

**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.

<b>Report submitted for year ending:</b>	
December 31, 2015	
<b>Present name of respondent:</b>	
Indiana Michigan Power Company	
<b>Address of principal place of business:</b>	
1 Riverside Plaza, Columbus, OH 43215-2373	
<b>Utility representative to whom inquires regarding this report may be directed:</b>	
<b>Name:</b> Jerri-Lynn Ruggiero	<b>Title:</b> Manager of Regulated Accounting
<b>Address:</b> 1 Riverside Plaza	
<b>City:</b> Columbus	<b>State:</b> OH <b>Zip:</b> 43215
<b>Telephone, Including Area Code:</b> (614) 716-2674	
<b>If the utility name has been changed during the past year:</b>	
<b>Prior Name:</b>	
<b>Date of Change:</b>	
<b>Two copies of the published annual report to stockholders:</b>	
[       ]	were forwarded to the Commission
[    x   ]	will be forwarded to the Commission
<b>on or about</b> April 30, 2016	
<b>Annual reports to stockholders:</b>	
[    x   ]	are published
[       ]	are not published


**FOR ASSISTANCE IN COMPLETION OF THIS FORM:**

Contact the Michigan Public Service Commission (Heather Cantin) at  
(517) 284-8266 or cantinh@michigan.gov OR forward correspondence to:

Michigan Public Service Commission  
Financial Analysis & Audit Division (Heather Cantin)  
7109 W Saginaw Hwy  
Lansing, MI 48909

**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, 2015	
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  Jerri-Lynn Ruggiero	06 Title of Contact Person  Manager of Regulated Accounting	
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) 716-2674	09 This Report is:  (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr)
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name  F. Scott Travis	03 Signature    F. Scott Travis	04 Date Signed (Mo, Da, Yr)  April 26, 2016
02 Title  Assistant 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, 2015
<b>LIST OF SCHEDULES (Electric Utility)</b>			
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)	
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>			
General Information	101		
Control Over Respondent & Other Associated Companies	M 102		
Corporations Controlled by Respondent	103	FERC Form 1	
Officers and Employees	104		
Directors	M 105		
Security Holders and Voting Powers	M 106-107		
Important Changes During the Year	108-109	FERC Form 1	
Comparative Balance Sheet	110-113	FERC Form 1	
Statement of Income for the Year	114-117	FERC Form 1	
Reconciliation of Deferred Income Tax Expense	M 117A-117B		
Statement of Retained Earnings for the Year	118-119	FERC Form 1	
Statement of Cash Flows	120-121	FERC Form 1	
Notes to Financial Statements	122-123	FERC Form 1	
Statement of Accumulated Comprehensive Income	122A-122B	FERC Form 1	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201	FERC Form 1	
Nuclear Fuel Materials	202-203	FERC Form 1	
Electric Plant in Service	M 204-211		
Electric Plant Leased to Others	213	NA	
Electric Plant Held for Future Use	214	FERC Form 1	
Plant Acquisition Adjustments	M 215		
Construction Work in Progress - Electric	M 216		
Construction Overheads	M 217-218		
Accumulated Provision for Depreciation of Electric Utility Plant	M 219		
Nonutility Property	M 221		
Investments	M 222-223		
Investment in Subsidiary Companies	224-225	FERC Form 1	
Notes and Accounts Receivable	M 226A/B		
Materials and Supply	227	FERC Form 1	
Production Fuel and Oil Stocks	M 227a/b		
Allowances	228 A/B-229 A/B	FERC Form 1	
Miscellaneous Current and Accrued Assets	M 230A		
Extraordinary Property Losses	230B	NA	
Unrecovered Plant and Regulatory Study Costs	230B	NA	
Transmission Service and Generation Interconnection Study	231	FERC Form 1	
Other Regulatory Assets	232	FERC Form 1	
Miscellaneous Deferred Debits	233	FERC Form 1	
Accumulated Deferred Income Taxes (Account 190)	M 234A-B		
Deferred Losses From Disposition of Plant (Account 187)	M 235	NA	
Unamortized Loss and Gain on Reacquired Debt	M 237		
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)</b>			
Capital Stock	250-251	FERC Form 1	
Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments Received on Capital Stock	252		

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Indiana Michigan Power Company			December 31, 2015
<b>LIST OF SCHEDULES (Electric Utility) (Continued)</b>			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)</b>			
Other Paid-In Capital	253	FERC Form 1	
Discount on Capital Stock	254	NA	
Capital Stock Expense	254	NA	
Securities Issued and Redeemed During the Year	M 255		
Long-Term Debt	256-257	FERC Form 1	
Payable to Associated Companies	M 260B		
Reconciliation of Reported Net Income with Taxable Income for Federal Income Tax	M 261A-B		
Calculation of Federal Income Tax			
Taxes Accrued, Prepaid and Charged During Year	262-263	FERC Form 1	
Distribution of Taxes Charged			
Accumulated Deferred Investment Tax Credits	266-267	FERC Form 1	
Miscellaneous Current and Accrued Liabilities	M 268		
Other Deferred Credits	269	FERC Form 1	
Deferred Gains From Disposition of Plant	M 270	NA	
Accumulated Deferred Income Taxes - Accelerated Amortization Property	272-273	FERC Form 1	
Accumulated Deferred Income Taxes - Other Property	274-275	FERC Form 1	
Accumulated Deferred Income Taxes - Other	276A-B	FERC Form 1	
Other Regulatory Liabilities	278	FERC Form 1	
Gain or Loss on Disposition of Property	M 280		
Income From Utility Plant Leased	M 281	NA	
Particulars Concerning Certain Other Income Accounts	M 282		
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>			
Electric Operating Revenues	M 300-301		
Customer Choice Electric Operating Revenues	M 302-303	NA	
Sales of Electricity by Rate Schedules	M 304		
Customer Choice Sales of Electricity by Rate Schedules	M 305	NA	
Sales for Resale	310-311	FERC Form 1	
Electric Operation and Maintenance Expenses	320-323		
Number of Electric Department Employees	323		
Purchased Power	326-327	FERC Form 1	
Transmission of Electricity for Others	328-330	FERC Form 1	
Miscellaneous Revenue	M 331		
Transmission of Electricity by Others	332	FERC Form 1	
Lease Rentals Charged	M 333		
Miscellaneous General Expenses - Electric	335	FERC Form 1	
Depreciation and Amortization of Electric Plant	336	FERC Form 1	
Depreciation and Amortization of Electric Plant	337	FERC Form 1	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	M 340		
Expenditures For Certain Civic, Political and Related Activities	M 341		
Extraordinary Items	M 342	NA	
<b>COMMON SECTION</b>			
Regulatory Commission Expenses	350-351	FERC Form 1	
Research, Development and Demonstration Activities	352-353	FERC Form 1	
Distribution of Salaries and Wages	354-355	FERC Form 1	
Common Utility Plant and Expenses	356	NA	
Charges for Outside Professional and Consultative Services	M 357		
<b>ELECTRIC PLANT STATISTICAL DATA</b>			
Monthly Transmission System Peak Load	400	NA	
Electric Energy Account	401a	FERC Form 1	
Monthly Peaks and Output	401b	FERC Form 1	
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	FERC Form 1	
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	FERC Form 1	
Changes Made or Scheduled to be Made in Generating Plants	M 412		
Steam-Electric Generating Plant Statistics (Large Plants)	M 413A/B		



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<b>LIST OF SCHEDULES (Electric Utility) (Continued)</b>			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
Hydro Electric Generating Plants - Large	414-415	NA	
Generating Plant Statistics - Pumped Storage	416-418	NA	
Generating Plant Statistics - Internal Combustion Engine	420-421	NA	
Transmission Line Statistics	422-423	FERC Form 1	
Transmission Lines Added During Year	424-425	FERC Form 1	
Substations	426-427	FERC Form 1	
Affiliated Transactions	429	FERC Form 1	
Electric Distribution Meters and Line Transformers	429a		
Environmental Protection Facilities	430	NA	
Environmental Protection Expenses	431	NA	
Footnote Data	450		
<p>As noted in column C, certain pages filed by Indiana Michigan Power Company are copies of the FERC Form 1. In such instances, the requirements of the FERC Form 1 meet or exceed those of the MPSC Form P-521.</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)	Year of Report December 31, 2015
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**GENERAL INFORMATION**

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

F. Scott Travis, Assistant Controller

1 Riverside Plaza

Columbus, OH 43215

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

Indiana - February 21, 1925

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

None

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

Electric - Indiana

Electric - Michigan

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

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

(2)  No

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2015	Year of Report December 31, 2015
<b>CONTROL OVER RESPONDENT &amp; OTHER ASSOCIATED COMPANIES</b>			
<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, 2015</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> <p>American Electric Power Service Corporation  AEP Energy Supply LLC      AEP C&amp;I Company, LLC      AEP Energy Partners, Inc.      AEP Generation Resources Inc.      AEP OnSite Partners, LLC  AEP Generating Company  AEP Transmission Holding Company, LLC  AEP Utilities, Inc.      AEP Texas Central Company          AEP Texas Central Transition Funding LLC          AEP Texas Central Transition Funding II LLC          AEP Texas Central Transition Funding III LLC      AEP Texas North Company          AEP Texas North Generation Company LLC  Appalachian Power Company      Appalachian Consumer Rate Relief Funding LLC  Indiana Michigan Power Company  Kentucky Power Company  Kingsport Power Company  Ohio Power Company      Ohio Phase-In-Recovery Funding LLC  Ohio Valley Electric Corporation      Indiana-Kentucky Electric Corporation  Public Service Company of Oklahoma  Southwestern Electric Power Company  Wheeling Power Company</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) / /	Year/Period of Report End of <u>2015/Q4</u>
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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.

**Definitions**

1. See the Uniform System 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 No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (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, 2015
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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 incumbent 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 (a)	Base Wages (b)	Other Compensation (c)	Type of Other Compensation (d)	Total Compensation (e)
1	Nicholas K. Akins Chairman of the Board and Chief Executive Officer	1,279,900	3,150,000 89,762 6,719,981 212,923	A B C D	11,452,566
2	Brian X. Tierney Executive Vice President & Chief Financial Officer	709,246	1,100,000 79,025 1,907,216 5,100	A B C D	3,800,587
3	Robert P. Powers Executive Vice President & Chief Operating Officer	709,246	1,075,000 77,315 1,888,008 12,919	A B C D	3,762,488
4	David M. Feinberg Executive Vice President & General Counsel	591,426	800,000 56,856 998,394 70,376	A B C D	2,517,052
5	Charles E. Zebula Executive Vice President - Energy Supply	446,310	570,000 42,933 1,496,037 62,766	A B C D	2,618,046

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, 2015
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**DIRECTORS**

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

Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Nicholas K. Akins - Chief Executive Officer *** Chairman of the Board **	Columbus, Ohio	N/A	0
Mark C. McCullough - Vice President ***	Columbus, Ohio	N/A	0
Carla E. Simpson	Fort Wayne, Indiana	N/A	0
Marc E. Lewis - Vice President External and Regulatory Affairs	Fort Wayne, Indiana	N/A	0
Robert P. Powers ***	Columbus, Ohio	N/A	0
Brian X. Tierney - Vice President *** - Chief Financial Officer	Columbus, Ohio	N/A	0
Lisa M. Barton - Vice President ***	Columbus, Ohio	N/A	0
Paul Chodak, III - President & COO	Fort Wayne, Indiana	N/A	0
Thomas A. Kratt - Vice President Distribution Operations	Fort Wayne, Indiana	N/A	0
David A. Lucas - Vice President Finance	Fort Wayne, Indiana	N/A	0
Barry O. Wiard	Fort Wayne, Indiana	N/A	0

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, 2015

**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 21, 2015 in Columbus, Ohio

Name of Respondent Indiana Michigan 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, 2015
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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				
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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 2015/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 104 or 105 of the Annual Report Form No. 1, 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 Indiana Michigan 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 2015/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. I&M acquired the H. K. Monroe 138 kV transmission line from Paulding-Putnam Electric Cooperative on August 1, 2015. The FERC order authorizing the acquisition required that I&M account for the transaction in accordance with Electric Plant Instruction No. 5, Electric Plant Purchased or Sold. Based on this instruction the purchase price was initially recorded in Account 102, Electric Plant Purchased or Sold. The original cost of the line was then credited to Account 102 and debited to Account 101, Electric Plant in Service, and the depreciation applicable to the original cost was debited to Account 102 and credited to Account 108, Accumulated Provision for Depreciation of Electric Utility Plant. Since the NBV of the line was the same as the purchase price there was no plant acquisition adjustment recorded. Actual accounting entries are required to be provided within six months of the acquisition and will be provided in a separate FERC filing.
4. None
5. None
6. FERC Authority (Docket No. ES13-37-000) \$35,000 Letter of Credit issued by American Electric Power Company, Inc. on behalf of Indiana Michigan Power Company to benefit Travelers Insurance/DC Cook Workers Compensation  
  
\$111,300,000 nuclear fuel capital lease (Indiana Commission Authority, Cause No. 44490)  
  
\$100M Local Bank Facility (Indiana Commission Authority, Cause No. 44426)  
  
\$100M Local Bank Facility (Indiana Commission Authority, Cause No. 44679)  
  
FERC Authority (Docket No. ES15-52-000) \$35,000 Letter of Credit issued by American Electric Power Company, Inc. on behalf of Indiana Michigan Power Company to benefit Travelers Insurance/DC Cook Workers Compensation
7. None
8. Tanners Creek employees represented by UWUA #418 were provided with a 3.5% general wage increase effective February 15, 2015  
  
Employees represented by IBEW #SC U-9 were provided with a 3.5% general wage increase effective February 17, 2015  
  
South Bend employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Name of Respondent Indiana Michigan 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 2015/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

Fort Wayne employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Muncie employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Transmission Line employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Southern Maintenance Group employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Cook Nuclear Plant Maintenance employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Cook Nuclear Plant Stores employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Three Rivers employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective February 17, 2015

Cook Nuclear Plant RPEC employees represented by IBEW #1392 were provide with a 3.5% general wage increase effective March 12, 2015

9. Please refer to the Notes to Financial Statements Pages 122-123

10. None

11. (Reserved)

12. Not Used

13. Michael S. Isenberg resigned as Vice President effective 4/23/2015

Dennis E. Welch resigned as Vice President effective 8/31/2015

Wade A. Smith elected as Vice President effective 8/28/2015

Jeffrey D. Cross resigned as Assistant Secretary 10/30/2015

Keith M. Darling resigned as Vice President 11/12/2015

William E. Johnson elected as Assistant Secretary 12/17/2015

Joel P. Gebbie resigned as Vice President 12/31/2015

Shane Q. Lies resigned as Vice President 12/31/2015

Lawrence J. Weber resigned as Vice President 12/31/2015

14. Proprietary capital ratio exceeds 30%

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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/Period of Report End of 2015/Q4
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	7,263,015,610	7,799,193,968
3	Construction Work in Progress (107)	200-201	519,800,994	537,237,425
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		7,782,816,604	8,336,431,393
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	2,982,974,498	3,667,922,541
6	Net Utility Plant (Enter Total of line 4 less 5)		4,799,842,106	4,668,508,852
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	78,454,251	102,645,602
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		1,632,918	1,879,457
10	Spent Nuclear Fuel (120.4)		630,223,891	568,317,321
11	Nuclear Fuel Under Capital Leases (120.6)		192,876,881	225,713,339
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	630,836,553	569,089,221
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		272,351,388	329,466,498
14	Net Utility Plant (Enter Total of lines 6 and 13)		5,072,193,494	4,997,975,350
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		31,724,436	28,553,357
19	(Less) Accum. Prov. for Depr. and Amort. (122)		15,382,623	14,695,364
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	25,382,691	26,515,695
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		13,920,404	15,550,393
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		2,106,392,111	2,095,731,569
29	Special Funds (Non Major Only) (129)		22,683,989	40,749,404
30	Long-Term Portion of Derivative Assets (175)		34,278	3,317,271
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,184,755,286	2,195,722,325
33	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		1,114,368	1,014,140
36	Special Deposits (132-134)		10,346,684	5,795,457
37	Working Fund (135)		4,200	5,450
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		43,785,828	56,884,866
41	Other Accounts Receivable (143)		2,652,048	1,642,842
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		46,298	493,352
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		65,978,234	69,834,767
45	Fuel Stock (151)	227	45,389,568	52,273,086
46	Fuel Stock Expenses Undistributed (152)	227	1,094,564	2,349,763
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	152,461,178	163,618,841
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	1,499,107	2,112,098
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	31,972,505	35,358,442

Name of Respondent Indiana Michigan 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>2015/Q4</u>
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
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)		7,759,231	6,088,389
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		15,647	0
60	Rents Receivable (172)		83,794	92,649
61	Accrued Utility Revenues (173)		53,262	503,175
62	Miscellaneous Current and Accrued Assets (174)		32,564,196	16,230,063
63	Derivative Instrument Assets (175)		12,371,484	25,645,482
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		34,278	3,317,270
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		409,065,322	435,638,888
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		7,164,746	7,763,728
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	566,419,752	549,699,206
73	Prelim. Survey and Investigation Charges (Electric) (183)		50,817,281	39,286,535
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	45,384,033	46,742,506
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		10,540,250	11,616,389
82	Accumulated Deferred Income Taxes (190)	234	839,414,145	913,673,271
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		1,519,740,207	1,568,781,635
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		9,185,754,309	9,198,118,198

Name of Respondent Indiana Michigan Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) / /	Year/Period of Report end of 2015/Q4
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	56,583,866	56,583,866
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		4,234,635	4,234,635
7	Other Paid-in Capital (208-211)	253	976,661,804	976,661,804
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)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	1,015,636,062	930,862,610
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	31,416	-33,162
13	(Less) Required 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)	-16,739,231	-14,359,735
16	Total Proprietary Capital (lines 2 through 15)		2,036,408,552	1,953,950,018
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Required Bonds (222)	256-257	40,000,000	40,000,000
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,874,854,812	1,894,409,940
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		3,226,323	3,710,260
24	Total Long-Term Debt (lines 18 through 23)		1,831,628,489	1,850,699,680
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		114,862,276	140,797,788
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		79,620	55,402
29	Accumulated Provision for Pensions and Benefits (228.3)		38,068,576	41,613,390
30	Accumulated Miscellaneous Operating Provisions (228.4)		1,089,506	1,086,096
31	Accumulated Provision for Rate Refunds (229)		592,391	592,391
32	Long-Term Portion of Derivative Instrument Liabilities		1,580,586	1,395,479
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		1,253,837,709	1,342,548,545
35	Total Other Noncurrent Liabilities (lines 26 through 34)		1,410,110,664	1,528,089,091
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		200,982,541	168,294,374
39	Notes Payable to Associated Companies (233)		294,270,405	142,501,421
40	Accounts Payable to Associated Companies (234)		61,852,374	76,013,178
41	Customer Deposits (235)		35,674,491	35,206,077
42	Taxes Accrued (236)	262-263	39,280,346	52,921,872
43	Interest Accrued (237)		28,016,769	28,699,297
44	Dividends Declared (238)		0	0
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/Period of Report end of 2015/Q4
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		5,530,633	5,883,840
48	Miscellaneous Current and Accrued Liabilities (242)		128,525,146	127,694,869
49	Obligations Under Capital Leases-Current (243)		108,005,386	120,466,013
50	Derivative Instrument Liabilities (244)		7,913,919	6,818,235
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		1,580,586	1,395,479
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		908,471,424	762,903,697
55	<b>DEFERRED CREDITS</b>			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	35,008,741	38,322,586
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	51,506,836	60,087,375
60	Other Regulatory Liabilities (254)	278	712,181,437	814,121,833
61	Unamortized Gain on Reaquired Debt (257)		13,267	14,979
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	160,225	188,450
63	Accum. Deferred Income Taxes-Other Property (282)		1,222,740,355	1,173,328,825
64	Accum. Deferred Income Taxes-Other (283)		977,524,319	1,016,411,664
65	Total Deferred Credits (lines 56 through 64)		2,999,135,180	3,102,475,712
66	<b>TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)</b>		9,185,754,309	9,198,118,198



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**STATEMENT OF INCOME**

- Quarterly**
- Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
  - Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
  - Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
  - Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
  - If additional columns are needed, place them in a footnote.

**Annual or Quarterly if applicable**

- Do not report fourth quarter data in columns (e) and (f)
- Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 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.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	2,156,157,997	2,198,324,268		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	1,289,107,629	1,366,938,694		
5	Maintenance Expenses (402)	320-323	211,953,723	228,505,628		
6	Depreciation Expense (403)	336-337	159,918,487	158,555,174		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	9,902,817	15,555,896		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	28,066,214	25,136,986		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		478,335	947,484		
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	84,541,658	81,670,561		
15	Income Taxes - Federal (409.1)	262-263	-1,850,604	7,577,851		
16	- Other (409.1)	262-263	8,167,450	8,130,273		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	516,209,157	440,219,991		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	425,592,220	368,314,618		
19	Investment Tax Credit Adj. - Net (411.4)	266	-3,313,845	-4,877,004		
20	(Less) Gains from Disp. of Utility Plant (411.6)		302,382	193,931		
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)		232,774	577		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		2,911,082	2,144,196		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,879,964,727	1,961,996,604		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		276,193,270	236,327,664		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. 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 material refund to the utility with respect to power or gas purchases. State for each year effected 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 retain such revenues or recover amounts paid with respect to power or gas purchases.
11. 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.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 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 appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
2,156,157,997	2,198,324,268					2
						3
1,289,107,629	1,366,938,694					4
211,953,723	228,505,628					5
159,918,487	158,555,174					6
9,902,817	15,555,896					7
28,066,214	25,136,986					8
						9
						10
						11
478,335	947,484					12
						13
84,541,658	81,670,561					14
-1,850,604	7,577,851					15
8,167,450	8,130,273					16
516,209,157	440,219,991					17
425,592,220	368,314,618					18
-3,313,845	-4,877,004					19
302,382	193,931					20
						21
232,774	577					22
						23
2,911,082	2,144,196					24
1,879,964,727	1,961,996,604					25
276,193,270	236,327,664					26

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		276,193,270	236,327,664		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		82,016,749	93,643,395		
34	(Less) Expenses of Nonutility Operations (417.1)		75,217,342	85,726,233		
35	Nonoperating Rental Income (418)		197,635	179,712		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	64,578	62,874		
37	Interest and Dividend Income (419)		1,275,548	1,027,335		
38	Allowance for Other Funds Used During Construction (419.1)		11,633,775	18,872,679		
39	Miscellaneous Nonoperating Income (421)		8,367,607	4,290,978		
40	Gain on Disposition of Property (421.1)		-171,595	12,667		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		28,166,955	32,363,407		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		26,532	2,804		
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		1,253,199	2,378,908		
46	Life Insurance (426.2)					
47	Penalties (426.3)		64,714	423		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		1,023,015	1,026,220		
49	Other Deductions (426.5)		2,702,035	16,533,257		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		5,069,495	19,941,612		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	3,816,379	4,719,868		
53	Income Taxes-Federal (409.2)	262-263	-1,038,126	-1,659,799		
54	Income Taxes-Other (409.2)	262-263	536,024	222,455		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	22,853,148	15,930,454		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	19,876,953	17,642,772		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		6,290,472	1,570,206		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		16,806,988	10,851,589		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		79,376,715	82,484,400		
63	Amort. of Debt Disc. and Expense (428)		1,779,096	2,188,650		
64	Amortization of Loss on Reaquired Debt (428.1)		1,283,093	8,235,783		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)		1,712	1,712		
67	Interest on Debt to Assoc. Companies (430)		760,448	135,441		
68	Other Interest Expense (431)		9,966,629	6,504,292		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		5,002,041	8,014,693		
70	Net Interest Charges (Total of lines 62 thru 69)		88,162,228	91,532,161		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		204,838,030	155,647,092		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		204,838,030	155,647,092		

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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, 2015
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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	187,403,822	
3 Account 281	1,175	
4 Account 282	186,254,563	
5 Account 283	142,549,597	
6 Account 284		
7 Reconciling Adjustments		
8 TOTAL Account 410.1 (on pages 114-115 line 17)	<b>516,209,157</b>	<b>0</b>
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	123,250,909	
12 Account 281	29,400	
13 Account 282	140,082,800	
14 Account 283	162,229,111	
15 Account 284		
16 Reconciling Adjustments		
17 TOTAL Account 411.1 ( on page 114-115 line 18)	<b>425,592,220</b>	<b>0</b>
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	(3,313,845)	
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	<b>(3,313,845)</b>	<b>0</b>
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
	187,403,822	10,748,126	198,151,948	2
	1,175		1,175	3
	186,254,563	84,577	186,339,140	4
	142,549,597	12,020,445	154,570,042	5
				6
				7
<b>0</b>	<b>516,209,157</b>			8
		<b>22,853,148</b>		9
				10
	123,250,909	6,798,774	130,049,683	11
	29,400		29,400	12
	140,082,800	14,645	140,097,445	13
	162,229,111	13,063,534	175,292,645	14
				15
				16
<b>0</b>	<b>425,592,220</b>			17
		<b>19,876,953</b>		18
				19
				20
	(3,313,845)		(3,313,845)	21
				22
				23
				24
<b>0</b>	<b>(3,313,845)</b>	<b>0</b>		25
		<b>0</b>		26
		<b>0</b>		27

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. 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)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. 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.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. 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.
9. 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)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>			
1	Balance-Beginning of Period		927,452,132	897,030,865
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		204,773,452	155,584,218
17	Appropriations of Retained Earnings (Acct. 436)			
18	Reclassification of Appropriate Retained Earnings - Amort Reserve Federal		-144,530	( 162,951)
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		-144,530	( 162,951)
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Dividends Declared - Common Stock		-120,000,000	( 125,000,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-120,000,000	( 125,000,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,012,081,054	927,452,132
	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. 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)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. 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.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. 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.
9. 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)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)		3,555,008	3,410,478
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		3,555,008	3,410,478
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,015,636,062	930,862,610
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		-33,162	( 96,036)
50	Equity in Earnings for Year (Credit) (Account 418.1)		64,578	62,874
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)		31,416	( 33,162)

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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(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 in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	204,838,030	155,647,092
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	197,887,518	199,248,056
5	Amortization of Regulatory Debits and Credits	478,335	947,484
6	Amortization of Nuclear Fuel	147,005,603	146,174,715
7	Accretion of Asset Retirement Obligations	2,911,082	2,144,196
8	Deferred Income Taxes (Net)	93,593,132	70,193,055
9	Investment Tax Credit Adjustment (Net)	-3,313,845	-4,877,004
10	Net (Increase) Decrease in Receivables	15,492,519	15,043,075
11	Net (Increase) Decrease in Inventory	8,265,115	-7,513,142
12	Net (Increase) Decrease in Allowances Inventory	3,385,937	14,268,363
13	Net Increase (Decrease) in Payables and Accrued Expenses	-10,625,668	5,666,461
14	Net (Increase) Decrease in Other Regulatory Assets	32,624,964	-23,066,650
15	Net Increase (Decrease) in Other Regulatory Liabilities	-56,210,231	17,446,470
16	(Less) Allowance for Other Funds Used During Construction	11,633,775	18,872,679
17	(Less) Undistributed Earnings from Subsidiary Companies	64,578	62,874
18	Other (provide details in footnote):	-152,029,229	-67,438,116
19	Mark-to-Market of Risk Management Contracts	14,569,681	-6,141,372
20	Pension Contributions to Qualified Plan Trust	-14,558,000	-8,866,000
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	472,616,590	489,941,130
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-469,156,646	-497,785,112
27	Gross Additions to Nuclear Fuel	-93,921,400	-121,577,505
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant	-295,306	-399,402
30	(Less) Allowance for Other Funds Used During Construction	-11,633,775	-18,872,679
31	Other (provide details in footnote):		
32			
33	Acquired Assets	-737,079	-2,653,318
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-552,476,656	-603,542,658
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)	4,048,794	1,857,315
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)	-2,271,985,311	-1,086,437,115
45	Proceeds from Sales of Investment Securities (a)	2,218,447,611	1,031,792,513



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(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 in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		17
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):	6,089,405	9,675,994
54	(Increase) / Decrease in Other Special Deposits	-42,983	1,619,643
55	Notes Receivable from Associated Companies		42,402,908
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-595,919,140	-602,631,383
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	200,000,000	100,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65	Long Term Debt Issuance Costs	-612,944	-684,128
66	Net Increase in Short-Term Debt (c)		
67	Proceeds on Nuclear Fuel Sale/Leaseback	111,300,000	106,300,000
68	Proceeds on Capital Leaseback	571,645	649,243
69	Notes Payable to Associated Companies	151,768,984	142,501,421
70	Cash Provided by Outside Sources (Total 61 thru 69)	463,027,685	348,766,536
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-219,626,157	-111,373,233
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-120,000,000	-125,000,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	123,401,528	112,393,303
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	98,978	-296,950
87			
88	Cash and Cash Equivalents at Beginning of Period	1,019,590	1,316,540
89			
90	Cash and Cash Equivalents at End of period	1,118,568	1,019,590



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FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 18 Column: b**

	2015 Cash Flow <u>Incr/Decr</u>	2014 Cash Flow <u>Incr/Decr</u>
Utility Plant, Net (Includes Purchases of Nuclear Fuel)	(177,410,262)	(176,952,026)
Property and Investments, Net	(1,208,884)	3,005,293
Margin Deposits	(4,508,244)	(2,480,496)
Prepayments	(2,603,923)	7,800,869
Accrued Utility Revenues, Net	449,913	16,789,741
Misc Current and Accrued Assets	(11,783,921)	12,153,311
Unamortized Debt Expense	1,211,926	1,607,448
Other Deferred Debits, Net	1,412,361	1,690,753
Other Comprehensive Income, Net	1,089,806	1,545,467
Unamortized Discount/Premium on LTD	483,937	485,405
Accumulated Provisions - Misc	1,203,143	2,007,279
Current and Accrued Liabilities, Net	(7,879,884)	4,262,104
Underburn of Nuclear Fuel Lease	0	(1,194,237)
Other Deferred Credits, Net	<u>47,514,803</u>	<u>61,840,973</u>
Total	(152,029,229)	(67,438,116)

**Schedule Page: 120 Line No.: 37 Column: b**

	2015	2014
Transformer Sales, Affiliated	769,544	640,360
Meter Sales, Affiliated	375,230	543,044
Rotor Sales, Affiliated	177,066	0
Transco Transfer of Assets	669,333	0
Sale of Land - West Memphis-Arkansas Affiliated	960,646	0
Sale of Head Shaft Assembly, Affiliated	0	72,846
Transfer Assets to Commercial Boat Operations	0	185,440
Sale of Elmwood Service Center, Non Affiliated	0	415,625
Transformer Sales, Non Affiliated	524,830	0
Sale of Former Breed Plant Land, Non Affiliated	304,000	0
Sale of House and Land, Ft. Wayne, IN Non Affiliated	<u>268,145</u>	<u>0</u>
Total	4,048,794	1,857,315

**Schedule Page: 120 Line No.: 53 Column: b**

	2015	2014
Department of Energy Settlement	4,426,241	8,140,787
CIAC Proceeds	<u>1,663,164</u>	<u>1,535,207</u>
Total	6,089,405	9,675,994

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**STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES**

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. 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.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				423,071
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				169,294
3	Preceding Quarter/Year to Date Changes in Fair Value				( 544,170)
4	Total (lines 2 and 3)				( 374,876)
5	Balance of Account 219 at End of Preceding Quarter/Year				48,195
6	Balance of Account 219 at Beginning of Current Year				48,195
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				43,659
8	Current Quarter/Year to Date Changes in Fair Value				( 3,512,961)
9	Total (lines 7 and 8)				( 3,469,302)
10	Balance of Account 219 at End of Current Quarter/Year				( 3,421,107)

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

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 78)  (i)	Total Comprehensive Income  (j)
1	( 15,976,230)	44,420	( 15,508,739)		
2	1,568,300	( 1,176,088)	561,506		
3		1,131,668	587,498		
4	1,568,300	( 44,420)	1,149,004	155,647,092	156,796,096
5	( 14,407,930)		( 14,359,735)		
6	( 14,407,930)		( 14,359,735)		
7	1,089,806		1,133,465		
8			( 3,512,961)		
9	1,089,806		( 2,379,496)	204,838,030	202,458,534
10	( 13,318,124)		( 16,739,231)		

Name of 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 2015/Q4
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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, giving 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 17 of the 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 be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.



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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	American Electric Power Company, Inc., an investor-owned electric public utility holding company which includes American Electric Power Company, Inc. (Parent) and majority owned subsidiaries and affiliates.
AEP Credit	AEP Credit, Inc., a subsidiary of AEP which securitizes accounts receivable and accrued utility revenues for affiliated electric utility companies.
AEP East Companies	APCo, I&M, KPCo and OPCo.
AEP System	American Electric Power System, an electric system, owned and operated by AEP subsidiaries.
AEPEP	AEP Energy Partners, Inc., a subsidiary of AEP dedicated to wholesale marketing and trading, asset management and commercial and industrial sales in the deregulated Texas market.
AEPSC	American Electric Power Service Corporation, an AEP service subsidiary providing management and professional services to AEP and its subsidiaries.

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### 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
AFUDC	Allowance for Funds Used During Construction.
AGR	AEP Generation Resources Inc., a nonregulated AEP subsidiary.
AOCI	Accumulated Other Comprehensive Income.
APCo	Appalachian Power Company, an AEP electric utility subsidiary.
ARO	Asset Retirement Obligation.
ASU	Accounting Standards Update.
Cook Plant	Donald C. Cook Nuclear Plant, a two-unit, 2,191 MW nuclear plant owned by I&M.
CWIP	Construction Work in Progress.
DCC Fuel	DCC Fuel IV LLC, DCC Fuel VI LLC, DCC Fuel VII LLC and DCC Fuel VIII LLC, entities formed for the purpose of acquiring, owning and leasing nuclear fuel to I&M.
EIS	Energy Insurance Services, Inc., a nonaffiliated captive insurance company.
FAC	Fuel Adjustment Clause.
FASB	Financial Accounting Standards Board.
Federal EPA	United States Environmental Protection Agency.
FERC	Federal Energy Regulatory Commission.
FGD	Flue Gas Desulfurization or scrubbers.
FTR	Financial Transmission Right, a financial instrument that entitles the holder to receive compensation for certain congestion-related transmission charges that arise when the power grid is congested resulting in differences in locational prices.
I&M	Indiana Michigan Power Company, an AEP electric utility subsidiary.
Interconnection Agreement	An agreement by and among APCo, I&M, KPCo and OPCo, which defined the sharing of costs and benefits associated with their respective generation plants. This agreement was terminated January 1, 2014.
IRS	Internal Revenue Service.
IURC	Indiana Utility Regulatory Commission.
KGPCo	Kingsport Power Company, an AEP electric utility subsidiary.
KPCo	Kentucky Power Company, an AEP electric utility subsidiary.
KWh	Kilowatthour.
MISO	Midwest Independent Transmission System Operator.
MLR	Member load ratio, the method used to allocate transactions among members of the Interconnection Agreement.
MMBtu	Million British Thermal Units.
MPSC	Michigan Public Service Commission.
MTM	Mark-to-Market.

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### 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
MW	Megawatt.
MWh	Megawatthour.
NO <sub>x</sub>	Nitrogen oxide.
NSR	New Source Review.
OATT	Open Access Transmission Tariff.
OPCo	Ohio Power Company, an AEP electric utility subsidiary.
OPEB	Other Postretirement Benefit Plans.
Operating Agreement	Agreement, dated January 1, 1997, as amended, by and among PSO and SWEPCo governing generating capacity allocation, energy pricing, and revenues and costs of third party sales. AEPSC acts as the agent.
OTC	Over the counter.
OVEC	Ohio Valley Electric Corporation, which is 43.47% owned by AEP.
Parent	American Electric Power Company, Inc., the equity owner of AEP subsidiaries within the AEP consolidation.
PCA	Power Coordination Agreement among APCo, I&M, KPCo and WPCo.
PJM	Pennsylvania – New Jersey – Maryland regional transmission organization.
PSO	Public Service Company of Oklahoma, an AEP electric utility subsidiary.
PUCO	Public Utilities Commission of Ohio.
Risk Management Contracts	Trading and nontrading derivatives, including those derivatives designated as cash flow and fair value hedges.
Rockport Plant	A generation plant, consisting of two 1,310 MW coal-fired generating units near Rockport, Indiana. AEGCo and I&M jointly-own Unit 1. In 1989, AEGCo and I&M entered into a sale-and-leaseback transaction with Wilmington Trust Company, an unrelated, unconsolidated trustee for Rockport Plant, Unit 2.
RTO	Regional Transmission Organization, responsible for moving electricity over large interstate areas.
SIA	System Integration Agreement, effective June 15, 2000, as amended, provides contractual basis for coordinated planning, operation and maintenance of the power supply sources of the combined AEP.
SNF	Spent Nuclear Fuel.
SO <sub>2</sub>	Sulfur dioxide.
SPP	Southwest Power Pool regional transmission organization.
SSO	Standard service offer.
SWEPCo	Southwestern Electric Power Company, an AEP electric utility subsidiary.
Utility Money Pool	Centralized funding mechanism AEP uses to meet the short-term cash requirements of certain utility subsidiaries.
WPCo	Wheeling Power Company, an AEP electric utility subsidiary.

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## **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 588,000 retail customers in its service territory in northern and eastern Indiana and southwestern Michigan. I&M sells power at wholesale to municipalities and electric cooperatives. I&M's River Transportation Division provides barging services to affiliates and nonaffiliated companies. I&M shares off-system sales margins with its customers.

Effective January 1, 2014, the Interconnection Agreement and the AEP System Interim Allowance Agreement were terminated. Effective January 1, 2014, the FERC approved a PCA among APCo, I&M and KPCo with AEPSC as the agent to coordinate the participants' respective power supply resources. Effective May 2015, the PCA was revised and approved by the FERC to include WPCo. Under the PCA, APCo, I&M, KPCo and WPCo are individually responsible for planning their respective capacity obligations. Further, the Restated and Amended PCA allows, but does not obligate, APCo, I&M, KPCo and WPCo to participate collectively under a common fixed resource requirement capacity plan in PJM and to participate in specified collective off-system sales and purchase activities.

Also effective January 1, 2014, the FERC approved a Bridge Agreement among AGR, APCo, I&M, KPCo and OPCo with AEPSC as the agent. The Bridge Agreement is an interim arrangement to: (a) address the treatment of purchases and sales made by AEPSC on behalf of member companies that extend beyond termination of the Interconnection Agreement and (b) address how member companies would fulfill their existing obligations under the PJM Reliability Assurance Agreement through the 2014/2015 PJM planning year. Under the Bridge Agreement, AGR is committed to meet capacity obligations of member companies.

AEPSC conducts power, capacity, coal, natural gas, interest rate and, to a lesser extent, heating oil, gasoline and other risk management activities on behalf of APCo, I&M, KPCo and WPCo. Effective January 1, 2014, and revised in May 2015, power and natural gas risk management activities are allocated based on the member companies' respective equity positions. Risk management activities primarily include power and natural gas physical transactions, financially-settled swaps and exchange-traded futures. AEPSC settles the majority of the physical forward contracts by entering into offsetting contracts. I&M shared in the revenues and expenses associated with these risk management activities with the member companies.

Under a unit power agreement, I&M purchases AEGCo's 50% share of the 2,620 MW Rockport Plant capacity unless it is sold to other utilities. Another unit power agreement between AEGCo and KPCo provides for the sale of 390 MW of AEGCo's Rockport Plant capacity to KPCo through 2022. Under these agreements, I&M purchases 910 MW of AEGCo's 50% share of Rockport Plant capacity.



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Under the SIA, AEPSC allocates physical and financial revenues and expenses from transactions with neighboring utilities, power marketers and other power and natural 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 APCo, I&M, KPCo and WPCo and trading and marketing activities originating in SPP generally accruing to the benefit of PSO and SWEPCo. Margins resulting from other transactions are allocated among APCo, I&M, KPCo, PSO, SWEPCo and WPCo based upon the common shareholder's equity of these companies.

To minimize the credit requirements and operating constraints when operating within PJM, participating AEP companies, including I&M, agreed to a netting of certain payment obligations incurred by the participating AEP companies against certain balances due to such AEP companies and to hold PJM harmless from actions that any one or more AEP companies may take with respect to PJM.

I&M is jointly and severally liable for activity conducted by AEPSC on behalf of AEP companies related to power purchase and sale activity.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Rates and Service Regulation*

I&M's rates are regulated by the FERC, the IURC and the MPSC. The FERC also regulates affiliated transactions, including AEPSC intercompany service billings which are generally at cost, under the 2005 Public Utility Holding Company Act and the Federal Power Act. The FERC also has jurisdiction over the issuances and acquisitions of securities of the public utility subsidiaries, the acquisition or sale of certain utility assets and mergers with another electric utility or holding company. For non-power goods and services, the FERC requires a nonregulated affiliate to bill an affiliated public utility company at no more than market while a public utility must bill the higher of cost or market to a nonregulated affiliate. The state regulatory commissions also regulate certain intercompany transactions under various orders and affiliate statutes. Both the FERC and state regulatory commissions are permitted to review and audit the relevant books and records of companies within a public utility holding company system.

The FERC regulates wholesale power markets and wholesale power transactions. Wholesale power transactions are generally market-based. Wholesale power transactions are cost-based regulated when a cost-based contract is negotiated and filed with the FERC or the FERC determines that I&M has "market power" in the region where the transaction occurs. Wholesale power supply contracts have been entered into with various municipalities and cooperatives that are FERC-regulated, cost-based contracts. These contracts are generally formula rate mechanisms, which are trued up to actual costs annually.

The IURC and the MPSC regulate all of the retail distribution operations and rates of I&M's retail public utility subsidiaries on a cost basis. They also regulate the retail generation/power supply operations and rates.



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The FERC also regulates I&M's wholesale transmission operations and rates. Retail transmission rates are based upon the FERC OATT rate when retail rates are unbundled in connection with restructuring. I&M's retail transmission rates in Michigan are unbundled and are based on formula rates included in the PJM OATT that are cost-based. In Indiana, bundled retail transmission rates are regulated on a cost basis, by the IURC.

In addition, the FERC regulates the SIA, the Operating Agreement, the Transmission Agreement and the Transmission Coordination Agreement, all of which allocate shared system costs and revenues among the utility subsidiaries that are parties to each agreement.

### ***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 accounting principles generally accepted in the United States of America (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 and Dividends Receivable rather than deferred fuel.
- The requirement to report deferred tax assets and liabilities separately rather than as a single amount.
- The classification of accrued taxes as a single amount rather than as 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 change in emission allowances held for speculation as investing activities instead of operating activities.
- The classification of gains/losses from disposition of allowances as utility operating expenses rather than as operating revenues.
- The classification of PJM hourly activity for physical transactions as purchases and sales instead of net sales.
- The classification of noncurrent tax liabilities related to the accounting guidance for "Uncertainty in Income Taxes" as a current liability rather than a noncurrent liability.
- The classification of an accrued provision for potential refund as other noncurrent liability rather than a current liability.
- The classification of regulatory assets and liabilities related to the accounting guidance for "Accounting for Income Taxes" as separate assets and liabilities rather than as a single amount.
- The presentation of capital leased assets and their associated accumulated amortization as a single amount instead of as separate amounts.
- The classification of factored accounts receivable expense as a nonoperating expense instead of as an operating expense.

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- The presentation of over/under fuel recovery in revenue rather than as a component operating expense.
- The classification of certain nonoperating revenues as miscellaneous nonoperating income instead of as operating revenue.
- The classification of certain nonoperating expenses as miscellaneous nonoperating expense instead of as operating expense.
- The separate classification of income tax expense for operating and nonoperating activities instead of as a single income tax expense.
- The classification of DCC Fuel as a capital lease rather than consolidating in accordance with the accounting guidance for "Variable Interest Entities."
- The classification of coal procurement sales as a reduction of fuel expense rather than as revenue.
- The classification of unamortized loss on reacquired debt in deferred debits rather than in regulatory assets.
- The classification of accumulated deferred investment tax credits in deferred credits rather than in regulatory liabilities and deferred investment tax credits.
- The classification of plant probable of abandonment in Utility Plant and Construction Work in Progress rather than as Other Property, Plant and Equipment.
- The classification of certain other assets and liabilities as current instead of noncurrent.
- The classification of certain other assets and liabilities as noncurrent instead of current.
- The classification of debt issuance costs as noncurrent assets instead of noncurrent liabilities.
- The classification of unrecovered plant costs as accumulated depreciation instead of regulatory assets.

#### *Accounting for the Effects of Cost-Based Regulation*

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 accounting guidance for "Regulated Operations," regulatory assets (deferred expenses) and regulatory liabilities (deferred revenue reductions or refunds) are recorded to reflect the economic effects of regulation in the same accounting period by matching expenses with their recovery through regulated revenues and by matching income with its passage to customers in cost-based regulated rates.

#### *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, storm costs, 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.

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### *Cash and Cash Equivalents*

Cash and Cash Equivalents on the statements of cash flows include Cash, Working Fund and Temporary Cash Investments on the balance sheets with original maturities of three months or less.

### *Supplementary Information*

<b>For the Years Ended December 31,</b>	<b>2015</b>	<b>2014</b>
	<b>(in millions)</b>	
Cash was Paid (Received) for:		
Interest (Net of Capitalized Amounts)	\$ 82.4	\$ 79.6
Income Taxes (Net of Refunds)	21.2	(10.2)
Noncash Acquisitions Under Capital Leases	114.3	122.7
<b>As of December 31,</b>		
Construction Expenditures Included in Current and Accrued Liabilities	95.8	66.1
Acquisition of Nuclear Fuel Included in Current and Accrued Liabilities	37.9	44.5
Expected Reimbursement for Capital Cost of SNF Dry Cask Storage	2.2	3.4

### *Special Deposits*

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

### *Inventory*

Fossil fuel, materials and supplies inventories are generally 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 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 on the balance sheets, an estimate of the revenues for energy delivered since the last billing.

AEP Credit factors accounts receivable on a daily basis, excluding receivables from risk management activities, through purchase agreements with I&M.

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### ***Allowance for Uncollectible Accounts***

Generally, AEP Credit records bad debt expense based upon a 12-month rolling average of bad debt write-offs in proportion to gross accounts receivable purchased from I&M. For customer accounts receivables relating to risk management activities, accounts receivables are reviewed for bad debt reserves at a specific counterparty level basis. For miscellaneous accounts receivable, bad debt expense is recorded for all amounts outstanding 180 days or greater at 100%, unless specifically identified. Miscellaneous accounts receivable items open less than 180 days may be reserved using specific identification for bad debt reserves.

### ***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, 2015.

I&M monitors credit levels and the financial condition of its customers on a continuing basis to minimize credit risk. The regulatory commissions allow recovery in rates for a reasonable level of bad debt costs. Management believes adequate provisions for credit loss have been made in the accompanying financial statements.

### ***Emission Allowances***

I&M records emission allowances at cost, including the annual SO<sub>2</sub> and NO<sub>x</sub> emission allowance entitlements received at no cost from the Federal EPA. Allowances are consumed in the production of energy and are recorded in Operation Expenses at average cost on the statements of income. The purchases and sales of allowances are reported in the Operating Activities section of the statements of cash flows.

### ***Property, Plant and Equipment***

Electric utility property, plant and equipment for rate-regulated operations are stated at original cost. Additions, major replacements and betterments are added to the plant accounts. Under the group composite method of depreciation, continuous interim routine replacements of items such as boiler tubes, pumps, motors, etc. result in original cost retirements, less salvage, being charged to accumulated 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. The depreciation rates that are established take into account the past history of interim capital replacements and the amount of removal cost incurred and salvage received. These rates and the related lives are subject to periodic review. Removal costs are charged to accumulated depreciation. The costs of labor, materials and overhead incurred to operate and maintain plant and equipment are included in operating expenses.



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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 the accounting guidance for "Impairment or Disposal of Long-Lived Assets." When it becomes probable that an asset in service or an asset under construction will be abandoned and regulatory cost recovery has been disallowed, the cost of that asset shall be removed from plant-in-service or CWIP and charged to expense.

The fair value of an asset is the amount at which that asset 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 in active markets, fair value is estimated using various internal and external valuation methods including cash flow analysis and appraisals.

***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 is carried at cost plus equity in their undistributed earnings since acquisition.

***Allowance for Funds Used During Construction***

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, Notes Receivable from Associated Companies, Notes Payable to Associated Companies, 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 approximates the best estimate of its fair value.



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***Fair Value Measurements of Assets and Liabilities***

The accounting guidance for “Fair Value Measurements and Disclosures” establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized in Level 2. When quoted market prices are not available, pricing may be completed using comparable securities, dealer values, operating data and general market conditions to determine fair value. Valuation models utilize various inputs such as commodity, interest rate and, to a lesser degree, volatility and credit that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, market corroborated inputs (i.e. inputs derived principally from, or correlated to, observable market data) and other observable inputs for the asset or liability. The amount of risk taken is determined by the Commercial Operations and Finance groups in accordance with established risk management policies as approved by the Finance Committee of AEP’s Board of Directors. AEPSC’s market risk oversight staff independently monitors risk policies, procedures and risk levels and provides members of the Commercial Operations Risk Committee (Regulated Risk Committee) various reports regarding compliance with policies, limits and procedures. The Regulated Risk Committee consists of AEPSC’s Chief Operating Officer, Chief Financial Officer, Executive Vice President of Generation, Senior Vice President of Commercial Operations and Chief Risk Officer.

For commercial activities, exchange traded derivatives, namely futures contracts, are generally fair valued based on unadjusted quoted prices in active markets and are classified as Level 1. Level 2 inputs primarily consist of OTC broker quotes in moderately active or less active markets, as well as exchange traded contracts where there is insufficient market liquidity to warrant inclusion in Level 1. Management verifies price curves using these broker quotes and classifies these fair values within Level 2 when substantially all of the fair value can be corroborated. Management typically obtains multiple broker quotes, which are nonbinding in nature but are based on recent trades in the marketplace. When multiple broker quotes are obtained, the quoted bid and ask prices are averaged. In certain circumstances, a broker quote may be discarded if it is a clear outlier. Management uses a historical correlation analysis between the broker quoted location and the illiquid locations. If the points are highly correlated, these locations are included within Level 2 as well. Certain OTC and bilaterally executed derivative instruments are executed in less active markets with a lower availability of pricing information. Illiquid transactions, complex structured transactions, FTRs and counterparty credit risk may require nonmarket based inputs. Some of these inputs may be internally developed or extrapolated and utilized to estimate fair value. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized as Level 3. The main driver of contracts being classified as Level 3 is the inability to substantiate energy price curves in the market. A portion of the Level 3 instruments have been economically hedged which limits potential earnings volatility.

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AEP utilizes its trustee's external pricing service to estimate the fair value of the underlying investments held in the benefit plan and nuclear trusts. AEP's investment managers review and validate the prices utilized by the trustee to determine fair value. AEP's management performs its own valuation testing to verify the fair values of the securities. AEP receives audit reports of the trustee's operating controls and valuation processes. The trustee uses multiple pricing vendors for the assets held in the trusts.

Assets in the benefits and nuclear trusts are classified using the following methods. Equities are classified as Level 1 holdings if they are actively traded on exchanges. Items classified as Level 1 are investments in money market funds, fixed income and equity mutual funds and domestic equity securities. They are valued based on observable inputs, primarily unadjusted quoted prices in active markets for identical assets. Items classified as Level 2 are primarily investments in individual fixed income securities and cash equivalent funds. Fixed income securities generally do not trade on exchanges and do not have an official closing price but their valuation inputs are based on observable market data. Pricing vendors calculate bond valuations using financial models and matrices. The models use observable inputs including yields on benchmark securities, quotes by securities brokers, rating agency actions, discounts or premiums on securities compared to par prices, changes in yields for U.S. Treasury securities, corporate actions by bond issuers, prepayment schedules and histories, economic events and, for certain securities, adjustments to yields to reflect changes in the rate of inflation. Other securities with model-derived valuation inputs that are observable are also classified as Level 2 investments. Investments with unobservable valuation inputs are classified as Level 3 investments. Benefit plan assets included in Level 3 are primarily real estate and private equity investments that are valued using methods requiring judgment including appraisals. The fair value of real estate investments is measured using market capitalization rates, recent sales of comparable investments and independent third-party appraisals. The fair value of private equity investments is measured using cost and purchase multiples, operating results, discounted future cash flows and market based comparable data. Depending on the specific situation, one or multiple approaches are used to determine the valuation of a real estate or private equity investment.

### ***Deferred Fuel Costs***

The cost of fuel and related emission allowances and emission control chemicals/consumables is charged to expense when the fuel is burned or the allowance or consumable is utilized. The cost of fuel also includes the cost of nuclear fuel burned which is computed primarily on the units-of-production method. Fuel cost over-recoveries (the excess of fuel-related revenues over applicable fuel costs incurred) are generally deferred as regulatory liabilities and under-recoveries (the excess of applicable fuel costs incurred over fuel-related revenues) are generally deferred as regulatory assets. These deferrals are amortized when refunded or when billed to customers in later months with the state regulatory commissions' review and approval. The amount of an over-recovery or under-recovery can also be affected by actions of the state regulatory commissions. On a routine basis, state regulatory commissions review and/or audit I&M's fuel procurement policies and practices, the fuel cost calculations and FAC deferrals. FAC deferrals are adjusted when costs are no longer probable of recovery or when refunds of fuel reserves are probable.

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Changes in fuel costs, including purchased power in Indiana and Michigan, are reflected in rates in a timely manner generally through the FAC. The FAC generally includes some sharing of off-system sales margins. A portion of margins from off-system sales are given to customers through the FAC and other rate mechanisms in Indiana and Michigan.

### *Revenue Recognition*

#### *Regulatory Accounting*

I&M's 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) and regulatory liabilities (deferred revenue reductions or refunds) are recorded to reflect the economic effects of regulation in the same accounting period by matching expenses with their recovery through regulated revenues and by matching income with its passage to customers in cost-based regulated rates.

When regulatory assets are probable of recovery through regulated rates, assets are recorded on the balance sheets. Regulatory assets are tested for probability of recovery at each balance sheet date or whenever new events occur. Examples of new events include the 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, the regulatory asset is written off as a charge against income.

#### *Electricity Supply and Delivery Activities*

I&M recognizes revenues from retail and wholesale electricity sales and electricity transmission and distribution delivery services. I&M recognizes the revenues on the statements of income upon delivery of the energy to the customer and include unbilled as well as billed amounts. Wholesale transmission revenue is based on FERC approved formula rate filings made for each calendar year using estimated costs. The annual rate filing is compared to actual costs with an over- or under-recovery being trued-up with interest and refunded or recovered in a future year's rates.

Most of the power produced at the generation plants is sold to PJM or SPP. I&M also purchases power from PJM to supply power to customers. Generally, these power sales and purchases are reported on a net basis as revenues on the statements of income. However, purchases of power in excess of sales to PJM, on an hourly net basis, used to serve retail load are recorded gross as Operation Expenses on the statements of income.

Physical energy purchases arising from non-derivative contracts are accounted for on a gross basis in Operation Expenses on the statements of income. Energy purchases arising from non-trading derivative contracts are recorded based on the transaction's facts and circumstances. Purchases under non-trading derivatives used to serve accrual based obligations are recorded in Operation Expenses on the statements of income. All other non-trading derivative purchases are recorded net in revenues.



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In general, I&M records expenses when purchased electricity is received and when expenses are incurred. I&M defers unrealized MTM amounts as regulatory assets (for losses) and regulatory liabilities (for gains).

*Energy Marketing and Risk Management Activities*

I&M engages in power, capacity and, to a lesser extent, natural gas marketing as a major power producer and participant in electricity and natural gas markets. I&M also engages in power, capacity, coal, natural gas and, to a lesser extent, heating oil, gasoline and other commodity risk management activities focused on markets where the AEP System owns assets and adjacent markets. These activities include the purchase-and-sale of energy under forward contracts at fixed and variable prices. These contracts include physical transactions, exchange-traded futures, and to a lesser extent, OTC swaps and options. Certain energy marketing and risk management transactions are with RTOs.

I&M recognizes revenues and expenses from marketing and risk management transactions that are not derivatives upon delivery of the commodity. I&M uses MTM accounting for marketing and risk management transactions that are derivatives unless the derivative is designated in a qualifying cash flow hedge relationship or elected normal under the normal purchase normal sale election. I&M includes realized gains and losses on marketing and risk management transactions in revenues or expense based on the transaction's facts and circumstances. The unrealized MTM amounts and some realized gains and losses are deferred as regulatory assets (for losses) and regulatory liabilities (for gains).

Certain qualifying marketing and risk management derivatives transactions are designated as hedges of variability in 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 net income, 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 on their statements of income. I&M defers the ineffective portion as regulatory assets (for losses) and regulatory liabilities (for gains). See "Accounting for Cash Flow Hedging Strategies" section of Note 9.

*Levelization of Nuclear Refueling Outage Costs*

In accordance with regulatory orders, 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.

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### ***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 its 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 the accounting guidance for "Income Taxes." I&M classifies interest expense or income related to uncertain tax positions as interest expense or income as appropriate and classify penalties as Penalties.

### ***Excise Taxes***

As an agent for some state and local governments, I&M 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***

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



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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.

