

MICHIGAN PUBLIC SERVICE COMMISSION

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

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

Report submitted for year ending: December 31, 2008																	
Present name of respondent: Indiana Michigan Power Company																	
Address of principal place of business: 1 Riverside Plaza, Columbus, OH 43215-2373																	
Utility representative to whom inquires regarding this report may be directed: <table><tr><td>Name:</td><td>Rhoderick C. Griffin</td><td>Title:</td><td>Manager of Regulated Accounting</td></tr><tr><td>Address:</td><td colspan="3">1 Riverside Plaza</td></tr><tr><td>City:</td><td>Columbus</td><td>State:</td><td>OH Zip: 43215</td></tr><tr><td>Telephone, including Area Code:</td><td colspan="3">(614) 716-2613</td></tr></table>		Name:	Rhoderick C. Griffin	Title:	Manager of Regulated Accounting	Address:	1 Riverside Plaza			City:	Columbus	State:	OH Zip: 43215	Telephone, including Area Code:	(614) 716-2613		
Name:	Rhoderick C. Griffin	Title:	Manager of Regulated Accounting														
Address:	1 Riverside Plaza																
City:	Columbus	State:	OH Zip: 43215														
Telephone, including Area Code:	(614) 716-2613																
If the utility name has been changed during the past year: Prior Name: Date of Change:																	
Two copies of the published annual report to stockholders: <table><tr><td><input type="checkbox"/></td><td></td><td>were forwarded to the Commission</td></tr><tr><td><input checked="" type="checkbox"/></td><td>x</td><td>will be forwarded to the Commission</td></tr><tr><td colspan="2"></td><td>on or about April 30, 2009</td></tr></table>		<input type="checkbox"/>		were forwarded to the Commission	<input checked="" type="checkbox"/>	x	will be forwarded to the Commission			on or about April 30, 2009							
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		on or about April 30, 2009															
Annual reports to stockholders: <table><tr><td><input checked="" type="checkbox"/></td><td>x</td><td>are published</td></tr><tr><td><input type="checkbox"/></td><td></td><td>are not published</td></tr></table>		<input checked="" type="checkbox"/>	x	are published	<input type="checkbox"/>		are not published										
<input checked="" type="checkbox"/>	x	are published															
<input type="checkbox"/>		are not published															

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

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

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

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

GENERAL INFORMATION

I. Purpose:

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

II. Who Must Submit:

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

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

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

III. What and Where to Submit:

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

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

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

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

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

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report:
- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
 - (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

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

When accompanying this form, insert the letter or report immediately following the cover sheet. Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under the date of _____, we have also reviewed schedules _____ of Form P-521 for the year filed with the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

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

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

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

IV. When to Submit

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

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (USOA). Interpret all accounting words and phrases in accordance with the USOA.
- II. Enter in whole number (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required). The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances

at the end of the current reporting year, and use for statement of income accounts the current year's accounts.

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


DEFINITIONS

- I.** Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the date of the authorization.
- II.** Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

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MPSC FORM P-521

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

IDENTIFICATION		
01 Exact Legal Name of Respondent Indiana Michigan Power Company		02 Year of Report December 31, 2008
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, St., Zip) 1 Riverside Plaza, Columbus, OH 43215-2373		
05 Name of Contact Person Stephen J. Clark	06 Title of Contact Person Senior Staff Accountant	
07 Address of Contact Person (Street, City, St., Zip) 1 Riverside Plaza, Columbus, OH 43215-2373		
08 Telephone of Contact Person, Including Area Code: (614) 716-1000	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da,Yr)
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name Scott M. Krawec	03 Signature  Scott M. Krawec	04 Date Signed (Mo, Da,Yr) April 24, 2009
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, 2008
LIST OF SCHEDULES (Electric Utility)			
1. Enter in column (c) the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".		2. The "M" prefix below denotes those pages where the information requested by the MPSC differs from that requested by FERC. Each of these pages also contains the "M" designation on the page itself.	
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
<p style="text-align: center;">GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</p> <p>General Information 101</p> <p>Control Over Respondent & Other Associated Companies M 102</p> <p>Corporations Controlled by Respondent 103</p> <p>Officers and Employees 104</p> <p>Directors M 105</p> <p>Security Holders and Voting Powers M 106-107</p> <p>Important Changes During the Year 108-109</p> <p>Comparative Balance Sheet M 110-113</p> <p>Statement of Income for the Year M 114-117</p> <p>Statement of Retained Earnings for the Year M 118-119</p> <p>Statement of Cash Flows M 120-121</p> <p>Notes to Financial Statements 122-123</p> <p>Statement of Accumulated Comprehensive Income 122A-122B</p> <p style="text-align: center;">BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</p> <p>Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion M 200-201</p> <p>Nuclear Fuel Materials 202-203</p> <p>Electric Plant in Service M 204-211</p> <p>Electric Plant Leased to Others 213 NA</p> <p>Electric Plant Held for Future Use 214</p> <p>Construction Work in Progress - Electric M 216</p> <p>Accumulated Provision for Depreciation of Electric Utility Plant M 219</p> <p>Nonutility Property M 221</p> <p>Investment in Subsidiary Companies 224-225</p> <p>Materials and Supply 227</p> <p>Allowances 228-229</p> <p>Extraordinary Property Losses 230B NA</p> <p>Unrecovered Plant and Regulatory Study Costs 230B NA</p> <p>Other Regulatory Assets 232</p> <p>Miscellaneous Deferred Debits 233</p> <p>Accumulated Deferred Income Taxes (Account 190) M 234A-B</p> <p style="text-align: center;">BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)</p> <p>Capital Stock 250-251</p> <p>Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments 252</p> <p>Received on Capital Stock</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, 2008
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)			
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
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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, 2008
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
MPSC SCHEDULES (Continued)			
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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, 2008
GENERAL INFORMATION			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>Scott Krawec, Assistant Controller</p> <p>1 Riverside Plaza</p> <p>Columbus, OH 43215</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.</p> <p>Indiana - February 21, 1925</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>None</p>			
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.</p> <p>Electric - Indiana</p> <p>Electric - Michigan</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter date when such independent accountant was initially engaged: _____</p> <p>(2) <input checked="" type="checkbox"/> No</p>			

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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
<p>1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p> <p>2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.</p>			
<p>American Electric Power Company, Inc. - Ownership of 100% of the respondent's common stock</p> <p>The following list of subsidiaries was extracted from Exhibit 21 of the company's Form 10-K as filed with the SEC.</p> <p>Subsidiaries of American Electric Power Company, Inc., As of December 31, 2008</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 C&I Company, LLC AEP Coal, Inc. AEP Communications, Inc. AEP Credit, Inc. AEP Generating Company AEP Investments, Inc. AEP Nonutility Funding LLC AEP Power Marketing, Inc. AEP Pro Serv, Inc. AEP Resources, Inc. AEP T&D Services, LLC AEP Transmission Holding Company, LLC AEP Utilities, Inc. AEP Texas Central Company AEP Texas Central Transition Funding LLC AEP Texas Central Transition Funding II LLC AEP Texas North Company AEP Texas North Generation Company LLC CSW Energy, Inc. CSW Energy Services, Inc. CSW International, Inc. Electric Transmission Texas, LLC AEP Utility Funding LLC Appalachian Power Company Cedar Coal Co. Central Appalachian Coal Company Central Coal Company</p>			

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, 2008
CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES			
<p> Southern Appalachian Coal Company Columbus Southern Power Company Colomet, Inc. Conesville Coal Preparation Company Ohio Valley Electric Corporation Indiana-Kentucky Electric Corporation Franklin Real Estate Company Indiana Michigan Power Company Blackhawk Coal Company Price River Coal Company Kentucky Power Company Kingsport Power Company Ohio Power Company Cardinal Operating Company Central Coal Company Ohio Valley Electric Corporation Indiana-Kentucky Electric Power Tree Carbon Company, Public Service Company of Oklahoma Southwestern Electric Power Company Dolet Hills Lignite Company, LLC Southwestern Arkansas Utilities Corporation SWEPCo Capital Trust I The Arklahoma Corporation 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 of Report December 31, 2008	
CORPORATIONS CONTROLLED BY RESPONDENT				
<p>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.</p> <p>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.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>1. See the Uniform of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>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.</p>				
Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	Price River Coal Company, Inc	Coal Company - Inactive	100%	
2	Blackhawk Coal Company, Inc	Coal Company - Inactive	100%	
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Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2008	Year of Report December 31, 2008	
OFFICERS AND EMPLOYEES					
<p>1. Report below the name, title and salary for the five executive officers</p> <p>2. Report in column (b) salaries and wages accrued during the year including deferred compensation.</p> <p>3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent. Provide type code for other compensation in column (d).</p> <p>4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.</p> <p>5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.</p>					
Line	Name and Title (a)	Base Wages (b)	Other Compensation (c)	Type of Other Compensation (d)	Total Compensation (e)
1	Michael G. Morris Chairman of the Board, President, & Chief Executive Officer	1,259,615	1,654,071 90,000 (43,132) 1,059,002	A B C D	4,019,556
2	Holly K. Koeppel Executive Vice President & Chief Financial Officer	503,846	450,000 40,404 (43,316) 196,683	A B C D	1,147,617
3	Carl L. English Chief Operating Officer	554,231	450,000 42,674 (130,697) 115,704	A B C D	1,031,912
4	Brian X. Tierney Executive Vice President	403,077	665,000 50,543 8,234 128,012	A B C D	1,254,866
5	Robert P. Powers President - AEP Utilities	513,923	415,000 40,912 (117,629) 219,525	A B C D	1,071,731
<p>Compensation Type Codes:</p> <p>A = Executive Incentive Compensation B = Incentive Plan (Matching Employer Contribution) C = Stock Plans D = Other Reimbursements</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, 2008
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 - Vice President ***	Columbus, Ohio	12	600
Carl L. English - Vice President ***	Columbus, Ohio	12	600
Allen R. Glassburn - Vice President	Fort Wayne, Indiana	0	0
JoAnn N. Grevenow	Fort Wayne, Indiana	0	0
Patrick C. Hale	Rockport, Indiana	0	0
Holly K. Koeppel - Vice President, Chief Financial Officer ***	Columbus, Ohio	11	550
Marc E. Lewis - Vice President	Fort Wayne, Indiana	0	0
Susanne M. Moorman Rowe	Fort Wayne, Indiana	0	0
<u>Footnote Data</u> 1 2 3 4 5			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
DIRECTORS (cont'd)			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (d)
Michael G. Morris - Chairman of Board, Chief Executive Officer **	Columbus, Ohio	11	550
Helen J. Murray - President, Chief Operating Officer	Fort Wayne, Indiana	0	0
Robert P. Powers***	Columbus, Ohio	12	600
Susan Tomasky - Vice President ***	Columbus, Ohio	11	550
Kent D. Curry	Fort Wayne, Indiana	0	0
J. Edward Ehler - Vice President	Fort Wayne, Indiana	0	0
Brian X. Tierney - Vice Chairman of Board Vice President ***	Columbus, Ohio	11	550
<u>Footnote Data</u> 6 7 8 9 10			

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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, 2008
SECURITY HOLDERS AND VOTING POWERS			
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>			
<p>1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p>Stock books do not close</p>			
<p>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:</p> <p style="text-align: right;">Total: 1,400,000</p> <p style="text-align: right;">By Proxy: 1,400,000</p>			
<p>3. Give the date and place of such meeting:</p> <p>April 22, 2008</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, 2008
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SECURITY HOLDERS AND VOTING POWERS (Continued)

Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities	1,400,000	1,400,000		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below				
7	American Electric Power Company, Inc.	1,400,000	1,400,000		
8	1 Riverside Plaza				
9	Columbus, Ohio 43215				
10					
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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 2008/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>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.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. (Reserved.)</p> <p>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.</p> <p>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.</p> <p>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.</p>			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</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 2008/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1.

Date Acquired Or Extended	Community	Period of Franchise & Termination	Consideration
Renewed on August 14, 2008	Mottville Township, St Joseph County, Michigan	Thirty (30) year Franchise, expiring on August 14, 2038	None
Renewed on August 12, 2008	Schoolcraft Township, Kalamazoo County, Michigan	Thirty (30) year Franchise, expiring on August 12, 2038	None
Renewed on July 9, 2008	Park Township, St Joseph County, Michigan	Ten (10) year Franchise, expiring on July 9, 2018	None
Renewed on December 15, 2008	Village of Edwardsburg, Cass County, Michigan	Thirty (30) year Franchise, expiring on December 15, 2038	None

2. None

3. None

4. None

5. None

6. State Commission Authority Cause No. 43404 and Cause No. 43455

\$40,000,000 5.25% City of Rockport, Indiana Pollution Control Revenue Refunding Bonds, Series D due April 1, 2025

\$52,000,000 City of Lawrenceburg, Indiana Pollution Control Revenue Refunding Bonds, Series H due November 1, 2021

\$25,000,000 City of Lawrenceburg, Indiana Pollution Control Revenue Refunding Bonds, Series I due October 1, 2019

FERC Authority (Docket No. ES07-62-000)

\$1,113,000 Letter of Credit issued by American Electric Power Company, Inc. on behalf of Indiana Michigan Power Company Co to benefit Travelers Insurance/DC Cook Workers Comp

Name of Respondent Indiana Michigan Power 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 2008/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

7. None
8. Wage agreements for 2008 resulted in general increase of 3.1% for represented employees.
9. Please refer to the Notes to Financial Statements Pages 122-123
10. None
11. (Reserved)
12. Not Used
13. Karl G. Boyd resigned as Director and Vice President-Distribution Region Operations effective January 1, 2008

Stephen P. Smith resigned as Treasurer effective January 1, 2008

Joseph N. Jensen resigned as Site Vice President-Donald C. Cook Plant effective January 3, 2008

Mark A. Peifer resigned as Vice President-Site Support Services, Donald C. Cook Plant effective January 3, 2008

Stephan T. Haynes resigned as Assistant Treasurer effective January 29, 2008

Julia A. Sloat appointed as Treasurer effective January 1, 2008

Joseph N. Jensen appointed as Vice President – Site Support Services, Donald C. Cook Plant effective January 3, 2008

Mark A. Peifer appointed as Site Vice President – Donald C. Cook Plant effective January 3, 2008

J. Edward Ehler appointed as Director and Vice President – Distribution Region Operations effective January 28, 2008

Kent D. Curry appointed as Director effective January 29, 2008

Renee V. Hawkins appointed as Assistant Treasurer effective January 29, 2008

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IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

13. (Continued)

Brian X. Tierney appointed as Director effective January 29, 2008

Stephen P. Smith resigned as Vice President effective June 1, 2008

Mark A. Peifer resigned as Site Vice President – Donald C. Cook Plant effective May 1, 2008

Allen R. Glassburn appointed as Vice President – Regulatory & Finance effective June 2, 2008

Scott M. Krawec appointed as Assistant Controller effective April 15, 2008

Mark A. Peifer appointed as Vice President - Generation Assets effective May 1, 2008

Lawrence L. Weber appointed as Site Vice President - Donald C. Cook Plant effective May 1, 2008

Julia A. Sloat resigned as Treasurer effective July 10, 2008

Charles E. Zebula resigned as Vice President effective September 1, 2008

Timothy K. Light appointed as Vice President effective September 1, 2008

Charles E. Zebula appointed as Treasurer effective September 1, 2008

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 of Report December 31, 2008
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	6,025,877,244	6,180,377,965
3	Construction Work in Progress (107)	200-201	122,295,816	249,019,648
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		6,148,173,060	6,429,397,613
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	3,381,988,502	3,366,405,854
6	Net Utility Plant (Enter total of line 4 less 5)		2,766,184,558	3,062,991,759
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)		84,296,278	131,009,596
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		224,782,337	253,096,071
10	Spent Nuclear Fuel (120.4)		154,501,824	226,468,427
11	Nuclear Fuel under Capital Leases (120.6)		83,763,353	49,653,594
12	Assemblies (120.5)	202-203	317,611,189	367,988,387
13	Net Nuclear Fuel (Enter total of line 7-11 less 12)		229,732,603	292,239,301
14	Net Utility Plant (Enter total of lines 6 and 13)		2,995,917,161	3,355,231,060
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground-Noncurrent (117)	---	0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)	221	32,693,374	32,497,702
19	(Less) Accum.Prov. for Depr. and Amort. (122)	---	13,044,886	14,513,956
20	Investments in Associated Companies (123)	222-223	0	0
21	Investments in Subsidiary Companies (123.1)	224-225	25,440,094	23,840,607
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	20,370,620	21,978,404
24	Other Investments (124)		22,652,514	22,491,127
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		1,346,798,391	1,259,533,200
29	Special Funds (Non-Major Only) (129)		47,408,796	0
30	Long-Term Portion of Derivative Assets (175)		40,101,296	27,517,768
31	Long-Term Portion of Derivative Assets - Hedges (176)		125,383	97,906
32	TOTAL Other Property and Investments (Total of lines 18 thru 21, 23 thru 31)		1,522,545,582	1,373,442,758
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-Major Only) (130)		0	0
35	Cash (131)	---	1,127,948	721,568
36	Special Deposits (132-134)	---	3,434,781	13,324,227
37	Working Fund (135)	---	10,800	6,200
38	Temporary Cash Investments (136)	222-223	0	0
39	Notes Receivable (141)	226A	0	0
40	Customer Accounts Receivable (142)	226A	58,524,346	56,864,104
41	Other Accounts Receivable (143)	226A	13,737,996	15,194,545
42	(Less) Accum.Prov. for Uncoll. Acct.- Credit (144)	226A	2,710,512	3,309,821
43	Notes Receivable from Assoc. Companies (145)	226B	0	0
44	Accounts Receivable from Assoc. Companies (146)	226B	90,003,595	92,005,971
45	Fuel Stock (151)	227	59,263,106	65,668,633
46	Fuel Stock Expenses Undistributed (152)	227	2,078,757	1,469,238
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	129,406,913	134,181,729
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	2,502,333	2,010,414
51	Nuclear Materials Held for Sale (157)	202-203, 207	0	0
52	Allowances (158.1 and 158.2)	228-229	29,845,860	36,430,634

Name of Respondent Indiana Michigan Power 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, 2008
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	(Less) Noncurrent Portion of Allowances	---	20,370,620	21,978,404
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground-Current (164.1)	---	0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	---	0	0
57	Prepayments (165)	---	6,582,318	6,260,386
58	Advances for Gas (166-167)	---	0	0
59	Interest and Dividends Receivable (171)	---	0	2,119,209
60	Rents Receivable (172)	---	58,234	58,052
61	Accrued Utility Revenues (173)	---	16,206,684	19,259,813
62	Misc Current and Accrued Assets (174)		0	27,821,368
63	Derivative Instrument Assets (175)		72,025,615	59,790,576
64	(Less) LT Portion of Derivative Inst. Assets (175)		40,101,296	27,517,768
65	Derivative Instrument Assets - Hedges (176)		566,799	2,837,085
66	(Less) LT Portion of Derivative Inst. Assets - Hedges (176)		125,383	97,906
67	TOTAL Current and Accrued Assets (Enter total of lines 34 thru 66)		422,068,274	483,119,853
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)	---	15,526,840	14,613,950
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant & Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets	232	280,403,495	519,813,080
73	Prelim. Survey & Invest. Charges (Elec) (183)	231	589,398	786,290
74	Prelim. Survey & Invest. Charges (Gas) (183.1)	---	0	0
75	Other Prelim. Survey & Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)	---	0	0
77	Temporary Facilities (185)	---	0	0
78	Miscellaneous Deferred Debits (186)	233	34,972,245	38,202,832
79	Def. Losses from Disposition of Utility Plant (187)	235	0	0
80	Research, Devel. and Demonstration Expend (188)	352-353	0	0
81	Unamortized Loss on Reacquired Debt (189)	237	15,254,597	15,025,221
82	Accumulated Deferred Income Taxes (190)	234	684,370,419	749,951,587
83	Unrecovered Purchased Gas Costs (191)	---	0	0
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		1,031,116,994	1,338,392,960
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		5,971,648,011	6,550,186,631

Name of Respondent Indiana Michigan Power 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, 2008
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	56,583,866	56,583,866
3	Preferred Stock Issued (204)	250-251	8,080,200	8,080,200
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	4,317,933	4,317,933
7	Other Paid-In Capital (208-211)	253	856,973,599	856,973,599
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	483,463,999	540,173,611
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	88,819	(1,510,668)
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	(13,948,239)	(20,233,842)
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		1,395,560,177	1,444,384,699
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reacquired Bonds (222)	256-257	0	100,000,000
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,571,022,855	1,481,182,655
22	Unamortized Premium on Long-Term Debt (225)	---	0	0
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---	3,596,166	3,268,184
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		1,567,426,689	1,377,914,471
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)		77,176,965	37,889,558
27	Accumulated Prov. for Property Insurance (228.1)		0	0
28	Accumulated Prov. for Injuries and Damage (228.2)		89,580	140,142
29	Accumulated Prov. for Pensions and Benefits (228.3)		46,392,396	232,488,275
30	Accumulated Misc. Operating Provisions (228.4)		0	1,305,500
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		26,273,361	14,295,769
33	LT Portion of Derivative Instrument Liabilities - Hedges		75,047	15,493
34	Asset Retirement Obligations (230)		711,924,399	772,961,717
35	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 34)		861,931,748	1,059,096,454
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		184,435,002	194,211,144
39	Notes Payable to Associated Companies (233)		49,960,405	480,989,095
40	Accounts Payable to Associated Companies (234)		61,726,772	117,632,273
41	Customer Deposits (235)		26,444,391	26,808,511
42	Taxes Accrued (236)	262-263	57,249,939	65,250,832
43	Interest Accrued (237)		23,509,814	18,227,282
44	Dividends Declared (238)		84,874	84,881
45	Matured Long-Term Debt (239)		0	0

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		3,337,440	3,805,580
48	Misc. Current and Accrued Liabilities (242)		90,828,968	107,072,637
49	Obligations Under Capital Leases -Current (243)		43,381,779	43,512,005
50	Derivative Instrument Liabilities (244)		52,027,744	29,774,912
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		26,273,361	14,295,769
52	Derivative Instrument Liabilities - Hedges (245)		1,590,964	615,234
53	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		75,047	15,493
54	TOTAL Current and Accrued Liabilities (Enter total of lines 37 thru 53)		568,229,684	1,073,673,124
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	62,190,106	60,020,950
58	Deferred Gains from Disposition of Utility Plt. (256)	270	0	0
59	Other Deferred Credits (253)	269	86,985,880	92,074,732
60	Other Regulatory Liabilities	278	403,239,107	287,688,135
61	Unamortized Gain on Reacquired Debt (257)	237	26,963	25,251
62	Accum. Deferred Income Taxes-Accel. Amort. (281)		323,754	306,737
63	Accum. Deferred Income Taxes-Other Property (282)		474,537,634	565,437,415
64	Accum. Deferred Income Taxes-Other (283)	272-277	551,196,269	589,564,663
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		1,578,499,713	1,595,117,883
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		5,971,648,011	6,550,186,631

Name of Respondent Indiana Michigan Power 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, 2008
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STATEMENT OF INCOME FOR THE YEAR				
<p>1. Report amounts for accounts 412 and 413, Revenue and Expenses for Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.</p> <p>2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p> <p>3. Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1,404.2, 404.3 407.1, and 407.2</p> <p>4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.</p> <p>5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to....</p>				
Line	Title of Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	2,138,185,596	2,006,310,907
3	Operating Expenses			
4	Operation Expenses (401)	320-323	1,445,876,470	1,222,776,619
5	Maintenance Expenses (402)	320-323	219,629,705	216,861,531
6	Depreciation Expenses (403)	336-337	53,455,277	157,429,415
7	Depreciation Expenses for Asset Retirement Costs (403.1)		5,504,242	5,504,242
8	Amortization and Depl. of Utility Plant (404-405)	336-337	26,092,309	24,388,935
9	Amortization of Utility Plant Acq. Adj (406)	336-337	20,052	20,052
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
11	Amort. Of Conversion Expenses (407)			
12	Regulatory Debits		1,857,016	2,451,839
13	(Less) Regulatory Credits			
14	Taxes Other Than Income Taxes (408.1)	262-263	72,013,291	69,825,841
15	Income Taxes-Federal (409.1)	262-263	418,263	72,649,228
16	-Other (409.1)	262-263	5,322,550	4,617,833
17	Provision for Deferred Income Taxes (410.1)	234,272-276	583,836,194	241,411,910
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	521,616,343	243,804,942
19	Investment Tax Credit Adj.- Net (411.4)	266-267	(2,169,156)	(5,397,362)
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B	89,762	84,987
21	Losses from Disposition of Utility Plant (411.6)	235A-B	0	0
22	(Less) Gains from Disposition of Allowances		5,507,571	14,389,287
23	Losses from Disposition of Allowances		0	3,248
24	Accretion Expense (411.10)		21,177,582	26,953,936
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,905,820,119	1,781,218,051
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		232,365,477	225,092,856

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STATEMENT OF INCOME FOR THE YEAR (Continued)

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

6. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.

8. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior years. 10.

If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages 122-123 or in a footnote.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
2,138,185,596	2,006,310,907					2
						3
1,445,876,470	1,222,776,619					4
219,629,705	216,861,531					5
53,455,277	157,429,415					6
5,504,242	5,504,242					7
26,092,309	24,388,935					8
20,052	20,052					9
0	0					10
0	0					11
1,857,016	2,451,839					12
0	0					13
72,013,291	69,825,841					14
418,263	72,649,228					15
5,322,550	4,617,833					16
583,836,194	241,411,910					17
521,616,343	243,804,942					18
(2,169,156)	(5,397,362)					19
89,762	84,987					20
0	0					21
5,507,571	14,389,287					22
0	3,248					23
21,177,582	26,953,936					24
1,905,820,119	1,781,218,051	0	0	0	0	25
232,365,477	225,092,856	0	0	0	0	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 of Report December 31, 2008
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line	Account (a)	(Ref.) Page No. (b)	Total	
			Current Year (c)	Previous Year (d)
27	Net Utility Operating Income <i>(Carried forward from page 114)</i>		232,365,477	225,092,856
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282		
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282	0	0
33	Revenues From Nonutility Operations (417)	282	131,265,584	82,715,392
34	(Less) Expenses of Nonutility Operations (417.1)	282	123,711,234	75,552,216
35	Nonoperating Rental Income (418)	282	162,330	216,657
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282	(1,599,487)	(334,795)
37	Interest and Dividend Income (419)	282	1,944,703	1,503,039
38	Allowance for Other Funds Used During Construction (419.1)	282	965,280	4,521,997
39	Miscellaneous Nonoperating Income (421)	282	(275,022)	(541,865)
40	Gain on Disposition of Property (421.1)	280	192,343	41,040
41	TOTAL Other Income <i>(enter Total of lines 31 thru 40)</i>		8,944,497	12,569,249
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)	280	0	2,056
44	Miscellaneous Amortization (425)	340		
45	Donations (426.1)		8,796,840	4,647,981
46	Life Insurance (426.2)			
47	Penalties (426.3)		(117,260)	2,787,672
48	Exp. For Certain Civic, Political & Related Activities (426.4)		1,620,735	650,443
49	Other Deductions (426.5)		12,251,951	8,947,953
50	TOTAL Other Income Deductions <i>(Total of lines 43 thru 49)</i>		22,552,266	17,036,105
51	Taxes Applicable to Other Income and Deductions			
52	Taxes Other Than Income Taxes (408.2)	262-263	6,301,693	5,125,647
53	Income Taxes - Federal (409.2)	262-263	(2,874,894)	(8,823,732)
54	Income Taxes - Other (409.2)	262-263	(399,378)	813,632
55	Provision for Deferred Income Taxes (410.2)	234,272-276	9,396,341	21,400,544
56	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-276	15,536,037	16,541,526
57	Investment Tax Credit Adjustment - Net (411.5)	264-265	0	344,385
58	(Less) Investment Tax Credits (420)	264-265		
59	TOTAL Taxes on Other Income and Deductions <i>(total of 52 thru 58)</i>		(3,112,275)	2,318,950
60	Net Other Income and Deductions <i>(total of lines 41,50 & 59)</i>		(10,495,494)	(6,785,806)
61	INTEREST CHARGES			
62	Interest on Long-Term Debt (427)	257	69,755,551	73,174,563
63	Amort. Of Debt Disc. And Expense (428)	256-257	2,467,181	2,586,865
64	Amortizaiton of Loss on Reacquired Debt (428.1)		2,142,335	1,950,862
65	(Less) Amort. Of Premium on Debt-Credit (429)	256-257		
66	(Less) Amort. of Gain on Reacquired Debt-Credit (429.1)		1,712	1,712
67	Interest on Debt to Associated Companies (430)	257-340	23,287,521	3,554,382
68	Other Interest Expense (431)	340	(3,019,338)	5,489,178
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		4,609,222	5,315,419
70	Net Interest Charges <i>(total of lines 62 thru 69)</i>		90,022,316	81,438,719
71	Income Before Extraordinary Items <i>(total lines 27,60,70)</i>		131,847,667	136,868,331
72	EXTRAORDINARY ITEMS			
73	Extraordinary Income (434)	342	0	0
74	(Less) Extraordinary Deductions (435)	342		
75	Net Extraordinary Items <i>(total line 73 less line 74)</i>		0	0
76	Income Taxes-Federal and Other (409.3)	262-263	0	0
77	Extraordinary Items After Taxes <i>(Enter Total of lines 75 less line 76)</i>		0	0
78	Net Income <i>(Enter Total of lines 71 and 77)</i>		131,847,667	136,868,331

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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, 2008
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. 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.		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.	
Line No.		Electric Utility	Gas Utility
1	Debits to Account 410 from:		
2	Account 190	64,942,106	
3	Account 281	2,031	
4	Account 282	24,352,575	
5	Account 283	60,569,433	
6	Account 284		
7	Reconciling Adjustments		
8	TOTAL Account 410.1 (on pages 114-115 line 17)	149,866,145	0
9	TOTAL Account 410.2 (on page 117 line 55)		
10	Credits to Account 411 from:		
11	Account 190	58,005,642	
12	Account 281	28,869	
13	Account 282	23,158,253	
14	Account 283	42,621,218	
15	Account 284		
16	Reconciling Adjustments		
17	TOTAL Account 411.1 (on page 114-115 line 18)	123,813,982	0
18	TOTAL Account 411.2 (on page 117 line 56)		
19	Net ITC Adjustment:		
20	ITC Utilized for the Year DR		
21	ITC Amortized for the Year CR	(7,301,481)	
22	ITC Adjustments:		
23	Adjust last year's estimate to actual per filed return		
24	Other (specify)		
25	Net Reconciling Adjustments Account 411.4*	(7,301,481)	0
26	Net Reconciling Adjustments Account 411.5**		
27	Net Reconciling Adjustments Account 420***		

* on pages 114-15 line 19

** on page 117 line 57

*** on page 117 line 58

Name of Respondent	This Report Is:	Date of Report	Year of Report
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RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages. (b) Identify all contra accounts (other than accounts 190 and 281-284).

(c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

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

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, 2008

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		482,263,336
2	Changes (<i>Identify by prescribed retained earnings accounts</i>)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Adoption of FASB Interpretation No. 48		0
5	Credit: Unrealized gain on securities		
6	Credit: Taxes related to unrealized gain on securities		
7	Credit: Minimum pension liability		
8	Credit: Taxes related to Minimum pension liability		
9	TOTAL Credits to Retained Earnings (439)		0
10	Debit:		0
11	Debit: Adoption of EITF 06-10, Net of \$752,776 tax	923	(1,398,013)
12	Debit:		
13	Debit:		
14	TOTAL Debits to Retained Earnings (439)		(1,398,013)
15	Balance Transferred from Income (Account 433 Less Account 418.1)		133,447,154
16	Appropriations of Retained Earnings (Account 436)		
17	Excess Earnings on Hydro Licensed Projects	215.1	(315,720)
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Account 436)		(315,720)
23	Dividends Declared-Preferred Stock (Account 437)		
24	Preferred Stock Series 4-1/8%	238	(228,262)
25	Preferred Stock Series 4.12%	238	(45,547)
26	Preferred Stock Series 4.56%	238	(65,719)
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Account 437)		(339,528)

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STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock (Account 438)			
30		238	(75,000,000)	
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)		(75,000,000)	
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings		0	
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		538,657,229	
APPROPRIATED RETAINED EARNINGS (Account 215)				
State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)		0	
APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)				
State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		1,516,382	
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		1,516,382	
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		540,173,611	
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)				
47	Balance-Beginning of Year (Debit or Credit)		88,819	
48	Equity in Earnings for Year (Credit) (Account 418.1)		(1,599,487)	
49	(Less) Dividends Received (Debit)		0	
50	Other Changes (Explain)		0	
51	Balance-End of Year (Enter Total of lines 47 thru 50)		(1,510,668)	

Name of Respondent Indiana Michigan Power 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, 2008
STATEMENT OF CASH FLOWS			
1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.		2. Under "Other" specify significant amounts and group others. 3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.	
Line No.	Description (See instructions for Explanation of Codes) (a)	Amounts (b)	
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)		
2	Net Income (Line 72 (c) on page 117	131,847,667	
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	85,071,880	
5	Amortization of (Specify)		
6	Accretion of Asset Retirement Obligation	21,177,583	
7	Nuclear Fuel	87,573,590	
8	Regulatory Debits and Credits	1,857,017	
9	Deferred Income Taxes (Net)	56,080,155	
10	Investment Tax Credit Adjustment (Net)	(2,169,156)	
11	Net (Increase) Decrease in Receivables	(2,570,401)	
12	Net (Increase) Decrease in Inventory	(10,078,906)	
13	Net (Increase) Decrease in Allowances Inventory	(6,584,774)	
14	Net (Increase) Decrease in Payables and Accrued Expenses	92,077,781	
15	Net (Increase) Decrease in Other Regulatory Assets	12,354,811	
16	Net (Increase) Decrease in Other Regulatory Liabilities	53,922,894	
17	(Less) Allowance for Other Funds Used During Construction	965,280	
18	(Less) Undistributed Earnings from Subsidiary Companies	(1,599,487)	
19	Other: Misc Utility Plant, Net	(41,857,936)	
20	Property and Investments, Net	239,387	
21	Margin Deposits	(9,887,669)	
22	Prepayments	7,531,075	
23	Accrued Utility Revenues, Net	(3,053,129)	
24	Other Deferred Debits, Net	(3,198,102)	
25	Derivative Instruments, Net	(3,246,016)	
26	Other Comprehensive Income - FAS 133	3,112,316	
27	Miscellaneous Current and Accrued Assets	(23,013,237)	
28	Accumulated Provision - Misc	(438,141)	
29	Current and Accrued Liabilities, Net	13,692,086	
30	Other Deferred Credits, Net	34,270,394	
31	Unamortized Debt Expense	2,624,832	
32	Unamortized Discount/Premium on Long-Term Debt	327,981	
33	Customer Deposits	364,119	
34	Mark to Market Energy Contracts	(10,482,320)	
35	Over / Under Recovered Fuel (Net)	(36,396,216)	
36			
37	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 35)	451,783,772	
38			
39	Cash Flows from Investment Activities:		
40	Construction and Acquisition of Plant (including land):		
41	Gross Additions to Utility Plant (less nuclear fuel)	(352,145,830)	
42	Gross Additions to Nuclear Fuel	(193,284,023)	
43	Gross Additions to Common Utility Plant		
44	Gross Additions to Nonutility Plant	(169,969)	
45	(Less) Allowance to Other Funds Used During Construction	(965,280)	
46	Other:		
47	2008 AEP Master Lease Agreement	(1,180,751)	
48			
49	Cash Outflows for Plant (Total of lines 40 thru 47)	(545,815,293)	
50			
51	Acquisition of Other Noncurrent Assets (d)		
52	Proceeds from Disposal of Noncurrent Assets (d)	4,663,047	
53			

Name of Respondent Indiana Michigan Power 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, 2008
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STATEMENT OF CASH FLOWS (Continued)		
4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Don not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. Enter on pages 122-123 clarifications and explanations.
Line No.	Description (See instructions for Explanation of Codes) (a)	Amount (b)
54	Investments in and Advances to Assoc. and Subsidiary Companies	
55	Contributions and Advances from Assoc. and Subsidiary Companies	0
56	Disposition of Investments in (and Advances to)	
57	Associated and Subsidiary Companies	
58		
59	Purchase of Investment Securities (a)	(803,663,703)
60	Proceeds from Sales of Investment Securities (a)	732,474,695
61	Loans Made or Purchased	
62	Collections on Loans	
63		
64	Net (Increase) Decrease in Receivables	
65	Net (Increase) Decrease in Inventory	
66	Net (Increase) Decrease in Allowances Held for Speculation	95,901
67	Net Increase (Decrease) in Payables and Accrued Expenses	
68	Other: Change in Other Cash Deposits, Net	(1,777)
69	Capital Portion of 2008 Cook Plant Unit 1 Fire Insurance Proceeds	162,124
70		
71	Net Cash Provided by (Used in) Investing Activities	
72	(Total of lines 50 thru 70)	(612,085,006)
73		
74	Cash Flows from Financing Activities:	
75	Proceeds from Issuance of:	
76	Long Term Debt (b)	117,000,000
77	Preferred Stock	
78	Long Term Debt Issuance Costs	(1,730,565)
79	Other:	
80		
81		
82	Net Increase in Short-Term Debt (c)	
83	Other: 2008 AEP Master Lease Agreement	931,657
84	Notes Payable to Associated Companies	431,028,690
85		
86	Cash Provided by Outside Sources (Total of lines 76 thru 85)	547,229,782
87		
88	Payments for Retirement of:	
89	Long Term Debt (b)	(312,000,000)
90	Preferred Stock	0
91	Common Stock	
92	Other:	
93		
94	Net Decrease in Short-Term Debt (c)	
95	Notes Payable to Associated Companies	0
96	Dividends on Preferred Stock	(339,528)
97	Dividends on Common Stock	(75,000,000)
98	Net Cash Provided by (Used in) Financing Activities	
99	(Total of lines 89 thru 97)	159,890,254
100		
101	Net Increase (Decrease) in Cash and Cash Equivalents	
102	(Total of lines 36, 72 and 99)	(410,980)
103		
104	Cash and Cash Equivalents at Beginning of Year	1,138,748
105		
106	Cash and Cash Equivalents at End of Year	727,768

Name of 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 2008/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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5. Commitments, Guarantees and Contingencies
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NOTES TO FINANCIAL STATEMENTS (Continued)			

GLOSSARY OF TERMS FOR NOTES

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

Term	Meaning
AEGCo	AEP Generating Company, an AEP electric utility subsidiary.
AEP or Parent	American Electric Power Company, Inc.
AEP Consolidated	AEP and its majority owned consolidated subsidiaries and consolidated affiliates.
AEP Credit	AEP Credit, Inc., a subsidiary of AEP which factors accounts receivable and accrued utility revenues for affiliated electric utility companies.
AEP East companies	APCo, CSPCo, I&M, KPCo and OPCo.
AEP Power Pool	Members are APCo, CSPCo, I&M, KPCo and OPCo. The Pool shares the generation, cost of generation and resultant wholesale off-system sales of the member companies.
AEP System or the System	American Electric Power System, an integrated electric utility system, owned and operated by AEP's electric utility subsidiaries.
AEP West companies	PSO, SWEPCo, TCC and TNC.
AEPES	AEP Energy Services, Inc., a subsidiary of AEP Resources, Inc.
AEPSC	American Electric Power Service Corporation, a service subsidiary providing management and professional services to AEP and its subsidiaries.
ALJ	Administrative Law Judge.
AOCI	Accumulated Other Comprehensive Income.
APCo	Appalachian Power Company, an AEP electric utility subsidiary.
ARO	Asset Retirement Obligations.
CAA	Clean Air Act.
CO ₂	Carbon Dioxide.
Cook Plant	Donald C. Cook Nuclear Plant, a two-unit, 2,110 MW nuclear plant owned by I&M.
CSPCo	Columbus Southern Power Company, an AEP electric utility subsidiary.
CSW	Central and South West Corporation, a subsidiary of AEP (Effective January 21, 2003, the legal name of Central and South West Corporation was changed to AEP Utilities, Inc.).
CSW Operating Agreement	Agreement, dated January 1, 1997, by and among PSO, SWEPCo, TCC and TNC governing generating capacity allocation. This agreement was amended in May 2006 to remove TCC and TNC. AEPSC acts as the agent.
DETM	Duke Energy Trading and Marketing L.L.C., a risk management counterparty.
DOE	United States Department of Energy.
DOJ	United States Department of Justice.
DSM	Demand-side Management.
EIS	Energy Insurance Services, Inc., a protected cell insurance company that AEP consolidates under FIN 46R.
EITF	Financial Accounting Standards Board's Emerging Issues Task Force.
ERCOT	Electric Reliability Council of Texas.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

GLOSSARY OF TERMS FOR NOTES (Continued)

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

Term	Meaning
ERISA	Employee Retirement Income Security Act of 1974, as amended.
FASB	Financial Accounting Standards Board.
Federal EPA	United States Environmental Protection Agency.
FERC	Federal Energy Regulatory Commission.
FIN	FASB Interpretation No.
FIN 46R	FIN 46R, "Consolidation of Variable Interest Entities."
FIN 48	FIN 48, "Accounting for Uncertainty in Income Taxes" and FASB Staff Position FIN 48-1 "Definition of <i>Settlement</i> in FASB Interpretation No. 48."
FSP	FASB Staff Position.
FSP FIN 39-1	FSP FIN 39-1, "Amendment of FASB Interpretation No. 39."
GAAP	Accounting Principles Generally Accepted in the United States of America.
Interconnection Agreement	Agreement, dated July 6, 1951, as amended, by and among APCo, CSPCo, I&M, KPCo and OPCo, defining the sharing of costs and benefits associated with their respective generating plants.
IRS	Internal Revenue Service.
IURC	Indiana Utility Regulatory Commission.
I&M	Indiana Michigan Power Company, an AEP electric utility subsidiary.
KGPCo	Kingsport Power Company, an AEP electric distribution subsidiary.
KPCo	Kentucky Power Company, an AEP electric utility subsidiary.
kV	Kilovolt.
MISO	Midwest Independent Transmission System Operator.
MLR	Member load ratio, the method used to allocate AEP Power Pool transactions to its members.
MPSC	Michigan Public Service Commission.
MTM	Mark-to-Market.
MW	Megawatt.
NO _x	Nitrogen oxide.
NRC	Nuclear Regulatory Commission.
NSR	New Source Review.
OPCo	Ohio Power Company, an AEP electric utility subsidiary.
OPEB	Other Postretirement Benefit Plans.
OTC	Over the counter.
OVEC	Ohio Valley Electric Corporation, which is 43.47% owned by AEP.
PJM	Pennsylvania – New Jersey – Maryland regional transmission organization.
PM	Particulate Matter.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

GLOSSARY OF TERMS FOR NOTES (Continued)

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

Term	Meaning
Property, Plant and Equipment	Includes Utility Plant and Nonutility Property.
PSO	Public Service Company of Oklahoma, an AEP electric utility subsidiary.
Risk Management Contracts	Trading and nontrading derivatives, including those derivatives designated as cash flow and fair value hedges.
Rockport Plant	A generating plant, consisting of two 1,300 MW coal-fired generating units near Rockport, Indiana, owned by AEGCo and I&M.
RTO	Regional Transmission Organization.
SECA	Seams Elimination Cost Allocation.
SFAS	Statement of Financial Accounting Standards issued by the Financial Accounting Standards Board.
SFAS 71	Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation."
SFAS 107	Statement of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Investments."
SFAS 109	Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes."
SFAS 133	Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities."
SFAS 157	Statement of Financial Accounting Standards No. 157, "Fair Value Measurements."
SFAS 158	Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."
SIA	System Integration Agreement.
SNF	Spent Nuclear Fuel.
SO ₂	Sulfur Dioxide.
SPP	Southwest Power Pool.
SWEPCo	Southwestern Electric Power Company, an AEP electric utility subsidiary.
TCC	AEP Texas Central Company, an AEP electric utility subsidiary.
TEA	Transmission Equalization Agreement.
TNC	AEP Texas North Company, an AEP electric utility subsidiary.
Utility Money Pool	AEP System's Utility Money Pool.
WPCo	Wheeling Power Company, an AEP electric distribution subsidiary.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

As a public utility, I&M engages in the generation and purchase of electric power, and the subsequent sale, transmission and distribution of that power to 582,000 retail customers in its service territory in northern and eastern Indiana and a portion of southwestern Michigan. As a member of the AEP Power Pool, I&M shares the revenues and the costs of the AEP Power Pool's sales to neighboring utilities and power marketers. I&M also sells power at wholesale to municipalities and electric cooperatives. I&M's River Transportation Division (RTD) provides barging services to affiliates and nonaffiliated companies.

