	69.00	13.00
7	VICKSBURG-MI	D	69.00	13.09	
8		D	69.00	12.00	
9	WABASH AVENUE-IN	D	69.00	13.00	
10	WALLEN-IN	T	138.00	13.09	
11		T	34.50	13.00	
12	WAYNE TRACE-IN	D	138.00	13.00	
13	WAYNE DALE-IN	D	138.00	13.00	
14	WEBSTER-IN	D	34.50	14.00	
15		D	34.50	12.00	
16		D	13.80		
17	WES-DEL-IN	D	138.00	13.00	
18	WEST END-IN	D	34.50	13.00	
19		D	34.50	4.00	
20	WEST SIDE-IN	T	138.00	69.00	34.00
21		T	138.00	13.00	
22		T	138.00	12.00	
23		T	34.50	27.00	
24		T	34.50	4.00	
25		T	34.50		
26	WEST STREET-MI	D	138.00	12.00	
27	WHEELER STREET-MI	D	69.00	12.00	
28	WHITAKER-IN	D	34.50	12.00	
29	WINCHESTER (IM)-IN	T	69.00	34.00	
30		T	69.00	13.00	
31		T	69.00		
32	WOODBURN-IN	D	69.00	13.00	
33					
34	108 STATIONS UNDER 10 MVA	T/D			
35					
36					
37					
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/Period of Report End of 2007/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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)	
20	1					1
75	1					2
			STATCAP	1	44	3
11		1				4
			STATCAP	1	7	5
56	1					6
20	1					7
9	1					8
20	1					9
20	1					10
20	1					11
22	1					12
22	1					13
18	4					14
20	1					15
			STATCAP	2	14	16
22	1					17
9	2					18
8	1					19
84	1					20
22	1					21
20	1					22
45	1					23
8	3					24
			STATCAP	1	12	25
20	1					26
11	1					27
20	1					28
17	1					29
26	2					30
			STATCAP	1	11	31
11	1					32
						33
624	131					34
						35
						36
						37
						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) December 31, 2007	Year of Report December 31, 2007
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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 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	909,557	190,127	8,437
2	Additions During Year	48,953		
3	Purchases	37,680	4,579	332
4	Associated with Utility Plant Acquired			
5	Other		15	2
6	TOTAL Additions (Enter Total of lines 2, 3, 4, & 5)	86,633	4,594	334
7	Reduction During Year			
8	Retirements	74,571	3,242	127
9	Associated with Utility Plant Sold	5,965		
10	Other		28	1
11	TOTAL Reductions (Enter Total of lines 7, 8, 9, & 10)	80,536	3,270	128
12	Number at End of Year (Lines 1+ 6 - 11)	915,654	191,451	8,643
13	In Stock	315,256	4,956	458
14	Locked Meters on Customers' Premises	43,908		
15	Inactive Transformers on System		666	42
16	In Customers' Use	556,183	185,829	8,143
17	In Companys' Use	307		
18	Total End of Year (Enter Total of lines 13 to 17. This line should equal line 11)	915,654	191,451	8,643

NOTES:

8,591 meters leased from City of Fort Wayne through 9/13/09. The total charge for the entire lease in 2007 was \$1,740,000, as seen on pages 333C and 333D.

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