### ***Investments Held in Trust for Future Liabilities***

AEP has several trust funds with significant investments intended to provide for future payments of pension and OPEB benefits, nuclear decommissioning and spent nuclear fuel disposal. All of the trust funds' investments are diversified and managed in compliance with all laws and regulations. The investment strategy for the trust funds is to use a diversified portfolio of investments to achieve an acceptable rate of return while managing the investment risk of the assets relative to the associated liabilities. To minimize investment risk, the trust funds are broadly diversified among classes of assets, investment strategies and investment managers. Management regularly reviews the actual asset allocations and periodically rebalances the investments to targeted allocations when appropriate. 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 investments are reported at fair value under the "Fair Value Measurements and Disclosures" accounting guidance.

### ***Benefit Plans***

All benefit plan assets are invested in accordance with each plan's investment policy. The investment policy outlines the investment objectives, strategies and target asset allocations by plan.

The investment philosophies for AEP's benefit plans support the allocation of assets to minimize risks and optimize net returns. Strategies used include:

- Maintaining a long-term investment horizon.
- Diversifying assets to help control volatility of returns at acceptable levels.
- Managing fees, transaction costs and tax liabilities to maximize investment earnings.
- Using active management of investments where appropriate risk/return opportunities exist.
- Keeping portfolio structure style-neutral to limit volatility compared to applicable benchmarks.
- Using alternative asset classes such as real estate and private equity to maximize return and provide additional portfolio diversification.

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The objective of the investment policy for the pension fund is to maintain the funded status of the plan while providing for growth in the plan assets to offset the growth in the plan liabilities. The current target asset allocations are as follows:

<u>Pension Plan Assets</u>	<u>Target</u>
Equity	25%
Fixed Income	59%
Other Investments	15%
Cash and Cash Equivalents	1%
<u>OPEB Plans Assets</u>	<u>Target</u>
Equity	65%
Fixed Income	33%
Cash and Cash Equivalents	2%

The investment policy for each benefit plan contains various investment limitations. The investment policies establish concentration limits for securities and prohibit the purchase of securities issued by AEP (with the exception of proportionate and immaterial holdings of AEP securities in passive index strategies). However, the investment policies do not preclude the benefit trust funds from receiving contributions in the form of AEP securities, provided that the AEP securities acquired by each plan may not exceed the limitations imposed by law.

For equity investments, the concentration limits are as follows:

- No security in excess of 5% of all equities.
- Cash equivalents must be less than 10% of an investment manager's equity portfolio.
- No individual stock may be more than 10% and 7% for pension and OPEB investments, respectively, of each manager's equity portfolio.
- No investment in excess of 5% of an outstanding class of any company.
- No securities may be bought or sold on margin or other use of leverage.

For fixed income investments, the concentration limits must not exceed:

- 3% in any single issuer.
- 5% for private placements.
- 5% for convertible securities.
- 60% for bonds rated AA+ or lower.
- 50% for bonds rated A+ or lower.
- 10% for bonds rated BBB- or lower.

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For obligations of non-government issuers within the fixed income portfolio, the following limitations apply:

- AAA rated debt: a single issuer should account for no more than 5% of the portfolio.
- AA+, AA, AA- rated debt: a single issuer should account for no more than 3% of the portfolio.
- Debt rated A+ or lower: a single issuer should account for no more than 2% of the portfolio.
- No more than 10% of the portfolio may be invested in high yield and emerging market debt combined at any time.

Each investment manager's portfolio is compared to a diversified benchmark index.

A portion of the pension assets is invested in real estate funds to provide diversification, add return and hedge against inflation. Real estate properties are illiquid, difficult to value and not actively traded. The pension plan uses external real estate investment managers to invest in commingled funds that hold real estate properties. To mitigate investment risk in the real estate portfolio, commingled real estate funds are used to ensure that holdings are diversified by region, property type and risk classification. Real estate holdings include core, value-added and development risk classifications and some investments in Real Estate Investment Trusts, which are publicly traded real estate securities.

A portion of the pension assets is invested in private equity. Private equity investments add return and provide diversification and typically require a long-term time horizon to evaluate investment performance. Private equity is classified as an alternative investment because it is illiquid, difficult to value and not actively traded. The pension plan uses limited partnerships and commingled funds to invest across the private equity investment spectrum. The private equity holdings are with multiple general partners who help monitor the investments and provide investment selection expertise. The holdings are currently comprised of venture capital, buyout and hybrid debt and equity investment instruments. Commingled private equity funds are used to enhance the holdings' diversity.

AEP participates in a securities lending program with BNY Mellon to provide incremental income on idle assets and to provide income to offset custody fees and other administrative expenses. AEP lends securities to borrowers approved by BNY Mellon in exchange for collateral. All loans are collateralized by at least 102% of the loaned asset's market value and the collateral is invested. The difference between the rebate owed to the borrower and the collateral rate of return determines the earnings on the loaned security. The securities lending program's objective is providing modest incremental income with a limited increase in risk.

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Trust owned life insurance (TOLI) underwritten by The Prudential Insurance Company is held in the OPEB plan trusts. The strategy for holding life insurance contracts in the taxable Voluntary Employees' Beneficiary Association trust is to minimize taxes paid on the asset growth in the trust. Earnings on plan assets are tax-deferred within the TOLI contract and can be tax-free if held until claims are paid. Life insurance proceeds remain in the trust and are used to fund future retiree medical benefit liabilities. With consideration to other investments held in the trust, the cash value of the TOLI contracts is invested in two diversified funds. A portion is invested in a commingled fund with underlying investments in stocks that are actively traded on major international equity exchanges. The other portion of the TOLI cash value is invested in a diversified, commingled fixed income fund with underlying investments in government bonds, corporate bonds and asset-backed securities.

Cash and cash equivalents are held in each trust to provide liquidity and meet short-term cash needs. Cash equivalent funds are used to provide diversification and preserve principal. The underlying holdings in the cash funds are investment grade money market instruments including commercial paper, certificates of deposit, treasury bills and other types of investment grade short-term debt securities. The cash funds are valued each business day and provide daily liquidity.

#### *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. Regulatory approval is required to withdraw decommissioning funds. 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.



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I&M records securities held in these trust funds in Other Special Funds on its balance sheets. I&M records these securities at fair value. I&M classifies securities in the trust funds as available-for-sale due to their long-term purpose. Other-than-temporary impairments for investments in both debt and equity securities are considered realized losses as a result of securities being managed by an external investment management firm. The external investment management firm makes specific investment decisions regarding the debt and equity investments held in these trusts and generally intends to sell debt securities in an unrealized loss position as part of a tax optimization strategy. Impairments reduce the cost basis of the securities which will affect any future unrealized gain or realized gain or loss due to the adjusted cost of investment. 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. Consequently, changes in fair value of trust assets do not affect earnings or AOCI. See the "Nuclear Contingencies" section of Note 6 for additional discussion of nuclear matters. See "Fair Value Measurements of Trust Assets for Decommissioning and SNF Disposal" section of Note 10 for disclosure of the fair value of assets within the trusts.

### ***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.

### ***Subsequent Events***

Management has evaluated the impact of events occurring after December 31, 2015 through February 23, 2016, the date that AEP's Form 10-K was issued, and has updated such evaluation for disclosure purposes through April 8, 2016. These financial statements include all necessary adjustments and disclosures resulting from these evaluations.

## **2. NEW ACCOUNTING PRONOUNCEMENTS**

Upon issuance of final pronouncements, management reviews the new accounting literature to determine its relevance, if any, to I&M's business. The following final pronouncements will impact the financial statements.

### ***ASU 2014-09 "Revenue from Contracts with Customers" (ASU 2014-09)***

In May 2014, the FASB issued ASU 2014-09 clarifying the method used to determine the timing and requirements for revenue recognition on the statements of income. Under the new standard, an entity must identify the performance obligations in a contract, determine the transaction price and allocate the price to specific performance obligations to recognize the revenue when the obligation is completed. The amendments in this update also require disclosure of sufficient information to allow users to understand the nature, amount, timing and uncertainty of revenue and cash flow arising from contracts.



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The FASB deferred implementation of ASU 2014-09 under the terms in ASU 2015-14, "Revenue from Contracts with Customers (Topic: 606): Deferral of the Effective Date." The new accounting guidance is effective for interim and annual periods beginning after December 15, 2017. Early adoption is permitted for annual periods beginning after December 15, 2016. As applicable, this standard may change the amount of revenue recognized in the income statements in each reporting period. Management is analyzing the impact of this new standard and, at this time, cannot estimate the impact of adoption on revenue or net income. Management plans to adopt ASU 2014-09 effective January 1, 2018.

***ASU 2015-05 "Accounting for Fees Paid in a Cloud Computing Arrangement" (ASU 2015-05)***

In April 2015, the FASB issued ASU 2015-05 providing guidance to customers about whether a cloud computing arrangement includes a software license. The new accounting guidance is effective for interim and annual periods beginning after December 15, 2015 with early adoption permitted. Management adopted ASU 2015-05 prospectively, effective January 1, 2016, with no impact on results of operations, financial position or cash flows.

***ASU 2015-11 "Simplifying the Measurement of Inventory" (ASU 2015-11)***

In July 2015, the FASB issued ASU 2015-11 simplifying the guidance on the subsequent measurement of inventory, excluding inventory measured using last-in, first out or the retail inventory method. Under the new standard, inventory should be at the lower of cost and net realizable value. The new accounting guidance is effective for interim and annual periods beginning after December 15, 2016 with early adoption permitted. Management does not expect the new standard to impact its results of operations, financial position or cash flows. Management plans to adopt ASU 2015-11 prospectively, effective January 1, 2017.

***ASU 2015-13 "Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets" (ASU 2015-13)***

In August 2015, the FASB issued ASU 2015-13 clarifying whether a contract for the purchase or sale of electricity on a forward basis should be eligible to meet the physical delivery criterion of the normal purchases and normal sales scope exception when either the delivery location is within a nodal energy market or the contract necessitates transmission through a nodal energy market and one of the contracting parties incurs charges (or credits) for the transmission of electricity based in part on locational marginal pricing differences payable to (or receivable from) an independent system operator. Under the new standard, the use of locational marginal pricing by an independent system operator does not cause a contract to fail to meet the physical delivery criterion of the normal purchases and normal sales scope exception. As a result, an entity may elect to designate that contract as a normal purchase or normal sale.

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The new accounting guidance is effective upon issuance and applied prospectively. Management has analyzed the impact of this new standard and determined that it had no impact on the accounting of I&M's contracts. Additionally, adoption had no impact on net income. Management adopted ASU 2015-13 upon its issuance date.

***ASU 2016-01 "Recognition and Measurement of Financial Assets and Financial Liabilities" (ASU 2016-01)***

In January 2016, the FASB issued ASU 2016-01 enhancing the reporting model for financial instruments. Under the new standard, equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) are required to be measured at fair value with changes in fair value recognized in net income. The new standard also amends disclosure requirements and requires separate presentation of financial assets and liabilities by measurement category and form of financial asset (that is, securities or loans and receivables) on the balance sheet or the accompanying notes to the financial statements. The amendments also clarify that an entity should evaluate the need for a valuation allowance on a deferred tax asset related to available-for sale securities in combination with the entity's other deferred tax assets.

The new accounting guidance is effective for interim and annual periods beginning after December 15, 2017 with early adoption permitted. The amendments should be applied by means of a cumulative-effect adjustment to the balance sheet as of the beginning of the fiscal year of adoption. Management is analyzing the impact of this new standard and, at this time, cannot estimate the impact of adoption on net income. Management plans to adopt ASU 2016-01 effective January 1, 2018.

***ASU 2016-02 "Accounting for Leases" (ASU 2016-02)***

In February 2016, the FASB issued ASU 2016-02 increasing the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Under the new standard, an entity must recognize an asset and liability for operating leases on the balance sheets. Additionally, a capital lease will be known as a finance lease going forward. Leases with lease terms of 12 months or longer will be subject to the new requirements. Fundamentally, the criteria used to determine lease classification will remain the same, but will be more subjective under the new standard.

The new accounting guidance is effective for annual periods beginning after December 15, 2018 with early adoption permitted. The guidance should be applied by means of a modified retrospective approach. The modified retrospective approach will require lessees and lessors to recognize and measure leases at the beginning of the earliest period presented as well as a number of optional practical expedients that entities may elect to apply. Management expects the new standard to impact its financial position, but not its results of operations or cash flows. Management plans to adopt ASU 2016-02 effective January 1, 2019.

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### 3. COMPREHENSIVE INCOME

#### *Presentation of Comprehensive Income*

The following tables provide the components of changes in AOCI for the years ended December 31, 2015 and 2014. All amounts in the following tables are presented net of related income taxes.

#### Changes in Accumulated Other Comprehensive Income (Loss) by Component For the Year Ended December 31, 2015

	Cash Flow Hedges		Pension and OPEB		Total
	Commodity	Interest Rate and Foreign Currency	Amortization of Deferred Costs	Changes in Funded Status	
	(in millions)				
<b>Balance in AOCI as of December 31, 2014</b>	\$ —	\$ (14.4)	\$ 5.1	\$ (5.0)	\$ (14.3)
Change in Fair Value Recognized in AOCI	—	—	—	(3.5)	(3.5)
Amounts Reclassified from AOCI	—	1.1	—	—	1.1
Net Current Period Other Comprehensive Income (Loss)	—	1.1	—	(3.5)	(2.4)
<b>Balance in AOCI as of December 31, 2015</b>	<b>\$ —</b>	<b>\$ (13.3)</b>	<b>\$ 5.1</b>	<b>\$ (8.5)</b>	<b>\$ (16.7)</b>

#### Changes in Accumulated Other Comprehensive Income (Loss) by Component For the Year Ended December 31, 2014

	Cash Flow Hedges		Pension and OPEB		Total
	Commodity	Interest Rate and Foreign Currency	Amortization of Deferred Costs	Changes in Funded Status	
	(in millions)				
<b>Balance in AOCI as of December 31, 2013</b>	\$ 0.1	\$ (16.0)	\$ 4.9	\$ (4.5)	\$ (15.5)
Change in Fair Value Recognized in AOCI	1.1	—	—	(0.5)	0.6
Amounts Reclassified from AOCI	(1.2)	1.6	0.2	—	0.6
Net Current Period Other Comprehensive Income (Loss)	(0.1)	1.6	0.2	(0.5)	1.2
<b>Balance in AOCI as of December 31, 2014</b>	<b>\$ —</b>	<b>\$ (14.4)</b>	<b>\$ 5.1</b>	<b>\$ (5.0)</b>	<b>\$ (14.3)</b>

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***Reclassifications from Accumulated Other Comprehensive Income***

The following table provides details of reclassifications from AOCI for the years ended December 31, 2015 and 2014. The amortization of pension and OPEB AOCI components are included in the computation of net periodic pension and OPEB costs. See Note 7 for additional details.

**Reclassifications from Accumulated Other Comprehensive Income (Loss)**

	<b>Amount of (Gain) Loss Reclassified from AOCI</b>	
	<b>Years Ended December 31, 2015</b>	<b>2014</b>
<b>Gains and Losses on Cash Flow Hedges</b>	<b>(in millions)</b>	
Commodity:		
Operating Expenses	\$ —	\$ (0.8)
Regulatory Assets/(Liabilities), Net (a)	—	(1.0)
Subtotal – Commodity	—	(1.8)
Interest Rate and Foreign Currency:		
Interest on Long-term Debt	1.7	2.4
Subtotal – Interest Rate and Foreign Currency	1.7	2.4
Reclassifications from AOCI, before Income Tax (Expense) Credit	1.7	0.6
Income Tax (Expense) Credit	0.6	0.2
<b>Reclassifications from AOCI, Net of Income Tax (Expense) Credit</b>	<b>1.1</b>	<b>0.4</b>
<b>Pension and OPEB</b>		
Amortization of Prior Service Cost (Credit)	(0.9)	(0.8)
Amortization of Actuarial (Gains)/Losses	0.9	1.1
Reclassifications from AOCI, before Income Tax (Expense) Credit	—	0.3
Income Tax (Expense) Credit	—	0.1
<b>Reclassifications from AOCI, Net of Income Tax (Expense) Credit</b>	<b>—</b>	<b>0.2</b>
<b>Total Reclassifications from AOCI, Net of Income Tax (Expense) Credit</b>	<b>\$ 1.1</b>	<b>\$ 0.6</b>

(a) Represents realized gains and losses subject to regulatory accounting treatment.



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#### 4. RATE MATTERS

I&M is involved in rate and regulatory proceedings at the FERC, the IURC and the MPSC. Rate matters can have a material impact on net income, cash flows and possibly financial condition. I&M's recent significant rate orders and pending rate filings are addressed in this note.

##### *Tanners Creek Plant*

In October 2014, I&M filed an application with the IURC seeking approval of revised depreciation rates for Rockport Plant, Unit 1 and the Tanners Creek Plant. Upon retirement of the Tanners Creek Plant, I&M proposed that, for purposes of determining its depreciation rates, the net book value of the Tanners Creek Plant be recovered over the remaining life of the Rockport Plant. The new depreciation rates would result in a decrease in I&M's Indiana jurisdictional electric depreciation expense which I&M proposed to reduce customer rates through a credit rider. In May 2015, the IURC issued an order approving I&M's request for revised depreciation rates. Revised depreciation rates were previously approved by the MPSC in 2014, along with a credit rider to reduce customer rates upon retirement of Tanners Creek Plant.

In May 2015, Tanners Creek Plant was retired. Upon retirement, \$265 million was reclassified as regulatory assets on the balance sheet related to the net book value of Tanners Creek Plant and is being amortized over 29 years. An additional \$38 million was reclassified as regulatory assets on the balance sheet for related asset retirement obligations and materials and supplies, which are currently not being amortized, pending regulatory approval.

##### *Transmission, Distribution and Storage System Improvement Charge (TDSIC)*

In 2014, I&M filed petitions with the IURC for approval of a TDSIC Rider and approval of I&M's seven-year TDSIC Plan for eligible transmission, distribution and storage system improvements totaling \$787 million. In 2015, the IURC granted I&M's motion to withdraw its application for reconsideration and/or rehearing and I&M withdrew its appeal with the Indiana Court of Appeals.



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## 5. EFFECTS OF REGULATION

Regulatory assets and liabilities are comprised of the following items:

Regulatory Assets:	December 31,		Remaining Recovery Period
	2015	2014	
	(in millions)		
<b>Regulatory assets pending final regulatory approval:</b>			
<u>Regulatory Assets Currently Earning a Return</u>			
Plant Retirement Costs – Materials and Supplies	\$ 11.6	\$ -	
<u>Regulatory Assets Currently Not Earning a Return</u>			
Plant Retirement Costs – Asset Retirement Obligation Costs - Indiana	27.1	-	
Cook Plant Turbine	9.7	6.6	
Deferred Cook Plant Life Cycle Management Project Costs - Michigan	4.2	1.2	
Stranded Costs on Abandoned Plants	3.9	3.9	
Rockport Plant Dry Sorbent Injection System - Indiana	2.8	0.1	
Storm Related Costs - Indiana	-	1.1	
Other Regulatory Assets Pending Final Regulatory Approval	-	0.7	
<b>Total Regulatory Assets Pending Final Regulatory Approval</b>	<u>59.3</u>	<u>13.6</u>	
<b>Regulatory assets approved for recovery:</b>			
<u>Regulatory Assets Currently Earning a Return</u>			
Under-recovered Fuel Costs	7.2	1.1	1 year
Cook Plant, Unit 2 Baffle Bolts - Indiana	6.6	6.9	23 years
RTO Formation/Integration Costs	1.5	1.8	4 years
Other Regulatory Assets Being Recovered	1.0	0.8	various
<u>Regulatory Assets Currently Not Earning a Return</u>			
Income Tax Assets	268.4	279.1	29 years
Pension and OPEB Funded Status	126.4	107.8	12 years
Cook Nuclear Plant Refueling Outage Levelization	26.8	38.0	3 years
Postemployment Benefits	10.7	10.0	5 years
Peak Demand Reduction/Energy Efficiency	10.6	16.6	2 years
Medicare Subsidy	9.2	10.2	9 years
Litigation Settlement - Indiana	8.6	9.5	10 years
Deferred Restructuring Costs	-	1.2	
Capacity Costs - Indiana	7.5	25.1	1 year
Off-system Sales Margin Sharing - Indiana	6.8	-	2 years
Deferred Cook Plant LCM Project Costs	-	2.2	
PJM Expense - Indiana	4.1	21.9	2 years
Under-recovered Fuel Costs	4.1	-	1 year
Unrealized Loss on Forward Commitments	3.2	0.5	2 years
Storm Related Costs- Indiana	1.8	-	1 year
Unamortized Loss on Reacquired Debt	1.4	1.7	7 years
Other Regulatory Assets Approved for Recovery	1.2	1.7	various
<b>Total Regulatory Assets Approved for Recovery</b>	<u>507.1</u>	<u>536.1</u>	
<b>Total FERC Account 182.3 Regulatory Assets</b>	<u>\$ 566.4</u>	<u>\$ 549.7</u>	

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	December 31,		Remaining Refund Period
	2015	2014	
<b>Regulatory Liabilities:</b>	(in millions)		
<b>Regulatory liabilities pending final regulatory determination:</b>			
<u>Regulatory Liabilities Currently Not Paying a Return</u>			
Regulatory Liabilities Pending Final Regulatory Determination	\$ -	\$ 0.1	
<b>Total Regulatory Liabilities Pending Final Regulatory Determination</b>	<b>-</b>	<b>0.1</b>	
<b>Regulatory liabilities approved for payment:</b>			
<u>Regulatory Liabilities Currently Not Paying a Return</u>			
Income Tax Liabilities	21.6	24.1	29 years
Unrealized Gain on Forward Commitments	7.1	19.6	2 years
Excess Asset Retirement Obligations for Nuclear Decommissioning Liability	636.5	694.9	(a)
Spent Nuclear Fuel Liability	43.4	43.5	(a)
Off-system Sales Margin Sharing	-	19.4	
Over-recovered Fuel Costs	-	7.1	
Over-Recovered River Transportation Division Expense	1.9	5.3	1 year
Other Regulatory Liabilities Approved for Payment	1.7	0.1	various
<b>Total Regulatory Liabilities Approved for Payment</b>	<b>712.2</b>	<b>814.0</b>	
<b>Total FERC Account 254 Regulatory Liabilities</b>	<b>\$ 712.2</b>	<b>\$ 814.1</b>	

(a) Relieved when plant is decommissioned.

## 6. COMMITMENTS, GUARANTEES AND CONTINGENCIES

I&M is subject to certain claims and legal actions arising in the 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. Management accrues contingent liabilities only when management concludes that it is both probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. When management determines that it is not probable, but rather reasonably possible that a liability has been incurred at the date of the financial statements, management discloses such contingencies and the possible loss or range of loss if such estimate can be made. Any estimated range is based on currently available information and involves elements of judgment and significant uncertainties. Any estimated range of possible loss may not represent the maximum possible loss exposure. Circumstances change over time and actual results may vary significantly from estimates.

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For current proceedings not specifically discussed below, management does not anticipate that the liabilities, if any, arising from such proceedings would have a material effect on the financial statements.

## 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. Fuel, materials, supplies, services and property, plant and equipment are also purchased under contract as part of the normal course of business. Certain supply contracts contain penalty provisions for early termination.

In accordance with the accounting guidance for "Commitments", the following table summarizes I&M's actual contractual commitments as of December 31, 2015:

Contractual Commitments	Less Than 1 Year	2-3 Years	4-5 Years	After 5 Years	Total
	(in millions)				
Fuel Purchase Contracts (a)	\$ 394.2	\$ 349.9	\$ 252.2	\$ 286.4	\$ 1,282.7
Energy and Capacity Purchase Contracts	108.1	230.1	236.0	613.9	1,188.1
Construction Contracts for Capital Assets (b)	8.8	—	—	—	8.8
<b>Total</b>	<b>\$ 511.1</b>	<b>\$ 580.0</b>	<b>\$ 488.2</b>	<b>\$ 900.3</b>	<b>\$ 2,479.6</b>

- (a) Represents contractual commitments to purchase coal, natural gas, uranium and other consumables as fuel for electric generation along with related transportation of the fuel.
- (b) Represents only capital assets for which there are signed contracts. Actual payments are dependent upon and may vary significantly based upon the decision to build, regulatory approval schedules, timing and escalation of project costs.

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## GUARANTEES

Liabilities for guarantees are recorded in accordance with the accounting guidance for "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*

Standby letters of credit are entered into with third parties. These letters of credit are issued in the ordinary course of business and cover items such as natural gas and electricity risk management contracts, construction contracts, insurance programs, security deposits and debt service reserves.

I&M has \$77 million of variable rate Pollution Control Bonds supported by bilateral letters of credit for \$78 million with a maturity of March 2015. In February 2015, the maturity was extended to March 2017.

### *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. As of December 31, 2015, there were no material liabilities recorded for any indemnifications.

I&M is jointly and severally liable for activity conducted by AEPSC on behalf of AEP companies related to power purchase and sale activity.

#### *Lease Obligations*

I&M leases certain equipment under master lease agreements. See "Master Lease Agreements" and "Railcar Lease" sections of Note 12 for disclosure of lease residual value guarantees.



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## ENVIRONMENTAL CONTINGENCIES

### *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 generation plants and transmission and distribution facilities have used asbestos, polychlorinated biphenyls and other hazardous and nonhazardous materials. I&M currently incurs costs to dispose of these substances safely.

Superfund addresses clean-up of hazardous substances that are released to the environment. The Federal EPA administers the clean-up programs. Several states enacted similar laws. There are two sites for which I&M received information requests which could lead to PRP designation. I&M has also been named potentially liable at two sites under state law including the site discussed in the next paragraph. In those instances where a PRP or defendant has been named, disposal or recycling activities were in accordance with the then-applicable laws and regulations. Superfund does not recognize compliance as a defense, but imposes strict liability on parties who fall within its broad statutory categories. Liability has been resolved for a number of sites with no significant effect on net income.

In 2008, I&M received a letter from the Michigan Department of Environmental Quality (MDEQ) concerning conditions at a site under state law and requesting I&M take voluntary action necessary to prevent and/or mitigate public harm. I&M started remediation work in accordance with a plan approved by MDEQ. In 2014, I&M recorded an accrual for remediation at certain additional sites in Michigan. As a result of receiving approval of completed remediation work from the MDEQ in March 2015, I&M's accrual was reduced. As of December 31, 2015, I&M's accrual for all of these sites is \$8 million. As the remediation work is completed, I&M's cost may change as new information becomes available concerning either the level of contamination at the sites or changes in the scope of remediation. Management cannot predict the amount of additional cost, if any.

Management evaluates the potential liability for each Superfund site separately, but several general statements can be made about potential future liability. Allegations that materials were disposed at a particular site are often unsubstantiated and the quantity of materials deposited at a site can be 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 Superfund sites, except the sites discussed above.

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## NUCLEAR CONTINGENCIES

I&M owns and operates the two-unit 2,191 MW Cook Plant under licenses granted by the Nuclear Regulatory Commission (NRC). I&M has a significant future financial commitment to dispose of SNF and to safely decommission and decontaminate the plant. 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. By agreement, I&M is partially liable, together with all other electric utility companies that own nuclear generation units, for a nuclear power plant incident at any nuclear plant in the U.S. Should a nuclear incident occur at any nuclear power plant in the U.S., the resultant liability could be substantial.

### *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 most recent decommissioning cost study was performed in 2015. According to that study, the estimated cost of decommissioning and disposal of low-level radioactive waste is \$1.6 billion in 2015 nondiscounted dollars, with additional ongoing costs of \$5 million per year for post decommissioning storage of SNF and an eventual cost of \$57 million for the subsequent decommissioning of the spent fuel storage facility, also in 2015 nondiscounted dollars. I&M recovers estimated decommissioning costs for the Cook Plant in its rates. The amounts recovered in rates were \$9 million and \$9 million for the years ended December 31, 2015 and 2014, respectively. Decommissioning costs recovered from customers are deposited in external trusts.

As of December 31, 2015 and 2014, the total decommissioning trust fund balance was \$1.8 billion and \$1.8 billion, respectively. 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 net income and cash flows would be reduced and financial condition could be impacted if the cost of SNF disposal and decommissioning continues to increase and cannot be recovered.

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### ***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. This fee was terminated in May 2014. As of December 31, 2015 and 2014, fees and related interest of \$266 million and \$266 million, respectively, for fuel consumed prior to April 7, 1983 have been recorded as Other Long-term Debt and funds collected from customers along with related earnings totaling \$309 million and \$309 million, respectively, to pay the fee are recorded as part of 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.

In 2011, I&M signed a settlement agreement with the federal government which permits I&M to make annual filings to recover certain SNF storage costs incurred as a result of the government's delays in accepting SNF for permanent storage. Under the settlement agreement, I&M received \$13 million and \$22 million in 2015 and 2014, respectively, to recover costs and will be eligible to receive additional payment of annual claims for allowed costs that are incurred through December 31, 2016. The proceeds reduced costs for dry cask storage. As of December 31, 2015, I&M has deferred \$6 million in Miscellaneous Current and Accrued Assets and \$21 million in Miscellaneous Deferred Debits on the balance sheet of dry cask storage and related operation and maintenance costs for recovery under this agreement.

See "Fair Value Measurements of Trust Assets for Decommissioning and SNF Disposal" section of Note 10 for disclosure of the fair value of assets within the trusts.

### ***Nuclear Incident Liability***

I&M carries insurance coverage for a nuclear incident at the Cook Plant for property damage, decommissioning and decontamination in the amount of \$2.8 billion. Insurance coverage for a nonnuclear incident at the Cook Plant is \$1.7 billion. Additional insurance provides coverage for a weekly indemnity payment resulting from an insured accidental outage. I&M utilizes industry mutual insurers for the placement of this insurance coverage. Participation in this mutual insurance requires a contingent financial obligation of up to \$49 million for I&M 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 \$13.5 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 \$375 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 \$127 million on each licensed reactor in the U.S. payable in annual installments of \$19 million. As a result, I&M could be assessed \$255 million per nuclear incident payable in annual installments of \$38 million. The number of incidents for which payments could be required is not limited.

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In the event of an incident of a catastrophic nature, I&M is initially covered for the first \$375 million through commercially available insurance. The next level of liability coverage of up to \$13.1 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, it could reduce future net income and cash flows and impact financial condition.

## OPERATIONAL CONTINGENCIES

### *Insurance and Potential Losses*

I&M maintains insurance coverage normal and customary for electric utilities, subject to various deductibles. I&M also maintains property and casualty insurance that may cover certain physical damage or third-party injuries caused by cyber security incidents. 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 retentions absorbed by I&M. Coverage is generally provided by a combination of the protected cell of EIS and/or various industry mutual and/or commercial insurance carriers.

See "Nuclear Contingencies" section of this footnote 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 a cyber security incident or damage to the Cook Plant and costs of replacement power in the event of an incident at the Cook Plant. Future losses or liabilities, if they occur, which are not completely insured, unless recovered from customers, could reduce future net income and cash flows and impact financial condition.



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### ***Rockport Plant Litigation***

In July 2013, the Wilmington Trust Company filed a complaint in U.S. District Court for the Southern District of New York against AEGCo and I&M alleging that it will be unlawfully burdened by the terms of the modified NSR consent decree after the Rockport Plant, Unit 2 lease expiration in December 2022. The terms of the consent decree allow the installation of environmental emission control equipment, repowering or retirement of the unit. The plaintiff further alleges that the defendants' actions constitute breach of the lease and participation agreement. The plaintiff seeks a judgment declaring that the defendants breached the lease, must satisfy obligations related to installation of emission control equipment and indemnify the plaintiff. The New York court granted a motion to transfer this case to the U.S. District Court for the Southern District of Ohio. In October 2013, a motion to dismiss the case was filed on behalf of AEGCo and I&M. In January 2015, the court issued an opinion and order granting the motion in part and denying the motion in part. The court dismissed certain of the plaintiff's claims. Several claims remained, including the claim for breach of the participation agreement and a claim alleging breach of an implied covenant of good faith and fair dealing. In June 2015, AEGCo and I&M filed a motion for partial judgment on the claims seeking dismissal of the breach of participation agreement claim as well as any claim for indemnification of costs associated with this case. The plaintiff subsequently filed an amended complaint to add another claim under the lease and also filed a motion for partial summary judgment. In November 2015, AEGCo and I&M filed a motion to strike the plaintiff's motion for partial judgment and filed a motion to dismiss the case for failure to state a claim. In March 2016, the court entered an opinion and order in favor of AEGCo and I&M, dismissing plaintiffs' claims for breach of contract and breach of implied covenant of good faith and fair dealing and further dismissing plaintiffs' claim for indemnification of costs. By the same order, the court permitted plaintiffs to add a claim that AEGCo and I&M failed to exercise prudent utility practices in the maintenance and operation of Rockport Unit 2. In April 2016, the plaintiffs filed a notice of voluntary dismissal of all remaining claims with prejudice. Management is unable to determine a range of potential losses that are reasonably possible of occurring.

### **7. BENEFIT PLANS**

For a discussion of investment strategy, investment limitations, target asset allocations and the classification of investments within the fair value hierarchy, see "Fair Value Measurements of Assets and Liabilities" and "Investments Held in Trust for Future Liabilities" sections of Note 1.

I&M participates in an AEP sponsored qualified pension plan and an unfunded nonqualified pension plan. Substantially all AEP employees are covered by the qualified plan or both the qualified and a nonqualified pension plan. I&M also participates in OPEB plans sponsored by AEP to provide health and life insurance benefits for retired employees.

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I&M recognizes the funded status associated with defined benefit pension and OPEB plans in its balance sheets. Disclosures about the plans are required by the "Compensation – Retirement Benefits" accounting guidance. I&M recognizes an asset for a plan's overfunded status or a liability for a plan's underfunded status, and recognizes, as a component of other comprehensive income, the changes in the funded status of the plan that arise during the year that are not recognized as a component of net periodic benefit cost. I&M records a regulatory asset instead of other comprehensive income for qualifying benefit costs of regulated operations that for ratemaking purposes are deferred for future recovery. The cumulative funded status adjustment is 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 or regulatory asset and deferred gains result in an AOCI equity addition or regulatory liability.

***Actuarial Assumptions for Benefit Obligations***

The weighted-average assumptions as of December 31 of each year used in the measurement of benefit obligations are shown in the following table:

Assumptions	Pension Plans		Other Postretirement Benefit Plans	
	2015	2014	2015	2014
Discount Rate	4.30%	4.00%	4.30%	4.00%
Rate of Compensation Increase	4.75% (a)	4.80% (a)	NA	NA

(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.

NA Not applicable.

A duration-based method is used to determine the discount rate for the plans. A hypothetical portfolio of high quality corporate bonds is constructed with cash flows matching the benefit plan liability. The composite yield on the hypothetical bond portfolio is used as the discount rate for the plan.

For 2015, the rate of compensation increase assumed varies with the age of the employee, ranging from 3.5% per year to 12% per year, with the average increase shown in the table above.

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**Actuarial Assumptions for Net Periodic Benefit Costs**

The weighted-average assumptions as of January 1 of each year used in the measurement of benefit costs are shown in the following table:

Assumptions	Pension Plans		Other Postretirement Benefit Plans	
	2015	2014	2015	2014
Discount Rate	4.00%	4.70%	4.00%	4.70%
Expected Return on Plan Assets	6.00%	6.00%	6.75%	6.75%
Rate of Compensation Increase	4.80% (a)	4.90% (a)	NA	NA

(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.

NA Not applicable.

The expected return on plan assets 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 of each year used for OPEB plans measurement purposes are shown below:

Health Care Trend Rates	2015	2014
Initial	6.25%	6.50%
Ultimate	5.00%	5.00%
Year Ultimate Reached	2020	2020

Assumed health care cost trend rates have a significant effect on the amounts reported for the OPEB 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	\$ 0.3	\$ (0.3)
Effect on the Health Care Component of the Accumulated Postretirement Benefit Obligation	6.8	(5.6)

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**Significant Concentrations of Risk within Plan Assets**

In addition to establishing the target asset allocation of plan assets, the investment policy also places restrictions on securities to limit significant concentrations within plan assets. The investment policy establishes guidelines that govern maximum market exposure, security restrictions, prohibited asset classes, prohibited types of transactions, minimum credit quality, average portfolio credit quality, portfolio duration and concentration limits. The guidelines were established to mitigate the risk of loss due to significant concentrations in any investment. Management monitors the plans to control security diversification and ensure compliance with the investment policy. As of December 31, 2015, the assets were invested in compliance with all investment limits. See "Investments Held in Trust for Future Liabilities" section of Note 1 for limit details.

**Benefit Plan Obligations, Plan Assets and Funded Status as of December 31, 2015 and 2014**

The following table provides a reconciliation of the changes in the plans' benefit obligations, fair value of plan assets and funded status as of December 31. The benefit obligation for the defined benefit pension and OPEB plans are the projected benefit obligation and the accumulated benefit obligation, respectively.

	Pension Plans		Other Postretirement Benefit Plans	
	2015	2014	2015	2014
<b>Change in Benefit Obligation</b>				
	(in millions)			
Benefit Obligation as of January 1,	\$ 617.9	\$ 574.7	\$ 161.7	\$ 166.5
Service Cost	12.9	10.0	1.6	1.9
Interest Cost	24.5	26.3	6.4	7.6
Actuarial (Gain) Loss	(28.4)	38.5	7.6	(4.9)
Benefit Payments	(35.4)	(31.6)	(15.1)	(15.7)
Participant Contributions	—	—	4.0	5.2
Medicare Subsidy	—	—	0.1	1.1
<b>Benefit Obligation as of December 31,</b>	<b>\$ 591.5</b>	<b>\$ 617.9</b>	<b>\$ 166.3</b>	<b>\$ 161.7</b>
<b>Change in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets as of January 1,	\$ 591.7	\$ 559.1	\$ 202.4	\$ 206.2
Actual Gain (Loss) on Plan Assets	(0.9)	55.3	(2.3)	6.7
Company Contributions	14.6	8.9	—	—
Participant Contributions	—	—	4.0	5.2
Benefit Payments	(35.4)	(31.6)	(15.1)	(15.7)
<b>Fair Value of Plan Assets as of December 31,</b>	<b>\$ 570.0</b>	<b>\$ 591.7</b>	<b>\$ 189.0</b>	<b>\$ 202.4</b>
<b>Funded (Underfunded) Status as of December 31,</b>	<b>\$ (21.5)</b>	<b>\$ (26.2)</b>	<b>\$ 22.7</b>	<b>\$ 40.7</b>



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NOTES TO FINANCIAL STATEMENTS (Continued)

*Amounts Recognized on the Balance Sheets as of December 31, 2015 and 2014*

	Pension Plans		Other Postretirement Benefit Plans	
	December 31,			
	2015	2014	2015	2014
	(in millions)			
Special Funds – Prepaid Benefit Costs	\$ —	\$ —	\$ 22.7	\$ 40.7
Accumulated Provision for Pensions and Benefits – Long-term Benefit Liability	(21.5)	(26.2)	—	—
<b>Funded (Underfunded) Status</b>	<b>\$ (21.5)</b>	<b>\$ (26.2)</b>	<b>\$ 22.7</b>	<b>\$ 40.7</b>

*Amounts Included in AOCI and Regulatory Assets as of December 31, 2015 and 2014*

Components	Pension Plans		Other Postretirement Benefit Plans	
	December 31,			
	2015	2014	2015	2014
	(in millions)			
Net Actuarial Loss	\$ 130.0	\$ 137.6	\$ 77.1	\$ 56.7
Prior Service Cost (Credit)	0.3	0.5	(75.7)	(85.1)
<b>Recorded as</b>				
Regulatory Assets	\$ 125.3	\$ 134.1	\$ 1.1	\$ (26.3)
Deferred Income Taxes	1.8	1.4	0.1	(0.7)
Net of Tax AOCI	3.2	2.6	0.2	(1.4)

Components of the change in amounts included in AOCI and regulatory assets during the years ended December 31, 2015 and 2014 are as follows:

Components	Pension Plans		Other Postretirement Benefit Plans	
	December 31,			
	2015	2014	2015	2014
	(in millions)			
Actuarial Loss During the Year	\$ 5.0	\$ 14.2	\$ 22.4	\$ 1.8
Amortization of Actuarial Loss	(12.6)	(14.6)	(2.0)	(2.4)
Amortization of Prior Service Credit (Cost)	(0.2)	(0.2)	9.4	9.4
<b>Change for the Year Ended December 31,</b>	<b>\$ (7.8)</b>	<b>\$ (0.6)</b>	<b>\$ 29.8</b>	<b>\$ 8.8</b>

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***Pension and Other Postretirement Benefits Plans' Assets***

The fair value tables within Pension and Other Postretirement Benefits Plans' Assets present the classification of assets for AEP within the fair value hierarchy. All Level 1, 2, 3 and Other amounts can be allocated to I&M as of December 31, 2015 and 2014 using the percentages in the table below:

<b>Pension Plan</b>		<b>Other Postretirement Benefit Plans</b>	
<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
12.0%	11.9%	12.0%	11.9%

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table presents the classification of pension plan assets for AEP within the fair value hierarchy as of December 31, 2015:

Asset Class	Level 1	Level 2	Level 3 (in millions)	Other	Total	Year End Allocation
<b>Equities:</b>						
Domestic	\$ 315.7	\$ —	\$ —	\$ —	\$ 315.7	6.6 %
International	402.3	—	—	—	402.3	8.4 %
Options	—	15.6	—	—	15.6	0.3 %
Real Estate Investment Trusts	4.0	—	—	—	4.0	0.1 %
Common Collective Trust – Global	—	369.7	—	—	369.7	7.8 %
Common Collective Trust – International	—	16.1	—	—	16.1	0.3 %
<b>Subtotal – Equities</b>	<b>722.0</b>	<b>401.4</b>	<b>—</b>	<b>—</b>	<b>1,123.4</b>	<b>23.5 %</b>
<b>Fixed Income:</b>						
Common Collective Trust – Debt United States Government and Agency Securities	—	34.2	—	—	34.2	0.7 %
Corporate Debt	—	421.9	—	—	421.9	8.9 %
Foreign Debt	—	1,983.2	—	—	1,983.2	41.6 %
State and Local Government	—	421.4	0.1	—	421.5	8.8 %
Other – Asset Backed	—	12.8	—	—	12.8	0.3 %
<b>Subtotal – Fixed Income</b>	<b>—</b>	<b>2,896.9</b>	<b>0.1</b>	<b>—</b>	<b>2,897.0</b>	<b>60.8 %</b>
Infrastructure	—	—	42.0	—	42.0	0.9 %
Real Estate	—	—	253.7	—	253.7	5.3 %
Alternative Investments	—	—	378.7	—	378.7	8.0 %
Securities Lending	—	263.0	—	—	263.0	5.5 %
Securities Lending Collateral (a)	—	—	—	(264.7)	(264.7)	(5.5)%
Cash and Cash Equivalents	—	48.6	—	—	48.6	1.0 %
Other – Pending Transactions and Accrued Income (b)	—	—	—	25.9	25.9	0.5 %
<b>Total</b>	<b>\$ 722.0</b>	<b>\$ 3,609.9</b>	<b>\$ 674.5</b>	<b>\$ (238.8)</b>	<b>\$ 4,767.6</b>	<b>100.0 %</b>

- (a) Amounts in “Other” column primarily represent an obligation to repay collateral received as part of the Securities Lending Program.
- (b) Amounts in “Other” column primarily represent accrued interest, dividend receivables and transactions pending settlement.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table sets forth a reconciliation of changes in the fair value of AEP's assets classified as Level 3 in the fair value hierarchy for the pension assets:

	Foreign Debt	Infrastructure	Real Estate	Alternative Investments	Total Level 3
	(in millions)				
<b>Balance as of January 1, 2015</b>	\$ 0.1	\$ 12.5	\$ 235.8	\$ 378.9	\$ 627.3
Actual Return on Plan Assets					
Relating to Assets Still Held as of the Reporting Date	—	(3.6)	12.5	(25.9)	(17.0)
Relating to Assets Sold During the Period	—	0.3	23.8	37.6	61.7
Purchases and Sales	—	32.8	(18.4)	(11.9)	2.5
Transfers into Level 3	—	—	—	—	—
Transfers out of Level 3	—	—	—	—	—
<b>Balance as of December 31, 2015</b>	<u>\$ 0.1</u>	<u>\$ 42.0</u>	<u>\$ 253.7</u>	<u>\$ 378.7</u>	<u>\$ 674.5</u>



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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table presents the classification of OPEB plan assets for AEP within the fair value hierarchy as of December 31, 2015:

Asset Class	Level 1	Level 2	Level 3 (in millions)	Other	Total	Year End Allocation
<b>Equities:</b>						
Domestic	\$ 465.1	\$ —	\$ —	\$ —	\$ 465.1	29.5%
International	484.3	—	—	—	484.3	30.7%
Options	—	15.6	—	—	15.6	1.0%
Common Collective Trust – Global	—	19.0	—	—	19.0	1.2%
Common Collective Trust – International	—	12.6	—	—	12.6	0.8%
<b>Subtotal – Equities</b>	<b>949.4</b>	<b>47.2</b>	<b>—</b>	<b>—</b>	<b>996.6</b>	<b>63.2%</b>
<b>Fixed Income:</b>						
Common Collective Trust – Debt	—	100.9	—	—	100.9	6.4%
United States Government and Agency Securities	—	58.4	—	—	58.4	3.7%
Corporate Debt	—	117.7	—	—	117.7	7.4%
Foreign Debt	—	20.7	—	—	20.7	1.3%
State and Local Government	—	4.2	—	—	4.2	0.3%
Other – Asset Backed	—	8.4	—	—	8.4	0.5%
<b>Subtotal – Fixed Income</b>	<b>—</b>	<b>310.3</b>	<b>—</b>	<b>—</b>	<b>310.3</b>	<b>19.6%</b>
<b>Trust Owned Life Insurance:</b>						
International Equities	—	28.3	—	—	28.3	1.8%
United States Bonds	—	184.3	—	—	184.3	11.7%
<b>Subtotal – Trust Owned Life Insurance</b>	<b>—</b>	<b>212.6</b>	<b>—</b>	<b>—</b>	<b>212.6</b>	<b>13.5%</b>
Cash and Cash Equivalents	44.9	7.2	—	—	52.1	3.3%
Other – Pending Transactions and Accrued Income (a)	—	—	—	5.8	5.8	0.4%
<b>Total</b>	<b>\$ 994.3</b>	<b>\$ 577.3</b>	<b>\$ —</b>	<b>\$ 5.8</b>	<b>\$ 1,577.4</b>	<b>100.0%</b>

(a) Amounts in "Other" column primarily represent accrued interest, dividend receivables and transactions pending settlement.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table presents the classification of pension plan assets for AEP within the fair value hierarchy as of December 31, 2014:

Asset Class	Level 1	Level 2	Level 3 (in millions)	Other	Total	Year End Allocation
<b>Equities:</b>						
Domestic	\$ 588.6	\$ —	\$ —	\$ —	\$ 588.6	11.9 %
International	502.2	—	—	—	502.2	10.1 %
Options	—	14.1	—	—	14.1	0.3 %
Real Estate Investment Trusts	54.3	—	—	—	54.3	1.1 %
Common Collective Trust – Global	—	377.0	—	—	377.0	7.6 %
Common Collective Trust – International	—	18.5	—	—	18.5	0.4 %
<b>Subtotal – Equities</b>	<b>1,145.1</b>	<b>409.6</b>	<b>—</b>	<b>—</b>	<b>1,554.7</b>	<b>31.4 %</b>
<b>Fixed Income:</b>						
Common Collective Trust – Debt	—	30.2	—	—	30.2	0.6 %
United States Government and Agency Securities	—	449.8	—	—	449.8	9.0 %
Corporate Debt	—	1,799.5	—	—	1,799.5	36.2 %
Foreign Debt	—	400.5	0.1	—	400.6	8.1 %
State and Local Government	—	14.9	—	—	14.9	0.3 %
Other – Asset Backed	—	29.1	—	—	29.1	0.6 %
<b>Subtotal – Fixed Income</b>	<b>—</b>	<b>2,724.0</b>	<b>0.1</b>	<b>—</b>	<b>2,724.1</b>	<b>54.8 %</b>
Infrastructure	—	—	12.5	—	12.5	0.3 %
Real Estate	—	—	235.8	—	235.8	4.7 %
Alternative Investments	—	—	378.9	—	378.9	7.6 %
Securities Lending	—	219.8	—	—	219.8	4.4 %
Securities Lending Collateral (a)	—	—	—	(221.5)	(221.5)	(4.5)%
Cash and Cash Equivalents	—	53.3	—	—	53.3	1.1 %
Other – Pending Transactions and Accrued Income (b)	—	—	—	9.9	9.9	0.2 %
<b>Total</b>	<b>\$ 1,145.1</b>	<b>\$ 3,406.7</b>	<b>\$ 627.3</b>	<b>\$ (211.6)</b>	<b>\$ 4,967.5</b>	<b>100.0 %</b>

- (a) Amounts in “Other” column primarily represent an obligation to repay collateral received as part of the Securities Lending Program.
- (b) Amounts in “Other” column primarily represent accrued interest, dividend receivables and transactions pending settlement.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table sets forth a reconciliation of changes in the fair value of AEP's assets classified as Level 3 in the fair value hierarchy for the pension assets:

	Foreign Debt	Infrastructure	Real Estate	Alternative Investments	Total Level 3
	(in millions)				
<b>Balance as of January 1, 2014</b>	\$ 0.1	\$ —	\$ 238.2	\$ 329.6	\$ 567.9
Actual Return on Plan Assets					
Relating to Assets Still Held as of the Reporting Date	—	(0.3)	5.5	32.0	37.2
Relating to Assets Sold During the Period	—	0.1	19.0	15.8	34.9
Purchases and Sales	—	12.7	(26.9)	1.5	(12.7)
Transfers into Level 3	—	—	—	—	—
Transfers out of Level 3	—	—	—	—	—
<b>Balance as of December 31, 2014</b>	<b>\$ 0.1</b>	<b>\$ 12.5</b>	<b>\$ 235.8</b>	<b>\$ 378.9</b>	<b>\$ 627.3</b>

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NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table presents the classification of OPEB plan assets for AEP within the fair value hierarchy as of December 31, 2014:

Asset Class	Level 1	Level 2	Level 3 (in millions)	Other	Total	Year End Allocation
Equities:						
Domestic	\$ 466.1	\$ —	\$ —	\$ —	\$ 466.1	27.5%
International	566.6	—	—	—	566.6	33.5%
Options	—	16.4	—	—	16.4	1.0%
Common Collective Trust – Global	—	29.6	—	—	29.6	1.8%
<b>Subtotal – Equities</b>	<b>1,032.7</b>	<b>46.0</b>	<b>—</b>	<b>—</b>	<b>1,078.7</b>	<b>63.8%</b>
Fixed Income:						
Common Collective Trust – Debt	—	103.7	—	—	103.7	6.1%
United States Government and Agency Securities	—	71.1	—	—	71.1	4.2%
Corporate Debt	—	125.5	—	—	125.5	7.4%
Foreign Debt	—	21.3	—	—	21.3	1.3%
State and Local Government	—	5.9	—	—	5.9	0.3%
Other – Asset Backed	—	4.9	—	—	4.9	0.3%
<b>Subtotal – Fixed Income</b>	<b>—</b>	<b>332.4</b>	<b>—</b>	<b>—</b>	<b>332.4</b>	<b>19.6%</b>
Trust Owned Life Insurance:						
International Equities	—	10.3	—	—	10.3	0.6%
United States Bonds	—	212.1	—	—	212.1	12.5%
<b>Subtotal – Trust Owned Life Insurance</b>	<b>—</b>	<b>222.4</b>	<b>—</b>	<b>—</b>	<b>222.4</b>	<b>13.1%</b>
Cash and Cash Equivalents	46.8	9.6	—	—	56.4	3.3%
Other – Pending Transactions and Accrued Income (a)	—	—	—	4.0	4.0	0.2%
<b>Total</b>	<b>\$ 1,079.5</b>	<b>\$ 610.4</b>	<b>\$ —</b>	<b>\$ 4.0</b>	<b>\$ 1,693.9</b>	<b>100.0%</b>

(a) Amounts in "Other" column primarily represent accrued interest, dividend receivables and transactions pending settlement.



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### *Determination of Pension Expense*

The determination of pension expense or income is based 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.

The accumulated benefit obligation for the pension plans is as follows:

<u>Accumulated Benefit Obligation</u>	<u>Underfunded Pension Plans</u>	
	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
	(in millions)	
Qualified Pension Plan	\$ 571.3	\$ 598.2
Nonqualified Pension Plan	0.4	0.5
<b>Total</b>	<u>\$ 571.7</u>	<u>\$ 598.7</u>

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 as of December 31, 2015 and 2014 were as follows:

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
	(in millions)	
<b>Projected Benefit Obligation</b>	<u>\$ 591.5</u>	<u>\$ 617.9</u>
Accumulated Benefit Obligation	\$ 571.7	\$ 598.7
Fair Value of Plan Assets	570.0	591.7
<b>Underfunded Accumulated Benefit Obligation</b>	<u>\$ (1.7)</u>	<u>\$ (7.0)</u>

### *Estimated Future Benefit Payments and Contributions*

I&M expects contributions and payments for the pension plans of \$13 million during 2016. For the pension plans, this amount includes the payment of unfunded nonqualified benefits plus contributions to the qualified trust fund of at least the minimum amount required by the Employee Retirement Income Security Act. For the qualified pension plan, I&M may also make additional discretionary contributions to maintain the funded status of the plan.

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NOTES TO FINANCIAL STATEMENTS (Continued)

The table below reflects the total benefits expected to be paid from the plan or from I&M's assets. The payments include the participants' contributions to the plan for their share of the cost. 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 the pension benefits and OPEB are as follows:

	Estimated Payments	
	Pension Plans	Other Postretirement Benefit Plans
	(in millions)	
2016	\$ 33.9	\$ 15.9
2017	35.6	16.2
2018	36.0	16.6
2019	38.6	16.8
2020	39.3	17.2
Years 2021 to 2025, in Total	213.1	90.4

**Components of Net Periodic Benefit Cost**

The following table provides the components of net periodic benefit cost (credit) for the plans for the years ended December 31, 2015 and 2014:

	Pension Plans		Other Postretirement Benefit Plans	
	Years Ended December 31,			
	2015	2014	2015	2014
	(in millions)			
Service Cost	\$ 12.9	\$ 10.0	\$ 1.6	\$ 1.9
Interest Cost	24.5	26.3	6.4	7.6
Expected Return on Plan Assets	(32.6)	(31.0)	(13.2)	(13.4)
Amortization of Prior Service Cost (Credit)	0.2	0.2	(9.4)	(9.4)
Amortization of Net Actuarial Loss	12.6	14.6	2.0	2.4
<b>Net Periodic Benefit Cost (Credit)</b>	<b>17.6</b>	<b>20.1</b>	<b>(12.6)</b>	<b>(10.9)</b>
Capitalized Portion	(4.0)	(4.6)	2.9	2.5
<b>Net Periodic Benefit Cost (Credit) Recognized in Expense</b>	<b>\$ 13.6</b>	<b>\$ 15.5</b>	<b>\$ (9.7)</b>	<b>\$ (8.4)</b>

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Estimated amounts expected to be amortized to net periodic benefit costs (credits) and the impact on the balance sheet during 2016 are shown in the following table:

Components	Pension Plans	Other Postretirement Benefit Plans
	(in millions)	
Net Actuarial Loss	\$ 9.7	\$ 3.5
Prior Service Cost (Credit)	0.2	(9.4)
<b>Total Estimated 2016 Amortization</b>	<b>\$ 9.9</b>	<b>\$ (5.9)</b>
<b>Expected to be Recorded as</b>		
Regulatory Asset	\$ 9.3	\$ (5.3)
Deferred Income Taxes	0.2	(0.2)
Net of Tax AOCI	0.4	(0.4)
<b>Total</b>	<b>\$ 9.9</b>	<b>\$ (5.9)</b>

***American Electric Power System Retirement Savings Plan***

I&M participates in an AEP sponsored defined contribution retirement savings plan, the American Electric Power System Retirement Savings Plan, for substantially all employees. This qualified plan offers participants an opportunity to contribute a portion of their pay, includes features under Section 401(k) of the Internal Revenue Code and provides for company matching contributions. The matching contributions to the plan are 100% of the first 1% of eligible employee contributions and 70% of the next 5% of contributions. The cost for matching contributions to the retirement savings plans for the years ended December 31, 2015 and 2014 was \$11 million and \$11 million, respectively.

**8. BUSINESS SEGMENTS**

I&M has one reportable segment, an electricity generation, transmission and distribution business. I&M's other activities are insignificant.

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## 9. DERIVATIVES AND HEDGING

### OBJECTIVES FOR UTILIZATION OF DERIVATIVE INSTRUMENTS

AEPSC is agent for and transacts on behalf of I&M.

I&M is exposed to certain market risks as a major power producer and participant in the electricity, capacity, natural gas, coal and emission allowance markets. These risks include commodity price risks which may be subject to capacity risk, interest rate risk, credit risk and, to a lesser extent, foreign currency exchange risk. These risks represent the risk of loss that may impact I&M due to changes in the underlying market prices or rates. Management utilizes derivative instruments to manage these risks.