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

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

Under the SIA, AEPSC allocates physical and financial revenues and expenses from neighboring utilities, power marketers and other power and gas risk management activities based upon the location of such activity, with margins resulting from trading and marketing activities originating in PJM and MISO generally accruing to the benefit of the AEP East companies and trading and marketing activities originating in SPP and ERCOT generally accruing to the benefit of PSO and SWEPCo. Margins resulting from other transactions are allocated among the AEP East companies, PSO and SWEPCo in proportion to the marketing realization directly assigned to each zone for the current month plus the preceding eleven months.

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rates and Service Regulation

I&M's rates are regulated by the FERC. The IURC and the MPSC approve retail rates and regulate retail services and operations for the generation and supply of power, a majority of transmission energy delivery services and distribution services. The FERC regulates I&M's 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, the acquisition or sale of certain utility assets and mergers with another electric utility or holding company. A FERC order in 2008 pursuant to the Federal Power Act codified that for non-power goods and services, a non-regulated affiliate can bill a public utility company no more than market while a public utility must bill the higher of cost or market to a non-regulated affiliate.

The FERC regulates wholesale power markets and wholesale power transactions. I&M's wholesale power transactions are generally market-based. They are cost-based regulated when I&M negotiates and files a cost-based contract with the FERC or the FERC determines that I&M has "market power" in the region where the transaction occurs. I&M enters into wholesale power supply contracts with various municipalities and cooperatives that are FERC-regulated, cost-based contracts.

The FERC also regulates, on a cost basis, I&M's wholesale transmission service and rates. The FERC claims jurisdiction over retail transmission rates when retail rates are unbundled in connection with restructuring. I&M's retail rates in Michigan are unbundled. Although I&M's retail rates in Michigan are unbundled, retail transmission rates are regulated, on a cost basis, by the MPSC. Bundled retail transmission rates are regulated, on a cost basis, by the IURC.

In addition, the FERC regulates the SIA, the Interconnection Agreement, the CSW Operating Agreement, the System Transmission Integration Agreement, the Transmission Equalization Agreement, the Transmission Coordination Agreement and the AEP System Interim Allowance Agreement, all of which allocate shared system costs and revenues to the companies that are parties to each agreement.

The FERC issued Order 715, "Revisions to Forms, Statements and Reporting Requirements for Electric Utilities and Licensees" in September 2008. The order amends the FERC's reporting requirements for public utilities associated with the FERC Form 1 and the FERC Form 3-Q. The revised reporting requirements are intended to enhance the FERC's and customers' review of formula rates, permit a better understanding of non-power goods and services transactions with affiliates and provide additional detail of revenues not previously specified in the FERC Form 1. The new rule takes effect January 1, 2009. Management is currently evaluating what efforts are necessary to comply with the new reporting requirements.

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The IURC and the MPSC regulate all of the retail public utility services/operations (generation/power supply, transmission and distribution operations) and rates. See Note 3 for further information of restructuring legislation and its effects on I&M in Michigan.

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

Basis of Accounting

I&M's accounting is subject to the requirements of the IURC, the MPSC and the FERC. The financial statements have been prepared in accordance with the Uniform System of Accounts prescribed by the FERC. The principal differences from GAAP include:

- Accounting for subsidiaries on the equity basis.
- The classification of deferred fuel as noncurrent rather than current.
- The classification of interest on deferred fuel as interest accrued rather than deferred fuel.
- The requirement to report deferred tax assets and liabilities separately rather than a single amount.
- The classification of accrued taxes as a single amount rather than assets and liabilities.
- The exclusion of current maturities of long-term debt from current liabilities.
- The classification of accrued non-ARO asset removal costs as accumulated depreciation rather than regulatory liabilities.
- The classification of capital lease payments as operating activities instead of financing activities.
- The classification of change in emission allowances held for speculation as investing activities instead of operating activities.
- The classification of PJM hourly activity for physical transactions as purchases and sales instead of net sales.
- The classification of noncurrent tax liabilities and interest accrued related to FIN 48 as a current liability rather than a noncurrent liability.
- The classification of an OPEB amount deferred for future recovery as other deferred credits rather than a regulatory asset.
- The classification of regulatory assets and liabilities associated with SFAS 109 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 expenses as a nonoperating expense instead of as an operating expense.
- The presentation of over/under fuel recovery in revenue rather than as a component of operation expense.
- The classification of certain nonoperating revenues as miscellaneous nonoperating income instead of as operating revenue.
- The classification of certain other assets and liabilities as noncurrent instead of current.
- The classification of income tax expense on Net Utility Operating Income and on Net Other Income and Deductions instead of as a single net income tax.

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Accounting for the Effects of Cost-Based Regulation

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

Use of Estimates

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

Property, Plant and Equipment

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

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

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

Allowance for Funds Used During Construction (AFUDC)

AFUDC represents the estimated cost of borrowed and equity funds used to finance construction projects that is capitalized and recovered through depreciation over the service life of regulated electric utility plant.

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Valuation of Nonderivative Financial Instruments

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

Cash and Cash Equivalents

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

Supplementary Information

	2008	2007
	(in thousands)	
For the Year Ended December 31,		
Cash Was Paid (Received) for:		
Interest (Net of Capitalized Amounts)	\$ 76,152	\$ 71,247
Income Taxes (Net of Refunds)	(11)	38,891
Noncash Acquisitions Under Capital Leases	4,472	93,590
At December 31,		
Noncash Construction Expenditures Included in Accounts Payable	50,507	28,642
Noncash Acquisition of Nuclear Fuel Included in Accounts Payable	37,628	83,918
Revenue Refund Included in Accounts Payable	48,489	-

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 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, an estimate of the revenues for energy delivered since the last billing.

AEP Credit factors accounts receivable through a purchase agreement with I&M.

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, 2008 or 2007.

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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 provision for credit loss has been made in financial statements.

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 amortization of nuclear fuel costs which are computed primarily on the units-of-production method. Where applicable under governing state regulatory commission retail rate orders, fuel cost over-recoveries (the excess of fuel revenues billed to customers over applicable fuel costs incurred) are deferred as current regulatory liabilities and under-recoveries (the excess of applicable fuel costs incurred over fuel revenues billed to customers) are deferred as current regulatory assets. These deferrals are amortized when refunded or when billed to customers in later months with the regulator's review and approval. The amount of an over-recovery or under-recovery can also be affected by actions of regulators. On a routine basis, state regulatory commissions audit fuel cost calculations and deferrals. When a fuel cost disallowance becomes probable, I&M adjusts its deferrals and record provisions for estimated refunds to recognize these probable outcomes.

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

Revenue Recognition

Regulatory Accounting

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

When regulatory assets are probable of recovery through regulated rates, I&M records them as assets on the balance sheet. I&M tests for probability of recovery at each balance sheet date or whenever new events occur. Examples 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, I&M writes off that regulatory asset as a charge against income.

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Traditional 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 in the financial statements upon delivery of the energy to the customer and include unbilled as well as billed amounts.

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

Physical energy purchases including those from RTOs that are identified as non-trading are accounted for on a gross basis in Operation Expenses.

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

Energy Marketing and Risk Management Activities

AEPSC, on behalf of the AEP East companies, PSO and SWEPCo, engages in wholesale electricity, coal, natural gas and emission allowances marketing and risk management activities focused on wholesale markets where the AEP System owns assets and adjacent markets. These activities include the purchase and sale of energy under forward contracts at fixed and variable prices and the buying and selling of financial energy contracts which include exchange traded futures and options, and over-the-counter options and swaps. Certain energy marketing and risk management transactions are with RTOs.

I&M recognizes revenues and expenses from wholesale marketing and risk management transactions that are not derivatives upon delivery of the commodity. I&M uses MTM accounting for wholesale marketing and risk management transactions that are derivatives unless the derivative is designated in a qualifying cash flow hedge relationship or a normal purchase or sale. I&M's unrealized gains and losses for both trading and non-trading derivative instruments are recorded as a regulatory asset (for losses) or a regulatory liability (for gains). Realized gains and losses on derivative instruments not held for trading purposes are included in revenues or expenses depending on the relevant facts and circumstances.

I&M includes realized gains and losses on wholesale marketing and risk management transactions where the AEP System owns assets or in adjacent markets in Operating Revenues. The realized gains and losses for certain legacy transactions executed outside of the AEP System are reported as Miscellaneous Nonoperating Income.

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

Levelization of Nuclear Refueling Outage Costs

In order to match costs with nuclear refueling cycles, I&M defers incremental operation and maintenance costs associated with periodic refueling outages at its Cook Plant and amortizes the costs over the period beginning with the month following the start of each unit's refueling outage and lasting until the end of the month in which the same unit's next scheduled refueling outage begins. I&M adjusts the amortization amount as necessary to ensure full amortization of all deferred costs by the end of the refueling cycle.

Maintenance

I&M expenses maintenance costs as incurred. If it becomes probable that I&M will recover specifically-incurred costs through future rates, a regulatory asset is established to match the expensing of those maintenance costs with their recovery in cost-based regulated revenues.

Income Taxes and Investment Tax Credits

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

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

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

I&M accounts for uncertain tax positions in accordance with FIN 48. Effective with the adoption of FIN 48 beginning January 1, 2007, 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

I&M, as an agent for some state and local governments, collects from customers certain excise taxes levied by those state or local governments on customers. I&M does not record these taxes as revenue or expense.

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Debt and Preferred Stock

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

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

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

Emission Allowances

I&M records emission allowances at cost, including the annual SO₂ and NO_x emission allowance entitlements received at no cost from the Federal EPA. I&M follows the inventory model for these allowances. These allowances are consumed in the production of energy and are recorded in Operation Expenses at an average cost. Allowances held for speculation are included in Other Investments. Gains or losses on sale of emission allowances held speculatively are recorded in Miscellaneous Nonoperating Income and Other Deductions, respectively. The purchases and sales of allowances are reported in the Operating Activities section of the Statement of Cash Flows except speculative allowance transactions which are reported in Investing Activities.

Nuclear Trust Funds

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

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

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

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I&M records securities held in these trust funds in Other Special Funds. I&M records these securities at market value. I&M classifies securities in the trust funds as available-for-sale due to their long-term purpose. Other-than-temporary impairments are considered realized losses as I&M does not make specific investment decisions regarding the assets held in trusts. They reduce the cost basis of the securities which will affect any future unrealized gain or realized gains or losses. I&M records unrealized gains and other-than-temporary impairments from securities in these trust funds as adjustments to the regulatory liability account for the nuclear decommissioning trust funds and to regulatory assets or liabilities for the spent nuclear fuel disposal trust funds in accordance with their treatment in rates. See Note 7 for additional discussion of nuclear matters.

Investment in Subsidiary Companies

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

Comprehensive Income (Loss)

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

Reclassifications

Certain prior period financial statement items have been reclassified to conform to current period presentation. See FSP FIN 39-1 "Amendment of FASB Interpretation No. 39" section of Note 2 for discussion of changes in netting certain balance sheet amounts. These reclassifications had no impact on previously reported income.

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 follow represents a summary of final pronouncements that management has determined relate to I&M's operations.

Pronouncements Adopted in 2008

The following standards were effective during 2008. Consequently, the financial statements and footnotes reflect their impact.

SFAS 157 "Fair Value Measurements" (SFAS 157)

I&M partially adopted SFAS 157 effective January 1, 2008. The statement defines fair value, establishes a fair value measurement framework and expands fair value disclosures.

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In February 2008, the FASB issued FSP SFAS 157-1 "Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13" (SFAS 157-1) which amends SFAS 157 to exclude SFAS 13 "Accounting for Leases" (SFAS 13) and other accounting pronouncements that address fair value measurements for purposes of lease classification or measurement under SFAS 13. SFAS 157-1 was effective upon issuance and had an immaterial impact on the financial statements.

In February 2008, the FASB issued FSP SFAS 157-2 "Effective Date of FASB Statement No. 157" (SFAS 157-2) which delays the effective date of SFAS 157 to fiscal years beginning after November 15, 2008 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). I&M fully adopted SFAS 157 effective January 1, 2009 for items within the scope of SFAS 157-2. The adoption of SFAS 157-2 had an immaterial impact on the financial statements.

In October 2008, the FASB issued FSP SFAS 157-3 "Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active" which clarifies application of SFAS 157 in markets that are not active and provides an illustrative example. The FSP was effective upon issuance. The adoption of this standard had no impact on the financial statements.

See "SFAS 157 Fair Value Measurements" Section of Note 9 for further information.

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

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

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

SFAS 162 "The Hierarchy of Generally Accepted Accounting Principles" (SFAS 162)

In May 2008, the FASB issued SFAS 162, clarifying the sources of generally accepted accounting principles in descending order of authority. The statement specifies that the reporting entity, not its auditors, is responsible for its compliance with GAAP.

I&M adopted SFAS 162 in the fourth quarter of 2008. The adoption of this standard had no impact on the financial statements.

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

In March 2007, the FASB ratified EITF 06-10, a consensus on collateral assignment split-dollar life insurance arrangements in which an employee owns and controls the insurance policy. Under EITF 06-10, an employer should recognize a liability for the postretirement benefit related to a collateral assignment split-dollar life insurance arrangement if the employer agreed to maintain a life insurance policy during the employee's retirement or to provide the employee with a death benefit based on a substantive arrangement with the employee. In addition, an employer should recognize and measure an asset based on the nature and substance of the collateral assignment split-dollar life insurance arrangement. EITF 06-10 requires recognition of the effects of its application as either (a) a cumulative effect adjustment to retained earnings or other components of equity or net assets in the statement of financial position at the beginning of the year of adoption or (b) retrospective application to all prior periods. I&M adopted EITF 06-10 effective January 1, 2008 with an unfavorable cumulative effect reduction of \$2.2 million (\$1.4 million, net of tax) to beginning retained earnings.

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

In June 2007, the FASB addressed the recognition of income tax benefits of dividends on employee share-based compensation. Under EITF 06-11, a realized income tax benefit from dividends or dividend equivalents that are charged to retained earnings and are paid to employees for equity-classified nonvested equity shares, nonvested equity share units and outstanding equity share options should be recognized as an increase to additional paid-in capital.

I&M adopted EITF 06-11 effective January 1, 2008. The adoption of this standard had an immaterial impact on the financial statements.

FSP SFAS 133-1 and FIN 45-4 "Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133 and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161" (FSP SFAS 133-1 and FIN 45-4)

In September 2008, the FASB issued FSP SFAS 133-1 and FIN 45-4 amending SFAS 133 and FIN 45 "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." Under the SFAS 133 requirements, the seller of a credit derivative shall disclose the following information for each derivative, including credit derivatives embedded in a hybrid instrument, even if the likelihood of payment is remote:

- (a) The nature of the credit derivative.
- (b) The maximum potential amount of future payments.
- (c) The fair value of the credit derivative.
- (d) The nature of any recourse provisions and any assets held as collateral or by third parties.

Further, the standard requires the disclosure of current payment status/performance risk of all FIN 45 guarantees. In the event an entity uses internal groupings, the entity shall disclose how those groupings are determined and used for managing risk.

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I&M adopted the standard effective December 31, 2008. The adoption of this standard had no impact on the financial statements and footnote disclosures.

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

In April 2007, the FASB issued FSP FIN 39-1 amending FIN 39 "Offsetting of Amounts Related to Certain Contracts" by replacing the interpretation's definition of contracts with the definition of derivative instruments per SFAS 133. The amendment requires entities that offset fair values of derivatives with the same party under a netting agreement to also net the fair values (or approximate fair values) of related cash collateral. The entities must disclose whether or not they offset fair values of derivatives and related cash collateral and amounts recognized for cash collateral payables and receivables at the end of each reporting period.

I&M adopted the standard effective January 1, 2008. This standard changed the method of netting certain balance sheet amounts and reduced assets and liabilities. It requires retrospective application as a change in accounting principle. Consequently, I&M reclassified the following amounts on their December 31, 2007 balance sheet as shown:

Balance Sheet Line Description	As Reported for December 2007	FIN 39-1 Reclassification (in thousands)	As Reported for December 2008
Special Deposits	\$ 5,276	\$ (1,841)	\$ 3,435
Derivative Instrument Assets	74,436	(2,410)	72,026
Long-term Portion of Derivative Assets	41,543	(1,441)	40,102
Customer Deposits	28,855	(2,410)	26,445
Derivative Instrument Liabilities	53,868	(1,841)	52,027
Long-term Portion of Derivative Instrument Liabilities	26,307	(34)	26,273

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, 2008 balance sheets, I&M netted \$1.2 million of collateral received from third parties against short-term and long-term risk management assets and \$3.1 million of cash collateral paid to third parties against short-term and long-term risk management liabilities.

Pronouncements Adopted During The First Quarter of 2009

The following standards are effective during the first quarter of 2009. Consequently, their impact will be reflected in the first quarter of 2009 financial statements. The following paragraphs discuss their expected impact on future financial statement and footnote disclosures.

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

In December 2007, the FASB issued SFAS 141R, improving financial reporting about business combinations and their effects. It established how the acquiring entity recognizes and measures the identifiable assets acquired, liabilities assumed, goodwill acquired, any gain on bargain purchases and any noncontrolling interest in the acquired entity. SFAS 141R no longer allows acquisition-related costs to be included in the cost of the business combination, but rather expensed in the periods they are incurred, with the exception of the costs to issue debt or equity securities which shall be recognized in accordance with other applicable GAAP. The standard requires disclosure of information for a business combination that occurs during the accounting period or prior to the issuance of the financial statements for the accounting period. SFAS 141R can affect tax positions on previous acquisitions. I&M does not have any such tax positions that result in adjustments.

I&M adopted SFAS 141R effective January 1, 2009. It is effective prospectively for business combinations with an acquisition date on or after January 1, 2009. I&M will apply it to any future business combinations.

SFAS 161 "Disclosures about Derivative Instruments and Hedging Activities" (SFAS 161)

In March 2008, the FASB issued SFAS 161, enhancing disclosure requirements for derivative instruments and hedging activities. Affected entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how an entity accounts for derivative instruments and related hedged items and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. The standard requires that objectives for using derivative instruments be disclosed in terms of underlying risk and accounting designation.

I&M adopted SFAS 161 effective January 1, 2009. This standard will increase the disclosure requirements related to derivative instruments and hedging activities in future reports.

EITF Issue No. 08-5 "Issuer's Accounting for Liabilities Measured at Fair Value with a Third-Party Credit Enhancement" (EITF 08-5)

In September 2008, the FASB ratified the consensus on liabilities with third-party credit enhancements when the liability is measured and disclosed at fair value. The consensus treats the liability and the credit enhancement as two units of accounting. Under the consensus, the fair value measurement of the liability does not include the effect of the third-party credit enhancement. Consequently, changes in the issuer's credit standing without the support of the credit enhancement affect the fair value measurement of the issuer's liability. Entities will need to provide disclosures about the existence of any third-party credit enhancements related to their liabilities. In the period of adoption, entities must disclose the valuation method(s) used to measure the fair value of liabilities within its scope and any change in the fair value measurement method that occurs as a result of its initial application.

I&M adopted EITF 08-5 effective January 1, 2009. It will be applied prospectively with the effect of initial application included as a change in fair value of the liability in the period of adoption. The adoption of this standard will impact the financial statements in the 2009 Annual Report as I&M reports fair value of long-term debt annually.

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EITF Issue No. 08-6 "Equity Method Investment Accounting Considerations" (EITF 08-6)

In November 2008, the FASB ratified the consensus on equity method investment accounting including initial and allocated carrying values and subsequent measurements. It requires initial carrying value be determined using the SFAS 141R cost allocation method. When an investee issues shares, the equity method investor should treat the transaction as if the investor sold part of its interest.

I&M adopted EITF 08-6 effective January 1, 2009 with no impact on the financial statements. It was applied prospectively.

FSP SFAS 142-3 "Determination of the Useful Life of Intangible Assets" (SFAS 142-3)

In April 2008, the FASB issued SFAS 142-3 amending factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset. The standard is expected to improve consistency between the useful life of a recognized intangible asset and the period of expected cash flows used to measure its fair value.

I&M adopted SFAS 142-3 effective January 1, 2009. The guidance is prospectively applied to intangible assets acquired after the effective date. The standard's disclosure requirements are applied prospectively to all intangible assets as of January 1, 2009. The adoption of this standard had no impact on the financial statements.

Pronouncements Effective in the Future

The following standards will be effective in the future and their impacts disclosed at that time.

FSP SFAS 132R-1 "Employers' Disclosures about Postretirement Benefit Plan Assets" (FSP SFAS 132R-1)

In December 2008, the FASB issued FSP SFAS 132R-1 providing additional disclosure guidance for pension and OPEB plan assets. The rule requires disclosure of investment policy including target allocations by investment class, investment goals, risk management policies and permitted or prohibited investments. It specifies a minimum of investment classes by further dividing equity and debt securities by issuer grouping. The standard adds disclosure requirements including hierarchical classes for fair value and concentration of risk.

This standard is effective for fiscal years ending after December 15, 2009. Management expects this standard to increase the disclosure requirements related to AEP's benefit plans. I&M will adopt the standard effective for the 2009 Annual Report.

Future Accounting Changes

The FASB's standard-setting process is ongoing and until new standards have been finalized and issued, management cannot determine the impact on the reporting of I&M's operations and financial position that may result from any such future changes. The FASB is currently working on several projects including revenue recognition, contingencies, liabilities and equity, emission allowances, leases, insurance, hedge accounting, consolidation policy, trading inventory and related tax impacts. Management also expects to see more FASB projects as a result of its desire to converge International Accounting Standards with GAAP. The ultimate pronouncements resulting from these and future projects could have an impact on future net income and financial position.

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3. RATE MATTERS

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

For discussion of the FERC's November 2008 order on AEP's allocation of off-system sales, see "Allocation of Off-system Sales Margins" section within "FERC Rate Matters".

Indiana Rate Matters

Indiana Base Rate Filing

In a January 2008 filing with the IURC, updated in the second quarter of 2008, I&M requested an increase in its Indiana base rates of \$80 million including a return on equity of 11.5%. The base rate increase included a \$69 million annual reduction in depreciation expense previously approved by the IURC and implemented for accounting purposes effective June 2007. The filing also requested trackers for certain variable components of the cost of service including recently increased PJM costs associated with transmission line losses due to the implementation of PJM transmission marginal line loss pricing and other RTO costs, reliability enhancement costs, demand side management/energy efficiency costs, off-system sales margins and environmental compliance costs. The trackers would initially increase annual revenues by an additional \$45 million. I&M proposes to share with customers, through a proposed tracker, 50% of off-system sales margins initially estimated to be \$96 million annually with a guaranteed credit to customers of \$20 million.

In December 2008, I&M and all of the intervenors jointly filed a settlement agreement with the IURC proposing to resolve all of the issues in the case. The settlement agreement included a \$22 million increase in revenue from base rates with an authorized return on equity of 10.5% and a \$22 million initial increase in tracker revenue. The agreement also establishes an off-system sales sharing mechanism and trackers for PJM, net emission allowance, and DSM costs, among other provisions which include continued funding for the eventual decommissioning of the Cook Plant. The IURC approved the settlement agreement with minor modifications in March 2009.

Rockport and Tanners Creek

In January 2009, I&M filed a petition with the IURC requesting approval of a Certificate of Public Convenience and Necessity (CPCN) to use advanced coal technology which would allow I&M to reduce airborne emissions of NO_x and mercury from existing coal-fired steam electric generating units at the Rockport and Tanners Creek Plants. In addition, the petition is requesting approval to construct and recover the costs of selective non-catalytic reduction (SNCR) systems at the Tanners Creek plant and to recover the costs of activated carbon injection (ACI) systems on both generating units at the Rockport Plant. I&M is requesting to depreciate the ACI systems over a period of 10 years and the SNCR systems over the remaining useful life of the Tanners Creek generating units. I&M requested the IURC to approve a rate adjustment mechanism of unrecovered carrying costs during construction and a return on investment, depreciation expense and operation and maintenance costs, including consumables and new emission allowance costs, once the projects are placed in service. I&M also requested the IURC to authorize deferral of costs and carrying costs until such costs are recognized in the rate adjustment mechanism. The IURC has not issued a procedural schedule at this time for this petition. Management is unable to predict the outcome of this petition.

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Indiana Fuel Clause Filing

In January 2009, I&M filed with the IURC an application to increase its fuel adjustment charge by approximately \$53 million for April through September 2009. The filing included an under-recovery for the period ended November 2008, mainly as a result of the extended outage of the Cook Unit 1 due to damage to the main turbine and generator and increased coal prices, and a projection for the future period of fuel costs including Cook Unit 1 replacement power fuel clause costs. The filing also included an adjustment to reduce the incremental fuel cost of replacement power with a portion of the insurance proceeds from the Cook Unit 1 accidental outage policy. See "Cook Plant Unit 1 Fire and Shutdown" section within the "Commitment, Guarantees and Contingencies" footnote for further details. I&M reached an agreement in February 2009 with intervenors to collect the under-recovery over twelve months instead of over six months as proposed. Under the agreement, the fuel factor will go into effect subject to refund and a subdocket will be established to consider issues relating to the Cook Unit 1 outage and I&M's fuel procurement practices. A decision from the IURC is still pending.

Michigan Rate Matters

Michigan Restructuring

Although customer choice commenced for I&M's Michigan customers on January 1, 2002, I&M's rates for generation in Michigan continued to be cost-based regulated because none of I&M's customers elected to change suppliers and no alternative electric suppliers were registered to compete in I&M's Michigan service territory. In October 2008, the Governor of Michigan signed legislation to limit customer choice load to no more than 10% of the annual retail load for the preceding calendar year and to require the remaining 90% of annual retail load to be phased into cost-based rates. The new legislation also requires utilities to meet certain energy efficiency and renewable portfolio standards and permits cost recovery of meeting those standards. Management continues to conclude that I&M's rates for generation in Michigan are cost-based regulated and that I&M can practice regulatory accounting.

FERC Rate Matters

Regional Transmission Rate Proceedings at the FERC

SECA Revenue Subject to Refund

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

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In August 2006, a FERC ALJ issued an initial decision, finding that the rate design for the recovery of SECA charges was flawed and that a large portion of the "lost revenues" reflected in the SECA rates should not have been recoverable. The ALJ found that the SECA rates charged were unfair, unjust and discriminatory and that new compliance filings and refunds should be made. The ALJ also found that the unpaid SECA rates must be paid in the recommended reduced amount.

In September 2006, AEP filed briefs jointly with other affected companies noting exceptions to the ALJ's initial decision and asking the FERC to reverse the decision in large part. Management believes, based on advice of legal counsel, that the FERC should reject the ALJ's initial decision because it contradicts prior related FERC decisions, which are presently subject to rehearing. Furthermore, management believes the ALJ's findings on key issues are largely without merit. AEP and SECA ratepayers have engaged in settlement discussions in an effort to settle the SECA issue. However, if the ALJ's initial decision is upheld in its entirety, it could result in a disallowance of a large portion on any unsettled SECA revenues.

Based on anticipated settlements, the AEP East companies provided reserves for net refunds for current and future SECA settlements totaling \$44 million applicable to a total of \$220 million of SECA revenues. I&M's portion of the provision was \$8.3 million.

In December 2008, an additional settlement agreement was approved by the FERC resulting in the completion of a \$2 million settlement applicable to \$17 million of SECA revenue. Including this most recent settlement, AEP has completed settlements totaling \$9 million applicable to \$92 million of SECA revenues. The balance in the reserve for future settlements as of December 2008 was \$35 million. In-process settlements total \$1 million applicable to \$20 million of SECA revenues. In February 2009, the FERC approved the in-process settlements resulting in the completion of a \$1 million settlement application to \$20 million of SECA revenues. I&M's reserve balance at December 31, 2008 was \$6.5 million.

If the FERC adopts the ALJ's decision and/or AEP cannot settle all of the remaining unsettled claims within the remaining amount reserved for refund, it will have an adverse effect on future net income and cash flows. Based on advice of external FERC counsel, recent settlement experience and the expectation that most of the unsettled SECA revenues will be settled, management believes that the available reserve of \$34 million is adequate to settle the remaining \$108 million of contested SECA revenues. However, management cannot predict the ultimate outcome of ongoing settlement discussions or future FERC proceedings or court appeals, if any.

The FERC PJM Regional Transmission Rate Proceeding

With the elimination of T&O rates, the expiration of SECA rates and after considerable administrative litigation at the FERC in which AEP sought to mitigate the effect of the T&O rate elimination, the FERC failed to implement a regional rate in PJM. As a result, the AEP East companies' retail customers incur the bulk of the cost of the existing AEP east transmission zone facilities. However, the FERC ruled that the cost of any new 500 kV and higher voltage transmission facilities built in PJM would be shared by all customers in the region. It is expected that most of the new 500 kV and higher voltage transmission facilities will be built in other zones of PJM, not AEP's zone. The AEP East companies will need to obtain regulatory approvals for recovery of any costs of new facilities that are assigned to them by PJM. In February 2008, AEP filed a Petition for Review of the FERC orders in this case in the United States Court of Appeals. Management cannot estimate at this time what effect, if any, this order will have on the AEP East companies' future construction of new transmission facilities, net income and cash flows.

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The AEP East companies filed for and in 2006 obtained increases in their wholesale transmission rates to recover lost revenues previously applied to reduce those rates. As a result, the AEP East companies are now recovering approximately 80% of the lost T&O transmission revenues. The remaining 20% is being incurred until I&M can revise its rates in Indiana and Michigan to recover these lost revenues. AEP received net SECA transmission revenues of \$128 million in 2005. I&M requested recovery of its portion of these lost revenues in its Indiana rate filing in January 2008 but does not expect to commence recovering the new rates until early 2009. Future net income and cash flows will continue to be adversely affected in Indiana and Michigan until the remaining lost T&O transmission revenues are recovered in retail rates.

The FERC PJM and MISO Regional Transmission Rate Proceeding

In the SECA proceedings, the FERC ordered the RTOs and transmission owners in the PJM/MISO region (the Super Region) to file, by August 1, 2007, a proposal to establish a permanent transmission rate design for the Super Region to be effective February 1, 2008. All of the transmission owners in PJM and MISO, with the exception of AEP and one MISO transmission owner, elected to support continuation of zonal rates in both RTOs. In September 2007, AEP filed a formal complaint proposing a highway/byway rate design be implemented for the Super Region where users pay based on their use of the transmission system. AEP argued the use of other PJM and MISO facilities by AEP is not as large as the use of AEP transmission by others in PJM and MISO. Therefore, a regional rate design change is required to recognize that the provision and use of transmission service in the Super Region is not sufficiently uniform between transmission owners and users to justify zonal rates. In January 2008, the FERC denied AEP's complaint. AEP filed a rehearing request with the FERC in March 2008. In December 2008, the FERC denied AEP's request for rehearing. In February 2009, AEP filed an appeal in the U.S. Court of Appeals. If the court appeal is successful, earnings could benefit for a certain period of time due to regulatory lag until the AEP East companies reduce future retail revenues in their next fuel or base rate proceedings. Management is unable to predict the outcome of this case.

PJM Transmission Formula Rate Filing

In July 2008, AEP filed an application with the FERC to increase its rates for wholesale transmission service within PJM by \$63 million annually. The filing seeks to implement a formula rate allowing annual adjustments reflecting future changes in the AEP East companies' cost of service. The requested increase would result in a combined increase in annual revenues for the AEP East companies of approximately \$9 million from nonaffiliated customers within PJM. The remaining \$54 million requested would be billed to the AEP East companies but would be offset by compensation from PJM for use of the AEP East companies' transmission facilities so that I&M's retail rates are not affected. AEP requested an effective date of October 1, 2008. In September 2008, the FERC issued an order conditionally accepting AEP's proposed formula rate, subject to a compliance filing, suspended the effective date until March 1, 2009 and established a settlement proceeding with an ALJ. In October 2008, AEP began settlement discussions and filed the required compliance filing. Management is unable to predict the outcome of this filing.

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Allocation of Off-system Sales Margins

In August 2008, the Corporate Commission of the State of Oklahoma filed a complaint at the FERC alleging that AEP inappropriately allocated off-system sales margins between the AEP East companies and the AEP West companies and did not properly allocate off-system sales margins within the AEP West companies. The Public Utility Commission of Texas, the Arkansas Public Service Commission and the Oklahoma Industrial Energy Consumers intervened in this filing. In November 2008, the FERC issued a final order concluding that AEP inappropriately deviated from off-system sales margin allocation methods in the SIA and the CSW Operating Agreement for the period June 2000 through March 2006. The FERC ordered AEP to recalculate and reallocate the off-system sales margins in compliance with the SIA and to have the AEP East companies issue refunds to the AEP West companies. In December 2008, AEP filed a motion for rehearing. The motion for rehearing is still pending. In January 2009, AEP filed a compliance filing with the FERC and refunded approximately \$250 million from the AEP East companies to the AEP West companies.

The table below lists the respective amounts the AEP East companies and the AEP West companies recorded in December 2008 including the net increase (decrease) to net income for the year ended December 31, 2008:

	Amounts to be (Transferred)/ Received Including Interest	Increase/ (Decrease) to Net Income
AEP East Companies	(in millions)	
APCo	\$ (77)	\$ (50)
I&M	(48)	(32)
OPCo	(62)	(40)
CSPCo	(44)	(28)
KPCo	(19)	(12)
Total – AEP East Companies	(250)	(162)
AEP West Companies		
PSO	\$ 72	\$ 12
SWEPCo	85	20
TCC	68	23
TNC	25	10
Total – AEP West Companies	250	65
Total – AEP Consolidated	\$ -	\$ (97)

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The table below shows the vintage year of the associated AEP SIA refunds:

	For the Twelve Months Ended December 31,			
	2006 and Prior	2007	2008	Total
AEP East Companies	(in millions)			
APCo	\$ (66)	\$ (6)	\$ (5)	\$ (77)
I&M	(41)	(4)	(3)	(48)
OPCo	(53)	(5)	(4)	(62)
CSPCo	(40)	(3)	(1)	(44)
KPCo	(17)	(1)	(1)	(19)
Total – AEP East Companies	(217)	(19)	(14)	(250)
AEP West Companies				
PSO	62	6	4	72
SWEPCo	74	6	5	85
TCC	59	5	4	68
TNC	22	2	1	25
Total – AEP West Companies	217	19	14	250
Total – AEP Consolidated	\$ -	\$ -	\$ -	\$ -

Management cannot predict the outcome of the requested FERC rehearing proceeding or any future regulatory proceedings but believes the provision regarding future regulatory proceedings is adequate.

Transmission Equalization Agreement

Certain transmission equipment placed in service in 1998 was inadvertently excluded from the AEP East companies' TEA calculation prior to January 2009. Management believes that it is not probable that a material retroactive adjustment will result from the omission. If a retroactive adjustment is required, it could have an adverse effect on I&M's future net income, cash flows and financial condition.

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4. EFFECTS OF REGULATION

Regulatory assets and liabilities are comprised of the following items:

	December 31, 2008 2007		Notes
Regulatory Assets	(in thousands)		
SFAS 109 Regulatory Asset (See Note 10)	\$ 159,696	\$ 150,461	(a) (h)
SFAS 158 Regulatory Asset (See Note 6)	269,087	57,517	(a) (h)
Unrecovered Fuel Costs	33,066	844	(a) (k)
Cook Nuclear Plant Refueling Outage Levelization	24,966	33,891	(a) (f)
Other	32,998	37,690	(c) (h)
Total FERC Account 182.3 Regulatory Assets	\$ 519,813	\$ 280,403	
Unamortized Loss on Reacquired Debt (d)	\$ 15,025	\$ 15,255	(b) (j)
Regulatory Liabilities			
SFAS 109 Regulatory Liability (See Note 10)	\$ 41,740	\$ 43,479	(a) (h)
Excess ARO for Nuclear Decommissioning (See Note 7)	208,190	361,599	(e)
SNF Disposal Liability (See Note 7)	36,596	26,375	(b) (g)
Other	31,127	31,465	(c) (h)
Total FERC Account 254 Regulatory Liabilities	\$ 317,653	\$ 462,918	
Deferred Investment Tax Credits (d)	\$ 60,048	\$ 62,244	(a) (i)

(a) Amount does not earn a return.
(b) Amount earns a return.
(c) A portion of this amount earns a return.
(d) Recorded in an account other than regulatory asset or liability on the balance sheet.
(e) This is the difference in the cumulative amount of removal costs recovered through rates and the cumulative amount of ARO as measured by applying SFAS 143. This amount earns a return, accrues monthly and will be paid when the nuclear plant is decommissioned.
(f) Amortized over the period beginning with the commencement of an outage and ending with the beginning of the next outage.
(g) This is the difference between the amount collected from ratepayers and the liability to the DOE for pre-April 6, 1983 spent nuclear fuel disposal. When the liability is settled, excess amounts will be determined and dispersed as instructed by the regulatory commissions.
(h) Recovery/refund period – various periods.
(i) Recovery/refund period – up to 78 years.
(j) Recovery/refund period – up to 24 years.
(k) Recovery/refund period – up to 1 year.

5. COMMITMENTS, GUARANTEES AND CONTINGENCIES

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

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Insurance and Potential Losses

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

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

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

COMMITMENTS

Construction and Commitments

I&M has substantial construction commitments to support its operations and environmental investments. In managing the overall construction program and in the normal course of business, I&M contractually commits to third-party construction vendors for certain material purchases and other construction services. I&M's budgeted construction expenditures for 2009 are \$361.6 million. Budgeted construction expenditures are subject to periodic review and modification and may vary based on the ongoing effects of regulatory constraints, environmental regulations, business opportunities, market volatility, economic trends, weather, legal reviews and the ability to access capital.

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

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The following table summarizes I&M's actual contractual commitments at December 31, 2008:

Contractual Commitments	Less Than 1 Year	2-3 Years	4-5 Years	After 5 Years	Total
	(in millions)				
Fuel Purchase Contracts (a)	\$ 539.6	\$ 780.3	\$ 178.5	\$ 30.0	\$ 1,528.4
Energy and Capacity Purchase Contracts (b)	1.4	4.5	0.9	-	6.8
Construction Contracts for Capital Assets (c)	16.5	27.4	14.4	-	58.3
Total	\$ 557.5	\$ 812.2	\$ 193.8	\$ 30.0	\$ 1,593.5

- (a) Represents contractual commitments to purchase coal, natural gas and other consumables as fuel for electric generation along with related transportation of the fuel. The longest contract extends to 2014. The contracts provide for periodic price adjustments and contain various clauses that would release I&M from its commitments under certain conditions.
- (b) Represents contractual commitments for energy and capacity purchase contracts.
- (c) Represents only capital assets that are contractual commitments.

GUARANTEES

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

Letters of Credit

I&M enters into standby letters of credit (LOCs) with third parties. These LOCs cover items such as insurance programs, security deposits and debt service reserves. These LOCs were issued in the ordinary course of business under the two \$1.5 billion credit facilities which were reduced by Lehman Brothers Holdings Inc.'s commitment amount of \$46 million following its bankruptcy. At December 31, 2008, I&M's maximum future payments of the LOCs were \$1.1 million with a maturity of March 2009.

In April 2008, I&M and certain other companies in the AEP System entered into a \$650 million 3-year credit agreement and a \$350 million 364-day credit agreement which were reduced by Lehman Brothers Holdings Inc.'s commitment amount of \$23 million and \$12 million, respectively, following its bankruptcy. As of December 31, 2008, \$77.9 million of letters of credit were issued by I&M with a maturity of May 2009 under the 3-year credit agreement to support variable rate Pollution Control Bonds.

Indemnifications and Other Guarantees

Contracts

I&M enters into certain types of contracts which require indemnifications. Typically these contracts include, but are not limited to, sale agreements, lease agreements, purchase agreements and financing agreements. Generally, these agreements may include, but are not limited to, indemnifications around certain tax, contractual and environmental matters. With respect to sale agreements, exposure generally does not exceed the sale price. There are no material liabilities recorded for any indemnifications.

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

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Lease Obligations

I&M leases certain equipment under master lease agreements. See "Master Lease Agreements" and "Railcar Lease" sections of Note 11 for disclosure of lease residual value guarantees.

CONTINGENCIES

Federal EPA Complaint and Notice of Violation

The Federal EPA, certain special interest groups and a number of states alleged that APCo, CSPCo, I&M and OPCo modified certain units at their coal-fired generating plants in violation of the NSR requirements of the CAA.

In 2007, the U.S. District Court approved the AEP System's consent decree with the Federal EPA, the DOJ, the states and the special interest groups. The consent decree resolved all issues related to various parties' claims in the NSR cases. Under the consent decree, the AEP System paid a \$15 million civil penalty in 2008 and provided \$36 million for environmental projects coordinated with the federal government and \$24 million to the states for environmental mitigation. I&M expensed its share of these amounts in 2007 as follows:

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

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

Carbon Dioxide Public Nuisance Claims

In 2004, eight states and the City of New York filed an action in federal district court for the Southern District of New York against AEP, AEPSC, Cinergy Corp, Xcel Energy, Southern Company and Tennessee Valley Authority. The Natural Resources Defense Council, on behalf of three special interest groups, filed a similar complaint against the same defendants. The actions allege that CO₂ emissions from the defendants' power plants constitute a public nuisance under federal common law due to impacts of global warming, and sought injunctive relief in the form of specific emission reduction commitments from the defendants. The dismissal of this lawsuit was appealed to the Second Circuit Court of Appeals. Briefing and oral argument have concluded in 2006. In April 2007, the U.S. Supreme Court issued a decision holding that the Federal EPA has authority to regulate emissions of CO₂ and other greenhouse gases under the CAA, which may impact the Second Circuit's analysis of these issues. The Second Circuit requested supplemental briefs addressing the impact of the Supreme Court's decision on this case which were provided in 2007. Management believes the actions are without merit and intends to defend against the claims.

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Alaskan Villages' Claims

In February 2008, the Native Village of Kivalina and the City of Kivalina, Alaska filed a lawsuit in federal court in the Northern District of California against AEP, AEPSC and 22 other unrelated defendants including oil & gas companies, a coal company, and other electric generating companies. The complaint alleges that the defendants' emissions of CO₂ contribute to global warming and constitute a public and private nuisance and that the defendants are acting together. The complaint further alleges that some of the defendants, including AEP, conspired to create a false scientific debate about global warming in order to deceive the public and perpetuate the alleged nuisance. The plaintiffs also allege that the effects of global warming will require the relocation of the village at an alleged cost of \$95 million to \$400 million. The defendants filed motions to dismiss the action. The motions are pending before the court. Management believes the action is without merit and intends to defend against the claims.

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

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

Superfund addresses clean-up of hazardous substances that have been released to the environment. The Federal EPA administers the clean-up programs. Several states have enacted similar laws. At December 31, 2008, I&M is named as a Potentially Responsible Party (PRP) for two sites by the Federal EPA. There is one additional site for which I&M has received information requests which could lead to a 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 I&M has been named a PRP or defendant, disposal or recycling activities were in accordance with the then-applicable laws and regulations. Superfund does not recognize compliance as a defense, but imposes strict liability on parties who fall within its broad statutory categories. Liability has been resolved for a number of sites with no significant effect on net income.

In March 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 requested remediation proposals from environmental consulting firms. In May 2008, I&M issued a contract to one of the consulting firms. I&M recorded approximately \$4 million of expense through December 31, 2008. As the remediation work is completed, I&M's cost may increase. Management cannot predict the amount of additional cost, if any. At present, management's estimates do not anticipate material cleanup costs for this site.