### STRATEGIES FOR UTILIZATION OF DERIVATIVE INSTRUMENTS TO ACHIEVE OBJECTIVES

#### *Risk Management Strategies*

The strategy surrounding the use of derivative instruments primarily focuses on managing risk exposures, future cash flows and creating value utilizing both economic and formal hedging strategies. The risk management strategies also include the use of derivative instruments for trading purposes which focus on seizing market opportunities to create value driven by expected changes in the market prices of the commodities. To accomplish these objectives, I&M primarily employs risk management contracts including physical and financial forward purchase-and-sale contracts and, to a lesser extent, OTC swaps and options. Not all risk management contracts meet the definition of a derivative under the accounting guidance for "Derivatives and Hedging." Derivative risk management contracts elected normal under the normal purchases and normal sales scope exception are not subject to the requirements of this accounting guidance.

I&M utilizes power, capacity, coal, natural gas, interest rate and, to a lesser extent, heating oil, gasoline and other commodity contracts to manage the risk associated with the energy business. I&M utilizes interest rate derivative contracts in order to manage the interest rate exposure associated with the commodity portfolio. For disclosure purposes, such risks are grouped as "Commodity," as these risks are related to energy risk management activities. I&M also utilizes derivative contracts to manage interest rate risk associated with debt financing and foreign currency risk associated with future purchase obligations denominated in foreign currencies. For disclosure purposes, these risks are grouped as "Interest Rate and Foreign Currency." The amount of risk taken is determined by the Commercial Operations and Finance groups in accordance with established risk management policies as approved by the Finance Committee of the Board of Directors.



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The following table represents the gross notional volume of outstanding derivative contracts as of December 31, 2015 and 2014:

#### Notional Volume of Derivative Instruments

<u>Primary Risk Exposure</u>	<u>Volume</u>		<u>Unit of Measure</u>
	<u>2015</u>	<u>December 31,</u> <u>2014</u>	
	(in millions)		
Commodity:			
Power	22.8	23.8	MWhs
Coal	1.6	0.5	Tons
Natural Gas	0.2	0.3	MMBtus
Heating Oil and Gasoline	0.7	0.5	Gallons
Interest Rate	\$ 1.6	\$ 3.5	USD

#### *Cash Flow Hedging Strategies*

I&M utilizes cash flow hedges on certain derivative transactions for the purchase and sale of power (“Commodity”) in order to manage the variable price risk related to forecasted purchases and sales. Management monitors the potential impacts of commodity price changes and, where appropriate, enters into derivative transactions to protect profit margins for a portion of future electricity sales and purchases. I&M does not hedge all commodity price risk.

I&M’s vehicle fleet is exposed to gasoline and diesel fuel price volatility. I&M utilizes financial heating oil and gasoline derivative contracts in order to mitigate price risk of future fuel purchases. Cash flow hedge accounting for these derivative contracts was discontinued effective March 31, 2014. I&M does not hedge all fuel price risk.

I&M utilizes a variety of interest rate derivative transactions in order to manage interest rate risk exposure. I&M also utilizes interest rate derivative contracts to manage interest rate exposure related to future borrowings of fixed-rate debt. I&M does not hedge all interest rate exposure.

At times, I&M is exposed to foreign currency exchange rate risks primarily when some fixed assets are purchased from foreign suppliers. In accordance with AEP’s risk management policy, I&M may utilize foreign currency derivative transactions to protect against the risk of increased cash outflows resulting from a foreign currency’s appreciation against the dollar. I&M does not hedge all foreign currency exposure.

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## ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND THE IMPACT ON THE FINANCIAL STATEMENTS

The accounting guidance for "Derivatives and Hedging" requires recognition of all qualifying derivative instruments as either assets or liabilities on the balance sheets 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, supply and demand market data and assumptions. In order to determine the relevant fair values of the derivative instruments, I&M applies valuation adjustments for discounting, liquidity and credit quality.

Credit risk is the risk that a counterparty will fail to perform on the contract or fail to pay amounts due. Liquidity risk represents the risk that imperfections in the market will cause the price to vary from estimated fair value based upon prevailing market supply and demand conditions. Since energy markets are imperfect and volatile, there are inherent risks related to the underlying assumptions in models used to fair value risk management contracts. Unforeseen events may cause reasonable price curves to differ from actual price curves throughout a contract's term and at the time a contract settles. Consequently, there could be significant adverse or favorable effects on future net income and cash flows if market prices are not consistent with management's estimates of current market consensus for forward prices in the current period. This is particularly true for longer term contracts. Cash flows may vary based on market conditions, margin requirements and the timing of settlement of risk management contracts.

According to the accounting guidance for "Derivatives and Hedging," I&M reflects the fair values of derivative instruments subject to netting agreements with the same counterparty net of related cash collateral. For certain risk management contracts, I&M is required to post or receive cash collateral based on third party contractual agreements and risk profiles. For the December 31, 2015 and 2014 balance sheets, I&M netted cash collateral received from third parties against short-term and long-term risk management assets and cash collateral paid to third parties against short-term and long-term risk management liabilities as follows:

December 31,			
2015		2014	
Cash Collateral Received Netted Against Risk Management Assets	Cash Collateral Paid Netted Against Risk Management Liabilities	Cash Collateral Received Netted Against Risk Management Assets	Cash Collateral Paid Netted Against Risk Management Liabilities
\$	-	0.6	0.2
(in millions)			
\$	-	\$	-

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The following tables represent the gross fair value derivative activity on the balance sheets as of December 31, 2015 and 2014:

**Fair Value of Derivative Instruments  
December 31, 2015**

Balance Sheet Location	Risk Management Contracts	Hedging Contracts		Gross Amounts of Risk Management Assets/Liabilities Recognized	Gross Amounts Offset in the Statement of Financial Position (b)	Net Amounts of Assets/Liabilities Presented in the Statement of Financial Position (c)
	Commodity (a)	Commodity (a)	Interest Rate and Foreign Currency (a)			
	(in millions)					
Derivative Instrument Assets	\$ 23.4	\$ -	\$ -	\$ 23.4	\$ (11.1)	\$ 12.3
Long-Term Portion of Derivative Instrument Assets	0.6	-	-	0.6	(0.6)	-
Derivative Instrument Liabilities	19.6	-	-	19.6	(11.7)	7.9
Long-Term Portion of Derivative Instrument Liabilities	2.6	-	-	2.6	(1.0)	1.6

**Fair Value of Derivative Instruments  
December 31, 2014**

Balance Sheet Location	Risk Management Contracts	Hedging Contracts		Gross Amounts of Risk Management Assets/Liabilities Recognized	Gross Amounts Offset in the Statement of Financial Position (b)	Net Amounts of Assets/Liabilities Presented in the Statement of Financial Position (c)
	Commodity (a)	Commodity (a)	Interest Rate and Foreign Currency (a)			
	(in millions)					
Derivative Instrument Assets	\$ 32.0	\$ -	\$ -	\$ 32.0	\$ (6.4)	\$ 25.6
Long-Term Portion of Derivative Instrument Assets	3.5	-	-	3.5	(0.2)	3.3
Derivative Instrument Liabilities	12.9	-	-	12.9	(6.3)	6.6
Long-Term Portion of Derivative Instrument Liabilities	1.6	-	-	1.6	(0.2)	1.4

- (a) Derivative instruments within these categories are reported gross. These instruments are subject to master netting agreements and are presented on the balance sheets on a net basis in accordance with the accounting guidance for "Derivatives and Hedging."
- (b) Amounts include counterparty netting of risk management and hedging contracts and associated cash collateral in accordance with the accounting guidance for "Derivatives and Hedging."
- (c) There are no derivative contracts subject to a master netting arrangement or similar agreement which are not offset in the statement of financial position.

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The table below presents the activity of derivative risk management contracts for the years ended December 31, 2015 and 2014:

**Amount of Gain (Loss) Recognized on  
Risk Management Contracts**

Location of Gain (Loss)	Years Ended December 31,	
	2015	2014
	(in millions)	
Operating Revenues	\$ 11.5	\$ 12.3
Operation Expenses	(0.4)	-
Regulatory Assets (a)	(2.7)	(0.5)
Regulatory Liabilities (a)	7.5	37.4
<b>Total Gain on Risk Management Contracts</b>	<b>\$ 15.9</b>	<b>\$ 49.2</b>

(a) Represents realized and unrealized gains and losses subject to regulatory accounting treatment.

Certain qualifying derivative instruments have been designated as normal purchase or normal sale contracts, as provided in the accounting guidance for "Derivatives and Hedging." Derivative contracts that have been designated as normal purchases or normal sales under that accounting guidance are not subject to MTM accounting treatment and are recognized on the statements of income on an accrual basis.

The 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, management designates a hedging instrument as a fair value hedge or a cash flow hedge.

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 included in revenues on a net basis on the statements of income. Unrealized and realized gains and losses on derivative instruments not held for trading purposes are included in revenues or expenses on the statements of income depending on the relevant facts and circumstances. Certain derivatives that economically hedge future commodity risk are recorded in the same expense line item on the statements of income as that of the associated risk. However, unrealized and some realized gains and losses for both trading and non-trading derivative instruments are recorded as regulatory assets (for losses) or regulatory liabilities (for gains) in accordance with the accounting guidance for "Regulated Operations."



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In connection with OPCo's June 2012 - May 2015 Ohio Electric Security Plan Filing, the PUCO ordered OPCo to conduct energy and capacity auctions for its entire SSO load for delivery beginning in June 2015, see Note 4 - Rate Matters. These auctions resulted in a range of products, including 12-month, 24-month, and 36-month periods. The delivery period for each contract is scheduled to start on the first day of June of each year, immediately following the auction. Certain affiliated entities participated in the auction process and were awarded tranches of OPCo's SSO load. The underlying contracts are derivatives subject to the accounting guidance for "Derivatives and Hedging" and are accounted for using MTM accounting, unless the contract has been designated as a normal purchase or normal sale.

### *Accounting for Cash Flow Hedging Strategies*

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 on the balance sheets until the period the hedged item affects Net Income. I&M's hedge ineffectiveness is recorded as a regulatory asset (for losses) or a regulatory liability (for gains).

Realized gains and losses on derivative contracts for the purchase and sale of power designated as cash flow hedges are included in Operating Revenues or Operation Expenses on the statements of income or in regulatory assets or regulatory liabilities on the balance sheets, depending on the specific nature of the risk being hedged. During 2015, I&M did not apply cash flow hedging to outstanding power derivatives. During 2014, I&M applied cash flow hedging to outstanding power derivatives.

I&M reclassifies gains and losses on heating oil and gasoline derivative contracts designated as cash flow hedges from Accumulated Other Comprehensive Income on the balance sheets into Operation Expenses, Maintenance Expenses or Depreciation Expense, as it relates to capital projects, on the statements of income. The impact of cash flow hedge accounting for these derivative contracts was immaterial and was discontinued effective March 31, 2014.

I&M reclassifies gains and losses on interest rate derivative hedges related to debt financings from Accumulated Other Comprehensive Income on the balance sheets into Interest on Long-term Debt on the statements of income in those periods in which hedged interest payments occur. During 2015 and 2014, I&M did not apply cash flow hedging to outstanding interest rate derivatives.

The accumulated gains or losses related to foreign currency hedges are reclassified from Accumulated Other Comprehensive Income on the balance sheets into Depreciation Expense on the statements of income over the depreciable lives of the fixed assets designated as the hedged items in qualifying foreign currency hedging relationships. During 2015 and 2014, I&M did not apply cash flow hedging to any outstanding foreign currency derivatives.

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During 2015 and 2014, hedge ineffectiveness was immaterial or nonexistent for all of the hedge strategies disclosed above.

For details on effective cash flow hedges included in Accumulated Other Comprehensive Income on the balance sheets and the reasons for changes in cash flow hedges, see Note 3.

Cash flow hedges included in Accumulated Other Comprehensive Income on the balance sheets as of December 31, 2015 and 2014 were:

**Impact of Cash Flow Hedges on the Balance Sheet  
December 31, 2015**

	<u>Commodity</u>	<u>Interest Rate and Foreign Currency</u>	<u>Total</u>
		(in millions)	
AOCI Loss Net of Tax	\$ -	\$ (13.3)	\$ (13.3)
Portion Expected to be Reclassified to Net Income During the Next Twelve Months	-	(1.3)	(1.3)

**Impact of Cash Flow Hedges on the Balance Sheet  
December 31, 2014**

	<u>Commodity</u>	<u>Interest Rate and Foreign Currency</u>	<u>Total</u>
		(in millions)	
AOCI Loss Net of Tax	\$ -	\$ (14.4)	\$ (14.4)
Portion Expected to be Reclassified to Net Income During the Next Twelve Months	-	(1.1)	(1.1)

The actual amounts reclassified from Accumulated Other Comprehensive Income to Net Income can differ from the estimate above due to market price changes. As of December 31, 2015, I&M is not hedging (with contracts subject to the accounting guidance for "Derivatives and Hedging") any exposure to variability in future cash flows related to forecasted transactions.

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**Credit Risk**

Management limits credit risk in marketing and trading activities by assessing the creditworthiness of potential counterparties before entering into transactions with them and continuing to evaluate their creditworthiness on an ongoing basis. Management uses Moody's, Standard and Poor's and current market-based qualitative and quantitative data as well as financial statements to assess the financial health of counterparties on an ongoing basis.

When management uses standardized master agreements, these agreements may include collateral requirements. These master agreements facilitate the netting of cash flows associated with a single counterparty. Cash, letters of credit and parental/affiliate guarantees may be obtained as security from counterparties in order to mitigate credit risk. The collateral agreements require a counterparty to post cash or letters of credit in the event an exposure exceeds the established threshold. The threshold represents an unsecured credit limit which may be supported by a parental/affiliate guaranty, as determined in accordance with AEP's credit policy. In addition, collateral agreements allow for termination and liquidation of all positions in the event of a failure or inability to post collateral.

**Collateral Triggering Events**

Under the tariffs of the RTOs and Independent System Operators (ISOs) and a limited number of derivative and non-derivative contracts primarily related to competitive retail auction loads, I&M is obligated to post an additional amount of collateral if certain credit ratings decline below a specified rating threshold. The amount of collateral required fluctuates based on market prices and total exposure. On an ongoing basis, AEP's risk management organization assesses the appropriateness of these collateral triggering items in contracts. I&M has not experienced a downgrade below a specified rating threshold that would require the posting of additional collateral. The following table represents I&M's exposure if credit ratings were to decline below a specified rating threshold as of December 31, 2015 and 2014:

	Fair Value of Contracts with Credit Downgrade Triggers	Amount of Collateral I&M Would Have Been Required to Post for Derivative Contracts as well as Non-Derivative Contracts Subject to the Same Master Netting Arrangement		Amount of Collateral I&M Would Have Been Required to Post Attributable to RTOs and ISOs	Amount of Collateral Attributable to Other Contracts
		(in millions)			
December 31, 2015	\$ -	\$ -	\$ -	\$ 3.3	0.1
December 31, 2014	-	-	-	4.3	-

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In addition, a majority of I&M's non-exchange traded commodity contracts contain cross-default provisions that, if triggered, would permit the counterparty to declare a default and require settlement of the outstanding payable. These cross-default provisions could be triggered if there was a non-performance event by Parent or the obligor under outstanding debt or a third party obligation in excess of \$50 million. On an ongoing basis, AEP's risk management organization assesses the appropriateness of these cross-default provisions in the contracts. The following table represents: (a) the fair value of these derivative liabilities subject to cross-default provisions prior to consideration of contractual netting arrangements, (b) the amount this exposure has been reduced by cash collateral posted by I&M and (c) if a cross-default provision would have been triggered, the settlement amount that would be required after considering I&M's contractual netting arrangements as of December 31, 2015 and 2014:

	<b>Liabilities for Contracts with Cross Default Provisions Prior to Contractual Netting Arrangements</b>	<b>Amount of Cash Collateral Posted (in millions)</b>	<b>Additional Settlement Liability if Cross Default Provision is Triggered</b>
December 31, 2015	\$ 2.5	\$ -	\$ 2.5
December 31, 2014	6.1	-	6.1

## 10. FAIR VALUE MEASUREMENTS

### *Fair Value Measurements of Long-term Debt*

The fair values of Long-term Debt are based on quoted market prices, without credit enhancements, for the same or similar issues and the current interest rates offered for instruments with similar maturities classified as Level 2 measurement inputs. 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 Long-term Debt for as of December 31, 2015 and 2014 are summarized in the following table:

December 31,			
2015		2014	
Book Value	Fair Value	Book Value	Fair Value
(in millions)			
\$ 1,831.6	\$ 2,018.1	\$ 1,850.7	\$ 2,078.4



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***Fair Value Measurements of Trust Assets for Decommissioning and SNF Disposal***

Securities held in trust funds for decommissioning nuclear facilities and for the disposal of SNF are recorded at fair value. See "Nuclear Trust Funds" section of Note 1.

The following is a summary of nuclear trust fund investments as of December 31, 2015 and 2014:

	December 31,					
	Fair Value	2015 Gross Unrealized Gains	Other Than Temporary Impairments	Fair Value	2014 Gross Unrealized Gains	Other Than Temporary Impairments
	(in millions)					
Cash and Cash Equivalents	\$ 168.3	\$ —	\$ —	\$ 20.0	\$ —	\$ —
Fixed Income Securities:						
United States Government	731.1	35.9	(2.6)	697.0	44.6	(5.0)
Corporate Debt	57.9	3.2	(1.1)	47.8	4.5	(1.0)
State and Local Government	22.2	1.1	(0.3)	208.5	1.2	(0.3)
Subtotal Fixed Income Securities	811.2	40.2	(4.0)	953.3	50.3	(6.3)
Equity Securities – Domestic	1,126.9	571.6	(79.3)	1,122.4	598.8	(79.2)
Spent Nuclear Fuel and Decommissioning Trusts	\$ 2,106.4	\$ 611.8	\$ (83.3)	\$ 2,095.7	\$ 649.1	\$ (85.5)

The following table provides the securities activity within the decommissioning and SNF trusts for the years ended December 31, 2015 and 2014:

	Years Ended December 31,	
	2015	2014
	(in millions)	
Proceeds from Investment Sales	\$ 2,218.4	\$ 1,031.8
Purchases of Investments	2,272.0	1,086.4
Gross Realized Gains on Investment Sales	69.1	32.3
Gross Realized Losses on Investment Sales	53.0	15.4

The adjusted cost of fixed income securities was \$771 million and \$903 million as of December 31, 2015 and 2014, respectively. The adjusted cost of equity securities was \$555 million and \$524 million as of December 31, 2015 and 2014, respectively.

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The fair value of fixed income securities held in the nuclear trust funds, summarized by contractual maturities, as of December 31, 2015 was as follows:

	<b>Fair Value of Fixed Income Securities</b>	
	<b>(in millions)</b>	
Within 1 year	\$	167.2
1 year – 5 years		361.0
5 years – 10 years		129.4
After 10 years		153.6
<b>Total</b>	<b>\$</b>	<b>811.2</b>

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### *Fair Value Measurements of Financial Assets and Liabilities*

For a discussion of fair value accounting and the classification of assets and liabilities within the fair value hierarchy, see the "Fair Value Measurements of Assets and Liabilities" section of Note 1.

The following tables set forth, by level within the fair value hierarchy, I&M's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2015 and 2014. As required by the accounting guidance for "Fair Value Measurements and Disclosures," financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. There have not been any significant changes in management's valuation techniques.

#### Assets and Liabilities Measured at Fair Value on a Recurring Basis December 31, 2015

	Level 1	Level 2	Level 3	Other	Total
Assets:	(in millions)				
<b>Derivative Instrument Assets</b>					
Risk Management Commodity Contracts (a) (b)	\$ 0.1	\$ 17.0	\$ 6.3	\$ (11.1)	\$ 12.3
<b>Other Special Funds</b>					
Cash and Cash Equivalents (c)	160.5	-	-	7.8	168.3
Fixed Income Securities:					
United States Government	-	731.1	-	-	731.1
Corporate Debt	-	57.9	-	-	57.9
State and Local Government	-	22.2	-	-	22.2
Subtotal Fixed Income Securities	-	811.2	-	-	811.2
Equity Securities – Domestic (d)	1,126.9	-	-	-	1,126.9
<b>Total Other Special Funds</b>	<b>1,287.4</b>	<b>811.2</b>	<b>-</b>	<b>7.8</b>	<b>2,106.4</b>
<b>Total Assets</b>	<b>\$ 1,287.5</b>	<b>\$ 828.2</b>	<b>\$ 6.3</b>	<b>\$ (3.3)</b>	<b>\$ 2,118.7</b>
<b>Liabilities:</b>					
<b>Derivative Instrument Liabilities</b>					
Risk Management Commodity Contracts (a) (b)	\$ 0.1	\$ 17.5	\$ 2.0	\$ (11.7)	\$ 7.9

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**Assets and Liabilities Measured at Fair Value on a Recurring Basis  
December 31, 2014**

Assets:	Level 1	Level 2	Level 3	Other	Total
	(in millions)				
<b>Derivative Instrument Assets</b>					
Risk Management Commodity Contracts (a) (b)	\$ 0.1	\$ 15.9	\$ 16.0	\$ (6.4)	\$ 25.6
<b>Other Special Funds</b>					
Cash and Cash Equivalents (c)	9.4	-	-	10.6	20.0
Fixed Income Securities:					
United States Government	-	697.0	-	-	697.0
Corporate Debt	-	47.8	-	-	47.8
State and Local Government	-	208.6	-	-	208.6
Subtotal Fixed Income Securities	-	953.4	-	-	953.4
Equity Securities – Domestic (d)	1,122.4	-	-	-	1,122.4
<b>Total Other Special Funds</b>	<b>1,131.8</b>	<b>953.4</b>	<b>-</b>	<b>10.6</b>	<b>2,095.8</b>
<b>Total Assets</b>	<b>\$ 1,131.9</b>	<b>\$ 969.3</b>	<b>\$ 16.0</b>	<b>\$ 4.2</b>	<b>\$ 2,121.4</b>

**Liabilities:**

<b>Derivative Instrument Liabilities</b>					
Risk Management Commodity Contracts (a) (b)	\$ 0.2	\$ 11.4	\$ 1.3	\$ (6.3)	\$ 6.6

- (a) Amounts in "Other" column primarily represent counterparty netting of risk management and hedging contracts and associated cash collateral under the accounting guidance for "Derivatives and Hedging."
- (b) Substantially comprised of power contracts.
- (c) Amounts in "Other" column primarily represent accrued interest receivables from financial institutions. Level 1 amounts primarily represent investments in money market funds.
- (d) Amounts represent publicly traded equity securities and equity-based mutual funds.

There have been no transfers between Level 1 and Level 2 during the years ended December 31, 2015 and 2014.



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The following tables set forth a reconciliation of changes in the fair value of net trading derivatives classified as Level 3 in the fair value hierarchy:

<u>Year Ended December 31, 2015</u>	<u>Net Risk Management Assets (Liabilities)</u>	
	(in millions)	
<b>Balance as of December 31, 2014</b>	\$	14.7
Realized Gain (Loss) Included in Net Income (or Changes in Net Assets) (a) (b)		0.2
Purchases, Issuances and Settlements (c)		(14.2)
Transfers out of Level 3 (e) (f)		0.8
Changes in Fair Value Allocated to Regulated Jurisdictions (g)		2.8
<b>Balance as of December 31, 2015</b>	\$	<u>4.3</u>

<u>Year Ended December 31, 2014</u>	<u>Net Risk Management Assets (Liabilities)</u>	
	(in millions)	
<b>Balance as of December 31, 2013</b>	\$	7.2
Realized Gain (Loss) Included in Net Income (or Changes in Net Assets) (a) (b)		18.6
Purchases, Issuances and Settlements (c)		(20.6)
Transfers into Level 3 (d) (e)		(2.5)
Changes in Fair Value Allocated to Regulated Jurisdictions (g)		12.0
<b>Balance as of December 31, 2014</b>	\$	<u>14.7</u>

- (a) Included in revenues on the statements of income.
- (b) Represents the change in fair value between the beginning of the reporting period and the settlement of the risk management commodity contract.
- (c) Represents the settlement of risk management commodity contracts for the reporting period.
- (d) Represents existing assets or liabilities that were previously categorized as Level 2.
- (e) Transfers are recognized based on their value at the beginning of the reporting period that the transfer occurred.
- (f) Represents existing assets or liabilities that were previously categorized as Level 3.
- (g) Relates to the net gains (losses) of those contracts that are not reflected on the statements of income. These net gains (losses) are recorded as regulatory assets/liabilities.

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The following tables quantify the significant unobservable inputs used in developing the fair value of Level 3 positions as of December 31, 2015 and 2014:

**Significant Unobservable Inputs  
December 31, 2015**

	Fair Value		Valuation Technique	Significant Unobservable Input(a)	Forward Price Range		
	Assets	Liabilities			Low	High	Weighted Average
	(in millions)						
Energy Contracts	\$ 6.0	\$ 0.2	Discounted Cash Flow	Forward Market Price	\$ 12.61	\$ 47.24	\$ 32.38
FTRs	0.3	1.8	Discounted Cash Flow	Forward Market Price	(6.96)	8.43	1.34
<b>Total</b>	<b>\$ 6.3</b>	<b>\$ 2.0</b>					

**Significant Unobservable Inputs  
December 31, 2014**

	Fair Value		Valuation Technique	Significant Unobservable Input(a)	Forward Price Range		
	Assets	Liabilities			Low	High	Weighted Average
	(in millions)						
Energy Contracts	\$ 6.4	\$ 1.2	Discounted Cash Flow	Forward Market Price	\$ 13.43	\$ 123.02	\$ 52.47
FTRs	9.6	0.1	Discounted Cash Flow	Forward Market Price	(14.63)	20.02	1.01
<b>Total</b>	<b>\$ 16.0</b>	<b>\$ 1.3</b>					

(a) Represents market prices in dollars per MWh.

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The following table provides sensitivity of fair value measurements to increases (decreases) in significant unobservable inputs related to Energy Contracts and FTRs as of December 31, 2015 and 2014:

### Sensitivity of Fair Value Measurements

<u>Significant Unobservable Input</u>	<u>Position</u>	<u>Change in Input</u>	<u>Impact on Fair Value Measurement</u>
Forward Market Price	Buy	Increase (Decrease)	Higher (Lower)
Forward Market Price	Sell	Increase (Decrease)	Lower (Higher)

## 11. INCOME TAXES

### *Income Tax Expense*

The details of income taxes as reported are as follows:

	Years Ended December 31,	
	2015	2014
	(in millions)	
Charged (Credited) to Operating Expenses, Net:		
Current	\$ 6.3	\$ 15.7
Deferred	90.6	71.9
Deferred Investment Tax Credits	(3.3)	(4.9)
<b>Total</b>	<u>93.6</u>	<u>82.7</u>
Charged (Credited) to Nonoperating Income, Net:		
Current	(0.5)	(1.4)
Deferred	3.0	(1.7)
<b>Total</b>	<u>2.5</u>	<u>(3.1)</u>
<b>Income Tax Expense</b>	<u>\$ 96.1</u>	<u>\$ 79.6</u>

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The following is a reconciliation of the difference between the amounts of federal income taxes computed by multiplying book income before income taxes by the federal statutory tax rate and the amount of income taxes reported:

	Years Ended December 31,	
	2015	2014
	(in millions)	
Net Income	\$ 204.8	\$ 155.6
Income Tax Expense	96.1	79.6
<b>Pretax Income</b>	<b>\$ 300.9</b>	<b>\$ 235.2</b>
Income Taxes on Pretax Income at Statutory Rate (35%)	\$ 105.3	\$ 82.3
Increase (Decrease) in Income Taxes Resulting from the Following Items:		
Depreciation	9.5	12.9
Investment Tax Credits, Net	(3.3)	(4.9)
State and Local Income Taxes, Net	5.8	7.7
Removal Costs	(12.6)	(11.3)
AFUDC	(6.2)	(10.0)
Other	(2.4)	2.9
<b>Income Tax Expense</b>	<b>\$ 96.1</b>	<b>\$ 79.6</b>
<b>Effective Income Tax Rate</b>	<b>31.9%</b>	<b>33.8%</b>

#### *Net Deferred Tax Liability*

The following table shows elements of the net deferred tax liability and significant temporary differences:

	December 31,	
	2015	2014
	(in millions)	
Deferred Tax Assets	\$ 839.4	\$ 913.6
Deferred Tax Liabilities	(2,200.4)	(2,189.9)
<b>Net Deferred Tax Liabilities</b>	<b>\$ (1,361.0)</b>	<b>\$ (1,276.3)</b>
Property Related Temporary Differences	\$ (522.6)	\$ (418.2)
Amounts Due from Customers for Future Federal Income Taxes	(42.7)	(40.6)
Deferred State Income Taxes	(124.9)	(139.0)
Deferred Income Taxes on Other Comprehensive Loss	9.0	8.4
Accrued Nuclear Decommissioning	(614.6)	(611.0)
Regulatory Assets	(70.2)	(74.7)
All Other, Net	5.0	(1.2)
<b>Net Deferred Tax Liabilities</b>	<b>\$ (1,361.0)</b>	<b>\$ (1,276.3)</b>

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### ***AEP System Tax Allocation Agreement***

I&M joins in the filing of a consolidated federal income tax return. The allocation of the AEP System's current consolidated federal income tax to the AEP System companies allocates the benefit of current tax losses to the AEP 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.

### ***Federal and State Income Tax Audit Status***

I&M and other AEP subsidiaries are no longer subject to U.S. federal examination for years before 2011. The IRS examination of years 2011, 2012 and 2013 started in April 2014. Although the outcome of tax audits is uncertain, in management's opinion, adequate provisions for federal 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 materially impact net income.

I&M and other AEP subsidiaries file income tax returns in various state, local and foreign jurisdictions. These taxing authorities routinely examine their tax returns. I&M and other AEP subsidiaries are currently under examination in several state and local jurisdictions. However, it is possible that previously filed tax returns have positions that may be challenged by these tax authorities. Management believes that adequate provisions for income taxes have been made for potential liabilities resulting from such challenges and that the ultimate resolution of these audits will not materially impact net income. I&M is no longer subject to state, local or non-U.S. income tax examinations by tax authorities for years before 2009.

### ***Net Income Tax Operating Loss Carryforward***

In 2011, I&M recognized a federal net income tax operating loss of \$125 million driven primarily by bonus depreciation, pension plan contributions and other book versus tax temporary differences. At the end of 2013, I&M had \$13 million of unrealized federal net operating loss carryforward. Federal taxable income was sufficient enough in 2014 that these remaining federal net income tax operating loss tax benefits were realized in full.

### ***Tax Credit Carryforward***

Federal and state net income tax operating losses sustained in 2012, 2011 and 2009 along with lower federal and state taxable income in 2010 resulted in unused federal and state income tax credits. As of December 31, 2015, I&M has federal tax credit carryforwards of \$4 million of which \$3 million will expire in the years 2031 through 2034.

I&M anticipates future federal taxable income will be sufficient to realize the tax benefits of the federal tax credits before they expire unused.



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### *Uncertain Tax Positions*

I&M recognizes interest accruals related to uncertain tax positions in interest income or expense as applicable and penalties in Penalties in accordance with the accounting guidance for "Income Taxes."

The following table shows amounts reported for interest expense and reversal of prior period interest expense:

	Years Ended December 31,	
	2015	2014
	(in millions)	
Interest Expense	\$ 0.2	\$ -
Reversal of Prior Period Interest Expense	-	0.3

The amounts accrued for payment of interest and penalties as of December 31, 2015 and 2014 were \$644 thousand and \$526 thousand, respectively.

The reconciliations of the beginning and ending amounts of unrecognized tax benefits are as follows:

	2015	2014
	(in millions)	
<b>Balance as of January 1,</b>	\$ 2.3	\$ 3.2
Increase – Tax Positions Taken During a Prior Period	0.2	1.4
Decrease – Tax Positions Taken During a Prior Period	-	-
Increase – Tax Positions Taken During the Current Year	-	-
Decrease – Tax Positions Taken During the Current Year	-	-
Decrease – Settlements with Taxing Authorities	-	(0.7)
Decrease – Lapse of the Applicable Statute of Limitations	-	(1.6)
<b>Balance as of December 31,</b>	<u>\$ 2.5</u>	<u>\$ 2.3</u>

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 \$2 million and \$2 million for 2015 and 2014, respectively.

### *Federal Tax Legislation*

The Tax Increase Prevention Act of 2014 (the 2014 Act) was enacted in December 2014. Included in the 2014 Act was a one-year extension of the 50% bonus depreciation. The 2014 Act also retroactively extended the life of research and development, employment and several energy tax credits, which expired at the end of 2013. The enacted provisions did not materially impact I&M's net income or financial condition but did have a favorable impact on cash flows in 2015.

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The Protecting Americans from Tax Hikes Act of 2015 (PATH) included an extension of the 50% bonus depreciation for three years through 2017, phasing down to 40% in 2018 and 30% in 2019. PATH also provided for the extension of research and development, employment and several energy tax credits for 2015. PATH also includes provisions to extend the wind energy production tax credit through 2016 with a three-year phase-out (2017-2019), and to extend the 30% temporary solar investment tax credit for three years through 2019 and with a two-year phase-out (2020-2021). PATH also provided for a permanent extension of the Research and Development tax credit. The enacted provisions did not materially impact I&M's net income or financial condition but will have a favorable impact on future cash flows.

### *State Tax Legislation*

Legislation was passed by the state of Indiana in May 2011 enacting a phased reduction in corporate income tax rate from 8.5% to 6.5%. The 8.5% Indiana corporate income tax rate will be reduced 0.5% each year beginning after June 30, 2012, with the final reduction occurring in years beginning after June 30, 2015.

During the third quarter of 2013, it was determined that the state of West Virginia had achieved certain minimum levels of shortfall reserve funds. As a result, the West Virginia corporate income tax rate was reduced from 7% to 6.5% in 2014. The enacted provisions did not materially impact net income, cash flows or financial condition.

## **12. LEASES**

Leases of property, plant and equipment are for remaining periods up to 16 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 and Maintenance Expenses in accordance with rate-making treatment for regulated operations. The components of rental costs are as follows:

	<b>Years Ended</b>	
	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
	<b>(in millions)</b>	
Net Lease Expense on Operating Leases	\$ 88.3	\$ 93.4
Amortization of Capital Leases	150.3	149.4
Interest on Capital Leases	5.3	4.8
<b>Total Lease Rental Costs</b>	<b>\$ 243.9</b>	<b>\$ 247.6</b>

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

	December 31,	
	2015	2014
	(in millions)	
<b>Property, Plant and Equipment Under Capital Leases</b>		
Production	\$ 14.5	\$ 18.7
Other Property, Plant and Equipment	228.1	258.5
Total Property, Plant and Equipment	242.6	277.2
Accumulated Amortization	19.7	15.9
<b>Net Property, Plant and Equipment Under Capital Leases</b>	<b>\$ 222.9</b>	<b>\$ 261.3</b>
<b>Obligations Under Capital Leases:</b>		
Noncurrent	\$ 114.9	\$ 140.8
Current	108.0	120.5
<b>Total Obligations Under Capital Leases</b>	<b>\$ 222.9</b>	<b>\$ 261.3</b>

Future minimum lease payments consisted of the following as of December 31, 2015:

	Capital Leases	Noncancelable Operating Leases
	(in millions)	
2016	\$ 122.6	\$ 92.7
2017	79.8	90.9
2018	23.1	89.7
2019	10.4	88.5
2020	2.7	85.1
Later Years	20.3	173.8
<b>Total Future Minimum Lease Payments</b>	<b>258.9</b>	<b>\$ 620.7</b>
Less Estimated Interest Element	36.0	
<b>Estimated Present Value of Future Minimum Lease Payments</b>	<b>\$ 222.9</b>	

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### *Master Lease Agreements*

I&M leases certain equipment under master lease agreements. Under the lease agreements, the lessor is guaranteed a residual value up to a stated percentage of either the unamortized balance or the equipment cost at the end of the lease term. If the actual fair value of the leased equipment is below the guaranteed residual value at the end of the lease term, I&M is committed to pay the difference between the actual fair value and the residual value guarantee. Historically, at the end of the lease term the fair value has been in excess of the unamortized balance. As of December 31, 2015, the maximum potential loss by I&M for these lease agreements assuming the fair value of the equipment is zero at the end of the lease term is \$3 million.

### *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.

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 equally 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. AEP, AEGCo and I&M have no 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, 2015 are as follows:

	<b>Future Minimum Lease Payments</b>
	(in millions)
2016	\$ 73.9
2017	73.9
2018	73.9
2019	73.9
2020	73.9
Later Years	147.5
<b>Total Future Minimum Lease Payments</b>	<b>\$ 517.0</b>



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### ***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 is accounted for as an operating lease. In January 2008, AEP Transportation assigned the remaining 848 railcars under the original lease agreement to I&M (390 railcars) and SWEPCo (458 railcars). The assignment is accounted for as an operating lease. The initial lease term was five years with three consecutive five-year renewal periods for a maximum lease term of twenty years. I&M intends to renew the lease for the full lease term of twenty years via the renewal options. I&M's future minimum lease obligation is \$10 million for the remaining railcars as of December 31, 2015. The obligation is included in the future minimum lease payments schedule earlier in this note.

Under the lease agreement, the lessor is guaranteed that the sale proceeds under a return-and-sale option will equal at least a lessee obligation amount specified in the lease, which declines from 83% of the projected fair value of the equipment under the current five-year lease term to 77% at the end of the 20-year term. I&M assumed the guarantee under the return-and-sale option. I&M's maximum potential loss related to the guarantee is \$9 million as of December 31, 2015, assuming the fair value of the equipment is zero at the end of the current five-year lease term. However, management believes that the fair value would produce a sufficient sales price to avoid any loss.

### ***Nuclear Fuel Lease***

In April 2010, I&M entered into a sale-and-leaseback transaction for \$85 million with DCC Fuel II LLC (DCC II) to lease nuclear fuel for the Cook Plant. DCC II is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease had a fixed rate of 4% and was a capital lease. I&M made the final payment in October 2014.

In November 2011, I&M entered into a sale-and-leaseback transaction for \$110 million with DCC Fuel IV LLC (DCC IV) to lease nuclear fuel for the Cook Plant. DCC IV is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease has a variable rate for \$65 million and a fixed rate of 2.12% for \$45 million. The lease is a capital lease with a term of 54 months. I&M makes payments on the lease quarterly in February, May, August and November. Payments began in February 2012.

In April 2012, I&M entered into a sale-and-leaseback transaction for \$110 million with DCC Fuel V LLC (DCC V). DCC V is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease has a variable rate and is a capital lease with a term of 54 months. Management chose to terminate the lease early. I&M made the final payment in April 2015.

In May 2013, I&M entered into a sale-and-leaseback transaction for \$101 million with DCC Fuel VI LLC (DCC VI). DCC VI is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease has a variable rate and is a capital lease with a term of 53 months. I&M makes payments on the lease quarterly in February, May, August and November. Payments began in August 2013.



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In October 2014, I&M entered into a sale-and-leaseback transaction for \$106 million with DCC Fuel VII LLC (DCC VII). DCC VII is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease has a variable rate and is a capital lease with a term of 54 months. I&M makes payments on the lease quarterly in January, April, July and October. Payments began in January 2015.

In April 2015, I&M entered into a sale-and-leaseback transaction for \$111 million with DCC Fuel VIII LLC (DCC VIII). DCC VIII is a single-lessee leasing arrangement with one asset and was formed for the sole purpose of acquiring, owning and leasing nuclear fuel to I&M. The lease has a variable rate and is a capital lease with a term of 54 months. I&M makes payments on the lease monthly. Payments began in April 2015.

In November 2013, I&M entered into a sale-and-leaseback transaction with IMP 11-2013, a nonaffiliated Ohio trust, to lease nuclear fuel for I&M's Cook Plant. In November 2013, I&M sold a portion of its unamortized nuclear fuel inventory to the trust for \$110 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 54 months. The future minimum lease payments for the sale-and-leaseback transaction as of December 31, 2015 are as follows, based on estimated fuel burn:

	<b>Future Minimum Lease Payment</b>
	<b>(in millions)</b>
2016	\$ 26.9
2017	5.8
2018	2.4
<b>Total Future Minimum Lease Payments</b>	<b>\$ 35.1</b>

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### 13. FINANCING ACTIVITIES

#### Long-term Debt

The following details long-term debt outstanding as of December 31, 2015 and 2014:

Type of Debt	Maturity	Weighted Average Interest Rate as of December 31,	Interest Rate Ranges as of December 31,		Outstanding as of December 31,	
		2015	2015	2014	2015	2014
(in millions)						
Senior Unsecured Notes	2015-2037 2019-2025	5.82%	3.20%-7.00%	3.20%-7.00%	\$ 1,125.0	\$ 1,250.0
Pollution Control Bonds (a)	(b)	1.79%	0.01%-4.625%	0.04%-4.625%	227.0	227.0
Spent Nuclear Fuel Obligation (c)					265.6	265.5
Other Long-term Debt	2015-2025	2.14%	1.81%-6.00%	1.55%-6.00%	217.2	111.9
Unamortized Discount, Net					(3.2)	(3.7)
<b>Total Long-term Debt</b>					<b>\$ 1,831.6</b>	<b>\$ 1,850.7</b>

- (a) For certain series of pollution control bonds, interest rates are subject to periodic adjustment. Certain series may be purchased on demand at periodic interest adjustment dates. Letters of credit from banks and insurance policies support certain series.
- (b) Certain pollution control bonds are subject to redemption earlier than the maturity date. Consequently, these bonds have been classified for maturity purposes based on the mandatory redemption date.
- (c) Spent nuclear fuel obligation consists of a liability along with accrued interest for disposal of spent nuclear fuel (see "SNF Disposal" section of Note 6).

Long-term debt outstanding as of December 31, 2015 is payable as follows:

	(in millions)
2016	\$ 78.3
2017	1.5
2018	301.5
2019	476.6
2020	1.8
After 2020	975.1
Principal Amount	1,834.8
Unamortized Discount, Net	(3.2)
<b>Total Long-term Debt</b>	<b>\$ 1,831.6</b>

In March 2016, I&M issued \$400 million of 4.55% Senior Unsecured Notes due in 2046.

As of December 31, 2015, trustees held, on behalf of I&M, \$40 million of reacquired Pollution Control Bonds.

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### ***Dividend Restrictions***

I&M pays dividends to Parent provided funds are legally available. Various financing arrangements and regulatory requirements may impose certain restrictions on the ability of I&M to transfer funds to Parent in the form of dividends.

I&M has credit agreements that contain a covenant that limits their debt to capitalization ratio to 67.5%. As of December 31, 2015, \$92 million of I&M's retained earnings had restrictions related to the payment of dividends to Parent.

The Federal Power Act prohibits the utility subsidiaries from participating "in the making or paying of any dividends of such public utility from any funds properly included in capital account." As of December 31, 2015, this restriction did not limit the ability of I&M to pay dividends out of retained earnings.

Additionally, the Federal Power Act creates a reserve on earnings attributable to hydroelectric generation plants. Because of their ownership of such plants, this reserve applies to I&M.

### ***Corporate Borrowing Program – AEP System***

The AEP System uses a corporate borrowing program to meet the short-term borrowing needs of AEP's subsidiaries. The corporate borrowing program includes a Utility Money Pool, which funds AEP's utility subsidiaries. The AEP System Utility Money Pool operates in accordance with the terms and conditions of the AEP System Utility Money Pool agreement filed with the FERC. The amounts of outstanding borrowings from the Utility Money Pool as of December 31, 2015 and 2014 are included in Notes Payable to Associated Companies on I&M's balance sheets. The Utility Money Pool participants' money pool activity and their corresponding authorized borrowing limits for the years ended December 31, 2015 and 2014 are described in the following table:

<u>Years Ended December 31,</u>	<u>Maximum Borrowings from the Utility Money Pool</u>	<u>Maximum Loans to the Utility Money Pool</u>	<u>Average Borrowings from the Utility Money Pool</u>	<u>Average Loans to the Utility Money Pool</u>	<u>Borrowings from the Utility Money Pool as of December 31,</u>	<u>Authorized Short-term Borrowing Limit</u>
	(in millions)					
2015	\$ 297.3	\$ -	\$ 152.6	\$ -	\$ 294.3	500
2014	150.7	145.4	73.2	63.6	142.5	500

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Maximum, minimum and average interest rates for funds either borrowed from or loaned to the Utility Money Pool 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
2015	0.87%	0.37%	-%	-%	0.49%	-%
2014	0.59%	0.25%	0.33%	0.24%	0.31%	0.30%

Interest expense related to short-term borrowing activities with the Utility Money Pool is included in Interest on Debt to Associated Companies. I&M incurred interest expense for borrowings from the Utility Money Pool of \$760 thousand and \$135 thousand for the years ended December 31, 2015 and 2014, respectively.

Interest income related to short-term lending activities with the Utility Money Pool is included in Interest and Dividend Income on the statements of income. I&M earned interest income for amounts advanced to the Utility Money Pool of \$9 thousand and \$87 thousand for the years ended December 31, 2015 and 2014, respectively.

#### ***Credit Facilities***

For a discussion of credit facilities, see "Letters of Credit" section of Note 6.

#### ***Sale of Receivables – AEP Credit***

Under this sale of receivables arrangement, I&M sells, without recourse, certain of its customer accounts receivable and accrued unbilled revenue balances to AEP Credit and is charged a fee based on AEP Credit's financing costs, administrative costs and uncollectible accounts experience for I&M's receivables. I&M manages and services its customer accounts receivable, which are sold to AEP Credit. AEP Credit securitizes the eligible receivables for I&M and retains the remainder.

AEP Credit's receivables securitization agreement provides a commitment of \$750 million from bank conduits to purchase receivables. The agreement was increased in June 2014 from \$700 million and expires in June 2017.

The amount of accounts receivable and accrued unbilled revenues under the sale of receivables agreement as of December 31, 2015 and 2014 was \$135 million and \$138 million, respectively.

The fees paid to AEP Credit for customer accounts receivable sold were \$8 million and \$8 million for the years ended December 31, 2015 and 2014, respectively.



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I&M's proceeds on the sale of receivables to AEP Credit were \$1.6 billion and \$1.5 billion for the years ended December 31, 2015 and 2014, respectively.

#### 14. RELATED PARTY TRANSACTIONS

For other related party transactions, also see "AEP System Tax Allocation Agreement" section of Note 11 in addition to "Corporate Borrowing Program – AEP System" and "Sale of Receivables – AEP Credit" sections of Note 13.

##### *Interconnection Agreement*

In accordance with management's December 2010 announcement and October 2012 filing with the FERC, the Interconnection Agreement was terminated effective January 1, 2014. The AEP System Interim Allowance Agreement which provided for, among other things, the transfer of SO<sub>2</sub> emission allowances associated with transactions under the Interconnection Agreement was also terminated.

APCo, I&M, KPCo, OPCo and AEPSC were parties to the Interconnection Agreement which defined the sharing of costs and benefits associated with the respective generation plants. This sharing was based upon each AEP utility subsidiary's MLR and was calculated monthly on the basis of each AEP utility subsidiary's maximum peak demand in relation to the sum of the maximum peak demands of all four AEP utility subsidiaries during the preceding 12 months.

Effective January 1, 2014, the FERC approved the following agreements. See "Corporate Separation" section of Note 1.

- A Power Coordination Agreement (PCA) among APCo, I&M and KPCo with AEPSC as the agent to coordinate the participants' respective power supply resources. Effective May 2015, the PCA was revised and approved by the FERC to include WPCo.
- A Bridge Agreement among AGR, APCo, I&M, KPCo and OPCo with AEPSC as the agent to address open commitments related to the termination of the Interconnection Agreement and responsibilities to PJM.

AEPSC conducts power, capacity, coal, natural gas, interest rate and, to a lesser extent, heating oil, gasoline and other risk management activities on behalf of APCo, I&M, KPCo, PSO, SWEPCo and WPCo. Effective January 1, 2014 and revised in May 2015, power and natural gas risk management activities for APCo, I&M, KPCo and WPCo are allocated based on the four member companies' respective equity positions, while power and natural gas risk management activities for PSO and SWEPCo are allocated based on the Operating Agreement. Risk management activities primarily include power and natural gas physical transactions, financially-settled swaps and exchange-traded futures. AEPSC settles the majority of the physical forward contracts by entering into offsetting contracts.



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### *Operating Agreement*

PSO, SWEPCo and AEPSC are parties to the Operating Agreement which was approved by the FERC. The Operating Agreement requires PSO and SWEPCo to maintain adequate annual planning reserve margins and requires that capacity in excess of the required margins be made available for sale to other operating companies as capacity commitments. In January 2014, the FERC approved a modification of the Operating Agreement to address changes resulting from an anticipated March 2014 SPP power market change. Subsequently and in March 2014, SPP changed from an energy imbalance service market to a fully integrated power market.

### *System Integration Agreement (SIA)*

Under the SIA, AEPSC allocates physical and financial revenues and expenses from transactions with neighboring utilities, power marketers and other power and natural gas risk management activities based upon the location of such activity. Margins resulting from trading and marketing activities originating in PJM and MISO generally accrue to the benefit of APCo, I&M, KPCo and WPCo, while trading and marketing activities originating in SPP generally accrue to the benefit of PSO and SWEPCo. Margins resulting from other transactions are allocated among APCo, I&M, KPCo, PSO, SWEPCo and WPCo based upon the equity positions of these companies.

The SIA was designed to function as an umbrella agreement in addition to the Interconnection Agreement (prior to January 1, 2014) and the Operating Agreement, each of which controlled the distribution of revenues and expenses.

### *Affiliated Revenues and Purchases*

The following table shows the revenues derived from sales under the Interconnection Agreement, direct sales to affiliates, net transmission agreement sales and other revenues for the years ended December 31, 2015 and 2014:

<u>Related Party Revenues</u>	<u>Years Ended December 31,</u>	
	<u>2015</u>	<u>2014</u>
	(in millions)	
Sales under Interconnection Agreement	\$ -	\$ 0.5 (b)
Direct Sales to West Affiliates	-	0.4
Auction Sales to OPCo (a)	17.1	-
Transmission Agreement and Transmission Coordination Agreement Sales	8.4	1.7
Other Revenues	1.9	1.6

- (a) Refer to the Ohio Auction section below for further information regarding these amounts.
- (b) Includes December 2013 true-up activity subsequent to agreement termination.

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The following table shows the purchased power expenses incurred for purchases under the Interconnection Agreement and from affiliates for the years ended December 31, 2015 and 2014:

<u>Related Party Purchases</u>	<b>Years Ended December 31,</b>	
	<b>2015</b>	<b>2014</b>
	(in millions)	
Purchases under Interconnection Agreement	\$ -	\$ 1.6
Direct Purchases from AEGCo	232.1	268.4

***System Transmission Integration Agreement (STIA)***

AEP's STIA provided for the integration and coordination of the planning, operation and maintenance of transmission facilities. Since the FERC approved the cancellation of the STIA effective June 1, 2014, the coordinated planning, operation and maintenance of transmission facilities are the responsibility of the RTOs and the STIA is no longer necessary. Similar to the SIA, the STIA functioned as an umbrella agreement in addition to the Transmission Agreement (TA) and the Transmission Coordination Agreement (TCA). The TA and TCA are both still active. The STIA contained two service schedules that governed:

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

APCo, I&M, KGPCo, KPCo, OPCo and WPCo are parties to the TA, effective November 2010, which defines how transmission costs through PJM OATT are allocated among the AEP East Companies, KGPCo and WPCo on a 12-month average coincident peak basis. I&M's net charges for the years ended December 31, 2015 and 2014 related to the TA were \$38 million and \$40 million, respectively. The charges were recorded in Operation Expenses.

PSO, SWEPCo and AEPSC are parties to the TCA, dated January 1, 1997, by and among PSO, SWEPCo and AEPSC, in connection with the operation of the transmission assets of the two AEP utility subsidiaries. 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 parties to the agreement. This includes the performance of transmission planning studies, the interaction of such companies with independent system operators (ISO) and other regional bodies interested in transmission planning and compliance with the terms of the OATT filed with the FERC and the rules of the FERC relating to such a tariff.

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### ***Ohio Auctions***

In connection with OPCo's June 2012 - May 2015 Ohio Electric Security Plan Filing, the PUCO ordered OPCo to conduct energy and capacity auctions for its entire SSO load for delivery beginning in June 2015. AEPEP, APCo, KPCo, I&M and WPCo participated in the auction process and were awarded tranches of OPCo's SSO load. Refer to the Affiliated Revenues and Purchases section above for amounts related to these transactions. See Note 9 - Derivatives and Hedging for further information.

### ***Unit Power Agreements (UPA)***

#### ***UPA between AEGCo and I&M***

A UPA 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. Subsequently, I&M assigns 30% of the power to KPCo. See the "UPA between AEGCo and KPCo" section below. 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) net of amounts received by AEGCo from any other sources, sufficient to enable AEGCo to pay all its operating and other expenses, including a rate of return on the common equity of AEGCo as approved by the FERC. The I&M Power Agreement will continue in effect until the expiration of the lease term of Unit 2 of the Rockport Plant unless extended in specified circumstances.

#### ***UPA between AEGCo and KPCo***

Pursuant to an assignment between I&M and KPCo and a UPA 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 pays 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 UPA ends in December 2022.

### ***Cook Coal Terminal***

Cook Coal Terminal, a division of AEGCo, performs coal transloading and storage services at cost for I&M. I&M recorded costs from AEGCo of \$16 million and \$16 million for transloading services in Fuel Stock on the balance sheets for the years ended December 31, 2015 and 2014, respectively.

Cook Coal Terminal also performs railcar maintenance services at cost for I&M. AEGCo billed I&M \$2 million and \$3 million for the years ended December 31, 2015 and 2014, respectively, for railcar maintenance services. I&M recorded the cost of the railcar maintenance services in Fuel Stock on the balance sheets.

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### ***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<sub>x</sub> emissions at certain generation plants in the AEP System. I&M recorded revenues from barging, transloading and other services for affiliates of \$79 million and \$94 million for the years ended December 31, 2015 and 2014, respectively, in Revenues from Nonutility Operations on the statements of income.

### ***Services Provided by AEP River Operations LLC***

AEP River Operations LLC provided services for barge towing, chartering and general and administrative expenses to I&M. In October 2015, AEP signed a Purchase and Sale Agreement to sell AEP River Operations LLC to a nonaffiliated party. The sale closed in November 2015. For the years ended December 31, 2015 and 2014, I&M recorded expenses of \$19 million and \$24 million, respectively, for these activities as Expenses of Nonutility Operations.

### ***Central Machine Shop***

APCo operates a facility which repairs and rebuilds specialized components for the generation plants across the AEP System. APCo defers the cost of performing these services on the balance sheet, then transfers the cost to the affiliate for reimbursement. I&M recorded billings from APCo of \$3 million and \$2 million as capital or maintenance expenses depending on the nature of the services received for the years ended December 31, 2015 and 2014, respectively. These billings are recoverable from customers.

### ***Affiliate Railcar Agreement***

AGR, APCo, I&M, PSO and SWEPCo have an agreement providing for the use of each other's 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 recorded these costs or reimbursements as costs or reduction of costs, respectively, in Fuel Stock on the balance sheets and such costs are recoverable from customers. The following table shows the net effect of the railcar agreement on the balance sheets:

	Years Ended December 31,	APCo	PSO	SWEPCo
		(in millions)		
<b>Payment of Costs:</b>	2015	\$ -	\$ 0.4	\$ 1.2
	2014	0.3	0.1	1.1
<b>Reimbursement of Costs:</b>	2015	-	0.6	1.8
	2014	-	1.3	2.2



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***OVEC***

AEP and several nonaffiliated utility companies jointly own OVEC. As of December 31, 2015, the ownership and investment in OVEC were as follows:

<u>Company</u>	<b>December 31, 2015</b>	
	<u>Ownership</u>	<u>Investment</u>
		<b>(in millions)</b>
Parent	39.17%	\$ 4.0
OPCo	4.30%	0.4
<b>Total</b>	<b>43.47%</b>	<b>\$ 4.4</b>

OVEC's owners, along with APCo and I&M, are members to an intercompany power agreement. Participants of this agreement are entitled to receive and obligated to pay for all OVEC generating capacity, approximately 2,400 MWs, in proportion to their respective power participation ratios. The aggregate power participation ratio of certain AEP utility subsidiaries, including APCo, I&M and OPCo, is 43.47%. The proceeds from the sale of power by OVEC are designed to be sufficient for OVEC to meet its operating expenses and fixed costs and provide a return on capital. The intercompany power agreement ends in June 2040.

AEP and other nonaffiliated owners authorized environmental investments related to their ownership interests. OVEC financed capital expenditures totaling \$1.3 billion in connection with the engineering and construction of FGD projects and the associated waste disposal landfills at its two generation plants. These environmental projects were funded through debt issuances. As of December 31, 2015, both generation plants were operating with environmental controls.

*Purchased Power from OVEC*

I&M paid \$44 million and \$49 million for power purchased from OVEC for the years ended December 31, 2015 and 2014, respectively. The amounts shown above are recoverable from customers and are included in Operation Expenses.



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### *Sales and Purchases of Property*

I&M had affiliated sales and purchases of electric property individually amounting to \$100 thousand or more, sales and purchases of meters and transformers, and sales and purchases of transmission property. There were no gains or losses recorded on the transactions. The following table shows the sales and purchases, recorded in Utility Plant on the balance sheets at net book value, for the years ended December 31, 2015 and 2014:

	Years Ended December 31,	
	2015	2014
	(in millions)	
Sales	\$ 3.0	\$ 1.3
Purchases	8.1	1.4

### *Intercompany Billings*

I&M and other AEP 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 basis 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.

### *AEPSC*

AEPSC provides certain managerial and professional services to AEP's subsidiaries. The costs of the services are based on a direct charge or on a prorated basis and billed to the AEP subsidiary companies at AEPSC's cost. AEPSC and its billings are subject to regulation by the FERC. I&M's total billings from AEPSC were \$140 million and \$133 million for the years ended December 31, 2015 and 2014, respectively.

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## 15. 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 annual composite depreciation rates by functional class:

<u>Year</u>	<u>Nuclear</u>	<u>Steam</u>	<u>Hydro</u>	<u>Transmission</u>	<u>Distribution</u>	<u>General</u>
	(in percentages)					
2015	2.0	3.9	2.7	1.7	2.8	4.0
2014	1.9	2.3	2.6	1.7	2.8	6.1

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

### *Asset Retirement Obligations*

I&M records ARO in accordance with the accounting guidance for "Asset Retirement and Environmental Obligations" for legal obligations for asbestos removal and for the retirement of certain ash disposal facilities and wind farms. I&M records ARO for the decommissioning of the Cook Plant. 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 their 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.

As of December 31, 2015 and 2014, I&M's ARO liability for nuclear decommissioning of the Cook Plant was \$1.18 billion and \$1.27 billion, respectively. As of December 31, 2015 and 2014, the fair value of I&M's assets that are legally restricted for purposes of settling decommissioning liabilities totaled \$1.80 billion and \$1.79 billion, respectively.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

I&M recorded an increase in asset retirement obligations in the second quarter of 2015, primarily related to the final Coal Combustion Residual Rule, which was published in the Federal Register in April 2015. The Federal EPA now regulates the disposal and beneficial re-use of coal combustion residuals (CCR), including fly ash and bottom ash generated at coal-fired electric generating units and also FGD gypsum generated at some coal-fired plants. The Federal EPA regulates CCR as a non-hazardous solid waste and established minimum federal solid waste management standards. Noncash increases related to the CCR Rule are recorded as Utility Plant. The following is a reconciliation of the 2015 and 2014 aggregate carrying amounts of ARO:

Year	ARO at January 1,	Accretion Expense	Liabilities Settled	Revisions in Cash Flow Estimates	ARO at December 31,
(in millions)					
2015	\$ 1,342.5	\$ 64.3	\$ (5.7)	\$ (147.3)	\$ 1,253.8
2014	1,255.2	60.0	(1.4)	28.7	1,342.5

#### Jointly-owned Electric Facilities

I&M has electric facilities that are jointly-owned with an affiliated company. Using its own financing, I&M is obligated to pay its share of the costs of these jointly-owned facilities in the same proportion as its ownership interest. I&M's proportionate share of the operating costs associated with these facilities is included in its statements of income and the investments and accumulated depreciation are reflected in its balance sheets under Utility Plant as follows:

Facility	Fuel Type	Percent of Ownership	I&M's Share as of December 31, 2015		
			Utility Plant in Service	Construction Work in Progress	Accumulated Depreciation
(in millions)					
Rockport Generating Plant (a)(b)(c)	Coal	50.0%	\$ 926.7	\$ 58.5	\$ 512.4

Facility	Fuel Type	Percent of Ownership	I&M's Share as of December 31, 2014		
			Utility Plant in Service	Construction Work in Progress	Accumulated Depreciation
(in millions)					
Rockport Generating Plant (a)(b)(c)	Coal	50.0%	\$ 801.5	\$ 119.9	\$ 492.2

- (a) Operated by I&M.
- (b) Amounts include I&M's 50% ownership of both Unit 1 and capital additions for Unit 2. Unit 2 is subject to an operating lease with a non-affiliated company. See the "Rockport Lease" section of Note 12.
- (c) AEGCo owns 50% of Unit 1 with I&M and 50% of capital additions for Unit 2.

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## 16. COST REDUCTION PROGRAM

### *2014 Disposition Plant Severance*

Management retired several generation plants or units of plants during 2015. These plant closures resulted in involuntary severances. The severance program provides two weeks of base pay for every year of service along with other severance benefits.

I&M's disposition plant severance activity for the year ended December 31, 2015 is described in the following table:

Balance as of December 31, 2014	Expense Allocation from AEPSC	Incurred	Settled	Adjustments	Remaining Balance as of December 31, 2015
(in millions)					
\$ 8.0	\$ -	\$ 0.3	\$ 5.4	\$ -	\$ 2.9

I&M recorded charges of \$8 million to Operation Expenses in 2014 primarily related to employees at the disposition plants. Management does not expect additional costs to be incurred related to this initiative.

## 17. FERC ORDER NO. 784-A

On July 18, 2013, the FERC issued Order No. 784 that revised certain aspects of the accounting and reporting requirements under the Uniform System of Accounts related to energy storage accounts. Due to software limitations, the newly adopted and revised schedules in the FERC forms that would contain the energy storage accounts are not available to filers of the forms for use as of the effective date. Utilities with energy storage assets must use the existing schedules in the FERC Forms to report energy storage assets pending availability of the new and revised schedules. FERC directed filers to submit the requested energy storage information as part of pages 122-123.

The following table presents I&M's energy storage operations for small plants for the years ended December 31, 2015 and 2014, as required by FERC Order No. 784:

Project Name	Functional Classification	Project Location	Project Costs		Operation Expenses		Maintenance Expenses		
			Account	Amount	Account	Amount	Account	Amount (a)	
(dollars in millions)									
<b><u>Year Ended December 31, 2015</u></b>									
East Busco Station	Distribution	Churubusco, IN	363	\$ 5.5	562	\$ -	592	\$ -	-
<b><u>Year Ended December 31, 2014</u></b>									
East Busco Station	Distribution	Churubusco, IN	363	\$ 5.4	584	\$ -	592	\$ -	-

(a) This amount would have been recorded in Account 592.2 in accordance with FERC Order No. 784.

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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	6,762,379,497	6,762,379,497
4	Property Under Capital Leases	28,044,222	28,044,222
5	Plant Purchased or Sold		
6	Completed Construction not Classified	467,046,335	467,046,335
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	7,257,470,054	7,257,470,054
9	Leased to Others		
10	Held for Future Use	5,545,556	5,545,556
11	Construction Work in Progress	519,800,994	519,800,994
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	7,782,816,604	7,782,816,604
14	Accum Prov for Depr, Amort, & Depl	2,982,974,498	2,982,974,498
15	Net Utility Plant (13 less 14)	4,799,842,106	4,799,842,106
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	2,903,376,052	2,903,376,052
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	79,610,139	79,610,139
22	Total In Service (18 thru 21)	2,982,986,191	2,982,986,191
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation	-11,693	-11,693
29	Amortization		
30	Total Held for Future Use (28 & 29)	-11,693	-11,693
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,982,974,498	2,982,974,498



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FOOTNOTE DATA			

**Schedule Page: 200 Line No.: 15 Column: c**

In May 2015, AEP retired Tanners Creek from its fleet.

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**NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)**

- Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
- If the nuclear fuel stock is obtained under leasing 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.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year
			Additions (c)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)		
2	Fabrication		
3	Nuclear Materials	99,343,369	84,519,828
4	Allowance for Funds Used during Construction	3,302,233	2,801,991
5	(Other Overhead Construction Costs, provide details in footnote)		
6	SUBTOTAL (Total 2 thru 5)	102,645,602	
7	Nuclear Fuel Materials and Assemblies		
8	In Stock (120.2)		
9	In Reactor (120.3)	1,879,457	221,285,307
10	SUBTOTAL (Total 8 & 9)	1,879,457	
11	Spent Nuclear Fuel (120.4)	568,317,321	109,959,709
12	Nuclear Fuel Under Capital Leases (120.6)	225,713,339	111,300,000
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)	569,089,221	
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)	329,466,498	
15	Estimated net Salvage Value of Nuclear Materials in line 9		
16	Estimated net Salvage Value of Nuclear Materials in line 11		
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing		
18	Nuclear Materials held for Sale (157)		
19	Uranium		
20	Plutonium		
21	Other (provide details in footnote):		
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)		

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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)					
Changes during Year				Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)				
					1
					2
		105,986,847		77,876,350	3
		5,526,323		577,901	4
					5
				78,454,251	6
					7
					8
		221,531,846		1,632,918	9
				1,632,918	10
		48,053,139		630,223,891	11
144,136,458				192,876,881	12
-109,800,471		48,053,139		630,836,553	13
				272,351,388	14
					15
					16
					17
					18
					19
					20
					21
					22

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FOOTNOTE DATA			

**Schedule Page: 202 Line No.: 3 Column: e**  
Placed nuclear fuel into reactor

**Schedule Page: 202 Line No.: 4 Column: e**  
Placed nuclear fuel into reactor

**Schedule Page: 202 Line No.: 9 Column: e**  
Nuclear fuel removed from reactor and placed into spent fuel pool - \$110,231,846

Reclassification of nuclear fuel from owned to leased due to sale/leaseback with third party - \$111,300,000

**Schedule Page: 202 Line No.: 11 Column: e**  
Retirement of spent fuel

**Schedule Page: 202 Line No.: 12 Column: b**  
Includes 2014 costs in connection with nuclear leases:  
Finance charges \$2,917,011

**Schedule Page: 202 Line No.: 12 Column: c**  
Reclassification of \$111,300,000 of nuclear fuel from owned to leased due to sale/leaseback with third party

**Schedule Page: 202 Line No.: 12 Column: f**  
Includes 2015 costs in connection with nuclear leases:  
Finance charges \$193,229

**Schedule Page: 202 Line No.: 13 Column: e**  
Retirement of nuclear fuel

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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, 2015
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**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)**

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

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	301 Organization	117,426	0
3	302 Franchises and Consents	19,866,098	0
4	303 Miscellaneous Intangible Plant	130,898,776	23,582,163
5	TOTAL Intangible Plant	<b>150,882,300</b>	<b>23,582,163</b>
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	11,260,536	0
9	310.2 Land Rights	222,069	0
10	311 Structures and Improvements	156,695,267	1,597,212
11	312 Boiler Plant Equipment	956,917,466	122,532,129
12	313 Engines and Engine-Driven Generators	0	0
13	314 Turbogenerator Units	193,948,132	3,745,358
14	315 Accessory Electric Equipment	88,689,316	177,331
15	316 Miscellaneous Power Plant Equipment	31,569,445	376,467
16	317 Asset Retirement Costs for Steam Production	61,158,050	2,828,902
17	TOTAL Steam Production Plant	<b>1,500,460,281</b>	<b>131,257,399</b>
18	Nuclear Production Plant		
19	320.1 Land	1,879,588	0
20	320.2 Land Rights	0	0
21	321 Structures and Improvements	373,916,873	12,378,312
22	322 Reactor Plant Equipment	1,297,739,248	117,716,757
23	323 Turbogenerator Units	485,874,813	10,070,302
24	324 Accessory Electric Equipment	221,229,751	8,442,844

Name of Respondent Indiana Michigan 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, 2015
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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
0	0	0	117,426	301	2
0	0	0	19,866,098	302	3
94,184,486	0	0	60,296,453	303	4
94,184,486	0	0	80,279,977		5
					6
					7
0	0	(4,099,388)	7,161,148	310.1	8
0	0	0	222,069	310.2	9
53,952,053	0	0	104,340,426	311	10
460,597,485	0	0	618,852,110	312	11
0	0	0	0	313	12
90,094,489	0	0	107,599,001	314	13
27,398,706	0		61,467,941	315	14
9,682,429	0	7,859	22,271,342	316	15
58,513,418	0	0	5,473,534	317	16
700,238,580	0	(4,091,529)	927,387,571		17
					18
0	0	0	1,879,588	320.1	19
0	0	0	0	320.2	20
1,401,548	0	0	384,893,637	321	21
29,513,066	0	0	1,385,942,939	322	22
4,088,776	0	0	491,856,339	323	23
1,004,709	0	0	228,667,886	324	24

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2015
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
25	325 Miscellaneous Power Plant Equipment	202,983,348	20,684,381	
26	326 Asset Retirement Costs for Nuclear Production	277,556,034	(152,920,385)	
27	<b>TOTAL Nuclear Production Plant</b>	<b>2,861,179,655</b>	<b>16,372,211</b>	
28	Hydraulic Production Plant			
29	330.1 Land	510,116	0	
30	330.2 Land Rights	196,186	0	
31	331 Structures and Improvements	3,712,383	0	
32	332 Reservoirs, Dams and Waterways	21,939,937	0	
33	333 Water Wheels, Turbines and Generators	16,260,837	77,586	
34	334 Accessory Electric Equipment	5,291,836	2,621	
35	335 Miscellaneous Power Plant Equipment	2,235,579	292,847	
36	336 Roads, Railroads and Bridges	853	0	
37	337 Asset Retirement Costs for Hydraulic Production	242,144	0	
38	<b>TOTAL Hydraulic Production Plant</b>	<b>50,389,871</b>	<b>373,054</b>	
39	Other Production Plant			
40	340.1 Land	0	0	
41	340.2 Land Rights	0	0	
42	341 Structures and Improvements	0	0	
43	342 Fuel Holders, Products and Accessories	0	0	
44	343 Prime Movers	0	0	
45	344 Generators	0	5,206,932	
46	345 Accessory Electric Equipment	0	0	
47	346 Miscellaneous Power Plant Equipment	0	0	
48	347 Asset Retirement Costs for Other Production	0	0	
49	<b>TOTAL Other Production Plant</b>	<b>0</b>	<b>5,206,932</b>	
50	<b>TOTAL Production Plant</b>	<b>4,412,029,807</b>	<b>153,209,596</b>	
51	<b>3. TRANSMISSION PLANT</b>			
52	350.1 Land	7,954,888	1,621,095	
53	350.2 Land Rights	55,541,489	556,080	
54	352 Structures and Improvements	21,600,911	147,352	
55	353 Station Equipment	662,967,395	35,299,056	
56	354 Towers and Fixtures	235,542,797	128,302	
57	355 Poles and Fixtures	134,337,363	13,597,174	
58	356 Overhead Conductors and Devices	248,388,220	6,222,455	
59	357 Underground Conduit	2,312,344	0	
60	358 Underground Conductors and Devices	5,866,498	27,426	

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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.	
2,741,526	0	0	220,926,203	325	25	
0	0	0	124,635,649	326	26	
<b>38,749,625</b>	<b>0</b>	<b>0</b>	<b>2,838,802,241</b>		27	
					28	
0	0	0	510,116	330.1	29	
0	0	0	196,186	330.2	30	
0	0	0	3,712,383	331	31	
6,569	0	0	21,933,368	332	32	
57,314	0	0	16,281,109	333	33	
1,195	0	0	5,293,262	334	34	
0	0	0	2,528,426	335	35	
0	0	0	853	336	36	
0	0	0	242,144	337	37	
<b>65,078</b>	<b>0</b>	<b>0</b>	<b>50,697,847</b>		38	
					39	
0	0	0	0	340.1	40	
0	0	0	0	340.2	41	
0	0	0	0	341	42	
0	0	0	0	342	43	
0	0	0	0	343	44	
0	0	0	5,206,932	344	45	
0	0	0	0	345	46	
0	0	0	0	346	47	
0	0	0	0	347	48	
0	0	0	5,206,932		49	
<b>739,053,283</b>	<b>0</b>	<b>(4,091,529)</b>	<b>3,822,094,591</b>		50	
					51	
0	0	95	9,576,078	350.1	52	
0	0	34,729	56,132,298	350.2	53	
83,274	0	(3,767)	21,661,222	352	54	
23,880,877	0	(396,862)	673,988,712	353	55	
181,306	0	154,506	235,644,299	354	56	
1,250,659	0	176,039	146,859,917	355	57	
246,051	0	(65,259)	254,299,365	356	58	
0	0	0	2,312,344	357	59	
42,048	0	0	5,851,876	358	60	



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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
61	359 Roads and Trails	349,749	0	
62	359.1 Asset Retirement Costs for Transmission Plant	0	0	
63	TOTAL Transmission Plant	<b>1,374,861,654</b>	<b>57,598,940</b>	
64	<b>4. DISTRIBUTION PLANT</b>			
65	360.1 Land	6,936,491	160,220	
66	360.2 Land Rights	12,957,415	315,960	
67	361 Structures and Improvements	10,634,587	1,003,064	
68	362 Station Equipment	206,448,033	20,469,185	
69	363 Storage Battery Equipment	5,488,901	0	
70	364 Poles, Towers and Fixtures	235,905,889	10,175,644	
71	365 Overhead Conductors and Devices	370,035,294	27,002,307	
72	366 Underground Conduit	69,746,455	4,900,715	
73	367 Underground Conductors and Devices	194,656,193	15,604,461	
74	368 Line Transformers	287,574,466	15,164,909	
75	368.1 Capacitors	0	0	
76	369 Services	163,020,346	5,657,018	
77	370 Meters	90,429,886	4,130,651	
78	371 Installations on Customers' Premises	24,549,906	1,366,246	
79	372 Leased Property on Customers' Premises	0	0	
80	373 Street Lighting and Signal Systems	19,365,761	825,485	
81	374 Asset Retirement Costs for Distribution Plant	0	0	
82	TOTAL Distribution Plant	<b>1,697,749,623</b>	<b>106,775,865</b>	
83	<b>5. GENERAL PLANT</b>			
84	389.1 Land	2,881,554	0	
85	389.2 Lands Rights	178,388	0	
86	390 Structures and Improvements	49,524,155	4,421,426	
87	391 Office Furniture and Equipment	6,315,567	1,782,884	
88	391.1 Computers / Computer Related Equipment	0	0	
89	392 Transportation Equipment	0	0	
90	393 Stores Equipment	42,986	86,291	
91	394 Tools, Shop and Garage Equipment	10,720,731	2,452,146	
92	395 Laboratory Equipment	301,923	0	
93	396 Power Operated Equipment	544,766	0	
94	397 Communication Equipment	45,387,985	1,596,645	
95	398 Miscellaneous Equipment	8,732,356	332,074	
96	SUBTOTAL	<b>124,630,411</b>	<b>10,671,466</b>	



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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, 2015	
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)			Line No.
2,456	0	0	347,293	359		61
0	0	0	0	359.1		62
25,686,671	0	(100,519)	1,406,673,404			63
						64
0	0	601,113	8,013,784	360.1		65
0	0	0	12,957,415	360.2		66
101,345	0	1,352,502	12,888,808	361		67
1,197,108	0	0	225,720,110	362		68
0	0	0	5,488,901	363		69
1,337,963	0	0	244,743,570	364		70
3,274,593	0	0	393,763,008	365		71
222,035	0	0	74,425,135	366		72
850,463	0	0	209,410,191	367		73
5,777,496	0	0	296,961,879	368		74
0	0	0	0	368.1		75
967,336	0	0	167,710,028	369		76
1,442,959	0	0	93,117,578	370		77
480,601	0	0	25,435,551	371		78
0	0	0	0	372		79
264,485	0	0	19,926,761	373		80
0	0	0	0	374		81
15,916,384	0	1,953,615	1,790,562,719			82
						83
35,700	0	(34,196)	2,811,658	389.1		84
0	0	0	178,388	389.2		85
3,563,119	0	(1,352,502)	49,029,960	390		86
193,244	0	0	7,905,207	391		87
0	0	0	0	391.1		88
0	0	0	0	392		89
0	0	0	129,277	393		90
126,217	0	93,117	13,139,777	394		91
0	0	0	301,923	395		92
0	0	0	544,766	396		93
432,251	0	0	46,552,379	397		94
15,545	0	0	9,048,885	398		95
4,366,076	0	(1,293,581)	129,642,220			96

Name of Respondent Indiana Michigan 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, 2015
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
97	399 Other Tangible Property	0	0	
98	399.1 Asset Retirement Costs for General Plant	172,921	0	
99	TOTAL General Plant	<b>124,803,332</b>	<b>10,671,466</b>	
100	TOTAL (Accounts 101 and 106)	<b>7,760,326,716</b>	<b>351,838,030</b>	
101				
102	102 Electric Plant Purchased	0	0	
103	(Less) 102 Electric Plant Sold	0	0	
104	103 Experimental Plant Unclassified	0	0	
105	TOTAL Electric Plant in Service (Total of lines 94 thru 98)	<b>7,760,326,716</b>	<b>351,838,030</b>	

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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
0	0	0	0	399	97
0	0	0	172,921	399.1	98
<b>4,366,076</b>	<b>0</b>	<b>(1,293,581)</b>	<b>129,815,141</b>		99
<b>879,206,900</b>	<b>0</b>	<b>(3,532,014)</b>	<b>7,229,425,832</b>		100
					101
0	0	0	0	102	102
0	0	0	0		103
0	0	0	0	103	104
<b>879,206,900</b>	<b>0</b>	<b>(3,532,014)</b>	<b>7,229,425,832</b>		105

Name of Respondent Indiana Michigan 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, 2015
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**FOOTNOTE DATA**

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
207	53	g	The investment and related accumulated depreciation in Generation Step-Up Units (GSUs) in plant accounts 352-353 included in I&M's generation formula rates are identified by a query of the plant accounting system.
211	16	d	In May 2015, AEP retired Tanners Creek from its fleet.

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**ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)**

- Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
- For property having an original cost of \$250,000 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 Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Breed Plant Site & Railroad South (0110)	09/01/75		4,100,628
4				
5	Rockport Generating Plant Unit 1 (0111)	11/01/84		1,034,109
6				
7				
8				
9				
10				
11				
12	Items under \$250,000			404,896
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				
45				
46				
47	Total			5,545,556

Name of Respondent Indiana Michigan 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, 2015	Year of Report December 31, 2015
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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	None					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15	Account 115					
16	None					
17						
18						
19						
20						

Blank space for explanation of acquisition adjustments not currently being amortized.

Name of Respondent Indiana Michigan 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, 2015
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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	IM/IN/Network Assess/Rehab	3,421,364		28,929,599
2	Oliver Plow: new Dist Station	2,469,537		0
3	IMPCo Distr Pre Eng Parent	2,270,490		0
4	IM/IN/Webster Sta Purchase	1,510,182		0
5	IMINSorenson Sta - D Xformat	1,676,983		0
6	IM/IN/Volt/VAR Opt Dist Line	3,421,843		0
7	High Avail Data Ctr-IM-D	2,068,176		0
8	High Avail Data Ctr-IM-Nuc	4,272,286		0
9	Unit 2 RCCA Replacement	3,757,676		2,124,912
10	Cable Replacement	1,537,643		0
11	U1 Steam Generator WL Controls	6,879,917		6,613,491
12	U2 SG Water Level Controls	7,436,879		4,818,588
13	Unit 1 Refueling Equipment	7,362,897		1,686,317
14	Unit 2 Refueling Equip Rpl	6,349,476		1,534,420
15	U2 RPS ESFAS	6,771,339		21,749,118
16	U1 RPS ESFAS	6,802,427		19,322,952
17	U2 East CTS Hx Replacement	3,311,324		3,872,020
18	U1 East CTS Hx Replacement	4,688,483		3,604,538
19	U2 Feedwater Htrs HP	4,331,673		34,661,867
20	U1 HP FW Heaters Replac	22,909,241		27,680,142
21	U2 RMS System	7,197,160		7,234,402
22	U1 RMS System	7,370,988		6,597,790
23	Cyber Attacks Process LAN	7,863,171		74,947
24	TSC and North Access Project	23,139,361		21,413,623
25	U2 Reactor Cavity Lift System	1,391,226		659,573
26	EPU/LCM Mods	2,463,641		68,680,062
27	Rx Head Stud Tensioners	1,537,539		0
28	U2 HDP Discharge Valves Rplmnt	1,773,698		10,425,370
29	U2 MSR FW Heater Digital Cnt	3,968,218		6,961,539
30	U2 CTS Heat Exchanger - West	3,889,131		6,040,294
31	U1 Blowdown Recovery CPI	1,284,951		19,158,379
32	U2 LP and HP Turbine	153,381,922		59,654,164
33	U1 MFP Shaft Oil Pumps	1,678,992		750,403
34	Unit 1 Spec 200	5,065,822		20,680,495
35	<b>TOTAL</b>	<b>519,800,994</b>	<b>467,046,335</b>	<b>1,005,424,879</b>

Name of Respondent Indiana Michigan 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, 2015
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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	Unit 2 Spec 200	5,032,033		21,106,389
2	PHB Fuel Tank Removal	3,389,305		22,865
3	Dry Cask Load Campaign #2	-3,672,586		0
4	U1 Reactor Cntls & Inst Upgrd	4,406,807		3,142,647
5	U2 Reactor Cntls & Inst Upgrd	5,336,665		3,336,762
6	Transformer 9 Installation	6,076,785		374,510
7	U2 CRGT Split Pin Replacement	3,959,878		5,968,944
8	U1 DCS Control Room Computers	1,184,813		1,856,417
9	U2 DCS Control Room Computers	1,007,770		1,805,725
10	BART Modification	1,455,568		0
11	RK U0 FGD Landfill	2,733,315		11,316,233
12	RKP05CIIM Horiz RH ReplaceU1	2,960,338		0
13	RK10CIU1 Sidewall Tube Panels	2,845,631		0
14	RK15CIU1 LP TurbRtr and BldCar	1,599,995		13,083,216
15	Rockport U1 SCR	39,637,642		73,696,718
16	I&M Solar Technology Project	8,777,603		26,951,829
17	T/I&M/Purchase/Rebuild Maj Eqp	2,396,736		0
18	T/IM/Station Asset Repl/Refurb	1,273,704		155,605,601
19	T/IM/Trans Line Repl/Refurb	1,161,450		0
20	T/IM/Telecom Upgrades	1,259,241		0
21	D/IM/Telecom Upgrades-IN	1,867,353		0
22	T/IMPC/FWCityImprovements	4,616,619		11,796,783
23	D/IM/Distribution Work	1,523,490		537,272
24	T/IM/Transmission Work	1,399,368		5,820,692
25	T/IM/Transmission Work	1,070,250		4,832,764
26	T/I&M/Transmission work	5,565,656		1,471,629
27	T/IM/Transmission Work	1,435,371		0
28	T/I&M/Transmission work	4,466,570		5,840,052
29	T/IM/IM Transmission Work	5,247,352		0
30	D/IM/Distribution Work	1,689,863		8,161,774
31	T/IM/Transmission Work	1,695,668		8,053,183
32	T/IM/Transmission Work	3,547,352		0
33	I&M Transmission Work	2,647,432		960,471
34	WS-CI-IMPCo-G PPB	5,895,209		0
35	<b>TOTAL</b>	<b>519,800,994</b>	<b>467,046,335</b>	<b>1,005,424,879</b>

Name of Respondent Indiana Michigan 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, 2015
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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	RP-CI-IMPco-G NMIB	8,933,678		0
2	ET-CI-IMPco-T ASSET IMP	6,847,403		0
3	Ed-Ci-Impco-D Ast Imp	6,185,862		0
4	Ed-Ci-Impco-D Cust Serv	1,363,402		0
5	IMPco-D Telecom	1,066,961		0
6	ET-CI-I&M-T Drvn D Asset Imp	1,135,630		0
7	Other Minor Projects Under \$1,000,000	33,522,156		254,753,398
8				
9				
10				
11				
12				
13				
14				
15				
16	Completed Construction Not Classified		467,046,335	
17				
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34				
35	<b>TOTAL</b>	<b>519,800,994</b>	<b>467,046,335</b>	<b>1,005,424,879</b>



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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, 2015
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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	3,688,445
2		
3	Nuclear Construction Overheads	15,616,909
4		
5	Transmission Construction Overheads	7,496,274
6		
7	Distribution Construction Overheads	22,303,387
8		
9		
10		
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39	<b>TOTAL</b>	<b>49,105,015</b>

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, 2015
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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, 2015
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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	3,519,531,617	3,520,171,203	(639,586)	
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	160,378,319	160,378,242	77	
4	(403.1) Decommissioning Expense	9,902,817	9,902,817	0	
5	(413) Exp. Of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify):	3,235,271	3,235,271	0	
9					
10	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	173,516,407	173,516,330	77	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	743,667,088	743,903,886	(236,798)	
13	Cost of Removal	41,904,203	41,753,549	150,654	
14	Salvage (Credit)	12,641,635	12,099,963	541,672	
15	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	772,929,656	773,557,472	(627,816)	
16	Net Earnings of Decommissioning Funds				
17	Other Debit or Credit Items (Described)				
18	Acquisition of Assets	52,396	52,396		
19	Asbestos ARO	(17,365,901)	(17,365,901)		
20	Transfer between Accounts 108 & 111	559,496	559,496	0	
21	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	2,903,364,359	2,903,376,052	(11,693)	

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

22	Steam Production	279,216,456	279,232,540	(16,084)	
23	Nuclear Production	1,452,837,780	1,452,837,780		
24	Hydraulic Production-Conventional	29,259,352	29,259,352		
25	Hydraulic Production-Pumped Storage	0	0		
26	Other Production	0	0		
27	Transmission	554,145,431	554,141,040	4,391	
28	Distribution	556,129,218	556,129,218		
29	General	31,776,122	31,776,122		
30	TOTAL (Enter total of lines 20 thru 28)	2,903,364,359	2,903,376,052	(11,693)	

Name of Respondent Indiana Michigan 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, 2015
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**FOOTNOTE DATA**

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																				
219	8	C	<table border="0"> <tr> <td>ARO depreciation and accretion expense in account 1080013</td> <td align="right">927,764</td> </tr> <tr> <td>Amortize Indiana jurisdictional portion of regulatory asset for ash ponds ARO's</td> <td align="right">(6,677)</td> </tr> <tr> <td>Michigan deferred depreciation expense related to Cook Life Cycle Management projects (Case No. U-17026)</td> <td align="right">468,731</td> </tr> <tr> <td>Indiana jurisdictional share of depreciation expense for Rockport DSI (Indiana Cause No. 44331)</td> <td align="right">829,519</td> </tr> <tr> <td>Indiana DSM over/under recovery for Cause No. 43827</td> <td align="right">(81,237)</td> </tr> <tr> <td>Amortize Indiana jurisdictional portion of Life Cycle Management deferred balances (IN Cause No. 44182)</td> <td align="right">(247,715)</td> </tr> <tr> <td>Indiana Life Cycle Management rider to record over/under recovery of depreciation (IN Cause No. 44182)</td> <td align="right">\$1,642,305</td> </tr> <tr> <td>Michigan deferred depreciation expense for EECO (Case No. U-17353)</td> <td align="right">\$16,740</td> </tr> <tr> <td>DSI over/under for Federal Mandate Rider (IN Cause No. 44331)</td> <td align="right">(\$314,159)</td> </tr> <tr> <td align="center">Total</td> <td align="right">\$3,235,271</td> </tr> </table>	ARO depreciation and accretion expense in account 1080013	927,764	Amortize Indiana jurisdictional portion of regulatory asset for ash ponds ARO's	(6,677)	Michigan deferred depreciation expense related to Cook Life Cycle Management projects (Case No. U-17026)	468,731	Indiana jurisdictional share of depreciation expense for Rockport DSI (Indiana Cause No. 44331)	829,519	Indiana DSM over/under recovery for Cause No. 43827	(81,237)	Amortize Indiana jurisdictional portion of Life Cycle Management deferred balances (IN Cause No. 44182)	(247,715)	Indiana Life Cycle Management rider to record over/under recovery of depreciation (IN Cause No. 44182)	\$1,642,305	Michigan deferred depreciation expense for EECO (Case No. U-17353)	\$16,740	DSI over/under for Federal Mandate Rider (IN Cause No. 44331)	(\$314,159)	Total	\$3,235,271
ARO depreciation and accretion expense in account 1080013	927,764																						
Amortize Indiana jurisdictional portion of regulatory asset for ash ponds ARO's	(6,677)																						
Michigan deferred depreciation expense related to Cook Life Cycle Management projects (Case No. U-17026)	468,731																						
Indiana jurisdictional share of depreciation expense for Rockport DSI (Indiana Cause No. 44331)	829,519																						
Indiana DSM over/under recovery for Cause No. 43827	(81,237)																						
Amortize Indiana jurisdictional portion of Life Cycle Management deferred balances (IN Cause No. 44182)	(247,715)																						
Indiana Life Cycle Management rider to record over/under recovery of depreciation (IN Cause No. 44182)	\$1,642,305																						
Michigan deferred depreciation expense for EECO (Case No. U-17353)	\$16,740																						
DSI over/under for Federal Mandate Rider (IN Cause No. 44331)	(\$314,159)																						
Total	\$3,235,271																						
219	12	C	In May 2015, I&M retired Tanners Creek from its fleet																				



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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 2015
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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	Water Transportation Facilities, headquartered at St Louis, MO	25,753,618	(1,177,754)	24,575,864
2	Office Building Leasehold Improvements, One Summit Square, Fort Wayne, IN	1,651,973	0	1,651,973
3	Land, purchased in connection with Jefferson West 765kv Corridor, Jefferson County, IN	164,576	0	164,576
4	Land, Prosperity East 138kv Corridor, Madison County, IN	102,956	0	102,956
5	Land near Tanners Creek Plant, Lawrenceburg, IN	146,364	4,457,276	4,603,640
6	Land for Clipper Station (previously Butler Center Substation)	110,789	(110,789)	0
7	Land for Fuson Substation, Delaware County, IN	102,430	0	102,430
8	Minor items previously devoted to public service	8,174	0	8,174
9	Minor items - other nonutility property	512,477	2,346	514,823
<b>TOTAL</b>		<b>28,553,357</b>	<b>3,171,079</b>	<b>31,724,436</b>

**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	14,695,364
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	1,732,381
4	(418) Nonoperating Rental Income	45,117
5	Other Accounts (Specify):	
6	Accounts 227 and 243	844,054
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	2,621,552
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	(1,933,285)
10	Cost of Removal	(1,008)
11	Salvage (Credit)	0
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	(1,934,293)
13	Other Debit or Credit Items (Describe):	
14	Reclassifications from/to Other Accounts	0
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	15,382,623

Name of Respondent Indiana Michigan 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, 2015
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1. Report below the investments in Accounts 123, *Investments in Associated Companies*, 124, *Other Investment*, and 136, *Temporary Cash Investments*.

2. Provide a subheading for each account and list thereunder the information called for:

(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

in Account 124, *Other Investments*), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, *Temporary Cash Investments*, also may be grouped by classes.

(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

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		531,513	23,145
6	- Other States		9,793,707	31,428
7				
8	Fiber Optic Agreements with AEP Communications, Kentucky Data Link, Inc, and Citynet Fiber Network, Inc		4,456,748	0
9				
10				
11	Shell Building Loan		15,000	0
12				
13	Other Miscellaneous Investments		8,039	0
14				
15	Ripley Land Purchase		745,386	
16				
17	Total Account 124		15,550,393	54,573
18				
19	Account 136 - Temporary Cash Investments			
20				
21				
22	Grand Total		15,550,393	54,573

Name of Respondent Indiana Michigan 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, 2015
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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 or Loss from Improvement Disposed of (h)	Line No.
		Original Cost	Book Value			
0			554,658			1
(1,464,061)			8,361,074			2
						3
						4
(220,501)			4,236,247			5
						6
						7
0			15,000			8
						9
0			8,039			10
						11
0			745,386			12
						13
(1,684,562)			13,920,404			14
						15
						16
						17
						18
						19
						20
(1,684,562)	0	0	13,920,404	0	0	21
						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) / /	Year/Period of Report End of 2015/Q4
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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

- Report below investments in Accounts 123.1, investments in Subsidiary Companies.
- Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
  - Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
  - Investment Advances - Report separately the 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.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

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			25,324,000
3	Cash Capital Contribution			
4	Equity in Earnings			-33,162
5	Investment in Subsidiary AOCI			1,197,582
6	Subtotal			26,488,420
7				
8	Price River Coal Company, Inc.	12-01-65		
9	Common Stock			27,275
10	Subtotal			27,275
11				
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41				
42	Total Cost of Account 123.1 \$	0	TOTAL	26,515,695



Name of Respondent Indiana Michigan 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>2015/Q4</u>
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**INVESTMENTS 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 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 difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of 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
		25,324,000		2
				3
64,578		31,416		4
				5
64,578		25,355,416		6
				7
				8
		27,275		9
		27,275		10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
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				40
				41
64,578		25,382,691		42

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2015
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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)	56,884,866	43,785,828
3	Other Accounts Receivable (Account 143 & 171 & 172) (Disclose any capital stock subscriptions received)	1,735,491	2,751,489
4	<b>TOTAL</b>	<b>58,620,357</b>	<b>46,537,317</b>
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	493,352	46,298
6	<b>TOTAL, Less Accumulated Provision for Uncollectible Accounts</b>	<b>58,127,005</b>	<b>46,491,019</b>
7			
8	Account 143 includes employee receivables of \$575,761 @		
9	12/31/15 and \$611,726 @ 12/31/14 related to a 2001 biweekly		
10	payroll conversion that will be collected when the employees leave		
11	the company.		
12			
13			
14			

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)**

1. Report below the information called for concerning this accumulated provision.
2. Explain any important adjustments of subaccounts.
3. Entries with respect to officers and employees shall not include items for utility services.

Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year		493,352		0	493,352
2	Prov. For uncollectibles for current year		(246,124)		0	(246,124)
3	Account written off (less)		0		0	0
4	Charged to other accounts		(200,930)			(200,930)
5	Adjustments (explain): Adjustment to Beginning Balance		0		0	0
6	Balance end of year	0	46,298	0	0	<b>46,298</b>
7						
8						
9						
10						
11						

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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	AEP Utility Funding LLC	0	0	0	0	9,229
3						
4	Account 146					
5						
6	AEP Generating Company	29,143,635	407,476,246	405,299,911	31,319,970	
7	AEP Memco	2,560,797	7,549,053	10,105,996	3,854	
8	AEP Pro Serv	0	802	802	0	
9	AEP Service Corporation	11,031,255	923,904,640	931,588,505	3,347,390	
10	AEP System Pool (AEPSC)	13,817,254	726,534,735	721,317,853	19,034,136	
11	AEP Texas Central	13,225	1,568,583	1,578,157	3,651	
12	AEP Texas North	3,801	119,790	117,865	5,726	
13	AEP Utilities, Inc.	1,146,209	220,410,716	220,595,973	960,952	
14	AEP Utility Funding LLC	0	85	85	0	
15	American Electric Power Co	13,605	44,247,189	44,261,166	(372)	
16	Appalachian Power Co	4,229,929	54,694,315	55,921,102	3,003,142	
17	Blackhawk Coal Company	2,273	32,015	34,288	0	
18	Cardinal Operating	3,000	211,773	213,583	1,190	
19	Cook Coal Terminal	2	603,596	167,829	435,769	
20	CSW Energy, Inc.	4	148	152	0	

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Indiana Michigan Power Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr)	December 31, 2015	
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	1,003,267	10,485,397	10,438,946	1,049,718	
2	Kingsport Power Co	613	150,676	151,112	177	
3	Ohio Power Co	141,846	47,817,299	43,816,056	4,143,089	
4	Public Service Co of OK	822,358	2,698,717	3,480,591	40,484	
5	SW Electric Power Co	193,340	2,582,409	2,671,965	103,784	
6	Wheeling Power Co	605	53,593	53,572	626	
7	AEP Energy Services	0	387	387	0	
8	AEP Wind Holding Co	0	104	104	0	
9	AEP I&M Transmission	2,894,656	47,633,283	49,243,962	1,283,977	
10	AEP Transmission	1,386,171	51,770,529	51,931,271	1,225,429	
11	AEP Resources Inc.	0	1,269	1,269	0	
12	AEP C&I Company LLC	0	254	248	6	
13	AEP Investments	0	4,683	88	4,595	
14	AEP T&D Services	462	87,257	83,016	4,703	
15	AEP Energy, Inc.	0	1,077	1,077	0	
16	AEP Retail Energy	0	110,257	110,257	0	
17	Dolet Hills Lignite Co, LLC	0	5,056	5,056	0	
18	AEP Elmwood	0	7,348	7,348	0	
19	Various Transmission	1,426,460	6,235,961	7,656,194	6,227	
20	AEP Energy Partners	0	1,081	1,067	14	
21	AEP Nonutility Funding	0	28	28	0	
22	Desert Sky Wind Farm	0		3	(3)	
23	Indiana Franklin Realty	0	12	12	0	
24	Ohio Franklin Realty	0	1,425	1,425	0	
25	United Sciences Testing	0	5,805	5,805	0	
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	69,834,767	2,557,007,593	2,560,864,126	65,978,234	9,229



Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
<b>MATERIALS AND SUPPLIES</b>					
<p>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.</p> <p>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 debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	52,273,086	45,389,568	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)	2,349,763	1,094,564	Electric	
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	77,147,273	72,307,407	Electric	
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	84,534,011	76,630,210	Electric	
8	Transmission Plant (Estimated)	1,076,197	2,421,160	Electric	
9	Distribution Plant (Estimated)				
10	Regional Transmission and Market Operation Plant (Estimated)	763,852	766,928	Electric	
11	Assigned to - Other (provide details in footnote)	97,508	335,473	Electric	
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	163,618,841	152,461,178	Electric	
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)	2,112,098	1,499,107	River Transport	
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)				
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	220,353,788	200,444,417		

Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 227 Line No.: 11 Column: b**

Assigned to - Other includes Customer Account, Administrative and General Expenses.

Name of Respondent Indiana Michigan 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, 2015	Year of Report December 31, 2015
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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	<b>On hand beginning of year</b>	52,273,086	1,110,277	49,295,136
2	<b>Received during year</b>	175,064,080	3,931,659	172,885,468
3	<b>TOTAL</b>	227,337,166	5,041,936	222,180,604
4	<b>Used during year (specify department)</b>			
5	Electric Generation	187,858,911	4,056,706	184,019,793
6	Storage Pile Adjustment	(5,911,313)	(96,733)	(5,911,313)
7				
8				
9				
10				
11				
12				
13				
14				
15	<b>Sold or transferred</b>			
16	<b>TOTAL DISPOSED OF</b>	181,947,598	3,959,973	178,108,480
17	<b>BALANCE END OF YEAR</b>	<b>45,389,568</b>	1,081,963	44,072,124

Name of Respondent Indiana Michigan 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, 2015
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**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.
22,324	2,977,950					1
28,198	2,178,612					2
50,522	5,156,562					3
						4
39,748	3,839,118					5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
39,748	3,839,118	0	0	0	0	16
10,774	1,317,444	0	0	0	0	17

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2016	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	345,215.00	35,358,442	80,899.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	48,329.00		48,891.00	
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	66,088.00	3,385,937		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	Consent Decree Surrender			54,076.00	
23	CP Energy Marketing	1,000.00			
24					
25					
26					
27					
28	Total	1,000.00		54,076.00	
29	Balance-End of Year	326,456.00	31,972,505	75,714.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)		8,700		
34	Gains		8,700		
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	357.00		357.00	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	357.00			
40	Balance-End of Year			357.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)		131		
44	Net Sales Proceeds (Other)		131		
45	Gains				
46	Losses				



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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 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 proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an 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 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2017		2018		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
80,899.00		80,899.00		2,106,218.00		2,694,130.00	35,358,442	1
								2
								3
				81,376.00		178,596.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
						66,088.00	3,385,937	18
								19
								20
								21
						54,076.00		22
						1,000.00		23
								24
								25
								26
								27
						55,076.00		28
80,899.00		80,899.00		2,187,594.00		2,751,562.00	31,972,505	29
								30
								31
								32
							8,700	33
							8,700	34
								35
357.00		357.00		56,199.00		57,627.00		36
				714.00		714.00		37
								38
				357.00		714.00		39
357.00		357.00		56,556.00		57,627.00		40
								41
								42
					35		166	43
					35		166	44
								45
								46

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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2016	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	21,573.00			
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	25,660.00		25,905.00	
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	20,441.00			
19	Other:				
20	CAIR Program Vacated	21,573.00			
21	Cost of Sales/Transfers:				
22	Chief Power Finance	1,226.00			
23	Owensboro Municipal Uti	500.00			
24					
25					
26					
27					
28	Total	1,726.00			
29	Balance-End of Year	3,493.00		25,905.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)		223,908		
34	Gains		223,908		
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
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/Period of Report End of 2015/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 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 proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an 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 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2017		2018		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						21,573.00		1
								2
								3
						51,565.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
						20,441.00		17
								18
						21,573.00		19
								20
								21
						1,226.00		22
						500.00		23
								24
								25
								26
								27
						1,726.00		28
						29,398.00		29
								30
								31
								32
							223,908	33
							223,908	34
								35
								36
								37
								38
								39
								40
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								43
								44
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								46

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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	Department of Energy Spent Fuel Canister Reimbursement	27,364,196
2	NEIL Claim for Emergency Diesel Generator Repairs	5,200,000
3		
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23		
24		
25	<b>TOTAL</b>	<b>32,564,196</b>



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**Transmission Service and Generation Interconnection Study Costs**

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	<b>Transmission Studies</b>				
2	PJM #AA2-106	723	186	723	186
3	PJM #AA2-116	19,502	186	1,897	186
4	PJM #AA2-148	15,653	186	2,144	186
5	PJM #AB1-006	293	186	292	186
6	PJM #AB1-080	122	186	122	186
7	PJM #T130	964	186	9,199	186
8	PJM #T131	17,170	186		
9	PJM #T94	223	186		
10	PJM #V3-007	685	186	475	186
11	PJM #V3-008	405	186	189	186
12	PJM #V3-009	384	186	182	186
13	PJM #V4-016			175	186
14	PJM #Y3-038			40	186
15	PJM #Z1-006	42	186	42	186
16	PJM #Z1-051			97	186
17	PJM #AA1-063	10,292	186	5,805	186
18					
19					
20					
21	<b>Generation Studies</b>				
22	Watervliet	422	107	5,297	107
23	Olive			8,986	107
24	Deer Creek	1,647	107	9,533	107
25	Twin Branch			9,553	107
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**OTHER REGULATORY ASSETS (Account 182.3)**

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year  (b)	Debits  (c)	CREDITS		Balance at end of Current Quarter/Year  (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	SFAS 112 Post Employment Benefits	9,998,669	1,521,865	228	815,023	10,705,511
2						
3	Cook Plant Refueling Levelization	38,012,017	39,447,887	various	50,680,811	26,779,093
4						
5	Unamortized Loss on Reacquired Debt	1,655,626		428	206,953	1,448,673
6	Amort 1/1995 - 12/2022					
7						
8	Unrealized Loss on Forward Commitments	502,849	15,522,144	various	12,786,341	3,238,652
9						
10	Asset Retirement Obligations	584,310		407,920	111,813	472,497
11	Amort 3/2009 - 3/2020					
12	Per IURC Cause Order #43306					
13						
14	Indiana Rate Case expenses	362,529		928	310,739	51,790
15	Amort 3/2013 - 2/2016					
16	Per IURC Cause Order #44075					
17						
18	Deferred RTO Equity Carrying Charges	( 244,020)	48,804			-195,216
19	Amort 1/2005 - 12/2019					
20						
21	BridgeCo Transmission Org Funding	649,734		407	110,671	539,063
22	Amort 1/2005 - 12/2019					
23	FERC Docket No. AC04-101-000					
24						
25	Other PJM Integration	604,736		407	103,006	501,730
26	Amort 1/2005 - 12/2019					
27	FERC Docket No. AC04-101-000					
28						
29	Carrying Charges - RTO Startup Costs	417,124		407	71,049	346,075
30	Amort 1/2005 - 12/2019					
31	FERC Docket No. AC04-101-000 and EL05-74-000					
32						
33	Alliance RTO Deferred Expense	373,134		407	63,557	309,577
34	Amort 1/2005 - 12/2019					
35	FERC Docket No. AC04-101-000					
36						
37	SFAS 158 Employer Accounting for Defined Benefit Pension & Other Postretirement Plans	107,857,231	32,457,085	various	13,907,068	126,407,248
38						
39						
40	DSM Energy Optimization Program - Michigan	487,313	1,029,115	various	130,868	1,385,560
41	Under-recovered costs					
42						
43	OSS Margin Sharing		6,808,068			6,808,068

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**OTHER REGULATORY ASSETS (Account 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	Deferred Severance Costs	1,159,033		various	1,159,033	
2	Amort 12/2010 - 11/2015					
3	Per MPSC Case U-16180					
4						
5	SFAS 109 Deferred FIT	140,037,542	64,598,530	various	60,954,483	143,681,589
6						
7	SFAS 109 Deferred SIT	139,058,159	16,347,743	283	30,656,703	124,749,199
8						
9	City of Fort Wayne Right to Serve Settlement	3,652,055		588	353,425	3,298,630
10	Amortization 3/13 - 4/25					
11	Per IURC Cause Order #44075					
12						
13	City of Fort Wayne Settlement - Carry Charge	804,815		588	76,235	728,580
14	Amortization 3/13 - 4/25					
15	Per IURC Cause Order #44075					
16						
17	City of Ft. Wayne Betterments/Generation Settlement	5,010,959		588	484,932	4,526,027
18	Amortization 3/13 - 4/25					
19	Per IURC Cause Order #44075					
20						
21	Cook Turbine Replacement Deferred Depreciation - Mi	1,230,662	447,599			1,678,261
22	Per MPSC Case U-16801					
23						
24	Cook Turbine Replacement CC - Michigan	1,265,893	742,689	421	282,160	1,726,422
25	Per MPSC Case U-16801					
26						
27	Cook Turbine Replacement CC _Indiana	4,099,818	3,448,371	421	1,212,106	6,336,083
28	Per IURC Cause Order #44075					
29						
30	Cook Unit 2 Baffle Bolts	6,948,522		530	299,936	6,648,586
31	Amort 3/2013 - 2/2038					
32	Per IURC Cause Order #44075					
33						
34	Capacity Settlement - IN Portion	25,052,780	11,186	447	17,592,380	7,471,586
35	Per IURC Cause Order #44075					
36						
37	Michigan Renewable Energy Surcharge	357,813	1,618,390	various	1,153,844	822,359
38						
39	Deferred Environmental Compliance Costs	152,392		509	152,392	
40						
41	Deferred Depreciation - Cook Life Cycle Management	165,878	468,732	403	2	634,408
42	Michigan Portion Per MPSC Case U-17026					
43						

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**OTHER REGULATORY ASSETS (Account 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)	
1	SFAS 106 Medicare Subsidy	10,201,348		various	1,020,135	9,181,213
2						
3	Cook Life Cycle Management Carry Charge - MI	929,573	3,527,374	various	1,370,951	3,085,996
4	Per MPSC Case U-17026					
5						
6	Major Storm Damage Restoration Reserve	1,074,257	4,935,712	593	4,247,665	1,762,304
7	Per IURC Cause Order #44075					
8						
9	Tanners Creek Abandon Plant Stranded Costs	3,896,939				3,896,939
10						
11	Unrecovered Fuel Costs - Michigan	1,070,302	7,447,083	various	1,307,833	7,209,552
12						
13	Unrecovered PJM Expenses	21,872,234	2,895,691	555	20,713,084	4,054,841
14						
15	Deferred Prop Tax - Cook Life Cycle Management - MI	127,006	328,780			455,786
16	Per MPSC Order U-17026					
17						
18	Rockport DSI - Deferred Depreciation - IN	121,082	796,994			918,076
19	20% Non Federal Mandate Rider Portion					
20	Per IURC Cause Order #44331					
21						
22	Rockport DSI - Carrying Charges - IN	27,200	880,670	421	334,707	573,163
23	20% Non Federal Mandate Rider Portion					
24	Per IURC Cause Order #44331					
25						
26	Rockport DSI - Deferred O&M - IN		143,721	500	5,040	138,681
27	20% Non Federal Mandate Rider Portion					
28	Per IURC Cause Order #44331					
29						
30	Rockport DSI - Deferred Property Tax - IN		4,580	186	4,198	382
31	20% Non Federal Mandate Rider Portion					
32	Per IURC Cause Order #44331					
33						
34	Rockport DSI - Deferred Consumables - IN		1,178,236	502	1,251	1,176,985
35	20% Non Federal Mandate Rider Portion					
36	Per IURC Cause Order #44331					
37						
38	Indiana DSM Program	16,839,495	7,875,402	various	15,381,561	9,333,336
39	Per IURC Cause Order #43287					
40						
41	Cook Life Cycle Management - Deferred Depreciation	1,456,569	2,241,836	403	847,246	2,851,159
42	Indiana Portion					
43	Per IURC Cause Order #44182					



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**OTHER REGULATORY ASSETS (Account 182.3)**

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year  (b)	Debits  (c)	CREDITS		Balance at end of Current Quarter/Year  (f)
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount  (e)	
1	Cook Life Cycle Management - Carrying Charges	541,344	1,423,882	various	5,711,256	-3,746,030
2	Indiana Portion					
3	Per IURC Cause Order #44182					
4						
5	Cook Life Cycle Management - Deferred Property Tax	164,214	730,209	408	83,684	810,739
6	Indiana Portion					
7	Per IURC Cause Order #44182					
8						
9	Cook Life Cycle Management - Deferred Monitor Costs	390,524	170,286	524	366,340	194,470
10	Indiana Portion					
11	Per IURC Cause Order #44182					
12						
13	Cook Life Cycle Management - Carry Costs - Monitor	16,085	53,441	421	62,039	7,487
14	Indiana Portion					
15	Per IURC Cause Order #44182					
16						
17	Under Recovered Fuel Costs - Indiana		24,801,651	various	20,709,081	4,092,570
18						
19	Tanners Creek ARO for Asbestos and Ash Pond		27,079,133			27,079,133
20						
21	Tanners Creek Materials and Supplies		11,782,670	154	138,413	11,644,257
22						
23	Indiana Clean Coal Technology Rider	19,909	31,427	182.3, 407	51,336	
24	Carrying Charges					
25	Per IURC Cause Order #43636					
26						
27	Enhanced post-9/11 Cook Plant Security Costs	100,613	15,563	524	100,613	15,563
28	Per MPSC Case U-16180					
29						
30	Rockport DSI - Deferred Depreciation - Indiana	484,328	689,827	254, 403	1,174,155	
31	80% Federal Mandate Rider Portion					
32	Per IURC Cause Order #44331					
33						
34	Rockport DSI - Carrying Charges - Indiana	108,811	514,454	254, 421	623,265	
35	80% Federal Mandate Rider Portion					
36	Per IURC Cause Order #44331					
37						
38	River Transportation Selling Price Variance		4,318,435	254	4,318,435	
39						
40	PJM Annual Transmission Revenue Requirement		583,099			583,099
41	for Network Transmission Service					
42						
43						
<b>44</b>	<b>TOTAL :</b>	549,699,206	288,968,364		272,247,818	566,419,752



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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MISCELLANEOUS DEFFERED DEBITS (Account 186)

- Report below the particulars (details) called for concerning miscellaneous deferred debits.
- For any deferred debit being amortized, show period of amortization in column (a)
- Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, 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	40,772,629	56,787,888	408	55,362,890	42,197,627
2						
3	Property Taxes - Capital Leases	108,374	526,893	408	493,764	141,503
4						
5	Agency Fees, Factored Accts Rec	2,749,177	31,864,054	various	31,917,564	2,695,667
6						
7	River Transport Division	750,397	125,819,820	various	128,061,148	-1,490,931
8						
9	Deferred Rate Case expense	4,859	2,114	various	2,441	4,532
10						
11	Unamortized Credit Line Fees	1,042,193	1,288,510	431	1,560,779	769,924
12	Amortized thru November 2018					
13						
14	Allowances	843	12,432	158,509	13,275	
15						
16	Defd Non-taxable Leased Assets	503,884	828,475	146	702,887	629,472
17						
18	Transmission Joint Venture	13		various	13	
19						
20	Minor Items		9,280	various	8,251	1,029
21						
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43						
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45						
46						
47	Misc. Work in Progress	810,137				435,210
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	46,742,506				45,384,033

Name of Respondent Indiana Michigan 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, 2015
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**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

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

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Accrued ARO Expense - SFAS 143	469,891,991	52,806,232	21,757,439
3	Reg Liability - SFAS 143 - ARO	243,199,776	66,015,993	45,577,944
4	Capitalized Cook Costs	7,873,890	3,148,890	0
5	Capitalized Interest Expense	36,121,031	1,866,379	6,770,291
6	SFAS 158	37,750,031	4,667,175	11,159,681
7	Other (see pp. 234.1A-234.1B)	35,443,604	58,899,153	37,985,553
8	<b>TOTAL (Account 190) (Enter total of lines 2 thru 7)</b>	<b>830,280,323</b>	<b>187,403,822</b>	<b>123,250,908</b>
9	Gas			
10				
11				
12				
13				
14				
15	Other	0		
16	<b>TOTAL Gas (Enter total of lines 10 thru 15)</b>	<b>0</b>	<b>0</b>	<b>0</b>
17	Other (Specify)	83,392,948	0	1
18	<b>TOTAL (Account 190) (Enter total of lines 8, 16 &amp; 17)</b>	<b>913,673,271</b>	<b>187,403,822</b>	<b>123,250,909</b>
19	Classification of Total:			
20	Federal Income Tax	913,583,741	187,403,822	123,250,909
21	State Income Tax	89,530		
22	Local Income Tax			

**NOTES**

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

Line 17 Other - Detail	Balance at Beginning of Year	Balance at End of Year
Non-Utility 190.2 Federal	7,189,721	3,480,552
Non-Utility 190.2 State	89,530	(150,652)
SFAS 133	7,881,179	7,171,299
SFAS 87	618,901	1,842,135
SFAS 109	67,613,617	60,943,402
<b>Total</b>	<b>83,392,948</b>	<b>73,286,736</b>

Name of Respondent Indiana Michigan 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, 2015
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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
						438,843,198	2
						222,761,727	3
						4,725,000	4
						41,024,943	5
						44,242,537	6
						14,530,004	7
0	0		0		0	766,127,409	8
							9
							10
							11
							12
							13
							14
						0	15
0	0		0		0	0	16
10,748,126	6,798,774	Various	23,380,932	Various	29,537,793	73,286,736	17
10,748,126	6,798,774		23,380,932		29,537,793	839,414,145	18
							19
10,189,180	6,480,010		23,380,932		29,537,793	839,564,797	20
558,946	318,764					(150,652)	21
							22

NOTES (Continued)

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2015
<b>ACCUMULATED DEFERRED INCOME TAXES (Account 190)</b>					
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	5,716,811	751,453	182,235	
3	Provisions for Loss Trading Credit Risk	60,743	114,210	87,049	
4	Property Tax Deferrals	(2,365,217)	4,869,023	5,105,571	
5	Federal and State Mitigation Programs	1,828,865	514,693	17,500	
6	Pre 04/83 Nuclear Fuel Cost	15,149,423	24,860	82,137	
7	Nuclear Decommissioning	(440,758)		4	
8	IRS Settlements	(7,862,626)	1,479,798	27,692	
9	Deferred Gain Sale of Rockport Unit 2	9,997,585	1,297,351	37,068	
10	Amortization of Step Up ITC Rockport Unit 2	3,181,115	397,583		
11	Accrued Vacation Pay	4,894,650	1,137,202	1,160,084	
12	Accrued Severance Benefits	2,807,937	1,807,278	28,999	
13	Accrued Incentive Plans	13,783,224	12,359,757	12,861,985	
14	Book Provision for Uncollectible Debt	172,674	199,106	42,637	
15	Mark to Market Gain/Loss	10,237,646	14,666,397	4,997,203	
16	Capitalized Software Tax	57,041	41,138	12,565	
17	Revenue Refunds	1,123,056	674,498	676,784	
18	SFAS 112 Post Employment Benefits	2,049,926	273,770	300,921	
19	Accrued Income Tax and Interest	115,678	10,294	51,727	
20	Accrued Pension Expense	(33,833,600)	3,912,514	5,106,377	
21	SFAS 106 Post Retirement Benefits	(5,277,253)	3,832,921	298,891	
22	Accrued SIT	(201,015)			
23	Outage Insurance Proceeds	0	1,820,000		
24	NOL-Deferred Tax Asset/AMT Credit Deferred	539,317	4,078,790	4,354,953	
25	Accrued Environmental Liability	4,770,478	2,317,036	3,836	
26	Other Miscellaneous	8,937,904	2,319,481	2,549,335	
27	Total Other	35,443,604	58,899,153	37,985,553	
28					
29					
30					
31					
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, 2015		Year of Report December 31, 2015	
<b>ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)</b>							
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
						5,147,593	2
						33,582	3
						(2,128,669)	4
						1,331,672	5
						15,206,700	6
						(440,754)	7
						(9,314,732)	8
						8,737,302	9
						2,783,532	10
						4,917,532	11
						1,029,658	12
						14,285,452	13
						16,205	14
						568,452	15
						28,468	16
						1,125,342	17
						2,077,077	18
						157,111	19
						(32,639,737)	20
						(8,811,283)	21
						(201,015)	22
						(1,820,000)	23
						815,480	24
						2,457,278	25
						9,167,758	26
						14,530,004	27
							28
							29
							30
							31
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, 2015
<b>UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)</b>				
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 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	(756,219)
8	This debt was replaced by the following issuances:			
9	6.55% FMB due 3/2004 (Replaced by 6.875% SUN)			
10	7.50% FMB due 3/2024 (Redeemed 4/2004, no replacement			
11	debt was issued.)			
12	No Replacement Debt Issued - Amort thru 2/1/2017			
13				
14	7.0% Pollution Control Revenue Bonds	11/2003	25,000,000	(925,152)
15	Lawrenceburg, IN Series Due 4/2015			
16	Replaced by 2.625% Lawrenceburg Bonds Due 10/2019			
17	Loss being amortized over life of replacement debt			
18				
19	5.9% Pollution Control Revenue Bonds, due 11/2021	11/2004	52,000,000	(1,449,838)
20	City of Lawrenceburg, Indiana. (Replaced by VAR%			
21	Lawrenceburg, IN Bonds due 11/2021.)			
22				
23				
24	9-1/4% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(2,677,532)
25	City of Rockport, Indiana.			
26	Replaced by 6.55% Rockport Bonds due 6/2025			
27	Replaced 5/06 by VAR% Rockport Bonds Due 6/2025,			
28	with \$500,000 premium paid for early redemption			
29				
30	VAR% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(785,290)
31	City of Rockport, Indiana.			
32	Replaced by VAR% Rockport Bonds due 6/2025			
33				
34	9.00% Pref Stock Subject to Mandatory Redemption	4/1993	40,000,000	(896,000)
35	8.60% Pref Stock Subject to Mandatory Redemption	12/1993	40,000,000	(864,000)
36	8.68% Pref Stock Subject to Mandatory Redemption	1/1994	30,000,000	(540,000)
37	7.76% Pref Stock Subject to Mandatory Redemption	3/1994	35,000,000	(798,000)
38	6.875% Pref Stock Subject to Mandatory Redemption	1/2005	15,750,000	(861,392)
39	5.90% Pref Stock Subject to Mandatory Redemption	1/2005	13,200,000	
40	6.25% Pref Stock Subject to Mandatory Redemption	1/2005	19,250,000	
41	6.30% Pref Stock Subject to Mandatory Redemption	1/2005	13,245,000	
42	(Balance transferred from FERC Acct 210 to 189)			
43				
44	7.6% Pollution Control Revenue Bonds	11/2003	40,000,000	(1,209,363)
45	Rockport, IN Series Due 03/2016			
46	Replaced by 2.625% Rockport IN Bonds Due 04/2025			
47	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, 2015
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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.
765,762		84,304	681,458	1
				2
				3
1,082,983		118,143	964,840	4
				5
				6
68,747		32,999	35,748	7
				8
				9
				10
				11
				12
				13
274,654		57,822	216,832	14
				15
				16
				17
				18
582,779		85,285	497,494	19
				20
				21
				22
				23
1,467,945		140,923	1,327,022	24
				25
				26
				27
				28
				29
273,430		26,249	247,181	30
				31
				32
				33
245,695		30,712	214,983	34
				35
				36
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				43
576,557		56,249	520,308	44
				45
				46
				47

Name of Respondent Indiana Michigan 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, 2015
<b>UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)</b>				
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 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	VAR % Pollution Control Revenue Bonds, due 10/2019	5/2008	25,000,000	(323,600)
2	Series F Lawrenceburg			
3	Remarketed as Series I VAR%			(134,515)
4				
5				
6	VAR % Pollution Control Revenue Bonds, due 11/2021	5/2008	52,000,000	(1,013,352)
7	Series G Lawrenceburg			
8	Remarketed as Series H VAR%			(261,800)
9				
10	Early Redemption of \$150M Series D Senior Unsecured Note	10/2010	150,000,000	(6,651,901)
11	Original Maturity Date of December 31, 2032			
12	Redeemed October 15, 2010			
13				
14				
15				
16				
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32				
33				
34				
35				
36	<b>SUBTOTAL Unamortized Losses</b>			
37				
38	7.35% Series First Mortgage Bonds, Due 7/2023.	6/2001	5,000,000	38,090
39	Partially reacquired and not refunded.			
40	Gain being amortized over life of retired debt.			
41				
42	<b>SUBTOTAL Unamortized Gains</b>			
43				
44	<b>TOTAL</b>			
45				
46				
47				
48				
49				
50				

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2015
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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.
135,626		28,553	107,073	1
				2
75,746		15,672	60,074	3
				4
				5
516,116		75,529	440,587	6
				7
169,036		24,737	144,299	8
				9
5,381,313		298,962	5,082,351	10
				11
				12
				13
				14
				15
				16
				17
				18
				19
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				32
				33
				34
				35
<b>11,616,389</b>	<b>0</b>	<b>1,076,139</b>	<b>10,540,250</b>	36
				37
(14,979)	1,712	-	(13,267)	38
				39
				40
				41
(14,979)	1,712	-	(13,267)	42
				43
11,601,410	1,712	1,076,139	10,526,983	44
				45
				46
				47
				48
				49
				50



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2015/Q4</u>
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**CAPITAL STOCKS (Account 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 outlined 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 Series  (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 - None			
5				
6				
7				
8				
9				
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42				



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
- 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 (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
1,400,000	56,583,866					1
1,400,000	56,583,866					2
						3
						4
						5
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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 31,2015
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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			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
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34			
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39			
40	TOTAL	1,400,000	4,234,635

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)**

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.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (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.
- (d) Miscellaneous Paid-in Capital (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.