I&M evaluates the potential liability for each Superfund site separately, but several general statements can be made regarding potential future liability. Disposal of materials at a particular site is often unsubstantiated and the quantity of materials deposited at a site was small and often nonhazardous. Although Superfund liability has been interpreted by the courts as joint and several, typically many parties are named as PRPs for each site and several of the parties are financially sound enterprises. At present, management's estimates do not anticipate material cleanup costs for identified sites.

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Clean Air Interstate Rule

In 2005, the Federal EPA issued a final rule, the Clean Air Interstate Rule (CAIR). It requires specific reductions in SO₂ and NO_x emissions from power plants and assists states developing new state implementation plans to meet the national ambient air quality standards. CAIR reduces regional emissions of SO₂ and NO_x (which can be transformed into PM and ozone) from power plants in the Eastern U.S. (29 states and the District of Columbia). CAIR requires power plants within these states to reduce emissions of SO₂ by 50% by 2010, and by 65% by 2015. NO_x emissions will be subject to additional limits beginning in 2009, and will be reduced by a total of 70% from current levels by 2015. Reductions of both SO₂ and NO_x would be achieved through a cap-and-trade program. In July 2008, the D.C. Circuit Court of Appeals issued a decision that would vacate CAIR and remanded the rule to the Federal EPA. In September 2008, the Federal EPA and other parties filed petitions for rehearing. In December 2008, the D.C. Circuit Court of Appeals granted the Federal EPA's petition and remanded the rule to the Federal EPA without vacatur, allowing CAIR to remain in effect while a new rulemaking is conducted. I&M purchased \$9 million of CAIR allowances that will be used beginning in 2009.

Cook Plant Unit 1 Fire and Shutdown

In September 2008, I&M shut down Cook Plant Unit 1 (Unit 1) due to turbine vibrations, likely caused by blade failure, which resulted in a fire on the electric generator. This equipment, located in the turbine building, is separate and isolated from the nuclear reactor. The turbine rotors that caused the vibration were installed in 2006 and are within the vendor's warranty period. The warranty provides for the repair or replacement of the turbine rotors if the damage was caused by a defect in materials or workmanship. I&M is working with its insurance company, Nuclear Electric Insurance Limited (NEIL), and its turbine vendor, Siemens, to evaluate the extent of the damage resulting from the incident and the costs to return the unit to service. Repair of the property damage and replacement of the turbine rotors and other equipment could cost up to approximately \$330 million. Management believes that I&M should recover a significant portion of these costs through the turbine vendor's warranty, insurance and the regulatory process. Management's current analysis indicates that with successful repairs and timely parts deliveries, Unit 1 could resume operations as early as September 2009 at reduced power. If the rotors cannot be repaired, replacement of parts will extend the outage into 2010.

The refueling outage for Cook Plant Unit 2, which continues to operate at full power, will take place as scheduled in the spring of 2009. The refueling outage scheduled for the fall of 2009 for Unit 1 is currently being evaluated. Management anticipates that the loss of capacity from Unit 1 will not affect I&M's ability to serve customers due to the existence of sufficient generating capacity in the AEP Power Pool.

I&M maintains property insurance through NEIL with a \$1 million deductible. As of December 31, 2008, I&M recorded \$28 million in Miscellaneous Current and Accrued Assets on its balance sheet representing recoverable amounts under property insurance proceeds. I&M also maintains a separate accidental outage policy with NEIL whereby, after a 12-week deductible period, I&M is entitled to weekly payments of \$3.5 million for the first 52 weeks following the deductible period. After the initial 52 weeks of indemnity, the policy pays \$2.8 million per week for up to an additional 110 weeks. I&M began receiving payments under the accidental outage policy effective December 15, 2008. If the ultimate costs of the incident are not covered by warranty, insurance or through the regulatory process or if the unit is not returned to service in a reasonable period of time, it could have an adverse impact on net income, cash flows and financial condition.

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In January 2009, I&M filed its regular semi-annual fuel filing in Indiana which determines the fuel rate for the period April 2009 through September 2009. I&M filed to provide to customers a portion of the accidental outage insurance proceeds expected during the forecast period. I&M has deferred \$9 million of accidental outage insurance proceeds as of December 31, 2008 which are included in Other Deferred Credits on the balance sheet.

FERC Long-term Contracts

In 2002, the FERC held a hearing related to a complaint filed by Nevada Power Company and Sierra Pacific Power Company (the Nevada utilities). The complaint sought to break long-term contracts entered during the 2000 and 2001 California energy price spike which the customers alleged were "high-priced." The complaint alleged that AEP subsidiaries sold power at unjust and unreasonable prices because the market for power was allegedly dysfunctional at the time such contracts were executed. In 2003, the FERC rejected the complaint. In 2006, the U.S. Court of Appeals for the Ninth Circuit reversed the FERC order and remanded the case to the FERC for further proceedings. That decision was appealed to the U.S. Supreme Court. In June 2008, the U.S. Supreme Court affirmed the validity of contractually-agreed rates except in cases of serious harm to the public. The U.S. Supreme Court affirmed the Ninth Circuit's remand on two issues, market manipulation and excessive burden on consumers. The FERC initiated remand procedures and gave the parties time to attempt to settle the issues. Management believes a provision recorded in 2008 should be sufficient. I&M and certain other AEP subsidiaries asserted claims against certain companies that sold power to them, which was resold to the Nevada utilities, seeking to recover a portion of any amounts that may be owed to the Nevada utilities. Management is unable to predict the outcome of these proceedings or their ultimate impact on future net income and cash flows.

6. BENEFIT PLANS

I&M participates in AEP sponsored qualified pension plans (merged at December 31, 2008) and unfunded nonqualified pension plans. A substantial majority of employees are covered by either one qualified plan or both a qualified and a nonqualified pension plan. I&M participates in OPEB plans sponsored by AEP to provide medical and life insurance benefits for retired employees.

I&M recognizes the obligations associated with defined benefit pension plans and OPEB plans in its balance sheets. 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 SFAS 71 regulatory asset for qualifying SFAS 158 costs of regulated operations that for ratemaking purposes are deferred for future recovery.

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

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The following tables provide a reconciliation of the changes in projected benefit obligations and fair value of assets for AEP's plans over the two-year period ending at the plan's measurement date of December 31, 2008, and their funded status as of December 31 for each year:

Projected Plan Obligations, Plan Assets, Funded Status as of December 31, 2008 and 2007

	Pension Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
	(in millions)			
Change in Projected Benefit Obligation				
Projected Obligation at January 1	\$ 4,109	\$ 4,108	\$ 1,773	\$ 1,818
Service Cost	100	96	42	42
Interest Cost	249	235	113	104
Actuarial Loss (Gain)	139	(64)	2	(91)
Plan Amendments	-	18	-	-
Benefit Payments	(296)	(284)	(120)	(130)
Participant Contributions	-	-	24	22
Medicare Subsidy	-	-	9	8
Projected Obligation at December 31	\$ 4,301	\$ 4,109	\$ 1,843	\$ 1,773
Change in Fair Value of Plan Assets				
Fair Value of Plan Assets at January 1	\$ 4,504	\$ 4,346	\$ 1,400	\$ 1,302
Actual Gain (Loss) on Plan Assets	(1,054)	435	(368)	115
Company Contributions	7	7	82	91
Participant Contributions	-	-	24	22
Benefit Payments	(296)	(284)	(120)	(130)
Fair Value of Plan Assets at December 31	\$ 3,161	\$ 4,504	\$ 1,018	\$ 1,400
Funded (Underfunded) Status at December 31	\$ (1,140)	\$ 395	\$ (825)	\$ (373)

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AEP has significant investments in several trust funds to provide for future pension and OPEB payments. All of the trust funds' investments are diversified and managed in compliance with all laws and regulations. The value of the investments in these trusts declined substantially in 2008 due to decreases in domestic and international equity markets. Although the asset values are lower, this decline has not affected the funds' ability to make their required payments.

Amounts Recognized on AEP's Balance Sheets as of December 31, 2008 and 2007

	Pension Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
	(in millions)			
Employee Benefits and Pension Assets – Prepaid Benefit Costs	\$ -	\$ 482	\$ -	\$ -
Other Current Liabilities – Accrued Short-term Benefit Liability	(9)	(8)	(4)	(4)
Employee Benefits and Pension Obligations – Accrued Long-term Benefit Liability	(1,131)	(79)	(821)	(369)
Funded (Underfunded) Status	\$ (1,140)	\$ 395	\$ (825)	\$ (373)

SFAS 158 Amounts Recognized in AEP's Accumulated Other Comprehensive Income (AOCI) as of December 31, 2008 and 2007

Components	Pension Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
	(in millions)			
Net Actuarial Loss	\$ 2,024	\$ 534	\$ 715	\$ 231
Prior Service Cost	13	14	3	4
Transition Obligation	-	-	70	97
Pretax AOCI	\$ 2,037	\$ 548	\$ 788	\$ 332
Recorded as				
Regulatory Assets	\$ 1,660	\$ 453	\$ 502	\$ 204
Deferred Income Taxes	132	33	100	45
Net of Tax AOCI	245	62	186	83
Pretax AOCI	\$ 2,037	\$ 548	\$ 788	\$ 332

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Components of the Change in AEP's Plan Assets and Benefit Obligations Recognized in Pretax AOCI during the years ended December 31, 2008 and 2007 are as follows:

Components	Pensions Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
	(in millions)			
Actuarial Loss (Gain) During the Year	\$ 1,527	\$ (166)	\$ 492	\$ (111)
Amortization of Actuarial Loss	(37)	(59)	(9)	(12)
Prior Service Cost (Credit)	(1)	19	-	-
Amortization of Transition Obligation	-	-	(27)	(27)
Total Pretax AOCI Change for the Year	\$ 1,489	\$ (206)	\$ 456	\$ (150)

Pension and Other Postretirement Plans' Assets

The asset allocations for AEP's pension plans at the end of 2008 and 2007, and the target allocation for 2009 by asset category, are as follows:

Asset Category	Target Allocation	Percentage of Plan Assets at Year End	
	2009	2008	2007
Equity Securities	55%	47%	57%
Real Estate	5%	6%	6%
Debt Securities	39%	42%	36%
Cash and Cash Equivalents	1%	5%	1%
Total	100%	100%	100%

The asset allocations for AEP's OPEB plans at the end of 2008 and 2007, and target allocation for 2009 by asset category, are as follows:

Asset Category	Target Allocation	Percentage of Plan Assets at Year End	
	2009	2008	2007
Equity Securities	65%	53%	62%
Debt Securities	34%	43%	35%
Cash and Cash Equivalents	1%	4%	3%
Total	100%	100%	100%

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

The value of the pension plans' assets decreased substantially to \$3.2 billion at December 31, 2008 from \$4.5 billion at December 31, 2007. The qualified plans paid \$289 million in benefits to plan participants during 2008 (nonqualified plans paid \$7 million in benefits). The value of AEP's OPEB plans' assets decreased substantially to \$1 billion at December 31, 2008 from \$1.4 billion at December 31, 2007. The OPEB plans paid \$120 million in benefits to plan participants during 2008.

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

Accumulated Benefit Obligation	December 31,	
	2008	2007
	(in millions)	
Qualified Pension Plans	\$ 4,119	\$ 3,914
Nonqualified Pension Plans	80	77
Total	\$ 4,199	\$ 3,991

For the underfunded pension plans that had an accumulated benefit obligation in excess of plan assets, the projected benefit obligation, accumulated benefit obligation, and fair value of plan assets of these plans at December 31, 2008 and 2007 were as follows:

	Underfunded Pension Plans	
	December 31,	
	2008	2007
	(in millions)	
Projected Benefit Obligation	\$ 4,301	\$ 81
Accumulated Benefit Obligation	\$ 4,199	\$ 77
Fair Value of Plan Assets	3,161	-
Underfunded Accumulated Benefit Obligation	\$ 1,038	\$ 77

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Actuarial Assumptions for Benefit Obligations

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

Assumptions	Pension Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
Discount Rate	6.00%	6.00%	6.10%	6.20%
Rate of Compensation Increase	5.90% (a)	5.90% (a)	N/A	N/A

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

N/A = Not Applicable

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

For 2008, the rate of compensation increase assumed varies with the age of the employee, ranging from 5% per year to 11.5% per year, with an average increase of 5.9%.

Estimated Future Benefit Payments and Contributions

Information about the 2009 expected cash flows for AEP's pension (qualified and nonqualified) and OPEB plans is as follows:

Employer Contributions	Pension Plans		Other Postretirement Benefit Plans	
	(in millions)			
Required Contributions (a)	\$	9	\$	4
Additional Discretionary Contributions		-		158

(a) Contribution required to meet minimum funding requirement under ERISA plus direct payments for unfunded benefits.

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

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

	Pension Plans	Other Postretirement Benefit Plans	
	Pension Payments	Benefit Payments	Medicare Subsidy Receipts
		(in millions)	
2009	\$ 378	\$ 116	\$ (10)
2010	379	126	(11)
2011	377	136	(12)
2012	378	143	(13)
2013	384	151	(14)
Years 2014 to 2018, in Total	1,920	876	(87)

Components of Net Periodic Benefit Cost

The following table provides the components of AEP's net periodic benefit cost for the plans for the years ended December 31, 2008 and 2007:

	Pension Plans		Other Postretirement Benefit Plans	
	Years Ended December 31,		2008	2007
	2008	2007	2008	2007
	(in millions)			
Service Cost	\$ 100	\$ 96	\$ 42	\$ 42
Interest Cost	249	235	113	104
Expected Return on Plan Assets	(336)	(340)	(111)	(104)
Amortization of Transition Obligation	-	-	27	27
Amortization of Prior Service Cost	1	-	-	-
Amortization of Net Actuarial Loss	37	59	9	12
Net Periodic Benefit Cost	51	50	80	81
Capitalized Portion	(16)	(14)	(25)	(25)
Net Periodic Benefit Cost Recognized as Expense	\$ 35	\$ 36	\$ 55	\$ 56

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Estimated amounts expected to be amortized to net periodic benefit costs for AEP's plans during 2009 are shown in the following table:

Components	Pension Plans	Other Postretirement Benefit Plans
	(in millions)	
Net Actuarial Loss	\$ 56	\$ 46
Prior Service Cost	1	1
Transition Obligation	-	27
Total Estimated 2009 Pretax AOCI Amortization	\$ 57	\$ 74
Expected to be Recorded as		
Regulatory Asset	\$ 46	\$ 48
Deferred Income Taxes	4	9
Net of Tax AOCI	7	17
Total	\$ 57	\$ 74

The following table provides I&M's net periodic benefit cost for the plans for the years ended December 31, 2008 and 2007:

Pension Plans		Other Postretirement Benefit Plans	
Years Ended December 31,			
2008	2007	2008	2007
(in thousands)			
\$ 7,296	\$ 7,612	\$ 9,243	\$ 9,682

Actuarial Assumptions for Net Periodic Benefit Costs

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

	Pension Plans		Other Postretirement Benefit Plans	
	2008	2007	2008	2007
Discount Rate	6.00%	5.75%	6.20%	5.85%
Expected Return on Plan Assets	8.00%	8.50%	8.00%	8.00%
Rate of Compensation Increase	5.90%	5.90%	N/A	N/A

N/A = Not Applicable

The expected return on plan assets for 2008 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.

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

Health Care Trend Rates	2008	2007
Initial	7.0%	7.5%
Ultimate	5.0%	5.0%
Year Ultimate Reached	2012	2012

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	\$ 20	\$ (16)
Effect on the Health Care Component of the Accumulated Postretirement Benefit Obligation	196	(163)

American Electric Power System Retirement Savings Plans

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 was 75% of the first 6% of eligible compensation contributed by the employee in 2008. Effective January 1, 2009, the match is 100% of the first 1% of eligible employee contributions and 70% of the next 5% of contributions. I&M's cost for contributions to the retirement savings plans was \$9.5 million and \$9.1 million for the years ended December 31, 2008 and 2007, respectively.

7. NUCLEAR

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

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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 study was performed in 2006. According to that study, the estimated cost of decommissioning and disposal of low-level radioactive waste ranges from \$733 million to \$1.3 billion in 2006 nondiscounted dollars. The wide range in estimated costs is caused by variables in assumptions. I&M recovers estimated decommissioning costs for the Cook Plant in its rates. The amount recovered in rates was \$27 million in 2008 and \$32 million in 2007. Decommissioning costs recovered from customers are deposited in external trusts. The settlement agreement in I&M's base rate case will reduce the annual decommissioning cost recovery amount effective in 2009 to reflect the extension of the units' operating licenses granted by the NRC.

I&M deposited an additional \$4 million in 2008 and 2007 in its decommissioning trust under funding provisions approved by regulatory commissions. At December 31, 2008 and 2007, the total decommissioning trust fund balance was \$959 million and \$1.1 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, cash flows and possibly financial condition would be adversely affected if the cost of SNF disposal and decommissioning continues to increase and cannot be recovered.

SNF Disposal

The Federal government is responsible for permanent SNF disposal and assesses fees to nuclear plant owners for SNF disposal. A fee of one mill per KWH for fuel consumed after April 6, 1983 at the Cook Plant is being collected from customers and remitted to the U.S. Treasury. At December 31, 2008 and 2007, fees and related interest of \$264 million and \$259 million, respectively, for fuel consumed prior to April 7, 1983 have been recorded as Long-term Debt and funds collected from customers along with related earnings totaling \$301 million and \$285 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.

Trust Assets for Decommissioning and SNF Disposal

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

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See "SFAS 157 Fair Value Measurements" section of Note 9 for disclosure of the fair value of assets within the trust.

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

	December 31,					
	2008			2007		
	Estimated Fair Value	Gross Unrealized Gains	Other-Than- Temporary Impairments	Estimated Fair Value	Gross Unrealized Gains	Other-Than- Temporary Impairments
	(in millions)					
Cash	\$ 18	\$ -	\$ -	\$ 22	\$ -	\$ -
Debt Securities	773	52	(3)	823	27	(6)
Equity Securities	469	89	(82)	502	205	(11)
Spent Nuclear Fuel and Decommissioning Trusts	\$ 1,260	\$ 141	\$ (85)	\$ 1,347	\$ 232	\$ (17)

Proceeds from sales of nuclear trust fund investments were \$732 million and \$696 million in 2008 and 2007, respectively. Purchases of nuclear trust fund investments were \$804 million and \$777 million in 2008 and 2007, respectively.

Gross realized gains from the sales of nuclear trust fund investments were \$33 million and \$15 million in 2008 and 2007, respectively. Gross realized losses from the sales of nuclear trust fund investments were \$7 million and \$5 million in 2008 and 2007, respectively.

The fair value of debt securities held in the nuclear trust funds, summarized by contractual maturities, at December 31, 2008 was as follows:

	Fair Value of Debt Securities (in millions)
Within 1 year	\$ 51
1 year – 5 years	172
5 years – 10 years	209
After 10 years	341
Total	\$ 773

Nuclear Incident Liability

I&M carries insurance coverage for property damage, decommissioning and decontamination at the Cook Plant in the amount of \$1.8 billion. I&M purchases \$1 billion of excess coverage for property damage, decommissioning and decontamination. Additional insurance provides coverage for weekly indemnity payments resulting from an insured accidental outage. I&M utilizes an industry mutual insurer for the placement of this insurance coverage. I&M's participation in this mutual insurer requires a contingent financial obligation of up to \$37 million which is assessable if the insurer's financial resources would be inadequate to pay for losses.

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The Price-Anderson Act, extended through December 31, 2025, establishes insurance protection for public liability arising from a nuclear incident at \$12.5 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 \$300 million of coverage. In the event of a nuclear incident at any nuclear plant in the U.S., the remainder of the liability would be provided by a deferred premium assessment of \$117.5 million on each licensed reactor in the U.S. payable in annual installments of \$17.5 million. As a result, I&M could be assessed \$235 million per nuclear incident payable in annual installments of \$35 million. The number of incidents for which payments could be required is not limited.

In the event of an incident of a catastrophic nature, I&M is initially covered for the first \$300 million through commercially available insurance. The next level of liability coverage of up to \$12.2 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, net income, cash flows and financial condition could be adversely affected.

8. BUSINESS SEGMENTS

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

9. DERIVATIVES, HEDGING AND FAIR VALUE MEASUREMENTS

DERIVATIVES AND HEDGING

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

Certain qualifying derivative instruments have been designated as normal purchases or normal sales contracts, as provided in SFAS 133. Derivative contracts that have been designated as normal purchases or normal sales under SFAS 133 are not subject to MTM accounting treatment and are recognized in the income statements on an accrual basis.

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I&M's accounting for the changes in the fair value of a derivative instrument depends on whether it qualifies for and has been designated as part of a hedging relationship and further, on the type of hedging relationship. Depending on the exposure, I&M designates a hedging instrument as a fair value hedge or cash flow hedge. For fair value hedges (i.e. hedging the exposure to changes in the fair value of an asset, liability or an identified portion thereof that is attributable to a particular risk), I&M recognizes the gain or loss on the derivative instrument as well as the offsetting loss or gain on the hedged item associated with the hedged risk in net income during the period of change. For cash flow hedges (i.e. hedging the exposure to variability in expected future cash flows that is attributable to a particular risk), I&M initially reports the effective portion of the gain or loss on the derivative instrument as a component of Accumulated Other Comprehensive Income (Loss) on the balance sheets until the period the hedged item affects net income. I&M records hedge ineffectiveness as a regulatory asset (for losses) or a regulatory liability (for gains).

For contracts that have not been designated as part of a hedging relationship, the accounting for changes in fair value depends on whether the derivative instrument is held for trading purposes. Realized gains and losses on derivative instruments held for trading purposes are included in Operating Revenues where the AEP System owns assets or in adjacent markets. The realized gains and losses for certain legacy transactions executed outside of the AEP System are reported as Miscellaneous Nonoperating Income. Realized gains and losses on derivative instruments not held for trading purposes are included in revenues or expenses depending on the relevant facts and circumstances. I&M's unrealized gains and losses for both trading and non-trading derivative instruments are recorded as a regulatory asset (for losses) or a regulatory liability (for gains).

Cash Flow Hedging Strategies

I&M enters into, and designates as cash flow hedges, certain derivative transactions for the purchase and sale of electricity, coal and natural gas in order to manage the variable price risk related to the forecasted purchase and sale of these commodities. Management closely monitors the potential impacts of commodity price changes and, where appropriate, enters into derivative transactions to protect margins for a portion of future electricity sales and fuel purchases. Realized gains and losses on these derivatives designated as cash flow hedges are included in Operating Revenues or Operation Expenses, depending on the specific nature of the risk being hedged. I&M does not hedge all variable price risk exposure related to energy commodities. At various times during 2008 and 2007, I&M designated cash flow hedge relationships using these commodities and did not recognize any hedge ineffectiveness.

I&M's net gain of \$422 thousand from cash flow hedges in Accumulated Other Comprehensive Income (Loss) at December 31, 2008 is expected to be reclassified to net income in the next twelve months as the items being hedged settle. In addition, the maximum length of time that the variability of future cash flows is being hedged is 24 months. The actual amounts reclassified from AOCI to Net Income can differ as a result of market price changes.

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Credit Risk

Credit risk is the risk of financial loss if counterparties fail to perform their contractual obligations. I&M limits its credit risk by maintaining stringent credit policies whereby management assesses a counterparty's creditworthiness prior to transacting with them and continues to assess their creditworthiness on an ongoing basis. I&M employs the use of standardized master agreements which 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 is exceeded in excess of an 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 also provide that the failure or inability to post collateral is sufficient cause for termination and liquidation of all positions.

FAIR VALUE MEASUREMENTS

SFAS 107 Fair Value Measurements

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

The book values and fair values of Long-term Debt for at December 31, 2008 and 2007 are summarized in the following table:

December 31,			
2008		2007	
<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>
(in thousands)			
\$ 1,377,914	\$ 1,308,712	\$ 1,567,427	\$ 1,527,320

SFAS 157 Fair Value Measurements

As described in Note 2, I&M completed the adoption of SFAS 157 effective January 1, 2009. The statement defines fair value, establishes a fair value measurement framework and expands fair value disclosures. The adoption of SFAS 157 had an immaterial impact on the financial statements. The provisions of SFAS 157 are applied prospectively, except for a) changes in fair value measurements of existing derivative financial instruments measured initially using the transaction price under EITF Issue No. 02-3 "Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Contracts Involved in Energy Trading and Risk Management Activities" (EITF 02-3), b) existing hybrid financial instruments measured initially at fair value using the transaction price and c) blockage discount factors. Although the statement is applied prospectively upon adoption, in accordance with the provisions of SFAS 157 related to EITF 02-3, I&M had no transition adjustment to impact retained earnings. The impact of considering AEP's credit risk when measuring the fair value of liabilities, including derivatives, had an immaterial impact on fair value measurements upon adoption.

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In accordance with SFAS 157, assets and liabilities are classified based on the inputs utilized in the fair value measurement. SFAS 157 provides definitions for two types of inputs: observable and unobservable. Observable inputs are valuation inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are valuation inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information in the circumstances.

As defined in SFAS 157, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). SFAS 157 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).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 inputs primarily consist of exchange traded contracts, listed equities and U.S. government treasury securities that exhibit sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs primarily consist of OTC broker quotes in moderately active or less active markets, exchange traded contracts where there was not sufficient market activity to warrant inclusion in level 1, OTC broker quotes that are corroborated by the same or similar transactions that have occurred in the market and certain non-exchange-traded debt securities.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that the observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 inputs primarily consist of unobservable market data or are valued based on models and/or assumptions.

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Risk Management Contracts include exchange traded, OTC and bilaterally executed derivative contracts. Exchange traded derivatives, namely futures contracts, are generally fair valued based on unadjusted quoted prices in active markets and are classified within level 1. Other actively traded derivative fair values are verified using broker or dealer quotations, similar observable market transactions in either the listed or OTC markets, or valued using pricing models where significant valuation inputs are directly or indirectly observable in active markets. Derivative instruments, primarily swaps, forwards, and options that meet these characteristics are classified within level 2. Bilaterally executed agreements are derivative contracts entered into directly with third parties, and at times these instruments may be complex structured transactions that are tailored to meet the specific customer's energy requirements. Structured transactions utilize pricing models that are widely accepted in the energy industry to measure fair value. Management uses a consistent modeling approach to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, market corroborated inputs (i.e. inputs derived principally from, or correlated to, observable market data), and other observable inputs for the asset or liability. Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized in level 2. Certain OTC and bilaterally executed derivative instruments are executed in less active markets with a lower availability of pricing information. In addition, long-dated and illiquid complex or structured transactions can introduce the need for internally developed modeling inputs based upon extrapolations and assumptions of observable market data to estimate fair value. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized in level 3. In certain instances, the fair values of the transactions included in level 3 that use internally developed model inputs are offset partially or in full, by transactions included in level 2 where observable market data exists for the offsetting transaction.

The following table sets forth by level within the fair value hierarchy the financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2008. As required by SFAS 157, 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.

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Assets and Liabilities Measured at Fair Value on a Recurring Basis as of December 31, 2008

	Level 1	Level 2	Level 3	Other	Total
Assets:	(in thousands)				
Derivative Instrument Assets:					
Risk Management Contracts (a)	\$ 8,750	\$ 357,405	\$ 6,508	\$ (319,857)	\$ 52,806
Dedesignated Risk Management Contracts (b)	-	-	-	6,985	6,985
Total Derivative Instrument Assets	<u>8,750</u>	<u>357,405</u>	<u>6,508</u>	<u>(312,872)</u>	<u>59,791</u>
Derivative Instrument Assets – Hedges (a)	<u>-</u>	<u>3,605</u>	<u>-</u>	<u>(768)</u>	<u>2,837</u>
Other Special Funds:					
Cash and Cash Equivalents (d)	-	7,818	-	11,845	19,663
Debt Securities (e)	-	771,216	-	-	771,216
Equity Securities (f)	468,654	-	-	-	468,654
Total Other Special Funds	<u>468,654</u>	<u>779,034</u>	<u>-</u>	<u>11,845</u>	<u>1,259,533</u>
Total Assets	<u>\$ 477,404</u>	<u>\$ 1,140,044</u>	<u>\$ 6,508</u>	<u>\$ (301,795)</u>	<u>\$ 1,322,161</u>
Liabilities:					
Derivative Instrument Liabilities:					
Risk Management Contracts (a)	\$ 10,219	\$ 336,280	\$ 2,156	\$ (321,722)	\$ 26,933
DETM Assignment (c)	-	-	-	2,842	2,842
Total Derivative Instrument Liabilities	<u>10,219</u>	<u>336,280</u>	<u>2,156</u>	<u>(318,880)</u>	<u>29,775</u>
Derivative Instrument Liabilities – Hedges (a)	<u>-</u>	<u>1,383</u>	<u>-</u>	<u>(768)</u>	<u>615</u>
Total Liabilities	<u>\$ 10,219</u>	<u>\$ 337,663</u>	<u>\$ 2,156</u>	<u>\$ (319,648)</u>	<u>\$ 30,390</u>

- (a) Amounts in "Other" column primarily represent counterparty netting of risk management contracts and associated cash collateral under FSP FIN 39-1.
- (b) "Dedesignated Risk Management Contracts" are contracts that were originally MTM but were subsequently elected as normal under SFAS 133. At the time of the normal election, the MTM value was frozen and no longer fair valued. This will be amortized into revenues over the remaining life of the contract.
- (c) See "Natural Gas Contracts with DETM" section of Note 13.
- (d) Amounts in "Other" column primarily represent accrued interest receivables from financial institutions. Level 2 amounts primarily represent investments in money market funds.
- (e) Amounts represent corporate, municipal and treasury bonds.
- (f) Amounts represent publicly traded equity securities and equity-based mutual funds.

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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:

Year Ended December 31, 2008	(in thousands)
Balance as of January 1, 2008	\$ (280)
Realized (Gain) Loss Included in Net Income (or Changes in Net Assets) (a)	110
Unrealized Gain (Loss) Included in Net Income (or Changes in Net Assets) Relating to Assets Still Held at the Reporting Date (a)	-
Realized and Unrealized Gains (Losses) Included in Other Comprehensive Income	-
Purchases, Issuances and Settlements	-
Transfers in and/or out of Level 3 (b)	(516)
Changes in Fair Value Allocated to Regulated Jurisdictions (c)	5,038
Balance as of December 31, 2008	\$ 4,352

- (a) Included in revenues on the statements of income.
- (b) "Transfers in and/or out of Level 3" represent existing assets or liabilities that were either previously categorized as a higher level for which the inputs to the model became unobservable or assets and liabilities that were previously classified as level 3 for which the lowest significant input became observable during the period.
- (c) "Changes in Fair Value Allocated to Regulated Jurisdictions" 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.

10. INCOME TAXES

The details of income taxes as reported are as follows:

	Years Ended December 31,	
	2008	2007
	(in thousands)	
Charged (Credited) to Operating Expenses, Net:		
Current	\$ 5,740	\$ 77,267
Deferred	62,220	(2,393)
Deferred Investment Tax Credits	(2,196)	(5,424)
Total	65,764	69,450
Charged (Credited) to Nonoperating Income, Net:		
Current	(3,274)	(8,010)
Deferred	(6,140)	4,859
Deferred Investment Tax Credits	-	344
Total	(9,414)	(2,807)
Total Income Tax	\$ 56,350	\$ 66,643

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

	Years Ended December 31,	
	2008	2007
	(in thousands)	
Net Income	\$ 131,875	\$ 136,895
Income Taxes	56,350	66,643
Pretax Income	\$ 188,225	\$ 203,538
Income Tax on Pretax Income at Statutory Rate (35%)	\$ 65,879	\$ 71,238
Increase (Decrease) in Income Tax resulting from the following items:		
Depreciation	4,971	14,251
Nuclear Fuel Disposal Costs	(4,381)	(5,610)
Allowance for Funds Used During Construction	(3,362)	(4,376)
Rockport Plant Unit 2 Investment Tax Credit	397	397
Removal Costs	(3,839)	(8,191)
Investment Tax Credits, Net	(2,196)	(5,080)
State and Local Income Taxes	3,048	3,616
Other	(4,167)	398
Total Income Taxes	\$ 56,350	\$ 66,643
Effective Income Tax Rate	29.9%	32.7%

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

	December 31,	
	2008	2007
	(in thousands)	
Deferred Tax Assets	\$ 749,952	\$ 684,370
Deferred Tax Liabilities	(1,155,309)	(1,026,057)
Net Deferred Tax Liabilities	\$ (405,357)	\$ (341,687)
Property Related Temporary Differences	\$ (100,338)	\$ 8,452
Amounts Due from Customers for Future Federal Income Taxes	(24,128)	(23,509)
Deferred State Income Taxes	(48,605)	(39,634)
Deferred Income Taxes on Other Comprehensive Loss	10,895	7,511
Net Deferred Gain on Sale and Leaseback-Rockport Plant Unit 2	17,411	18,708
Accrued Nuclear Decommissioning Expense	(275,615)	(285,265)
Deferred Fuel and Purchased Power	9,585	263
Accrued Pensions	43,018	(13,880)
Nuclear Fuel	(8,738)	(11,862)
Regulatory Assets	(94,181)	(25,436)
All Other, Net	65,339	22,965
Net Deferred Tax Liabilities	\$ (405,357)	\$ (341,687)

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I&M joins in the filing of a consolidated federal income tax return with its affiliates in the AEP System. The allocation of the AEP System's current consolidated federal income tax to the 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.

I&M and other AEP subsidiaries are no longer subject to U.S. federal examination for years before 2000. I&M and other AEP subsidiaries have completed the exam for the years 2001 through 2003 and have issues that are being pursued at the appeals level. The returns for the years 2004 through 2006 are presently under audit by the IRS. Although the outcome of tax audits is uncertain, in management's opinion, adequate provisions for income taxes have been made for potential liabilities resulting from such matters. In addition, I&M accrues interest on these uncertain tax positions. Management is not aware of any issues for open tax years that upon final resolution are expected to have a material adverse effect on net income.

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

Prior to the adoption of FIN 48, I&M recorded interest and penalty expense related to uncertain tax positions in tax expense accounts. With the adoption of FIN 48 on January 1, 2007, I&M began recognizing interest accruals related to uncertain tax positions in interest income or expense as applicable, and penalties in Penalties. The impact of this interpretation was a favorable adjustment to the 2007 opening balance of retained earnings of \$327 thousand. In 2008, I&M reported \$179 thousand of interest expense and \$1.4 million of interest income and reversed \$5.7 million of prior period interest expense. In 2007, I&M reported \$1.7 million of interest expense. I&M had approximately \$2.1 million for the receipt of interest accrued at December 31, 2008 and \$873 thousand and \$2.2 million for the payment of interest and penalties accrued at December 31, 2008 and 2007, respectively.

The reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2008	2007
	(in thousands)	
Balance at January 1,	\$ 11,317	\$ 18,232
Increase - Tax Positions Taken During a Prior Period	100	130
Decrease - Tax Positions Taken During a Prior Period	(2,976)	(8,455)
Increase - Tax Positions Taken During the Current Year	3,335	1,583
Decrease - Tax Positions Taken During the Current Year	(436)	-
Increase - Settlements with Taxing Authorities	745	-
Decrease - Settlements with Taxing Authorities	-	(173)
Decrease - Lapse of the Applicable Statute of Limitations	(270)	-
Balance at December 31,	<u>\$ 11,815</u>	<u>\$ 11,317</u>

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Management believes that there will be no significant net increase or decrease in unrecognized benefits within 12 months of the reporting date. The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was \$6.3 million in 2008.

Federal Tax Legislation

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

The Economic Stimulus Act of 2008 was signed into law by the President in February 2008. It provided enhanced expensing provisions for certain assets placed in service in 2008 and a 50% bonus depreciation provision similar to the one in effect in 2003 through 2004 for assets placed in service in 2008. The enacted provisions did not have a material impact on net income or financial condition, but provided a material favorable cash flow benefit of \$22.8 million.

In October 2008, the Emergency Economic Stabilization Act of 2008 (the 2008 Act) was signed into law. The 2008 Act extended several expiring tax provisions and added new energy incentive provisions. The legislation impacted the availability of research credits, accelerated depreciation of smart meters, production tax credits and energy efficient commercial building deductions. Management has evaluated the impact of the law change and the application of the law change will not materially impact net income, cash flows or financial condition.

In February 2009, the American Recovery and Reinvestment Tax Act of 2009 (the 2009 Act) was signed into law. The 2009 Act extended the bonus depreciation deduction for one year and provides for a long-term extension of the renewable production tax credit for wind energy and other properties. The 2009 Act also establishes a new investment tax credit for the manufacture of advanced energy property as well as appropriations for advanced energy research projects, carbon capture and storage and gridSMART technology. Management has evaluated the impact of the law change and the application of the law change will not materially impact net income or financial condition, but is expected to have a positive material impact on cash flows.

State Tax Legislation

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

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

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In March 2008, the Governor of West Virginia signed legislation providing for, among other things, a reduction in the West Virginia corporate income tax rate from 8.75% to 8.5% beginning in 2009. The corporate income tax rate could also be reduced to 7.75% in 2012 and 7% in 2013 contingent upon the state government achieving certain minimum levels of shortfall reserve funds. Management has evaluated the impact of the law change and the application of the law change will not materially impact net income, cash flows or financial condition.

11. LEASES

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

Lease rentals for both operating and capital leases are generally charged to Operation Expenses in accordance with rate-making treatment for regulated operations. Capital leases for nonregulated property are accounted for as if the assets were owned and financed. The components of rental costs are as follows:

	Years Ended December 31,	
	2008	2007
	(in thousands)	
Net Lease Expense on Operating Leases	\$ 96,595	\$ 95,991
Amortization of Capital Leases	39,697	6,699
Interest on Capital Leases	5,311	2,679
Total Lease Rental Costs	\$ 141,603	\$ 105,369

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

	December 31,	
	2008	2007
Property, Plant and Equipment Under Capital Leases	(in thousands)	
Production	\$ 15,617	\$ 15,643
Distribution	14,589	14,589
Other	81,839	117,249
Total Property, Plant and Equipment	112,045	147,481
Accumulated Amortization	30,643	26,922
Net Property, Plant and Equipment Under Capital Leases	\$ 81,402	\$ 120,559
Obligations Under Capital Leases		
Noncurrent	\$ 37,890	\$ 77,177
Current	43,512	43,382
Total Obligations Under Capital Leases	\$ 81,402	\$ 120,559

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Future minimum lease payments consisted of the following at December 31, 2008:

	Capital Leases	Noncancelable Operating Leases
	(in thousands)	
2009	\$ 31,351	\$ 100,181
2010	22,295	96,596
2011	7,113	119,252
2012	10,575	88,878
2013	4,800	87,474
Later Years	24,486	709,434
Total Future Minimum Lease Payments	100,620	\$ 1,201,815
Less Estimated Interest Element	19,218	
Estimated Present Value of Future Minimum Lease Payments	\$ 81,402	

Master Lease Agreements

I&M leases certain equipment under master lease agreements. GE Capital Commercial Inc. (GE) notified management in November 2008 that they elected to terminate the Master Leasing Agreements in accordance with the termination rights specified within the contract. In 2010 and 2011, I&M will be required to purchase all equipment under the lease and pay GE an amount equal to the unamortized value of all equipment then leased. As a result, the unamortized values for this equipment of \$25.4 million is reflected in future minimum lease payments for 2011. In addition, an immaterial amount for the unamortized value of the equipment is included in future minimum lease payments for 2010. In December 2008, management signed new master lease agreements with one-year commitment periods that include lease terms of up to 10 years. Management expects to enter into additional replacement leasing arrangements for the equipment affected by this notification prior to the termination dates of 2010 and 2011.

For equipment under the GE master lease agreements that expire prior to 2011, the lessor is guaranteed receipt of up to 87% of the unamortized balance of the equipment at the end of the lease term. If the fair market value of the leased equipment is below the unamortized balance at the end of the lease term, I&M is committed to pay the difference between the fair market value and the unamortized balance, with the total guarantee not to exceed 87% of the unamortized balance. Under the new master lease agreements, the lessor is guaranteed receipt of up to 68% of the unamortized balance at the end of the lease term. If the actual fair market value of the leased equipment is below the unamortized balance at the end of the lease term, I&M is committed to pay the difference between the actual fair market value and unamortized balance, with the total guarantee not to exceed 68% of the unamortized balance. At December 31, 2008, the maximum potential loss for these lease agreements assuming the fair market value of the equipment is zero at the end of the lease term is \$1.4 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.

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The gain from the sale was deferred and is being amortized over the term of the lease, which expires in 2022. The Owner Trustee owns the Plant and leases it to AEGCo and I&M. The lease is accounted for as an operating lease with the payment obligations included in the future minimum lease payments schedule earlier in this note. The lease term is for 33 years with potential renewal options. At the end of the lease term, AEGCo and I&M have the option to renew the lease or the Owner Trustee can sell the Plant. Neither AEGCo, I&M nor AEP has an ownership interest in the Owner Trustee and do not guarantee its debt. The future minimum lease payments for this sale-and-leaseback transaction for I&M as of December 31, 2008 is as follows:

Future Minimum Lease Payments	(in millions)
2009	\$ 74
2010	74
2011	74
2012	74
2013	74
Later Years	665
Total Future Minimum Lease Payments	\$ 1,035

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 a new operating lease for I&M. 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 these leases for the full lease term of twenty years, via the renewal options. The future minimum lease obligations are \$20 million for I&M's remaining railcars as of December 31, 2008. These obligations are included in I&M's 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 approximately 84% under the current five year lease term to 77% at the end of the 20 year term of the projected fair market value of the equipment. I&M has assumed the guarantee under the return-and-sale option. I&M's maximum potential loss related to the guarantee is approximately \$12 million (\$8 million, net of tax) assuming the fair market value of the equipment is zero at the end of the current five-year lease term. However, management believes that the fair market value would produce a sufficient sales price to avoid any loss.

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

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I&M Nuclear Fuel Lease

In December 2007, I&M entered into a sale-and-leaseback transaction with Citicorp Leasing, Inc. (CLI), an unrelated, unconsolidated, wholly-owned subsidiary of Citibank, N.A. to lease nuclear fuel for I&M's Cook Plant. In December 2007, I&M sold a portion of its unamortized nuclear fuel inventory to CLI at cost for \$85 million. The lease has a variable rate based on one month LIBOR and is accounted for as a capital lease with lease terms up to 60 months. The future payment obligations of \$57 million are included in I&M's future minimum lease payments schedule earlier in this note. The net capital lease asset is included in Utility Plant. The future minimum lease payments for this sale-and-leaseback transaction as of December 31, 2008 are as follows, based on estimated fuel burn:

Future Minimum Lease Payments	(in millions)
2009	\$ 25
2010	18
2011	4
2012	7
2013	3
Later Years	-
Total Future Minimum Lease Payments	\$ 57

12. FINANCING ACTIVITIES

Preferred Stock

Par Value	Authorized Shares	Shares Outstanding at December 31, 2008	Call Price at December 31, 2008(a)	Series	Redemption	December 31, 2008 2007	
							(in thousands)
\$ 100	(b)	55,335	\$ 106.13	4.125%	Any time	\$ 5,533	\$ 5,533
100	(b)	14,412	102.00	4.56%	Any time	1,441	1,441
100	(b)	11,055	102.73	4.12%	Any time	1,106	1,106
25	11,200,000	-	-	-	-	-	-

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

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

No shares of preferred stock were redeemed in 2008. I&M redeemed 22 shares of its 4.12% series cumulative preferred stock in the year ended December 31, 2007.

Long-term Debt

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

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The following details long-term debt outstanding as of December 31, 2008 and 2007:

Type of Debt	Maturity	Weighted Average Interest Rate at December 31, 2008	Interest Rate Ranges at December 31, 2008 2007		Outstanding at December 31, 2008 2007	
					(in thousands)	
Senior Unsecured Notes	2008-2037	5.84%	5.05%-6.375%	5.05%-6.45%	\$ 950,000	\$ 1,000,000
Pollution Control Bonds (a)	2008-2025	3.06%	0.75%-5.25%	4.10%-5.00%	167,000	312,000
Spent Nuclear Fuel Liability (b)					264,183	259,023
Unamortized Discount					(3,269)	(3,596)
Total Long-term Debt					\$ 1,377,914	\$ 1,567,427

- (a) Under the terms of the pollution control bonds, I&M is required to pay amounts sufficient to enable the payment of interest on and the principal of (at stated maturities and upon mandatory redemptions) related pollution control revenue bonds issued to finance the construction of pollution control facilities at certain plants. For certain series of pollution control bonds, interest rates are subject to periodic adjustment. Interest payments range from monthly to semi-annually. Letters of credit from banks, standby bond purchase agreements and insurance policies support certain series.
- (b) Pursuant to the Nuclear Waste Policy Act of 1982, I&M (a nuclear licensee) has an obligation with the United States Department of Energy for spent nuclear fuel disposal. The obligation includes a one-time fee for nuclear fuel consumed prior to April 7, 1983. Trust fund assets of \$301 million and \$285 million related to this obligation are included in Other Special Funds at December 31, 2008 and 2007, respectively.

At December 31, 2008 future annual long-term debt payments are as follows:

	(in thousands)
2009	\$ -
2010	-
2011	-
2012	100,000
2013	-
After 2013	1,281,183
Total Principal Amount	1,381,183
Unamortized Discount	(3,269)
Total	\$ 1,377,914

In January 2009, I&M issued \$475 million of 7.00% Senior Unsecured Notes due 2019. In January 2009, Parent loaned I&M \$25 million of 5.375% Notes Payable due 2010.

In the first quarter of 2008, bond insurers' exposure in connection with developments in the subprime credit market resulted in increasing occurrences of failed auctions for tax-exempt long-term debt sold at auction rates. Consequently, I&M chose to exit the auction-rate debt market and eliminated all \$262 million of its auction-rate securities during 2008. I&M retired \$45 million, remarketed \$40 million at a fixed rate of 5.25% and remarketed \$77 million at variable rates. At December 31, 2008, a trustee held the remaining \$100 million which were reissued to the public in March 2009 at a fixed rate of 6.25%.

Dividend Restrictions

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

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Utility Money Pool – AEP System

The AEP System uses a corporate borrowing program to meet the short-term borrowing needs of its subsidiaries. The corporate borrowing program includes a Utility Money Pool, which funds the utility subsidiaries. The AEP System corporate borrowing program operates in accordance with the terms and conditions approved in a regulatory order. The amount of outstanding borrowings from the Utility Money Pool as of December 31, 2008 and 2007 are included in Notes Payable to Associated Companies on the balance sheets. I&M's money pool activity and its corresponding authorized borrowing limits for the years ended December 31, 2008 and 2007 are described in the following table:

Years Ended December 31,	Maximum Borrowings from Utility Money Pool	Maximum Loans to Utility Money Pool	Average Borrowings from Utility Money Pool	Average Loans to Utility Money Pool	Borrowings from Utility Money Pool as of December 31, 2008	Authorized Short-Term Borrowing Limit
	(in thousands)					
2008	\$ 484,655	\$ -	\$ 237,505	\$ -	\$ 480,989	\$ 500,000
2007	131,645	29,233	68,324	15,456	49,960	500,000

Maximum, minimum and average interest rates for funds borrowed from and loaned to the Utility Money Pool for the years ended December 31, 2008 and 2007 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
2008	5.47%	2.28%	-%	-%	3.35%	-%
2007	5.94%	5.16%	5.91%	5.73%	5.39%	5.83%

Interest expense related to the Utility Money Pool is included in Interest Charges. I&M incurred interest expense for amounts borrowed from the Utility Money Pool of \$8.1 million and \$3.5 million for the years ended December 31, 2008 and 2007, respectively.

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

Credit Facilities

In April 2008, I&M and certain other companies in the AEP System entered into a \$650 million 3-year credit agreement and a \$350 million 364-day credit agreement which were reduced by Lehman Brothers Holdings Inc.'s commitment amount of \$23 million and \$12 million, respectively, following its bankruptcy. Under the facilities, letters of credit may be issued. As of December 31, 2008, \$77.9 million of letters of credit were issued by I&M under the 3-year credit agreement to support variable rate Pollution Control Bonds.

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Sale of Receivables – AEP Credit

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

In October 2008, AEP renewed AEP Credit's sale of receivables agreement. The sale of receivables agreement provides a commitment of \$700 million from banks and commercial paper conduits to purchase receivables from AEP Credit. This agreement will expire in October 2009. AEP intends to extend or replace the sale of receivables agreement.

AEP Credit purchases accounts receivable through a purchase agreement with I&M. Under the factoring 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 financing costs, I&M's uncollectible accounts experience and administrative costs.

The amount of factored accounts receivable and accrued unbilled revenues was \$110.2 million and \$101 million at December 31, 2008 and 2007, respectively.

The fees paid to AEP Credit for factoring customer accounts receivable were \$7.2 million and \$9.3 million for the years ended December 31, 2008 and 2007, respectively. These amounts were included in Other Deductions.

13. RELATED PARTY TRANSACTIONS

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

AEP Power Pool

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

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

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CSW Operating Agreement

PSO, SWEPCo and AEPSC are parties to a Restated and Amended Operating Agreement originally dated as of January 1, 1997 (CSW Operating Agreement), which was approved by the FERC. The CSW 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. Parties are compensated for energy delivered to recipients based upon the deliverer's incremental cost plus a portion of the recipient's savings realized by the purchaser that avoids the use of more costly alternatives.

System Integration Agreement (SIA)

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

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

Under both the Interconnection Agreement and CSW Operating Agreement, power generated that is not needed to serve the AEP System's native load is sold in the wholesale market by AEPSC on behalf of the generating subsidiary.

Affiliated Revenues and Purchases

The following table shows the revenues derived from sales to the pools, direct sales to affiliates, natural gas contracts with AEPES, and other revenues for the years ended December 31, 2008 and 2007:

	Years Ended December 31,	
	2008	2007
Related Party Revenues	(in thousands)	
Sales to AEP Power Pool	\$ 292,183	\$ 237,035
Direct Sales to West Affiliates	9,483	10,136
Natural Gas Contracts with AEPES	(1,085)	(1,123)
Other	2,160	2,366

The following table shows the purchased power expense incurred from purchases from the pools and affiliates for the years ended December 31, 2008 and 2007:

	Years Ended December 31,	
	2008	2007
Related Party Purchases	(in thousands)	
Purchases from AEP Power Pool	\$ 135,056	\$ 133,885
Direct Purchases from East Affiliates	247,931	207,160
Direct Purchases from West Affiliates	1,195	936

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AEP System Transmission Pool

AEP's System Transmission Integration Agreement provides for the integration and coordination of the planning, operation and maintenance of the transmission facilities of AEP East companies' and AEP West companies' zones. Similar to the SIA, the System Transmission Integration Agreement functions as an umbrella agreement in addition to the TEA and the Transmission Coordination Agreement (TCA). The System Transmission Integration Agreement contains two service schedules that govern:

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

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

APCo, CSPCo, I&M, KPCo and OPCo are parties to the TEA, dated April 1, 1984, as amended, defining how they share the costs associated with their relative ownership of the extra-high-voltage transmission system (facilities rated 345 kV and above) and certain facilities operated at lower voltages (138 kV and above). Like the Interconnection Agreement, this sharing is based upon each company's MLR. I&M's net credits allocated under the TEA during the years ended December 31, 2008 and 2007 were \$37.4 million and \$34.6 million, respectively. The net credits are recorded in Operation Expenses.

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

Natural Gas Contracts with DETM

Effective October 31, 2003, AEPES assigned to AEPSC, as agent for the AEP East companies, approximately \$97 million (negative value) associated with its natural gas contracts with DETM. The assignment was executed in order to consolidate DETM positions within AEP. Beginning in 2007, PSO and SWEPCo were allocated a portion of the DETM assignment based on the SIA methodology of sharing trading and marketing margins between the AEP East companies and PSO and SWEPCo. Concurrently, in order to ensure that there would be no financial impact to the AEP East companies, PSO or SWEPCo as a result of the assignment, AEPES and AEPSC entered into agreements requiring AEPES to reimburse AEPSC for any related cash settlements and all income related to the assigned contracts. I&M's risk management liabilities related to DETM at December 31, 2008 and 2007 were \$2.8 million and \$5.3 million, respectively.

Fuel Agreement between OPCo and AEPES

OPCo and National Power Cooperative, Inc (NPC) have an agreement whereby OPCo operates a 500 MW gas plant owned by NPC (Mone Plant). AEPES entered into a fuel management agreement with those two parties to manage and procure fuel for the Mone Plant. The gas purchased by AEPES and used in generation is first sold to OPCo then allocated to the AEP East companies, who have an agreement to purchase 100% of the available generating capacity from the plant through May 2012. I&M's purchases of gas managed by AEPES were \$681 thousand and \$2.6 million for the years ended December 31, 2008 and 2007, respectively. These purchases are reflected in Operation Expenses.

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Unit Power Agreements (UPA)

I&M UPA between AEGCo and I&M

A unit power agreement between AEGCo and I&M (the I&M Power Agreement) provides for the sale by AEGCo to I&M of all the power (and the energy associated therewith) available to AEGCo at the Rockport Plant unless it is sold to another utility. I&M is obligated, whether or not power is available from AEGCo, to pay as a demand charge for the right to receive such power (and as an energy charge for any associated energy taken by I&M) 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.

KPCo UPA between AEGCo and KPCo

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

Jointly-Owned Electric Utility Plants

AEGCo and I&M jointly own one generating unit and jointly lease the other generating unit of the Rockport Plant. The costs of operating this facility are equally apportioned between AEGCo and I&M since each company has a 50% interest. I&M's share of costs is included in the appropriate expense accounts on its income statements. I&M's investment in the plant is included in Utility Plant.

Cook Coal Terminal

In 2008 and 2007, Cook Coal Terminal, a division of OPCo, performed coal transloading services at cost for I&M. I&M recorded the cost of the transloading services of \$15.4 million and \$18.4 million for the years ended December 31, 2008 and 2007, respectively, in Fuel Stock on the balance sheets.

In 2008 and 2007, Cook Coal Terminal also performed railcar maintenance services at cost for I&M. I&M recorded the cost of the railcar maintenance services of \$2.7 million and \$2.5 million in Fuel Stock on the balance sheets for the years ended December 31, 2008 and 2007, respectively.

SWEPCo Railcar Facility

SWEPCo operates a railcar maintenance facility in Alliance, Nebraska. The facility performs maintenance on railcars belonging to I&M. SWEPCo billed I&M \$2.5 million and \$2.2 million for railcar services provided in 2008 and 2007, respectively. The amounts are recorded 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_x emissions at certain generation plants in the AEP System. I&M recorded Revenues from Nonutility Operations of \$103.4 million and \$49.1 million from barging, transloading and other services for the years ended December 31, 2008 and 2007, respectively.

In addition, I&M provided transloading services to OVEC. I&M recorded Revenues from Nonutility Operations of \$3 thousand and \$89 thousand for 2008 and 2007, respectively.

Services Provided by AEP River Operations LLC (formerly known as MEMCO)

AEP River Operations LLC provides services for barge towing, chartering and general and administrative expenses to I&M. For the years ended December 31, 2008 and 2007, I&M recorded expenses of \$37 million and \$18 million, respectively, for these activities.

Central Machine Shop

APCo operates a facility which repairs and rebuilds specialized components for the generation plants across the AEP System. I&M recorded these billings as capital or maintenance expense depending on the nature of the services received. These billings are recoverable from customers. I&M was billed \$2.7 million and \$2.5 million by APCo for the years ended December 31, 2008 and 2007, respectively.

Affiliate Railcar Agreement

I&M has an agreement providing for the use of affiliates' leased or owned railcars when available. The agreement specifies that the company using the railcar will be billed, at cost, by the company furnishing the railcar. I&M records these costs or reimbursements as costs or reduction of costs, respectively, in Fuel Stock on its balance sheets and such costs are recoverable from customers. Under the agreement, I&M billed its affiliates \$4.3 million and \$3.6 million and paid its affiliates \$3.1 million and \$2.3 million for the years ended December 31, 2008 and 2007, respectively.

Purchased Power from OVEC

I&M's amounts of power purchased from OVEC, which is 43.47% owned by AEP (includes CSPCo's 4.3% ownership of OVEC), for the years ended December 31, 2008 and 2007 were \$47.5 million and \$40.8 million, respectively. The purchases are recoverable from customers and are included in Operation Expenses.

AEP Power Pool Purchases from OVEC

The AEP Power Pool purchases power from OVEC as part of wholesale marketing and risk management activity. The agreement expired in May 2008 and subsequently ended in December 2008. I&M's amounts recorded for the years ended December 31, 2008 and 2007 were \$10 million and \$5.5 million, respectively.

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Sales and Purchases of Property

I&M had transactions for the sale and purchase of electric property with affiliates individually amounting to \$100 thousand or more for the years ended December 31, 2008 and 2007 as shown in the following table:

Companies	Years Ended December 31,	
	2008	2007
	(in thousands)	
APCo to I&M	\$ 2,720	\$ 2,893
I&M to APCo	653	-
I&M to KPCo	444	-
I&M to OPCo	1,992	-
I&M to PSO	666	1,729
I&M to SWEPCo	-	212
OPCo to I&M	1,800	2,070
PSO to I&M	646	-

In addition, I&M had aggregate affiliated sales and purchases of meters and transformers for the years ended December 31, 2008 and 2007 as shown in the following table:

	APCo	CSPCo	KGPCo	KPCo	OPCo	PSO	SWEPCo	TCC	TNC	WPCo	TOTAL
Sales	(in thousands)										
2008	\$ 2	\$ 86	\$ -	\$ 15	\$ 270	\$ 25	\$ 2	\$ 5	\$ -	\$ 22	\$ 427
2007	22	79	3	4	436	54	29	4	-	20	651
Purchases											
2008	\$ 24	\$ 15	\$ -	\$ 16	\$ 613	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 669
2007	61	11	-	21	614	-	3	-	1	6	717

The amounts are recorded in Utility Plant at cost.

Intercompany Billings

I&M and its affiliates perform certain utility services for each other when necessary or practical. The costs of these services are billed on a direct-charge basis, whenever possible, or on reasonable bases of proration for services that benefit multiple companies. The billings for services are made at cost and include no compensation for the use of equity capital. Billings are capitalized or expensed depending on the nature of the services rendered.

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AEPSC

AEPSC provides certain managerial and professional services to AEP's subsidiaries. AEP is the sole equity owner of AEPSC. 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. No AEP subsidiary has provided financial or other support outside of the reimbursement of costs for services rendered. AEPSC finances its operations by cost reimbursement from other AEP subsidiaries. There are no other terms or arrangements between AEPSC and any of the AEP subsidiaries that could require additional financial support from an AEP subsidiary or expose them to losses outside of the normal course of business. AEPSC and its billings are subject to regulation by the FERC. AEP's subsidiaries are exposed to losses to the extent they cannot recover the costs of AEPSC through their normal business operations. I&M is considered to have a significant interest in the variability in AEPSC due to its activity in AEPSC's cost reimbursement structure. AEPSC is consolidated by AEP. In the event AEPSC would require financing or other support outside the cost reimbursement billings, this financing would be provided by AEP. I&M's total billings from AEPSC were \$147.8 million and \$137.6 million for the years ended December 31, 2008 and 2007, respectively.

14. PROPERTY, PLANT AND EQUIPMENT

Depreciation

I&M provides for depreciation of Utility Plant on a straight-line basis over the estimated useful lives of property, generally using composite rates by functional class. The following table provides the annual composite depreciation rates by functional class:

<u>Year</u>	<u>Nuclear</u>	<u>Steam</u>	<u>Hydro</u>	<u>Transmission</u>	<u>Distribution</u>	<u>General</u>
			<u>(in percentages)</u>			
2008	1.3	2.0	2.5	1.4	2.4	11.3
2007	2.3	3.3	3.0	1.7	3.2	11.3

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

Asset Retirement Obligations (ARO)

I&M records ARO in accordance with SFAS 143 "Accounting for Asset Retirement Obligations" and FIN 47 "Accounting for Conditional Asset Retirement Obligations" for the retirement of certain ash ponds and asbestos removal. 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 its facilities indefinitely. The retirement obligation would only be recognized if and when I&M abandons or ceases the use of specific easements, which is not expected.

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As of December 31, 2008 and 2007, I&M's ARO liability for nuclear decommissioning of the Cook Plant was \$891 million and \$846 million, respectively. As of December 31, 2008 and 2007, the fair value of I&M's assets that are legally restricted for purposes of settling decommissioning liabilities totaled \$959 million and \$1.1 billion, respectively. These assets are included in Other Special Funds.

The following is a reconciliation of the 2008 and 2007 aggregate carrying amounts of ARO for nuclear decommissioning, ash ponds and asbestos removal:

Year	ARO at January 1,	Accretion Expense	Liabilities Incurred	Liabilities Settled	Revisions in Cash Flow Estimates	ARO at December 31,
			(in thousands)			
2008	\$ 852,646	\$ 45,587	\$ 6,120	\$ (548)	\$ (885)	\$ 902,920
2007	809,853	43,254	-	(482)	21	852,646

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	6,017,131,694	6,017,131,694	
4	Property Under Capital Leases	22,136,860	22,136,860	
5	Plant Purchased or Sold			
6	Completed Construction not Classified	133,343,643	133,343,643	
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	6,172,612,197	6,172,612,197	
9	Leased to Others			
10	Held for Future Use	7,747,429	7,747,429	
11	Construction Work in Progress	249,019,648	249,019,648	
12	Acquisition Adjustments	18,339	18,339	
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	6,429,397,613	6,429,397,613	
14	Accum. Prov. For Depr., Amort., & Depl.	3,366,405,854	3,366,405,854	
15	Net Utility Plant (Enter Total of line 13 less 14)	3,062,991,759	3,062,991,759	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	3,261,605,001	3,261,605,001	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights			
20	Amort. Of Underground Storage Land & Land Rights			
21	Amort. Of Other Utility Plant	104,775,764	104,775,764	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	3,366,380,765	3,366,380,765	
23	Leased to Others			
24	Depreciation			
25	Amortization & Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0	0	
27	Held for Future Use			
28	Depreciation	25,089	25,089	
29	Amortization			
30	TOTAL held for Future Use (Enter Total of Lines 28 and 29)	25,089	25,089	
31	Abandonment of leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment			
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 & 32)	3,366,405,854	3,366,405,854	

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NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)				
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.		arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.		
2. If the nuclear fuel stock is obtained under leasing				
Line No.	Description of Item (a)	Balance Beginning of Year (b)	Changes During Year Additions (c)	
1	Nuclear Fuel in process of Refinement, Conversion, Enrichment & Fabrication (120.1)			
2	Fabrication			
3	Nuclear Materials	84,288,267	143,922,327	
4	Allowance for Funds Used during Construction	8,011	3,071,328	
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	84,296,278		
7	Nuclear Fuel Materials & Assemblies			
8	In Stock (120.2)		100,280,338	
9	In Reactor (120.3)	224,782,337	100,280,338	
10	SUBTOTAL (Enter Total of lines 8 & 9)	224,782,337		
11	Spent Nuclear Fuel (120.4)	154,501,824	71,966,603	
12	Nuclear Fuel Under Capital Leases (120.6)	83,763,353	0	
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)	317,611,189	50,377,198	
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	229,732,603		
15	Estimated net Salvage Value of Nuclear Materials in line 9			
16	Estimated net salvage Value of Nuclear Materials in line 11			
17	Estimated Net Salvage Value of Nuclear Materials in Chemical Processing			
18	Nuclear Materials held for Sale (157)			
19	Uranium			
20	Plutonium			
21	Other			
22	TOTAL Nuclear Materials held for Sale (Enter Total of lines 19, 20 & 21)	0		

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)(Continued)			
Changes During the Year			
Amortization (d)	Other Reductions (Explain in a Footnote) (e)	Balance End of Year (f)	Line No.
			1
			2
	98,112,812	130,097,782	3
	2,167,525	911,814	4
			5
		131,009,596	6
			7
	100,280,338	0	8
	71,966,604	253,096,071	9
		253,096,071	10
	0	226,468,427	11
34,109,759		49,653,594	12
	0	367,988,387	13
		292,239,301	14
			15
			16
			17
			18
			19
			20
			21
		0	22

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
FOOTNOTE DATA					
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)		
203	3	e	Placed nuclear fuel into reactor		
203	4	e	Placed nuclear fuel into reactor		
203	8	e	Placed nuclear fuel into reactor		
203	9	e	Nuclear Fuel Removed from reactor & placed into spent fuel pool. \$71,966,604		
203	12	f	Costs in connection with the Dec 2007 \$85,000,000 Nuclear fuel sale/leaseback include finance charges of \$2,882,634 and administration fees of \$204,000.		

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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, 2008
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)			
<p>1. Report below the original cost of plant in service in the same detail as in the current depreciation order.</p> <p>2. In addition to Account 101, Electric Plant in service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and</p>		<p>include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the</p>	
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	301 Organization	117,426	
3	302 Franchises and Consents	19,857,641	0
4	303 Miscellaneous Intangible Plant	123,116,225	11,545,124
5	TOTAL Intangible Plant	143,091,292	11,545,124
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	7,617,627	
9	310.2 Land Rights	222,069	
10	311 Structures and Improvements	143,166,408	2,555,313
11	312 Boiler Plant Equipment	815,178,886	13,816,457
12	313 Engines and Engine-Driven Generators		
13	314 Turbogenerator Units	169,078,263	7,122,644
14	315 Accessory Electric Equipment	79,036,367	3,389,112
15	316 Miscellaneous Power Plant Equipment	26,904,074	952,753
16	317 Asset Retirement Costs for Steam Production	2,773,579	8,940,410
17	TOTAL Steam Production Plant	1,243,977,273	36,776,689
18	Nuclear Production Plant		
19	320.1 Land	1,879,588	
20	320.2 Land Rights		
21	321 Structures and Improvements	312,324,077	1,241,004
22	322 Reactor Plant Equipment	1,079,517,181	18,469,414
23	323 Turbogenerator Units	330,170,776	5,296,540
24	324 Accessory Electric Equipment	153,688,335	1,729,663

Name of Respondent Indiana Michigan Power 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, 2008		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
<p>reversals of the prior year's tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.</p> <p>6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f)</p>			<p>to primary account classifications.</p> <p>7. For Account 399, state the nature and use of plant included in this account and, if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.</p> <p>8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.</p>		
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			117,426	301	2
			19,857,641	302	3
4,350,908			130,310,441	303	4
4,350,908	0	0	150,285,508		5
					6
					7
			7,617,627	310.1	8
			222,069	310.2	9
1,388,222		(430)	144,333,069	311	10
14,332,910			814,662,433	312	11
				313	12
4,871,341			171,329,566	314	13
273,369			82,152,110	315	14
47,320			27,809,507	316	15
1,322,950			10,391,039	317	16
22,236,112		(430)	1,258,517,420		17
					18
			1,879,588	320.1	19
				320.2	20
367,576			313,197,505	321	21
24,786,293			1,073,200,302	322	22
12,613,879			322,853,437	323	23
259,737			155,158,261	324	24

Name of Respondent Indiana Michigan Power 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, 2008
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
24	325 Miscellaneous Power Plant Equipment	139,773,880	2,050,043	
25	326 Asset Retirement Costs for Nuclear Production	200,044,970		
26	TOTAL Nuclear Production Plant	2,217,398,807	28,786,664	
27	Hydraulic Production Plant			
28	330.1 Land	510,470		
29	330.2 Land Rights	196,076		
30	331 Structures and Improvements	3,118,017		
31	332 Reservoirs, Dams and Waterways	18,337,404	55,526	
32	333 Water Wheels, Turbines and Generators	16,033,720	113,195	
33	334 Accessory Electric Equipment	5,229,462	0	
34	335 Miscellaneous Power Plant Equipment	1,506,995	2,043	
35	336 Roads, Railroads and Bridges	853		
36	337 Asset Retirement Costs for Hydraulic Production	112,076	7,078	
37	TOTAL Hydraulic Production Plant	45,045,073	177,842	
38	Other Production Plant			
39	340.1 Land			
40	340.2 Land Rights			
41	341 Structures and Improvements			
42	342 Fuel Holders, Products and Accessories			
43	343 Prime Movers			
44	344 Generators			
45	345 Accessory Electric Equipment			
46	346 Miscellaneous Power Plant Equipment			
47	347 Asset Retirement Costs for Other Production			
48	TOTAL Other Production Plant	0	0	
49	TOTAL Production Plant	3,506,421,153	65,741,195	
50	3. TRANSMISSION PLANT			
51	350.1 Land	6,939,634		
52	350.2 Land Rights	49,746,028	391,909	
53	352 Structures and Improvements	19,861,721	110,667	
54	353 Station Equipment	501,196,407	15,856,197	
55	354 Towers and Fixtures	221,510,077	84,860	
56	355 Poles and Fixtures	72,209,848	9,609,180	
57	356 Overhead Conductors and Devices	200,318,947	16,128,431	
58	357 Underground Conduit	1,473,074	73,992	
59	358 Underground Conductors and Devices	4,726,332	125,590	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
921,312			140,902,611	325	24
			200,044,970	326	25
38,948,797		0	2,207,236,674		26
					27
			510,470	330.1	28
			196,076	330.2	29
0			3,118,017	331	30
22,939			18,369,991	332	31
82,190			16,064,725	333	32
			5,229,462	334	33
			1,509,038	335	34
			853	336	35
			119,154	337	36
105,129	0	0	45,117,786		37
					38
				340.1	39
				340.2	40
				341	41
				342	42
				343	43
				344	44
				345	45
				346	46
	0			347	47
0	0	0	0		48
61,290,038	0	(430)	3,510,871,880		49
					50
			6,939,634	350.1	51
5,110			50,137,714	350.2	52
			19,967,501	352	53
5,096,404		690,642	512,646,842	353	54
37,419			221,557,518	354	55
414,747		(152,000)	81,252,281	355	56
112,823		(16,065)	216,318,490	356	57
123			1,546,943	357	58
8,625			4,843,297	358	59

Name of Respondent		This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company		(1) [X] An Original (2) [] A Resubmission	(Mo, Da, Yr)	December 31, 2008
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
57	359 Roads and Trails	349,749		
58	359.1 Asset Retirement Costs for Transmission Plant			
59	TOTAL Transmission Plant	1,078,331,817	42,380,826	
60	4. DISTRIBUTION PLANT			
61	360.1 Land	2,462,274		
62	360.2 Land Rights	9,209,073	1,245,787	
63	361 Structures and Improvements	5,948,750	271,410	
64	362 Station Equipment	124,062,977	24,565,541	
65	363 Storage Battery Equipment			
66	364 Poles, Towers and Fixtures	178,580,790	13,959,860	
67	365 Overhead Conductors and Devices	207,296,073	39,119,931	
68	366 Underground Conduit	48,805,570	6,364,508	
69	367 Underground Conductors and Devices	149,322,107	11,105,402	
70	368 Line Transformers	224,504,140	18,741,075	
71	368.1 Capacitors			
72	369 Services	131,047,427	815,610	
73	370 Meters	67,014,250	6,756,347	
74	371 Installations on Customers' Premises	15,817,879	729,868	
75	372 Leased Property on Customers' Premises			
76	373 Street Lighting and Signal Systems	17,651,594	559,723	
77	374 Asset Retirement Costs for Distribution Plant			
78	TOTAL Distribution Plant	1,181,722,904	124,235,062	
79	5. GENERAL PLANT			
80	389.1 Land	2,025,744		
81	389.2 Lands Rights	13,868	1,761	
82	390 Structures and Improvments	41,534,592	6,012,080	
83	391 Office Furniture and Equipment	5,399,947	451,534	
84	391.1 Computers / Computer Related Equipment			
85	392 Transportation Equipment	0		
86	393 Stores Equipment	102,173	15,137	
87	394 Tools, Shop and Garage Equipment	7,947,787	1,752,468	
88	395 Laboratory Equipment	1,786,285	0	
89	396 Power Operated Equipment	455,962		
90	397 Communication Equipment	18,549,378	2,966,549	
91	398 Miscellaneous Equipment	4,962,747	1,132,342	
92	SUBTOTAL	82,778,483	12,331,871	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			349,749	359	57
				359.1	58
5,675,251	0	522,577	1,115,559,969		59
					60
			2,462,274	360.1	61
456		3,605	10,458,009	360.2	62
94,303			6,125,857	361	63
4,397,364		(666,959)	143,564,195	362	64
				363	65
2,247,372		144,800	190,438,078	364	66
2,964,526		5,265	243,456,743	365	67
40,984		13,572	55,142,666	366	68
1,032,084		(482,668)	158,912,757	367	69
5,492,069		469,096	238,222,242	368	70
				368.1	71
1,801,605			130,061,432	369	72
3,620,576		(9,195)	70,140,826	370	73
588,657			15,959,090	371	74
				372	75
347,631			17,863,686	373	76
				374	77
22,627,627	0	(522,484)	1,282,807,855		78
					79
			2,025,744	389.1	80
19,452		36,682	32,859	389.2	81
3,953			47,542,719	390	82
503,370			5,348,111	391	83
				391.1	84
				392	85
88,952			28,358	393	86
2,589,001			7,111,254	394	87
1,166,682		430	620,033	395	88
			455,962	396	89
3,334			21,512,593	397	90
		(14,488)	6,080,601	398	91
4,374,744	0	22,624	90,758,234		92

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
91	399 Other Tangible Property			
92	399.1 Asset Retirement Costs for General Plant	182,014		
93	TOTAL General Plant	82,960,497	12,331,871	
94	TOTAL (Accounts 101 and 106)	5,992,527,663	256,234,078	
95				
96	102 Electric Plant Purchased			
97	(Less) 102 Electric Plant Sold			
98	103 Experimental Plant Unclassified			
99	TOTAL Electric Plant in Service <i>(Total of lines 94 thru 98)</i>	5,992,527,663	256,234,078	

Name of Respondent Indiana Michigan Power 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, 2008
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
				399	91
(9,877)			191,891	399.1	92
4,364,867	0	22,624	90,950,125		93
98,308,691		22,287	6,150,475,337		94
					95
				102	96
					97
				103	98
98,308,691	0	22,287	6,150,475,337		99

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/01/09	Year of Report December 31, 2008
FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
204	94	C	302 - Franchises and Consents 303 - Misc Intangible Plant 3,325,036 Total Misc Intangible Plant 3,325,036 310 - Land - Coal Fired 0 311 - Structures and Improvements 93,929 312 - Boiler Plant Equipment (18,836,922) 314 - Turbogenerator Units (3,758,726) 315 - Accessory Electric Equipment 2,709,301 316 - Misc Power Plant Equipment 119,021 Total Steam Production (19,673,397) 321 - Structures and Improvements 506,033 322 - Reactor Plant Equipment (66,586,304) 323 - Turbogenerator Units (17,491,025) 324 - Accessory Electric Equipment 7,846 325 - Misc Power Plant Equipment 1,944,103 Total Nuclear Production (81,619,347) 331 - Structures and Improvements (264,732) 332 - Reservoirs, Dams, Waterways 31,460 333 - Water Wheels, Turbines, Generators (104,827) 335 - Misc Power Plant Equipment 2,043 Total Hydro Production (336,056) 350.1 - Land 0 350.2 - Land Rights 185,543 352 - Structures and Improvements 25,587 353 - Station Equipment (1,923,126) 354 - Towers and Fixtures 84,859 355 - Poles and Fixtures 1,904,003 356 - Overhead Conductors, Devices 7,344,611 357 - Underground Conduit 73,993 358 - Undergrnd Conductors, Devices 57,427 Total Transmission Plant 7,752,897 360.1 - Land 542,334 360.2 - Land Rights 3,351 361 - Structures and Improvements 184,416 362 - Station Equipment 3,998,805 364 - Poles, Towers and Fixtures 2,194,125 365 - Overhead Conductors, Devices 20,453,622 366 - Underground Conduit 54,311 367 - Undergrnd Conductors, Devices (5,037,808) 368 - Line Transformers 1,188,717 369 - Services (2,953,737) 370 - Meters 1,203,254 371 - Installs on Customer Premises 28,709 373 - Street Lighting, Signal System 74,740 Total Distribution Plant 21,934,839 389.1 - Land 1,761 389.2 - Land Rights 0 390 - Structures and Improvements 4,023,482 391 - Office Furniture, Equipment 215,445 393 - Stores Equipment 6,830 394 - Tools, Shop, Garage Equipment 660,454 395 - Laboratory Equipment 0 396 - Power Operated Equipment 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) 03/01/09	Year of Report December 31,2008
FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
204	94	C	397 - Communication Equipment 2,596,592 398 - Miscellaneous Equipment 751,958 Total General Plant <u>8,256,522</u> Total Account 106 Additions (60,359,506)		

Name of Respondent INDIANA MICHIGAN POWER COMPANY State of Michigan	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/1/2009	Year of Report Dec 31, 2008		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
NOTES TO PAGES 204 - 207					
DESCRIPTION	BEG. BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	END. BALANCE
<u>ANALYSIS OF LAND & RIGHTS : TOTAL COMPANY</u>					
ACCT 310 - STEAM PRODUCTION PLANT					
Land	7,617,627	0	0	0	7,617,627
Rights	222,069	0	0	0	222,069
TOTAL	7,839,696	0	0	0	7,839,696
ACCT 320 - NUCLEAR PRODUCTION PLANT					
Land	1,879,588	0	0	0	1,879,588
Rights	0	0	0	0	0
TOTAL	1,879,588	0	0	0	1,879,588
ACCT 330 HYDRAULIC PRODUCTION PLANT					
Land	510,470	0	0	(110)	510,360
Rights	196,076	0	0	110	196,186
TOTAL	706,546	0	0	0	706,546
ACCT 350 - TRANSMISSION PLANT					
Land	6,939,633	0	223	0	6,939,410
Rights	49,746,029	391,909	0	0	50,137,938
TOTAL	56,685,662	391,909	223	0	57,077,348
ACCT 360 - DISTRIBUTION PLANT					
Land	2,462,274	572,481	456	3,605	3,037,904
Rights	9,209,073	673,306	0	0	9,882,379
TOTAL	11,671,347	1,245,787	456	3,605	12,920,283
ACCT 389 - GENERAL PLANT					
Land	2,025,744	1,761	19,452	36,682	2,044,735
Rights	13,868	0	0	0	13,868
TOTAL	2,039,612	1,761	19,452	36,682	2,058,603
<u>ANALYSIS OF LAND & LAND RIGHTS: STATE OF MICHIGAN</u>					
ACCT 320 - NUCLEAR PRODUCTION PLANT					
Land	1,879,588	0	0	0	1,879,588
Rights	0	0	0	0	0
TOTAL	1,879,588	0	0	0	1,879,588
ACCT 330 HYDRAULIC PRODUCTION PLANT					
Land	346,873	0	0	0	346,873
Rights	52,357	0	0	0	52,357
TOTAL	399,230	0	0	0	399,230
ACCT 350 - TRANSMISSION PLANT					
Land	2,098,684	0	0	0	2,098,684
Rights	7,591,836	0	0	0	7,591,836
TOTAL	9,690,520	0	0	0	9,690,520
ACCT 360 - DISTRIBUTION PLANT					
Land	216,181	68,590	0	(38,443)	246,328
Rights	3,646,125	154,633	0	0	3,800,758
TOTAL	3,862,306	223,223	0	(38,443)	4,047,086
ACCT 389 - GENERAL PLANT					
Land	189,573	0	0	38,443	228,016
Rights	11,311	0	0	0	11,311
TOTAL	200,884	0	0	38,443	239,327
<u>ANALYSIS OF LINE TRANSFORMERS: (Page 208-209, Line 70)</u>					
ACCT 368					
Line Transformers & Devices	224,504,140	18,741,075	5,492,069	469,096	238,222,242
Capacitors	0	0	0	0	0
TOTAL	224,504,140	18,741,075	5,492,069	469,096	238,222,242
ACCT 368 State of Michigan					
Line Transformers & Devices	35,890,641	2,632,716	972,389	0	37,550,968
Capacitors	0	0	0	0	0
TOTAL	35,890,641	2,632,716	972,389	0	37,550,968

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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, 2008
ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)				
1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.		more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.		
2. For property having an original cost of \$1,000,000 or				
Line No.	Description and Location of Property (a)	Date Originally included in this Acct. (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Generating Plant Project Site (0110)	9/1/1975		5,905,682
4				
5	Tanners Creek Generating Plant Units 1-4 (0105)	9/1/1975		360,235
6				
7	Rockport Generating Plant Unit 1 (0111)	11/1/1984		1,112,277
8				
9	Items Under \$250,000			363,312
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23	Items Under \$250,000			5,923
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44	TOTAL			7,747,429

Name of Respondent Indiana Michigan Power 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, 2008	
PLANT ACQUISITION ADJUSTMENTS AND ACCUMULATED PROVISION FOR AMORTIZATION OF PLANT ACQUISITION ADJUSTMENTS (Accounts 114 & 115)							
1. Report the particulars called for concerning acquisition adjustments. 2. Provide a subheading for each account and list thereunder the information called for, observing the instructions below. 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. 4. For acquisition adjustments arising during the year				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. 5. In the blank space at the bottom of the schedule, explain the plan of disposition of any acquisition adjustments not currently being amortized. 6. Give date Commission authorized use of Account 115.			
Line No.	Description (a)	Balance Beginning of Year (b)	Debits (c)	CREDITS		Balance End of Year (f)	
				Contra Acct. (d)	Amount (e)		
1	Account 114						
2	United REMC, Ossian, Indiana	38,391		406	20,052	18,339	
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Account 115						
16	None						
17							
18							
19							
20							

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CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service. 2. The information specified by this schedule for Account 106, Completed Construction		Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts. 3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts). 4. Minor projects may be grouped.		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	STATE OF INDIANA			
2	IM Ind-Sectionalizing Program	148,500		0
3	EIMS:GHG & TITEL V MODEL	575,591		0
4	Industrial Park Energize 69 kV	739,180		411,920
5	Hadley Expansion	1,450,112		364,188
6	IM/Ind/Trans CKT Reliab Program	710,188		0
7	Circuit Breaker Rehab Program-I&M	2,036,701		0
8	Circuit Breaker Rehab Program-I&M	593,579		0
9	I&M-pilot wire rehabs	612,368		730,791
10	I&M- pilot wire rehabs	133,142		91,358
11	I&M-Relay Rehab Projects	488,699		23,946
12	I&M- RTU replacement prog	219,324		1,449,566
13	I&M- Line Rehab Program	3,654,700		15,934,698
14	Hadley - Industrial Park 69 kV& ROW	1,791,450		1,168,607
15	Kroemer Switch Relocation	100,061		112,039
16	South Bend Area Improvements	181,015		0
17	I&M Hg Monitoring Project	1,173,911		572,689
18	TL/I&M/IN/Spy Run - Three Rive	243,594		1,156,406
19	ACCESS CONTROL I&M-D	105,129		0
20	TS/I&M/Purchase-Rebuild Eq I&M	3,071,405		3,312,908
21	ACCESS CONTROL I&M-G	233,323		0
22	ACCESS CONTROL I&M - T	222,891		0
23	IM/Svc to Ultimate Ethanol	119,242		0
24	TS/I&M/Twin Branch Area Impr	2,446,948		4,303,306
25	TS/I&M/Purchase-Rebuild Maj Eq	120,043		19,090,312
26	DS/I&M/Purchase-Rebuild Eq	982,550		5,198,153
27	T/I&M/Metering Upgrade	427,591		563,651
28	DS/I&M/Metering Upgrade	197,221		0
29	D/I&M/Brkr Task Force Upgrade	109,783		2,088,734
30	Indiana AMI/DA Pilot	3,441,068		1,015,090
31	DS/I&M/Convert Gump and Cedar	104,493		0
32	TS/I&M/Dequine Station	195,302		4,168,680
33	South Bend DA w o SNP	101,758		396,342
34	Studebaker DA Auto w SNP	224,450		227,250
35	TOTAL	249,019,648	133,343,643	346,012,336

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CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
<p>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.</p> <p>2. The information specified by this schedule for Account 106, Completed Construction</p>		<p>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.</p> <p>3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).</p> <p>4. Minor projects may be grouped.</p>		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	STATE OF INDIANA			
2	Baer Field SC Yard Expansion	454,257		14,370
3	Hartford City Re-Roof	137,345		32,597
4	IM IN Gaston - Rp 5 MVA Xfmer	556,121		2,265,079
5	IM IN Dooville 138 12 k Xfmer	549,446		2,548,798
6	IM/Hobson 124 126 4kV Con	405,896		269,148
7	IM/Spring Convert 4kV to 12kV	951,303		0
8	IM/Lawton 72-4kV Conversion	247,881		203,670
9	IM/West Side Ckt #3 4 to 12	299,252		359,988
10	IM/South Side 3 4kV to 12kV	692,047		909,112
11	IM/South Side Station	1,547,346		817,754
12	IM/South Side 34.5kV Reroute	185,034		287,966
13	IM Woods Road Station	267,482		3,284,718
14	IM St Joes Station	225,071		1,443,929
15	IM/Moorepark T Line River Cros	291,391		0
16	IM/Churubusco NAS Line/Auto	186,582		83,618
17	IM/Churubusco NAS Battery	6,441,330		1,070,170
18	IM/Spy Run Distr Convert 4kV	337,642		2,783,058
19	IM/Sauk Trail Line	121,587		75,544
20	S Bend/Elkhart- WPC-Non-Veg	127,018		0
21	Ds Im Ind- Small Wire Rep Urd	296,791		0
22	I&M Distribution Overhead	159,309		0
23	800 MHz Phase IV IMPCo (IN) Capital	121,893		0
24	Indus Upgrade for I&M Trans	119,092		423,012
25	Indus Upgrade for I&M Gen	160,787		563,241
26	Indus Upgrade for I&M Distr	188,609		551,442
27	RK U1 Carbon Injection	7,021,528		6,722,261
28	RKP05CIIM Horiz RH ReplaceU1	2,959,481		6,224,560
29	RK2 Replace Heater No. 61, 62, 63	1,659,637		1,219,232
30	RK06 CI Landfill Expansion	516,552		4,063,500
31	RK CIA I&M U2 HP Flash Tank	188,909		270,091
32	RK CI CY Sta 5 Pond	202,863		39,381
33	RK09CIU2 Gas Fan Rotor	148,714		1,389,391
34	RK09CIU1 SiloSumpLine	314,810		0
35	TOTAL	249,019,648	133,343,643	346,012,336

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**CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION
NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)**

1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service.

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

Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts.

3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).