Line No.	Item (a)	Amount (b)
1	Donations received from stockholders (Account 208)	
2	Contributed by parent company prior to 2012	972,666,991
3		
4	Subtotal Account 208	972,666,991
5		
6	Gain on reacquired capital stock (Account 210)	
7	Balance on all series	120,555
8		
9		
10	Subtotal Account 210	120,555
11		
12	Miscellaneous paid-in capital (Account 211)	
13	Amounts recorded in connection with:	
14	Merger of Indiana Service Corporation with respondent in 1948 as	
15	subsequently adjusted on December 31, 1948	1,002,503
16		
17	Acquisition of Citizen's Heat, Light and Power Company by	
18	respondent in 1954	10,687
19		
20	Merger of Michigan Power Company with respondent in 1992.	2,861,068
21	Subtotal Account 211	3,874,258
22		
23		
24		
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37		
38		
39		
40	TOTAL	976,661,804

Name of Respondent Indiana Michigan 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, 2015
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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 2015

<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Retired</u>
Series G - 5.65% Fixed Rate	12/1/2015	125,000,000	12/1/2015
Multiple Draw Term Loan - Variable Rate	5/30/2015	93,500,000	5/30/2015

2. Securities issued during 2015

<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Issued</u>
Multiple Draw Term Loan - Variable Rate	5/14/2018	100,000,000	5/14/2015
Multiple Draw Term Loan - Variable Rate	5/14/2018	100,000,000	12/1/2015

3. Securities Remarketed during 2015

<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Remarketed</u>
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/Period of Report End of 2015/Q4
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**LONG-TERM DEBT (Account 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 (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 222 - Reacquired Pollution Control Revenue Bonds		
2	Reacquired Rockport Series D Pollution Control Bonds		17,500
3	SUBTOTAL - Account 222-Reacq PCRBs		17,500
4			
5	Account 223 - Advances From Associated Companies		
6	SUBTOTAL - Account 223-Advances From Assoc Co		
7	Account 224 - Other Long Term Debt		
8	Spent Nuclear Fuel Disposal Costs Prior		
9	To April 7, 1983 - Basic Fee Assessment & Interest		
10			
11	Pollution Control Revenue Bonds		
12	Lawrenceburg, IN		
13	Series I - Weekly Auction Rate	25,000,000	178,919
14			
15	Series H - Weekly Auction Rate	52,000,000	331,889
16	Rockport, IN		
17	Series D - 5.25% Fixed Rate	40,000,000	1,157,720
18			
19	Series 2002 A - 4.625% Fixed Rate	50,000,000	296,785
20			325,000 D
21			136,351 D
22			444,593
23			74,250
24			74,250
25			74,250
26	Series 2009 A - 6.25% Fixed Rate	50,000,000	353,976
27	per IURC Order #43445, approved 4/9/08		249,469
28	Bonds subj to mand tender for purchase (puttable) on 6/1/18		
29			
30	Series 2009 B - 6.25% Fixed Rate	50,000,000	353,976
31	per IURC Order #43445, approved 4/9/08		249,469
32	Bonds subj to mand tender for purchase (puttable) on 6/1/18		
33	TOTAL	1,853,802,388	21,745,159

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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LONG-TERM DEBT (Account 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 debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (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) principle 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)			
						1
04/04/2013	04/01/2025			-40,000,000	-39,671	2
				-40,000,000	-39,671	3
						4
						5
						6
						7
						8
				265,573,060		9
						10
						11
						12
5/22/2008	10/1/2019	5/22/2008	10/1/2019	25,000,000	8,260	13
						14
5/20/2008	11/1/2021	5/20/2008	11/1/2021	52,000,000	17,466	15
						16
4/25/2008	4/1/2025	4/25/2008	4/1/2025	40,000,000	39,671	17
						18
8/1/1985	6/1/2025	8/1/1985	6/1/2025	50,000,000	2,312,500	19
						20
						21
6/1/2007	6/1/2025	6/1/2007	6/1/2025			22
		6/1/2013	5/31/2014			23
		6/1/2014	5/31/2015			24
		6/1/2015	5/31/2016			25
3/26/2009	6/1/2025	4/1/2009	5/31/2014	50,000,000	873,785	26
		6/1/2014	5/31/2018			27
						28
						29
3/26/2009	6/1/2025	4/1/2009	5/31/2014	50,000,000	873,785	30
		6/1/2014	5/31/2018			31
						32
				1,834,854,812	79,376,715	33

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**LONG-TERM DEBT (Account 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 (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1			
2	Senior Unsecured Notes		
3			
4	Amortization of Cash Flow Hedge on 5.05% SUN		
5			
6	Series G - 5.65% Fixed Rate	125,000,000	906,746
7			176,250 D
8			
9	Amortization of Cash Flow Hedge on 5.65% SUN		
10			
11	Series H - 6.05% Fixed Rate	400,000,000	3,815,383
12			2,272,000 D
13			
14	Amortization of Cash Flow Hedges on 6.05% SUN		
15			
16	Series I - 7.00% Fixed Rate	475,000,000	3,333,197
17			3,201,500 D
18			
19	Series J - 3.20% Fixed Rate	250,000,000	1,969,707
20			402,500 D
21	Amortization of Interest Rate Swap on 3.20% SUN		
22			
23	Fort Wayne Settlement	26,802,388	
24			
25	Multiple Draw Term Loan	110,000,000	736,535
26	Variable Rate		
27			
28	Multiple Draw Term Loan	200,000,000	612,944
29	Variable Rate		
30	SUBTOTAL - Acct 224 - Other Long Term Debt	1,853,802,388	21,727,659
31			
32			
33	TOTAL	1,853,802,388	21,745,159



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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LONG-TERM DEBT (Account 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 debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (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) principle 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)			
						1
						2
						3
		11/16/2004	11/15/2014			4
						5
12/7/2005	12/1/2015	12/1/2005	11/30/2015		6,473,959	6
						7
						8
		12/1/2005	11/30/2015		-351,606	9
						10
11/14/2006	3/15/2037	11/14/2006	3/15/2037	400,000,000	24,200,000	11
						12
						13
		11/14/2006	2/28/2037		421,740	14
						15
1/15/2009	3/15/2019	1/1/2009	2/28/2019	475,000,000	33,250,000	16
						17
						18
3/18/2013	3/15/2023	3/18/2013	3/15/2023	250,000,000	8,208,071	19
						20
		3/18/2013	3/15/2023		1,606,489	21
						22
3/1/2010	2/28/2025	3/1/2010	2/28/2025	17,281,752		23
						24
5/30/2012	5/30/2015	6/1/2012	5/30/2015		609,768	25
						26
						27
5/14/2015	5/14/2018	6/1/2015	5/14/2018	200,000,000	872,498	28
						29
				1,874,854,812	79,416,386	30
						31
						32
				1,834,854,812	79,376,715	33

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2015/Q4
FOOTNOTE DATA			

**Schedule Page: 256 Line No.: 9 Column: h**

The Federal government is responsible for permanent spent nuclear fuel disposal and assess fees to nuclear plant owners for spent nuclear fuel disposal. I&M has not paid the government the pre-April 1983 fees due to continued delays and uncertainties related to the federal disposal program. Fuel consumed prior to April 7, 1983 has been recorded as Long-term debt

**Schedule Page: 256 Line No.: 13 Column: a**

The \$25 million City of Lawrenceburg Series I PCRB was issued 5/22/2008 & has a maturity date of 10/1/2019. It bears a weekly floating interest rate. Issuance expenses totalling \$178,919 will be amortized through the original maturity date.

**Schedule Page: 256 Line No.: 15 Column: a**

The \$52 million City of Lawrenceburg Series H PCRB was issued 5/20/2008 & has a maturity date of 11/1/2021. It bears a weekly floating interest rate. Issuance expenses totalling \$331,889 will be amortized through the maturity date.

**Schedule Page: 256 Line No.: 17 Column: a**

The \$40 million City of Rockport Series 2003 C PCRB was re-marketed 4/25/2008 as \$40 million City of Rockport Series D PCRB, at a fixed 5.25% rate. The original 4/1/2025 maturity date remained unchanged.

**Schedule Page: 256 Line No.: 19 Column: a**

On June 3, 2002, the \$50 million Series 1985A Pollution Control Bonds were re-marketed as \$50 million 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, since no further mandatory redemption is scheduled.

An insurance policy is renewed in June of each year that guarantees the principal if Indiana Michigan Power was to default on this note. This policy cost \$74,250, and covers the period of June - May and is fully amortized over that policy period.

**Schedule Page: 256 Line No.: 26 Column: a**

The \$50 million 6.25% City of Rockport Series 2009A PCRB was issued 3/26/2009 with a maturity date of 6/1/2025 and a mandatory tender date of 6/2/2014. Issuance expenses totaling \$353,976 will be amortized through the 6/2/2014 put date. On the 6/2/2014 put date, the PCRB was converted to 1.75% with a mandatory tender date of 6/1/2018. Issuance expenses totaling \$249,469 will be amortized through the 6/1/2018 put date.

**Schedule Page: 256 Line No.: 26 Column: e**

Subject to mandatory tender for purchase (puttable) on 6/1/2018.

**Schedule Page: 256 Line No.: 30 Column: a**

The \$50 million 6.25% City of Rockport Series 2009B PCRB was issued 3/26/2009 with a maturity date of 6/1/2025 and a mandatory tender date of 6/2/2014. Issuance expenses totaling \$353,976 were amortized through the 6/2/2014 put date. On the 6/2/2014 put date, the PCRB was converted to 1.75% with a mandatory tender date of 6/1/2018. Issuance expenses totaling \$249,469 will be amortized through the 6/1/2018 put date.

**Schedule Page: 256 Line No.: 30 Column: e**

Subject to mandatory tender for purchase (puttable) on 6/1/2018.

**Schedule Page: 256.1 Line No.: 16 Column: a**

The \$475 million 7.00% fixed rate Series I Senior Unsecured Note was issued 1/15/2009 with a maturity date of 3/15/2019. Issuance expenses totalling \$3,333,197 & discount expense of \$3,201,500 will be amortized through February 2019.



Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 256.1 Line No.: 19 Column: a**

The \$250 million 3.20% fixed rate Series J Senior Unsecured Note was issued 3/18/2013 with a maturity date of 3/15/2023. Issuance expenses totaled \$1,969,707 and discount expense of \$402,500 will be amortized through March 2023.

**Schedule Page: 256.1 Line No.: 23 Column: a**

On August 10, 2011, the Indiana Utility Regulatory Commission issued a Final Order in Cause No. 43980 approving an agreement between Indiana Michigan Power Company and the City of Fort Wayne, Indiana to settle all disputes and other matters between them relating to the 1974 Lease Agreement pursuant to which I&M leased certain electric property from the city. The agreement required I&M to purchase the leased property and settle certain claims asserted by the City of Fort Wayne. Pursuant to the agreement, I&M paid the city \$5 million within thirty days of the effective date of the final order. Further, the agreement provided that I&M pay the city a total of \$34.2 million, including interest, over 15 years (March 2010 to February 2025), and that the City of Fort Wayne recognize I&M as the exclusive electricity provider in the Fort Wayne area. Interest on this liability is recorded in account 431.

**Schedule Page: 256.1 Line No.: 25 Column: a**

The \$110 million multiple draw term loan was issued on May 30, 2012. The interest rate was variable and the maturity date was May 30, 2015. The initial draw took place on June 4, 2012 for \$20 million with a subsequent draw on November 30, 2012 for \$90M. The term loan was retired on May 30, 2015.

**Schedule Page: 256.1 Line No.: 28 Column: a**

The \$200 million multiple draw term loan was issued on May 14, 2015. The interest rate is variable and the maturity date is May 14, 2018. The initial draw took place on May 14, 2015 for \$100 million with a subsequent draw on December 1, 2015 for \$100 million.

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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, 2015
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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	142,501,421	5,890,403,134	6,042,172,118	294,270,405	760,448
3	SUBTOTAL	142,501,421	5,890,403,134	6,042,172,118	294,270,405	760,448
4	Account 234					
5	AEP I&M Transmission Company	529,942	21,785,913	21,292,851	36,880	
6	AEP Investments	0	1	1	0	
7	AEP Resources	95	79,244	79,149	0	
8	AEP Generating Company	20,538,772	280,491,550	277,115,231	17,162,453	
9	AEP Memco, LLC	5,805,979	48,611,093	42,805,114	(0)	
10	AEP Energy Partners	(0)	56,825	63,311	6,486	
11	AEP Energy Inc.	753,661	6,536,127	5,782,466	0	
12	AEP Energy Services	0	15	15	0	
13	AEP Service Corporation	22,902,228	246,900,310	240,566,153	16,568,071	
14	AEP System Pool (AEPSC)	19,785,648	303,148,875	306,862,528	23,499,301	
15	AEP Texas Central Company	1,369	391,938	392,774	2,205	
16	AEP Texas North Company	3,839	131,139	127,665	365	
17	AEP Enterprises	61,655	61,655		0	
18	AEP T&D Services	0	1,722	1,722	0	
19	AEP Utilities, Inc	0	117	117	0	
20	AEP Utility Funding LLC	20,861	67,206	54,852	8,507	
21	American Electric Power Co	34,041	301,806,274	301,772,233	0	
22	Appalachian Power Co	1,004,525	19,493,554	19,433,761	944,732	
23	Blackhawk Coal Company	6,433	51,204	50,947	6,176	
24	Cardinal Operating Company	448	36,542	36,094	0	
25	CSW Energy, Inc.	6,801	10,381	3,580	0	
26	Cook Coal Terminal	2,102,284	36,867,977	37,785,725	3,020,032	
27	Dolet Hills Lignite Co.	0	590	590	0	
28	Electric Transmission TX	0	83,952	83,952	0	
29	Franklin Real Estate Company	0	24,995	24,995	0	
30	Indiana Franklin Realty, Inc	(0)	197,751	197,751	(0)	
31	Kentucky Power Co	17,097	1,099,208	1,090,092	7,981	
32	Kingsport Power Co	6,634	111,718	115,780	10,696	
33	Ohio Power Co	1,576,107	21,112,903	19,962,761	425,965	
34	Public Service Co of OK	635,073	2,365,771	1,761,596	30,898	
35	Southwestern Electric Power Co	187,275	2,108,724	2,018,718	97,269	
36	United Sciences Testing, Inc	0	63,663	63,663	0	
37	Wheeling Power Co	1,799	30,521	28,736	14	
38	AEP Transmission Companies - Various	30,612	680,160	673,891	24,343	
39	SUBTOTAL	76,013,178	1,294,409,618	1,280,248,814	61,852,374	0
40						
41	TOTAL	218,514,599	7,184,812,752	7,322,420,932	356,122,779	760,448

Name of Respondent Indiana Michigan 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, 2015
<b>RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES</b>			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>			
Line No.		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 26)	276,193,270	
2	Allocations:		
3	Net Other Income and Deductions	16,806,988	
4	Interest Charges	88,162,228	
5	Net income for the year (page 117 line 78)	204,838,030	
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	(63,626,292)	

Name of Respondent Indiana Michigan 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, 2015
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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.
276,193,270		1
		2
16,806,988		3
88,162,228		4
		5
		6
		7
		8
		9
		10
		11
		12
		13
		14
		15
		16
		17
		18
		19
		20
		21
		22
		23
		24
		25
(63,626,292)		26



Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2015
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**FOOTNOTE DATA**

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																																																																																		
281A	6		<p align="right">In (000's)</p> <table> <tr><td>Net Income for the year page 117</td><td align="right">204,838</td></tr> <tr><td>Federal Income Taxes</td><td align="right">87,150</td></tr> <tr><td>State and Local Income Taxes</td><td align="right">8,944</td></tr> <tr><td>PreTax Book Income</td><td align="right"><u>300,932</u></td></tr> <tr><td>Increase (Decrease) in Taxable Income resulting from:</td><td></td></tr> <tr><td>    Allowance for Funds Used During Construction and Interest Capitalized</td><td align="right">2,708</td></tr> <tr><td>    Amortization of Deferred Book Gain - Rockport Unit 1 Sale</td><td align="right">(3,707)</td></tr> <tr><td>    Book Accruals and Deferrals</td><td align="right">12,979</td></tr> <tr><td>    Book/Tax Unit Property Adj</td><td align="right">(44,736)</td></tr> <tr><td>    Deferred Fuel Cost</td><td align="right">(10,232)</td></tr> <tr><td>    Emission Allowances Net</td><td align="right">4,070</td></tr> <tr><td>    Equity in Earnings Subsidiary Companies</td><td align="right">(65)</td></tr> <tr><td>    Excess Tax vs Book Depreciation</td><td align="right">(233,366)</td></tr> <tr><td>    Mark to Market</td><td align="right">842</td></tr> <tr><td>    Nuclear Book Deferred Cost</td><td align="right">11,233</td></tr> <tr><td>    Nuclear Decommissioning Costs</td><td align="right">(10,702)</td></tr> <tr><td>    Nuclear Fuel Adjustments</td><td align="right">31,877</td></tr> <tr><td>    Nuclear Fuel Disposal Costs</td><td align="right">(401)</td></tr> <tr><td>    Pollution Control</td><td align="right">84</td></tr> <tr><td>    Property Tax</td><td align="right">54</td></tr> <tr><td>    Removal Costs</td><td align="right">(34,905)</td></tr> <tr><td>    Relocation Costs</td><td align="right">(2,100)</td></tr> <tr><td>    Revenue Refunds</td><td align="right">7</td></tr> <tr><td>    SFAS 143 - ARO</td><td align="right">7,628</td></tr> <tr><td>    Tax Accruals/Tax Deferrals</td><td align="right">(15,774)</td></tr> <tr><td>    Tax vs. Book Gain/Loss</td><td align="right">(66,512)</td></tr> <tr><td>    Other (Net)</td><td align="right"><u>(11,394)</u></td></tr> <tr><td>Federal Tax Net Income - Estimated Current Year Taxable Income (Separate Return Basis)</td><td align="right"><u>(61,480)</u></td></tr> <tr><td>Current State Income Taxes</td><td align="right">2,146</td></tr> <tr><td>Federal Taxable Income</td><td align="right"><u>(63,626)</u></td></tr> <tr><td>Computation Tax*</td><td></td></tr> <tr><td>    Federal Income Tax on Current Year Taxable Income (Separate Return     Basis) at Statutory Rate of 35%</td><td align="right">(22,269)</td></tr> <tr><td>    Adjustment due to System Consolidation</td><td align="right">-</td></tr> <tr><td>    Estimated Taxes Currently Payable</td><td align="right"><u>(22,269)</u></td></tr> <tr><td>    Tax Provision Adjustment</td><td align="right">-</td></tr> <tr><td>    Tax Credit C/F</td><td align="right">(152)</td></tr> <tr><td>    Solar Investment Tax Credit</td><td align="right">(1,443)</td></tr> <tr><td>    R&amp;D Credit</td><td align="right">-</td></tr> <tr><td>    Parent Savings</td><td align="right">-</td></tr> <tr><td>    Adjustment of Prior Years Accruals(Net)</td><td align="right">20,975</td></tr> <tr><td>    Estimated Current Year Federal Income Taxes (Net)</td><td align="right"><u>(2,889)</u></td></tr> </table> <p>(a) 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.</p> <p><b>INSTRUCTION 2.</b> * The tax computation above represents an estimate of the Company's allocated portion of the System consolidated Federal income tax. The computation of actual 2015 System Federal income taxes will not be available until the consolidated Federal income tax return is completed and filed by September 2016. The actual allocation of the System consolidated Federal income tax to the members of the consolidated group will not be available until after the Consolidated Federal Income Tax is filed.</p>	Net Income for the year page 117	204,838	Federal Income Taxes	87,150	State and Local Income Taxes	8,944	PreTax Book Income	<u>300,932</u>	Increase (Decrease) in Taxable Income resulting from:		Allowance for Funds Used During Construction and Interest Capitalized	2,708	Amortization of Deferred Book Gain - Rockport Unit 1 Sale	(3,707)	Book Accruals and Deferrals	12,979	Book/Tax Unit Property Adj	(44,736)	Deferred Fuel Cost	(10,232)	Emission Allowances Net	4,070	Equity in Earnings Subsidiary Companies	(65)	Excess Tax vs Book Depreciation	(233,366)	Mark to Market	842	Nuclear Book Deferred Cost	11,233	Nuclear Decommissioning Costs	(10,702)	Nuclear Fuel Adjustments	31,877	Nuclear Fuel Disposal Costs	(401)	Pollution Control	84	Property Tax	54	Removal Costs	(34,905)	Relocation Costs	(2,100)	Revenue Refunds	7	SFAS 143 - ARO	7,628	Tax Accruals/Tax Deferrals	(15,774)	Tax vs. Book Gain/Loss	(66,512)	Other (Net)	<u>(11,394)</u>	Federal Tax Net Income - Estimated Current Year Taxable Income (Separate Return Basis)	<u>(61,480)</u>	Current State Income Taxes	2,146	Federal Taxable Income	<u>(63,626)</u>	Computation Tax*		Federal Income Tax on Current Year Taxable Income (Separate Return Basis) at Statutory Rate of 35%	(22,269)	Adjustment due to System Consolidation	-	Estimated Taxes Currently Payable	<u>(22,269)</u>	Tax Provision Adjustment	-	Tax Credit C/F	(152)	Solar Investment Tax Credit	(1,443)	R&D Credit	-	Parent Savings	-	Adjustment of Prior Years Accruals(Net)	20,975	Estimated Current Year Federal Income Taxes (Net)	<u>(2,889)</u>
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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/Period of Report End of 2015/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL:					
2	INCOME	-19,823,229		-2,888,729	13,804,166	-7,677
3	FICA - 2015	3,543,451		18,551,808	18,592,159	
4	UNEMPLOYMENT - 2015	146,821		116,559	217,734	
5	EXCISE TAX - 2014	272,290		10,567	282,857	
6	EXCISE TAX - 2015			1,003,509	747,929	
7	SUBTOTAL Federal	-15,860,667		16,793,714	33,644,845	-7,677
8						
9	STATE OF INDIANA:					
10	INCOME 2011				42,837	42,837
11	INCOME 2014	-3,813,246		6,131,266	2,318,020	
12	INCOME 2015			1,156,900	2,883,577	
13	UNEMPLOYMENT IN - 2015	58,749		167,150	187,685	
14	UTIL RECEIPTS TAX - 2014			-97,682	-97,682	
15	UTIL RECEIPTS TAX - 2015			17,684,000	17,684,000	
16						
17	INDIANA LICENSE TAX					
18	SALES & USE TAX - 2014	576,790		18,889	595,679	
19	SALES & USE TAX - 2015			3,685,059	3,188,341	
20						
21	PUBLI SERV COMM-2014		353,438	706,875	353,437	
22	PUBLI SERV COMM-2015			633,802	950,703	
23						
24	REAL & PERS PROP-2012			3,826	3,826	
25	REAL & PERS PROP-2013			1,042	1,042	
26	REAL & PERS PROP-2014	17,834,133		-109,845	17,724,288	
27	REAL & PERS PROP-2015			17,237,632	1,726	
28						
29	PERS PROP LEASED-2014	275,806		-45,289	230,517	
30	PERS PROP LEASED-2015			462,465		
31						
32	REAL PROP LEASED-2014	129,974		-129,974		
33	REAL PROP LEASED-2015			236,493	236,493	
34						
35	SUBTOTAL Indiana	15,062,206	353,438	47,742,609	46,304,489	42,837
36						
37						
38						
39						
40	STATE OF KENTUCKY:					
41	TOTAL	52,921,872	963,822	108,059,696	121,717,806	51,496

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

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).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
-36,523,801		-1,850,604			-1,038,125	2
3,503,100		12,472,341			6,079,467	3
45,646		84,161			32,398	4
		4,022			6,545	5
255,580		10,779			992,730	6
-32,719,475		10,720,699			6,073,015	7
						8
						9
		113,483			-113,483	10
		6,068,939			62,327	11
-1,726,677		761,735			395,165	12
38,214		91,625			75,525	13
		-96,359			-1,323	14
		17,684,000				15
						16
						17
					18,889	18
496,718					3,685,059	19
						20
		706,875				21
	316,901	633,802				22
						23
		3,826				24
		1,042				25
		2,834,941			-2,944,786	26
17,235,906		14,026,717			3,210,915	27
						28
		3,023			-48,312	29
462,465		385,390			77,075	30
						31
					-129,974	32
					236,493	33
						34
16,506,626	316,901	43,219,039			4,523,570	35
						36
						37
						38
						39
						40
39,280,346	928,910	90,858,504			17,201,192	41

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
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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.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1						
2	KY INCOME 2014	-306,119		49,785	-256,334	
3	KY INCOME 2015			60,272	321,334	
4	Subtotal Kentucky	-306,119		110,057	65,000	
5	STATE OF MICHIGAN:					
6	MI INCOME 2014	-295,371		-79,490	-374,861	
7	MI INCOME 2015			671,258	615,372	
8	MI SBT					
9	MI CITIES	-1,261				
10	UNEMPLOYMENT - 2015	186,561		458,857	489,737	
11	PUBL SERV COMM'S-2014		111,926	441,843	329,917	
12	PUBL SERV COMM'S-2015			167,579	267,841	
13	USE TAX-2014	159,238	68,740	11,754	102,252	
14	USE TAX - 2015			1,274,806	1,282,285	
15	SALES TAX - 2014		429,718		-429,718	
16	SALES TAX - 2015				442,916	
17						
18	REAL & PERS PROP-2012					
19	REAL & PERS PROP-2013	9,693,019		125,962	9,818,981	
20	REAL & PERS PROP-2014	37,740,503			26,742,524	
21	REAL & PERS PROP-2015			39,296,968		
22						
23	PERS PROP LEASED-2013	24,450		-17,964	6,486	
24	PERS PROP LEASED-2014	74,157			57,048	
25	PERS PROP LEASED-2015			64,428		
26						
27	REAL PROP LEASED-2013	41,855		-9,525	32,330	
28	REAL PROP LEASED-2014			216,000	160,195	
29	SUBTOTAL Michigan	47,623,151	610,384	42,622,476	39,543,305	
30						
31	DE License Tax			1,800	1,800	
32	SUBTOTAL DELAWARE			1,800	1,800	
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	52,921,872	963,822	108,059,696	121,717,806	51,496



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

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).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (i) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		15,223			34,562	2
-261,062		52,347			7,925	3
-261,062		67,570			42,487	4
						5
		-95,866			16,376	6
55,886		587,271			83,987	7
						8
-1,261						9
155,681		352,273			106,584	10
		441,843				11
	100,262	167,579				12
		10,692			1,062	13
61,352	68,831	112,920			1,161,886	14
						15
	442,916					16
						17
		38,925			-38,925	18
		125,962				19
10,997,979		34,103,973			-34,103,973	20
39,296,968					39,296,968	21
						22
		-17,964				23
17,109		60,063			-60,063	24
64,428					64,428	25
						26
		-9,525				27
55,805		216,000				28
50,703,947	612,009	36,094,146			6,528,330	29
						30
		1,800				31
		1,800				32
						33
						34
						35
						36
						37
						38
						39
						40
39,280,346	928,910	90,858,504			17,201,192	41

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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

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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 (Include in Account 165) (c)			
1	STATE OF WEST VIRGINIA:					
2	LICENSE TAX					
3	WEST VA INC TAX-2009	-413,012				
4	WEST VA INC TAX-2014	-64,006		119,326	55,320	
5	WEST VA INC TAX-2015			-113,573	698,497	
6	WVA FRANCHISE - 2014	6,389		-2,405	3,984	
7	WVA FRANCHISE - 2015					
8						
9	REAL & PERS PROP-2013	11,347			11,347	
10	REAL & PERS PROP-2014	25,009		-11,206	13,803	
11	REAL & PERS PROP-2015			14,219		
12						
13	WV USE TAX - 2014	738		165	903	
14	WV USE TAX - 2015			24,405	21,549	
15	WV EXCISE TAX - 2014	43,238		532	43,770	
16	WV EXCISE TAX - 2015			182,357	139,265	
17	WV EXCISE TAX - Provision	10,700				
18	UNEMPLOYMENT - 2015	59,295		47,760	48,960	
19	SUBTOTAL West Virginia	-320,302		261,580	1,037,398	
20						
21	STATE OF OHIO:					
22	OHIO FRANCH TAX - 2008					
23	OHIO INCOME TAX					
24	OHIO CAT TAX - 2014	48,000		-28,960	19,040	
25	OHIO CAT TAX - 2015			124,489	91,789	
26	State Unemployment 2015	213			213	
27	SUBTOTAL Ohio	48,213		95,529	111,042	
28	STATE OF ILLINOIS:					
29	IL INCOME TAX - 2011					
30	IL INCOME TAX - 2014	81,103		423,242	520,681	16,336
31	IL INCOME TAX - 2015			283,878	366,800	
32	SUBTOTAL Illinois	81,103		707,120	887,481	16,336
33	STATE OF LOUISIANA:					
34	LA Franchise Tax					
35						
36	SUBTOTAL Louisiana					
37						
38	STATE OF PA:					
39	PA Gross Receipts Audit	239,325				
40						
41	TOTAL	52,921,872	963,822	108,059,696	121,717,806	51,496

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
-413,012						3
		127,369			-8,043	4
-812,070		-134,463			20,890	5
		-2,383			-22	6
						7
						8
		3,539			-3,539	9
		3,402			-14,608	10
14,219					14,219	11
						12
					165	13
2,856					24,405	14
					532	15
43,092					182,357	16
10,700						17
58,095		-9,699			57,459	18
-1,096,120		-12,235			273,815	19
						20
						21
						22
						23
		-28,960				24
32,700		124,489				25
		-213			213	26
32,700		95,316			213	27
						28
		-68,366			68,366	29
		484,572			-61,330	30
-82,922		254,713			29,165	31
-82,922		670,919			36,201	32
						33
						34
						35
						36
						37
						38
239,325						39
						40
39,280,346	928,910	90,858,504			17,201,192	41



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1						
2						
3	RAILCAR PROP TAX:					
4	Misc States - 2013			8,009	8,009	
5	Misc States - 2014	44,355		-623	43,732	
6	Misc States - 2015			103,133	70,376	
7	SUBTOTAL Railcar Prop Tax	283,680		110,519	122,117	
8						
9	STATE OF MISSOURI					
10	UNEMPLOYMENT - 2015	-56,960				
11	MO INCOME TAX - 2014	16		395	411	
12	MO INCOME TAX - 2015			-1,114	847	
13	MO FRANCHISE	-1,258			-1,258	
14	SUBTOTAL Missouri	-58,202		-719		
15						
16	MISC RTD PROP TX-2008	430		-430		
17	MISC RTD PROP TX-2013	122,522		-122,522		
18	MISC RTD PROP TX-2014	1,430,214		-1,430,214		
19	MISC RTD PROP TX-2015			1,166,521		
20						
21	FED INCOME TAX FIN-48 -					
22	STATE INCOME TAX FIN-48	2,233,544		1,327		
23						
24	MICHIGAN LICENSE TAX			175	175	
25	VARIOUS LICENSE TAX			154	154	
26						
27	VARIOUS FRANCHISE TAX					
28						
29	FIT IRS AUDIT	2,060,184				
30	SIT LONG TERM	521,915				
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	52,921,872	963,822	108,059,696	121,717,806	51,496

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
						3
					8,009	4
		427			-1,050	5
32,757					103,133	6
272,082		427			110,092	7
						8
						9
-56,960						10
		580			-185	11
-1,961		-1,319			205	12
						13
-58,921		-739			20	14
						15
					-430	16
					-122,522	17
					-1,430,214	18
1,166,521					1,166,521	19
						20
						21
2,234,871		1,233			94	22
						23
		175				24
		154				25
						26
						27
						28
2,060,184						29
521,915						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
39,280,346	928,910	90,858,504			17,201,192	41



Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 262 Line No.: 2 Column: f**  
 (\$7,677) - Fuel Tax Credit

**Schedule Page: 262 Line No.: 10 Column: f**  
 \$42,837 - Indiana Refund received

**Schedule Page: 262.1 Line No.: 15 Column: a**  
 Consists of a prepayment for sales tax only; a collect & remit tax. Beginning in 2009, included for purpose of reporting all prepaid tax activity.

**Schedule Page: 262.1 Line No.: 16 Column: a**  
 Consists of a prepayment for sales tax only; a collect & remit tax. Beginning in 2009, included for purpose of reporting all prepaid tax activity.

**Schedule Page: 262.2 Line No.: 30 Column: f**  
 \$16,336 - Illinois NOL usage

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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/Period of Report End of <u>2015/Q4</u>
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments 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 (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	939			4114	939	
4	7%						
5	10%	38,321,647			4114	4,755,906	
6	Solar ITC 30%		4114	1,443,000			
7							
8	<b>TOTAL</b>	38,322,586		1,443,000		4,756,845	
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							
23							
24							
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43							
44							
45							
46							
47							
48							

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
			4
33,565,741			5
1,443,000			6
			7
35,008,741			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			30
			31
			32
			33
			34
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			41
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			45
			46
			47
			48

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			2015/Q4
FOOTNOTE DATA			

**Schedule Page: 266 Line No.: 8 Column: i**

Remaining amortization period is 21 years.



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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, 2015	Year of Report December 31, 2015
<b>MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)</b>			
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	44,485,673	
2	Accrued Vacation, Holiday, and Other Non-Productive	20,008,584	
3	Accrued Payroll	7,475,271	
4	Payroll Deductions	604,835	
5	Miscellaneous Employee Benefits (3 Items)	3,587,169	
6	Accrued Workers Compensation	661,292	
7	Accrued Lease/Rents	22,410,318	
8	Accrued Revenue Refunds	3,738,964	
9	Control Cash Disbursements	19,623,597	
10	Accrued Civil Penalties	1,751,871	
11	Miscellaneous Current & Accrued Liabilities (7 Items)	240,188	
12	Environmental Accruals	1,080,119	
13	Severance Accruals	2,857,265	
14			
15			
16			
17			
18			
19	TOTAL	128,525,146	

<b>CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)</b>		
Line No.	List Advances by department (a)	Balance End of Year (b)
20	None	0
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38	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/Period of Report End of <u>2015/Q4</u>
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**OTHER DEFFERED CREDITS (Account 253)**

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Defd Gain-Sale of Rockport Unit 2					
2	Amtz Period 12/1989-12/2022	29,404,649	507	3,706,716		25,697,933
3						
4	Pole Attachment Rentals	558,161	454	1,756,494	1,793,197	594,864
5						
6	IPP-System Upgrade Credits	2,998,301			98,639	3,096,940
7						
8	Defd Gain-Fiber Optics Agrmt					
9	In Kind Service-Amrtz thru 2025	4,456,748	411.6	220,501		4,236,247
10						
11	Deferred Revenues-Verizon					
12	Amortized thru March 2023	391,374	451	47,438		343,936
13						
14	Deferred Revenues-KDL					
15	Amortized thru Dec 2022	70,314	451	9,348		60,966
16						
17	Customer Advance Receipts	5,741,777	142	5,741,777	7,284,584	7,284,584
18						
19	Federal Mitigation Deferral (NSR)	2,052,907				2,052,907
20						
21	SEMCO Agreement - MGP Sites	7,248,472	242	451,681		6,796,791
22						
23	Contract Settlement reserves	7,709	various	22,668	266,405	251,446
24						
25	Environmental Site Remediation	5,941,463	242,426.5	5,941,463		
26						
27	Minor Items	1,215,500	various	1,457,079	1,331,801	1,090,222
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	<b>TOTAL</b>	<b>60,087,375</b>		<b>19,355,165</b>	<b>10,774,626</b>	<b>51,506,836</b>

Name of Respondent Indiana Michigan 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>2015/Q4</u>
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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 Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities	188,450	1,175	29,400
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)	188,450	1,175	29,400
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)	188,450	1,175	29,400
18	Classification of TOTAL			
19	Federal Income Tax	188,450	1,175	29,400
20	State Income Tax			
21	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/Period of Report End of <u>2015/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES \_ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

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			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
						160,225	4
							5
							6
							7
						160,225	8
							9
							10
							11
							12
							13
							14
							15
							16
						160,225	17
							18
						160,225	19
							20
							21

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/Period of Report End of <u>2015/Q4</u>
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)**

- Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
- 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 Account 410.1  (c)	Amounts Credited to Account 411.1  (d)
1	Account 282			
2	Electric	1,086,402,759	186,254,563	140,082,800
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	1,086,402,759	186,254,563	140,082,800
6	Non-Utility	817,867		
7	SFAS 109/FIN 48	86,108,199		
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	1,173,328,825	186,254,563	140,082,800
10	Classification of TOTAL			
11	Federal Income Tax	1,173,328,825	186,254,563	140,082,800
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/Period of Report End of 2015/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

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			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
						1,132,574,522	2
							3
							4
						1,132,574,522	5
84,577	14,645					887,799	6
		Various	22,805,039	Various	25,974,874	89,278,034	7
							8
84,577	14,645		22,805,039		25,974,874	1,222,740,355	9
							10
84,577	14,645		22,805,039		25,974,874	1,222,740,355	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/Period of Report End of 2015/Q4
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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 Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	SFAS 158	37,750,031	11,159,681	4,667,175
4	Reg Asset - SFAS 143 - ARO	625,867,381	52,728,183	49,021,545
5	Deferred Cook O&M Restart Cost	13,304,203	10,769,678	14,701,201
6	Nuclear Fuel	23,444,186	39,470,460	52,025,075
7	Mark To Market	8,835,706	5,090,542	12,019,688
8	Other	67,985,543	23,331,053	29,794,427
9	TOTAL Electric (Total of lines 3 thru 8)	777,187,050	142,549,597	162,229,111
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18	Other	239,224,614		
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	1,016,411,664	142,549,597	162,229,111
20	Classification of TOTAL			
21	Federal Income Tax	877,353,505	142,549,597	162,229,111
22	State Income Tax	139,058,159		
23	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/Period of Report End of 2015/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

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			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
						44,242,537	1
						629,574,019	2
						9,372,680	3
						10,889,571	4
						1,906,560	5
6,436,475	6,127,574					61,831,070	6
6,436,475	6,127,574					757,816,437	7
							8
							9
							10
							11
							12
							13
							14
							15
							16
							17
5,583,970	6,935,960	Various	62,843,682	Various	44,678,940	219,707,882	18
12,020,445	13,063,534		62,843,682		44,678,940	977,524,319	19
							20
12,020,445	13,063,534		32,186,979		28,331,197	852,775,120	21
			30,656,703		16,347,743	124,749,199	22
							23

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/Period of Report 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 18 Column: b**

	Balance at Beginning of Year	Balance at End of Year
NON-UTILITY	2,593,696	1,241,706
SFAS 133	123,062	0
SFAS 109	<u>236,507,856</u>	<u>218,466,176</u>
 Total Line 18	 239,224,614	 219,707,882



Name of Respondent Indiana Michigan 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>2015/Q4</u>
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**OTHER REGULATORY LIABILITIES (Account 254)**

- Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities  (a)	Balance at Beginning of Current Quarter/Year  (b)	DEBITS		Credits  (e)	Balance at End of Current Quarter/Year  (f)
			Account Credited  (c)	Amount  (d)		
1	Unrealized Gain on Forward Commitments	19,645,628	456	32,561,188	19,971,522	7,055,962
2						
3	Asset Retirement Oblig-Excess Provision SFAS 143	694,856,502	228	205,729,984	147,335,557	636,462,075
4						
5	SNF Trust Funds - Pre 4/83	43,519,591	various	1,990,077	1,844,273	43,373,787
6						
7	Gains on Foreign Currency Derivatives	101,781	403	11,309		90,472
8	Amortz 1/2009 - 12/2023					
9						
10	Clean Coal Technology Rider	7,117	various	7,117		
11	Over-Recovered Expenses					
12						
13	Demand Side Management - Michigan		908,421	1,523,448	2,124,353	600,905
14						
15	SFAS 109 Deferred FIT	24,093,262	various	3,291,310	828,026	21,629,978
16						
17	Over Recovered Environmental		182,509	120,134	804,121	683,987
18	Compliance Tracker					
19						
20	OSS Margin Sharing	19,408,722	447	19,634,738	226,016	
21						
22	River Transportation Selling Price Variance	5,346,789	182	8,579,067	5,162,972	1,930,694
23						
24	Renewable Energy Surcharge		various	493	493	
25						
26	Over Recovered Fuel Costs - Indiana	7,142,441	182	7,142,441		
27						
28	DSI Federal Mandate Rider - Indiana		various	4,895,059	5,248,636	353,577
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	<b>TOTAL</b>	814,121,833		285,486,365	183,545,969	712,181,437

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 02/23/16	Year of Report December 31, 2015
<b>GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421. 2)</b>					
<p>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.</p> <p>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).</p> <p>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.)</p>					
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					
5					
6					
7	Sale of Non-Utility Property				
8	One (1) Fire Yard Protection Equipment	219,441		505	
9					
10	Sale of Non-Utility Property				
11	Seventeen (17) properties each with original cost less than \$100,000	257,221		46,509	
12					
13					
14					
15	Sale of Other Property				
16	Former Breed Plant Land to Wernz LTD			(99)	
17	(includes true up on estimate				
18	previously reported)				
19					
20	Former Breed Plant Land to J.Kerns,			(218,510)	
21	R.Kerns, Ceres Farms, Freedom Energy				
22	(includes true up on estimate				
23	previously reported)				
24	Sale of Miscellaneous Equipment				
25					
26					
27	Total Gain	476,662		(171,595)	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 02/23/16	Year of Report December 31, 2015
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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)
28	Loss on disposition of property:				
29					
30	Sale of Utility Property				
31	One (1) property with original cost				
32	less than \$100,000	35,700			26,412
33					
34					
35	Sale of Non-Utility Property				
36	Miscellaneous Equipment	9,185			120
37	property with original cost less				
38	than \$100,000 each individually				
39					
40					
41					
42					
43	Total Loss	44,885			26,532

Name of Respondent Indiana Michigan 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, 2015
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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	82,016,749
10	-Expenses - Operation	(68,099,085)
11	-Maintenance	(5,429,340)
12	-Depreciation, Depletion, and Amortization	(1,688,917)
13	-Other	0
14	Total Account 417	6,799,407
15		
16	Account 418 - Nonoperating Rental Income	
17	-Rent Revenue	242,752
18	-Expense	(45,117)
19	-Other	0
20	Total Account 418	197,635
21		
22	Account 418.1 - Equity in Earnings of Subsidiary Companies	64,578
23		
24	Account 419 - Interest and Dividend Income	
25	- Communications Leases	610,258
26	- Margin Interest	1,346
27	- Dedicated Sales	674,153
28		

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, 2015
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS				
Line No.	Item (a)	Amount (b)		
1				
2	- Other	16,432		
3	- Income Taxes	(35,870)		
4	- Associated Companies	9,229		
5				
6				
7	Total Account 419	1,275,548		
8				
9				
10	Account 419.1 - Allowance for Funds Used During Construction	11,633,775		
11				
12	Account 421 - Miscellaneous Nonoperating Income			
13				
14				
15	- Michigan Energy Optimization Carry Charge	44,791		
16	- Indiana Demand Side Management	73,978		
17	- Indiana Turbine Replacement Carrying Charge	2,236,266		
18	- Michigan Turbine Replacement Carrying Charge	460,529		
19	- Regional Transmission Organization Carrying Charges	146,362		
20	- Other	60,123		
21	- Rents	43,776		
22	- Indiana Life Cycle Management Carry Charge	1,786,291		
23	- Indiana Rockport Dry Sorbent Injection	1,276,965		
24	- Michigan Life Cycle Management Carry Charge	2,156,423		
25	- Indiana Clean Coal Technology	993		
26	- Michigan Renewable Energy Purchase Agreement	81,110		
27				
28	Total Account 421	8,367,607		
29				
30	Account 421.1 - Gain on Disposition of Property	(171,595)		
31				
32	Account 421.2 - Loss on Disposition of Property	(26,532)		
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	Total Other Income	28,140,423		



Name of Respondent Indiana Michigan 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, 2015
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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	124,620,250	122,449,922
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	76,950,136	72,980,787
5	Large (or Industrial)	67,472,665	63,876,728
6	(444) Public Street and Highway Lighting	1,323,586	1,319,643
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	270,366,637	260,627,080
13			
14	(447) Sales for Resale	47,072,728	42,550,186
15	TOTAL Sales of Electricity	317,439,365	303,177,266
16			
17	(Less) (449.1) Provision for Rate Refunds	0	592,391
18	TOTAL Revenue Net of Provision for Refunds	317,439,365	302,584,875
19	Other Operating Revenues		
20	(450) Forfeited Discounts	709,582	716,592
21	(451) Miscellaneous Service Revenues	914,093	777,040
22	(453) Sales of Water and Water Power		
23	(454) Rent from Electric Property	1,082,175	1,002,412
24	(455) Interdepartmental Rents		
25	(456) Other Electric Revenues	6,285,284	5,587,492
26			
27			
28			
29			
30	TOTAL Other Operating Revenues	8,991,134	8,083,536
31			
32	TOTAL Electric Operating Revenues	326,430,499	310,668,411

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 31,2015	
<b>ELECTRIC OPERATING REVENUES (Account 400) (Continued)</b>				
<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)	
1,168,829	1,219,482	108,947	108,930	1
805,694	793,627	17,564	17,501	2
840,547	830,780	953	964	3
10,891	10,982	343	341	4
				5
				6
				7
				8
				9
				10
				11
2,825,961	2,854,871	127,807	127,736	12
610,271	613,409	5	5	13
3,436,232 **	3,468,280	127,812	127,741	14
				15
				16
				17
3,436,232	3,468,280	127,812	127,741	18
<p>* Include (\$2,037,810) unbilled revenues.</p> <p>** Includes (23,155) MWH relating to unbilled revenues.</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)	Year of Report December 31, 2015
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**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	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	1,074,973	112,730,547	101,877	10,552	0.1049
3	RESIDENTIAL SERVICE TOD	81,968	7,806,088	4,802	17,070	0.0952
4	RESIDENTIAL OFF PEAK ENERGY	13,382	1,099,782	564	23,727	0.0822
5	RESIDENTIAL SVC OPT SENIOR	9,483	822,015	1,704	5,565	0.0867
6	OUTDOOR LIGHTING	3,827	738,049			0.1929
7	UNBILLED	(14,804)	(1,338,335)			0.0904
8	UNRECOVERED FUEL		2,762,104			
9	Total Residential Sales	1,168,829	124,620,250	108,947	10,728	0.1066
10						
11	442 Commercial Sales					
12	SMALL GENERAL SERVICE	79,859	10,106,990	12,781	6,248	0.1266
13	SMALL GENERAL SERVICE TOD	383	46,071	49	7,816	0.1203
14	MEDIUM GENERAL SERVICE	367,924	35,628,791	3,360	109,501	0.0968
15	MEDIUM GENERAL SERVICE TOD	8,755	743,991	154	56,851	0.0850
16	LARGE GENERAL SERVICE	170,518	13,786,477	158	1,079,228	0.0809
17	LARGE POWER	106,952	7,826,995	4	26,738,000	0.0732
18	ELECTRIC HEATING GENERAL	3,513	351,868	57	61,632	0.1002
19	ELECTRIC HEATING SCHOOLS	6,271	543,389	15	418,067	0.0867
20	MUNICIPAL & SCHOOL SERVICE	26,749	2,544,171	190	140,784	0.0951
21	IRRIGATION SERVICE	7,160	703,087	549	13,042	0.0982
22	WATER & SEWAGE SERVICE	26,886	2,086,084	245	109,739	0.0776
23	STREETLIGHTING SERVICE	18	1,959	2	9,000	0.1088
24	OUTDOOR LIGHTING	6,138	1,014,091			0.1652
25	UNBILLED	(5,432)	(461,845)			0.0850
26	UNRECOVERED FUEL		2,028,017			
27	Total Commercial Sales	805,694	76,950,136	17,564	45,872	0.0955
28						
29	442 Industrial Sales					
30	SMALL GENERAL SERVICE	3,233	378,812	390	8,290	0.1172
31	MEDIUM GENERAL SERVICE	190,383	17,658,659	498	382,295	0.0928
32	MEDIUM GENERAL SERVICE TOD	92	8,058	1	92,000	0.0876
33	LARGE GENERAL SERVICE	129,532	10,408,217	37	3,500,865	0.0804
34	LARGE POWER	518,999	37,047,259	24	21,624,958	0.0714
35	ELECTRIC HEATING GENERAL	377	38,277	3	125,667	0.1015
36	OUTDOOR LIGHTING	836	126,376			0.1512
37	UNBILLED	(2,905)	(236,237)			0.0813
38	UNRECOVERED FUEL		2,043,244			
39	Total Industrial Sales	840,547	67,472,665	953	882,001	0.0803