4. Minor projects may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	STATE OF INDIANA			
2	RK09CIU2 SiloSump Line	256,501		28,606
3	RK09CIU2 Crit Power Inverter	234,044		227,341
4	RK09CIU2 Sidewall Tube Panels	316,378		5,726,445
5	RK09CIU0 IP Turb Assem for U1	1,120,726		2,457,343
6	RK10 CI U1 Economizer	7,735,435		9,458,621
7	RK10 CI U2 Economizer	5,532,381		12,365,032
8	RK10CIU1 4KV Alum Embed Cable	350,626		58,161
9	TC0 EVRCS Flyash Return Rplc	3,578,166		2,608,174
10	TCU0 Flyash Landfill Expansion	12,400,505		16,421,477
11	TC4 4N GSU Transformer Rewind	1,055,832		5,370,308
12	TC4 Rplc Upper Ext Concr Flrs	329,559		1,432,064
13	TC U4 SNCR (NSR)	3,544,509		7,984,677
14	TC4 Replac 4AB aux transformer	647,579		1,456,909
15	TC4 Rewind 4S GSU	1,157,290		6,213,859
16	TCU409 Turbine Controls	1,837,888		3,802,935
17	TCU409 Partial rpl waterwalls	2,770,459		7,176,682
18	TCU409 OUTCS Rewind HP Gen	944,986		3,484,729
19	Tanners Creek Plant Land Purch	3,474,066		620,934
20	WS-CI-IMPCo-G PPB	4,821,817		0
21	ET-CI-IMPCo-T CUST SERV	122,908		0
22	ET-CI-IMPCo-T PPR	245,292		0
23	ET-CI-IMPCo-T SYS IMP	1,861,528		0
24	ED-CI-IMPCo-D AST IMP	6,628,794		0
25	ED-CI-IMPCo-D CUST MTR	335,848		0
26	ED-CI-IMPCo-D CUST SERV	1,039,871		0
27	ED-CI-IMPCo-D LN TRNSF	608,201		0
28	ED-CI-IMPCo-D PPR	314,882		0
29	SS-CI-IMPCo-D GEN PLT	286,445		0
30	RP-IMPCo-G	765,602		0
31	ET-IMPCo-T	478,951		0
32	ED-IMPCo-D	1,343,133		0
33	SS-CI-IMPCo-G Software	651,859		0
34	SS-CI-IMPCo-D Software	417,096		0
35	TOTAL	249,019,648	133,343,643	346,012,336

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Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	<u>STATE OF INDIANA</u>			
2	ED CI IMCO D Driven T Asset Imp	342,791		0
3	ET-CI-I&M-T Drvn D Asset Imp	487,494		0
4	Other Minor Projects Under \$100,000	774,351		12,885,463
5				
6	Completed Construction Not Classified		104,430,152	
7				
8	TOTAL STATE OF INDIANA 107 \$123,852,109			
9	TOTAL STATE OF INDIANA 106 \$104,430,152			
10				
11				
12	<u>STATE OF MICHIGAN</u>			
13	Ds IM Mich-Small Wire Repl Urd	341,151		0
14	IM/Mich/Trans CKT Reliabil Program	416,281		0
15	Circuit Breaker Rehab Program-I&M	1,929,770		0
16	Three Rivers Addition	2,062,240		0
17	Benton Harbor Re-Roof	601,961		175,651
18	Almena-3rd 34.5 Ckt	275,381		0
19	IM/Edwardsburg Distr Fdrs	285,782		0
20	IM/Sauk Trail 138/12kV	2,247,278		1,052,598
21	IM/Sauk Trail 2 Mile Ckt Ext	2,686,527		129,573
22	IM/Kenzie Creek Relaying	199,080		240,720
23	IM/Pokogon End Relay Work	492,329		197,971
24	IM/Moorepark 3 Distr Feeders	425,903		12,428
25	IM/Sister Lakes Install Xfmer	1,424,077		672,623
26	IM/Sauk Trail Line	248,976		154,692
27	800 MHz Phase IV IMPCO (MI) Capital	515,109		477,620
28	Indus Upgrade for I&M Nuc	495,047		1,728,807
29	Unit 2 Power Uprate	9,852,593		0
30	Unit 1 Power Uprate	1,171,875		6,496,459
31	U2 Main Gen Volt Reg Rplc	679,401		977,488
32	U2 RTD Bypass Elimination	205,347		162,317
33	Replace Plant Heating Boiler	1,922,972		1,373,736
34	U2 MSR Replacement	16,044,902		13,408,153
35	TOTAL	249,019,648	133,343,643	346,012,336

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CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
<p>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.</p> <p>2. The information specified by this schedule for Account 106, Completed Construction</p>		<p>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.</p> <p>3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).</p> <p>4. Minor projects may be grouped.</p>		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	<u>STATE OF MICHIGAN</u>			
2	Dry Cask Storage	6,480,535		27,407,030
3	Security Computer Replacement	956,896		4,941,944
4	U1 NESW Pp Mod Cntmnt Cooling	5,213,981		6,614,430
5	Hot Machine Shop	854,452		926,576
6	NESW Cntmnt Suplmnt Cooling	5,094,314		6,626,663
7	Unit 1 Simulator	11,427,679		2,824,127
8	INPO Chemistry CPI Imprvmnt	3,902,320		12,152,292
9	U2 Sec Sys Water Upgrade	3,508,655		12,513,894
10	U1 Condensate Overboarding	356,454		180,087
11	U2 Condensate Ovrbd Instl	346,918		189,623
12	U2 RWST Yard Paving (Tritium)	277,856		257,461
13	10CFR 26 Wrkr Fatigue Software	497,733		4,209,203
14	RPA5501 U2 Main/FPT Controls	860,107		0
15	WS-CI-IMPCo-G PPB	368,965		0
16	RP-CI-IMPCo-G NMIB	18,860,457		0
17	ET-CI-IMPCo-T SYS IMP	1,155,867		0
18	ED-CI-IMPCo-D AST IMP	1,376,286		0
19	ED-CI-IMPCo-D CUST SERV	298,296		0
20	ED-CI-IMPCo-D LN TRNSF	162,663		0
21	RP-IMPCo-G	1,278,651		0
22	SS-CI-IMPCo-N Software	431,855		0
23	Other Minor Projects Under \$100,000	457,702		15,184,064
24				
25				
26	Completed Construction Not Classified		28,913,491	
27				
28	TOTAL STATE OF MICHIGAN 107 \$108,692,626			
29	TOTAL STATE OF MICHIGAN 106 \$28,913,491			
30				
31				
32				
33				
34				
35	TOTAL	249,019,648	133,343,643	346,012,336

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CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)				
<p>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.</p> <p>2. The information specified by this schedule for Account 106, Completed Construction</p>		<p>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.</p> <p>3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).</p> <p>4. Minor projects may be grouped.</p>		
Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	<u>STATE OF OHIO</u>			
2	Completed Construction Not Classified		0	
3				
4	TOTAL STATE OF OHIO 106 \$0			
5				
6	<u>STATE OF TEXAS</u>			
7	Completed Construction Not Classified		0	
8				
9	TOTAL STATE OF TEXAS 106 \$0			
10				
11	<u>STATE OF WEST VIRGINIA</u>			
12	I&M Towboat	16,474,913		24,648,087
13				
14	Completed Construction Not Classified		0	
15				
16	TOTAL STATE OF WEST VIRGINIA 107 \$16,474,913			
17	TOTAL STATE OF WEST VIRGINIA 106 \$0			
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35	TOTAL	249,019,648	133,343,643	346,012,336

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CONSTRUCTION OVERHEADS - ELECTRIC				
<p>1. List in columns (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather</p> <p>should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)		
1	Fossil/Hydro Construction Overheads	5,069,973		
2				
3	Nuclear Construction Overheads	3,430,567		
4				
5	Transmission Construction Overheads	5,097,550		
6				
7	Distribution Construction Overheads	18,725,253		
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39	TOTAL	32,323,343		

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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE			
<p>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.</p> <p>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.</p>			
<p>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.</p>			

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT(Account 108 & 110)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 202-204A, column (d), excluding retirements of non-depreciable property. 3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.			If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all cost included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.		
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	3,298,319,920	3,298,316,284	3,636	
2	Depreciation Prov. for Year, Charged to				
3	(403) Depreciation Expense	53,455,277	53,455,170	107	
4	(403.1) Decommissioning Expense	5,504,242	5,504,242	0	
5	(413) Exp. Of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify):	27,930	27,930		
9					
10	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	58,987,449	58,987,342	107	
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	93,393,069	93,393,069		
13	Cost of Removal	32,063,158	32,063,158		
14	Salvage (Credit)	11,085,065	11,085,065		
15	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	114,371,162	114,371,162	0	
16	Net Earnings of Decommissioning Funds				
17	Other Debit or Credit Items (Described)				
18	Retirement WIP	15,440,843	15,440,843		
19	Asbestos ARO	3,312,822	3,312,822		
20	Transfer between Accounts 108 & 111	(59,782)	(81,128)	(21,346)	
21	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	3,261,630,090	3,261,605,001	25,089	
Section B. Balances at End of Year According to Functional Classifications					
22	Steam Production	781,932,739	781,911,397	21,342	
23	Nuclear Production-Depreciation	1,346,663,158	1,346,663,158		
24	Nuclear Production-Decommissioning	159,922,514	159,922,514		
25	Hydraulic Production-Conventional	22,557,432	22,557,432		
26	Hydraulic Production-Pumped Storage				
27	Other Production	0	0		
28	Transmission	493,992,419	493,988,672	3,747	
29	Distribution	434,351,312	434,351,312		
30	General	22,210,516	22,210,516		
31	TOTAL (Enter total of lines 20 thru 28)	3,261,630,090	3,261,605,001	25,089	

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Name of Respondent INDIANA MICHIGAN POWER COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/12/09	Year of Report December 31, 2008
NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121.		4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.		
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.		5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other nonutility property.		
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.				
Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales Transfers, etc. (c)	Balance at End of Year (d)
1	Water Transportation Facilities,	29,156,825	(201,260)	28,955,565
2	headquartered at St Louis, MO			
3				
4	Office Building Leasehold Improvements,	2,695,099		2,695,099
5	One Summit Square, Fort Wayne, IN			
6				
7	Land, purchased in connection with Jefferson	164,576		164,576
8	West 765kv Corridor, Jefferson County, IN			
9	Land near Tanners Creek Plant, Lawrenceburg, IN	146,364		146,364
10	Land, Prosperity East 138kv Corridor, Madison	102,956		102,956
11	County, IN			
12	Service Building and Site, Marion, IN	148,875		148,875
13	(transferred from a/c 101 in Apr 1991)			
14	Minor items previously devoted to public service	8,368	(194)	8,174
15	Minor items - other nonutility property	270,311	5,782	276,093
16				
17				
TOTAL		32,693,374	(195,672)	32,497,702

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	13,044,886
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	725,280
4	(418) Nonoperating Rental Income	57,705
5	Other Accounts (Specify):	
6	Accounts 227 and 243	3,448,310
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	4,231,295
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	(2,762,412)
10	Cost of Removal	0
11	Salvage (Credit)	0
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	(2,762,412)
13	Other Debit or Credit Items (Describe):	
14	Reclassifications from/to Other Accounts	187
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	14,513,956

Name of Respondent Indiana Michigan Power 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, 2008
INVESTMENTS (Accounts 123, 124, 136)			
<p>1. Report below the investments in Accounts 123, <i>Investments in Associated Companies</i>, 124, <i>Other Investment</i>, and 136, <i>Temporary Cash Investments</i>.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(a) Investment in securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included</p> <p>in Account 124, <i>Other Investments</i>), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i>, also may be grouped by classes.</p> <p>(b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or an open account. Each note should be</p>			
Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b) Original Cost Book Value	Purchases or from Improvement Disposed of (c)
1	Account 123 - Investment in Associated Companies	(see pp. 224-225)	
2			
3	Account 124 - Other Investments		
4	Franklin Real Estate and Indiana Franklin - Land Purchase Contracts		
5	- Michigan	266,787	
6	- Other States	10,523,335	
7			
8	Private Fuel Storage LLC	6,293,537	
9			
10	Fiber Optic Agreements with AEP Communications, Kentucky Data	5,411,049	
11	Link, Inc, and Citynet Fiber Network, Inc		
12			
13	Speculative Allowance Inventory		
14	- NOx	2,152	101
15	- SO2	109,585	
16	- CO2	26,385	0
17			
18	Shell Building Loan	15,000	
19			
20	Other Miscellaneous Investments	4,684	31,499
21			
22			
23			
24			
25			
26	Total Account 124	22,652,514	31,600
27			
28	Account 136 - Temporary Cash Investments		
29			
30			
31	Grand Total	22,652,514	31,600

Name of Respondent Indiana Michigan Power 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, 2008			
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) Original Cost Book Value		Revenues for Year (g)	Gain of Loss from Improvement Disposed of (h)	Line No.
						1
						2
						3
						4
0			266,787			5
0			10,523,335			6
						7
4,289			6,289,248			8
						9
89,762			5,321,287			10
						11
						12
						13
0			2,253			14
85,463			24,122			15
10,539			15,846			16
						17
			15,000			18
						19
2,934			33,249			20
						21
						22
						23
						24
						25
192,987			22,491,127			26
						27
						28
						29
						30
192,987	0	0	22,491,127	0	0	31

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)				
<p>Report below the investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>.</p> <p>2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.</p>				
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Blackhawk Coal Company, Inc	09/01/80		
2	Common Stock			25,324,000
3	Cash Capital Contribution			0
4	Equity in Earnings			88,819
5	Subtotal			25,412,819
6				
7	Price River Coal Company, Inc	12/01/65		
8	Common Stock			27,275
9	Subtotal			27,275
10				
11				
12				
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35				
36	TOTAL Cost of Account 123.1 \$	146,936,960	TOTAL	25,440,094

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, 2008

INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 36, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
	0	25,324,000		1
	0	0		2
	0			3
(1,599,487)	0	(1,510,668)		4
(1,599,487)	0	23,813,332		5
				6
				7
		27,275		8
		27,275		9
				10
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(1,599,487)	0	23,840,607	0	36

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET				
Show separately by footnote the total amount of notes and employees included in Notes Receivable (Account 141) and accounts receivable from directors, officers, and 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)	58,524,346	56,864,104	
3	Other Accounts Receivable (Account 143 & 171 & 172) (Disclose any capital stock subscriptions received)	13,796,230	17,371,806	
4	TOTAL	72,320,576	74,235,910	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	2,710,512	3,309,821	
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	69,610,064	70,926,089	
7				
8	Account 143 includes employee receivables of \$1,117,278 @			
9	12/31/07 and \$1,031,377 @ 12/31/08 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		38,397		2,672,115	2,710,512
2	Prov. For uncollectibles for current year		446,793		152,516	599,309
3	Account written off (less)		0		0	0
4	Coll. Of accounts written off					0
5	Adjustments (explain): Adjustment to Beginning Balance		0		0	0
6	Balance end of year	0	485,190	0	2,824,631	3,309,821
7						
8						
9						
10						
11						

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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)			
1. Report particulars of notes and accounts receivable from associated companies* at end of year. 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. 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.		4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.	

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

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

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	Account 145					
2					0	
3	Account 146					
4	AEP Credit	-			0	
5	AEP Elmwood	2,001	5,327	7,328	(0)	
6	AEP Generating Company	26,214,949	337,362,935	333,680,006	29,897,878	
7	AEP Memco	1,734,132	11,585,430	12,003,333	1,316,230	
8	AEP Pro Serv	698	6,437	5,948	1,187	
9	AEP Service Corporation	22,189,756	1,301,418,645	1,297,611,299	25,997,101	
10	AEP System Pool (AEPSC)	9,042,026	438,258,538	443,530,157	3,770,407	
11	AEP T&D Services, LLC	19,916	174,474	97,781	96,609	
12	AEP Texas Central Company	11,460	754,375	763,658	2,177	
13	AEP Texas North Company	2,006	67,935	68,900	1,041	
14	AEP Utilities, Inc.	534,548	122,921,221	122,912,280	543,489	
15	AEP Utility Funding LLC	0	35,688	28,723	6,965	
16	AEPES Power Trading	183	2,283	2,466	0	
17	AEPES US Gas Trading	5,255,141	113,559,424	115,972,720	2,841,845	
18	American Electric Power Co	9,778	422,946,037	422,955,191	624	
19	Appalachian Power Co	8,748,633	129,170,211	127,461,893	10,456,951	
20	Blackhawk Coal Company Cardinal Operating Company	5,616	116,423	116,267	5,772	
21	Columbus Southern Power	442,689	15,796,575	13,805,576	2,433,688	
22	Conesville Coal Prep	11,378,938	4,656,864	13,355,274	2,680,528	
23	Cook Coal Terminal	2	848	797	53	
24	CSW Energy, Inc.	4,402	4,616,544	3,735,965	884,981	
25		11	36	16	32	

Name of Respondent Indiana Michigan Power 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, 2008
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	2,033,277	3,681,137	5,677,436	36,978	
2	Kingsport Power Co	152	6,619	6,683	88	
3	Ohio Power Co	1,927,122	80,316,215	71,274,473	10,968,864	
4	Public Service Co of Ok	162,999	3,269,664	3,377,759	54,905	
5	Southwestern Power Co	282,958	3,313,756	3,590,830	5,884	
6	Wheeling Power Co	202	30,827	29,333	1,696	
7						
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43						
44	TOTAL	90,003,595	2,994,074,468	2,992,072,092	92,005,971	0

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
MATERIALS AND SUPPLIES					
1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.			2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.		
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)	
1	Fuel Stock (Account 151)	59,263,106	65,668,633	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)	2,078,757	1,469,238	Electric	
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials & Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	80,745,920	73,248,878	Electric	
6	Assigned to - Operations & Maintenance				
7	Production Plant (Estimated)	42,165,155	54,587,040	Electric	
8	Transmission Plant (Estimated)	797,213	662,273	Electric	
9	Distribution Plant (Estimated)	4,957,595	4,821,542	Electric	
10	Assigned to - Other	741,030	861,996	Electric	
11	TOTAL Account 154 (Enter total of line 5 thru 10)	129,406,913	134,181,729	Electric	
12	Merchandise (Account 155)				
13	Other Material & Supplies (Account 156)	2,502,333	2,010,414	River Trans, Elec	
14	Nuclear Materials Held for Sale (Account 157) (not applicable to Gas utilities)				
15	Stores Expense Undistributed (Account 163)				
16					
17					
18					
19					
20	TOTAL Materials & Supplies (Per Balance Sheet)	193,251,109	203,330,014		

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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 31,2008	
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)				
1. Report below the information called for concerning production fuel and oil stock. 2. Show quantities in tons Of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from		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.		
Line No.	Item (a)	Total Cost (b)	KINDS OF FUEL AND OIL	
			Quantity (Coal Tons) (c)	Cost (Coal) (d)
1	On hand beginning of year	59,263,106	1,939,229	56,987,380
2	Received during year	355,077,425	7,533,451	348,502,395
3	TOTAL	414,340,531	9,472,680	405,489,775
4	Used during year (specify department)			
5	Electric Generation	351,149,662	7,751,437	344,596,843
6	Storage Pile Adjustment	(2,508,307)	(41,574)	(2,508,307)
7	Other - Rockport Plant Coal Pile Revision	30,543	0	0
8				
9				
10				
11				
12				
13				
14				
15	Sold or transferred			
16	TOTAL DISPOSED OF	348,671,898	7,709,863	342,088,536
17	BALANCE END OF YEAR	65,668,633	1,762,817	63,401,239

Name of Respondent Indiana Michigan Power 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, 2008			
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.
24,847	2,275,726					1
52,711	6,575,030					2
77,558	8,850,756	0	0	0	0	3
						4
52,687	6,552,819					5
0	0					6
252	30,543					7
						8
						9
						10
						11
						12
						13
						14
						15
52,938	6,583,362	0	0	0	0	16
24,619	2,267,394	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 of Report December 31, 2008	
ALLOWANCES							
1. Report below the details called for concerning allowances. 2. Report all acquisitions of allowances at cost. 3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts. 4. Report the allowances transactions by the period they are first				eligible for use; the current year;s allowances in columns (b)-(c), allowances for the three succeeding years in column(d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k). 5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.			
Line No.	Allowance Inventory (a)	Current Year		2009			
		No. (b)	Amt. (c)	No. (d)	Amt. (e)		
1	Balance-Beginning of Year	4,473,970	9,475,240	107,558	2,728,044		
2-4	Acquired During Year: Issued (Less Withheld Allow)	15,972,219		16,634			
5	Returned by EPA						
6-8	Purchases/Transfers:						
9	Buckeye Power	1,220	3,083,123				
10	Duke Energy - Indiana			300	942,500		
11	Koch Supply & Trading			350	1,528,500		
12	Sempra Energy Trading			150	586,500		
13	Virginia Electric & Power			200	538,400		
14	Other	7,772	1,108,507	7,416	914,281		
15	Total	8,992	4,191,630	8,416	4,510,181		
16							
17-18	Relinquished During Year: Charges to Account 509	19,620,735	5,353,016				
19	Other:						
20	Writeoff exist CO2 Inventory	744,083	5,452	1,498	3,985		
21	Cost of Sales/Transfers:						
22	Bear Energy LP						
23	Northern Indiana Public Service Corp	7,180	358,199				
24	AEP System Pool	3,646	181,893				
25	Ohio Power Company	5,309	264,857				
26	Columbus Southern Power Company	5,640	281,370				
27	Other	82	4,092	119			
28	Total	21,857	1,090,411	119	0		
29	Balance-End of Year	68,506	7,217,991	130,991	7,234,240		
30-31	Sales:						
32	Net Sales Proceeds (Assoc Co.)		4,877,679				
33	Net Sales Proceeds (Other)		391,389				
34	Gains		4,178,657				
35	Losses				1,348		
	Allowances Withheld						
36	Balance - Beginning of Year	1,168		1,168			
37	Add: Withheld by EPA						
38	Deduct: Returned by EPA						
39	Cost of Sales	1,168					
40	Balance - End of Year	0		1,168			
41-42	Sales:						
43	Net Sales Proceeds (Assoc. Co.)						
44	Net Sales Proceeds (Other)		457,180				
45	Gains		457,180				
46	Losses						

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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ALLOWANCES (Continued)								
6. Report on line 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales or auction of the withheld allowances.				8. Report on lines 22-27 the names of purchasers/transfers of allowances disposed of and identify associated companies.				
7. Report on lines 8-14 the names of vendors/transfers of allowances acquired and identify associated companies (See "associated co." under "Definitions" in Uniform System of Accounts).				9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.				
				10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.				
2010		2011		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
102,922	2,008,587	103,827	3,145,437	2,172,419	12,488,552	6,960,696	29,845,860	1
23,740		23,740		152,596		16,188,929		2-4
								5
								6-8
						1,220	3,083,123	9
300	942,500	300	942,500			900	2,827,500	10
350	1,152,000	100	302,000			800	2,982,500	11
						150	586,500	12
200	538,400	200	538,400			600	1,615,200	13
0	0	3,733	71,508			18,921	2,094,296	14
850	2,632,900	4,333	1,854,408	0	0	22,591	13,189,119	15
								16
						19,620,735	5,353,016	17-18
								19
1,498	3,985					747,079	13,422	20
								21
3,733	73,781					3,733	73,781	22
						7,180	358,199	23
						3,646	181,893	24
						5,309	264,857	25
						5,640	281,370	26
44	870	479	14,326	12,933	58,519	13,657	77,807	27
3,777	74,651	479	14,326	12,933	58,519	39,165	1,237,907	28
122,237	4,562,851	131,421	4,985,519	2,312,082	12,430,033	2,765,237	36,430,634	29
								30-31
							4,877,679	32
	4,642		50,534		732,153		1,178,718	33
	3,772		36,208		673,634		4,892,271	34
							1,348	35
1,164		1,167		56,609		61,276		36
				2,334		2,334		37
						0		38
				1,167		2,335		39
1,164		1,167		57,776		61,275		40
								41-42
								43
					159,468		616,648	44
					159,468		616,648	45
								46

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/08																										
FOOTNOTE DATA																															
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																												
228	14	b	<div style="text-align: right;">Current Year</div> <table> <tr> <th>Number</th> <th>Amount</th> </tr> <tr> <td>Chicago Climate Exchange</td> <td>6,330 16,117</td> </tr> <tr> <td>Koch Supply & Trading (Nox)</td> <td>50 50,500</td> </tr> <tr> <td>Chapel Street Environmental</td> <td>200 162,000</td> </tr> <tr> <td>Amerex Emissions LTD</td> <td>445 269,250</td> </tr> <tr> <td>Archer Daniels Midland Co.</td> <td>100 80,500</td> </tr> <tr> <td>PPL Energy Plus LLC</td> <td>100 143,500</td> </tr> <tr> <td>City of Dover</td> <td>28 21,140</td> </tr> <tr> <td>Constellation Energy Commodities Group</td> <td>200 157,000</td> </tr> <tr> <td>Duke Energy Carolinas, LLC</td> <td>100 143,500</td> </tr> <tr> <td>Merrill Lynch</td> <td>100 65,000</td> </tr> <tr> <td>CE2 Environmental Markets, LP</td> <td>119</td> </tr> <tr> <td>TOTAL</td> <td>7,772 1,108,507</td> </tr> </table>			Number	Amount	Chicago Climate Exchange	6,330 16,117	Koch Supply & Trading (Nox)	50 50,500	Chapel Street Environmental	200 162,000	Amerex Emissions LTD	445 269,250	Archer Daniels Midland Co.	100 80,500	PPL Energy Plus LLC	100 143,500	City of Dover	28 21,140	Constellation Energy Commodities Group	200 157,000	Duke Energy Carolinas, LLC	100 143,500	Merrill Lynch	100 65,000	CE2 Environmental Markets, LP	119	TOTAL	7,772 1,108,507
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228	27	f	<div style="text-align: right;">2010</div> <table> <tr> <th>Number</th> <th>Amount</th> </tr> <tr> <td>Evolution Markets LLC</td> <td>44 870</td> </tr> </table>			Number	Amount	Evolution Markets LLC	44 870																						
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228	27	h	<div style="text-align: right;">2011</div> <table> <tr> <th>Number</th> <th>Amount</th> </tr> <tr> <td>Evolution Markets LLC</td> <td>479 14,326</td> </tr> </table>			Number	Amount	Evolution Markets LLC	479 14,326																						
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228	27	j	<div style="text-align: right;">Future Years</div> <table> <tr> <th>Number</th> <th>Amount</th> </tr> <tr> <td>Evolution Markets LLC</td> <td>12,933 58,519</td> </tr> </table>			Number	Amount	Evolution Markets LLC	12,933 58,519																						
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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, 2008	Year of Report December 31, 2008
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	Deferred Cook Unit 1 Fire Expenses	27,821,368	
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25	TOTAL	27,821,368	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) [X] An Original (2) [] A resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
OTHER REGULATORY ASSETS					
1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)			amortization in column (a).		
2. For regulatory assets being amortized, show period of			3. Minor items (amounts less than \$50,000) may be grouped by classes.		
			4. Give the number and name of the account(s) where each amount if recorded.		
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	SFAS 112 Post Employment Benefits	1,834,571			8,188,458
2					
3	Cook Plant Refueling Levelization	34,399,507	Various	43,324,367	24,965,837
4					
5	VEBA Trust Contributions				354,500
6					
7	SFAS 106 Post Retirement Benefits				4,545,667
8					
9					
10	Unamortized Loss on Reacquired Debt		428	206,953	2,897,347
11	Amort 1/1995 - 12/2022				
12					
13	River Transportation Selling Price Variance	7,178,772	254	11,651,681	(1,233,248)
14					
15	Unrealized Loss on Forward Commitments	136,487,199	456	138,510,322	0
16					
17	Deregulation-Customer Educ & Transition Filing	6,228			92,371
18					
19	Deregulation Implementation	390,541			5,792,962
20					
21	Asset Retirement Obligations	94,239			1,609,411
22					
23	Merger Costs		407	832,845	0
24	Amort 8/2000 - 7/2008				
25					
26	Deferral of Michigan portion PJM Fees	963,094			5,296,408
27					
28	Deferred Equity Carrying Charges	88,116			(772,703)
29	Amort 1/2005 - 12/2019				
30					
31	BridgeCo Transmission Org Funding		407	64,422	1,209,046
32	Amort 1/2005 - 12/2019				
33	FERC Docket No AC04-101-000				
34					
35	PJM Integration Payments		407	302,324	2,351,068
36	Amort 1/2005 - 12/2014				
37	FERC Docket No EL05-74-000				
38					
39	Other PJM Integration		407	59,960	1,125,312
40	Amort 1/2005 - 12/2019				
41	FERC Docket No AC04-101-000				
42					
43	Carrying Charges - RTO Startup Costs		407	70,239	847,121
44	Amort 1/2005 - 12/2019				
45	FERC Docket No AC04-101-000				
46	and FERC Docket No EL05-74-000				
47					
48	Alliance RTO Deferred Expense		407	36,996	694,340
49	Amort 1/2005 - 12/2019				
50	FERC Docket No AC04-101-000				
51					
52	Unrecovered Fuel Cost	42,400,844	Various	10,179,218	33,065,872
53					
54	SFAS 158 Employer Accounting for Defined	216,130,267	various	4,559,644	269,087,402
55	Benefit Pension & Other Postretirement Plans				
56					
57	SFAS 109 Deferred SIT	21,108,427	283	11,903,759	49,018,668
58					
59	SFAS 109 Deferred FIT	46,900,257	Various	46,869,747	110,677,241
60	TOTAL	507,982,062		268,572,477	519,813,080

Name of Respondent Indiana Michigan Power 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, 2008	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a). 3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	Property Taxes	27,186,455	48,724,787	408	45,633,466	30,277,776	
2							
3	Property Taxes - Capital Leases	83,330	500,000	408	500,000	83,330	
4							
5	Labor Accruals	3,780,816	45,071,536	Various	44,413,265	4,439,087	
6							
7	Agency Fees, Factored Accts Rec	2,019,532	816,273	Various	631,064	2,204,741	
8							
9	River Transportation Division	91,130	159,020,671	Various	159,211,373	(99,572)	
10							
11	Deferred Rate Case Expense	269,524	1,040,876	Various	859,890	450,510	
12							
13	Unamortized Credit Line Fees	420,113	103,457	431	148,342	375,228	
14							
15	Deferred Debt Issuance Expense	-	39,099		-	39,099	
16							
17	Misc Deferrals	-	28,198		-	28,198	
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34	Misc. Work in Progress	1,121,345				404,435	
35	TOTAL	34,972,245	255,344,897		251,397,400	38,202,832	
36							
37							
38							
39							

Name of Respondent Indiana Michigan Power 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, 2008
ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.		2. At Other (Specify), include deferrals relating to other income and deductions.		
Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2	Nuclear Decommissioning	78,718,668	38,356,500	2,614,215
3	Deferred Gain Sale of Rockport Unit 2	18,708,327	1,297,351	
4	Accrued Pension Expense	(13,878,385)	651,829	2,154,870
5	Interest Expense Capitalized	20,824,140	1,194,984	1,346,875
6	SFAS 106 Post Retirement Benefits	8,962,376	3,313,077	1,329,022
7	Other (see pp. 234.1A-234.1B)	511,938,453	340,815,450	91,609,490
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	625,273,579	385,629,191	99,054,472
9	Gas			
10				
11				
12				
13				
14				
15	Other			
16	TOTAL Gas (Enter total of lines 10 thru 15)	0	0	0
17	Other (Specify)	59,096,840	0	
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	684,370,419	385,629,191	99,054,472
19	Classification of Total:			
20	Federal Income Tax	684,190,419	385,629,191	99,054,472
21	State Income Tax	180,000		
22	Local Income Tax			
<p align="center">NOTES</p> <p align="center"><i>In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.</i></p>				
Line 17 Other - Detail		Balance at Beginning of Year	Balance at End of Year	
Non-Utility 190.2 Federal		4,498,703	9,110,391	
Non-Utility 190.2 State		180,000	413,406	
SFAS 133		7,803,171	6,799,987	
SFAS 87		966,865	6,027,282	
SFAS 109		45,648,101	47,889,301	
Total		59,096,840	70,240,367	

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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
						42,976,383	2
						17,410,976	3
						(12,375,344)	4
						20,976,031	5
						6,978,321	6
		Various	0	Various	341,012,358	603,744,853	7
0	0		0		341,012,358	679,711,220	8
							9
							10
							11
							12
							13
							14
						0	15
0	0		0		0	0	16
5,554,100	10,399,193		37,038,568	Various	43,337,002	70,240,367	17
5,554,100	10,399,193		37,038,568		384,349,360	749,951,587	18
							19
5,145,953	9,757,640		37,038,568		384,349,360	749,538,181	20
408,147	641,553					413,406	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, 2008
ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.		2. At Other (Specify), include deferrals relating to other income and deductions.		
Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1				
2	Contributions and Advances for Construction	7,741,300	401,032	2,102,410
3	Provisions for Loss Trading Credit Risk	799,766	615,511	386,099
4	Property Tax Deferrals	3,229,869	2,285,269	2,371,262
5	Installation Allowances Capitalized	43,425	33,497	3,360
6	Pre 04/83 Nuclear Fuel Cost	8,508,552	2,014,900	3,304,421
7	DOE Decontamination Fund	(78,667)	0	78,667
8	IRS Settlements	3,986,653	2,221,158	4,336,819
9	Emission Allowances	(137,559)	0	137,559
10	Amortization of Step Up ITC Rockport Unit 2	5,964,173	400,163	2,738
11	Accrued Vacation Pay	4,457,319	897,745	1,600,057
12	Accrued Severance Benefits	(155,891)	50,353	206,243
13	Accrued Incentive Plans	968,936	183,094	542,778
14	Book Provision for Uncollectible Debt	948,204	43,981	254,216
15	Mark to Market Gain/Loss	12,707,713	8,959,794	24,127,500
16	Capitalized Software Tax	49,896	24,738	6,274
17	Revenue Refunds	2,095,232	145,453	17,044,920
18	SFAS 112 Post Employment Benefits	1,309,727	0	650,566
19	Tax Capitalized Property	47,226,592	6,295,800	0
19	Accrued Income Tax and Interest	2,360,733	3,565,974	499,506
20	Reg Liability SFAS 143 ARO	126,559,761	126,929,953	12,062,700
21	Accrued ARO- Expense SFAS 143	266,314,856	180,362,289	17,698,570
22	Accrued SIT	538,883	398,003	6,615
23	Other Miscellaneous	16,498,980	4,986,743	4,186,210
24	Total Other	511,938,453	340,815,450	91,609,490
25				
26				
27				
28				
29				
30				
NOTES				

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
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
						9,442,678	2
						570,354	3
						3,315,862	4
						13,288	5
						9,798,073	6
						0	7
						6,102,314	8
						0	9
						5,566,748	10
						5,159,631	11
						(1)	12
						1,328,620	13
						1,158,439	14
						27,875,419	15
						31,432	16
						18,994,699	17
						1,960,293	18
						40,930,792	18
						(705,735)	19
						11,692,508	20
						103,651,137	21
						147,495	22
		Various	37,038,568	Various	378,050,927	356,710,806	23
			37,038,568		378,050,927	603,744,852	24
							25
							26
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							29
							30
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, 2008
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	7.2% Series First Mortgage Bonds. Due 2/2024.	4/2004	30,000,000	(1,270,107)
2	No Replacement Debt Issued - Amort thru 2/1/2024			
3				
4	7.5% Series First Mortgage Bonds. Due 3/2024.	4/2004	25,000,000	(1,097,914)
5	No Replacement Debt Issued - Amort thru 3/1/2024			
6				
7	8-3/4% Series First Mortgage Bonds due 2/2017	3/1994	100,000,000	(7,562,180)
8	This debt was replaced by the following issuances:			
9	6.55% FMB due 3/2004. (Replaced by 6.875%			
10	SUN.)			
11	7.50% FMB due 3/2024 (Redeemed 4/2004, no			
12	replacement debt was issued.)			
13	No Replacement Debt Issued - Amort thru 2/1/2017			
14				
15	7.35% Series First Mortgage Bonds due 10/2023	5/2003	15,000,000	(383,698)
16	This debt was replaced by the following issuances:			
17	6.375% Senior Unsecured Note due 11/2012			
18	6.00% Senior Unsecured Note due 12/2032			
19				
20	8.5% Series First Mortgage Bonds due 12/2022	5/2003	75,000,000	(2,353,464)
21	This debt was replaced by the following issuances:			
22	6.375% Senior Unsecured Note due 11/2012			
23	6.00% Senior Unsecured Note due 12/2032			
24				
25	7.0% Pollution Control Revenue Bonds	11/2003	25,000,000	(600,619)
26	Lawrenceburg, IN Series Due 4/2015			
27	Replaced by 2.625% Lawrenceburg Bonds Due 10/2019			
28	Loss being amortized over life of replacement debt			
29				
30	5.95% Pollution Control Revenue Bonds, due 5/2009	11/2004	45,000,000	(496,054)
31	City of Sullivan, Indiana. (Replaced by VAR%			
32	Sullivan, IN Bonds due 5/2009.)			
33				
34	5.9% Pollution Control Revenue Bonds, due 11/2021	11/2004	52,000,000	(1,089,232)
35	City of Lawrenceburg, Indiana. (Replaced by VAR%			
36	Lawrenceburg, IN Bonds due 11/2021.)			
37				
38	9-1/4% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(3,928,658)
39	City of Rockport, Indiana.			
40	Replaced by 6.55% Rockport Bonds due 6/2025			
41	Replaced 5/06 by VAR% Rockport Bonds Due 6/2025,			
42	with \$500,000 premium paid for early redemption			
43				
44	VAR% Pollution Control Revenue Bonds, due 8/2014	8/1995	50,000,000	(785,290)
45	City of Rockport, Indiana.			
46	Replaced by VAR% Rockport Bonds due 6/2025			
47				
48	7.6% Pollution Control Revenue Bonds	11/2003	40,000,000	(338,620)
49	Rockport, IN Series Due 3/2016			
50	Replaced by 2.625% Rockport IN Bonds Due 4/2025			
51	Loss being amortized over life of replacement debt.			

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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

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

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

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
1,355,891		84,304	1,271,587	1
				2
				3
1,909,987		118,144	1,791,843	4
				5
				6
				7
				8
				9
				10
				11
				12
299,738		32,999	266,739	13
				14
				15
				16
74,182		15,347	58,835	17
190,788		7,632	183,156	18
				19
				20
				21
455,004		94,138	360,866	22
1,170,231		46,810	1,123,421	23
				24
679,408		57,822	621,586	25
				26
				27
				28
				29
215,147		161,359	53,788	30
				31
				32
				33
1,179,771		85,286	1,094,485	34
				35
				36
				37
2,454,404		140,922	2,313,482	38
				39
				40
				41
				42
				43
457,174		26,249	430,925	44
				45
				46
				47
970,303		56,249	914,054	48
				49
				50
				51

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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	8.0% Junior Subordinated Debentures due 3/2026	5/2003	40,000,000	(1,291,678)
2	This debt was replaced by the following issuances:			
3	6.375% Senior Unsecured Note due 11/2012			
4	6.00% Senior Unsecured Note due 12/2032			
5				
6	7.6% Junior Subordinated Debentures due 6/2038	5/2003	125,000,000	(2,911,019)
7	This debt was replaced by the following issuances:			
8	6.375% Senior Unsecured Note due 11/2012			
9	6.00% Senior Unsecured Note due 12/2032			
10				
11	9.00% Pref Stock Subject to Mandatory Redemption	4/1993	40,000,000	(896,000)
12	8.60% Pref Stock Subject to Mandatory Redemption	12/1993	40,000,000	(864,000)
13	8.68% Pref Stock Subject to Mandatory Redemption	1/1994	30,000,000	(540,000)
14	7.76% Pref Stock Subject to Mandatory Redemption	3/1994	35,000,000	(798,000)
15	6.875% Pref Stock Subject to Mandatory Redemption	1/2005	15,750,000	(861,392)
16	5.90% Pref Stock Subject to Mandatory Redemption	1/2005	13,200,000	
17	6.25% Pref Stock Subject to Mandatory Redemption	1/2005	19,250,000	
18	6.30% Pref Stock Subject to Mandatory Redemption	1/2005	13,245,000	
19	(Balance transferred from FERC Acct 210 to 189)			
20				
21	VAR % Pollution Control Revenue Bonds, due 10/2019	5/2008	25,000,000	(323,600)
22	Series F Lawrenceburg			
23				
24	VAR % Pollution Control Revenue Bonds, due 05/2009	3/2008	45,000,000	(369,053)
25	City of Sullivan, Indiana			
26				
27	VAR % Pollution Control Revenue Bonds, due 11/2021	5/2008	52,000,000	(1,013,352)
28	Series G Lawrenceburg			
29				
30				
31				
32				
33				
34				
35				
36	SUBTOTAL Unamortized Losses			
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	SUBTOTAL Unamortized Gains			
43				
44	TOTAL			
45				
46				
47				
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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, 2008	
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.
249,724		51,668	198,056	1
642,271		25,690	616,581	2
				3
				4
				5
562,797		116,441	446,356	6
1,447,468		57,898	1,389,570	7
				8
				9
				10
				11
				12
				13
940,309		432,095	508,214	14
				15
				16
				17
				18
				19
				20
-	323,600	16,656	306,944	21
				22
				23
-	369,053	263,609	105,443	24
				25
				26
-	1,013,352	44,060	969,293	27
				28
				29
				30
				31
				32
				33
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				35
15,254,597	1,706,005	1,935,381	15,025,221	36
(26,963)	1,712		(25,251)	37
				38
				39
				40
				41
(26,963)	1,712		(25,251)	42
				43
15,227,634	1,707,717	1,935,381	14,999,970	44
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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, 2008	
CAPITAL STOCK (Accounts 201 and 204)				
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference</p> <p>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.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Common Stock	2,500,000		
2	TOTAL Common Stock	2,500,000		
3				
4	Preferred Stock			
5	Par Value \$100	2,250,000		
6	Par Value \$25	11,200,000		
7				
8	Not Subject To Mandatory Redemption			
9	4-1/8% cumulative		100.00	106.13
10	4.56% cumulative		100.00	102.00
11	4.12% cumulative		100.00	102.73
12				
13	TOTAL Preferred Stock	13,450,000		
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CAPITAL STOCK (Accounts 201 and 204) (Continued)						
3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued. 4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.		5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.				
OUTSTANDING PER BALANCE SHEET <i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		HELD BY RESPONDENT				
		AS REACQUIRED STOCK (Account 217)	IN SINKING AND OTHER FUNDS			
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
1,400,000	56,583,866					1
1,400,000	56,586,866					2
						3
						4
						5
						6
						7
						8
55,335	5,533,500					9
14,412	1,441,200					10
11,055	1,105,500					11
						12
80,802	8,080,200					13
						14
						15
						16
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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 31,2008
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 & 205, 203 & 206, 207, 212)			
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>			
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)
1	Account 202 - <i>Common Stock Subscribed</i>		
2	None		
3			
4	Account 205 - <i>Preferred Stock Subscribed</i>		
5	None		
6			
7	Account 203 - <i>Common Stock Liability for Conversion</i>		
8	None		
9			
10	Account 206 - <i>Preferred Stock Liability for Conversion</i>		
11	None		
12			
13	Account 207 - <i>Capital Stock</i>		
14	Premium on Common Stock	1,400,000	4,234,635
15	Premium on Pref Stock not subject to Mandatory Redemp		
16	4.120% Preferred Stock	11,055	3,118
17	4-1/8% Preferred Stock	55,335	80,180
18			
19			
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39			
40	TOTAL	1,466,390	4,317,933

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (account 209)-State amount and give brief explanation</p>		<p>of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	Donations received from stockholders (Account 208)		
2	Contributed by parent company	852,666,991	
3			
4	TOTAL Account 208	852,666,991	
5			
6	Gain on reacquired capital stock (Account 210)		
7	Series 4.12% Accum reacq gains until complete series redemption	266,292	
8	Series 4-1/8% Accum reacq gains until complete series redemption	161,658	
9	Series 4.56% Accum reacq gains until complete series redemption	4,400	
10			
11	TOTAL Account 210	432,350	
12			
13			
14	Miscellaneous paid-in capital (Account 211)		
15	Amounts recorded in connection with:		
16	Merger of Indiana Service Corporation with respondent in 1948 as		
17	subsequently adjusted December 31, 1948	1,002,503	
18	Acquisiton of Citizen's Heat, Light, and Power Company by		
19	respondent in 1954	10,687	
20	Merger of Michigan Power Company with respondent in 1992	2,861,068	
21			
22	TOTAL Account 211	3,874,258	
23			
24			
25			
26			
27			
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29			
30			
31			
32			
33			
34			
35	TOTAL	856,973,599	