Name of Respondent Indiana Michigan 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, 2015
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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	369	68,258	161	2,292	0.1850
3	MEDIUM GENERAL SERVICE	107	10,459	2	53,500	0.0977
4	SL CUST OWNED SYS	523	41,954	7	74,714	0.0802
5	SL CUST OWNED SYS METERED	527	32,743	29	18,172	0.0621
6	MUNICIPAL & SCHOOL	85	10,863	6	14,167	0.1278
7	ENERGY CONSERV LIGHTING	5,083	623,324	90	56,478	0.1226
8	STREETLIGHTING SERVICE	4,106	492,999	48	85,542	0.1201
9	OUTDOOR LIGHTING	105	17,127			0.1631
10	UNBILLED	(14)	(1,393)			0.0995
11	UNRECOVERED FUEL		27,252			
12	Total Public Street & Highway Light	10,891	1,323,586	343	31,752	0.1215
13						
14	Fuel Clause (see footnote)					
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
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41						
42						
43						
44						
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46						
47						
48						
49						
50						
51						
52						
53						
54						
55	Total Billed	2,849,116	272,404,447	127,807	22,292	0.0956
56	Total Unbilled Rev. (See Instr. 6)	(23,155)	(2,037,810)			0.0880
57	TOTAL	2,825,961	270,366,637	127,807	22,111	0.0957

Name of Respondent Indiana Michigan 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, 2015	Year of Report December 31, 2015
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**FOOTNOTE DATA**

Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
304.1	14	a	440 Residential Sales RESIDENTIAL SERVICE (6,438,875) RESIDENTIAL SERVICE TOD (490,847) OUTDOOR LIGHTING (23,000) RESIDENTIAL OFF PEAK ENERGY STORAGE (80,152) RESIDENTIAL SVC OPT SENIOR CITIZEN (56,802)  RESIDENTIAL TOTAL (7,089,676)  442 Commercial Sales SMALL GENERAL SERVICE (478,369) SMALL GENERAL SERVICE TOD (2,278) MEDIUM GENERAL SERVICE (2,200,041) MEDIUM GENERAL SERVICE TOD (52,345) LARGE GENERAL SERVICE (1,021,406) LARGE POWER (640,644) ELECTRIC HEATING GENERAL (21,042) ELECTRIC HEATING SCHOOLS (37,457) MUNICIPAL & SCHOOL SERVICE (160,228) IRRIGATION SERVICE (43,058) WATER & SEWAGE SERVICE (160,998) OUTDOOR AND STREET LIGHTING (36,945)  COMMERCIAL TOTAL (4,854,811)  442 Industrial Sales SMALL GENERAL SERVICE (19,363) MEDIUM GENERAL SERVICE (1,138,361) MEDIUM GENERAL SERVICE TOD (549) LARGE GENERAL SERVICE (775,612) LARGE POWER (3,103,376) ELECTRIC HEATING GENERAL (2,260) OUTDOOR AND STREET LIGHTING (5,010)  INDUSTRIAL TOTAL (5,044,531)  444 Public Street & Highway Light SMALL GENERAL SERVICE (2,198) MEDIUM GENERAL SERVICE (639) SL CUST OWNED SYS (3,134) SL CUST OWNED SYS METERED (3,156) MUNICIPAL & SCHOOL SERVICE (505) OUTDOOR AND STREET LIGHTING (25,222) ENERGY CONSERVE LIGHTING (30,455)  PUBLIC STREET & HIGHWAY LIGHT TOTAL (65,309)     <b>GRAND TOTAL (17,054,327)</b>



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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/Period of Report End of 2015/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 1			
2	CITY OF BLUFFTON	RQ	Note 1			
3	CITY OF DOWAGIAC, MI	RQ	Note 1			
4	CITY OF GARRETT	RQ	Note 1			
5	CITY OF MISHAWAKA	RQ	Note 1			
6	CITY OF NILES	RQ	Note 1			
7	CITY OF SOUTH HAVEN	RQ	Note 1			
8	CITY OF STURGIS	RQ	IMPCO#107			
9	INDIANA MUNICIPAL POWER AGENCY	RQ	Note 1			
10	NORTHEASTERN RURAL ELECTRIC	RQ	Note 1			
11	PJM TRANSMISSION FOR RQ	RQ	Various			
12	TOWN OF AVILA	RQ	Note 1			
13	TOWN OF NEW CARLISLE	RQ	Note 1			
14	TOWN OF WARREN	RQ	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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)		
451,061	20,755,978	10,347,728		31,103,706	1
321,763	15,039,580	7,355,280		22,394,860	2
69,022	3,687,524	1,722,210		5,409,734	3
89,686	4,764,945	2,239,265		7,004,210	4
608,730	31,203,503	14,114,668		45,318,171	5
131,486	6,694,827	3,120,604		9,815,431	6
144,737	7,078,731	3,312,138		10,390,869	7
220,257	11,201,278	5,161,172		16,362,450	8
1,625,826	67,005,772	36,192,172		103,197,944	9
	3,231,083			3,231,083	10
			-33,079,255	-33,079,255	11
33,406	1,737,888	800,665		2,538,553	12
12,157	669,583	310,086		979,669	13
18,647	953,881	468,906		1,422,787	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
<b>12,389,287</b>	<b>219,329,231</b>	<b>390,138,637</b>	<b>-33,079,255</b>	<b>576,388,613</b>	





Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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)		
44,769	2,403,264	1,173,145		3,576,409	1
1,190,115	59,527,602	28,700,955		88,228,557	2
		-3,381		-3,381	3
		-3,447		-3,447	4
		23		23	5
46,511		1,707,501		1,707,501	6
24,098		1,433,327		1,433,327	7
	18,620	-315,543		-296,923	8
		-732		-732	9
5,738		365,854		365,854	10
16,640		1,036,223		1,036,223	11
11,532		721,384		721,384	12
		-8,161		-8,161	13
2,725		171,460		171,460	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
12,389,287	219,329,231	390,138,637	-33,079,255	576,388,613	





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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)		
26,762		1,637,338		1,637,338	1
34,224		2,174,088		2,174,088	2
3		1,168		1,168	3
6,445		407,650		407,650	4
2,854		173,824		173,824	5
99,555		7,921,637		7,921,637	6
22,356		794,843		794,843	7
		-118,413		-118,413	8
		-1,737,031		-1,737,031	9
		-34,629		-34,629	10
		-244		-244	11
	43,035			43,035	12
105,217		6,304,957		6,304,957	13
318,493		19,025,564		19,025,564	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
12,389,287	219,329,231	390,138,637	-33,079,255	576,388,613	





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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)		
		229,648		229,648	1
	-68			-68	2
		160		160	3
		101,472		101,472	4
-5,653		-1,095,358		-1,095,358	5
11,351		827,313		827,313	6
		-42,527		-42,527	7
	40,613			40,613	8
		-2,120,509		-2,120,509	9
-5,703		-221,998		-221,998	10
10,194		786,229		786,229	11
-243,742		-7,836,949		-7,836,949	12
		162,317		162,317	13
552		-1,631,690		-1,631,690	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
12,389,287	219,329,231	390,138,637	-33,079,255	576,388,613	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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	NC ELECTRIC MEMBERSHIP CORP.	OS	Note 1			
2	NEXTERA ENERGY POWER MKTG LLC	OS	Note 1			
3	NOBLE AMERICAS GAS AND POWER	OS	Note 1			
4	OHIO POWER COMPANY (AUCTION)	OS	Note 1			
5	OVER/UNDER CAPACITY TRACKER	OS	Note 1			
6	OVER/UNDER PJM TRACKER	OS	Note 1			
7	PENNSYLVANIA ELECTRIC COMPANY	OS	Note 1			
8	PJM INTERCONNECTION	OS	Note 1			
9	RBC CAPITAL MARKET, LLC	OS	Note 1			
10	SOUTHERN COMPANY	OS	Note 1			
11	THE BOROUGH OF PITCAIRN, PA	OS	Note 1			
12	THE ENERGY AUTHORITY	OS	Note 1			
13	TIMBER CANYON	OS	Note 1			
14	TOWN OF HAGERSTOWN, INDIANA	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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)		
181,236		8,191,851		8,191,851	1
	27,154			27,154	2
-1,188		-34,129		-34,129	3
314,959		17,121,982		17,121,982	4
	-17,581,195			-17,581,195	5
		26,216,790		26,216,790	6
15,558		1,119,808		1,119,808	7
6,391,402	826,246	183,472,129		184,298,375	8
	-613	3,939,953		3,939,340	9
5,284		172,192		172,192	10
		2,678		2,678	11
170		4,412		4,412	12
		-3,381		-3,381	13
4,817		305,139		305,139	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
12,389,287	219,329,231	390,138,637	-33,079,255	576,388,613	



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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)		
-98,354		-1,647,566		-1,647,566	1
		-14,575		-14,575	2
		-51,554		-51,554	3
45		2,113		2,113	4
2,907		186,897		186,897	5
-1		159		159	6
20		999		999	7
50		2,373		2,373	8
3,221		208,824		208,824	9
26,064		1,743,579		1,743,579	10
665		-6,523		-6,523	11
		-13,695		-13,695	12
90,618		3,416,292		3,416,292	13
		-30,472		-30,472	14
4,961,662	235,955,439	115,018,994	-33,079,255	317,895,178	
7,427,625	-16,626,208	275,119,643	0	258,493,435	
12,389,287	219,329,231	390,138,637	-33,079,255	576,388,613	

Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

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

NOTE 1: FERC Electric Tariff, First Revised Volume No. 5.

**Schedule Page: 310 Line No.: 1 Column: k**

Margins for Off System Sales (OSS) reported in I&M's generation formula rates are included in the total revenue amount. The margins are specifically identified in the ledger as a subset of the accounts that make up these OSS revenues.

**Schedule Page: 310 Line No.: 11 Column: a**

PJM transmission expenses related to wholesale customers.

**Schedule Page: 310 Line No.: 11 Column: j**

Amount represents transmission services and related charges.

**Schedule Page: 310.4 Line No.: 4 Column: a**

An affiliated company.

**Schedule Page: 310.4 Line No.: 4 Column: c**

The PUCO (Public Utilities Commission Ohio) ordered OPCo to conduct energy and capacity auctions for its entire SSO load for delivery beginning June 2015. APCo, KPCo, I&M and WPCo participated in the auction process and were awarded tranches of OPCo's SSO load.

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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, 2014
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**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	<b>1. POWER PRODUCTION EXPENSES</b>		
2	<b>A. Steam Power Generation</b>		
3	Operation		
4	(500) Operation Supervision and Engineering	5,846,839	7,521,600
5	(501) Fuel	193,953,638	304,086,456
6	(502) Steam Expenses	14,487,543	6,341,942
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred - CR.		
9	(505) Electric Expenses	1,604,613	1,711,133
10	(506) Miscellaneous Steam Power Expenses	5,440,002	14,822,420
11	(507) Rents	70,147,251	70,149,035
12	(509) Allowances	4,231,838	14,898,772
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	295,711,724	419,531,358
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	2,955,430	3,477,751
16	(511) Maintenance of Structures	3,965,210	1,603,277
17	(512) Maintenance of Boiler Plant	15,829,210	23,988,270
18	(513) Maintenance of Electric Plant	4,469,268	6,164,471
19	(514) Maintenance of Miscellaneous Steam Plant	1,998,951	1,820,237
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	29,218,069	37,054,006
21	TOTAL Power Production Expenses-Steam Power (Total of lines 13 & 20)	324,929,793	456,585,364
22	<b>B. Nuclear Power Generation</b>		
23	Operation		
24	(517) Operation Supervision and Engineering	23,203,961	18,413,529
25	(518) Fuel	146,871,236	152,768,851
26	(519) Coolants and Water	8,070,754	7,321,086
27	(520) Steam Expenses	14,313,007	14,486,857
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred - CR		
30	(523) Electric Expenses	4,239,737	4,608,966
31	(524) Miscellaneous Nuclear Power Expenses	81,330,671	80,397,215
32	(525) Rents	0	0
33	TOTAL Operation (Enter Total of lines 24 thru 32)	278,029,366	277,996,504
34	Maintenance		
35	(528) Maintenance Supervision and Engineering	12,850,793	11,376,592
36	(529) Maintenance of Structures	5,644,343	5,163,227
37	(530) Maintenance of Reactor Plant Equipment	65,932,278	76,618,115
38	(531) Maintenance of Electric Plant	24,577,532	13,717,352
39	(532) Maintenance of Miscellaneous Nuclear Plant	17,971,165	19,430,487
40	TOTAL Maintenance (Enter Total of Lines 35 thru 39)	126,976,111	126,305,773
41	TOTAL Power Production Expenses-Nuclear Power (Total of lines 33 & 40)	405,005,477	404,302,277
42	<b>C. Hydraulic Power Generation</b>		
43	Operation		
44	(535) Operation Supervision and Engineering	530,127	376,102
45	(536) Water for Power	14,009	0
46	(537) Hydraulic Expenses	139,620	133,966
47	(538) Electric Expenses	0	212
48	(539) Miscellaneous Hydraulic Power Generation Expenses	1,040,829	807,699
49	(540) Rents	(409)	0
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	1,724,176	1,317,979
51	Maintenance		
52	(541) Maintenance Supervision and Engineering	135,044	129,862
53	(542) Maintenance of Structures	572,304	705,398
54	(543) Maintenance of Reservoirs, Dams, and Waterways	481,319	594,158
55	(544) Maintenance of Electric Plant	552,904	320,039
56	(545) Maintenance of Miscellaneous Hydraulic Plant	40,237	31,954
57	TOTAL Maintenance (Total of Lines 52 thru 56)	1,781,808	1,781,411

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, 2014
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
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	<b>C. Hydraulic Power Generation (Continued)</b>			
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr. (Total of lines 50 & 57)	3,505,984	3,099,390	
60	<b>D. Other Power Generation</b>			
61	Operation			
62	(546) Operation Supervision and Engineering	65,524	56,270	
63	(547) Fuel	0	0	
64	(548) Generation Expenses	0	2	
65	(549) Miscellaneous Other Power Generation Expenses	2,158	810	
66	(550) Rents			
67	TOTAL Operation (Total of Lines 62 thru 66)	67,682	57,082	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant	(1,129)	1,401	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	0	0	
73	TOTAL Maintenance (Total of Lines 69 thru 72)	(1,129)	1,401	
74	TOTAL Pwr. Production Expenses-Other Power (Total of Lines 67 & 73)	66,553	58,483	
75	<b>E. Other Power Supply Expenses</b>			
76	(555) Purchased Power	463,005,453	416,447,489	
77	(556) System Control and Load Dispatching	2,126,361	1,645,217	
78	(557) Other Expenses	3,781,813	4,612,784	
79	Total Other Power Supply Expenses (Total of Lines 76 thru 78)	468,913,627	422,705,490	
80	Total Pwr. Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,202,421,434	1,286,751,004	
81	<b>2. TRANSMISSION EXPENSES</b>			
82	Operation			
83	(560) Operation Supervision and Engineering	4,820,717	4,102,219	
84	(561) Load Dispatching			
85	(561.1) Load Dispatch-Reliability	17,537	23,949	
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	1,697,233	1,666,974	
87	(561.3) Load Dispatch-Transmission Service and Scheduling	0	0	
88	(561.4) Scheduling, System Control and Dispatch Services	4,658,154	4,394,733	
89	(561.5) Reliability, Planning and Standards Development	265,233	236,211	
90	(561.6) Transmission Service Studies	241		
91	(561.7) Generation Interconnection Studies			
92	(561.8) Reliability, Planning and Standards Development Services	1,152,325	993,147	
93	(562) Station Expenses	615,742	755,886	
94	(563) Overhead Lines Expenses	369,334	306,503	
95	(564) Underground Lines Expenses	(21)	21	
96	(565) Transmission of Electricity by Others	52,713,633	51,257,771	
97	(566) Miscellaneous Transmission Expenses	5,377,969	3,310,766	
98	(567) Rents	20,196	15,745	
99	TOTAL Operation (Total of Lines 83 thru 98)	71,708,293	67,063,925	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	69,930	54,295	
102	(569) Maintenance of Structures	47,655	44,594	
103	(569.1) Maintenance of Computer Hardware	91,583	79,733	
104	(569.2) Maintenance of Computer Software	964,741	1,123,296	
105	(569.3) Maintenance of Communication Equipment	177,151	67,059	
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	3,221,090	4,350,609	
108	(571) Maintenance of Overhead Lines	9,826,867	9,525,105	
109	(572) Maintenance of Underground Lines	579	115,888	
110	(573) Maintenance of Miscellaneous Transmission Plant	1,022,415	634,628	
111	TOTAL Maintenance (Total of Lines 101 thru 110)	15,422,011	15,995,207	
112	TOTAL Transmission Expenses (Total of Lines 99 & 111)	87,130,304	83,059,132	
113	<b>3. REGIONAL MARKET EXPENSES</b>			
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, 2014
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>			
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	3,857,543	4,280,922
122	(575.8) Rents		
123	TOTAL Operation (Total of Lines 115 thru 122)	3,857,543	4,280,922
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)	3,857,543	4,280,922
132	<b>4. DISTRIBUTION EXPENSES</b>		
133	Operation		
134	(580) Operation Supervision and Engineering	2,932,496	3,379,519
135	(581) Load Dispatching	1,224,405	1,145,793
136	(582) Station Expenses	762,216	653,461
137	(583) Overhead Line Expenses	473,769	198,025
138	(584) Underground Line Expenses	2,130,366	2,508,727
139	(585) Street Lighting and Signal System Expenses	113,206	83,542
140	(586) Meter Expenses	1,661,704	1,120,563
141	(587) Customer Installations Expenses	457,388	508,224
142	(588) Miscellaneous Expenses	16,174,829	14,333,420
143	(589) Rents	1,644,250	1,880,810
144	TOTAL Operation (Total of Lines 134 thru 143)	27,574,629	25,812,084
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	77,902	76,833
147	(591) Maintenance of Structures	50,737	52,295
148	(592) Maintenance of Station Equipment	1,779,124	2,611,909
149	(593) Maintenance of Overhead Lines	23,717,131	31,845,664
150	(594) Maintenance of Underground Lines	2,004,815	2,589,860
151	(595) Maintenance of Line Transformers	181,181	69,393
152	(596) Maintenance of Street Lighting and Signal Systems	519,467	575,251
153	(597) Maintenance of Meters	232,089	309,598
154	(598) Maintenance of Miscellaneous Distribution Plant	546,257	579,462
155	TOTAL Maintenance (Total of Lines 146 thru 154)	29,108,703	38,710,265
156	TOTAL Distribution Expenses (Total of Lines 144 & 155)	56,683,332	64,522,349
157	<b>5. CUSTOMER ACCOUNTS EXPENSES</b>		
158	Operation		
159	(901) Supervision	1,099,587	1,065,185
160	(902) Meter Reading Expenses	825,233	1,134,341
161	(903) Customer Records and Collection Expenses	13,636,926	13,736,146
162	(904) Uncollectible Accounts	(226,864)	67,254
163	(905) Miscellaneous Customer Accounts Expenses	48,478	51,438
164	TOTAL Customer Accounts Expenses (Total of Lines 159 thru 163)	15,383,360	16,054,364
165	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>		
166	Operation		
167	(907) Supervision	720,886	726,333
168	(908) Customer Assistance Expenses	18,580,114	13,588,065
169	(909) Informational and Instructional Expenses	511,216	0
170	(910) Miscellaneous Customer Service and Informational Expenses	6,379	2,318
171	TOTAL Cust. Service and Informational Exp. (Total of Lines 167 thru 170)	19,818,595	14,316,716



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2014	Year of Report December 31, 2014
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>			
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	<b>7. SALES EXPENSE</b>		
173	Operation		
174	(911) Supervision	1,372	0
175	(912) Demonstrating and Selling Expenses	192,271	211,514
176	(913) Advertising Expenses	120,000	0
177	(916) Miscellaneous Sales Expenses		
178	Total Sales Expenses (Total of Lines 174 thru 177)	313,643	211,514
179	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
180	Operation		
181	(920) Administrative and General Salaries	33,964,345	35,509,699
182	(921) Office Supplies and Expenses	3,954,258	3,795,619
183	(Less) (922) Administrative Expenses Transferred - CR	3,744,331	4,268,880
184	(923) Outside Services Employed	10,649,810	15,585,568
185	(924) Property Insurance	4,627,466	4,600,367
186	(925) Injuries and Damages	6,006,414	5,927,941
187	(926) Employee Pensions and Benefits	28,377,608	30,340,514
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	13,157,209	13,800,453
190	(929) (Less) Duplicate Charges - CR.	638,787	484,239
191	(930.1) General Advertising Expenses	112,736	157,934
192	(930.2) Miscellaneous General Expenses	3,772,682	4,068,662
193	(931) Rents	5,765,581	8,557,118
194	TOTAL Operation (Total of Lines 181 thru 193)	106,004,991	117,590,756
195	Maintenance		
196	(935) Maintenance of General Plant	9,448,150	8,657,565
197	TOTAL Administrative and General Expenses (Total of Lines 194 & 196)	115,453,141	126,248,321
198	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 112, 131, 156, 164, 171, 178, and 197)	1,501,061,352	1,595,444,322
199			

<b>NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES</b>		
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)	12/31/2015	12/31/2014
2. Total Regular Full-Time Employees	2,476	2,535
3. Total Part-Time and Temporary Employees	7	8
4. Total Employees	2,483	2,543

Name of Respondent Indiana Michigan Power Company		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2015
<b>FOOTNOTE DATA</b>			
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
320	5	b	The portion of account 501 that is excluded from the fuel costs in I&M's generation formula rate is identified by a query of the general ledger.
320	25	b	The portion of account 518 that is excluded from the nuclear fuel costs in I&M's generation formula rate is identified by a query of the general ledger.
320	31	b	The portion of account 524 representing ARO expenses that are excluded from non-fuel generation O&M in I&M's generation formula rate is identified by a query of the general ledger. The nuclear decommissioning expense allowed in the formula is an amount approved by the Indian Utility Regulatory Commission.
320	93	b	Generation Step-Up Units' (GSU's) O&M expenses included in I&M's generation formula rates are the ratio of GSU balances to all investment for plant accounts 352 and 353 multiplied by the balance in O&M accounts 562, 569, and 570.
320	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.
320	185	b	The insurance expenses for generation included in I&M's generation formula rate are identified by a query from the general ledger.



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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/Period of Report End of 2015/Q4
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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 projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm 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 firm service which meets the definition of RQ service. For all transaction 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 expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term 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 expect 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.

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 for each adjustment.

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	AEP GENERATING COMPANY	RQ	AEG 1			
2	CITY OF WINCHESTER, IN	OS				
3	CMS MARKETING SVCS AND TRADING	OS				
4	DYNEGY POWER MARKETING INC.	OS				
5	EDF TRADING NORTH AMERICA LLC	OS				
6	FOWLER RIDGE II WIND FARM LLC	OS				
7	FOWLER RIDGE WIND FARM LLC	OS				
8	FRENCH PAPER	OS				
9	FT. WAYNE ELECTRIC JATC	OS				
10	HEADWATERS WIND FARM LLC	OS				
11	JP MORGAN VENTURES ENERGY CORP	OS				
12	OVEC POWER SCHEDULING	OS				
13	OVER / UNDER PJM EXP TRACKER	OS				
14	PJM INTERCONNECTION	OS				
	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 2015/Q4
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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

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

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
4,356,078			120,248,808	111,859,152		232,107,960	1
				124,538		124,538	2
			96,396			96,396	3
			362			362	4
			-63,571			-63,571	5
141,950				11,949,652		11,949,652	6
256,775				16,129,579		16,129,579	7
2,153				63,089		63,089	8
1				35		35	9
645,858				27,137,341		27,137,341	10
			165,759			165,759	11
647,662			23,941,143	19,699,304		43,640,447	12
				17,817,394		17,817,394	13
2,079,018			4,919,132	93,471,041		98,390,173	14
8,450,553			149,308,029	313,697,424		463,005,453	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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 projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm 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 firm service which meets the definition of RQ service. For all transaction 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 expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term 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 expect 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.

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 for each adjustment.

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	RANDOLPH SCHOOLS	OS				
2	WILDCAT WIND FARM	OS				
3	WILLIAM E RICHTER	OS				
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	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 2015/Q4
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PURCHASED POWER (Account 555) (Continued)  
(including power exchanges)

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

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$)(j)	Energy Charges (\$)(k)	Other Charges (\$)(l)	Total (j+k+l) of Settlement (\$)(m)	
				58,692		58,692	1
321,058				15,387,520		15,387,520	2
				87		87	3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
8,450,553			149,308,029	313,697,424		463,005,453	



Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 326 Line No.: 1 Column: a**

An affiliated company.

**Schedule Page: 326 Line No.: 13 Column: a**

Per the IURC's Order in Cause No. 43306 on March 4, 2009 and effective on March 23, 2009, I&M tracks the recovery of certain costs and revenues related to I&M's membership in PJM.

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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/Period of Report End of 2015/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (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: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	PJM Network Integ Trans Rev Whlsl	Various	Various	FNO
2	PJM Network Integ Trans Serv	Various	Various	FNO
3	PJM Trans Enhancement Rev	Various	Various	FNO
4	PJM Trans Enhancement Rev Whlsl	Various	Various	FNO
5	PJM Trans Enhancement Rev - Affil	Various	Various	FNO
6	PJM Trans Enhancement Cost - Affil	Various	Various	FNO
7	PJM Network Integ Rev - Affil	Various	Various	FNS
8	PJM Point to Point Trans Serv	Various	Various	LFP
9	PJM Trans Owner Admin Revenue	Various	Various	OLF
10	PJM Trans Owner Serv Rev Whlsl	Various	Various	OLF
11	PJM Expansion Cost Recovery	Various	Various	OS
12	PJM Power Factor Credits Rev Whlsl	Various	Various	OS
13	PJM Trans Distribution & Meter	Various	Various	OS
14	RTO Formation Costs Recovery	Various	Various	OS
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
<b>TOTAL</b>				

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)**  
(Including transactions referred to as 'wheeling')

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 where energy was delivered as specified in the contract.
7. Report in column (h) the number of 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 column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours 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
PJM OATT	Various	Various				8
PJM OATT	Various	Various				9
PJM OATT	Various	Various				10
PJM OATT	Various	Various				11
PJM OATT	Various	Various				12
PJM OATT	Various	Various				13
PJM OATT	Various	Various				14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			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 2015/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (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 (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only 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.
6,149,130			6,149,130	1
24,307,997			24,307,997	2
1,840,948			1,840,948	3
103,521			103,521	4
1,033,089			1,033,089	5
-938,423			-938,423	6
8,358,323			8,358,323	7
1,595,581			1,595,581	8
	434,491		434,491	9
	96,833		96,833	10
102,895			102,895	11
		138,449	138,449	12
		513,901	513,901	13
208,804			208,804	14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
<b>42,761,865</b>	<b>531,324</b>	<b>652,350</b>	<b>43,945,539</b>	



Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 328 Line No.: 1 Column: 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. OATT (Open Access Transmission Tariff) 3rd revised Volume No. 6.

**Schedule Page: 328 Line No.: 12 Column: m**

Per Proforma ILDSA (Interconnection and Local Delivery Service Agreement) AEP Tariff 3rd Revised Volume No. 6.

**Schedule Page: 328 Line No.: 13 Column: m**

Per Proforma ILDSA AEP Tariff 3rd Revised Volume No. 6.

Name of Respondent Indiana Michigan 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, 2015
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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	972,531
18	American Electric Power Service Corporation **	Benton Harbor Service Center	11,005
19	Miscellaneous Lessees	Agricultural, Commercial, & Residential	98,639
20			
21			
22	Total Acct 454		1,082,175
23			
24	Acct 455	None	
25			
26			
27	** Affiliated Entity		
28			
29			

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) December 31, 2015	Year of Report December 31, 2015
<b>SALES OF WATER AND WATER POWER (Account 453)</b>				
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

<b>MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)</b>				
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			914,093
13				
14	Acct 456 - Other Electric Revenues - Michigan			
15				
16				
17	Associated Business Development			398,687
18	Michigan Energy Optimization			602,172
19	PJM/RTO Cost Recovery Items			5,284,426
20				
21				
22				
23				
24				
25				
26				
27				
28				
29	TOTAL			7,199,378

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)**  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	PJM Enhancements	OS					19,486,082	19,486,082
2	PJM NITS	OS					32,562,526	32,562,526
3	PJM-Trans Owner	OS					664,818	664,818
4	Other	OS					207	207
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	<b>TOTAL</b>						52,713,633	52,713,633

Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 332 Line No.: 1 Column: b**

Transmission Enhancement Charges and Credits (PJM OATT Schedule 12)

**Schedule Page: 332 Line No.: 2 Column: b**

Network Integration Transmission Service Charges - NITS (PJM OATT Schedule H)

**Schedule Page: 332 Line No.: 3 Column: b**

Transmission Owner Service (PJM OATT Tariff Sixth Revised Volume No. 1)

**Schedule Page: 332 Line No.: 4 Column: b**

Midwest Independent Transmission System Operator (MISO) Membership/Participant Dues.



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 12/31/2015
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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)
GE Capital Commercial Inc (GE)	Office Furniture and Equipment and Transportation Equipment (2)	
Huntington Bank	Office Furniture and Equipment and Transportation Equipment (2)	
Citizens Asset Finance (Formerly RBS Asset Finance)	Office Furniture and Equipment and Transportation Equipment (2)	
Banc of America Leasing	Office Furniture and Equipment and Transportation Equipment (2)	

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 12/31/2015
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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 228 (B)

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:

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.

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

8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, 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.

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		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		10,970				506	
		19,267				588	
		21,670				931	
		89,232				501	
		56,481				506	
		169,817				514	
		1,402,075				524	
		2,239				566	
		7,984				580	
		163,763				588	
		480,447				931	
		22,167				935	
		181,596				501	
		84,281				524	
		221,929				931	
		2,484				506	
		18,964				524	
		3,703				588	
		25,688				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 12/31/2015
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	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.	4/30/2021	
SS Properties Associates	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.	12/31/2017	

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 12/31/2015	
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 Itemized (e)	Amount of Rent - Current Term				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	86,352				931	
	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	73,750				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 12/31/2015
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.	12/31/2024	
One Summit II LLC	Indiana Michigan Power Center - LPM10722 Replaced LPM2688 - effective 10/1/2014	10/31/2031	
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		
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 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) 12/31/2015	Year of Report 12/31/2015
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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		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
5,225,000	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.			0		184	
		92,943		92,943		408	
				0		567	
		629,715		629,715		588	
				0		589	
				0		921	
		7,260		7,260		924	
		480,000		480,000		931	4,320,000
11,000,000	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.			134,840		408	
		260,018		284,804		588	
		24,311		30,482		924	
		4,132,314		5,165,392		931	19,524,345
	Maintenance, alterations, replacements, additions and insurance					931	
		60,053					
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.						
		73,853,988		1,923,559,558	26,654,952	507	516,977,918

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 12/31/2015
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)	
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.	12/31/2022	
American Tower, LP	Milan Telecom Site - (9124)		
American Tower, LP	Butler Telecom - (9125)		
Capital Tower LLC	Lansing Office LPM9010	1/31/2019	
<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.  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 - 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 12/31/2015	
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		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		90,000				408 588 924 931	
		41,580				935	
		47,431				935	
		31,500				588 924 931	
	Total Section A	82,895,951					

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 12/31/2016
<b>B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)</b>			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
GE Capital Commercial Inc (GE)	Office Furniture and Equipment and Transportation Equipment (2)		
Huntington Bank	Office Furniture and Equipment and Transportation Equipment (2)		
Citizens Asset Finance (Formerly RBS Operating Co)	Transportation Equipment		
<del>Bank of America Leasing</del>	<del>Office Furniture and Equipment and Transportation Equipment (2)</del>		
BTMU Capital	Railcar Lease formally with AEP Transportation Wilmington Trust as Security Trustee (Lease 4084)	06/30/2023	
Wilmington Trust Co.	Railcars Trust 2004-A (Lease 3616)	12/15/2024	
Key Bank	<del>Railcars Trust 94-1 (Lease 4806)</del>	12/31/2015	
U.S. Bank Trust N.A.	Railcars Trust 91-5 (Lease 4490) - Renewal of 00736	12/31/2016	
Progress Rail formerly US Bank	Railcars Trust 91-3 (Lease 4906) - Renewal of 00735 formerly leases 4461/4462	9/30/2016	
Pitney Bowes	Water Transportation Equipment (NEW LEASES 4991/4993/4990)	10/1/2019	
Wilmington Trust	Water Transportation Equipment	04/01/2015	
US Bank	Water Transportation Equipment (NEW LEASE 4994)	7/1/2017	

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 12/31/2015	
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		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		21,911				107	
		-213,277				122	
		699,172				152	
		1,590,753				184	
		910,990				417	
		334,040				107	
		-63				122	
		322,358				152	
		276,330				163	
		7,384				184	
		134,690				107	
		153,973				152	
		5,999				163	
		2,716,638				184	
		40,993				417	
		18,283				107	
		184,616				184	
		1,316,657				186	32,428,520
		16,721				242	
		859				253	
12,271,945		1,812,503		19,131,897		186	24,705,468
		2,998				253	
		701,827				186	
		536				253	
18,966,753		954,349				186	1,032,450
		1,008				253	
4,379,951		1,152,814				186	1,060,102
		558				253	
36,397,500		2,779,908		56,871,092		417	
19,030,575		1,255,851		24,770,887		417	
12,656,244		155,361		7,979,742		417	



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 12/31/2015
<b>B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)</b>			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Citizens Asset Finance (fka RBS Asset Refinance)	Water Transportation Equipment (NEW LEASE IS 4992)	12/30/2022	
Citizens Asset Finance (fka RBS Asset Refinance)	Water Transportation Equipment (NEW LEASE 4951)	01/24/2021	
Mitchland LLC (formerly Rashid Bros)	Water Transportation Equipment	07/31/2018	
Consolidation Coal Company	Water Transportation Equipment	08/31/2017	
FM, LLC	Water Transportation Equipment (AKA Delta Marine - below)	12/31/2016	
Chase Equipment Leasing	Water Transportation Equipment	01/29/2028	
BB&T Finance	Water Transportation Equipment	06/29/2019	
Regions Equipment Finance	Water Transportation Equipment	12/17/2019	
Manufacturers and Traders Trust Co	Water Transportation Equipment	6/24/2029	
Citizens Asset Finance	Water Transportation Equipment (Lease 4991)	5/30/2023	
Citizens Asset Finance	Water Transportation Equipment (Lease 4992)	12/31/2022	
Fifth Third Bank	Water Transportation Equipment (Lease 4993)	2/28/2021	
Manufacturers and Traders Trust Co	Water Transportation Equipment (Lease 4990)	10/31/2019	
RBS Asset Finance Master Owner Trust	Water Transportation Equipment (Lease 4951)	1/31/2021	
Sun Trust Equipment	Water Transportation Equipment (Lease 4950)	12/31/2030	
US Bank	Water Transportation Equipment (Lease 4994)	6/30/2017	
Delta Marine	Water Transportation Equipment	12/31/2016	
Mitchland LLC (formerly Rashid Bros)	Water Transportation Equipment	07/31/2018	

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 12/31/2015	
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		Accumulated To Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		1,830,670					
		735,536					
		14,846					
		30,000					
		64,935					
		523,138					
		979,357					
		1,106,880					
		687,003					
		24,479				417	
		179,510				417	
		173,400				417	
		92,774				417	
		73,554				417	
		232,308				417	
		38,840				417	
		6,045				417	
		2,704				417	
	Total Section B	24,150,518					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	3,502,687
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	
6	Associated Business Development	993,490
7	American Electric Power Service Corp Billings	352,656
8	Nuclear Plant Insurance	-1,335,783
9	Corporate Money Pool Allocations	55,889
10	Corporate Contributions and Memberships	299,565
11	Labor Accruals	7,833
12	Intercompany Billings	-107,472
13	Minor Items	3,817
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
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46	TOTAL	3,772,682

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)**  
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- 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 included in any sub-account used.  
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column 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.
- 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)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			19,250,828		19,250,828
2	Steam Production Plant	33,001,955	1,257,244	7,358,719		41,617,918
3	Nuclear Production Plant	48,760,522	8,636,510			57,397,032
4	Hydraulic Production Plant-Conventional	1,332,413	6,213			1,338,626
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	23,248,486				23,248,486
8	Distribution Plant	49,944,527				49,944,527
9	Regional Transmission and Market Operation					
10	General Plant	3,630,584	2,850	1,456,667		5,090,101
11	Common Plant-Electric					
12	<b>TOTAL</b>	<b>159,918,487</b>	<b>9,902,817</b>	<b>28,066,214</b>		<b>197,887,518</b>

**B. Basis for Amortization Charges**

Section A, Line 1, Column D represents amortization of franchises over the life of the franchise totaling \$610,352 and amortization of capitalized software development cost over a 5 year life totaling \$18,640,476  
Section A, Line 2, Column D represents amortization of Rockport Unit 2 Leasehold Improvements over the life of Rockport Unit 2 Lease.  
Section A, Line 10, Column D represents amortization of leasehold improvements over the lives of the related assets.

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	STEAM						
13	311 - Rockport U1	94,531	60.00	10.00	2.40		
14	311 - Rockport U2	4,049		2.00	2.96		
15	311 - Rkpt DSI U1	2,907		18.00	7.17		
16	311 - Rkpt DSI U2	503		2.00	7.76		
17	312 - Rockport ACI	11,817		6.00	3.33		
18	312 - Rockport U1	398,496	60.00	10.00	3.25		
19	312 - Rockport U2	18,593		2.00	3.16		
20	312 - Rkpt DSI U1	46,042		18.00	7.23		
21	312 - Rkpt DSI U1 - Pre	24,807	60.00	10.00	3.25		
22	312 - Rkpt DSI U2	50,953		2.00	7.83		
23	314 - Rockport U1	92,570	60.00	10.00	3.10		
24	314 - Rockport U2	867		2.00	3.30		
25	315 - Rockport U1	57,978	60.00	10.00	2.18		
26	315 - Rockport U2	2,072		2.00	3.16		
27	316 - Rockport U1	15,186	60.00	10.00	2.60		
28	316 - Rockport U2	6,782		2.00	2.92		
29	TOTAL STEAM	828,153					
30							
31	NUCLEAR						
32	321 - Cook U1	77,408		1.00	1.00		
33	321 - Cook U2	297,221		1.00	1.29		
34	322 - Cook U1	595,242		1.00	1.84		
35	322 - Cook U2	787,287		2.00	1.71		
36	323 - Cook U1	268,309		2.00	2.48		
37	323 - Cook U2	223,391		2.00	1.62		
38	324 - Cook U1	100,099			1.28		
39	324 - Cook U2	128,434			1.48		
40	325 - Cook U1	33,839		-1.00	2.62		
41	325 - Cook U2	184,495		-1.00	1.85		
42	TOTAL NUCLEAR	2,695,725					
43							
44	HYDRO						
45	331 - Berrien Springs	525		25.00	3.03		
46	331 - Buchanan	570		25.00	2.16		
47	331 - Constantine	302		25.00	3.07		
48	331 - Crew Service Cent	417		25.00	1.66		
49	331 - Elkhart	863		25.00	3.13		
50	331 - Mottville	497		25.00	2.71		



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	331 - Twin Branch	539		25.00	2.37		
13	332 - Berrien Springs	5,109		25.00	2.53		
14	332 - Buchanan	4,512		25.00	2.35		
15	332 - Constantine	990		25.00	2.74		
16	332 - Elkhart	4,067		25.00	2.84		
17	332 - Mottville	2,182		25.00	2.18		
18	332 - Twin Branch	5,073		25.00	1.91		
19	333 - Berrien Springs	7,157		25.00	3.15		
20	333 - Buchanan	1,296		25.00	2.42		
21	333 - Constantine	743		25.00	3.01		
22	333 - Elkhart	607		25.00	2.29		
23	333 - Mottville	568		25.00	2.45		
24	333 - Twin Branch	5,910		25.00	2.87		
25	334 - Berrien Springs	1,209		25.00	2.90		
26	334 - Buchanan	1,021		25.00	2.79		
27	334 - Constantine	378		25.00	3.90		
28	334 - Elkhart	451		25.00	2.56		
29	334 - Mottville	611		25.00	3.02		
30	334 - Twin Branch	1,623		25.00	2.73		
31	335 - Berrien Springs	790		25.00	3.27		
32	335 - Buchanan	265		25.00	3.22		
33	335 - Constantine	257		25.00	5.28		
34	335 - Crew Service Cent	127		25.00	1.62		
35	335 - Elkhart	184		25.00	4.86		
36	335 - Mottville	383		25.00	3.93		
37	335 - Twin Branch	506		25.00	3.39		
38	336 - Mottville	1		25.00	1.66		
39	TOTAL HYDRO	49,733					
40							
41	TRANSMISSION						
42	350 (Rights)	56,197	65.00		1.23	R5	
43	352	21,647	75.00	10.00	1.30	R4	
44	352 - City Lights Acq	19			5.26		
45	353	659,521	50.00	-10.00	1.68	R1	
46	353 - City Lights Acq	294			5.37		
47	354	235,626	59.00	20.00	1.54	R5	
48	355	144,941	57.00	44.00	2.42	R1	
49	356	253,020	65.00	13.00	1.50	R3	
50	357	1,594	50.00		1.50	L5	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	357 - City Lights Acq	719			5.33		
13	358	5,660	60.00	7.00	1.52	R3	
14	358 - City Lights Acq	234			5.31		
15	359	347	65.00		1.48	R5	
16	TOTAL TRANSMISSION	1,379,819					
17							
18	DISTRIBUTION						
19	360 (Rights) - IN	8,461	65.00		1.43	R5	
20	360 (Rights) - MI	4,813	65.00		1.47	R5	
21	361 - IN	9,325	70.00	12.00	1.48	R2	
22	361 - MI	3,053	70.00	12.00	1.53	R2	
23	361 - City Lights Acq	312					
24	362 - IN	180,004	50.00	1.00	1.94	L0	
25	362 - MI	41,269	50.00	1.00	1.97	L0	
26	362 - City Lights Acq	2,433					
27	363 - IN	5,489	15.00		6.48	SQ	
28	364 - IN	184,394	38.00	63.00	3.98	R0.5	
29	364 - MI	58,962	38.00	63.00	4.11	R0.5	
30	364 - City Lights Acq	534					
31	365 - IN	285,673	40.00	5.00	2.51	R0.5	
32	365 - MI	103,260	40.00	5.00	2.56	R0.5	
33	365 - City Lights Acq	488					
34	366 - IN	61,793	55.00		1.70	R2.5	
35	366 - MI	9,145	55.00		1.75	R2.5	
36	366 - City Lights Acq	2,218					
37	367 - IN	171,758	40.00		2.30	R2	
38	367 - MI	33,119	40.00		2.38	R2	
39	367 - City Lights Acq	1,342					
40	368 - IN	252,349	30.00	3.00	3.05	R1.5	
41	368 - MI	44,534	30.00	3.00	3.21	R1.5	
42	368 - City Lights Acq	66					
43	369 - IN	136,033	45.00	17.00	2.42	R0.5	
44	369 - MI	28,338	45.00	17.00	2.50	R0.5	
45	369 - City Lights Acq	2,392					
46	370 - IN	73,541	25.00	22.00	4.00	S5	
47	370 - MI	15,556	25.00	22.00	4.37	S5	
48	370.16	3,715			10.00		
49	371 - IN	17,668	16.00	20.00	6.78	L0	
50	371 - MI	7,551	16.00	20.00	7.08	L0	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	371 - City Lights Acq	9					
13	373 - IN	15,257	25.00	7.00	3.63	R0.5	
14	373 - MI	4,636	25.00	7.00	3.90	R0.5	
15	TOTAL DISTRIBUTION	1,769,490					
16							
17	GENERAL PLANT						
18	390	38,957	45.00	-14.00	1.93	S1.5	
19	391	7,114	22.00	-7.00	4.30	SQ	
20	393	82	14.00		7.21	SQ	
21	394	11,484	16.00		6.32	SQ	
22	395	302	20.00	-1.00	5.04	SQ	
23	396	545	25.00		4.03	SQ	
24	397	45,848	27.00	-14.00	3.24	SQ	
25	397.16	704	10.00		10.00		
26	398	9,049	30.00	-12.00	2.95	SQ	
27	TOTAL GENERAL PLANT	114,085					
28							
29	DEPRECIABLE SUM	6,837,005					
30							
31							
32							
33							
34							
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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/Period of Report 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 336.3 Line No.: 29 Column: b**

The depreciable plant base is the November 30, 2015 total company depreciable plant.

City Light Acq distribution accounts represent the Fort Wayne City Light Acquisition depreciated over 15 years (until February 2025) per agreement filed with the Indiana Utility Regulatory Commission on June 6, 2011 Cause No. 43980.

In May 2015, AEP retired Tanners Creek from its fleet.

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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)	Dec. 31, 2015
<b>PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS</b>			
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization (Account 425)</i> - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p>		<p>Activities; and 426.5. Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be <u>grouped by classes within the above accounts</u></p> <p>(c) <i>Interest on Debt to Associated Companies (Account 430)</i> - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense (Account 431)</i> - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>	
Line No.	Item (a)	Amount (b)	
1	425 MISCELLANEOUS AMORTIZATION		
2	TOTAL 425		
3			
4	426 OTHER INCOME DEDUCTIONS		
5			
6	426.1 DONATIONS		
7			
8	Community Chest	467,220	
9	Service Organizations	659,777	
10	AEP Service Corp Contributions	55,231	
11	Schools, Colleges, and Universities	78,660	
12	Other minor items	(7,689)	
13			
14			
15	Subtotal 426.1	1,253,199	
16			
17	426.3 PENALTIES		
18	Illinois Department of Revenue	63,639	
19	Other minor items	1,075	
20			
21			
22	Subtotal 426.3	64,714	
23			
24	426.4 EXPENDITURES FOR CERTAIN CIVIC, POLITICAL, AND RELATED ACTIVITY		
25	AEP Service Corp Expenses	647,455	
26	Labor Overheads	73,170	
27	Nuclear Waste Strategy	10,350	
28	Business & Meeting Expenses	140,613	
29	Legislative & Lobbying Services	108,588	
30	Nuclear Energy Institute	38,434	
31	Other Minor Items	4,405	
32			
33	Subtotal 426.4	1,023,015	
34			
35	426.5 OTHER DEDUCTIONS		
36	Ripley Environmental Site	(5,967,565)	
37	Factored Customer Accounts Receivable Expense	8,428,160	
38	Blackhawk Coal Shutdown Costs	50,947	
39	AEP Service Corp Expenses	123,056	
40	Other minor items	67,437	
41			
42	Subtotal 426.5	2,702,035	
43			
44	TOTAL 426	5,042,963	

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, 2015
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**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS  
AND INTEREST 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		
2	Money Pool Interest	760,448
3		
4	TOTAL 430	760,448
5		
6	431 OTHER INTEREST EXPENSE	
7	Interest related to FIN-48 tax adjustments	128,831
8	Interest on Customer Deposits	1,986,649
9	Lines of Credit	1,584,901
10	Fuel Recovery	28,361
11	IPP Projects	98,639
12	Fort Wayne Settlement	1,073,839
13	Other minor items	8,777
14	Issuance Expenses	33,788
15	Indiana Demand Side Management Carrying Charges	217,736
16	Indiana Life Cycle Management Carrying Charges	3,883,482
17	Michigan Energy Optimization Carrying Charges	7,941
18	Indiana Dry Sorbent Injection Carrying Charges	913,685
19		
20	TOTAL 431	9,966,629
21		
22		
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)	Year of Report December 31, 2015
<b>EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES</b> <b>(Account 426.4)</b>			
<p>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.</p> <p>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</p>		<p>reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.</p> <p>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.</p> <p>4. If respondent has not incurred any expenditures contemplated by the instruction of Account 426.4, so state.</p> <p>5. Minor amount may be grouped by classes if the number of items so grouped is shown.</p> <p>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.</p>	
Line No.	Item (a)	Amount (b)	
1	Lobbying Expenses - Company Employees	106,199	
2	Lobbying Expenses - Third Party	42,000	
3	Misc items under 5% of total (1 item)	5	
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16	<b>Total Acct 426.4</b>	<b>148,204</b>	
17			
18			
19			
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2015	Year of Report December 31, 2015
<b>EXTRAORDINARY ITEMS (Accounts 434 and 435)</b>			
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	NONE		
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19	Total Extraordinary Income	0	0
20	Extraordinary Deductions (Account 435):		
21			
22	NONE		
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39	Total Extraordinary Deductions	0	0
40	Net Extraordinary Items	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 2015/Q4
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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 format 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 years.

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 Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Nuclear Regulatory Commission				
2	- Inspection and Licensing Fees	2,276,817		2,276,817	
3	- Annual Fees	9,963,500		9,963,500	
4					
5					
6	Hydro License Fee		36,566	36,566	
7					
8	Indiana Rate Case		310,739	310,739	362,529
9	amortz 3/2013-2/2016				
10	per IURC Order #44075				
11					
12	Current Indiana Rate Case		55,794	55,794	
13					
14	Current Michigan Rate Case		9,142	9,142	
15					
16	FERC Filing-Behalf of PJM East Reg Companies		40,109	40,109	
17					
18	Indiana TDSIC Filing		225,013	225,013	
19					
20	Depreciation Rate Update Filing		31,834	31,834	
21					
22	Integrated Resource Plan Filing		200,270	200,270	
23					
24	Minor Items < \$25,000		7,425	7,425	
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
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39					
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42					
43					
44					
45					
46	<b>TOTAL</b>	12,240,317	916,892	13,157,209	362,529



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REGULATORY COMMISSION EXPENSES (Continued)

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.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
	928	2,276,817					2
	928	9,963,500					3
							4
							5
	928	36,566					6
							7
				928	310,739	51,790	8
							9
							10
							11
	928	55,794					12
							13
	928	9,142					14
							15
	928	40,109					16
							17
	928	225,013					18
							19
	928	31,834					20
							21
	928	200,270					22
							23
	928	7,425					24
							25
							26
							27
							28
							29
							30
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							44
							45
		12,846,470			310,739	51,790	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/Period of Report End of 2015/Q4
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**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES**

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

**Classifications:**

**A. Electric R, D & D Performed Internally:**

(1) Generation

- a. hydroelectric
  - i. Recreation fish and wildlife
  - ii Other hydroelectric
- b. Fossil-fuel steam
- c. Internal combustion or gas turbine
- d. Nuclear
- e. Unconventional generation
- f. Siting and heat rejection

(2) Transmission

a. Overhead

b. Underground

- (3) Distribution
- (4) Regional Transmission and Market Operation
- (5) Environment (other than equipment)
- (6) Other (Classify and include items in excess of \$50,000.)
- (7) Total Cost Incurred

**B. Electric, R, D & D Performed Externally:**

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

Line No.	Classification (a)	Description (b)
1	A(1)b: Generation: Fossil Fuel Steam	3 items < \$50,000
2		1 item <\$50,000
3		Generation Asset Management - Program Management
4	A(1)d: Generation: Nuclear	1 item <\$50,000
5	A(1)e: Generation: Unconventional	1 item <\$50,000
6		2 items <\$50,000
7	A(2): Transmission	2 items <\$50,000
8	A(3): Distribution	1 item <\$50,000
9	A(5): Environment (other than equipment)	3 items <\$50,000
10	A(6): Other	3 items <\$50,000
11		3 items <\$50,000
12		3 items <\$50,000
13		4 items <\$50,000
14	A(6)f: Other: Metering	1 item <\$50,000
15	A(6)g: Research-General	1 item <\$50,000
16		1 item <\$50,000
17	A(7) TOTAL COSTS INCURRED INTERNALLY	
18	B: Electric R&D External	
19		1 item <\$50,000
20		1 item <\$50,000
21		3 items <\$50,000
22		4 items <\$50,000
23	B(1): Research Support to Electric Research	EPRI Environmental Science
24		EPRI Research Portfolio
25		EPRI Research Portfolio
26		EPRI Research Portfolio
27		EPRI Nuclear Annual Research
28		EPRI Environmental Controls
29		20 items <\$50,000
30		1 item <\$50,000
31		3 items <\$50,000
32		12 items <\$50,000
33		8 items <\$50,000
34	B(5) TOTAL COSTS INCURRED EXTERNALLY	
35		
36		
37		
38		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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 \$50,000 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 \$50,000 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 unamortized accumulating 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)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
12,927		506	12,927		1
1,486		524	1,486		2
90,029		506	90,029		3
2,914		524	2,914		4
582		506	582		5
2,139		588	2,139		6
4,683		566	4,683		7
4,821		588	4,821		8
23,309		506	23,309		9
4,499		506	4,499		10
20,924		524	20,924		11
4,357		566	4,357		12
13,391		588	13,391		13
185		588	185		14
236		566	236		15
385		588	385		16
186,867			186,867		17
					18
	2,071	506	2,071		19
	9,646	517	9,646		20
	7,765	566	7,765		21
	22,609	588	22,609		22
	459,300	506	459,300		23
	81,651	506	81,651		24
	133,674	566	133,674		25
	64,771	517	64,771		26
	1,490,615	524	1,490,615		27
	237,924	506	237,924		28
	92,144	506	92,144		29
	35	517	35		30
	32,654	524	32,654		31
	18,826	566	18,826		32
	77,962	588	77,962		33
	2,731,647		2,731,647		34
					35
					36
					37

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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	90,850,300		
4	Transmission	1,682,429		
5	Regional Market			
6	Distribution	10,437,498		
7	Customer Accounts	3,318,120		
8	Customer Service and Informational	2,562,831		
9	Sales	6,971		
10	Administrative and General	3,174,545		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	112,032,694		
12	Maintenance			
13	Production	54,650,376		
14	Transmission	2,905,465		
15	Regional Market			
16	Distribution	9,352,578		
17	Administrative and General	1,614,560		
18	TOTAL Maintenance (Total of lines 13 thru 17)	68,522,979		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	145,500,676		
21	Transmission (Enter Total of lines 4 and 14)	4,587,894		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	19,790,076		
24	Customer Accounts (Transcribe from line 7)	3,318,120		
25	Customer Service and Informational (Transcribe from line 8)	2,562,831		
26	Sales (Transcribe from line 9)	6,971		
27	Administrative and General (Enter Total of lines 10 and 17)	4,789,105		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	180,555,673	7,690,853	188,246,526
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	180,555,673	7,690,853	188,246,526
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	38,856,454	1,655,109	40,511,563
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	38,856,454	1,655,109	40,511,563
72	Plant Removal (By Utility Departments)			
73	Electric Plant	6,457,740	275,070	6,732,810
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	6,457,740	275,070	6,732,810
77	Other Accounts (Specify, provide details in footnote):			
78	120 - Nuclr Fuel in Proc of Refinmnt	311,653		311,653
79	151 - Fuel Stock	-34		-34
80	152 - Fuel Stock Undistributed	3,908,728		3,908,728
81	163 - Stores Expense Undistributed	7,169,492	-7,169,492	
82	183 - Prelim Survey	96,227	-96,227	
83	184 - Clearing Accounts	2,355,313	-2,355,313	
84	185 - ODD Temporary Facilities	68,616		68,616
85	186 - Misc Deferred Debits	549,406		549,406
86	188 - Research & Development	-473		-473
87	228 - RAD Waste Accrual	7,124		7,124
88	417 - Misc Exp	26,007,777		26,007,777
89	426 - Political Activities	75,070		75,070
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	40,548,899	-9,621,032	30,927,867
96	TOTAL SALARIES AND WAGES	266,418,766		266,418,766



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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) December 31, 2015	Year of Report December 31, 2015
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**CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES**

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$50,000, including payments for legislative services, except those which should be reported in Account

426.4, Expenditures for Certain Civic, Political and Related Activities.)  
(a) Name and address of person or organization rendering services,  
(b) description of services received during year and project or case to which services relate,  
(c) basis of charges,  
(d) total charges for the year, detailing utility department and account charged.

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.

3. Designate with an asterisk associated companies.

1 a. American Electric Power Service Corporation - \* (Associated Company)  
1 Riverside Plaza  
Columbus, Ohio 43215-2373

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.

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 based on the appropriate factor.

2. Date of Contract - June 15, 2000 (supercedes contract dated January 1, 1980)  
Term of Contract - Indeterminate  
AEPSC activities are authorized by the FERC under the Public Utility Holding Company Act of 2005  
Date of SEC Authorization - June 14, 2000

Total charges for the year and Utility Department and account charged		<u>ACCOUNT</u>	<u>AMOUNT</u>
Electric	Construction Work in Progress	107	40,867,293
	Retirement Work in Progress	108	878,864
	Nuclr Fuel in Proc of Refinmnt	120	19,523
	Nonutility Property	121	312,387
	Other Investments	124	1,254
	Fuel Stock	151	0
	Fuel Stock Undistributed	152	1,751,521
	Clearing Accounts	163	4,103,054
	Preliminary Survey & Investlg. Charges	183	324,610
	Clearing Accounts	184	0
	Misc Deferred Debits	186	533,156
	Deferred Debits-R&D	188	1,412,602
	Current & Accrued Liabilities	242	5,406
	Non-Utility Operations Revenue	417	1,187,867
	Non-Operating Rental Income	418	0
	Misc Non-Operating Revenues	421	19,697
	Other Income Deductions	426	838,129
Electric	Account 401	Operating Expense	
		500	6,157,397
		501	159,396
		502	132,644
		505	4,285
		506	173,709
		517	37,232
		520	49
		524	1,313,283
		535	515,742
		537	40,294
		539	646,817
		546	65,524
		547	(71)
		548	0
		549	2,523
		555	(133)
		556	2,130,828
		557	3,897,741
		560	4,337,765
		561	1,973,914

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, 2015	
Electric	Account 401	Operating Expense (contd.)	562	14,985
			563	16,364
			564	(22)
			566	2,498,858
			567	228
			580	827,580
			581	10,965
			582	8,116
			583	25
			584	19,043
			586	265,759
			587	498
			588	1,445,681
			598	4,047
			901	54,241
			902	187,432
			903	8,840,212
			905	33,880
			907	208,182
			908	87,887
			910	6,275
			911	2
			912	144,753
			920	29,951,391
			921	2,492,511
			922	0
			923	5,068,473
			925	27,730
			926	120,982
			928	431,650
			930	647,232
			931	386,785
Electric	Account 401	Total Operating Expense		75,390,484
Electric	Account 402	Maintenance Expense	510	520,074
			511	41,388
			512	409,250
			513	1,279,305
			514	90,640
			528	348,855
			530	774,981
			531	88,555
			532	5,777
			541	4,560
			542	55,943
			543	53,638
			544	62,788
			545	13,635
			553	(1,129)
			568	59,514
			569	1,019,749
			570	541,099
			571	117,879
			572	640
			573	268,213
			590	7,334
			591	4,730
			592	123,934
			593	77,625
			594	(1)
			595	(121)
			597	398
			935	3,932,574
Electric	Account 402	Total Maintenance Expense		9,901,830
		Total O&M		85,292,314
		Total AEP Service Corp charges		\$ 137,547,676

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, 2015	
Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
A P SERVICES LLC 203 ARMSTRONG DRIVE FREEPORT, PA 16229	sealing products and services	Invoice Cost	107, 512, 513	61,153
ABB INC 5480 CLOVERLEAF PARKWAY #1 CLEVELAND, OH 44125	system software development	Invoice Cost	107, 108, 513, 566	740,830
ACUREN INSPECTION 535 KENNEDY ROAD AKRON, OH 44305	inspection services	Invoice Cost	107, 512, 513	92,524
ADM ASSOCIATES INC 3239 RAMOS CIRCLE SACRAMENTO, CA 95827	environmental consulting services	Invoice Cost	908	437,908
ADVANCED INDUSTRIAL MACHINING 2946 S. 13TH STREET TERE HAUTE, IN 47802	maintenance services	Invoice Cost	107, 108	59,323
ADVANCED NUCLEAR LLC 120 N. LIME STREET LANCASTER, PA 17602	nuclear plant support staffing	Invoice Cost	107	79,831
AERIAL SOLUTIONS INC 7074 RAMSEY FORD ROAD TABOR CITY, NC 28463	tree trimming services	Invoice Cost	107, 571	582,949
AEROTEK INC 7301 PARKWAY DRIVE HANOVER, MD 21076	equipment & maintenance services	Invoice Cost	107, 108, 163, 186, 580, 583, 588, 593	139,519
AIRFLOW SCIENCES CORPORATION 12190 HUBBARD STREET LIVONIA, MI 48150	design & optimization of equipment	Invoice Cost	512	104,750
ALDRIDGE ELECTRIC INC. 844 E. ROCKLAND AVENUE LIBERTYVILLE, IL 60048	power & utility services	Invoice Cost	186	3,515,733
ALL CRANE & EQUIPMENT RENTAL 683 OAKLAND PARK AVENUE COLUMBUS, OH 43224	equipment rental services	Invoice Cost	107, 108, 571	84,180
ALSTOM POWER INC 2800 WATERFORD LAKE DR MIDLOTHIAN, VA 23112	inspection & measurement services	Invoice Cost	107, 108, 513, 531, 532	2,081,760
AMEC FOSTER WHEELER ENVIRONMENT 1008 FISH HATCHERY ROAD MADISON, WI 53715	environmental consulting services	Invoice Cost	107, 512	59,756
ARCO ENTERPRISES 1125 GARDEN STREET GREENSBURG, PA 15601	turbine cleaning services	Invoice Cost	531	210,457
AREA WIDE PROTECTIVE 826 OVERHOLT ROAD KENT, OH 44240	traffic control services	Invoice Cost	107, 186, 583, 584, 588, 593	1,219,921
ASPLUNDH CONSTRUCTION CORP 950 TAYLOR STATION ROAD COLUMBUS, OH 43230	construction contracting services	Invoice Cost	108, 185, 186, 583, 584, 588, 593, 594 596	12,268,965
ASPLUNDH TREE EXPERT 950 TAYLOR STATION ROAD COLUMBUS, OH 43230	tree trimming services	Invoice Cost	107, 183, 186, 570, 584, 593, 935	18,611,987

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ATC ENGINEERING SERVICES OF OHIO 11121 CANAL ROAD CINCINNATI, OH 45241	fly ash landfill engineering services	Invoice Cost	107	361,047
ATLANTIC PLANT MAINTENANCE INC. 3225 PASADENA BLVD. PASADENA, TX 77503	plant maintenance services	Invoice Cost	107, 108, 530, 531, 532	4,378,292
AVNET INC. 2211 SOUTH 7TH STREET PHOENIX, AZ 85034	IT services	Invoice Cost	107	605,460
BABCOCK & WILCOX CONSTRUCTION 20 S. VAN BUREN DRIVE BARBERTON, OH 44203	construction services	Invoice Cost	107, 512	50,287
BARNHART CRANE & RIGGING CO. 5068 FORT HENRY DRIVE KINGSPORT, TN 37663	power commerce services	Invoice Cost	531	869,070
BC EXCAVATING LTD. 10654 STARNER ROAD ROCKBRIDGE, OH 43149	construction services	Invoice Cost	107	451,216
BETTER ENTERPRISE SOLUTIONS CO. 14508 MADISON AEW. LAKEWOOD, OH 44107	business consulting services	Invoice Cost	506	66,872
BLACK & VEATCH LTD 11401 LAMAR AVENUE OVERLAND PARK, KS 66211	engineering services	Invoice Cost	107	2,902,992
BNP PARIBAS CAPSTAR PARTNERS 1703 WEST FIFTH STREET AUSTIN, TX 78703	investing services	Invoice Cost	506	75,000
BOLTTECH-MANNINGS 351 LOWERY CT GROVEPORT, OH 43125	construction services	Invoice Cost	531	136,499
BOSE PUBLIC AFFAIRS 1600 FIRST INDIANA PLAZA INDIANAPOLIS, IN 46204	legislative services	Invoice Cost	428	66,568
BOWEN ENGINEERING CORPORATION 8802 NORTH MERIDIAN STREET INDIANAPOLIS, IN 46260	construction services	Invoice Cost	107	3,084,633
BRAND SERVICES LLC 12701 BEECH DALY ROAD TAYLOR, MI 48180	global energy services	Invoice Cost	107, 514	128,409
BROWN SERVICES CO LLC P.O. BOX 64 WHEELERSBURG, OH 45694	occupational safety services	Invoice Cost	107, 108, 186, 512	481,625
BURNS & MCDONNELL 1431 OPUS PLACE DOWNERS GROVE, IL 60515	engineering services	Invoice Cost	107	569,551
CADMUS GROUP 100 5TH AVENUE, SUITE 100 WALTHAM, MA 024501	security consulting services	Invoice Cost	908	91,689
CARDNO INC. 6605 STEGER ROAD MONEE, IL 60449	environmental consulting services	Invoice Cost	186, 537, 539, 542, 545	234,002



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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
CE POWER SOLUTIONS LLC 4500 W. MITCHELL AVE. CINCINNATI, OH 45232	engineering services	Invoice Cost	107, 108	241,295
CFM/VR TESCO INC 1875 FOX LANE ELGIN, IL 60123	valve repairs	Invoice Cost	108, 512, 513	743,374
CITY PLUMBING & HEATING CO. 407 STATE STREET SAINT JOSEPH, MI 49085	plumbing services	Invoice Cost	107, 529, 594	90,394
CLEAN HARBORS ENVIRONMENTAL 581 MILLIKEN DRIVE HEBRON, OH 43025	environmental consulting services	Invoice Cost	108, 570	76,944
CLEARRESULT CONSULTING INC 4301 WESTBANK DRIVE AUSTIN, TX 78746	energy management services	Invoice Cost	908	2,207,225
COMMONWEALTH ASSOCIATES INC 2700 W ARGYLE JACKSON, MI 49204	electrical engineering & design services	Invoice Cost	107, 108	1,216,901
CRANE NUCLEAR INC 2825 COBB INTERNATIONAL BLVD. KENNESAW, GA 30152	valve solution services	Invoice Cost	107, 108, 530, 531	437,127
CULY CONSTRUCTION & EXCAVATING 5 INDUSTRIAL PARK DRIVE WINCHESTER, IN 47394	drainage construction services	Invoice Cost	107, 186, 571	1,133,493
CUSTOM MECHANICAL CONSTRUCTION 1609 ALLENS LANE EVANSVILLE, IN 47710	construction services	Invoice Cost	107	82,543
DAVEY RESOURCE GROUP 3728 FISHCREEK ROAD STOW, OH 44224	tree trimming services	Invoice Cost	107, 571, 593	395,438
DAVIES CONSULTING LLC 3935 WISCONSIN AVE. CHEVY CHASE, MD 20815	management consulting services	Invoice Cost	573, 588	182,142
DAVIS H ELLIOT COMPANY INC 673 BLUE SKY PARKWAY LEXINGTON, KY 40509	storm response services	Invoice Cost	186	268,747
DAY & ZIMMERMAN NPS INC 1827 FREEDOM RD LANCASTER, PA 17601	nuclear engineering support	Invoice Cost	107, 108, 511, 520, 524, 529, 530, 531, 532	27,624,011
DEARBORN CRANE & ENGINEERING 1133 EAST 5TH STREET MISHAWAKA, IN 46544	construction services	Invoice Cost	107, 108, 545	181,712
DIGIOIA, GRAY & ASSOCIATES 570 BEATTY ROAD MONROEVILLE, PA 15146	engineering services	Invoice Cost	107, 560, 930	433,561
DISCOVER READY LLC 1 EXCHANGE PLAZA FLOOR 6 NEW YORK, NY 10006	business consulting services	Invoice Cost	921, 923	1,094,601
DLZ INDUSTRIAL LLC 316 TECH DRIVE CHESTERTON, IN 46304	construction services	Invoice Cost	588	246,590

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
DNV GL ENERGY SERVICES USA INC. 5777 FRANTZ ROAD DUBLIN, OH 43017	renewable energy consulting services	Invoice Cost	908	274,312
DUE NORTH AVIATION LLC 3380 OLD COLUMBUS RD NW CARROLL, OH 43112	commercial helicopter services	Invoice Cost	563, 571	275,134
EASI LLC 1551 EAST LINCOLN AVENUE #105 MADISON HEIGHTS, MI 48071	employment services	Invoice Cost	107, 108, 186, 514, 560, 563, 566, 571	1,255,030
EATON CORPORATION 811 GREEN CREST DRIVE WESTERVILLE, OH 43081	management services	Invoice Cost	107	853,754
EC SOLUTIONS SERVICES LLC 6644 EAST THOMAS ROAD MESA, AZ 85215	construction services	Invoice Cost	108	91,185
ECS SOLUTIONS INC. 2616 KOTTER AVENUE EVANSVILLE, IN 47715	fabrication services	Invoice Cost	107	79,183
ECSL 181 MONTOUR RUN ROAD CORAPOLIS, PA 15108	marketing services	Invoice Cost	107, 108	1,488,821
EDISON ELECTRIC INSTITUTE 605 MELROSE STREET ALEXANDRIA, VA 22302	trade organization fees	Invoice Cost	506	90,913
EDKO LLC 908 S. 11TH STREET BROKEN ARROW, OK 74012	perimeter security services	Invoice Cost	107, 593	2,067,791
ELECTRIC POWER SYSTEMS INC. 3305 ARCTIC BLVD. ANCHORAGE, AK 99503	construction services	Invoice Cost	107	67,845
ELECTRICAL CONSULTANTS INC 3521 GABEL ROAD BILLINGS, MT 59102	planning services	Invoice Cost	107	3,319,801
ENERFAB INC 4955 SPRING GROVE CINCINNATI, OH 45232	fabrication & installation services	Invoice Cost	107, 108	1,514,789
ENGINEERING PLANNING & MGMT 959 CONCORD STREET FRAMINGHAM, MA 01701	fire protection services	Invoice Cost	107, 108, 517	169,429
ENGINEERING VISION INC 5812 INDUSTRIAL ROAD FORT WAYNE, IN 46825	engineering & surveying services	Invoice Cost	107	78,041
ENVIRONMENTAL REMEDIATION SERVICES 2852 RAND ROAD INDIANAPOLIS, IN 46241	remediation services	Invoice Cost	107, 186, 570, 580, 588, 593	90,297
FERGUSON ADVERTISING 803 S CALHOUN STREET FORT WAYNE, IN 46802	advertising services	Invoice Cost	908	90,088
FIRST SOLAR ELECTRIC LLC 11757 KATY FREEWAY HOUSTON, TX 77079	solar energy solutions services	Invoice Cost	107	5,637,970

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Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		December 31, 2015	
Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
FLORIDA TRANSFORMER INC. 4509 STATE HUGHWAY 83 DEFUNIAK SPRINGS, FL 32433	transformer services	Invoice Cost	108	91,241
FSG HOLDINGS INC. 10808 GATE CIRCLE FISHERS, IN 46038	technology consulting services	Invoice Cost	107	75,915
G & L CORPORATION 3101 BROOKLYN AVE FORT WAYNE, IN 46809	equipment moving services	Invoice Cost	107, 108, 520, 588, 592	525,990
G&T SERVICES INC. 1630 SUMMIT STREET NEW HAVENS, IN 46774	maintenance services	Invoice Cost	186, 562, 570, 582, 930	85,236
G4S SECURE SOLUTIONS (USA) INC 4200 WACKENHUT DR PALM BEACH GARDENS, FL 33410	security services	Invoice Cost	107, 184, 501, 506	481,636
GAYLOR INC 5750 CASTLE CREEK PKWY N DRIVE INDIANAPOLIS, IN 46250	electrical contracting services	Invoice Cost	107, 108	3,341,382
GE GRID SOLUTIONS LLC 4200 WILDWOOD PARKWAY ATLANTA, GA 30339	grid consulting services	Invoice Cost	107	1,004,251
GE MOBILE WATER INC. 4836 SOMERTON ROAD TREVOSE, PA 19053	filtration systems services	Invoice Cost	524, 530	89,673
GENERAL ELECTRIC CO. various US locations	electrical services	Invoice Cost	107	1,194,558
GEOFORCE UTILITY TECHNOLOGIES 1202 NORTH INGLESIDE FARM ROAD IRON STATION, NC 28080	utility consulting services	Invoice Cost	583	338,739
GIBBCO INC. 617 SHEPHERD DRIVE CINCINNATI, OH 45215	pole inspection services	Invoice Cost	186	1,474,522
GLOBAL RENTAL CO INC. 33 INVERNESS CENTER PARKWAY BIRMINGHAM, AL 35242	rental equipment services	Invoice Cost	107, 571, 930	252,411
GOLTEN SERVICE CO INC. 2323 NE MIAMI COURT MIAMI, FL 33137	generator repair services	Invoice Cost	530, 531	1,365,817
GOTH & SONS EXCAVATING INC. 5611 WEST COUNTY ROAD 500 NORTH MUNCIE, IN 47304	construction services	Invoice Cost	107, 108	110,378
GRAYCOR INDUSTRIAL CONSTRUCTION 13040 CAPITAL STREET OAK PARK, MI 48237	construction services	Invoice Cost	107	2,710,563
HALEY & ALDRICH DESIGN & CONSTRUCTION 655 METRO PLACE SOUTH DUBLIN, OH 43017	construction services	Invoice Cost	107, 242	697,553
HAVERFIELD INTERNATIONAL INC 1750 EMMITSBURG ROAD GETTYBURG, PA 17325	aerial inventory inspections	Invoice Cost	107, 108, 571	557,111

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
HIGH VOLTAGE MAINTENANCE CORP. 8780 ORIONPLACE COLUMBUS, OH 43240	engineering services	Invoice Cost	107	88,005
HOLTEC INTERNATIONAL 1001 NORTH US HIGHWAY 1 JUPITER, FL 33477	nuclear & engineering services	Invoice Cost	520	2,927,422
HONEYWELL INTERNATIONAL INC 101 COLUMBIA ROAD MORRISTOWN, NJ 07962	industrial & security system supplies	Invoice Cost	588, 908	573,935
IDEAL CONSOLIDATED INC. 806 WEST SAMPLE STREET SOUTH BEND, IN 46601	mechanical contracting services	Invoice Cost	107, 539, 542	52,446
IJUS LLC 690 TAYLOR ROAD COLUMBUS, OH 43230	engineering services	Invoice Cost	186, 566, 588	251,133
INDUSTRIAL CONTRACTORS INC 1001 BUCHANAN ROAD EVANSVILLE, IN 47720	equipment repairs	Invoice Cost	107, 108, 152, 186, 501, 506, 511, 512, 513, 514	21,471,092
INOVATEUS SOLAR LLC 19890 STATE LINE ROAD SOUTH BEND, IN 46637	solar solution services	Invoice Cost	107	3,989,454
INSERV INC 1604 RUPEL ST SOUTH BEND, IN 46628	building maintenance services	Invoice Cost	107, 108, 186, 584, 588, 594	70,516
INTEGRITY TREE SERVICES LLC 2300 SANFORD AVE SW GRANDVILLE, MI 49418	tree trimming services	Invoice Cost	107, 571	1,105,287
INTERNATIONAL QUALITY CONSULTATION 106 FREEPORT ROAD BUTLER, PA 16002	inspection services	Invoice Cost	107, 163, 520	61,924
JACO ENVIRONMENTAL INC various US locations	recycling services	Invoice Cost	908	303,881
KALKREUTH ROOFING & SHEET METAL 8345 GREEN MEADOWS DRIVE LEWIS CENTER, OH 43035	roofing & sheet metal services	Invoice Cost	107, 108, 511	699,045
KEITH FIRE EXTINGUISHER SERVICE 601 S HIGH ST RISING SUN, IN 47040	fire extinguisher inspection	Invoice Cost	514	84,282
KENRICH GROUP LLC 1250 CONNECTICUT AVE NW WASHINGTON, DC 20036	legal services (liability claims)	Invoice Cost	923	60,558
KENT POWER INC 90 SPRING STREET KENT CITY, MI 49330	power line relocation	Invoice Cost	107, 108, 186	1,629,979
KEY PERSONNEL 9717 EAST 42ND STREET TULSA, OK 74146	staffing services	Invoice Cost	107, 580	85,050
KISER HYDRO LLC 1001 STEPHENSON STREET NORWAY, MI 49870	mechanical services	Invoice Cost	543, 544	193,013

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
KLEINSCHMIDT ASSOCIATES 2960 TRIVERTON PIKE DRIVE FITCHBURG, WI 53711	engineering services	Invoice Cost	542	56,169
KLIPPERS LAWNCARE SERVICES 57519 O'KEEFE ROAD CASSOPOLIS, MI 49031	landscape services	Invoice Cost	539	50,300
KNIGHT COST ENGINEERING SERVICES LLC 22 MT. VIEW TERRACE NEW MILFORD, CT 06776	estimating services	Invoice Cost	923	73,850
KOKOSING CONSTRUCTION CO INC. 868 MCKINLEY AVENUE COLUMBUS, OH 43222	construction services	Invoice Cost	107	309,944
KONECRANES NUCLEAR EQUIPMENT 1600 COMMERCE ROAD SPRINGFIELD, OH 45504	equipment rental services	Invoice Cost	520	95,602
LANDSCAPE SOLUTIONS GROUP INC. 29950 COUNTY ROAD 20 ELKHART, IN 46517	snow removal services	Invoice Cost	107, 108, 184, 186, 542, 562, 563, 569, 582, 588, 594	110,379
LAPORTE CONSTRUCTION 4999 N US HIGHWAY 35 LA PORTE, IN 46350	construction services	Invoice Cost	107, 108, 539, 542	239,009
LOCKHEED MARTIN UTILITY SERVICES INC various US locations	engineering services	Invoice Cost	908	1,704,919
M J ELECTRIC INC. 1190 ERIE COURT CROWN POINT, IN 46307	electrical contracting services	Invoice Cost	107, 108	9,434,826
MACALLISTER MACHINERY CO INC. 7515 EAST 30TH STREET INDIANPOLIS, IN 46219	equipment rental services	Invoice Cost	107, 108, 570	102,893
MANIFEST SOLUTIONS CORP. 2035 RIVERSIDE DRIVE UPPER ARLINGTON, OH 43221	IT consulting services	Invoice Cost	107	53,768
MANPOWER various US locations	temporary staffing services	Invoice Cost	107, 152, 506, 514 935	158,383
MANSUETTO ROOFING 118 WOOD STREET MARTINS FERRY, OH 43935	roofing services	Invoice Cost	107, 108	335,400
MARINE SOLUTIONS INC. 10 COUNTY LINE ROAD BRANCBURG, NJ 08876	commercial diving services	Invoice Cost	543	242,570
MARKET STRATEGIES INC. 17430 COLLEGE PARKWAY LIVONIA, MI 48152	market research services	Invoice Cost	588, 930	82,693
MARTIN ENGINEERING CO. 1 MARTIN PLACE NEPONSET, IL 61345	conveyor belt cleaner services	Invoice Cost	512	91,691
MCCARTHY, SEAN 1100 STEWART AVENUE GARDEN CITY, NY 11530	training services	Invoice Cost	930	53,006
MEAD & WHITE ELECTRIC INC 9895 RED ARROW HIGHWAY BRIDGMAN, MI 49106	electrical construction services	Invoice Cost	107, 524, 542, 543, 544	116,261



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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
METRO CONSULTING ASSOCIATES LLC 45345 FIVE MILE ROAD PLYMOUTH, MI 48170	business consulting services	Invoice Cost	107	127,058
MICHIANA LAND SERVICES INC 505 PLEASANT ST ST JOSEPH, MI 49085	land right of way services	Invoice Cost	107, 560	585,223
MICHIGAN COMMUNITY ACTION AGENCY 2173 COMMONS PARKWAY OKEMOS, MI 48864	energy optimization project	Invoice Cost	908	268,483
MICHIGAN RENTAL LLC. 2418 WEST COLISEUM BLVD. FT. WAYNE, IN 46808	equipment rentals	Invoice Cost	107, 520, 531, 532	103,628
MILLER BROTHERS CONSTRUCTION INC. 225 THOMPSON ROAD ANDERSON, SC 29624	site preparation services	Invoice Cost	107, 186, 501	3,052,677
MOFFITT REHAB SERVICES INC 200 PARK ROAD HAWESVILLE, KY 42348	excavation & site preparation	Invoice Cost	501	983,486
MOLE MASTER SERVICES CORP. 27815 STATE ROUTE 7 MARIETTA, OH 45750	cleaning services	Invoice Cost	107, 512	186,473
MORGAN MARKETING PARTNERS LLC. 8205 DAVENPORT DRIVE MADISON, WI 53711	marketing services	Invoice Cost	908	50,237
MOSTARDI PLATT 888 NORTH INDUSTRIAL DRIVE ELMHURST, IL 60126	environmental consulting	Invoice Cost	107	425,580
MOULDAGRAPH CORP. 4134 1ST AVENUE NITRO, WV 25143	welding services	Invoice Cost	513	89,413
MPW ENVIRONMENTAL SERVICES 9711 LANCASTER RD SE HEBRON, OH 43025	plant equipment maintenance & cleanir	Invoice Cost	107, 108, 152, 501, 511, 512, 513	1,527,522
MYERS LE COMPANY 2415 W THOMPSON ROAD INDIANAPOLIS, IN 46217	electrical contracting services	Invoice Cost	108	451,011
NELSON TREE SERVICE INC 3300 OFFICE PARK DRIVE DAYTON, OH 45439	tree trimming services	Invoice Cost	107, 571	1,830,198
NEUDORFER INCORPORATED 113 WOOD PARK DRIVE PITTSBURGH, PA 15209	air conditioning services	Invoice Cost	107	126,573
NEW RIVER ELECTRICAL CORP 15 CLOVERDALE PLACE CLOVERDALE, VA 24077	storm restoration services	Invoice Cost	107, 108, 186, 570, 571	2,640,591
NEW SPIN 360 LLC 755 RESEARCH PARK OKLAHOMA CITY, OK 73104	marketing services	Invoice Cost	107	135,318
NEWKIRK ELECTRIC ASSOCIATES 1875 ROBERTS STREET MUSKEGON, MI 49442	electrical construction services	Invoice Cost	107, 108, 571	6,420,924

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
NEWPORT NEWS INDUSTRIAL CORP 182 ENTERPRISE DRIVE NEWPORT NEWS, VA 23603	technical services	Invoice Cost	530, 531, 532	192,941
NOBLE REMC 300 WEBER ROAD ALBION, IN 46701	cooperative energy services	Invoice Cost	107	66,089
NORTH AMERICAN SUBSTATION 455 DOUGLAS AVENUE ALTAMONTE SPRINGS, FL 32714	repairs & maintenance services	Invoice Cost	107	80,000
NURSING CORPS 500 LURAY DRIVE WINTERSVILLE, OH 43953	Industry medical services	Invoice Cost	107, 186, 514	160,413
OHIO LUMEX CO INC. 9283 RAVENNA ROAD TWINSBURG, OH 44087	stack monitor services	Invoice Cost	107	170,777
OPOWER INC 1515 N COURTHOUSE RD ARLINGTON, VA 22201	industrial supply services	Invoice Cost	908	132,334
ORC UTILITY & INFRASTRUCTURE 1201 PEACHTREE STREET ATLANTA, GA 30361	land & utility services	Invoice Cost	107	105,261
P&RO SOLUTIONS INC. P.O. BOX 1899 BOOTHWYN, PA 19061	asset management services	Invoice Cost	506, 510	65,916
PAR ELECTRICAL CONTRACTORS INC 4770 N BELLEVIEW AVENUE KANSAS CITY, MO 64116	emergency response services	Invoice Cost	107, 108	1,946,653
PARKLINE INC 4224 SCOTTSDALE ROAD ST JOESEPH, MI 49085	prefabricated metal building	Invoice Cost	107	77,901
PCI GLOBAL INSULATION 4450 BELDON VILLAGE STREET NW #106 CANTON, OH 44718	insulation supply services	Invoice Cost	107, 108, 511, 512, 513, 514	1,798,961
PNC CAPITAL MARKETS 225 5TH AVENUE PITTSBURGH, PA 15222	financial consulting services	Invoice Cost	431	83,750
POOLED EQUIPMENT INVENTORY CO 3988 LORNA ROAD BIRMINGHAM, AL 35202	electrical equipment sales	Invoice Cost	163	123,855
POWER ENGINEERS 3940 GLENBROOK DRIVE HAILEY, ID 83333	engineering consulting services	Invoice Cost	107	3,854,865
POWER SURVEY LLC. 25 CMPUS DRIVE KEARNY, NJ 07032	grid health services	Invoice Cost	594	62,894
PRECISION PIPING & MECHANICAL 576 PEACH TREE DRIVE PRINCETON, IN 47670	plumbing & mechanical services	Invoice Cost	512	122,272
PREMIER POWER MAINTENANCE CORP. 6525 GUION ROAD INDIANAPOLIS, IN 46268	electrical engineering services	Invoice Cost	107	102,853

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
PROGRESS PUMP & TURBINE SERVICES 918 KENNEDY AVENUE SCHERERVILLE, IN 46375	pump & turbine services	Invoice Cost	107, 530, 531, 532	196,125
PULVERIZER SERVICES, INC 200 PARK LOOP CALHOUN, KY 42327	plant equipment rebuilding services	Invoice Cost	107, 108, 512	363,112
QUALITY NUCLEAR SERVICES INC. 507 NORTH 4TH STREET DARDANELLE, AR 72834	nuclear services	Invoice Cost	520	583,939
R2 ENERGY SERVICES LLC. 121 SOUTH BROADWAY AVENUE TYER, TX 75702	land & field services	Invoice Cost	921, 923	248,590
RESOURCE ACTION PROGRAMS 976 UNITED CIRCLE SPARKS, NV 89431	consulting services	Invoice Cost	908	150,849
REV1 POWER SERVICES INC. 26615 KEITH STREET SPRING, TX 77373	air quality services	Invoice Cost	107	590,359
ROBERT HENRY CORPORATION 404 SOUTH FRANCES STREET SOUTH BEND, IN 46624	construction services	Invoice Cost	107, 186, 584, 594, 596	2,805,474
ROBINSON SERVICE INC. 24 MAPLE STREET EARLSVILLE, IA 52041	deep trenching services	Invoice Cost	107, 512	84,041
RUDOLPH, JH & CO INC. 4590 E. MULZER DRIVE DALE, IN 47593	construction services	Invoice Cost	511	161,605
SAFE POWER PARTNERS LLC 7915 SOUTH EMERSON AVENUE INDIANAPOLIS, IN 46237	safety consulting services	Invoice Cost	152, 501, 506	1,144,786
SAFETY MANAGEMENT GROUP OF INDIANA 6500 TECHNOLOGY CENTER DRIVE INDIANAPOLIS, IN 46278	safety consulting services	Invoice Cost	107, 108, 512	109,610
SAFWAY SERVICES LLC. 1250 EMIG ROAD COLUMBUS, OH 43223	equipment rental services	Invoice Cost	107, 108, 529, 530, 531, 532	304,871
SARGENT & LUNDY LLC 55 E MONROE ST CHICAGO, IL 60603	nuclear engineering services	Invoice Cost	120, 517, 519, 524, 530	164,448
SCHWEITZER ENGINEERING LABORATORY 2350 NE HOPKINS COURT PULLMAN, WA 99163	engineering services	Invoice Cost	107	57,644
SELINSKY FORCE LLC. 4015 23RD STREET SW CANTON, OH 44708	equipment rental services	Invoice Cost	107, 108, 570	266,742
SEMPRASAFE LLC. 5605 GLENRIDGE DRIVE ATLANTA, GA 30342	safety consulting services	Invoice Cost	520	91,557
SERVICE ELECTRIC COMPANY 1631 EAST 25TH STREET CHATTANOOGA, TN 37404	power line services	Invoice Cost	107, 108	260,811

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Indiana Michigan Power Company			December 31, 2015	
Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
SPX TRANSFORMER SOLUTIONS INC. 400 SOUTH PRAIRE AVENUE WAUKESHA, WI 53186	transformer services	Invoice Cost	107	209,457
STERLETT CONSTRUCTION CO 34 BOOTH FIELD ROAD OWENSBORO, KY 42301	steel erection services	Invoice Cost	107, 506	109,991
STERLING BOILER 1420 KIMBER LANE EVANSVILLE, IN 47715	water-tube boiler services	Invoice Cost	107, 108, 500	5,612,694
STERLING ENGINEERING SOLUTIONS 111 GOODWIN AVENUE SALEM, VA 24153	electrical engineering services	Invoice Cost	107, 108, 544	116,219
STRUCTURAL INTEGRITY ASSOC INC. 1525 CORPORATE WOODS PARKWAY UNIONTOWN, OH 44685	nuclear services	Invoice Cost	512	333,000
SUMMIT ENVIRONMENT SERVICES P.O. BOX 263 BELMONT, WV 26134	power generation services	Invoice Cost	107	88,737
SUN TECHNICAL SERVICES INC 6490 S MCCARRAN BLVD RENO, NV 89509	engineering services	Invoice Cost	107, 108, 163, 183, 186, 500, 506, 510, 512, 513, 517, 520, 524, 529, 530, 531, 532, 921	2,006,496
SUNBELT RENTALS INC. 1275 WEST MOUND STREET COLUMBUS, OH 43223	equipment rental services	Invoice Cost	107, 512, 513	110,996
SYSTEMS CONTROL 3201 EAST INDUSTRIAL DRIVE IRON MOUNTAIN, MI 49801	substation control services	Invoice Cost	107	612,055
TCI OF ALABAMA LLC 101 PARKWAY EAST PELL CITY, AL 35125	disposal services	Invoice Cost	107, 108	470,071
TECHSERV CONSULTING & TRAINING 12078 STATE HWY 64 WEST TYLER, TX 75704	business consulting services	Invoice Cost	107, 108, 560	677,269
TECHMARKET WORKS 165 WEST NETHERWOOD ROAD OREGON, WI 53575	energy industry researchers	Invoice Cost	908	105,292
TENDRIL NETWORKS INC. 2580 55TH STREET BOULDER, CO 80301	business consulting services	Invoice Cost	908	653,942
TERRA CONTRACTING SERVICES LLC. 5100 WEST MICHIGAN AVENUE KALAMAZOO, MI 49006	environmental consulting services	Invoice Cost	107, 108, 186, 530, 580, 588	50,829
TERRACON CONSULTANTS INC 790 MORRISON ROAD COLUMBUS, OH 43230	environmental consulting services	Invoice Cost	107	286,173
THAYER POWER & COMMUNICATION LINE 7400 MARKET ROAD FAIRVIEW, PA 16415	power engineering services	Invoice Cost	186	422,511
TURBINE MASTER INC. 2220 NORTH GRAND AVENUE TAHLEQUAH, OK 74464	turbine inspection services	Invoice Cost	531	63,988

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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
UNDERWATER CONSTRUCTION CORP 110 PLAINS RD ESSEX, CT 06426	underwater construction services	Invoice Cost	107, 512, 529, 530, 542	716,235
UNITED CONSTRUCTION CO INC 1340 OLD ROSEMAR ROAD PARKERSBURG, WV 26104	construction contracting services	Invoice Cost	107, 108, 186, 501, 511, 512	4,598,555
UNITED CONVEYOR SUPPLY CO 2025 N 15TH AVENUE MELROSE PARK, IL 60160	fabricated metal product services	Invoice Cost	107	68,593
UNITED DYNAMICS CORPORATION 395 PAROQUET SPRINGS DRIVE SHEPHERDSVILLE, KY 40165	boiler inspections	Invoice Cost	512	70,913
UNITED RENTALS 100 FIRST STAMFORD PLACE STAMFORD, CT 06902	equipment rental services	Invoice Cost	107, 428, 500, 511, 512, 513, 514	259,101
UNIVERSAL INCORPORATED 32 PROGRESS PARKWAY MARYLAND HEIGHTS, MO 63043	specialty chemical services	Invoice Cost	107, 512, 513, 514	587,380
USIC LOCATING SERVICES INC. various US locations	power line construction services	Invoice Cost	107, 584	1,249,001
UTILIDATA INC. 245 CHAPMAN STREET PROVIDENCE, RI 02905	electric grid services	Invoice Cost	107, 588	917,000
VARO ENGINEERS INC 2751 TULLER PARKWAY, SUITE 100 DUBLIN, OH 43017	engineering services	Invoice Cost	107	442,154
VAUGHN INDUSTRIES 1201 E. FINDLAY STREET CAREY, OH 43316	substation electrical work services	Invoice Cost	107, 108	843,270
VENTURE SUM CORP. 9301 AVIATION BLVD. CONCORD, NC 28027	consulting services	Invoice Cost	186	83,030
WESTINGHOUSE ELECTRIC CO 4350 NORTHERN PIKE MONROEVILLE, PA 15146	nuclear support services	Invoice Cost	107, 524	66,900
WHAYNE SUPPLY CO 1400 CECIL AVENUE LOUISVILLE, KY 40211	equipment repair services	Invoice Cost	107, 108, 501, 512, 514	929,392
WHERTEC INC. 5409 HIGHWAY AVENUE JACKSONVILLE, FL 32254	boiler repairs	Invoice Cost	107	625,886
WIGHTMAN & ASSOCIATES, INC 110 E. WAYNE STREET FORT WAYNE, IN 46801	topographic surveying services	Invoice Cost	107	475,107
WILLIAM E GROVES CONSTRUCTION INC. 3135 GRAPEVINE ROAD MADISONVILLE, KY 42431	construction services	Invoice Cost	186	408,396
WORLEYPARSONS GROUP INC 2675 MORGANTOWN ROAD READING, PA 19607	engineering services	Invoice Cost	107	4,823,674
WRIGHT TREE SERVICE INC 139 6TH STREET DESMOINES, IA 50306	tree trimming services	Invoice Cost	107, 186, 571, 593, 930	7,619,357



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Charges for Outside Professional & Other Consulting Services - Payments of \$50,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ZIOLKOWSKI CONSTRUCTION INC. 4050 RALPH JONES DR. SOUTH BEND, IN 46628	construction services	Invoice Cost	107, 108, 186, 573	77,379

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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)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	18,015,613
3	Steam	7,522,820	23	Requirements Sales for Resale (See instruction 4, page 311.)	4,961,662
4	Nuclear	16,519,114	24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	7,427,625
5	Hydro-Conventional	95,426	25	Energy Furnished Without Charge	46
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	
7	Other		27	Total Energy Losses	2,182,967
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	32,587,913
9	Net Generation (Enter Total of lines 3 through 8)	24,137,360			
10	Purchases	8,450,553			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	32,587,913			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**MONTHLY PEAKS AND OUTPUT**

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

**NAME OF SYSTEM:**

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	3,400,950	1,100,624	3,952	14	0900
30	February	2,890,517	761,155	3,803	20	0800
31	March	2,670,665	588,385	3,623	6	0800
32	April	2,218,286	369,063	3,166	1	0800
33	May	3,130,386	1,180,853	3,589	29	1500
34	June	2,612,327	287,250	3,884	11	1600
35	July	2,490,863	276,170	4,398	28	1700
36	August	2,994,638	767,573	4,038	17	1300
37	September	2,615,473	553,812	4,251	3	1500
38	October	2,813,000	932,669	3,145	27	2000
39	November	2,298,479	462,151	3,322	23	0800
40	December	2,452,329	407,813	3,364	18	1100
41	TOTAL	32,587,913	7,687,518			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 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 show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: ROCKPORT UNIT 1 I&M (b)	Plant Name: ROCKPORT UNIT 2 I&M (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam	Steam
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional
3	Year Originally Constructed	1984	1989
4	Year Last Unit was Installed	1984	1989
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	660.00	650.00
6	Net Peak Demand on Plant - MW (60 minutes)	667	661
7	Plant Hours Connected to Load	6329	7144
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	660	650
10	When Limited by Condenser Water	658	650
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - KWh	2909840000	3553403000
13	Cost of Plant: Land and Land Rights	6446541	67447
14	Structures and Improvements	95387584	7013165
15	Equipment Costs	636135707	173994962
16	Asset Retirement Costs	2748443	2725091
17	Total Cost	740718275	183800665
18	Cost per KW of Installed Capacity (line 17/5) Including	1122.3004	282.7703
19	Production Expenses: Oper, Supv, & Engr	2330131	1976631
20	Fuel	75218328	83117527
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	4954908	6956501
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	842007	707265
26	Misc Steam (or Nuclear) Power Expenses	1848161	1841465
27	Rents	0	70147251
28	Allowances	1578282	1578282
29	Maintenance Supervision and Engineering	1111798	1117073
30	Maintenance of Structures	1024100	297785
31	Maintenance of Boiler (or reactor) Plant	7922760	6201228
32	Maintenance of Electric Plant	1958330	1770356
33	Maintenance of Misc Steam (or Nuclear) Plant	924421	612176
34	Total Production Expenses	99713226	176323540
35	Expenses per Net KWh	0.0343	0.0496
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.000	0.000
44	Average BTU per KWh Net Generation	0.000	0.000

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)**

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. 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 type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>ROCKPORT TOTAL I&amp;M</i> (d)			Plant Name: <i>ROCKPORT TOTAL PLANT</i> (e)			Plant Name: <i>TANNERS CREEK PLANT</i> (f)			Line No.
	Steam			Steam			Steam		1
	Conventional			Conventional			Conventional		2
	1984			1984			1951		3
	1989			1989			1964		4
	1310.00			2620.00			995.00		5
	1316			2632			854		6
	8313			8313			2728		7
	0			0			0		8
	1310			2620			995		9
	1308			2615			982		10
	0			241			50		11
	6463243000			12926486000			1059577000		12
	6513988			13029939			0		13
	102400749			206542663			0		14
	810130669			1612918173			0		15
	5473534			10928986			0		16
	924518940			1843419761			0		17
	705.7396			703.5953			0.0000		18
	4306762			8294546			1266382		19
	158335855			318134645			35617783		20
	0			0			0		21
	11911409			25546159			2576134		22
	0			0			0		23
	0			0			0		24
	1549272			3098563			55341		25
	3689626			6738382			1665990		26
	70147251			138430269			0		27
	3156564			3156564			1075274		28
	2228871			4315157			684214		29
	1321885			2644215			2643325		30
	14123988			28200033			1705244		31
	3728686			7457913			511960		32
	1536597			3073286			418388		33
	276036766			549089732			48220035		34
	0.0427			0.0425			0.0455		35
Coal	Oil		Coal	Oil		Coal	Oil		36
Tons	Barrels		Tons	Barrels		Tons	Barrels		37
3473291	25609	0	6946581	51218	0	486682	6742	0	38
8855	136863	0	8855	136863	0	9507	137430	0	39
44.747	77.756	0.000	44.747	77.756	0.000	69.043	81.192	0.000	40
45.278	99.127	0.000	45.277	99.127	0.000	69.153	105.843	0.000	41
2.557	17.245	0.000	2.557	17.245	0.000	3.637	18.337	0.000	42
0.024	0.000	0.000	0.024	0.000	0.000	0.032	0.000	0.000	43
10095.000	0.000	0.000	10095.000	0.000	0.000	9329.000	0.000	0.000	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/Period of Report End of 2015/Q4
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 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 show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: DONALD C COOK PLANT (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Nuclear	
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	
3	Year Originally Constructed	1975	
4	Year Last Unit was Installed	1978	
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	2285.00	0.00
6	Net Peak Demand on Plant - MW (60 minutes)	2235	0
7	Plant Hours Connected to Load	8760	0
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	2191	0
10	When Limited by Condenser Water	2059	0
11	Average Number of Employees	1179	0
12	Net Generation, Exclusive of Plant Use - KWh	16519114000	0
13	Cost of Plant: Land and Land Rights	1879588	0
14	Structures and Improvements	384893638	0
15	Equipment Costs	2327393367	0
16	Asset Retirement Costs	124635648	0
17	Total Cost	2838802241	0
18	Cost per KW of Installed Capacity (line 17/5) Including	1242.3642	0
19	Production Expenses: Oper, Supv, & Engr	23204082	0
20	Fuel	146871236	0
21	Coolants and Water (Nuclear Plants Only)	8070754	0
22	Steam Expenses	14312984	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	4239737	0
26	Misc Steam (or Nuclear) Power Expenses	81328163	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	12849469	0
30	Maintenance of Structures	5644343	0
31	Maintenance of Boiler (or reactor) Plant	65932085	0
32	Maintenance of Electric Plant	24578363	0
33	Maintenance of Misc Steam (or Nuclear) Plant	17971162	0
34	Total Production Expenses	405002378	0
35	Expenses per Net KWh	0.0245	0.0000
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Nuclear	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.836	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.009	0.000
44	Average BTU per KWh Net Generation	10638.000	0.000

Name of Respondent Indiana Michigan 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 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 403 Line No.: -1 Column: 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) represents Respondent's 50% share of Unit 1 and column (c) represents Respondent's 50% share of Unit 2. Column (d) represents Respondent's total share of Rockport Plant and column (e) represents Total Rockport owned and leased by Respondent and AEP Generating Company.

**Schedule Page: 403 Line No.: -1 Column: f**

In May 2015, AEP retired Tanners Creek from its fleet.

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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	4.7	29,955	15,041,893
3	Buchanan	1919	4.10	2.8	16,525	7,802,725
4	Constantine	1921	1.20	1.0	4,604	2,774,553
5	Elkhart	1913	3.44	1.6	11,303	6,390,818
6	Mottville	1923	1.68	1.0	5,434	4,346,241
7	Twin Branch	1904	4.80	3.9	27,605	13,797,203
8						
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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/Period of Report End of 2015/Q4
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**GENERATING PLANT STATISTICS (Small Plants) (Continued)**

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of 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.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
2,089,152	464,486		179,281			2
1,903,104	309,096		180,858			3
2,312,128	123,907		149,024			4
1,857,796	323,311		560,548			5
2,587,048	164,044		486,254			6
2,874,417	339,332		225,843			7
						8
						9
						10
						11
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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, 2015	
<b>CHANGES MADE OR SCHEDULED TO BE MADE IN GENERATING PLANT CAPACITIES</b>							
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	Tanners Creek	Retired		995		1-Jun-15	
2							
3							
4							
5							
6							
7							
<b>B. Generating Units Scheduled for or Undergoing Major Modifications</b>							
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	Rockport Unit 1	Dry Sorbent Injection	1,320	Aug-13	Jun-15		
9	Rockport Unit 2	Dry Sorbent Injection	1300	Aug-13	May-15		
10	Rockport Unit 1	Selective Catalytic Reduction	1320	Jul-15	Jun-17		
11	Cook Unit 1	Life Cycle Management	1134	Jul-11	Dec-18		
12	Cook Unit 2	Life Cycle Management	1107	Jul-11	Dec-18		
13	Rockport Unit 2	Selective Catalytic Reduction	1300	Apr-18	Dec-19		
14							
<b>C. New Generating Plants Scheduled for or Under Construction</b>							
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	Deer Creek	Solar Photovoltaic	2.5	2.5	Jul-15	Dec-15	
16	Twin Branch	Solar Photovoltaic	2.6	2.6	Mar-16	Sep-16	
17	Watervaliet	Solar Photovoltaic	4.6	4.6	Mar-16	Sep-16	
18	Olive	Solar Photovoltaic	5.0	5.0	Jul-16	Dec-16	
19							
20							
21							
<b>D. New Units in Existing Plants Scheduled for or Under Construction</b>							
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							
26							
27							
28							



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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, 2015	Year of Report December 31, 2015
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**STEAM ELECTRIC GENERATING PLANTS**

1. Include on this page steam-electric plants of 25,000 Kw (name plate rating) or more of installed capacity.
2. Report the information called for concerning generating plants and equipment at year end. Show unit type Installation, boiler, and turbine-generator on same line.
3. Exclude plant, the book cost of which is located in Account 121, *Nonutility Property*.
4. Designate any generating plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant or portion thereof for which the respondent is not the sole

- owner but which the respondent operates or share in the of, furnish a succinct statement explaining the arrangement and giving details as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected.
- Specify if lessor, co-owner, or other party is an associated company.
5. Designate any generating plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company.
  6. Designate any plant or equipment owned, not

Line No.	Name of Plant (a)	Location of Plant (b)	BOILERS (Include both ratings for the boiler and the turbine-generator or dual-rated installations)				
			Number and Year Installed (c)	Kind of Fuel And Method of Firing (d)	Rated Pressure (In psig) (e)	Rated Steam Temp. (Indicate reheat boilers as 1050/1000) (f)	Rated Max. Continuous M lbs. Steam per Hour (g)
1	Donald C. Cook	Bridgman, MI	1-1975	Nuclear	2485	600	15,600
2			2-1978	Nuclear	2485	600	14,740
3							
4							
5							
6							
7	Rockport*	Rockport, IN	1-1984	Pulv. Coal	3650	1000/1000	9,775
8			2-1989	Pulv. Coal	3650	1000/1000	9,775
9							
10							
11							
12							
13							
14	* Figures shown are the totals for the plant which is shared one-half by respondent and one-half						
15	by AEP Generating Company (an associated company). Both companies are subsidiaries of American						
16	Electric Power Company. Operating expenses are shared on the basis of ownership percentage.						
17	Unit 1 is owned 50% by each and unit 2 is leased 50% by each from a consortium of financial institutions.						
18							
19							

Name of Respondent Indiana Michigan 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, 2015
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**STEAM ELECTRIC GENERATING PLANTS (cont'd)**

operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.  
7. Report gas-turbines operated in a combined cycle with a conventional steam unit with its associated steam unit.

Turbine-Generators <i>(Report cross-compound turbine generator units on two lines-H.P. section and I.P. section. Designate units with shaft connected boiler feed pumps. Give capacity rating of pumps in terms of full load requirements.)</i>													Line No.
Year Installed	TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>				GENERATORS <b>NAME PLATE Rating in Kw</b>							Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	
	Max. Rating Mega-Watt	Type <i>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</i>	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <i>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</i>	Hydrogen Pressure <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV) <i>(If other than 3 phase, 60 cycle indicate other characteristic)</i>			
							Min.	Max.					
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)		
1975	1149	TC	728	1800	771,840	1,152,000	30	75	0.90	26	1,152,000	1	
1978	1162	TC	785	1800	933,850	1,133,333	40	60	0.85	26	1,133,333	2	
											2,285,333	3	
												4	
												5	
												6	
1984	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	7	
1984	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		8	
1989	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	9	
1989	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		10	
											2,600,000	11	
												12	
												13	
												14	
												15	
												16	
												17	
												18	
												19	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TRANSMISSION LINE STATISTICS**

- 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.
- 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.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- 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.
- 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	202.76		1
3	6128 DUMONT	JEFFERSON	765.00	765.00	STEEL	0.24		
4	6136 DUMONT	WILTON CENTER	765.00	765.00	STEEL	63.00		1
5	6141 DUMONT	MARYSVILLE	765.00	765.00	STEEL	104.00		1
6	6215 D.C. COOK	DUMONT	765.00	765.00	STEEL	20.00		1
7	6223 ROCKPORT	JEFFERSON	765.00	765.00	STEEL	111.00		1
8	6224 ROCKPORT	SULLIVAN	765.00	765.00	STEEL	96.42		1
9	6224 ROCKPORT	SULLIVAN	765.00	765.00	STEEL	0.58		
10	6226 JEFFERSON	WEST	765.00	765.00				
11	6236 HANGING ROCK	JEFFERSON	765.00	765.00	STEEL	1.00		1
12	0675 TANNERS CREEK	SORENSEN	345.00	345.00	STEEL	136.00		2
13	0676 SORENSEN	EAST LIMA	345.00	345.00	STEEL	30.00		1
14	0677 BREED	DEQUINE EAST	345.00	345.00	STEEL	188.19		2
15	0678 DEQUINE	OLIVE	345.00	345.00	STEEL	0.45		
16	0679 SORENSEN	OLIVE	345.00	345.00	STEEL	78.00		2
17	0680 OLIVE	GOODINGS GROVE	345.00	345.00	STEEL	41.00		2
18	0683 DESOTO	JCT TOWER (MAR. CO)	345.00	345.00	STEEL	53.00	6.00	1
19	0684 TANNERS CREEK	JUNCTION TOWER	345.00	345.00	ST & ALUM	80.00		1
20	0685 HANNA	JUNCTION TOWER	345.00	345.00				
21	0687 TANNERS CREEK	MIAMI FORT	345.00	345.00	STEEL			2
22	0688 EUGENE	SIDNEY	345.00	345.00	WOOD POLE	0.20		1
23	0689 SORENSEN-OLIVE	TWIN BRANCH	345.00	345.00	STEEL	11.00		2
24	0690 BREED	CIPSCO	345.00	345.00	STEEL	1.00		1
25	0691 BREED	PETERSBURG	345.00	345.00	STEEL	1.00		1
26	6118 ROBISON PARK	SORENSEN-EAST LIMA	345.00	345.00	STEEL	23.00		1
27	6119 COOK	OLIVE	345.00	345.00	STEEL	4.00		2
28	6122 DUMONT	OLIVE	345.00	345.00	STEEL	15.00		2
29	6123 DUMONT	TWIN BRANCH	345.00	345.00	STEEL	17.00		2
30	6125 ROBISON PARK	EAST	345.00	345.00				
31	6133 DUMONT	BABCOCK	345.00	345.00	STEEL	9.00		1
32	6145 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL	6.00		2
33	6147 COOK	ROBISON PARK	345.00	345.00	STEEL	67.73		2
34	6147 COOK	ROBISON PARK	345.00	345.00	STEEL POLE	0.17		
35	6148 JACKSON ROAD	SORENSEN-OLIVE	345.00	345.00	STEEL	4.00		2
36					TOTAL	3,884.21	122.00	202

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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
4-954 MCM								3
4-954 MCM								4
4-954 MCM								5
4-954 MCM								6
4-1351 MCM								7
4-1351 MCM								8
4-1351 KCM								9
								10
4-1351 MCM								11
1275 MCM								12
1275 MCM								13
1414 MCM								14
2303 ACSR 54/37								15
1414 MCM								16
1414 MCM								17
2-954 MCM								18
2-954 MCM								19
								20
2-954 MCM								21
1414 MCM								22
1563 MCM								23
2-1024 MCM								24
2-954 MCM								25
1414 MCM								26
2-954 MCM								27
2-954 MCM								28
2-954 MCM								29
								30
2-954 MCM								31
2-954 MCM								32
2-954 MCM								33
2-954 MCM								34
2303 MCM								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	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 2015/Q4
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**TRANSMISSION LINE STATISTICS**

- 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.
- 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.
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- 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	6213 COOK-ROB-PARK JCT	ARGENTA	345.00	345.00	STEEL	2.00		2
2	6237 JACKSON ROAD	WEST	345.00	345.00				
3	6240 TWIN BRANCH	SUBSTATION CORRIDOR	345.00	345.00				
4	6256 BREED	SULLIVAN	345.00	345.00	STEEL	2.00		2
5	6259 COLLINGWOOD	SOUTH BUTLER	345.00	345.00	STEEL POLE	12.00		1
6	6232 GODMAN TAP		34.00	138.00				
7	0602 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	6.00		2
8	0603 TWIN BRANCH	SOUTH BEND	138.00	138.00	STEEL	4.67		1
9	0603 TWIN BRANCH	SOUTH BEND	138.00	138.00	STEEL	0.33		
10	0604 TWIN BRANCH	ROBISON PARK	138.00	138.00	STEEL	65.00		2
11	0605 SOUTH BEND	MICHIGAN CITY	138.00	138.00	STEEL			1
12	0606 ROBISON PARK	HAVILAND	138.00	138.00	STEEL	19.61		2
13	0606 ROBISON PARK	HAVILAND	138.00	138.00	STEEL POLE	0.05		
14	0607 ROBISON PARK	DEER CREEK	138.00	138.00	STEEL	60.00		2
15	0608 DEER CREEK	KOKOMO	138.00	138.00	STEEL	1.73		
16	0608 DEER CREEK	KOKOMO	138.00	138.00	STEEL	1.32		1
17	0608 DEER CREEK	KOKOMO	138.00	138.00	STEEL	4.67		
18	0609 CONCORD TAP		138.00	138.00	STEEL	4.00		2
19	0613 TWIN BRANCH	JACKSON ROAD	138.00	138.00	STEEL	8.00		2
20	0614 LINCOLN TAP		138.00	138.00	STEEL	4.00		2
21	0615 TWIN BRANCH	ROBISON PARK	138.00	138.00	STEEL	65.83		1
22	0616 DEER CREEK	DELAWARE	138.00	138.00	STEEL	24.15		2
23	0617 DELAWARE	MADISON	138.00	138.00	STEEL	18.81		2
24	0617 DELAWARE	MADISON	138.00	138.00	STEEL	0.19		
25	0618 DELAWARE	COLLEGE CORNER	138.00	138.00	STEEL TWR &	56.22		2
26	0618 DELAWARE	COLLEGE CORNER	138.00	138.00	UNDERGROU	1.69		2
27	0618 DELAWARE	COLLEGE CORNER	138.00	138.00	STEEL POLE	0.08		
28	0725 DELAWARE	TRENTON	138.00	138.00	STEEL TWR &			
29	0619 MADISON	NEW CASTLE	138.00	138.00	STEEL	6.00	1.00	1
30	0620 TANNERS CREEK	MADISON	138.00	138.00	STEEL	82.00		2
31	0622 JACKSON ROAD	OLIVE	138.00	138.00	STEEL	17.00	1.00	1
32	0623 MADISON	PENDLETON	138.00	138.00	WOOD &	5.00		1
33	0624 DRAGOON TAP		138.00	138.00	STEEL	2.00		1
34	0625 TANNERS CREEK	COLLEGE CORNER	138.00	138.00	STEEL	40.00		2
35	0626 COLLEGE CORNER	RANDOLPH	138.00	138.00	WOOD	34.95		1
36					TOTAL	3,884.21	122.00	202

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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)
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2-954 MCM								1
								2
								3
1351.5 MCM								4
2-954 MCM								5
								6
397.5 MCM								7
397.5 MCM								8
								9
397.5 MCM								10
397.5 MCM								11
397.5 MCM								12
1233.6 KCM								13
397.5 MCM								14
336.4 KCM								15
636 KCM								16
636 KCM								17
397.5 MCM								18
447 MCM								19
397.5 MCM								20
477 MCM								21
397.5 MCM								22
397.5 MCM								23
397.5 MCM								24
397.5 MCM								25
397.5 MCM								26
795 KCM								27
397.5 MCM								28
795 MCM								29
636 MCM								30
556.5 MCM								31
477 MCM								32
795 MCM								33
636 MCM								34
556.5 MCM								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	36