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SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED DURING THE YEAR																																																							
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>																																																							
<p>1. Securities refunded or retired during 2008</p> <table border="1"> <thead> <tr> <th><u>Series</u></th> <th><u>Due Date</u></th> <th><u>Principal Amount</u></th> <th><u>Date Retired</u></th> </tr> </thead> <tbody> <tr> <td>\$50 Million Senior Unsecured Notes 6.45%, Series A</td> <td>11/10/2008</td> <td>50,000,000</td> <td>11/10/2008</td> </tr> <tr> <td>\$52 Million Pollution Control Bonds Variable Rate, Series G</td> <td>11/1/2021</td> <td>52,000,000</td> <td>5/21/2008</td> </tr> <tr> <td>\$25 Million Pollution Control Bonds Variable Rate, Series F</td> <td>10/1/2019</td> <td>25,000,000</td> <td>5/23/2008</td> </tr> <tr> <td>\$45 Million Pollution Control Bonds Variable Rate, Series D</td> <td>5/1/2009</td> <td>45,000,000</td> <td>3/18/2008</td> </tr> <tr> <td>\$40 Million Pollution Control Bonds Variable Rate, Series C</td> <td>4/1/2025</td> <td>40,000,000</td> <td>5/22/2008</td> </tr> </tbody> </table> <p>2. Securities issued during 2008</p> <table border="1"> <thead> <tr> <th><u>Series</u></th> <th><u>Due Date</u></th> <th><u>Principal Amount</u></th> <th><u>Date Issued</u></th> </tr> </thead> <tbody> <tr> <td>\$52 Million Pollution Control Bonds Variable Rate, Series H</td> <td>11/1/2021</td> <td>52,000,000</td> <td>5/20/2008</td> </tr> <tr> <td>\$25 Million Pollution Control Bonds Variable Rate, Series I</td> <td>10/1/2019</td> <td>25,000,000</td> <td>5/22/2008</td> </tr> <tr> <td>\$40 Million Pollution Control Bonds 5.25%, Series D</td> <td>4/1/2025</td> <td>40,000,000</td> <td>4/25/2008</td> </tr> </tbody> </table> <p>3. Securities Remarketed during 2008</p> <table border="1"> <thead> <tr> <th><u>Series</u></th> <th><u>Due Date</u></th> <th><u>Principal Amount</u></th> <th><u>Date Remarketed</u></th> </tr> </thead> <tbody> <tr> <td>\$50MM Pollution Control Bonds - Series 2006A Remarketed to a weekly floating rate</td> <td>6/1/2025</td> <td>50,000,000</td> <td>5/16/2008</td> </tr> <tr> <td>\$50MM Pollution Control Bonds - Series 1995B Remarketed to a weekly floating rate</td> <td>6/1/2025</td> <td>50,000,000</td> <td>3/12/2008</td> </tr> </tbody> </table>				<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Retired</u>	\$50 Million Senior Unsecured Notes 6.45%, Series A	11/10/2008	50,000,000	11/10/2008	\$52 Million Pollution Control Bonds Variable Rate, Series G	11/1/2021	52,000,000	5/21/2008	\$25 Million Pollution Control Bonds Variable Rate, Series F	10/1/2019	25,000,000	5/23/2008	\$45 Million Pollution Control Bonds Variable Rate, Series D	5/1/2009	45,000,000	3/18/2008	\$40 Million Pollution Control Bonds Variable Rate, Series C	4/1/2025	40,000,000	5/22/2008	<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Issued</u>	\$52 Million Pollution Control Bonds Variable Rate, Series H	11/1/2021	52,000,000	5/20/2008	\$25 Million Pollution Control Bonds Variable Rate, Series I	10/1/2019	25,000,000	5/22/2008	\$40 Million Pollution Control Bonds 5.25%, Series D	4/1/2025	40,000,000	4/25/2008	<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Remarketed</u>	\$50MM Pollution Control Bonds - Series 2006A Remarketed to a weekly floating rate	6/1/2025	50,000,000	5/16/2008	\$50MM Pollution Control Bonds - Series 1995B Remarketed to a weekly floating rate	6/1/2025	50,000,000	3/12/2008
<u>Series</u>	<u>Due Date</u>	<u>Principal Amount</u>	<u>Date Retired</u>																																																				
\$50 Million Senior Unsecured Notes 6.45%, Series A	11/10/2008	50,000,000	11/10/2008																																																				
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\$50MM Pollution Control Bonds - Series 1995B Remarketed to a weekly floating rate	6/1/2025	50,000,000	3/12/2008																																																				

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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, 2008
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)			
<p>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.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>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.</p> <p>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.</p> <p>5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>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.</p> <p>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.</p>			
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	Rockport, IN		
3	Series 2006 A - Weekly Auction Rate	(50,000,000)	
4	Series 1995 B - Weekly Auction Rate	(50,000,000)	
5	Subtotal - Account 222 - Reacq PCRB's	(100,000,000)	
6			
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			
12			
13	Pollution Control Revenue Bonds		
14	Lawrenceburg, IN		
15	Series F - 35 Day Auction Rate	25,000,000	221,756
16			228,136
17			
18	Series G - 35 Day Auction Rate	52,000,000	1,290,294
19			
20	Series I - Weekly Auction Rate	25,000,000	178,706
21			
22	Series H - Weekly Auction Rate	52,000,000	330,812
23			
24	Sullivan, IN		
25	Series D - 35 Day Auction Rate	45,000,000	1,377,796
26	Rockport, IN		
27	Series 2003 C - 7 Day Auction Rate	40,000,000	386,618
28			345,636
29			
30	Series 2002 A 4.625%	50,000,000	296,785
31			325,000 D
32			382,272
33			136,351 D
34			444,593
35			74,250
36			
37	Series D - 5.25% Fixed Rate	40,000,000	1,157,720
38			
39			
40	Series 2006 A - 7 Day Auction Rate	50,000,000	396,817
41			-500,000 P
42			1,194,420
43			467,500 D
44			75,000
45			24,099
46			
47			
TOTAL		1,329,000,000	33,658,767

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, 2008

LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)

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

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
5/16/2008	6/1/2025			(50,000,000)	(673,350)	1
						2
3/12/2008	6/1/2025			(50,000,000)	(891,043)	3
				(100,000,000)	(1,564,393)	4
						5
						6
						7
				264,182,655		8
						9
						10
						11
						12
						13
						14
10/13/2003	10/1/2019	10/1/2003	10/1/2019	0	587,153	15
		10/1/2006	10/1/2019			16
						17
10/15/2004	11/1/2021	10/15/2004	11/1/2021	0	1,323,032	18
						19
5/22/2008	10/1/2019	5/22/2008	10/1/2019	25,000,000	324,749	20
						21
5/20/2008	11/1/2021	5/20/2008	11/1/2021	52,000,000	692,683	22
						23
						24
10/5/2004	5/1/2009	10/5/2004	5/1/2009	0	476,433	25
						26
10/13/2003	4/1/2025	10/1/2003	4/1/2025	0	928,995	27
		10/1/2006	4/1/2025			28
						29
8/1/1985	6/1/2025	8/1/1995	6/1/2025	50,000,000	2,303,993	30
						31
6/1/2002	6/1/2007	6/1/2002	6/1/2007			32
						33
6/1/2007	6/1/2025	6/1/2007	6/1/2025			34
		6/1/2008	5/31/2009			35
						36
4/25/2008	4/1/2025	4/25/2008	4/1/2025	40,000,000	1,435,000	37
						38
						39
5/17/2006	6/1/2025	5/1/2006	6/1/2025	50,000,000	1,605,904	40
						41
6/1/1995	6/1/2025	6/1/1995	6/1/2025			42
						43
		6/1/2008	5/31/2009			44
		6/1/2008	6/1/2025			45
						46
						47
				1,381,182,655	69,755,551	

Name of Respondent Indiana Michigan Power 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, 2008
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)				
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give Commission Authorization numbers and dates)	Principal Amount of Debt Issued	Total Expense, Premium or Discount	
	(a)	(b)	(c)	
1	Series 1995 B - 35 Day Auction Rate	50,000,000	1,259,392	
2			260,000	D
3			192,254	
4			181,187	D
5			41,729	
6				
7	Brokerage Fees on Auction Rate Notes			
8				
9	SUBTOTAL - Pollution Control Bonds	429,000,000	10,769,123	
10				
11	Senior Unsecured Notes			
12	Series A - 6.45%	50,000,000	120,499	
13			1,465,530	D
14				
15	Series E - 6.375%	100,000,000	732,025	
16			119,000	D
17				
18	Series D - 6.00%	150,000,000	4,854,767	
19			4,387,500	
20			1,050,000	
21			1,050,000	
22				
23	Series F - 5.05%	175,000,000	1,302,944	
24			637,000	D
25				
26	Amortization on Cash Flow Hedge on 5.05% SUN			
27				
28	Series G - 5.65%	125,000,000	906,746	
29			176,250	D
30				
31	Amortization of Cash Flow Hedge on 5.65% SUN			
32				
33	Series H - 6.05%	400,000,000	3,815,383	
34	Issued Under IURC Cause # 42853		2,272,000	D
35				
36	Amortization of Cash Flow Hedges on 6.05% SUN			
37				
38				
39	SUBTOTAL - Senior Unsecured Notes	1,000,000,000	22,889,644	
40				
41				
42				
43	SUBTOTAL - Preferred Stock	none	none	
44				
45				
46	TOTAL	1,329,000,000	33,658,767	

Name of Respondent		This Report Is:		Date of Report	Year of Report			
Indiana Michigan Power Company		(1) [X] An Original		(Mo, Da, Yr)	December 31, 2008			
		(2) [] A Resubmission						
LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)								
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding <i>(Total amount outstanding without reduction for amounts held by respondent)</i> (h)	Interest for Year Amount (i)	Line No.		
		Date From (f)	Date To (g)					
6/1/1995	6/1/2025	6/1/1995	6/1/2025	50,000,000	1,293,265	1		
6/25/2001	6/1/2025	6/25/2001	6/1/2025	267,000,000	11,528,873	2		
						3		
						4		
						5		
						6		
		3/1/2008	6/1/2025		557,666	7		
						8		
						9		
						10		
						11		
11/9/1998	11/10/2008	11/1/1998	11/10/2008	0	2,768,125	12		
11/22/2002	11/1/2012	11/22/2002	11/1/2012	100,000,000	6,375,000	13		
						14		
						15		
						16		
						17		
11/22/2002	12/31/2032	11/22/2002	12/31/2032	150,000,000	9,000,000	18		
		11/22/2002	12/31/2007			19		
		12/1/2007	11/30/2008			20		
		12/1/2008	11/30/2009			21		
						22		
11/16/2004	11/15/2014	11/16/2004	11/15/2014	175,000,000	8,837,500	23		
								24
								25
						11/16/2004	11/15/2014	26
								27
12/7/2005	12/1/2015	12/1/2005	11/30/2015	125,000,000	7,062,500	28		
								29
								30
						11/16/2004	11/15/2014	31
								32
11/14/2006	3/15/2037	11/14/2006	3/15/2037	400,000,000	24,200,000	33		
								34
								35
						11/14/2006	2/28/2037	36
								37
				950,000,000	59,791,071	38		
								39
								40
								41
								42
				none	none	43		
						44		
						45		
				1,381,182,655	69,755,551	46		

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
256	3	A	Reacquired by I&M 5/16/2008	
256	5	A	Reacquired by I&M 3/12/2008	
256	15	A	The City of Lawrenceburg \$25 million Series F PCRB was redeemed early, on 5/23/2008. The funds were replaced by the issuance of City of Lawrenceburg \$25 million Series I PCRB on 5/22/2008. The remaining \$323,600 of unamortized issuance expenses will be amortized through the original 10/1/2019 maturity date	
256	20	A	The \$25 million City of Lawrenceburg Series I PCRB was issued 5/22/2008 and has a maturity date of 10/1/2019. It bears a weekly floating interest rate. Issuance expenses totalling \$178,706 will be amortized through the maturity date.	
256	18	A	The City of Lawrenceburg \$52 million Series G PCRB was redeemed early, on 5/21/2008. The funds were replaced by the issuance of City of Lawrenceburg \$52 million Series H PCRB on 5/20/2008. The remaining \$1,013,352 of unamortized issuance expenses will be amortized through the original 11/1/2021 maturity date.	
256	22	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 \$330,812 will be amortized through the maturity date.	
256	25	A	The \$45 million City of Sullivan Series D PCRB was redeemed early, on 3/18/2008. There was no replacement debt issued & the remaining \$369,053 of unamortized issuance expenses as of the redemption date will be amortized through the original 5/1/2009 maturity date.	
256	27	A	The \$40 million City of Rockport Series 2003 C PCRB was re-marketed 4/17/2008 as City of Rockport Series D PCRB, at a fixed 5.25% rate. The original 4/1/2025 maturity date remained unchanged. All original unamortized issuance expenses as of 4/17/2008 will continue to be amortized through the original 4/1/2025 maturity date	
256	37	A	The \$40 million City of Rockport Series 2003 C PCRB was re-marketed 4/17/2008 as City of Rockport Series D PCRB, at a fixed 5.25% rate. The original 4/1/2025 maturity date remained unchanged.	
256	30	A	On June 3, 2002, the Series 1985A Pollution Control Bonds were re-marketed as Series 2002A Pollution Control Bonds due June 1, 2025, at a 4.9% fixed interest rate. This did not redeem the note itself but changed the method of interest calculation, the timing of the interest payments and the maturity date of the debt. These bonds were again re-marketed in June 2007 at a 4.625% fixed interest rate. There were \$444,593 in issuance expenses incurred in this re-offering and no related discount. These, plus the Issuance expenses still remaining from the Series 1985A Pollution Control Bonds, will be amortized through the June 2025 maturity date of the new Series, since no further mandatory redemption is scheduled. An insurance policy was issued in June 2008 that guarantees the principal if Indiana Michigan Power were to default on this note. This policy cost \$74,250, covers the period of June 2008 - May 2009 and will be amortized over that period.	
256	40	A	On 5/16/2008 the City of Rockport Series 2006A PCRBs were re-marketed from a weekly variable rate to a weekly auction rate. The original 6/1/2025 maturity date remained unchanged. All original unamortized issuance expenses as of 5/16/2008 will continue to be amortized through the original 6/1/2025 maturity date. An insurance policy was issued in June 2008 that guarantees the principal if Indiana Michigan Power were to default on this note. This policy cost \$75,000, covers the period of June 2008 - May 2009 and will be amortized over that period.	
256.1	1	A	On 3/12/2008 the City of Rockport Series 1995B PCRBs were re-marketed from a 35-day auction rate to a weekly auction rate. The original 6/1/2025 maturity date remained unchanged. All original unamortized issuance expenses as of 3/12/2008 will continue to be amortized through the original 6/1/2025 maturity date.	
256.1	12	A	Redeemed on 11/10/2008. All original discount and issuance expenses were fully amortized.	
256.1	18	A	The \$150MM 6.00% Series D Senior Unsecured Note was originally issued with an insurance policy that guarantees the principal if Indiana Michigan Power were to default on this note. This original policy cost \$4,387,500, covered the period of Dec 2005 - Dec 2007 and was fully amortized over that period. A renewal policy issued in Dec 2007 cost \$1,050,000, covered the period Dec 2007 through Nov 2008 and was fully amortized over that policy period. A second renewal policy issued in Dec 2008 cost \$1,050,000, covers the period Dec 2008 - Nov 2009 and will be amortized over that policy period.	

Name of Respondent Indiana Michigan Power 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, 2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
257.1	46	I	<p>Long Term Debt, Pg 256-257 Total Column (I) 69,755,551</p> <p>Statement of Income for the Year, Pg 114-117</p> <p>Line 62 Account 427 - Interest on Long Term Debt 69,755,551</p> <p>Line 67 Account 430 - Interest on Debt to Accoc. CO. <u>23,287,521</u></p> <p>93,043,072</p> <p>The difference between Pg 256-257, Column (i) and total interest recorded on Pg 114-117 in Account 427 and Account 430 is the result of interest accruals and payments recorded in Account 233 'Notes Payable to Associated Companies'.</p>	

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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	49,960,405	5,090,995,279	5,522,023,970	480,989,095	8,077,864	
3	SUBTOTAL	49,960,405	5,090,995,279	5,522,023,970	480,989,095	8,077,864	
4							
5	Account 234						
6	AEP Coal Marketing, LLC	0	0	0	0		
7	AEP Elmwood, LLC	2,575	2,600	25	0		
8	AEP Energy Partners	0	487,829	731,777	243,948		
9	AEP Generating Company	21,882,845	271,273,583	272,795,013	23,404,275		
10	AEP Memco, LLC	9,641,353	128,255,170	127,800,684	9,186,866		
11	AEP Pro Serv, Inc.	0	2,169	2,162	(7)		
12	AEP Service Corporation	19,898,236	195,338,083	189,825,448	14,385,600		
13	AEP System Pool (AEPSC)	4,157,119	191,266,101	246,912,481	59,803,498	15,209,657	
14	AEP T&D Services	0	0	0	0		
15	AEP Texas Central Company	5,476	355,527	351,877	1,826		
16	AEP Texas North Company	1,069	55,354	54,893	608		
17	AEP Transportation, LLC	68,844	74,730	5,886	0		
18	AEP Utilities, Inc	0	31,117,395	31,117,395	0		
19	AEP Utility Funding LLC	3,592	61,740	82,007	23,860		
20	AEPES Power Trading	61,440	1,325,213	1,263,772	(0)		
21	American Electric Power Co	500,086	631,766,086	638,083,674	6,817,674		
22	Appalachian Power Co	713,159	14,728,189	14,754,694	739,664		
23	Blackhawk Coal Company	68,293	585,167	562,594	45,720		
24	Cardinal Operating Company	449	252,212	273,556	21,793		
25	Columbus Southern Power	28,134	1,493,596	1,499,501	34,040		
26	Conesville Coal Prep Co	0	7,513	7,513	0		
27	Cook Coal Terminal	1,666,006	25,796,179	24,712,994	582,821		
28	CSW Energy, Inc	0	6,253	6,253	0		
29	Franklin Real Estate Company	0	8,029	8,076	47		
30	Indiana Franklin Realty, Inc	1,903	153,575	152,106	434		
31	Kentucky Power Co	2,024,680	5,160,530	3,179,035	43,185		
32	Kingsport Power Co	0	4,176	4,176	0		
33	Ohio Power Co	311,309	29,852,598	31,808,774	2,267,485		
34	Public Service Co of OK	356,576	2,287,965	1,933,507	2,118		
35	Southwestern Electric Power Co	333,628	4,767,369	4,460,067	26,325		
36	United Sciences Testing, Inc	0	379,097	379,097	0		
37	Wheeling Power Co	0	10,986	11,478	492		
38	SUBTOTAL	61,726,772	1,536,875,016	1,592,780,516	117,632,273	15,209,657	
39							
40	TOTAL	111,687,177	6,627,870,295	7,114,804,486	598,621,368	23,287,521	

Name of Respondent Indiana Michigan Power 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, 2008
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>			
Line No.		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 26)	232,365,477	
2	Allocations:		
3	Net Other Income and Deductions	(10,495,494)	
4	Interest Charges	90,022,316	
5	Net income for the year (page 117 line 78)	131,847,667	
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	36,819,771	

Name of Respondent Indiana Michigan Power 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, 2008
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)			
<p>3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2</p> <p>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.</p>			
Utility	Other	Line No.	
232,365,477		1	
		2	
(10,495,494)		3	
90,022,316		4	
		5	
		6	
		7	
		8	
		9	
		10	
		11	
		12	
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		25	
36,819,771		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, 2008
FOOTNOTE DATA					
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)		
261A	6		<p style="text-align: right;">In (000's)</p> <p>Net Income for the year per Page 117 131,848</p> <p>Federal Income Taxes 51,688</p> <p>State and Local Income Taxes 4,690</p> <p>Pretax Book Income 188,226</p> <p>Increase (Decrease) in Taxable Income resulting from:</p> <p> Allowance for Funds Used During Construction and Other Differences</p> <p> Between Items Capitalized for Books and Expenses for Tax (2,093)</p> <p> Amortization of Deferred Book Gain - Rockport Unit 2 Sale (3,707)</p> <p> Book Accruals and Deferrals 10,762</p> <p> Capitalized Relocation Costs (1,872)</p> <p> Deferred Fuel Costs 32,222</p> <p> Emission Allowances (Net) (3,592)</p> <p> Equity in Earnings of Subsidiary Companies 1,599</p> <p> Excess Tax vs Book Depreciation (114,385)</p> <p> Accrued Interest Fin 48 (6,148)</p> <p> Mark To Market 8,968</p> <p> Merger Costs 833</p> <p> Nuclear Book Deferred Cost 8,925</p> <p> Nuclear Decommissioning Costs (94,690)</p> <p> Nuclear Fuel Adjustments 7,117</p> <p> Nuclear Fuel Disposal Costs (5,282)</p> <p> Pension Expenses (Net) 5,172</p> <p> Removal Costs - ACRS (9,612)</p> <p> Repair Allowance (1,920)</p> <p> Reversal - Capitalized Cook Costs - Tax (17,988)</p> <p> Savings Plan (2,323)</p> <p> SFAS 106 - Post Retire Benefit Medicare (4,285)</p> <p> SFAS 106 - Post Retirement Benefit Expense Accrued/Funded (Net) 1,629</p> <p> Bk Amort- Loss Reaq Deb Red Pref Stock Dividend 432</p> <p> Sup Exec Retirement Plan (2,151)</p> <p> Other (Net) 1,201</p> <p> Asset Retirement Obligation (5,675)</p> <p> Revenue Refunds 51,041</p> <p>Estimated Current Year Taxable Income- Before State Income Taxes- (Separate Return 42,404</p> <p> Current State Income Taxes (5,584)</p> <p>Federal Income Taxes 36,820</p> <p>Computation of Tax *</p> <p> Federal Income Tax on Current Year Taxable Income (Seperate Return</p> <p> Basis) at the Statutory Rate of 35% (a) 12,887</p> <p> Adjustment due to System Consolidation (b) (1,017)</p> <p> Estimated Tax Currently Payable 11,870</p> <p> Tax Provision Adjustment 615</p> <p>Split Dollar Life Insurance 752</p> <p> Adjustments of Prior Years Accruals (Net) (15,694)</p> <p>Estimated Current Federal Income Taxes (Net) (2,457)</p> <p> (a) Represents the allocation of the estimated current year net operating tax loss of American Electric Power Company, Inc.</p> <p> (b) The Company joins in the filing of a consolidated Federal income tax return with its affiliated companies in the AEP system. The allocation of the AEP System's consolidated Federal income tax to the System companies allocates the benefit of current tax losses to the System companies giving rise to them in determining their current tax expense. The tax loss of the System parent company, American Electric Power Company, Inc., is allocated to its subsidiaries with taxable income. With the exception of the loss of the parent company, the method of allocation approximates a separate return result for each company in the consolidating group.</p> <p> INSTRUCTION 2.</p> <p>* The tax computation above represents an estimate of the Company's allocated portion of the System consolidated Federal income tax. The computation of actual 2008 System Federal income taxes will not be available until the consolidated Federal income tax return is completed and filed by September 2009. 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>		

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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, 2008	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	FEDERAL:					
2	INCOME	-27,037,584.00		63,503,361.00	31,416,515.00	-8,812,764.00
3	FICA - 2007	2,880,228.00		15,864,156.00	16,146,003.00	
4	UNEMPLOYMENT - 2007	53,370.00		172,214.00	161,039.00	
5	EXCISE TAX - 2006	568,548.00		8,049.00	576,597.00	
6	EXCISE TAX - 2007			1,734,817.00	1,325,263.00	
7	SUBTOTAL Federal	-23,535,438.00		81,282,597.00	49,625,417.00	-8,812,764.00
8						
9	STATE OF INDIANA:					
10	INCOME 2004 & PRIOR	2,934,145.00		-1,372,949.00	839,873.00	-471,323.00
11	INCOME 2006	-913,991.00		-304,375.00	-1,218,366.00	
12	INCOME 2007			7,970,200.00	5,517,366.00	
13	IN LICENSE			22.00	22.00	
14	UNEMPLOYMENT IN - 2007	45,881.00		136,170.00	131,476.00	
15	UTIL RECEIPTS TAX - 2006	55,000.00		58,419.00	113,419.00	
16	UTIL RECEIPTS TAX - 2007			12,805,000.00	12,805,000.00	
17	UTIL RECEIPTS TAX - Audit			1,700,000.00		
18	SALES & USE TAX - 2006	351,314.00		96,203.00	447,517.00	
19	SALES & USE TAX - 2007			3,373,135.00	3,128,414.00	
20	SALES & USE TAX AUDIT	401,000.00		-22,716.00	378,284.00	
21	PUBLI SERV COMM-2006		231,298.00	462,597.00	231,299.00	
22	PUBLI SERV COMM-2007			573,108.00	859,662.00	
23	REAL & PERS PROP-2004			-7,994.00	-7,994.00	
24	REAL & PERS PROP-2005			-40.00	-40.00	
25	REAL & PERS PROP-2006	19,439,607.00		-1,057,180.00	18,220,741.00	
26	REAL & PERS PROP-2007			20,429,770.00	228.00	
27	PERS PROP LEASED-2006	526,200.00		-37,657.00	488,543.00	
28	PERS PROP LEASED-2007			500,000.00		
29	REAL PROP LEASED-2005			-6,429.00	-6,429.00	
30	REAL PROP LEASED-2006	26,124.00		-135,172.00	-129,574.00	
31	REAL PROP LEASED-2007			762,830.00	1,045,198.00	
32	SUBTOTAL Indiana	22,865,280.00	231,298.00	45,922,942.00	42,844,639.00	-471,323.00
33						
34	STATE OF KENTUCKY:					
35	REAL & PERS PROP-2005	-7,896.00		9,120.00	1,224.00	
36	REAL & PERS PROP-2006	-159.00		3,207.00	3,048.00	
37	KY INCOME 2004 & PRIOR	-25,530.00		56,668.00	65,040.00	
38	KY INCOME 2006	-39,000.00		-67,146.00	-106,146.00	
39	KY INCOME 2007			174,400.00	356,146.00	
40	SUBTOTAL Kentucky	-72,585.00		176,249.00	319,312.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses. 7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount. 9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax. 10. Fill in all columns for all line items.						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
-3,763,501.00		72,649,228.00			-9,145,867.00	1
2,598,381.00		10,570,012.00			5,294,144.00	2
64,545.00		105,618.00			66,596.00	3
		373.00			7,676.00	4
409,554.00		33,179.00			1,701,638.00	5
-691,021.00		83,358,410.00			-2,075,813.00	6
						7
						8
250,000.00		-1,372,949.00				9
		-1,029,072.00			724,697.00	10
2,452,834.00		7,913,300.00			56,900.00	11
		22.00				12
50,575.00		97,631.00			38,539.00	13
		58,419.00				14
		12,805,000.00				15
1,700,000.00		1,700,000.00				16
		-247,794.00			343,997.00	17
244,721.00		409,665.00			2,963,470.00	18
					-22,716.00	19
		462,597.00				20
	286,554.00	573,108.00				21
		-7,994.00				22
		-40.00				23
161,686.00		2,176,139.00			-3,233,319.00	24
20,429,542.00		16,976,810.00			3,452,960.00	25
		50,043.00			-87,700.00	26
500,000.00		416,670.00			83,330.00	27
		-6,429.00				28
20,526.00		-74,523.00			-60,649.00	29
-282,368.00					762,830.00	30
25,527,516.00	286,554.00	40,900,603.00			5,022,339.00	31
						32
						33
		7,896.00			1,224.00	34
		159.00			3,048.00	35
-33,902.00		56,668.00				36
		-67,263.00			117.00	37
-181,746.00		173,000.00			1,400.00	38
-215,648.00		170,460.00			5,789.00	39
						40

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	STATE OF MICHIGAN:					
2	MI INCOME 2004 & PRIOR	-574,895.00		273,835.00	-200,730.00	100,330.00
3	MI 2007 LICENSE TAX			25.00	25.00	
4	SINGLE BUS TAX - 2005			10,503.00	10,503.00	
5	SINGLE BUS TAX - 2006	-285,567.00		-829,762.00	-1,115,329.00	
6	SINGLE BUS TAX - 2007			632,500.00	1,304,826.00	
7	UNEMPLOYMENT - 2007	160,018.00		471,156.00	457,954.00	
8	PUBL SERV COMM'S-2006		43,326.00	188,290.00	144,964.00	
9	PUBL SERV COMM'S-2007			79,495.00	175,001.00	
10	SALES & USE--2006	-70,023.00		31,083.00	-38,940.00	
11	SALES & USE - 2007			1,096,560.00	1,119,259.00	
12	SALES & USE - TAX PROVISION	1,312,200.00		-497,300.00		
13	REAL & PERS PROP-2005	7,115,508.00		-698,087.00	6,417,421.00	
14	REAL & PERS PROP-2006	21,514,080.00		1,007,920.00	16,422,110.00	
15	REAL & PERS PROP-2007			23,423,280.00		
16	REAL PROP LEASED-2005	73,260.00		-32,890.00	40,370.00	
17	REAL PROP LEASED-2006			266,774.00	195,871.00	
18	SUBTOTAL Michigan	29,244,581.00	43,326.00	25,423,382.00	24,933,305.00	100,330.00
19						
20	STATE OF WEST VIRGINIA:					
21	2007 LICENSE TAX			305.00	305.00	
22	WVA INC TAX-2004 & PRIOR	-229,891.00		-24,093.00	-148,264.00	
23	WEST VA INC TAX-2006	291,934.00		-132,721.00	159,213.00	
24	WEST VA INC TAX-2007			786,500.00	880,387.00	
25	WVA FRANCHISE - 2006	406,897.00		116,676.00	523,573.00	
26	WVA FRANCHISE - 2007			618,100.00	616,127.00	-7,400.00
27	REAL & PERS PROP-2005	13,463.00		58,518.00	71,981.00	
28	REAL & PERS PROP-2006	134,127.00			75,977.00	
29	REAL & PERS PROP-2007			169,344.00	8,572.00	
30	WV USE TAX - 2006	2,355.00			2,355.00	
31	WV USE TAX - 2007			33,338.00	27,449.00	
32	WV EXCISE TAX - 2006	42,562.00		841.00	43,403.00	
33	WV EXCISE TAX - 2007			304,170.00	269,638.00	
34	UNEMPLOYMENT - 2007	1,437.00		-96.00		
35	SUBTOTAL West Virginia	662,884.00		1,930,882.00	2,530,716.00	-7,400.00
36						
37						
38						
39						
40						

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses. 7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount. 9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax. 10. Fill in all columns for all line items.						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
		273,835.00				1
		25.00				2
		25,082.00			-14,579.00	3
		-850,346.00			20,584.00	4
-672,326.00		632,000.00			500.00	5
173,220.00		379,659.00			91,497.00	6
		188,290.00				7
	95,506.00	79,495.00				8
		32,873.00			-1,790.00	9
-22,699.00		632,711.00			463,849.00	10
814,900.00		-497,300.00				11
		-698,087.00				12
6,099,890.00		22,515,700.00			-21,507,780.00	13
23,423,280.00					23,423,280.00	14
		-32,890.00				15
70,903.00		266,774.00				16
29,887,168.00	95,506.00	22,947,821.00			2,475,561.00	17
						18
		610.00			-305.00	19
-105,720.00		24,093.00			-48,186.00	20
		-169,368.00			36,647.00	21
-93,887.00		780,100.00			6,400.00	22
		122,012.00			-5,336.00	23
-5,427.00		573,800.00			44,300.00	24
		6,695.00			51,823.00	25
58,150.00		6,564.00			-6,564.00	26
160,772.00					169,344.00	27
						28
5,889.00					33,338.00	29
					841.00	30
34,532.00					304,170.00	31
1,341.00		-8,330.00			8,234.00	32
55,650.00		1,336,176.00			594,706.00	33
						34
						35
						36
						37
						38
						39
						40

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	STATE OF OHIO:					
2	REAL & PERS PROP-2001			3,501.00	3,501.00	
3	REAL & PERS PROP-2002			2,985.00	2,985.00	
4	REAL & PERS PROP-2006					
5	REAL & PERS PROP-2007			790.00	790.00	
6	PERS PROP LEASED-2005			50.00	50.00	
7	OHIO INC. TAX -2004&Prior				-100,330.00	-100,330.00
8	OHIO INCOME TAX - 2006	-441,713.00		114,123.00	-327,590.00	
9	OHIO INCOME TAX - 2007			354,000.00	237,590.00	
10	OHIO FRANCH TAX - 2007			90,000.00	90,000.00	
11	OHIO LICENSE TAX			100.00	100.00	
12	OHIO CAT TAX - 2006	66,000.00		-19,602.00	46,398.00	
13	OHIO CAT TAX - 2007			263,548.00	164,548.00	
14	SUBTOTAL Ohio	-375,713.00		809,495.00	118,042.00	-100,330.00
15						
16	STATE OF ILLINOIS:					
17	IL REAL/PERS PROP-2006				1,815.00	
18	IL INCOME TAX - 2006	468.00		6,018.00	6,486.00	
19	IL INCOME TAX - 2007			26,000.00	26,828.00	
20	SUBTOTAL Illinois	468.00		32,018.00	35,129.00	
21						
22	STATE OF LOUISIANA:					
23	LA REAL/PERS PROP 2006	-432.00		8,313.00	7,881.00	
24	LA REAL/PERS PROP 2007			432.00	432.00	
25	SUBTOTAL Louisiana	-432.00		8,745.00	8,313.00	
26						
27	RAILCAR PROP TAX:					
28	AR PROP TAX-2005			1,993.00	1,993.00	
29	AR PROP TAX-2006			1,484.00	1,484.00	
30	AL PROP TAX-2006			48.00	48.00	
31	CO PROP TAX-2005			9,481.00	9,440.00	
32	FL PROP TAX-2006			592.00	592.00	
33	GA PROP TAX-2006			1,240.00	1,240.00	
34	MO PROP TAX-2006			52,139.00	52,139.00	
35	NE PROP TAX-2005	144,000.00		-45,900.00	98,100.00	
36	NE PROP TAX-2006	123,200.00				
37	NE PROP TAX-2007			103,450.00		
38	SC PROP TAX-2006			53.00	53.00	
39	TN PROP TAX-2006			486.00	486.00	
40	VA PROP TAX-2006			100.00	100.00	

Name of Respondent Indiana Michigan Power 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, 2008			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses. 7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount. 9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax. 10. Fill in all columns for all line items.						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
		3,501.00				1
		2,985.00				2
		791.00				3
		790.00			-791.00	4
		50.00				5
						6
		105,656.00				7
116,410.00		350,100.00			8,467.00	8
		89,618.00			3,900.00	9
		100.00			382.00	10
		-19,602.00				11
99,000.00		263,548.00				12
215,410.00		797,537.00			11,958.00	13
						14
						15
-1,815.00						16
		6,018.00				17
-828.00		26,000.00				18
-2,643.00		32,018.00				19
						20
						21
		432.00			7,881.00	22
		432.00				23
		864.00			7,881.00	24
						25
						26
						27
					1,993.00	28
					1,484.00	29
					48.00	30
41.00					9,481.00	31
					592.00	32
					1,240.00	33
					52,139.00	34
					-45,900.00	35
123,200.00						36
103,450.00					103,450.00	37
					53.00	38
					486.00	39
					100.00	40

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)						
<p>1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.</p> <p>2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.</p> <p>3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.</p> <p>4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.</p> <p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p>						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)			
1	WY PROP TAX-2006	28,300.00			26,143.00	
2	WY PROP TAX-2007			26,928.00		
3	SUBTOTAL Railcar Prop Tax	295,500.00		152,094.00	191,818.00	
4						
5	STATE OF MISSOURI					
6	MO INCOME TAX - 2005			-322.00	-322.00	
7	MO INCOME TAX - 2006	-42,088.00		-3,600.00	-45,688.00	
8	MO INCOME TAX - 2007			400.00	44,726.00	
9	MO LICENSE TAX - 2007			20.00	20.00	
10	MO FRANCHISE - 2006	211.00		228.00	439.00	
11	MO FRANCHISE - 2007			845.00	845.00	
12	MISC RTD PROP-2006	1,079,390.00		-138,894.00	940,496.00	
13	MISC RTD PROP-2007			442,866.00	-940,496.00	
14	SUBTOTAL Missouri	1,037,513.00		301,543.00	20.00	
15						
16	OTHER INC 2004 & PRIOR	2,208,000.00		-1,435,995.00	65,569.00	-706,436.00
17	FED FIN-48 - 2007					4,707,320.00
18	STATE FIN-48 - 2007			-988,566.00	173,266.00	1,503,794.00
19	LOCAL INCOME TAX				1,587.00	
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
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39						
40	TOTAL	32,330,058	274,624	153,615,386	120,847,133	(3,786,809)

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008			
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses. 7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount. 9. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax. 10. Fill in all columns for all line items.						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	Electric a/c 408.1, 409.1 (i)	Extraordinary Items a/c 409.3 (j)	Adjustment to Ret. Earnings a/c 439 (k)	Other (l)	Line No.
2,157.00						1
26,928.00					26,928.00	2
255,776.00					152,094.00	3
						4
						5
		-530.00			208.00	6
		-3,500.00			-100.00	7
-44,326.00		400.00				8
		20.00				9
		436.00			-208.00	10
		841.00			4.00	11
					-138,894.00	12
1,383,362.00					442,866.00	13
1,339,036.00		-2,333.00			303,876.00	14
						15
		-1,435,995.00				16
4,707,320.00						17
341,962.00		-1,012,659.00			24,093.00	18
-1,587.00						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
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						38
						39
61,418,939	382,060	147,092,952	0	0	6,522,484	40

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)							
Report below information applicable to Acct 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions	Balance at Beginning of Year (b)	Deferred for Year		Allocation to Current Year's Income		Adjustments (g)
	(a)		Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	0					
4	7%						
5	10%	62,190,106			4114	2,169,156	
6							
7							
8	TOTAL	62,190,106		0		2,169,156	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
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48							

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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
60,020,950	Various		5
			6
			7
60,020,950			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
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			46
			47
			48

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)			
1. Give description and amount of other current and accrued liabilities as of the end of year. 2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1	Accrued Incentive Plans	28,284,097	
2	Accrued Vacation, Holiday, and Other Non-Productive	22,194,255	
3	Accrued Payroll	12,282,196	
4	Payroll Deductions	687,601	
5	Miscellaneous Employee Benefits (2 Items)	1,938,288	
6	Accrued Workers Compensation	402,997	
7	Accrued Lease/Rents	9,608,244	
8	Accrued Revenue Refunds	7,491,921	
9	Control Cash Disbursements	14,704,760	
10	Accrued Civil Penalties	2,478,977	
11	Spent Nuclear Fuel Disposal Costs	2,269,878	
12	Miscellaneous Current & Accrued Liabilities (5 Items)	1,550,129	
13	Environmental Accruals	3,179,294	
14			
15			
16			
17			
18			
19			
20	TOTAL	107,072,637	

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)		
Line No.	List Advances by department (a)	Balance End of Year (b)
21	None	0
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39	TOTAL	0

Name of Respondent Indiana Michigan Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$10,000) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Deferred Gain-Sale of Rockport 2					
2	Amtz Period 12/1989-12/2022	55,351,661	507	3,706,716	0	51,644,945
3						
4	Other Post Retirement Benefits	4,900,151		0	0	4,900,151
5						
6	Pole Attachment Rentals	531,757	454	1,687,128	1,704,220	548,849
7						
8	IPP-System Upgrade Credits	5,481,289	431	183,511	339,051	5,636,829
9						
10	Deferred Gain:					
11	Fiber Optic Agrmts - In Kind Svc					
12	Amortized thru 2025	5,411,049	411.6	89,762	0	5,321,287
13						
14	Deferred Revenues-Verizon	723,445	451	47,439	0	676,006
15	Amort through March 2023					
16						
17	Deferred Revenues-KDL	135,750	451	9,348	0	126,402
18	Amort through Dec 2022					
19						
20	I&M Railcar Sublease	82,290	186, 557	1,541,411	1,459,121	0
21						
22	Customer Advance Receipts	3,455,222	142, 143	33,442,951	34,336,463	4,348,734
23						
24	State Mitigation Deferral (NSR)	4,431,360	242	1,772,544	0	2,658,816
25						
26	Federal Mitigation Deferral (NSR)	6,277,760	242	1,853,047	0	4,424,713
27						
28	Accrued Penalties - Tax Reserves	199,135		0	0	199,135
29						
30	Cook U1 Fire Insurance Proceeds	0		0	8,500,000	8,500,000
31						
32	Deferred Allowances-	0	Various	831,386	3,900,010	3,068,624
33	Advance Billings & Receipts					
34						
35	Misc Items	5,011	Various	1,349,350	1,364,580	20,241
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
TOTAL		86,985,880		46,514,593	51,603,445	92,074,732

Name of Respondent Indiana Michigan Power 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, 2008
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.				
2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities	323,754	1,425	18,442
5	Other			
6				
7	TOTAL Electric (Total of lines 3 thru 6)	323,754	1,425	18,442
8	Gas			
9	Defense Facilities			
10	Pollution Control Facilities			
11	Other			
12				
13	TOTAL Gas (Total of lines 9 thru 12)	0	0	0
14	Other (Specify)			
15	TOTAL (Account 281)	323,754	1,425	18,442
16	Classification of TOTAL			
17	Federal Income Tax	323,754	1,425	18,442
18	State Income Tax			
19	Local Income Tax			
NOTES				

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008		
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)							
3. Use footnotes as required.							
4. Fill in all columns for all line items as appropriate.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
						306,737	4
							5
							6
						306,737	7
							8
							9
							10
							11
							12
							13
							14
						306,737	15
							16
						306,737	17
							18
							19
NOTES (Continued)							

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.				
2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Account 282			
2	Electric	414,027,546	70,851,536	28,976,462
3	Gas			
4	Other (Define)			
5	TOTAL (Enter total of lines 2 thru 4)	414,027,546	70,851,536	28,976,462
6	Other (Specify)	121,971		
7	Non-Utility	60,388,117		
8	SFAS 109			
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	474,537,634	70,851,536	28,976,462
10	Classification of TOTAL			
11	Federal Income Tax	474,537,634	70,851,536	28,976,462
12	State Income Tax			
13	Local Income Tax			
NOTES				

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use footnotes as required.							
4. Fill in all columns for all line items as appropriate.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
				190, 283	48,257,312	504,159,932	1
							2
							3
							4
					48,257,312	504,159,932	5
	11,218					110,753	6
				Various	778,613	61,166,730	7
							8
	11,218		0		49,035,925	565,437,415	9
							10
	11,218		0		49,035,925	565,437,415	11
							12
							13
NOTES (Continued)							

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.				
2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Electric			
2	Reacquired Debt	6,096,175	4,486,494	4,487,645
3	Reg Asset - SFAS 143 ARO	372,944,037	21,137,048	282,363,316
4	Deferred Refueling Outage Costs	11,861,742	9,012,564	12,136,265
5	Capitalized Software	11,979,905	325,924	3,830,572
6	Mark To Market	15,315,377	32,971,165	23,508,884
7	Other	29,482,425	59,420,848	67,240,285
8	TOTAL Electric (total of lines 2 thru 6)	447,679,661	127,354,043	393,566,967
9	Gas			
10				
11				
12				
13				
14	Other			
15	TOTAL Gas (Total of lines 9 thru 13)	0	0	0
16	Other (Specify)	103,516,608		
17	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	551,196,269	127,354,043	393,566,967
18	Classification of TOTAL			
19	Federal Income Tax	508,556,269	127,354,043	393,566,967
20	State Income Tax	42,640,000		
21	Local Income Tax			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.

4. Fill in all columns for all items as appropriate.

5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		DEBITS		CREDITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
						6,095,024	2
						111,717,769	3
						8,738,041	4
						8,475,257	5
						24,777,658	6
				190,282	292,755,047	314,418,035	7
				190,282	292,755,047	474,221,784	8
							9
							10
							11
							12
							13
							14
0	0		0		0	0	15
3,842,241	5,125,625			Various	13,109,655	115,342,879	16
3,842,241	5,125,625		0		305,864,702	589,564,663	17
							18
3,842,241	5,125,625				305,864,702	546,924,663	19
						42,640,000	20
							21

NOTES (Continued)

Detail of Line 16

	Beginning of Year	End of Year
NON-UTILITY	10,015,704	8,732,320
SFAS 109	92,241,457	104,678,437
SFAS 133	1,259,447	1,932,122
TOTAL LINE 18	103,516,608	115,342,879

Name of Respondent Indiana Michigan Power 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, 2008
OTHER REGULATORY LIABILITIES					
1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts). 2. For regulatory liabilities being amortized, show period of amortization in column (a). 3. Minor items (amounts less than \$50,000) may be grouped by classes. 4. Give the number and name of the account(s) where each amount is recorded.					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Unrealized Gain on Forward Commitments	456	462,857,502	466,525,110	29,754,187
2					
3	Gains on Foreign Currency Derivatives	175	35,511	205,145	169,634
4					
5	Asset Retire Oblig Excess Prov SFAS143	228	210,880,854	57,471,613	208,190,072
6					
7	SNF Trust Funds - Pre 4/83	Various	54,254,297	64,475,195	36,596,294
8					
9	SFAS 109 Deferred FIT	Various	2,745,222	1,006,008	41,740,043
10					
11	Michigan Over Recovered Fuel Costs	Various	9,894,596	5,720,006	1,202,586
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL		740,667,982	595,403,077	317,652,816

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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) 02/26/09	Year of Report December 31, 2008
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2)					
<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	Five (5) properties each with	679.00		190,796.00	
5	original cost of less than \$100,000.				
6					
7	Sale of Other Property				
8	One (1) properties each with	53.00		1,547.00	
9	original cost of less than \$100,000.				
10					
11					
12					
13					
14					
15					
16					
17	Total Gain	732.00		192,343.00	

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) 02/26/09	Year of Report December 31, 2008
GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)					
Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19					
20	Sale of Non-Utility Property	0.00			0.00
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	0.00			0.00

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS			
<p>1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.</p> <p>2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.</p> <p>3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.</p> <p>4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.</p> <p>5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.</p> <p>6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.</p> <p>7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.</p>			
Line No.	Item (a)	Amount (b)	
1	Accounts 415 & 416 - Other Income - Merchandising,		
2	Jobbing, and Contract Work		
3	- Income	0	
4	- Costs and Expenses	0	
5	Total Accounts 415 & 416	0	
6			
7	Account 417 - Nonutility Operations		
8	Water Transportation		
9	-Revenues	131,265,584	
10	-Expenses - Operation	(119,041,726)	
11	-Maintenance	(3,917,228)	
12	-Depreciation, Depletion, and Amortization	(752,280)	
13	-Other	0	
14	Total Account 417	7,554,350	
15			
16	Account 418 - Nonoperating Rental Income		
17	-Rent Revenue	227,964	
18	-Expense	(65,634)	
19	-Other	0	
20	Total Account 418	162,330	
21			
22	Account 418.1 - Equity in Earnings of Subsidiary Companies	(1,599,487)	
23			
24	Account 419 - Interest and Dividend Income		
25	- Communications Leases	740,997	
26	- Margin Interest	1,579	
27	- Dedicated Sales	783,670	
28	- UBS/ABNAMRO Gas	88,929	

Name of Respondent Indiana Michigan Power 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, 2008
PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS				
Line No.	Item (a)	Amount (b)		
1	- Paribas Gas	1,394		
2	- Other	68,547		
3	- Associated Companies	74,652		
4	- Tax Items	171,209		
5	- Michigan Unrecovered Fuel	15,011		
6	- Employee Heat Pump Loans	(1,284)		
7	Total Account 419	1,944,703		
8				
9				
10	Account 419.1 - Allowance for Funds Used During Contruction	965,280		
11				
12	Account 421 - Miscellaneous Nonoperating Income			
13	- Allowances	32,938		
14	- Power Trading	(1,493,985)		
15	- Royalties	193		
16	- Deregulation Implementation Carrying Charge	396,769		
17	MPSC Case U-12652			
18	- RTO Carrying Charges	578,346		
19	- Other	171,669		
20	- Rents	23,289		
21	- AEP Service Corporation	20,047		
22	- Private Fuel Storage	(4,289)		
23	Total Account 421	(275,023)		
24				
25	Account 421.1 - Gain on Disposition of Property	192,343		
26				
27	Account 421.2 - Loss on Disposition of Property	0		
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				
51				
52				
53				
54	Total Other Income	8,944,496		

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 of Report December 31, 2008
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	81,187,453	78,285,779	
3	(442) Commercial and Industrial Sales			
4	Small (or Commercial)	57,391,282	55,607,301	
5	Large (or Industrial)	50,425,333	51,110,586	
6	(444) Public Street and Highway Lighting	1,475,357	1,420,183	
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	190,479,425	186,423,849	
13				
14	(447) Sales for Resale	44,716,140	46,095,011	
15	TOTAL Sales of Electricity	235,195,565 *	232,518,860	
16				
17	(Less) (449.1) Provision for Rate Refunds			
18	TOTAL Revenue Net of Provision for Refunds	235,195,565	232,518,860	
19	Other Operating Revenues			
20	(450) Forfeited Discounts	537,209	527,491	
21	(451) Miscellaneous Service Revenues	116,503	282,226	
22	(453) Sales of Water and Water Power			
23	(454) Rent from Electric Property	1,136,377	1,118,639	
24	(455) Interdepartmental Rents			
25	(456) Other Electric Revenues	462,732	306,844	
26				
27				
28				
29				
30	TOTAL Other Operating Revenues	2,252,821	2,235,200	
31				
32	TOTAL Electric Operating Revenues	237,448,386	234,754,060	

Name of Respondent Indiana Michigan Power 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, 2008
ELECTRIC OPERATING REVENUES (Account 400) (Continued)			
<p>4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in footnote.)</p> <p>5. See Page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.</p> <p>6. For line 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by account.</p> <p>7. Include unmetered sales. Provide details of such sales in a footnote.</p>			
MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH	
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number or Previous Year (g)
1,262,366	1,260,537	109,225	108,926
838,723	834,860	17,059	16,927
922,898	1,008,558	1,016	1,045
12,070	12,114	348	346
3,036,057	3,116,069	127,648	127,244
577,995	492,732	0	0
3,614,052 **	3,608,801	127,648	127,244
3,614,052	3,608,801	127,648	127,244
<p>* Include \$ 1,868,144 unbilled revenues.</p> <p>** Includes 29,280 MWH relating to unbilled revenues.</p>			

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
CUSTOMER CHOICE ELECTRIC OPERATING REVENUES				
<p>1. Report below operating revenues for each prescribed account.</p> <p>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.</p> <p>3. If increases or decreases from pervious year (columns (c), (e), and (g)), are not derived from previously reported figures explain any inconsistencies in a footnote.</p>				
Line No.	Title of Account (a)	OPERATING REVENUES		
		Amount for Year (b)	Amount for Previous Year (c)	
1	Customer Choice Sales of Electricity	None	None	
2	Residential Sales			
3	Commercial and Industrial Sales			
4	Small (or Commercial)			
5	Large (or Industrial)			
6				
7				
8				
9				
10				
11				
12	TOTAL Customer Choice Sales			
13				
14				
15	TOTAL Sales of Electricity			
16				
17				
18	TOTAL Revenue Net of Provision for Refunds			
19	Other Operating Revenues			
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30	TOTAL Other Operating Revenues			
31				
32	TOTAL Electric Operating Revenues			

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
CUSTOMER CHOICE ELECTRIC OPERATING REVENUES (Continued)					
<p>4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in footnote.)</p> <p>5. See Page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.</p> <p>6. For line 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by account.</p> <p>7. Include unmetered sales. Provide details of such sales in a footnote.</p>					
MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.	
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number or Previous Year (g)		
None	None	None	None	1	
				2	
				3	
				4	
				5	
				6	
				7	
				8	
				9	
				10	
				11	
				12	
				13	
				14	
				15	
				16	
				17	
				18	

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, 2008

SALES OF ELECTRICITY BY RATE SCHEDULES

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

Line No.	Number and Title of Rate Schedule	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	440 Residential Sales					
2	RESIDENTIAL SERVICE	1,133,396	72,520,093	103,480	10,953	0.0640
3	RESIDENTIAL SERVICE TOD	87,348	4,783,961	4,630	18,866	0.0548
4	SMALL GENERAL SERVICE	101	5,982	0		0.0592
5	RESIDENTIAL OFF PEAK ENERGY	17,445	786,960	614	28,412	0.0451
6	RESIDENTIAL SVC OPT SENIOR	2,780	155,433	501	5,549	0.0559
7	OUTDOOR LIGHTING	4,266	616,298			0.1445
8	UNBILLED	17,030	990,511			0.0582
9	UNRECOVERED FUEL		1,328,215			
10	Total Residential Sales	1,262,366	81,187,453	109,225	11,557	0.0643
11						
12	442 Commercial Sales					
13	SMALL GENERAL SERVICE	87,044	7,860,457	12,459	6,986	0.0903
14	MEDIUM GENERAL SERVICE	314,733	24,026,141	3,405	92,433	0.0763
15	MEDIUM GENERAL SERVICE TOD	4,333	282,411	75	57,773	0.0652
16	LARGE GENERAL SERVICE	150,782	8,942,354	204	739,127	0.0593
17	LARGE POWER	22,383	862,441	1	22,383,000	0.0385
18	QUANTITY POWER	168,257	7,960,421	53	3,174,660	0.0473
19	ELECTRIC HEATING GENERAL	4,526	326,906	67	67,552	0.0722
20	ELECTRIC HEATING SCHOOLS	10,595	557,968	19	557,632	0.0527
21	MUNICIPAL & SCHOOL SERVICE	34,635	2,492,595	467	74,165	0.0720
22	IRRIGATION SERVICE	478	51,666	53	9,019	0.1081
23	WATER & SEWAGE SERVICE	25,949	1,399,662	255	101,761	0.0539
24	STREETLIGHTING SERVICE	23	1,995	1	23,000	0.0867
25	RESIDENTIAL SERVICE	3	220			0.0733
26	OUTDOOR LIGHTING	6,362	820,179			0.1289
27	UNBILLED	8,620	587,953			0.0682
28	UNRECOVERED FUEL		1,217,913			
29	Total Commercial Sales	838,723	57,391,282	17,059	49,166	0.0684
30						
31	442 Industrial Sales					
32	SMALL GENERAL SERVICE	2,837	260,011	373	7,606	0.0916
33	MEDIUM GENERAL SERVICE	91,041	7,030,946	488	186,559	0.0772
34	MEDIUM GENERAL SERVICE TOD	72	4,791	1	72,000	0.0665
35	LARGE GENERAL SERVICE	78,170	4,970,952	49	1,595,306	0.0636
36	LARGE POWER	365,625	16,161,541	16	22,851,563	0.0442
37	QUANTITY POWER	380,060	19,566,228	84	4,524,524	0.0515
38	ELECTRIC HEATING GENERAL	638	46,081	5	127,600	0.0722
39	OUTDOOR LIGHTING	842	100,195			0.1190
40	ESTIMATED	0	0			
41	UNBILLED	3,613	288,533			0.0799
42	UNRECOVERED FUEL		1,996,055			
43	Total Industrial Sales	922,898	50,425,333	1,016	908,364	0.0546

Name of Respondent Indiana Michigan Power 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, 2008	
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	622	61,319	109	5,706	0.0986
3	MEDIUM GENERAL SERVICE	148	11,405	3	49,333	0.0771
4	SL CUST OWNED SYS	523	37,692	7	74,714	0.0721
5	SL CUST OWNED SYS METERED	537	25,280	23	23,348	0.0471
6	MUNICIPAL & SCHOOL	596	48,559	73	8,164	0.0815
7	ENERGY CONSERV LIGHTING	5,156	751,864	84	61,381	0.1458
8	STREETLIGHTING SERVICE	4,378	502,408	49	89,347	0.1148
9	OUTDOOR LIGHTING	94	12,530			0.1333
10	UNBILLED	16	1,146			0.0716
11	UNRECOVERED FUEL		23,154			
12	Total Public Street & Highway Light	12,070	1,475,357	348	34,684	0.1222
13						
14	Fuel Clause (see footnote)					
15						
16						
17						
18						
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43						
44						
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55	Total Billed	3,006,777	188,611,282	127,648	23,555	0.0627
56	Total Unbilled Rev. (See Instr. 6)	29,280	1,868,143			0.0638
57	TOTAL	3,036,057	190,479,425	127,648	23,785	0.0627

Name of Respondent Indiana Michigan Power 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 31,2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
304	7	d	5,449 Residential Outdoor Lighting customers are served by multiple rate schedules	
304	26	d	2,456 Commercial Outdoor Lighting customers are served by multiple rate schedules	
304	39	d	251 Industrial Outdoor Lighting customers are served by multiple rate schedules	
304.1	9	d	43 Pub Street & Hwy Light Outdoor Light customers are served by multiple rate scheds	
304.1	14	a	440 Residential Sales RESIDENTIAL SERVICE 6,841,913 RESIDENTIAL SERVICE TOD 621,762 SMALL GENERAL SERVICE 148 RESIDENTIAL OFF PEAK ENERGY STORAGE 132,549 RESIDENTIAL SVC OPT SENIOR CITIZEN 20,233 RESIDENTIAL TOTAL 7,616,605 442 Commercial Sales RESIDENTIAL SERVICE 18 SMALL GENERAL SERVICE 471,450 MEDIUM GENERAL SERVICE 1,742,812 MEDIUM GENERAL SERVICE TOD 24,365 LARGE GENERAL SERVICE 869,738 LARGE POWER 158,528 QUANTITY POWER 1,055,167 ELECTRIC HEATING GENERAL 32,708 ELECTRIC HEATING SCHOOLS 66,811 MUNICIPAL & SCHOOL SERVICE 169,770 IRRIGATION SERVICE 3,778 WATER & SEWAGE SERVICE 153,751 COMMERCIAL TOTAL 4,748,896 442 Industrial Sales SMALL GENERAL SERVICE 17,023 MEDIUM GENERAL SERVICE 455,344 MEDIUM GENERAL SERVICE TOD 173 LARGE GENERAL SERVICE 336,942 LARGE POWER 1,325,828 QUANTITY POWER 2,150,760 ELECTRIC HEATING GENERAL 4,591 INDUSTRIAL TOTAL 4,290,661 444 Public Street & Highway Light SMALL GENERAL SERVICE 3,966 MEDIUM GENERAL SERVICE 569 SL CUST OWNED SYS METERED 3,814 MUNICIPAL & SCHOOL SERVICE 3,170 PUBLIC STREET & HIGHWAY LIGHT TOTAL 11,519 GRAND TOTAL 16,667,681	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Indiana Michigan Power Company	(1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	December 31, 2008

CUSTOMER CHOICE SALES OF ELECTRICITY BY RATE SCHEDULES

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

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Avg. No. of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	Total Billed					
45	Total Unbilled Rev. (See Instr. 6)					
46	TOTAL					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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 seller can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

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

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
412,196	10,961,624	5,160,697	2,707,948	18,830,269	1
122,283	3,385,244	1,543,208	4,683,009	9,611,461	2
-2,929		-4,207,577		-4,207,577	3
237,951		12,228,837		12,228,837	4
92,043		4,977,044		4,977,044	5
623,008		33,541,489		33,541,489	6
143,610		8,091,417		8,091,417	7
150,828		8,437,150		8,437,150	8
238,505		12,801,094		12,801,094	9
1,379,933		62,930,183		62,930,183	10
32,099		1,784,176		1,784,176	11
12,433		733,103		733,103	12
18,885		1,080,680		1,080,680	13
45,052		2,578,241		2,578,241	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent Indiana Michigan Power 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 2008/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	WABASH VALLEY POWER ASSN INC.	RQ	IMPCO#112			
2	CLEVELAND PUBLIC POWER	IF	Note 1			
3	NC ELECTRIC MEMBERSHIP CORP.	IF	Note 1			
4	TOWN OF FRONT ROYAL	IF	Note 1			
5	WOLVERINE POWER SUPPLY COOP	IF	Note 1			
6	CITY OF COLUMBUS	LF	Note 1			
7	NC ELECTRIC MEMBERSHIP CORP.	LF	Note 1			
8	CAROLINA POWER & LIGHT	LU	IMPCO#77			
9	THE BOROUGH OF PITCAIRN, PA	SF	Note 1			
10	ABN AMRO, INC.	OS	Note 1			
11	AEP SERVICE CORPORATION	OS	Note 1			
12	AEP SERVICE CORPORATION	OS	Note 1			
13	ALLEGHENY ENERGY SUPPLY CO LLC	OS	Note 1			
14	AMEREN ENERGY FUELS & SERVICES	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
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SALES FOR RESALE (Account 447) (Continued)

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

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

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

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

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

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

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

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

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

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
1,046,305		57,432,030		57,432,030	1
10,991		591,639		591,639	2
88,940		3,074,588		3,074,588	3
23,999	1,348,510	236,925		1,585,435	4
69,293	632,984	2,544,208		3,177,192	5
125,721		7,006,995		7,006,995	6
140,327	6,796,181	-1,520,891		5,275,290	7
2,055,153	1,298,457	82,872,627		84,171,084	8
		62,727		62,727	9
		-7		-7	10
10,721,977		288,038,453		288,038,453	11
		658,906		658,906	12
-83,776		-5,720,235		-5,720,235	13
168		22,352		22,352	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent Indiana Michigan Power 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 2008/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.
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 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

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

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
6,248		401,336		401,336	1
136		10,766		10,766	2
241		21,051		21,051	3
51,001		2,646,087		2,646,087	4
-58		-1,616		-1,616	5
-1,472		-43,157		-43,157	6
10,153		480,340		480,340	7
84,276		10,932,812		10,932,812	8
138,590		9,537,845		9,537,845	9
400		22,050		22,050	10
		-60		-60	11
		77,891		77,891	12
		-3,117,941		-3,117,941	13
59,160		10,549,056		10,549,056	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2008/Q4

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).

Line No.	Name of Company or Public Authority (Footnote Affiliations)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	CALPINE POWER SERVICE COMPANY	OS	Note 1			
2	CAMP GROVE WIND FARM LLC	OS	Note 1			
3	CAROLINA POWER & LIGHT COMPANY	OS	Note 1			
4	CHEVRON TEXACO	OS	Note 1			
5	CHEVRON USA INC	OS	Note 1			
6	CITADEL ENERGY INVESTMENTS LTD	OS	Note 1			
7	CITADEL ENERGY PRODUCTS LLC	OS	Note 1			
8	CITIGROUP ENERGY INC.	OS	Note 1			
9	CITIZENS ELECT CO & WELLSBOROU	OS	Note 1			
10	CITY OF COLUMBUS	OS	Note 1			
11	CITY OF DOWAGIAC, MI	OS	Note 1			
12	CITY OF LEBANON	OS	Note 1			
13	CITY OF NEW MARTINSVILLE	OS	Note 1			
14	CITY OF PHILIPPI, WEST VIRGINIA	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
27,813		2,619,559		2,619,559	1
		1,846		1,846	2
7,231		-14,311		-14,311	3
		-9		-9	4
		-11,187		-11,187	5
		73,613		73,613	6
		270,202		270,202	7
24,826		1,637,051		1,637,051	8
		74,935		74,935	9
40,714		1,761,765		1,761,765	10
13,507		1,016,103		1,016,103	11
55,229		3,866,358		3,866,358	12
6,989		270,498		270,498	13
6,880		260,294		260,294	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

SALES FOR RESALE (Account 447)

Longer than one year but Less than five years.

Name of Respondent Indiana Michigan Power 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 2008/Q4
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SALES FOR RESALE (Account 447) (Continued)

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

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

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

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

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

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

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

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

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

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$ (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
13,178		711,301		711,301	1
41,147		2,726,343		2,726,343	2
-60		-2,442		-2,442	3
144,894		10,254,512		10,254,512	4
		-53,667		-53,667	5
-64,929		-3,666,816		-3,666,816	6
1,389,993		78,675,713		78,675,713	7
-17,917		-737,006		-737,006	8
114,216		5,746,610		5,746,610	9
		-123,081		-123,081	10
14,803		1,156,159		1,156,159	11
35,064		4,397,053		4,397,053	12
-74,289		-3,077,411		-3,077,411	13
-33,557		-1,223,154		-1,223,154	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2008/Q4

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).

Line No.	Name of Company or Public Authority (Footnote Affiliations)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	DUKE ENERGY CAROLINAS, LLC	OS	Note 1			
2	DUKE ENERGY INDIANA, INC.	OS	Note 1			
3	DUKE ENERGY KENTUCKY, INC.	OS	Note 1			
4	DUKE ENERGY TRADING	OS	Note 1			
5	DUKE POWER COMPANY	OS	Note 1			
6	DUQUESNE POWER, L.P.	OS	Note 1			
7	DYNEGY POWER MARKETING INC.	OS	Note 1			
8	EAGLE ENERGY PARTNER I, L.P.	OS	Note 1			
9	EAST KY POWER CO-OP POWER MKTG	OS	Note 1			
10	EDISON MISSION MKTG & TRADING	OS	Note 1			
11	ENDURE ENERGY, LLC	OS	Note 1			
12	ENG MKTG, DIV OF AMERADA HESS	OS	Note 1			
13	ENTERGY POWER SERV	OS	Note 1			
14	EXELON GENERATION - POWER TEAM	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
11,433		583,808		583,808	1
		-43,243		-43,243	2
		814		814	3
-37,722		-359,562		-359,562	4
-7,959		-584,032		-584,032	5
121,714		7,789,759		7,789,759	6
		37,580		37,580	7
-14,191		-917,496		-917,496	8
90,732		5,428,087		5,428,087	9
-368,190		-22,651,779		-22,651,779	10
-211		-5,959		-5,959	11
89,229		7,129,254		7,129,254	12
23,780		988,813		988,813	13
-880,885		-47,131,370		-47,131,370	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent Indiana Michigan Power 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 2008/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	FIRSTENERGY TRADING SERVICES	OS	Note 1			
2	FPL ENERGY POWER MARKETING INC	OS	Note 1			
3	GREAT RIVER ENERGY	OS	Note 1			
4	HARRISON RURAL ELECTRIFICATION	OS	Note 1			
5	HESS ENERGY TRADING COMPANY	OS	Note 1			
6	HETC	OS	Note 1			
7	HOOSIER POWER MARKET	OS	Note 1			
8	INDIANA MUNICIPAL POWER AGENCY	OS	Note 1			
9	INTEGRYS ENERGY SERVICES, INC	OS	Note 1			
10	INTERSTATE POWER & LIGHT CO	OS	Note 1			
11	J ARON & COMPANY	OS	Note 1			
12	JP MORGAN VENTURES ENERGY CORP	OS	Note 1			
13	KANSAS CITY POWER & LIGHT CO	OS	Note 1			
14	LEHMAN BROTHERS COMMODITY SVCS	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
73,981		4,922,159		4,922,159	1
-15,608		-1,168,463		-1,168,463	2
		724		724	3
16,006		776,206		776,206	4
		-65,281		-65,281	5
		-28		-28	6
39,580		2,331,891		2,331,891	7
48,625		3,325,006		3,325,006	8
328,737		19,610,874		19,610,874	9
		1,279		1,279	10
-32,207		-2,674,491		-2,674,491	11
27,456		1,449,432		1,449,432	12
1,528		146,248		146,248	13
-179,711		-11,233,697		-11,233,697	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2008/Q4

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 seller can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of 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)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	LG&E UTILITIES POWER SALES	OS	Note 1			
2	LOUIS DREYFUS ENERGY SERV LP	OS	Note 1			
3	MERRILL LYNCH COMMODITIES, INC	OS	Note 1			
4	MICHIGAN PUBLIC POWER AGENCY	OS	Note 1			
5	MID CONTINENT CORP.	OS	Note 1			
6	MIDAMERICAN ENERGY	OS	Note 1			
7	MIDWEST ISO	OS	Note 1			
8	MONONGAHELA POWER COMPANY	OS	Note 1			
9	MORGAN STANLEY CAPT.	OS	Note 1			
10	NC ELECTRIC MEMBERSHIP CORP.	OS	Note 1			
11	NIPSCO ENERGY MANAGEMENT	OS	Note 1			
12	NO CAROLINA MUNI PWR AGENCY #1	OS	Note 1			
13	NRG POWER MARKETING INC.	OS	Note 1			
14	NSP ENERGY MARKETING	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
-2,023		-52,906		-52,906	1
		-5,294		-5,294	2
		967,197		967,197	3
13,549		842,356		842,356	4
		-15,524		-15,524	5
-11,169		-898,974		-898,974	6
-458,024		-26,369,716		-26,369,716	7
		66		66	8
100,370		8,921,812		8,921,812	9
299,802		10,278,716		10,278,716	10
57,357		3,941,940		3,941,940	11
-202		-11,240		-11,240	12
23,713		1,403,607		1,403,607	13
		-24,966		-24,966	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2008/Q4

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 seller can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of 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)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	OCCIDENTAL POWER SERVICES, INC	OS	Note 1			
2	OLD DOMINION ELEC.	OS	Note 1			
3	OMEG	OS	Note 1			
4	OPPD ENERGY MARKETING	OS	Note 1			
5	ORMET PRIMARY ALUMINUM CORP	OS	Note 1			
6	OTTER TAIL POWER COMPANY	OS	Note 1			
7	OVEC POWER SCHEDULING	OS	Note 1			
8	PARIBAS	OS	Note 1			
9	PENNSYLVANIA POWER COMPANY	OS	Note 1			
10	PEPCO SERVICES INC.	OS	Note 1			
11	PJM INTERCONNECTION	OS	Note 1			
12	PP&L ENERGY PLUS CO.	OS	Note 1			
13	PPL ENERGY SUPPLY, LLC	OS	Note 1			
14	PROGRESS VENTURES, INC.	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
5,518		166,830		166,830	1
214,662		15,279,584		15,279,584	2
		5,852		5,852	3
		-5,030		-5,030	4
		53		53	5
-22,530		-1,228,107		-1,228,107	6
-223,307		-8,330,266		-8,330,266	7
		703,237		703,237	8
21,135		1,692,084		1,692,084	9
210,010		22,127,764		22,127,764	10
2,660,841		167,060,139		167,060,139	11
433,818		22,363,738		22,363,738	12
		19,471		19,471	13
		-1		-1	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	_____ / /	End of <u>2008/Q4</u>

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 seller can unilaterally get out of the contract.

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

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

LU – for Long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of 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)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	PSEG ENERGY RESOURCES & TRADE	OS	Note 1			
2	PUBLIC SERVICE COMPANY OF	OS	Note 1			
3	RAINBOW ENERGY MARKETING	OS	Note 1			
4	REFCO INC.	OS	Note 1			
5	SEMPRA ENERGY SOLUTIONS, LLC	OS	Note 1			
6	SEMPRA ENERGY TRADING	OS	Note 1			
7	SHELL ENERGY N AMERICA (US) LP	OS	Note 1			
8	SOUTH CAROLINA ELECTRIC & GAS	OS	Note 1			
9	SOUTH TEXAS ELECTRIC COOP	OS	Note 1			
10	SOUTHEASTERN PUB SERV AUTH -VA	OS	Note 1			
11	SOUTHEN MARYLAND ELEC COOP INC	OS	Note 1			
12	SOUTHERN COMPANY	OS	Note 1			
13	SOUTHERN ELECTRIC INTL	OS	Note 1			
14	SOUTHERN ILLINOIS POWER CO-OP	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
-47,019		-4,694,123		-4,694,123	1
97,376		4,801,207		4,801,207	2
1,746		99,539		99,539	3
		116		116	4
114,359		7,946,270		7,946,270	5
14,257		66,215		66,215	6
-30,421		-1,544,665		-1,544,665	7
-2,171		-184,330		-184,330	8
		-1		-1	9
		-5,798		-5,798	10
33,792		3,255,601		3,255,601	11
-12,833		-1,187,671		-1,187,671	12
107,539		7,203,754		7,203,754	13
10,018		439,428		439,428	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

	SALES FOR RESALE (Account 447)	
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1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) for the reporting period.

LU - 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)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	SOUTHWESTN ELECTRIC POWER	OS	Note 1			
2	STRATEGIC ENERGY LTD.	OS	Note 1			
3	TENASKA POWER SERVICES COMPANY	OS	Note 1			
4	THE BOROUGH OF PITCAIRN, PA	OS	Note 1			
5	THE ENERGY AUTHORITY	OS	Note 1			
6	THE POTOMAC EDISON COMPANY	OS	Note 1			
7	TOWN OF FRONT ROYAL	OS	Note 1			
8	TRANSALTA ENERGY MARKETING US	OS	Note 1			
9	TVA BULK POWER TRADING	OS	Note 1			
10	UBS AG, LONDON BRANCH	OS	Note 1			
11	UBS SECURITIES LLC	OS	Note 1			
12	UNION ELECTRIC COMPANY	OS	Note 1			
13	UNION POWER PARTNERS	OS	Note 1			
14	UNITED LIGHT & POWER COMPANY	OS	Note 1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
75,403		4,681,727		4,681,727	1
50,836		3,148,961		3,148,961	2
878		31,158		31,158	3
708		104,585		104,585	4
5,701		336,222		336,222	5
57,463		6,062,843		6,062,843	6
9,984		204,419		204,419	7
36		3,506		3,506	8
3,453		156,473		156,473	9
2,720		724,836		724,836	10
		-9,835,964		-9,835,964	11
-2,115		-398,291		-398,291	12
-148		-74,017		-74,017	13
		-94		-94	14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Indiana Michigan Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	End of 2008/Q4

2. 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).
3. 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.
4. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 - RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 - LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.
 - IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 - SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 - LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of 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)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	VIRGINIA POWER MARKETING	OS	Note 1			
2	WABASH VALLEY POWER ASSN INC.	OS	Note 1			
3	WASHINGTON GAS ENERGY SERVICES	OS	Note 1			
4	WESTAR ENERGY INC.	OS	Note 1			
5	WISCONSIN POWER & LIGHT	OS	Note 1			
6	WOLVERINE POWER SUPPLY COOP	OS	Note 1			
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)		
		-352		-352	1
-34,522		-3,060,903		-3,060,903	2
17,520		1,419,793		1,419,793	3
-2,882		-1,174,807		-1,174,807	4
106,065		6,163,434		6,163,434	5
94,675		4,459,140		4,459,140	6
					7
					8
					9
					10
					11
					12
					13
					14
4,552,202	14,346,868	209,111,772	7,390,957	230,849,597	
18,579,255	10,076,132	731,662,744	0	741,738,876	
23,131,457	24,423,000	940,774,516	7,390,957	972,588,473	

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 2008/Q4
Indiana Michigan Power Company			
FOOTNOTE DATA			

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

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

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

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

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

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

Schedule Page: 310.1 Line No.: 2 Column: c

NOTE 1: FERC Electric Tariff, Second Substitute Volume No. 5

Schedule Page: 310.1 Line No.: 6 Column: b

The termination date of this contract is 5/31/2012.

Schedule Page: 310.1 Line No.: 7 Column: b

The termination date of this contract is December 31, 2010. However the contract could be cancelled or modified during the contract term by mutual agreement.

Schedule Page: 310.1 Line No.: 11 Column: a

Affiliated Company

Schedule Page: 310.1 Line No.: 12 Column: a

Affiliated Company - transactions related to the System Integration Agreement.

Schedule Page: 310.9 Line No.: 2 Column: a

Affiliated Company

Schedule Page: 310.10 Line No.: 1 Column: a

Affiliated Company

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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, 2008
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	5,490,821	4,789,646	
5	(501) Fuel	362,120,900	277,186,321	
6	(502) Steam Expenses	5,748,516	5,355,013	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses	1,593,590	1,437,363	
10	(506) Miscellaneous Steam Power Expenses	13,066,373	22,718,994	
11	(507) Rents	70,147,272	70,147,272	
12	(509) Allowances	5,331,808	7,363,171	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	463,499,280	388,997,780	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	2,562,644	2,513,506	
16	(511) Maintenance of Structures	2,162,934	1,802,519	
17	(512) Maintenance of Boiler Plant	21,551,360	36,699,737	
18	(513) Maintenance of Electric Plant	7,787,959	9,171,629	
19	(514) Maintenance of Miscellaneous Steam Plant	1,864,117	1,606,262	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	35,929,014	51,793,653	
21	TOTAL Power Production Expenses-Steam Power (Total of lines 13 & 20)	499,428,294	440,791,433	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering	20,394,858	11,966,534	
25	(518) Fuel	105,412,046	89,706,219	
26	(519) Coolants and Water	5,636,396	3,172,947	
27	(520) Steam Expenses	7,997,176	5,460,481	
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses	2,528,175	1,556,570	
31	(524) Miscellaneous Nuclear Power Expenses	114,536,769	74,356,428	
32	(525) Rents	0	119,876	
33	TOTAL Operation (Enter Total of lines 24 thru 32)	256,505,420	186,339,055	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering	14,333,090	8,949,715	
36	(529) Maintenance of Structures	3,148,549	5,542,476	
37	(530) Maintenance of Reactor Plant Equipment	62,631,079	63,445,647	
38	(531) Maintenance of Electric Plant	10,838,847	6,190,206	
39	(532) Maintenance of Miscellaneous Nuclear Plant	28,640,837	23,792,901	
40	TOTAL Maintenance (Enter Total of Lines 35 thru 39)	119,592,402	107,920,945	
41	TOTAL Power Production Expenses-Nuclear Power (Total of lines 33 & 40)	376,097,822	294,260,000	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	399,259	437,444	
45	(536) Water for Power			
46	(537) Hydraulic Expenses	97,294	60,838	
47	(538) Electric Expenses	3,911	3,213	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	561,485	655,140	
49	(540) Rents	0	0	
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	1,061,949	1,156,635	
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	33,360	3,562	
53	(542) Maintenance of Structures	201,712	203,326	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	759,327	655,972	
55	(544) Maintenance of Electric Plant	522,459	482,596	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	52,522	35,129	
57	TOTAL Maintenance (Total of Lines 52 thru 56)	1,569,380	1,380,585	

Name of Respondent Indiana Michigan Power 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, 2008
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
58	C. Hydraulic Power Generation (Continued)			
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr. (Total of lines 50 & 57)	2,631,329	2,537,220	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	14,389	22,778	
63	(547) Fuel			
64	(548) Generation Expenses	0	0	
65	(549) Miscellaneous Other Power Generation Expenses	13,545	1,108	
66	(550) Rents			
67	TOTAL Operation (Total of Lines 62 thru 66)	27,934	23,886	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	105		
73	TOTAL Maintenance (Total of Lines 69 thru 72)	105	0	
74	TOTAL Pwr. Production Expenses-Other Power (Total of Lines 67 & 73)	28,039	23,886	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	572,001,669	490,290,475	
77	(556) System Control and Load Dispatching	1,714,602	1,573,923	
78	(557) Other Expenses	6,820,693	7,651,076	
79	Total Other Power Supply Expenses (Total of Lines 76 thru 78)	580,536,964	499,515,474	
80	Total Pwr. Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,458,722,448	1,237,128,013	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	1,594,196	1,531,566	
84	(561) Load Dispatching			
85	(561.1) Load Dispatch-Reliability	32,451	20,550	
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	1,358,742	1,185,365	
87	(561.3) Load Dispatch-Transmission Service and Scheduling	757		
88	(561.4) Scheduling, System Control and Dispatch Services	2,680,249	4,075,623	
89	(561.5) Reliability, Planning and Standards Development	50,641	29,191	
90	(561.6) Transmission Service Studies			
91	(561.7) Generation Interconnection Studies			
92	(561.8) Reliability, Planning and Standards Development Services	463,820	556,831	
93	(562) Station Expenses	814,655	811,096	
94	(563) Overhead Lines Expenses	294,480	287,888	
95	(564) Underground Lines Expenses	4,815	159	
96	(565) Transmission of Electricity by Others	(36,420,079)	(34,541,852)	
97	(566) Miscellaneous Transmission Expenses	3,552,761	2,743,272	
98	(567) Rents	35,654	23,761	
99	TOTAL Operation (Total of Lines 83 thru 98)	(25,536,858)	(23,276,550)	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	116,861	142,714	
102	(569) Maintenance of Structures	116,269	218,060	
103	(569.1) Maintenance of Computer Hardware	137,983	123,385	
104	(569.2) Maintenance of Computer Software	729,389	417,162	
105	(569.3) Maintenance of Communication Equipment	461,347	435,317	
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	4,553,911	4,664,029	
108	(571) Maintenance of Overhead Lines	7,180,424	7,600,412	
109	(572) Maintenance of Underground Lines	24	24,446	
110	(573) Maintenance of Miscellaneous Transmission Plant	7,804	8,177	
111	TOTAL Maintenance (Total of Lines 101 thru 110)	13,304,012	13,633,702	
112	TOTAL Transmission Expenses (Total of Lines 99 & 111)	(12,232,846)	(9,642,848)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
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	2,306,869	3,260,954	
122	(575.8) Rents			
123	TOTAL Operation (Total of Lines 115 thru 122)	2,306,869	3,260,954	
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)	2,306,869	3,260,954	
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	4,014,397	4,328,247	
135	(581) Load Dispatching	1,142,814	1,013,113	
136	(582) Station Expenses	993,504	1,003,727	
137	(583) Overhead Line Expenses	1,542,852	441,329	
138	(584) Underground Line Expenses	1,777,807	1,965,058	
139	(585) Street Lighting and Signal System Expenses	59,068	61,206	
140	(586) Meter Expenses	1,110,975	809,670	
141	(587) Customer Installations Expenses	451,529	474,425	
142	(588) Miscellaneous Expenses	13,557,712	10,783,201	
143	(589) Rents	1,840,692	1,919,500	
144	TOTAL Operation (Total of Lines 134 thru 143)	26,491,350	22,799,476	
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	451,571	389,387	
147	(591) Maintenance of Structures	110,360	55,696	
148	(592) Maintenance of Station Equipment	3,304,907	2,953,221	
149	(593) Maintenance of Overhead Lines	33,496,558	26,966,555	
150	(594) Maintenance of Underground Lines	2,365,816	2,233,738	
151	(595) Maintenance of Line Transformers	1,386,565	2,070,241	
152	(596) Maintenance of Street Lighting and Signal Systems	390,507	475,214	
153	(597) Maintenance of Meters	361,838	435,004	
154	(598) Maintenance of Miscellaneous Distribution Plant	2,445,275	2,169,768	
155	TOTAL Maintenance (Total of Lines 146 thru 154)	44,313,397	37,748,824	
156	TOTAL Distribution Expenses (Total of Lines 144 & 155)	70,804,748	60,548,299	
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision	1,631,895	1,671,939	
160	(902) Meter Reading Expenses	3,351,882	3,635,670	
161	(903) Customer Records and Collection Expenses	15,734,787	17,077,474	
162	(904) Uncollectible Accounts	456,751	(301,171)	
163	(905) Miscellaneous Customer Accounts Expenses	142,897	101,472	
164	TOTAL Customer Accounts Expenses (Total of Lines 159 thru 163)	21,318,212	22,185,384	
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
166	Operation			
167	(907) Supervision	1,134,504	1,005,726	
168	(908) Customer Assistance Expenses	1,500,464	1,190,012	
169	(909) Informational and Instructional Expenses	559,199	723,990	
170	(910) Miscellaneous Customer Service and Informational Expenses	7,152	76	
171	TOTAL Cust. Service and Informational Exp. (Total of Lines 167 thru 170)	3,201,319	2,919,804	

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
172	7. SALES EXPENSE			
173	Operation			
174	(911) Supervision			
175	(912) Demonstrating and Selling Expenses	1,329	1,135	
176	(913) Advertising Expenses	1,108		
177	(916) Miscellaneous Sales Expenses			
178	Total Sales Expenses (Total of Lines 174 thru 177)	2,437	1,135	
179	8. ADMINISTRATIVE AND GENERAL EXPENSES			
180	Operation			
181	(920) Administrative and General Salaries	21,555,653	25,585,477	
182	(921) Office Supplies and Expenses	5,108,230	3,676,364	
183	(Less) (922) Administrative Expenses Transferred - CR	3,507,017	3,406,656	
184	(923) Outside Services Employed	29,506,480	30,242,776	
185	(924) Property Insurance	1,670,336	2,121,722	
186	(925) Injuries and Damages	5,759,599	4,810,720	
187	(926) Employee Pensions and Benefits	31,291,702	31,214,137	
188	(927) Franchise Requirements			
189	(928) Regulatory Commission Expenses	12,513,029	10,915,507	
190	(929) (Less) Duplicate Charges - CR	287,914	762,047	
191	(930.1) General Advertising Expenses	778,418	1,260,967	
192	(930.2) Miscellaneous General Expenses	2,002,329	2,891,119	
193	(931) Rents	10,070,749	10,303,500	
194	TOTAL Operation (Total of Lines 181 thru 193)	116,461,594	118,853,586	
195	Maintenance			
196	(935) Maintenance of General Plant	4,921,394	4,383,823	
197	TOTAL Administrative and General Expenses (Total of Lines 194 & 196)	121,382,988	123,237,409	
198	TOTAL Electric Operation and Maintenance Expenses (Enter total	1,665,506,175	1,439,638,150	
199	of lines 80, 112, 131, 156, 164, 171, 178, and 197)			

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES		
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p>		<p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>
1. Payroll Period Ended (Date)	12/31/2008	12/31/2007
2. Total Regular Full-Time Employees	2,849	2,666
3. Total Part-Time and Temporary Employees	29	21
4. Total Employees	2,878	2,643

Name of Respondent Indiana Michigan Power Company		This Report Is: (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2008
FOOTNOTE DATA			
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)
320-323	103	b	Allocated maintenance expenses for joint use computer hardware, computer software and communication equipment are determined by using various factors, which include number of remote terminal units, number of radios, number of employees and other factors assigned to each function.