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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	0626 COLLEGE CORNER	RANDOLPH	138.00	138.00	STEEL POLE	0.71		
2	0626 COLLEGE CORNER	RANDOLPH	138.00	138.00	STEEL	3.34		
3	0627 RANDOLPH	JAY	138.00	138.00	WOOD	23.90		1
4	0627 RANDOLPH	JAY	138.00	138.00	STEEL POLE	0.10		
5	0628 MCKINLEY TAP		138.00	138.00	STEEL	1.00		2
6	0629 JAY	LINCOLN	138.00	138.00	WOOD &	49.00		1
7	0630 NEW CARLISLE	MAPLE	138.00	138.00	WOOD	1.00		1
8	6104 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL	3.00		2
9	0632 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL			
10	0634 DEER CREEK	MULLIN	138.00	138.00	WOOD	15.00		1
11	0635 PENDLETON	MULLIN	138.00	138.00	WOOD &	16.00		1
12	0636 DEER CREEK	FISHER BODY	138.00	138.00	STEEL	5.04		2
13	0637 TWIN BRANCH	CONCORD	138.00	138.00	STEEL	17.00	1.00	1
14	0638 GRANT	FISHER BODY	138.00	138.00	STEEL		1.00	1
15	0639 ROBISON PARK	AUBURN	138.00	138.00	WOOD &	15.00		1
16	0641 DESOTO	MEDFORD	138.00	138.00	STEEL	7.00		2
17	0642 OLIVE	HICKORY CREEK	138.00	138.00	STEEL	2.99	2.00	1
18	0645 COREY TAP		138.00	138.00	WOOD	4.00		1
19	0646 OLIVE	NEW CARLISLE	138.00	138.00	STEEL	2.00		1
20	0647 OLIVE	SOUTH BEND	138.00	138.00	STEEL	1.00	16.00	1
21	0648 MEDFORD TAP		138.00	138.00	STEEL	8.00		2
22	0723 SPY RUN STATION		138.00	138.00	UNDERGROU			1
23	6101 WESTINGHOUSE TAP		138.00	138.00	STEEL	2.00		2
24	6102 MILAN TAP		138.00	138.00	STEEL	6.00		2
25	6103 MILAN	GOODRICH	138.00	138.00	STEEL	1.00		2
26	6105 DESOTO	JAY	138.00	138.00	WOOD &	13.00		1
27	6106 DESOTO	DEER CREEK-DELAWARE	138.00	138.00	STEEL	7.52		2
28	6106 DESOTO	DEER CREEK-DELAWARE	138.00	138.00	STEEL POLE	0.48		
29	6107 DARDEN TAP		138.00	138.00	WOOD	1.00		1
30	6109 ROBISON PARK	RICHLAND	138.00	138.00	WOOD &	17.79		1
31	6109 ROBISON PARK	RICHLAND	138.00	138.00	STEEL POLE	0.05		
32	6110 WESTINGHOUSE	23RD STREET	138.00	138.00	STEEL			2
33	6111 KANKAKEE	WEST SIDE	138.00	138.00	WOOD POLE	2.00		1
34	6113 INDUSTRIAL PARK		138.00	138.00	STEEL	3.00		2
35	6114 OLIVE	MICHIGAN CITY	138.00	138.00	STEEL	2.00	1.00	1
36					TOTAL	3,884.21	122.00	202



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TRANSMISSION LINE STATISTICS (Continued)

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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)	
556.5 MCM								1
556.5 MCM								2
556.5 MCM								3
556.5 MCM								4
300 MCM CU								5
556.5 MCM								6
397.5 MCM								7
556.5 MCM								8
556.5 MCM								9
556.5 MCM								10
556.5 MCM								11
397.5 MCM								12
556.5 MCM								13
397.5 MCM								14
556.5 MCM								15
556.5 MCM								16
556.5 MCM								17
477 MCM								18
556.5 MCM								19
556.5 MCM								20
556.5 MCM								21
3.5IN OD								22
556.5 MCM								23
397.5 MCM								24
397.5 MCM								25
2-556.5 MCM								26
636 MCM								27
636 MCM								28
336.4 MCM								29
636 MCM								30
1233.6 KCM								31
556.5 MCM								32
636 MCM								33
745 MCM								34
636 MCM								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	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 2015/Q4
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**TRANSMISSION LINE STATISTICS**

- 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.
- 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.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- 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.
- 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	6115 HUMMEL CREEK	VAN BUREN	138.00	138.00	STEEL	6.00		2
2	6130 HUMMEL CREEK	TOWER 70, GREENTOWN	138.00	138.00				
3	6116 SOUTH ELWOOD TAP		138.00	138.00	WOOD POLE	3.00		1
4	6117 PENDLETON	FALL CREEK	138.00	138.00	STEEL	10.00		2
5	6121 ROBISON PARK	LINCOLN	138.00	138.00	STEEL	7.84		1
6	6121 ROBISON PARK	LINCOLN	138.00	138.00	STEEL POLE	0.02		
7	6126 CONCORD	EAST ELKHART	138.00	138.00	STEEL	11.00		1
8	6129 GREENTOWN-GRANT	HUMMEL CREEK	138.00	138.00	STEEL	21.00		1
9	6131 INDUSTRIAL PARK	MC KINLEY	138.00	138.00	WOOD POLE	5.00		1
10	6132 CROSS STREET TAP	JUNCTION TOWER #88	138.00	138.00	WOOD POLE	4.00		1
11	6134 LINCOLN	ANTHONY	138.00	138.00	WOOD POLE	3.00		1
12	6135 WAYNEDEALE TAP		138.00	138.00	STEEL			2
13	6138 JACKSON ROAD	SOUTH SIDE	138.00	138.00	WOOD POLE	2.00		1
14	6142 ALBION	KENDALLVILLE	138.00	138.00	WOOD POLE	10.00		1
15	6150 SOUTHSIDE	SOUTH BEND	138.00	138.00	WOOD &	6.07		1
16	6219 DELCO BATTERY TAP		138.00	138.00	STEEL POLE	1.00		2
17	6220 FALL CREEK	MADISON-NEW CASTLE	138.00	138.00	STEEL	1.00		2
18	6225 INDUSTRIAL PARK	SPY RUN	138.00	138.00	WOOD POLE	4.00		1
19	6266 WALLEN		138.00	138.00	STEEL POLE	0.22		1
20	6234 CABOT TAP/CR 4	EAST ELKHART	138.00	138.00	WOOD POLE	0.13		1
21	6238 SORENSON	MCKINLEY TOWER	138.00	138.00	STEEL	3.13		2
22	6241 KENDALLVILLE TAP	CITY OF AUBURN #5	138.00	138.00	WOOD H-FR	14.00		1
23	6242 AUBURN	CITY OF AUBURN #5	138.00	138.00	WOOD POLE	2.00		1
24	6245 LAPORTE JCT	LIQUID CARBONICS	138.00	138.00	WOOD POLE	4.76		1
25	6245 LAPORTE JCT	LIQUID CARBONICS	138.00	138.00	STEEL POLE	0.23		
26	6246 LAPORTE JCT	AIRCO	138.00	138.00	WOOD POLE	1.00		1
27	6248 ELCONA TAP	CONC-DUN-E-ELK	138.00	138.00	WOOD POLE	2.00		1
28	6249 ALLEN	LINCOLN	138.00	138.00	STEEL	5.00		2
29	6250 ALLEN	ADAMS/HILLCREST	138.00	138.00	STEEL	5.00		2
30	6251 OLIVE	EDISON	138.00	138.00	STEEL	1.00		2
31	6253 TRIER RD TAP		138.00	138.00	STEEL POLE			1
32	6258 KENZIE CREEK	TWIN BRANCH	138.00	138.00	STEEL			2
33	6260 WILMINGTON TAP		138.00	138.00	WOOD POLE	1.00	9.00	1
34	6229 DUNLAP NORTH TAP		34.00	138.00	WOOD POLE	2.00		2
35	6140 INDIANA-PURDUE		34.00	138.00	STEEL POLE			2
36					TOTAL	3,884.21	122.00	202



Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**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								1
								2
556.5 MCM								3
795 MCM								4
795 MCM								5
1233.6 KCM								6
795 MCM								7
795 MCM								8
795 MCM								9
795 MCM								10
795 MCM								11
795 MCM								12
795 MCM								13
795 MCM								14
795 MCM								15
795 MCM AA								16
795 MCM								17
1033 MCM								18
1033.5 KCM								19
556.5 MCM								20
795 MCM								21
795 MCM								22
795 MCM								23
795 MCM								24
1033.5 KCM								25
795 MCM								26
795 MCM								27
1033 MCM								28
1033 MCM								29
795 MCM								30
795 MCM								31
1033 MCM								32
2-954 MCM								33
795 MCM								34
1033 MCM								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	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 2015/Q4
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**TRANSMISSION LINE STATISTICS**

- 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.
- 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.
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- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- 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.
- 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	6217 HILLCREST	KINNERK	69.00	138.00	WOOD POLE	4.00		1
2	6252 KENDALLVILLE	BIXLER	138.00	138.00	WOOD POLE	2.00		1
3	6254 ALLEN/LINCOLN	ALLEN/HILLCREST	138.00	138.00				
4	6271 INDALEX TAP/CR 4	EAST ELKHART	138.00	138.00	WOOD POLE	1.09		
5	6267 STUDEBAKER	WEST SIDE	138.00	138.00	WOOD POLE	1.41		1
6			138.00	138.00	STEEL	1.11		1
7	6270 JONES CREEK	HOGAN	138.00	138.00		5.62		
8	6273 DAWKINS SWITCH	HERBERT MONROE (WVPA)	138.00	138.00	WOOD	0.50		1
9	LINES<132 KV	SYSTEM	69.00		WOOD,	892.20	72.00	1
10								
11	STATE OF MICHIGAN							
12	6216 D.C. COOK	DUMONT	765.00	765.00	STEEL	16.00		1
13	6120 COOK	PALISADES	345.00	345.00	STEEL	41.78		2
14	6120 COOK	PALISADES	345.00	345.00	STEEL POLE	0.23		
15	6120 COOK	PALISADES	345.00	345.00	STEEL POLE	0.21		
16	6143 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
17	6144 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL			2
18	6151 COOK	OLIVE	345.00	345.00				
19	6152 COOK	ROBISON PARK	345.00	345.00				
20	6146 D.C. COOK	ROBISON PARK	345.00	345.00	STEEL	37.00		2
21	6146 D.C. COOK	ROBISON PARK	345.00	345.00	STEEL	0.09		
22	6214 COOK-ROB PARK	ARGENTA	345.00	345.00	STEEL	29.00		2
23	6221 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
24	6263 BARODA TAP		138.00	138.00				
25	0601 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	33.00		2
26	0610 AUTO SPECIALTIES		138.00	138.00				
27	0621 TWIN BRANCH - R	HICKORY CREEK	138.00	138.00	STEEL	5.00		2
28	0644 RIVERSIDE	HARTFORD	138.00	138.00	WOOD	14.22		1
29	0644 RIVERSIDE	HARTFORD	138.00	138.00	STEEL	2.11		
30	0649 COREY TAP		138.00	138.00	WOOD	13.00		1
31	6108 RIVERSIDE	OLIVE-HICKORY CREEK	138.00	138.00	WOOD &	6.00		1
32	6124 BENTON HARBOR	RIVERSIDE-HARTFORD	138.00	138.00	STEEL	1.00		2
33	6137 EDGEWATER TAP		138.00	138.00	WOOD POLE	0.76		1
34	6139 BENTON HARBOR	TWIN BRANCH-R SIDE	138.00	138.00	STEEL	6.00		2
35	6149 HARTFORD	COREY	138.00	138.00	WOOD POLE	40.95		1
36					TOTAL	3,884.21	122.00	202

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TRANSMISSION LINE STATISTICS (Continued)**

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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								1
795 MCM								2
								3
								4
954 MCM								5
954 MCM								6
								7
4/0								8
VARIOUS								9
								10
								11
4-954 MCM								12
2-954 MCM								13
2-954 MCM								14
2-1158.4 KCM								15
2-954 MCM								16
2-954 MCM								17
								18
								19
2-954 MCM								20
954 KCM								21
2-954 MCM								22
2-954 MCM								23
								24
397.5 MCM								25
								26
397.5 MCM								27
397.5 MCM								28
397.5 MCM								29
477 MCM								30
636 MCM								31
795 MCM								32
556.5 MCM								33
795 MCM								34
795 MCM								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	36



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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	6149 HARTFORD	COREY	138.00	138.00	STEEL	0.05		
2	6218 MOTTVILLE TAP		138.00	138.00	WOOD POLE	1.00		1
3	6255 KENZIE CREEK	VALLEY	138.00	138.00	WOOD POLE	20.00		1
4	6257 KENZIE CREEK	T B/R'SIDE/HICK CR	138.00	138.00	STEEL			
5	6261 FLATBUSH TAP		138.00	138.00		1.00		1
6	6262 WEST ST TAP		138.00	138.00		1.00		2
7	6700 GM HYDRAMATIC		138.00	138.00	STEEL	2.00		2
8	6227 NICKERSON	TOWER #13A	138.00	138.00				
9	0643 OLIVE	HICKORY CREEK	138.00	138.00				
10	6268 SAUK TRAIL		138.00	138.00	STEEL	1.60		
11								
12	LESS THAN 132 KV LINES		69.00		WOOD,	411.92	12.00	
13								
14								
15	Line cost and expense are	not available by individual						
16	transmission line.	Total shown in column j-p						
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	3,884.21	122.00	202

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/Q4
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**TRANSMISSION LINE STATISTICS (Continued)**

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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								1
795 AA								2
1033 MCM								3
795 MCM								4
								5
								6
795 MCM								7
								8
								9
1033.5KCM								10
								11
VARIOUS								12
								13
								14
								15
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	16
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								32
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								34
								35
	63,187,985	638,255,019	701,443,004	369,313	9,827,446		10,196,759	36



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**TRANSMISSION LINES ADDED DURING YEAR**

- 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.
- Provide separate subheadings for overhead and under- ground 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 columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	6273 DAWKINS SWITCH	HERBERT MONROE (WVPA)	0.50	WOOD		1	1
2							
3							
4							
5							
6							
7							
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37							
38							
39							
40							
41							
42							
43							
44	TOTAL		0.50			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) / /	Year/Period of Report End of <u>2015/Q4</u>
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**TRANSMISSION LINES ADDED DURING YEAR (Continued)**

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 footnote, and costs of Underground Conduit in column (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) (k)	LINE COST				Line No.	
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)		Total (p)
4/0	ACSR		138	34,729	172,281	89,238		296,248	1
									2
									3
									4
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									38
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									40
									41
									42
									43
				34,729	172,281	89,238		296,248	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/Period of Report End of 2015/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	13.00	
2	ADAMS (IM) - IN	T	138.00	69.00	34.00
3	ALBANY (IM) - IN	D	34.50	13.00	
4	ALBION - IN	T	138.00	69.00	12.00
5	ALBION - IN	T	69.00	12.00	
6	ALBION - IN	T	138.00		
7	ALBION - IN	T	69.00		
8	ALEXANDRIA - IN	D	34.50		
9	ALEXANDRIA - IN	D	34.50	4.00	
10	ALEXANDRIA - IN	D	34.50	13.00	
11	ALLEN (IM) - IN	T	345.00	137.50	13.80
12	ALMENA - MI	T	69.00	12.00	
13	ALMENA - MI	T	69.00	34.00	
14	ALMENA - MI	T	69.00	34.50	
15	AM GENERAL #1 - IN	D	34.50	4.00	
16	ANACONDA - IN	D	34.50	4.00	
17	ANCHOR HOCKING (IM) - IN	D	69.00	13.09	
18	ANCHOR HOCKING (IM) - IN	D	69.00	2.40	
19	ANTHONY - IN	T	138.00	34.00	
20	ANTHONY - IN	T	34.50	12.00	
21	ANTIVILLE - IN	D	69.00	12.00	
22	ARMSTRONG CORK - IN	D	69.00	4.00	
23	ARNOLD HOGAN - IN	T	138.00	13.09	
24	ARNOLD HOGAN - IN	T	138.00	34.00	
25	ARNOLD HOGAN - IN	T	34.50		
26	AUBURN - IN	T	138.00		
27	AUBURN - IN	T	138.00	70.50	36.20
28	BANGOR - MI	D	69.00	12.00	
29	BARLEY - IN	D	34.50	13.00	
30	BARODA - MI	D	138.00	13.09	
31	BEECH ROAD - IN	D	138.00	13.09	
32	BELLAIRE (IM) - IN	D	34.50	4.00	
33	BELLAIRE (IM) - IN	D	34.50		
34	BENTON HARBOR - MI	T	345.00	137.50	13.80
35	BENTON HARBOR - MI	T	345.00	137.50	13.14
36	BENTON HARBOR WATERWORKS - MI	D	34.50	13.00	
37	BERNE - IN	D	69.00		
38	BERNE - IN	D	69.00	12.00	
39	BERRIEN SP HYDR STAT - MI	T	34.50	12.00	
40	BERRIEN SP HYDR STAT - MI	T	34.50	13.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2015/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)	
13	1					1
115	1					2
9	1					3
90	1					4
8	1					5
			STATCAP	1	53	6
			STATCAP	1	14	7
			STATCAP	1	7	8
6	1					9
22	1					10
450	1					11
7	1					12
22	1					13
30	1					14
7	2					15
4	1					16
20	1					17
14	2					18
112	1					19
29	2					20
4	1					21
20	2					22
22	1					23
30	1					24
			STATCAP	2	29	25
			STATCAP	2	106	26
130	1					27
6	1					28
2	1					29
20	1					30
20	1					31
7	1					32
			STATCAP	1	10	33
450	1					34
224		1				35
2	6					36
			STATCAP	1	16	37
20	1					38
5	1					39
5	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 2015/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	BERRIEN SP HYDR STAT - MI	T	34.50		
2	BETHEL - IN	D	34.50	13.00	
3	BIG RUN - IN	T	69.00	0.48	
4	BIXLER - IN	D	138.00	13.09	
5	BLAINE STREET - IN	D	34.50	13.00	
6	BLOOMINGDALE (MBH) - MI	D	34.50	7.20	
7	BLUFF POINT - IN	T	69.00	13.00	
8	BLUFF POINT - IN	T	138.00	69.50	13.09
9	BLUFF POINT - IN	T	69.00		
10	BLUFFTON (IM) - IN	T	69.00		
11	BOHN ALUMINUM - IN	D	69.00	4.00	
12	BOSMAN - IN	D	34.50	13.00	
13	BRIDGMAN - MI	D	69.00	12.00	
14	BRIDGMAN - MI	D	69.00		
15	BUCHANAN HYDRO STA - MI	T	69.00	12.00	
16	BUCHANAN HYDRO STA - MI	T	69.00	34.00	
17	BUCHANAN SOUTH - MI	D	69.00	12.00	
18	BUTLER (IM) - IN	D	69.00	13.00	
19	BUTLER (IM) - IN	D	69.00		
20	CALVERT - IN	D	138.00	13.09	
21	CAMERON - MI	D	69.00	34.00	
22	CAPITAL AVENUE - IN	T	138.00	69.00	34.50
23	CAPITAL AVENUE - IN	T	138.00	13.09	
24	CARROLL - IN	D	34.50	13.00	
25	CASAD - IN	D	34.50	4.80	
26	CHARLES - IN	D	34.50	13.00	
27	CHURUBUSCO - IN	D	34.50	13.00	
28	CHURUBUSCO - IN	D	34.50		
29	CLEVELAND - IN	D	138.00	13.09	
30	CLIPPER - IN	D	69.00	13.09	
31	COLBY - MI	T	138.00	69.00	34.50
32	COLBY - MI	T	69.00	34.50	
33	COLBY - MI	T	138.00	13.09	
34	COLBY - MI	T	34.50		
35	COLFAX - IN	D	34.50	12.00	
36	COLOMA Y - MI	T	69.00		
37	COLONY BAY - IN	D	69.00	12.00	
38	COLONY BAY - IN	D	69.00	13.00	
39	COLUMBIA(IM) - IN	T	138.00	34.00	
40	COLUMBIA(IM) - IN	T	138.00	69.00	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)	
			STATCAP	1	10	1
11	1					2
3	1					3
20	1					4
29	2					5
2	3					6
6	1					7
60	1					8
			STATCAP	1	16	9
			STATCAP	1	16	10
5	1					11
9	1					12
19	2					13
			STATCAP	1	14	14
8	1					15
20	1					16
22	1					17
20	1					18
			STATCAP	2	30	19
20	1					20
8	1					21
130	1					22
12	1					23
2	3					24
1	2					25
2	1					26
11	1					27
			STATCAP	1	5	28
20	1					29
6	1					30
75	1					31
20	1					32
8	1					33
			STATCAP	1	12	34
22	1					35
			STATCAP	1	14	36
20	1					37
22	1					38
20	1					39
50	1					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.
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	CONANT - IN	D	34.50	12.00	
2	CONCORD - IN	T	138.00	13.09	
3	CONCORD - IN	T	138.00	34.00	
4	CONCORD - IN	T	138.00	13.09	
5	CONCORD - IN	T	138.00		
6	CONCORD - IN	T	34.50		
7	COREY - MI	T	69.00		
8	COREY - MI	T	138.00	69.00	34.50
9	COUNTRYSIDE - IN	D	138.00	12.47	
10	COUNTY LINE (IM) - IN	D	138.00	13.09	
11	COUNTY ROAD 4 - IN	D	138.00	13.09	
12	COVERT - MI	D	69.00	13.00	
13	CROSS STREET - IN	D	138.00	13.09	
14	CRYSTAL - MI	D	138.00	13.09	
15	DALEVILLE - IN	D	138.00	13.09	
16	DARDEN ROAD - IN	D	138.00	13.09	
17	DC COOK 345 - MI	T	12.00	0.24	
18	DC COOK 69/12 - MI	T	69.00	13.00	
19	DC COOK 69/12 - MI	T	69.00		
20	DC COOK 765 - MI	T	765.00	345.00	34.00
21	DC COOK 765 - MI	T	765.00	345.00	34.00
22	DC COOK 765 - MI	T	765.00	345.00	34.00
23	DC COOK 765 - MI	T	765.00	345.00	34.00
24	DECATUR (FTW) - IN	T	69.00	4.00	
25	DECATUR (FTW) - IN	T	69.00	13.00	
26	DECATUR (FTW) - IN	T	69.00	34.00	
27	DECATUR (FTW) - IN	T	69.00		
28	DEER CREEK - IN	T	138.00		
29	DEER CREEK - IN	T	34.50		
30	DEER CREEK - IN	T	138.00	34.50	
31	DEER CREEK - IN	T	138.00	69.00	34.00
32	DEER CREEK - IN	T	34.50	11.00	4.00
33	DEER CREEK - IN	T	34.50	13.09	
34	DEER CREEK - IN	T	138.00	13.09	
35	DELAWARE (IM) - IN	T	138.00	34.00	
36	DELAWARE (IM) - IN	T	138.00		
37	DELAWARE (IM) - IN	T	34.50		
38	DERBY - MI	T	138.00	69.00	34.50
39	DESOTO - IN	T	345.00	138.00	34.50
40	DIEBOLD ROAD - IN	D	69.00	13.00	

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.

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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)	
22	1					1
22	1					2
50	1					3
22	1					4
			STATCAP	1	53	5
			STATCAP	1	14	6
			STATCAP	1	14	7
130	1					8
20	1					9
20	1					10
20	1					11
9	1					12
20	1					13
22	1					14
20	1					15
42	2					16
	2					17
7	2					18
			STATCAP	1		19
500		1				20
500		1				21
500		1				22
500		1				23
5	1					24
20	1					25
20	1					26
			STATCAP	1	13	27
			STATCAP	1	58	28
			STATCAP	2	30	29
75	1					30
90	1					31
20	1					32
4	1					33
20	1					34
125	2					35
			STATCAP	1	53	36
			STATCAP	1		37
75	1					38
675	1					39
20	1					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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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	DOOVILLE - IN	D	138.00	13.09	
2	DRAGOON - IN	T	138.00	69.00	34.00
3	DRAGOON - IN	T	34.50		
4	DREWRYS - IN	D	34.50	12.00	
5	DREWRYS - IN	D	34.50	13.09	
6	DUMONT - IN	T	765.00	345.00	17.00
7	DUMONT - IN	T	765.00	345.00	34.50
8	DUMONT - IN	T	765.00		
9	DUNLAP - IN	T	34.50		
10	DUNLAP - IN	T	138.00	13.09	
11	DUNLAP - IN	T	138.00	69.00	34.00
12	DUNLAP - IN	T	138.00	13.09	
13	EAST ELKHART - IN	T	138.00	69.00	34.00
14	EAST ELKHART - IN	T	345.00	137.50	13.80
15	EAST ELKHART - IN	T	34.50	7.20	
16	EAST SIDE (IM) - IN	D	138.00	13.09	
17	EAST WATERVLIET - MI	D	138.00	13.09	
18	EAU CLAIRE - MI	D	34.50	13.00	
19	EGE - IN	D	138.00	34.50	13.00
20	EIGHTH STREET (IM) - MI	D	34.50	4.00	
21	ELCONA - IN	D	138.00	13.09	
22	ELKHART HYDRO STAT - IN	T	34.50	13.00	
23	ELKHART HYDRO STAT - IN	T	34.50		
24	ELLISON ROAD - IN	T	138.00	13.09	
25	ELMRIDGE - IN	D	34.50	13.00	
26	ELWOOD (IM) - IN	D	34.50	13.00	
27	ELWOOD (IM) - IN	D	34.50		
28	FAIRMOUNT - IN	D	34.50	7.20	
29	FARMLAND - IN	D	69.00	13.09	
30	FERGUSON - IN	D	69.00	13.00	
31	FISHER BODY - IN	D	138.00	13.80	
32	FLORENCE ROAD - MI	D	69.00	12.00	
33	FLORENCE ROAD - MI	D	69.00		
34	FULTON (IM) - IN	D	34.50	13.00	
35	GAS CITY - IN	D	34.50	13.00	
36	GAS CITY - IN	D	34.50		
37	GATEWAY (IM) - IN	T	69.00		
38	GATEWAY (IM) - IN	T	69.00	34.00	
39	GERMAN - IN	D	138.00	13.09	
40	GLENBROOK - IN	D	34.50	13.00	



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SUBSTATIONS (Continued)

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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)	
12	1					1
84	1					2
			STATCAP	1	12	3
8	1					4
8	1					5
1500	3					6
1500	3					7
			REACTOR	6	600	8
			STATCAP	1	14	9
20	1					10
130	1					11
20	1					12
84	1					13
450	1					14
1		1				15
37	2					16
20	1					17
4	1					18
8	1					19
9	1					20
22	1					21
8	1					22
			STATCAP	1	14	23
20	1					24
9	1					25
19	2					26
			STATCAP	1	5	27
11	1					28
20	1					29
20	1					30
100	2					31
20	1					32
			STATCAP	1	10	33
20	1					34
20	1					35
			STATCAP	1	10	36
			STATCAP	1	13	37
20	1					38
47	2					39
40	2					40



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**SUBSTATIONS**

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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	GRABILL - IN	D	138.00	13.09	
2	GRANGER - IN	D	138.00	12.47	
3	GRANGER - IN	D	138.00	13.09	
4	GRANT - IN	T	138.00	13.09	
5	GRAVEL PIT - IN	D	34.50	12.00	
6	GREENLEAF - IN	D	34.50	13.09	
7	GREENTOWN - IN	T	765.00		
8	HACIENDA - IN	D	138.00	12.47	
9	HACIENDA - IN	D	138.00	13.09	
10	HADLEY - IN	D	69.00	13.00	
11	HAGAR - MI	D	69.00	12.00	
12	HAMILTON - IN	D	69.00	13.00	
13	HARLAN - IN	D	69.00	13.00	
14	HARLAN - IN	D	69.00	13.09	
15	HARPER - IN	D	138.00	13.09	
16	HARRISON STREET - IN	D	34.50	4.00	
17	HARTFORD - MI	T	138.00	69.00	34.00
18	HARTFORD - MI	T	69.00	12.00	
19	HARTFORD CITY - IN	T	69.00	13.00	
20	HARTFORD CITY - IN	T	69.00	34.00	
21	HARTFORD CITY - IN	T	69.00		
22	HARVEST PARK - IN	D	34.50	13.00	
23	HAWTHORNE - MI	D	69.00	12.00	
24	HAYMOND - IN	D	34.50	13.00	
25	HICKORY CREEK - MI	T	138.00	34.50	
26	HICKORY CREEK - MI	T	138.00	69.00	34.50
27	HICKORY CREEK - MI	T	34.50	12.00	
28	HICKORY CREEK - MI	T	34.50		
29	HILLCREST - IN	T	138.00	69.00	34.00
30	HILLCREST - IN	T	138.00	13.09	
31	HILLCREST - IN	T	138.00		
32	HUMMEL CREEK - IN	T	138.00	13.09	
33	HUMMEL CREEK - IN	T	138.00	69.00	34.00
34	ILLINOIS ROAD - IN	T	138.00	69.00	13.00
35	ILLINOIS ROAD - IN	T	138.00	13.09	
36	INDIAN LAKE - MI	D	34.50	13.00	
37	INDUSTRIAL PARK - IN	T	138.00	13.09	
38	INDUSTRIAL PARK - IN	T	34.50	13.00	
39	INDUSTRIAL PARK - IN	T	138.00	69.00	34.00
40	INDUSTRIAL PARK - IN	T	138.00		

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 2015/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
20	1					2
20	1					3
	1					4
5	1					5
20	1					6
			REACTOR	3	300	7
25	1					8
20	1					9
40	2					10
11	1					11
11	1					12
5	1					13
13	1					14
20	1					15
4	1					16
129	1					17
11	1					18
20	1					19
20	1					20
			STATCAP	1	16	21
20	1					22
22	1					23
24	2					24
60	2					25
75	1					26
31	2					27
			STATCAP	1	12	28
84	1					29
42	2					30
			STATCAP	1	53	31
20	1					32
75	1					33
84	1					34
20	1					35
2	1					36
22	1					37
22	1					38
75	1					39
			STATCAP	1	50	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 2015/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	INDUSTRIAL PARK - IN	T	34.50		
2	IRELAND ROAD - IN	D	138.00	13.09	
3	IU PURDUE - IN	D	13.80	4.00	
4	IU PURDUE - IN	D	34.50	12.00	
5	IU PURDUE - IN	D	34.50	13.00	
6	JACKSON ROAD - IN	T	138.00	34.00	
7	JACKSON ROAD - IN	T	345.00	138.00	34.00
8	JACKSON ROAD - IN	T	138.00	13.09	
9	JACKSON ROAD - IN	T	34.50		
10	JAY (IM) - IN	T	138.00		
11	JAY (IM) - IN	T	138.00	13.09	
12	JAY (IM) - IN	T	138.00	69.00	34.00
13	JEFFERSON (IM) - IN	T	138.00		
14	JEFFERSON (IM) - IN	T	765.00		
15	JOBES - IN	D	34.50	4.00	
16	JONES CREEK - IN	D	138.00	12.47	
17	KANKAKEE - IN	T	138.00	34.00	11.00
18	KANKAKEE - IN	T	138.00	13.09	
19	KENDALLVILLE - IN	T	69.00	12.00	
20	KENDALLVILLE - IN	T	69.00	13.00	
21	KENDALLVILLE - IN	T	138.00	69.00	13.00
22	KENDALLVILLE - IN	T	138.00		
23	KENZIE CREEK - MI	T	345.00	137.50	13.80
24	KINGSLAND - IN	D	69.00	13.00	
25	KLINE - IN	T	138.00	34.00	
26	KLINE - IN	T	34.50		
27	LAKE STREET - MI	T	69.00	34.00	
28	LAKE STREET - MI	T	69.00		
29	LAKESIDE (MBH) - MI	D	69.00	12.00	
30	LAKESIDE (MBH) - MI	D	69.00	13.09	
31	LANGLEY (IM) - MI	D	34.50	13.00	
32	LANTERN PARK - IN	D	138.00	13.09	
33	LAPAZ - IN	D	34.50	13.00	
34	LAPORTE JUNCTION - IN	T	138.00	69.00	34.00
35	LAUD - IN	D	34.50	13.00	
36	LIBERTY CTR - IN	D	69.00	13.00	
37	LIBERTY CTR - IN	D	69.00		
38	LIGONIER - IN	D	138.00	13.09	
39	LINCOLN - IN	T	138.00	34.00	11.00
40	LINCOLN - IN	T	138.00	13.09	

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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	16	1
20	1					2
5	1					3
22	1					4
20	1					5
30	1					6
672	1					7
32	2					8
			STATCAP	1	14	9
			STATCAP	1	58	10
9	1					11
115	1					12
			REACTOR	1	20	13
			REACTOR	6	450	14
9	1					15
20	1					16
50	1					17
22	1					18
11	1					19
8	1					20
75	1					21
			STATCAP	1	43	22
450	1					23
5	1					24
100	1					25
			STATCAP	1	14	26
40	1					27
			STATCAP	1	14	28
	1					29
9	1					30
17	2					31
20	1					32
5	1					33
84	1					34
7	1					35
4	1					36
			STATCAP	1	7	37
29	2					38
49	3					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 2015/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	LINCOLN - IN	T	138.00		
2	LINCOLN - IN	T	34.50		
3	LINWOOD (IM) - IN	D	138.00	13.09	
4	LOBDELL - IN	D	69.00	0.48	
5	LUSHER AVENUE - IN	D	34.50	12.00	
6	LYDICK - IN	D	34.50	13.09	
7	LYNN - IN	D	69.00	13.00	
8	MADISON (IM) - IN	T	34.50	13.09	
9	MADISON (IM) - IN	T	138.00	35.00	
10	MAGLEY - IN	T	138.00	69.00	13.00
11	MAGLEY - IN	T	69.00	13.00	
12	MAIN STREET - MI	T	138.00	34.00	
13	MAIN STREET - MI	T	138.00	13.09	
14	MAIN STREET - MI	T	34.50	4.00	
15	MARATHON OIL (IM) - IN	D	69.00	4.00	
16	MARCELLUS - MI	D	34.50	13.00	
17	MARION ETHANOL - IN	D	34.50	4.00	
18	MARION PLANT - IN	D	34.50	4.00	
19	MARION PLANT - IN	D	34.50	13.00	
20	MARION PLANT - IN	D	34.50		
21	MAYFIELD - IN	D	138.00	13.09	
22	MCCLURE - IN	D	34.50	4.00	
23	MCGALLIARD ROAD - IN	D	34.50	13.00	
24	MCKINLEY - IN	T	138.00	13.09	
25	MCKINLEY - IN	T	138.00	34.00	
26	MCKINLEY - IN	T	138.00	69.00	34.00
27	MCKINLEY - IN	T	138.00		
28	MCKINLEY - IN	T	34.50		
29	MCKINLEY - IN	T	69.00		
30	MEADOWBROOK - IN	T	34.50		
31	MEADOWBROOK - IN	T	138.00	35.00	
32	MEDFORD - IN	T	138.00	69.00	34.00
33	MEDFORD - IN	T	34.50		
34	MIDDLEBURY - IN	D	34.50	0.48	
35	MIER - IN	D	138.00	13.09	
36	MILLER AVENUE - IN	D	34.50	4.00	
37	MISSISSINEWA - IN	D	138.00	13.09	
38	MOCK AVENUE - IN	D	34.50	4.00	
39	MODOC - IN	T	138.00	69.00	13.00
40	MODOC - IN	T	69.00	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)	
			STATCAP	1	53	1
			STATCAP	2	29	2
11	1					3
3	1					4
20	1					5
20	1					6
7	1					7
5	1					8
60	1					9
90	1					10
9	1					11
30	1					12
22	1					13
8	1					14
6	1					15
4	1					16
11	1					17
6	1					18
22	1					19
			STATCAP	1	9	20
20	1					21
8	1					22
29	2					23
40	2					24
112	1					25
84	1					26
			STATCAP	1	86	27
			STATCAP	1	14	28
			STATCAP	1	22	29
			STATCAP	1	14	30
100	1					31
75	1					32
			STATCAP	1	15	33
3	1					34
11	1					35
8	1					36
12	1					37
4	1					38
60	1					39
5	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 2015/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	MONROE (IM) - IN	D	69.00	13.00	
2	MONTPELIER - IN	D	69.00	13.00	
3	MOORE PARK - MI	T	138.00	13.09	
4	MOORE PARK - MI	T	138.00	69.00	34.50
5	MOORE PARK - MI	T	69.00		
6	MOTTVILLE - MI	T	138.00	69.00	34.00
7	MOTTVILLE - MI	T	69.00	12.00	
8	MUD CREEK - IN	D	34.50	2.30	
9	MULLIN - IN	T	138.00	34.00	
10	MULLIN - IN	T	34.50		
11	MURCH - MI	D	69.00	12.00	
12	MURCH - MI	D	69.00		
13	MURRAY - IN	D	69.00	13.00	
14	NEW BUFFALO - MI	D	69.00	12.00	
15	NEW CARLISLE - IN	T	138.00	34.50	
16	NEW CARLISLE - IN	T	34.50	13.00	
17	NICHOLSVILLE - MI	D	34.50	13.00	
18	NICKERSON - MI	D	138.00	13.09	
19	NILES - MI	T	69.00	13.09	
20	NILES - MI	T	69.00	34.00	
21	NILES - MI	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	NORTHWEST ELKHART - IN	D	34.50	12.00	
27	NORTHWEST ELKHART - IN	D	34.50	13.00	
28	NORTHWEST ELKHART - IN	D	34.50		
29	OHIO OIL - IN	D	34.50	2.40	
30	OLIVE - IN	T	138.00	69.00	34.00
31	OLIVE - IN	T	345.00	138.00	34.50
32	OLIVE - IN	T	138.00	13.09	
33	ORONOKO - MI	D	34.50	12.00	
34	OSOLO - IN	T	138.00	13.09	
35	OSOLO - IN	T	138.00	69.00	34.00
36	OSOLO - IN	T	34.50		
37	OSSIAN - IN	D	69.00	13.00	
38	PARKWAY - IN	D	34.50	13.00	
39	PARNELL - IN	D	34.50	13.00	
40	PARNELL - IN	D	34.50	13.09	

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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)	
8	1					1
22	1					2
20	1					3
90	1					4
			STATCAP	1	16	5
90	1					6
3	1					7
2	1					8
30	1					9
			STATCAP	1	10	10
20	1					11
			STATCAP	1	13	12
5	1					13
31	2					14
30	1					15
8	1					16
2	1					17
20	1					18
20	1					19
45	1					20
			STATCAP	1	14	21
11	1					22
22	1					23
20	1					24
32	2					25
11	1					26
20	1					27
			STATCAP	1	14	28
6	6					29
27	1					30
675	1					31
9	1					32
8	1					33
42	2					34
75	1					35
			STATCAP	1	14	36
20	1					37
5	1					38
20	1					39
20	1					40

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**SUBSTATIONS**

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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	PEACOCK - IN	D	34.50	13.00	
2	PEARL STREET - MI	D	34.50	12.00	
3	PENDLETON - IN	T	138.00	35.00	
4	PENDLETON - IN	T	34.50		
5	PENNVILLE - IN	D	138.00	34.00	13.00
6	PETTIT AVENUE - IN	D	34.50	13.00	
7	PHILIPS - IN	D	69.00	0.48	
8	PIGEON RIVER - MI	D	69.00	12.00	
9	PINE ROAD - IN	D	138.00	13.09	
10	PIPE CREEK - IN	D	138.00	12.00	
11	PLEASANT - IN	D	69.00	13.00	
12	PLEASANT - IN	D	69.00		
13	POE - IN	D	34.50		
14	POE - IN	D	34.50	13.00	
15	POKAGON(MBH) - MI	T	138.00	69.00	13.00
16	POKAGON(MBH) - MI	T	69.00	13.00	
17	POKAGON(MBH) - MI	T	69.00		
18	PORTLAND (IM) - IN	D	69.00	13.00	
19	PRICE - IN	D	69.00	13.09	
20	QUINN - IN	D	34.50	13.09	
21	RANDOLPH - IN	T	138.00	69.00	13.00
22	RANDOLPH - IN	T	138.00	13.09	
23	RANDOLPH - IN	T	69.00		
24	REED - IN	D	138.00	13.09	
25	RENNER STREET - IN	D	69.00	0.48	
26	RICKERMAN ROAD - MI	D	138.00	13.09	
27	RIVERSIDE (IM) - MI	T	138.00	13.09	
28	RIVERSIDE (IM) - MI	T	138.00	69.00	34.00
29	RIVERSIDE (IM) - MI	T	138.00		
30	ROANOKE (IM) - IN	D	34.50	13.00	
31	ROCKPORT - IN	T	34.50	13.00	
32	ROCKPORT - IN	T	138.00		
33	ROCKPORT - IN	T	765.00		
34	ROSE HILL - IN	D	138.00	13.00	
35	ROYERTON - IN	D	138.00	13.09	
36	SATURN - IN	T	138.00	13.09	
37	SAUK TRAIL - MI	D	138.00	13.09	
38	SCHOOLCRAFT - MI	D	69.00	13.00	
39	SCOTTDALE - MI	D	34.50	13.00	
40	SCOTTDALE - MI	D	34.50	13.09	



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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)	
5	1					1
17	2					2
125	2					3
			STATCAP	2	26	4
8	1					5
20	1					6
3	1					7
20	1					8
20	1					9
20	1					10
5	1					11
			STATCAP	1	13	12
			STATCAP	1	5	13
5	1					14
115	1					15
5	1					16
			STATCAP	1	14	17
17	2					18
20	1					19
28	3					20
56	1					21
22	1					22
			STATCAP	1	14	23
22	1					24
3	1					25
8	1					26
20	1					27
134	2					28
			STATCAP	1	53	29
3	1					30
2	2					31
			REACTOR	2	40	32
			REACTOR	4	200	33
8	1					34
11	1					35
13	1					36
20	1					37
22	1					38
11	1					39
9	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 2015/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	SELMA PARKER - IN	T	138.00	13.09	
2	SHARON ROAD - IN	D	34.50	13.00	
3	SILVER LAKE - IN	D	34.50	12.00	
4	SISTER LAKES - MI	D	34.50	12.00	
5	SODUS - MI	D	138.00	13.09	
6	SORENSEN - IN	T	138.00	13.09	
7	SORENSEN - IN	T	345.00	138.00	34.00
8	SORENSEN - IN	T	345.00	138.00	34.50
9	SOUTH BEND - IN	T	138.00	34.00	
10	SOUTH BEND - IN	T	138.00	69.00	34.00
11	SOUTH BEND - IN	T	138.00	13.09	
12	SOUTH BEND - IN	T	138.00		
13	SOUTH BERNE - IN	D	69.00	12.00	
14	SOUTH DECATUR - IN	D	69.00	13.00	
15	SOUTH DECATUR - IN	D	69.00	13.09	
16	SOUTH ELWOOD - IN	T	138.00	13.09	
17	SOUTH ELWOOD - IN	T	138.00	34.00	
18	SOUTH HAVEN - MI	T	69.00		
19	SOUTH SIDE (MARION) - IN	D	34.50	13.09	
20	SOUTH SIDE (SOUTH BEND) - IN	D	138.00	13.09	
21	SOUTH SUMMITVILLE - IN	T	34.50	13.09	
22	SOYA - IN	D	34.50	4.00	
23	SPRING STREET - IN	D	34.50	12.00	
24	SPRING STREET - IN	D	34.50	13.00	
25	SPRINGVILLE - IN	D	69.00	13.00	
26	SPY RUN 34 - IN	D	34.50	12.00	
27	SPY RUN SF6 - IN	T	138.00	13.09	
28	SPY RUN SF6 - IN	T	138.00	34.00	
29	ST MARYS COLLEGE - IN	D	34.50	4.33	
30	ST. JOE - IN	D	69.00	13.09	
31	STATE STREET - IN	D	138.00	13.09	
32	STEVENSVILLE - MI	D	69.00	13.00	
33	STEVENSVILLE - MI	D	69.00	13.09	
34	STONE LAKE - MI	D	69.00	12.00	
35	STONE LAKE - MI	D	69.00	13.00	
36	STUBEY ROAD - MI	D	69.00	12.00	
37	STUBEY ROAD - MI	D	69.00		
38	STUDEBAKER - IN	D	138.00	13.09	
39	STUDEBAKER - IN	D	138.00	13.80	
40	SULLIVAN (IM) - IN	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 2015/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)	
	1					1
3	3					2
20	1					3
15	2					4
11	1					5
9	1					6
675	1					7
675	1					8
150	2					9
130	1					10
20	1					11
			STATCAP	1	53	12
12	1					13
20	1					14
20	1					15
20	1					16
30	1					17
			STATCAP	2	19	18
20	1					19
20	1					20
20	1					21
11	1					22
12	1					23
8	1					24
9	1					25
20	1					26
22	1					27
200	2					28
8	1					29
20	1					30
22	1					31
8	1					32
13	1					33
9	1					34
7	1					35
11	1					36
			STATCAP	1	14	37
20	1					38
36	2					39
3000	6					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.
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	SULLIVAN (IM) - IN	T	765.00	345.00	34.50
2	SULLIVAN (IM) - IN	T	138.00		
3	SULLIVAN (IM) - IN	T	765.00		
4	SUMMIT - IN	D	138.00	13.09	
5	SWANSON - IN	D	69.00	34.00	
6	SWANSON - IN	D	69.00		
7	TANNERS CREEK - IN	T	345.00	137.50	13.14
8	TANNERS CREEK - IN	T	345.00	141.00	13.20
9	THOMAS ROAD - IN	D	69.00	13.09	
10	THREE M - IN	D	69.00	4.00	
11	THREE OAKS - MI	D	69.00	12.00	
12	THREE RIVERS (FTW) - IN	D	34.50	13.00	
13	THREE RIVERS (FTW) - IN	D	34.50	14.40	
14	THREE RIVERS (MBH) - MI	D	69.00	12.00	
15	TILLMAN - IN	T	138.00	36.20	
16	TILLMAN - IN	T	138.00	13.09	
17	TILLOTSON - IN	D	34.50	13.00	
18	TORRINGTON - IN	D	34.50	4.00	
19	TRIER - IN	D	138.00	13.09	
20	TRI-LAKES - IN	D	69.00	13.00	
21	TWENTY FIRST STREET - IN	D	34.50	13.00	
22	TWENTY THIRD STREET (IM) - IN	T	138.00	69.00	34.00
23	TWENTY THIRD STREET (IM) - IN	T	34.50		
24	TWIN BRANCH 138KV - IN	T	345.00	137.50	13.20
25	TWIN BRANCH 138KV - IN	T	345.00	138.00	34.50
26	TWIN BRANCH 138KV - IN	T	138.00	13.09	
27	UNIVERSAL TOOL - IN	D	69.00	0.48	
28	UP RIVER DAM - IN	D	13.80	4.00	
29	UP RIVER DAM - IN	D	34.50	4.00	
30	UPLAND - IN	D	69.00	13.20	
31	UTICA (IM) - IN	D	34.50	13.09	
32	VALLEY - MI	T	138.00	69.00	34.00
33	VALLEY - MI	T	138.00		
34	VALLEY - MI	T	34.50		
35	VAN BUREN - IN	T	138.00	69.00	13.00
36	VICKSBURG - MI	D	69.00	12.00	
37	VICKSBURG - MI	D	69.00	13.09	
38	WABASH AVENUE - IN	D	69.00	13.09	
39	WALLEN - IN	T	138.00	69.00	34.00
40	WALLEN - IN	T	138.00	13.09	

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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 (l)	Number of Units (j)	Total Capacity (In MVa) (k)	
500	1					1
			REACTOR	1	20	2
			REACTOR	4	200	3
40	2					4
45	2					5
			STATCAP	1	14	6
150	1					7
150	1					8
20	1					9
13	1					10
6	1					11
10	2					12
22	2					13
22	1					14
18	1					15
	1					16
20	1					17
9	1					18
20	1					19
4	1					20
19	2					21
213	2					22
			STATCAP	2	29	23
450	1					24
675	1					25
20	1					26
1	1					27
2	3					28
2	3					29
20	1					30
42	2					31
75	1					32
			STATCAP	1	44	33
			STATCAP	1	7	34
56	1					35
9	1					36
20	1					37
20	1					38
54	1					39
20	2					40



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**SUBSTATIONS**

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- 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.
- 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	WARREN - IN	D	69.00	12.00	
2	WATER POLLUTION - IN	D	34.50	4.00	
3	WAYNE TRACE - IN	D	138.00	13.09	
4	WAYNE DALE - IN	D	138.00	12.47	
5	WAYNE DALE - IN	D	138.00	13.09	
6	WEBSTER - IN	D	34.50	12.00	
7	WEBSTER - IN	D	34.50	14.00	
8	WES-DEL - IN	D	138.00	13.09	
9	WEST END - IN	D	34.50	4.00	
10	WEST END - IN	D	34.50	13.00	
11	WEST SIDE - IN	T	138.00	13.09	
12	WEST SIDE - IN	T	138.00	69.00	34.00
13	WEST SIDE - IN	T	34.50		
14	WEST STREET - MI	D	138.00	13.09	
15	WHEELER STREET - MI	D	69.00	13.00	
16	WHITAKER - IN	D	34.50	12.00	
17	WHITLEY SW - IN	T	34.50		
18	WINCHESTER (IM) - IN	T	69.00		
19	WINCHESTER (IM) - IN	T	69.00	34.00	
20	WINCHESTER (IM) - IN	T	69.00	13.00	
21	WOLF LAKE - IN	D	69.00	13.00	
22	WOLVERINE - MI	D	69.00	13.00	2.40
23	WOODBURN - IN	D	69.00	13.00	
24	WOODS ROAD - IN	D	138.00	12.00	
25					
26					
27					
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40					



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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)	
7	1					1
11	2					2
22	1					3
20	1					4
22	1					5
20	1					6
19	4					7
22	1					8
8	1					9
9	2					10
42	2					11
84	1					12
			STATCAP	1	12	13
20	1					14
8	1					15
20	1					16
			STATCAP	1	5	17
			STATCAP	2	22	18
17	1					19
26	2					20
8	1					21
5	1					22
11	1					23
10	1					24
						25
						26
						27
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**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
<b>1</b>	<b>Non-power Goods or Services Provided by Affiliated</b>			
2	Administrative and General Expenses	AEPSC	Various	16,223,430
3	Administrative and General Expenses	AEP River Ops	920-921	347,880
4	AEP Support Services	AEPSC	417	1,187,830
5	Coal Storage	AEG	151	1,997,390
6	Audit Services	AEPSC	920	1,872,354
7	Central Machine Shop	APCO	Various	2,500,299
8	Civic and Political Activities	AEPSC	426	826,122
9	Construction Services	AEPSC	107,108,120	42,966,238
10	Corporate Safety and Health	AEPSC	920	531,899
11	Corporate Accounting	AEPSC	920	3,681,656
12	Corporate Communication	AEPSC	920	850,723
13	Corporate Planning and Budgeting	AEPSC	920	1,874,255
14	Customer Accounts Expense	AEPSC	901-903, 905	9,115,565
15	Customer and Distribution Services	AEPSC	920	483,042
16	Customer Service and Informational Expenses	AEPSC	907,908,910	302,344
17	Finance, Accounting & Strategic Planning	AEPSC	920	258,118
18	Distribution Expenses - Operation	AEPSC	Various	2,601,040
19	Distribution Expenses - Operation	OPCO	Various	360,956
<b>20</b>	<b>Non-power Goods or Services Provided for Affiliate</b>			
21	Assets and Other Debits - Utility Plant	IMTCo	107,108	7,417,518
22	Assets and Other Debits - Utility Plant	OPCO	101,107,108	381,099
23	Barging	AEG	417	16,131,295
24	Barging	APCO	417	37,696,442
25	Barging	KPCO	417	4,597,313
26	Barging	AEP River Ops	417	15,535,386
27	Fleet and Vehicle Charges	APCO	Various	1,019,588
28	Administrative and General - Operations	AEP River Ops	920,921	359,486
29	Fuel Handling	AEG	152,501	5,663,524
30	Material and Supplies	APCO	154	736,692
31	Material and Supplies	OPCO	154	3,684,387
32	Material and Supplies	IMTCo	154	2,897,859
33	Current and Accrued Assets	AEG	163	408,887
34	Distribution Expenses - Maintenance	APCO	592-595	294,982
35	Railcar Lease	PSO	151	617,590
36	Railcar Lease	SWEPCO	151	1,763,271
37	Barging	AGR	417	500,354
38	Material and Supplies	OHTCO	154	682,558
39	Power Production Expense - Maintenance	AEG	510-514	1,614,061
40	Building and Property Leases	AEPSC	454	1,245,293
41	Fleet and Vehicle Charges	AEPSC	Various	614,410
42	Power Production Expense	AEG	500,506	4,431,534

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**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
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Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
<b>1</b>	<b>Non-power Goods or Services Provided by Affiliated</b>			
2	Distribution Expenses - Maintenance	OPCO	591-598	284,384
3	Environmental Services	AEPSC	920	477,135
4	Factored Customer A/R Bad Debts	AEP Credit	426	5,878,929
5	Factored Customer A/R Expense	AEP Credit	426	2,554,157
6	Coal Transloading	AEG	151	44,803,152
7	Fleet and Vehicle Charges	APCO	Various	1,281,397
8	Fuel and Storeroom Services	AEPSC	152,163	5,859,071
9	Human Resources	AEPSC	920,923	3,102,214
10	Hydraulic Power Generation - Operation	AEPSC	535,537,539	1,202,853
11	Information Technology	AEPSC	920,923	4,504,129
12	Legal GC/Administration	AEPSC	920	4,026,200
13	Material and Supplies	APCO	Various	410,318
14	Treasury and Investor Relations	AEPSC	920	656,839
15	Material and Supplies	OPCO	Various	1,442,708
16	Nuclear Power Generation - Maintenance	AEPSC	528, 530-532	1,218,168
17	Nuclear Power Generaion - Operation	AEPSC	517,520,524	1,360,933
18	Barging Expenses	AEP River Ops	417	1,355,017
19	Rail Car Lease	PSO	186	380,318
<b>20</b>	<b>Non-power Goods or Services Provided for Affiliate</b>			
21	Transmission Expenses - Operation	IMTCO	560,562,563,566	638,738
22	Other Income	AEP River Ops	417	393,132
23	Transmission Expenses - Maintenance	IMTCO	568-571,573	1,143,258
24	Services for Rockport Plant	AEG	Various	116,806,029
25	Other Operating Revenues	APCO	456	367,735
26	Fuel Activated Carbon	AEG	154,502	6,208,672
27	Fuel Sodium Bicarbonate	AEG	502	5,549,930
28	Memco Expense	AEP River Ops	417	2,444,609
29	Barging	WPCO	417	4,358,095
30	Use of Jointly Owned Facility	IMTCO	456	572,075
31				
32				
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**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

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Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
<b>1</b>	<b>Non-power Goods or Services Provided by Affiliated</b>			
2	Transmission Expenses - Operation	AEPSC	560-564,566,567	8,801,061
3	Rail Car Lease	SWEPCO	186	1,179,212
4	Rail Car Maintenance	SWEPCO	151	270,101
5	Real Estate and Workplace Services	AEPSC	920,923	963,871
6	Regulatory Services	AEPSC	920	2,596,076
7	Research and Other Services	AEPSC	183,186,188	2,280,449
8	Risk and Strategic Services	AEPSC	920	699,315
9	Steam Power Generation - Maintenance	AEPSC	510-514	2,340,657
10	Steam Power Generation - Operation	AEPSC	500-506	6,667,858
11	Rail Car Maintenance	AEG	151	2,032,768
12	Transmission Expenses - Maintenance	AEPSC	568-573	2,011,982
13	Security and Aviation	AEPSC	920	908,966
14	Other Power Supply Expenses	AEPSC	555-557	6,028,436
15	Other Property and Investments	AEPSC	121,124	312,864
16	Power Production Expenses - Operation	AEG	500,502	618,649
17	Use of Joint Owned Facility	IMTCO	456	572,075
18	Other Income and Deductions	APCO	417	726,742
19				
<b>20</b>	<b>Non-power Goods or Services Provided for Affiliate</b>			
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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/Period of Report End of 2015/Q4
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**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	<b>Non-power Goods or Services Provided by Affiliated</b>			
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20	<b>Non-power Goods or Services Provided for Affiliate</b>			
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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/Period of Report 2015/Q4
FOOTNOTE DATA			

**Schedule Page: 429 Line No.: 2 Column: c**  
920, 921, 923, 925, 926, 928, 930, 931, 935

**Schedule Page: 429 Line No.: 6 Column: b**  
Certain managerial and professional services provided by AEPSC are allocated among multiple affiliates. The costs of the services are billed on a direct-charge basis, whenever possible. Costs incurred to perform services that benefit more than one company are allocated to the benefiting companies using one of 80 FERC accepted allocation factors. The allocation factors used to bill for services performed by AEPSC are based upon formulae that consider factors such as number of customers, number of employees, number of transmission miles, number of invoices and other factors. The data upon which these formulae are based is updated monthly, quarterly, semi-annually or annually, depending on the particular factor and its volatility. The billings for service are made at cost and include no compensation for a return on investment.

**Schedule Page: 429 Line No.: 7 Column: c**  
107, 108, 163, 500, 506, 510, 511, 512, 513, 524, 530, 531, 532, 544

**Schedule Page: 429 Line No.: 18 Column: c**  
580, 581, 582, 583, 584, 586, 587, 588

**Schedule Page: 429 Line No.: 19 Column: c**  
580, 583, 584, 586, 587, 588, 589

**Schedule Page: 429 Line No.: 27 Column: b**  
Costs related to AEP's fleet vehicles are allocated in the same manner as the labor of each department utilizing the vehicles. To the extent a department provides service to another affiliate company, an applicable share of their fleet costs are also assigned to that affiliate company.

**Schedule Page: 429.1 Line No.: 13 Column: c**  
107, 108, 154, 512, 513, 530, 531, 532, 544, 570, 571, 573, 592, 935

**Schedule Page: 429.1 Line No.: 15 Column: c**  
107, 108, 154, 513, 566, 570, 571, 592, 593, 935