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Name of Respondent Indiana Michigan 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, 2008	Year of Report December 31, 2008			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>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.</p> <p>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.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>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.</p> <p>LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service, which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	AEP Generating Company	RQ	AEG 1			
2	National Power Cooperative Inc	LF	Note 1			
3	OVEC Power Scheduling	LF	Note 1			
4	American Electric Power Service Corp	OS	APCO 20			
5	Allegheny Energy Supply Co LLC	OS	Note 1			
6	Ameren Energy Marketing	OS	Note 1			
7	Barclays Bank PLC	OS	Note 1			
8	BP Amoco	OS	Note 1			
9	Buckeye Rural Electric Admin	OS	Note 1			
10	Citigroup Energy Inc.	OS	Note 1			
11	Commonwealth Edison CO Auctio2	OS	Note 1			
12	Constellation Energy Commodities	OS	Note 1			
13	Credit Suisse Energy	OS	Note 1			
14	DTE Energy Trading Inc.	OS	Note 1			
15	Edison Mission Mktg & Trading	OS	Note 1			
16	Exelon Generation - Power Team	OS	Note 1			
17	Firstenergy Trading Services	OS	Note 1			
18	Fowler Ridge Wind Farm LLC	OS	Note 1			
19	FPL Energy Power Marketing Inc.	OS	Note 1			
20	French Paper	OS	COGEN SPP			
21	Fort Wayne Electric JATC	OS	Note 1			
22	Great River Energy	OS	Note 1			
23	J. Aron & Company	OS	Note 1			
24	JP Morgan Ventures Energy Corp	OS	Note 1			
25	Lehman Brothers Commodity Services	OS	Note 1			
26	Merrill Lynch Commodities, Inc.	OS	Note 1			
27	Midwest ISO	OS	Note 1			
28	Total					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008				
PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
<p>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.</p> <p>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.</p> <p>4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>							
Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
6,961,773			93,712,273	154,219,394		247,931,667	1
6,571			72,790	958,578		1,031,368	2
1,184,699				47,464,582		47,464,582	3
4,223,628				135,055,635		135,055,635	4
10,600				535,824		535,824	5
				22,311		22,311	6
				(156,677)		(156,677)	7
				118,377		118,377	8
				(496,875)		(496,875)	9
				14,499		14,499	10
				20,086		20,086	11
(3,434)				809,888		809,888	12
				218,222		218,222	13
				150,493		150,493	14
				16,502		16,502	15
				693,828		693,828	16
				133,044		133,044	17
5,488				262,623		262,623	18
				17,964		17,964	19
1,208				16,626		16,626	20
				8		8	21
				38,432		38,432	22
				(223,337)		(223,337)	23
				936		936	24
				146,787		146,787	25
				49,028		49,028	26
21,895				1,210,705		1,210,705	27
14,163,468			93,785,063	478,216,606		572,001,669	28

Name of Respondent Indiana Michigan Power 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, 2008			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>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.</p> <p>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.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis 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.</p> <p>LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service, which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW) Avg. Monthly NCP Demand Avg. Monthly CP Demand (e) (f)	
29	Morgan Stanley Capt.	OS	Note 1			
30	PJM Environmental Info System Inc.	OS	Note 1			
31	PJM Interconnection	OS	Note 1			
32	PSEG Energy Resources and Trade	OS	Note 1			
33	Public Service Co of Oklahoma	OS	Note 1			
34	Sempra Energy Solutions, LLC	OS	Note 1			
35	Sempra Energy Trading	OS	Note 1			
36	Southwestern Public Service Authority	OS	Note 1			
37	Southwestern Electric Power Co.	OS	Note 1			
38	System Integration Agreement	OS	Note 1			
39	UBS AG, London Branch	OS	Note 1			
40	UBS Securities LLC	OS	Note 1			
41	Union Electric Company	OS	Note 1			
42	Wabash Valley Power Assn. Inc.	OS	Note 1			
43	Wisconsin Public Service	OS	Note 1			
44	Miscellaneous MWH Adjustments					
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55						
56	Total					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

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

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

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

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

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

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

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

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

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received	Megawatthours Delivered	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	(h)	(i)					
20,079				1,070,808		1,070,808	29
				2,741		2,741	30
1,553,959				130,145,098		130,145,098	31
				2,248		2,248	32
12,826				765,674		765,674	33
				(428,190)		(428,190)	34
				(22,158)		(22,158)	35
16,334				1,141,471		1,141,471	36
7,575				429,242		429,242	37
				1,349,654		1,349,654	38
				2,060		2,060	39
				2,309,626		2,309,626	40
				66,718		66,718	41
				44,098		44,098	42
				40,033		40,033	43
140,267							44
							45
							46
							47
							48
							49
							50
							51
							52
							53
							54
							55
14,163,468			93,785,063	478,216,606		572,001,669	56

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008																								
FOOTNOTE DATA																													
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)																										
326	1	a	AEP Affiliate																										
326	2	b	The termination date of the contract is September 30, 2032.																										
326	2	c	AEP Power Sales Tariff - AEP companies FERC Electric Tariff Original Volume 2																										
326	3	b	The termination date of the contract is the earlier of (1) March 13, 2026 or (2) the sale of or other disposition of all of the facilities of the Project Generating Stations or the permanent cessation of of the operation of such facilities.																										
326	4	a	AEP Affiliate																										
326	4	b	Statistical classification "OS" included non-firm hourly, daily and weekly purchases that the supplier may cancel, if necessary, with little notice.																										
326	4	c	Receipts of power from the members of the AEP System Power Pool, governed by the terms of the interconnection agreement dated July 6, 1951, as amended.																										
326	4	a	AEP Affiliate																										
326	8	a	AEP Affiliate																										
326	1	a	Detail of Misc MWH Adjustments <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;"><u>MWH</u></td> </tr> <tr> <td>Bookouts/Options</td> <td style="text-align: right;">59,814</td> </tr> <tr> <td>DOW Plaquemine</td> <td style="text-align: right;">-</td> </tr> <tr> <td>MLR Purchases</td> <td style="text-align: right;">(93)</td> </tr> <tr> <td>Pool to I&M</td> <td style="text-align: right;">(71,427)</td> </tr> <tr> <td>PJM Non-ECR</td> <td style="text-align: right;">(43,737)</td> </tr> <tr> <td>Unit Energy</td> <td style="text-align: right;">(5,675)</td> </tr> <tr> <td>French Paper</td> <td style="text-align: right;">(1,208)</td> </tr> <tr> <td>Spot Energy (PJM)</td> <td style="text-align: right;">352</td> </tr> <tr> <td>AEP System Power Pool Adjustment (net)</td> <td style="text-align: right;">186,496</td> </tr> <tr> <td>Interruptible By-Thru</td> <td style="text-align: right;"><u>15,745</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">140,267</td> </tr> </table>				<u>MWH</u>	Bookouts/Options	59,814	DOW Plaquemine	-	MLR Purchases	(93)	Pool to I&M	(71,427)	PJM Non-ECR	(43,737)	Unit Energy	(5,675)	French Paper	(1,208)	Spot Energy (PJM)	352	AEP System Power Pool Adjustment (net)	186,496	Interruptible By-Thru	<u>15,745</u>	Total	140,267
	<u>MWH</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 of Report December 31, 2008	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Including transactions referred to as "wheeling")				
<p>1. Report all transmission of electricity, i.e. wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in columns (a), (b), and (c).</p> <p>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.</p> <p>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).</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows:</p> <p>LF - for long-term transmission service. "Long-term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p>				
Line No.	Payment By (Company or Public Authority) [Footnote Affiliations] (a)	Energy Received From (Company or Public Authority) [Footnote Affiliations] (b)	Energy Delivered To (Company or Public Authority) [Footnote Affiliation] (c)	Statistical Classification (d)
1	PJM Network Integration Transmission Service	various	various	FNO
2	PJM Point to Point Transmission Service	various	various	OLF
3	PJM Transmission Owner Administration Revenues	various	various	OS
4	PJM Transmission Distribution/Metering Service	various	various	OS
5	PJM Expansion Cost Recovery	various	various	OS
6	RTO Formation Cost Recovery	various	various	OS
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17	Total			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued)						
(Including transactions referred to as "wheeling")						
<p>SF - for short-term transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year.</p> <p>OS - for other transmission service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm transmission service, regardless of the length of the contract. Describe the nature of the service in a footnote.</p> <p>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</p>				<p>in a footnote for each adjustment.</p> <p>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.</p> <p>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</p>		

MPSC Rate Schedule or Tariff Number (e)	Point or Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				Megawatthours Received (i)	Megawatthours Delivered (j)	
PJM OATT	various	various				1
PJM OATT	various	various				2
PJM OATT	various	various				3
PJM OATT	various	various				4
PJM OATT	various	various				5
PJM OATT	various	various				6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						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) December 31, 2008	Year of Report December 31, 2008	
TRANSMISSION OF ELECTRICITY FOR OTHER (Account 456) (Continued) (Including transactions referred to as "wheeling")				
<p>where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number or megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in columns (i) and (j) the total megawatthours received and delivered.</p> <p>9. In columns (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other</p> <p>charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero ("0") in column (n). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and the type of energy or service rendered.</p> <p>10. Provide total amounts in column (i) through (n) as the last line. Enter "TOTAL" in column (a) as the last line. The total amounts in columns (i) and (j) must be reported as Transmission Received and Delivered on page 401, lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	Other Charges (\$) (m)	Total Revenues (\$) (k + l + m) (n)	Line No.
9,472,585			9,472,585	1
3,248,034			3,248,034	2
		554,971	554,971	3
		526,394	526,394	4
		259,070	259,070	5
		58,548	58,548	6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
12,720,619		1,398,983	14,119,602	17

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
329	1	e	Effective October 1, 2004, the administration of the transmission tariff was turned over to PJM. PJM does not provide any detail except for the total revenue by the major classes listed.	

Name of Respondent Indiana Michigan Power 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, 2008
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SALES TO RAILROADS AND RAILWAYS AND INTERDEPARTMENTAL SALES (Accounts 446, 448)

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

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

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

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

Line No.	Name of Lessee or Department (a)	Description of Property (b)	Amount of Revenue for Year (c)
16	Acct 454 - Rents from Electric Property - Michigan		
17	Miscellaneous Lessees	Pole Contact Rental	1,031,993
18	American Electric Power Service Corporation	Benton Harbor Service Center	6,181
19	Miscellaneous Lessees	Agricultural, Commercial, & Residential	98,204
20			
21			
22	Total Acct 454		1,136,377
23			
24	Acct 455	None	
25			
26			
27			
28			
29			

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
SALES OF WATER AND WATER POWER (Account 453)					
1. Report below the information called for concerning revenues derived during the year from sales to others of water or water power. 2. In column (c) show the name of the power			development of the respondent supplying the water or water power sold. 3. Designate associated companies.		
Line No.	Name of Purchaser (a)	Purpose for Which Water Was Used (b)	Power Plant Development Supplying Water or Water Power (c)	Amount of Revenue for Year (e)	
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10	TOTAL				0

MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)			
1. Report particulars concerning miscellaneous service revenues and other electric revenues derived from electric utility operations during year. Report separately in this schedule the total revenues from operation of fish and wildlife and recreation facilities, regardless of whether such facilities are operated by		company or by contract concessionaires. Provide a subheading and total for each account. For Account 456, list first revenues realized through Research and Development ventures, see Account 456. 2. Designate associated companies. 3. Minor items may be grouped by classes.	
Line No.	Name of Company and Description of Service (a)	Amount of Revenue for Year (b)	
11	Acct 451 - Miscellaneous Service Revenues - Michigan	116,503	
12			Other
13			
14	Acct 456 - Other Electric Revenues - Michigan Associated Business Development	462,732	
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	TOTAL	579,235	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)

(Including transactions referred to as "wheeling")

- | | |
|--|--|
| <p>1. Report all transmission, i.e., wheeling, of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company; abbreviated if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in our affiliation with the transmission service provider.</p> <p>3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."</p> <p>4. Report in columns (b) and (c) the total megawatthours received and delivered by the provider of the transmission service.</p> <p>5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other</p> | <p>charges on bills or vouchers rendered to respondent, including any out or period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (g) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") in column (g). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line. Provide a total amount in columns (b) through (g) as the last line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, page 401. If the respondent received power from the wheeler, energy provided to account for losses should be reported on line 19, Transmission By Others Losses, on page 401. Otherwise, losses should be reported on line 27, Total Energy Losses, page 401.</p> <p>7. Footnote entries and provide explanations following all required data.</p> |
|--|--|

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Megawatthours Received (b)	Megawatthours Delivered (c)	Demand Charges (\$) (c)	Energy Charges (\$) (d)	Other Charges (\$) (e)	Total Cost of Transmission (\$) (f)
1	PJM					978,400	978,400
2							
3	AEP Trans Equal Agmt					(37,398,479)	(37,398,479)
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16	Total					(36,420,079)	(36,420,079)

Name of Respondent Indiana Michigan Power 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, 2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
332	3	a	<p>The Respondent, Appalachian Power Company, Columbus Southern Power Company, Kentucky Power Company, and Ohio Power Company are associated companies and are parties to the Transmission Agreement dated April 1, 1984, as amended. Pursuant to the terms of the Transmission Agreement, American Electric Power Service Corporation serves as agent and the parties pool their investments in high voltage transmission facilities (138kV and above) and share the cost of ownership in proportion to the respective member's load ratio. As such, there is no transfer of energy and some parties receive credits which are recorded in account 565.</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) 3/16/2009	Year of Report 12/31/2008
LEASE RENTALS CHARGED			
<p>1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor conveys an intangible right or land or other tangible property and equipment to another lessee) for a specified period of one year or more for rent.</p> <p>2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000, the data called for in columns a, b (description only), f, g, and j.</p> <p>3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.</p> <p>4. The annual charges referred to in instruction 1 and 2 include the basic lease payment and other payments to or in behalf of the lessor such as taxes, depreciation, assumed interest or dividends</p>		<p>on the lesser Securities, cost of property replacements ** and other expenditures with respect to leased property except the expenses paid by lessee are to be itemized in column f below.</p> <p>5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replaced under terms of the lease or for pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property.</p> <p>6. In column a report the name of the</p>	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Bankers Leasing Corp. (BLC)	Office Furniture and Equipment and Transportation Equipment (2)		
Citicorp Leasing Inc. (CLI)	IT equip, Telecom equip, and other		

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/16/2009	Year of Report 12/31/2008
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LEASE RENTALS CHARGED (Continued)

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

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 leasee 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					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		8,237				500	
		8,762				506	
		675,769				524	
		112				560	
		4,524				566	
		1,450				580	
		180,994				588	
		826,272				931	
		264				935	
		49,816				506	
		696,021				524	
		3,647				566	
		2,640				571	
		10,106				580	
		151,032				588	
		4,179				930	
		606,170				931	
		2,319				935	

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/16/2009	Year of Report 12/31/2008
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
City of Fort Wayne, Indiana	Utility System (Ls# 2566), including transmission and distribution facilities with lines and transformers meters, and various other items. (4) 1. This is not a sale and leaseback 2. Lessee does not have the option to purchase 3. Lease may be cancelled only if lessee is in default 4. Respondent is responsible for all operation and maintenance expenses.	09/13/09 (P)	
Blue Jay Associates	Fort Wayne General Service Center BLDG225 (1) LPM1853 Date of Lease: 5-1-71 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation and maintenance expenses.	04/30/11 (P)	
SS Properties Associates	Muncie Service Building BLDG218 LPM1863 (1) Date of Lease: 5-26-72 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation and maintenance expenses.	12/31/2012	

Name of Respondent INDIANA MICHIGAN POWER COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 3/16/2009		Year of Report 12/31/2008	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense to be Paid By Lessee Itemize (e)	Amount of Rent - Current Term				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
27,545,999	All expenses necessary to operate, maintain, preserve and keep the leased property in good working order. Also responsible for taxes and insurance.	1,740,000	N/A N/A N/A	9,305,522 3,280,726 31,773,774 10,045,834	N/A N/A N/A	550 567 589 931	1,231,853
3,678,395	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	86,352	N/A	690,816	N/A	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) 3/16/2009	Year of Report 12/31/2008
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Slater Associates	South Bend Service Building BLDG235 Ls# 558 (1) LPM2389 Date of Lease: 10-1-79 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation and maintenance expenses.	12/31/09 (P)	
Aetna Life Insurance Co. and One Summit Associates	Fort Wayne General Office Building- One Summit Square (1) Date of Lease: 10-25-78 BLDG227 Ls# 2059 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease is noncancellable 4. Respondent is responsible for all operation and maintenance expenses.	10/23/13	
Gateway Center, LLC	Muncie Office Building BLDG212 Ls# 614, LPM2429 Date of Lease: 12/01/89 1. This is not a sale and leaseback 2. Lease does not have an option to purchase 3. Lease may be cancelled under certain conditions 4. Respondent is responsible for all operation and maintenance expenses. 5. Lease was terminated early by Respondent (6/2008), thus a zero remaining balance.	11/30/09 (P)	
West Ohio II, LLC	State President Office - Indiana, LPM2448 Date of Lease: 1/17/2000 1. This is not a sale and leaseback 2. Lease does not have an option to purchase 3. Lease may be cancelled under certain conditions	2/28/2011	
U.S. Bank Trust N.A.	Rockport Generating Plant Unit 2 Date of Lease: 12/7/89 1. This is a sale and leaseback 2. No purchase option 3. Lease may be cancelled under certain conditions 4. Respondent is responsible for all operation and maintenance expenses.	12/07/22 (P)	

Name of Respondent		This Report Is: (1) [X] An Original (2) [] A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report	
INDIANA MICHIGAN POWER COMPANY				3/16/2009		12/31/2008	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense to be Paid By Lessee Itemize (e)	Amount of Rent - Current Term				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
5,347,600	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	698,760	N/A	1,183,277 1,808,390 2,517,082 111,802 698,760 4,891,320		567 588 589 921 184 931	698,760
44,668,660	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	5,042,487	N/A	-22 1,801,102 4,829,851 4,561,517 2,450,128 6,325,888 52,518,387 5,479,250		506 566 567 588 589 921 931 184	25,212,435
4,896,000	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	159,692	N/A	3,333,928 1,008,647 282,274		931 921 184	0
	Maintenance, alterations, replacements, additions and insurance	74,163	N/A	39,368		931	
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	0	1,406,581,642	26,654,952	507	1,033,955,836

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) 3/16/2009	Year of Report 12/31/2008
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Blue Jay Associates	D.C. Cook Nuclear Plant Visitor's Center BLDG248, LPM1862 Date of Lease: 5-1-71 1. This is not a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation and maintenance expenses.	04/30/11 (P)	
Benton Associates	Benton Harbor Service Building BLDG237 LPM1864 (1) Date of Lease: 7-15-72 (formerly St Joe Serv Ctr) 1. This is a sale and leaseback 2. Lessee has option to purchase under varying conditions depending on the status of the premises 3. Lease may be cancelled by either party in event of change of status of the premises 4. Respondent is responsible for all operation and maintenance expenses.	12/31/2012	
Capital Center Associates, LLC	State President Office - Michigan, LPM9010 Date of Lease: 9/1/2000 1. This is not a sale and leaseback 2. Lease does not have an option to purchase 3. Lease may be cancelled under certain conditions	08/31/08 (R)	
Green, B.G. & Teresa	New Buffalo Service Center BLDG247 Ls# 2058	10/01/08	
American Tower, LP	Milan Telecom Site	06/30/12	
Global Tower, LLC	Butler Telecom	6/30/11	
Carter Lumber Co.	Carter Lumber Facility, LPM10230	6/30/08	
<p>NOTES:</p> <p>(1) Apportionment based on percentage of floor space occupied.</p> <p>(2) Apportionment based on percentage of equipment usage.</p> <p>(3) Charged directly to operating expense of barging operation.</p> <p>(4) Apportionment based on percentage of City of Fort Wayne's investment in Electric Plant in Service at time of lease.</p> <p>(5) Charged to operating expense based on amount of nuclear fuel consumed and carrying costs incurred during period.</p> <p>Tax treatment: Treated as lease, rental payments are deducted for federal income tax purposes.</p> <p>Accounting treatment: Leasing rentals distributed to benefiting accounts as incurred based on accrual method.</p>			

Name of Respondent INDIANA MICHIGAN POWER COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 3/16/2009		Year of Report 12/31/2008	
A. LEASE RENTAL CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense to be Paid By Lessee Itemize (e)	Amount of Rent - Current Term				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year					
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		83,919	N/A			931	
		79,600	N/A			931	
		28,670	N/A			931	
		53,119	N/A			931	
		31,582				935	
		30,177				935	
		16,000				931	
	Total Section A	85,284,574					

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) 3/16/2009	Year of Report 12/31/2008
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.)			
Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Rental (R) (c)	
Bankers Leasing Corp. (BLC)	Office Furniture and Equipment and Transportation Equipment (2)		
Citicorp Leasing Inc. (CLI)	IT equip, Telecom equip, and other		
BTMU Capital	Railcar Lease formally with AEP Transportation Wilmington Trust as Security Trustee (Lease 4084)	6/30/2023	
Wilmington Trust Co.	Railcars Trust 2004-A (Lease 3616)	12/15/24	
U.S. Bank Trust N.A.	Railcars Trust 94-1 (Lease 3708) Railcars Trust 91-2 (Lease 3702) Railcars Trust 90-1 (Lease 00732) Railcars Trust 91-4 (Lease 00734) Railcars Trust 91-4 (Lease 00734) Railcars Trust 91-3 (Lease 00735) Railcars Trust 91-5 (Lease 00736)	12/30/14 09/30/11 12/31/10 09/30/11 09/30/11 12/30/11	
The Andersons (formerly Citibank Railmark, Inc)	Railcars Group A & B (Lease 3712)	12/31/09	
Citicorp North America, Inc	Cook Plant Warehouse, LPM9326, Ls# 3171 Date of Lease: 3/15/02	03/14/12	
Pitney Bowes	Water Transportation Equipment	10/01/09	
Wilmington Trust	Water Transportation Equipment	04/01/15	
State Street Bank	Water Transportation Equipment	07/01/13	
CIT Group/Equipment Financing, Inc. Farragut Barge Chase Equip Leasing	Water Transportation Equipment (3) Date of Lease: 03/01/88, 02/01/89, 10/01/90, & 04/01/93 1. This is not a sale and leaseback. 2. Lessee has an option to purchase any or all of the vessels at the end of the original charter period or any extension thereof at a purchase price equal to the fair market value of the vessels at such date. 3. Lessee has option to terminate this lease subject to certain conditions. 4. Respondent is responsible for all operation and maintenance expenses.	01/01/10 (P) 04/01/09 (P) 12/31/09	
BLC Corporation	Water Transportation Equipment/Vehicles		
RBS Asset Refinance	Water Transportation Equipment	12/30/22	
RBS Asset Refinance	Water Transportation Equipment	1/24/2021	
Rashid Brothers Enterprises	Water Transportation Equipment	07/31/18	
FM, LLC	Water Transportation Equipment	04/30/09	
RBS Asset Refinance	Water Transportation Equipment	08/31/20	
State Street Bank	Water Transportation Equipment	10/1/2009	
Chase Equipment Leasing	Water Transportation Equipment	1/29/2028	
RBS Asset Refinance	Water Transportation Equipment	6/23/2029	

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) 3/16/2009		12/31/2008	
B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, etc.) (Continued)							
Original Cost (O) or Fair Market Value (D) of Property (d)	Expense to be Paid By Lessee Itemize (e)	Amount of Rent - Current Term				Account Charged (j)	Remaining Annual Charges Under Lease Est. If Not Known (k)
		Current Year		Lessor (h)	Other (i)		
		Lessor (f)	Other (g)				
		142,166				107	
		613,904				152	
		4,149,310				184	
		254,599				107	
		148,464				152	
		1,379,228				184	
16,747,676		1,353,859				186	
		8,166				242	
12,271,945		1,917,900		5,923,717		186	
8,220,826		1,124,361				186	
12,047,760		2,284,451				186	
1,178,899		119,604				186	
2,771,300		69,496				186	
		86				242	
3,254,280		596,941				186	
13,871,080		2,022,307				186	
2,910,250		295,380				186	
	Real Estate taxes, assessments, maintenance, alterations, replacements and additions, insurance, and utilities.	266,672	N/A	1,946,787		163	2,374,517
36,397,500		3,624,384		33,189,749		417	
19,030,575		1,495,524		14,542,092		417	
12,656,244		416,100		5,427,668		417	
9,035,000	Taxes except federal &	445,056		46,857,726		417	
7,203,900	state income, assessments	387,708					
6,547,335	operation and maintenance expenses, altering, replacements and additions, insurance, etc.	362,220					
		1,014,913					
		2,215,116					
		845,694					
		14,106					
		41,975					
		2,130,540					
		339,416					
		575,454					
		412,200					
	Total Section B	31,067,301					

Name of Respondent Indiana Michigan Power 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, 2008
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	2,607,165		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses	50,848		
4	Publishing & Distributing Information & Reports to Stockholders; Trustee, Registrar, & Transfer Agent Fees & Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	28,790		
5	Other Expenses (List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,000 by classes if the number of items so grouped is shown)			
6	American Electric Power Service Corp billings	437,983		
7	Intercompany billings	(196,517)		
8	Nuclear plant insurance expense	933,497		
9	Nuclear plant replacement energy insurance refund	(3,495,130)		
10	Associated Business Development expenses	1,460,714		
11	Money Pool net income/loss allocations	47,062		
12	Cafeteria subsidy expenses	24,716		
13	Miscellaneous legal & financing expenses	126,218		
14	Aramco, Inc. - Pandemic Preparedness Program	(10,180)		
15	Corporate Contributions & Sponsorships	16,860		
16	Bank reconciliation & Cash Adjustments	(42,861)		
17	Miscellaneous items < \$5,000	13,164		
18				
19				
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46	TOTAL	2,002,329		

Name of Respondent Indiana Michigan Power 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, 2008
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405) (Except amortization of acquisition adjustments)					
<p>1. Report in section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404, 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant account included in any subaccounts used.</p>			<p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing a composite total. Indicate at the bottom of Section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.</p> <p>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.</p> <p>If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section C the amounts and nature of the provisions and the plant items to which related.</p>		

A. SUMMARY OF DEPRECIATION AND AMORTIZATION CHARGES					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Account 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant		22,901,866		22,901,866
2	Steam Production Plant	22,068,576	2,347,362		24,415,938
3	Nuclear Prod Plant-Depreciation	23,155,727			23,155,727
	Nuclear Prod Plant-Decommissioning	(34,973,118)			(34,973,118)
4	Hydraulic Prod Plant-Conventional	1,097,426			1,097,426
5	Hydraulic Prod Plant-Pumped Storage				
6	Other Production Plant				
7	Transmission Plant	15,550,510			15,550,510
8	Distribution Plant	30,236,396			30,236,396
9	General Plant	1,824,002	843,081		2,667,083
10	Common Plant-Electric				
11	TOTAL	58,959,519	26,092,309	0	85,051,828

B. BASIS FOR AMORTIZATION CHARGES	
<p>Section A, Line 1, Column (c) represents amortization of franchises over the life of the franchise totaling \$610,045 and amortization of capitalized software development costs over a 5-year life totaling \$22,291,821.</p> <p>Section A, Line 2, Column (c) represents amortization of Rockport Unit 2 Leasehold Improvements over the life of the Rockport Unit 2 Lease.</p> <p>Section A, Line 9, Column (c) represents amortization of leasehold improvements over the lives of the related assets.</p>	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) [X] An Original (2) [] A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation and Decommissioning Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
1	STEAM						
2	311	142,506			1.74		
3	312	786,876			2.15		
4	314	156,120			1.94		
5	315	80,994			1.83		
6	316	27,690			2.66		
7	Subtotal Steam	1,194,186					
8							
9	NUCLEAR						
10	321	313,221			1.36		
11	322	1,073,080			1.63		
12	323	322,829			1.35		
13	324	155,158			1.37		
14	325	140,902			1.84		
15	Subtotal Nuclear	2,005,190					
16							
17	HYDRO						
18	331	3,118			2.27		
19	332	18,372			2.32		
20	333	16,065			2.79		
21	334	5,229			2.79		
22	335	1,507			2.71		
23	336	1			1.79		
24	Subtotal Hydro	44,292					
25							
26	TRANSMISSION						
27	350	50,550	65.00		1.14	R5.0	
28	352	19,949	75.00		1.14	R4.0	
29	353	509,899	46.00	24.00	1.45	R1.0	
30	354	221,141	55.00	-15.00	1.42	R5.0	
31	355	80,811	52.00	-25.00	2.17	L1.0	
32	356	210,308	60.00	5.00	1.21	R4.0	
33	357	1,547	50.00		1.41	R4.0	
34	358	4,853	57.00		1.32	R3.0	
35	359	350	65.00		1.50	R5.0	
36	Subtotal Transmission	1,099,408					
37							
38	DISTRIBUTION						
39	360	9,882	65.00		1.39	R5.0	
40	361	6,005	70.00		1.24	R2.0	
41	362	141,396	48.00	10.00	1.64	R1.0	
42	364	188,712	38.00	-60.00	3.67	R0.5	
43	365	231,867	35.00	25.00	1.73	R2.5	
44	366	54,881	55.00		1.61	R3.0	
45	367	158,306	38.00		2.29	L2.0	
46	368	234,758	30.00	5.00	2.49	R2.0	
47	369	129,808	40.00	-14.00	2.46	S0.0	

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, 2008

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation and Decommissioning Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
1	370	69,165	29.00	-20.00	3.58	L0.0	
2	371	15,925	14.00	-20.00	7.08	L0.0	
3	373	17,839	20.00		2.23	S6.0	
4	Subtotal Distribution	1,258,544					
5							
6	GENERAL PLANT						
7	390	33,425	40.00	25.00	1.71	S0.5	
8	391	5,309	22.00	15.00	3.35	R1.5	
9	393	28	14.00		5.58	L0.5	
10	394	6,928	16.00	5.00	5.30	R0.5	
11	395	620	20.00		3.13	R1.5	
12	396	456	25.00		3.91	R1.0	
13	397	20,791	27.00	30.00	2.26	R1.5	
14	398	5,391	30.00	15.00	2.49	R3.0	
15	Subtotal General Plant	72,948					
16							
17	TOTAL DEPRECIABLE	5,674,568					
18							
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Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
FOOTNOTE DATA					
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)		
337	1	c	Estimated service lives and to some extent net salvage values, are determined by a number of factors including not only the physical characteristics of the property (which themselves vary from time to time) but management's judgment as reflected in the choice of equipment (as between alternatives) and the establishment and implementation of maintenance policies and operation practices.		
337.1	17	b	The depreciable plant base is the November 30, 2008 total company depreciable plant.		

Name of Respondent INDIANA MICHIGAN POWER COMPANY - MICHIGAN	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2008
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTERST CHARGES ACCOUNTS			
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p>		<p>Activities; and 426.5. Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be <u>grouped by classes within the above accounts</u></p> <p>(c) <i>Interest on Debt to Associated Companies</i> (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>	
Line No.	Item (a)	Amount (b)	
1	425 MISCELLANEOUS AMORTIZATION		
2	TOTAL 425		
3			
4	426 OTHER INCOME DEDUCTIONS		
5			
6	426.1 DONATIONS		
7	AEP Foundation	6,541,198	
8	Community Chest	1,232,505	
9	Service Organizations	558,629	
10	AEP Service Corp Contributions	392,203	
11	Schools, Colleges, and Universities	218,436	
12	Other minor items	(146,130)	
13			
14	Subtotal 426.1	8,796,840	
15			
16	426.3 PENALTIES		
17	State of Indiana Tax Penalties	54,172	
18	State of Kentucky Tax Penalties	25,329	
19	State of Illinois Tax Penalties	1,871	
20	NSR Settlement Penalty	(203,807)	
21	Other minor items	5,175	
22			
23	Subtotal 426.3	(117,260)	
24			
25	426.4 EXPENDITURES FOR CERTAIN CIVIC, POLITICAL, AND RELATED ACTIVITY		
26	AEP Service Corp Expenses	701,786	
27	Labor Overheads	88,484	
28	Edison Electric Institute Dues	55,028	
29	Business & Meeting Expenses	82,311	
30	Legislative & Lobbying Services	42,000	
31	Nuclear Energy Institute	10,835	
32	Environmental Contribution	670,305	
33	Other minor items	(30,015)	
34	Subtotal 426.4	1,620,735	
35			
36	426.5 OTHER DEDUCTIONS		
37	Factored Customer Accounts Receivable Expense	7,213,385	
38	Allowance Losses	48,650	
39	Blackhawk Coal Shutdown Costs	562,594	
40	FAS 106-2 Medicare Subsidy	(410,948)	
41	AEP Service Corp Expenses	415,501	
42	Environmental Remediation Expense	4,310,200	
43	Other minor items	112,568	
44	Subtotal 426.5	12,251,951	
45			
46	TOTAL 426	22,552,266	

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, 2008
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTERST CHARGES ACCOUNTS				
<p>Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.</p> <p>(a) <i>Miscellaneous Amortization</i> (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.</p> <p>(b) <i>Miscellaneous Income Deductions</i> - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related</p> <p>Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be <u>grouped by classes within the above accounts</u></p> <p>(c) <i>Interest on Debt to Associated Companies</i> (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.</p> <p>(d) <i>Other Interest Expense</i> (Account 431) - Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.</p>				
Line No.	Item (a)	Amount (b)		
1	430 INTEREST ON DEBT TO ASSOCIATED COMPANIES			
2	Moneypool interest to AEP Utility Funding LLC	23,287,521		
3				
4	TOTAL 430	23,287,521		
5				
6	431 OTHER INTEREST EXPENSE			
7	Interest related to FIN-48 tax adjustments	(6,670,853)		
8	Interest on Customer Deposits	1,477,084		
9	Prior Years tax return settlement payments	220,213		
10	Lines of Credit	602,806		
11	Fuel Recovery	1,114,309		
12	Margin Interest			
13	IPP Projects	155,540		
14	Michigan Single Business Tax	91,202		
15	Company-Owned Life Insurance (COLI) Insurance			
16	Other minor items	(9,640)		
17				
18				
19	TOTAL 431	(3,019,338)		
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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, 2008
EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES (Account 426.4)			
<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 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	122,417	
2			
3	Muchmore, Harrington, Smalley & Associates - Legislative Services	42,000	
4			
5	Misc items under 5% of total (4 items)	6,745	
6			
7			
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16	Total Acct 426.4	171,162	
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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, 2008
EXTRAORDINARY ITEMS (Accounts 434 and 435)				
1. Give below a brief description of each item included in Accounts 434, Extraordinary Income and 435, Extraordinary Deductions.		on income. (See General Instruction 7 of the Uniform System of Accounts).		
2. List date of Commission approval for extraordinary treatment of any item which amounts to less than 5%		3. Income tax effects relating to each extraordinary item should be listed in Column (c).		
		4. For additional space use an additional page.		
Line No.	Description of Items (a)	Gross Amount (b)	Related Income Taxes (c)	
1	Extraordinary Income (Account 434):			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
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17				
18				
19	Total Extraordinary Income	0	0	
20	Extraordinary Deductions (Account 435):			
21				
22				
23				
24				
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26				
27				
28				
29				
30				
31				
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34				
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36				
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38				
39	Total Extraordinary Deductions	0	0	
40	Net Extraordinary Items	0	0	

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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, 2008	
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or			cases in which such a body was a party. 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous.		
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	Hydro License Fee	32,782		32,782	
3					
4	Nuclear Regulatory Commission				
5	Inspection Fee	1,128,462	0	1,128,462	
6	Annual Fee	8,408,001	1,167,805	9,575,806	
7	Licensing Fees	393,035		393,035	
8	Operator Exam Fees	88,663		88,663	
9					
10	Indiana Rate Case		1,268,554	1,268,554	
11					
12	Miscellaneous Expenses <\$25,000		25,727	25,727	
13					
14					
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16					
17					
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47	TOTAL	10,050,943	2,462,086	12,513,029	0
48					
49					

Name of Respondent Indiana Michigan Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
REGULATORY COMMISSION EXPENSES (Continued)								
years 3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.				4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts. 5. Minor items (less than \$25,000) may be grouped.				
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR				Line No.
CHARGED CURRENTLY TO			Deferred (i)	Contra Account (j)	Amount (k)	Deferred at End of Year (l)		
Department (f)	Account No. (g)	Amount (h)						
	928	32,782					1	
							2	
							3	
							4	
	928	1,128,462					5	
	928	9,575,806					6	
	928	393,035					7	
	928	88,663					8	
							9	
	928	1,268,554					10	
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	928	25,727					12	
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		12,513,029					49	

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2008
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES			
<p>1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.)</p> <p>2. Indicate in column (a) the applicable classification, as shown below. Classifications:</p> <p>A. Electric R, D & D Performed Internally</p> <p>(1) Generation</p> <p>a. Hydroelectric</p> <p>i. Recreation, fish, and wildlife</p> <p>ii. Other hydroelectric</p> <p>b. Fossil-fuel steam</p> <p>c. Internal combustion or gas turbine</p> <p>d. Nuclear</p> <p>e. Unconventional generation</p> <p>f. Siting and heat rejection</p> <p>(2) System Planning, Engineering and Operation</p> <p>(3) Transmission</p> <p>a. Overhead</p> <p>b. Underground</p> <p>(4) Distribution</p> <p>(5) Environment (other than equipment)</p> <p>(6) Other (Classify and include items in excess of \$5,000.)</p> <p>(7) Total Cost Incurred</p> <p>B. Electric R, D & D Performed Externally</p> <p>(1) Research Support to the Electrical Research Council or Electric Power Research Institute</p>			
Line No.	Classification (a)	Description (b)	
1	A(1)b: Generation: Fossil-Fuel Steam	Advanced Generation Program Mgmt	
2		Nuclear Advanced Generation Program Mgmt	
3		Coal Utilization Research Council	
4		Renewables Program Management	
5		1 item < \$5,000	
6	A(1)e: Generation: Unconventional	Distributed Energy Resources Program	
7		RRFCS 1MW SOFC Test & Evaluation	
8		1 item < \$5,000	
9	A(2): Transmission	Devel Trans Plan & Ops Tools-Phasor	
10		High Temp Superconducting Cabling	
11		Transmission R&D Program Mgmt	
12		3 items < \$5,000	
13	A(2)a: Transmission: Overhead	2 items < \$5,000	
14	A(3): Distribution	Pilot Install - GE Process Bus.	
15		1 item < \$5,000	
16	A(4): Regional Transm. & Market Operation	1 item < \$5,000	
17	A(5): Environment (other than equipment)	Environ Science & Controls Prog Mgmt	
18		EOR Feasibility Study	
19		General Mercury Science & Technology	
20		Oxy-Coal Feasibility Study	
21		5 items < \$5,000	
22	A(6): Other	AMI Test Bed Development	
23		Corporate Technology Prog Mgmt	
24		Corporate Technology Prog Mgmt	
25		Corporate Technology Prog Mgmt	
26		Corporate Technology Prog Mgmt	
27		DTC Walnut Test Site Maintenance	
28		DTC Walnut Test Site Maintenance	
29		Grid of the Future Test Bed	
30		Line Equipment Investigation Tools	
31		Rampressor Feasibility Study	
32		1 item < \$5,000	
33		1 item < \$5,000	
34		4 items < \$5,000	
35		1 item < \$5,000	
36	A(7) TOTAL COSTS INCURRED INTERNALLY		
37			
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Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008		
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 (<i>Classify</i>) (5) Total Cost Incurred 3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(6) and B.(4)) classify items by type of R, D & D activity. 4. Show in column (e) the account number charged		with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, <i>Construction Work in Progress</i> , first. Show in column (f) the amounts related to the account charged in column (e). 5. Show in column (g) the total amortized accumulation of costs of projects. This total must equal the balance in Account 188, <i>Research, Development, and Demonstration Expenditures, Outstanding</i> at the end of the year. 6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est." 7. Report separately research and related testing facilities operated by the respondent.			
Costs Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
7,622		506	7,622		1
12,354		524	12,354		2
32,697		506	32,697		3
8,156		506	8,156		4
55		506	55		5
68,122		588	68,122		6
19,425		588	19,425		7
27		506	27		8
14,665		566	14,665		9
6,405		566	6,405		10
9,372		566	9,372		11
2,464		566	2,464		12
1,087		566	1,087		13
14,134		566	14,134		14
1,284		588	1,284		15
428		588	428		16
19,899		506	19,899		17
8,129		506	8,129		18
13,446		506	13,446		19
89,518		506	89,518		20
24		506	24		21
30,111		588	30,111		22
9,609		566	9,609		23
8,354		506	8,354		24
13,278		588	13,278		25
14,846		524	14,846		26
5,147		566	5,147		27
7,122		588	7,122		28
60,153		588	60,153		29
21,085		588	21,085		30
73,703		566	73,703		31
965		506	965		32
1,850		588	1,850		33
4,533		524	4,533		34
2,196		588	2,196		35
582,265			582,265		36
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Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES				
Line No.	Classification (a)	Description (b)		
1	B(1) Research Support to Elec. Research Council & Elec. Power Research Inst.	EPRI Annual Research Portfolio		
2		EPRI Annual Research Portfolio		
3		EPRI Annual Research Portfolio		
4		EPRI Nuclear Annual Research Portfolio		
5		Creep Strength - G91 Ferritic Steel		
6		EPRI Demo Energy Efficiency		
7		EPRI Demo - IGCC with CO2 Capture and Storage		
8		EPRI Demo - Ion Transport Membrane Oxygen		
9		EPRI Demo - Post Combustion CO2 Capture and Storage		
10		EPRI Demo - Smart Grid		
11		EPRI Environmental Controls		
12		EPRI Environmental Science		
13		FGD Landfill Leachate Phytoremediation		
14		Green Circuits		
15		HG - SE FGS Blowdown Water Treatment		
16		MIT Carbon Sequestration Init		
17		O&M Excellence (OMX) Plant View		
18		Retrofit - Closed Cycle Cooling System		
19		8 items <\$5,000		
20		18 items < \$5,000		
21	B(4) Research Support to Others	Ash Pond SCR Ammonia Mitigation		
22		BPL Use for Data Transportation		
23		CEA Life Cycle Management Stat Equipment		
24		CEA Membership and Projects		
25		FutureGen		
26		NEETRAC Membership		
27		Pserc		
28		1 item < \$5,000		
29		1 item < \$5,000		
30		1 item < \$5,000		
31	B(5) TOTAL COSTS INCURRED EXTERNALLY			
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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, 2008		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
Costs Incurred Internally Current Year (c)	Cost Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	94,031	506	94,031		1
	68,236	566	68,236		2
	126,600	588	126,600		3
	1,241,413	524	1,241,413		4
	8,374	506	8,374		5
	13,431	588	13,431		6
	167,576	506	167,576		7
	55,859	506	55,859		8
	139,647	506	139,647		9
	15,829	588	15,829		10
	170,719	506	170,719		11
	475,842	506	475,842		12
	24,867	506	24,867		13
	11,168	588	11,168		14
	8,097	506	8,097		15
	5,638	506	5,638		16
	6,762	506	6,762		17
	6,014	506	6,014		18
	12,284	566	12,284		19
	23,665	506	23,665		20
	12,941	506	12,941		21
	13,506	566	13,506		22
	5,814	566	5,814		23
	7,504	588	7,504		24
	26,750	506	26,750		25
	5,710	588	5,710		26
	6,630	566	6,630		27
	78	566	78		28
	245	506	245		29
	145	524	145		30
	2,755,375		2,755,375		31
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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, 2008	
DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	ELECTRIC			
2	Operation			
3	Production	77,114,316		
4	Transmission	1,718,700		
5	Distribution	8,524,974		
6	Customer Accounts	5,125,654		
7	Customer Service and Informational	1,568,912		
8	Sales			
9	Administrative and General	3,055,829		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	97,108,385		
11	Maintenance			
12	Production	51,075,719		
13	Transmission	3,240,629		
14	Regional Market	0		
15	Distribution	12,840,723		
16	Administrative and General	1,449,174		
17	TOTAL Maint. (Total of lines 12 thru 15)	68,606,245		
18	Total Operation and Maintenance			
19	Production (Enter Total of lines 3 and 12)	128,190,035		
20	Transmission (Enter Total of lines 4 and 13)	4,959,329		
21	Regional (Enter Total of lines 14)	0		
22	Distribution (Enter Total of lines 5 and 15)	21,365,697		
23	Customer Accounts (Transcribe from line 6)	5,125,654		
24	Customer Svc. And Informational (Transcribe from line 7)	1,568,912		
25	Sales (Transcribe from line 8)			
26	Administrative and General (Enter Total of lines 9 & 16)	4,505,003		
27	TOTAL Oper. And Maint. (Total of lines 18 thru 24)	165,714,630	8,418,172	174,132,802
28	GAS			
29	Operation			
30	Production-Manufactured Gas			
31	Production-Nat. Gas (Including Expl. And Dev.)			
32	Other Gas Supply			
33	Storage, LNG Terminaling and Processing			
34	Transmission			
35	Distribution			
36	Customer Accounts			
37	Customer Service and Informational			
38	Sales			
39	Administrative and General			
40	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maint. (Enter Total of lines 40 thru 46)			

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	GAS (Continued)			
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Total of lines 28 and 40)			
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)			
55	Customer Accounts (Line 34)			
56	Customer Service and Informational (Line 35)			
57	Sales (Line 36)			
58	Administrative and General (Lines 37 and 46)			
59	TOTAL Operation & Maint. (total of lines 49 thru 58)			
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	165,714,630	8,418,172	174,132,802
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	27,108,123	1,377,071	28,485,194
66	Gas Plant			
67	Other			
68	TOTAL Construction (Total of lines 65 thru 67)	27,108,123	1,377,071	28,485,194
69	Plant Removal (By Utility Departments)			
70	Electric Plant	5,422,834	275,476	5,698,310
71	Gas Plant			
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	5,422,834	275,476	5,698,310
74	Other Accounts (Specify):			
75	120 - Nuclear Fuel	233,898		233,898
76	152- Fuel Stock Undistributed	5,586,448		5,586,448
77	163 - Stores Expense Undistributed	7,478,548	(7,478,548)	0
78	184 - Clearing Accounts	2,592,171	(2,592,171)	0
79	185 - ODD Temporary Facilities	96,714		96,714
80	186 - Misc Deferred Debits	407,007		407,007
81	188 - Research & Development	(1,131)		(1,131)
82	417 - Operating Expense - RTD	18,982,657		18,982,657
83	426 - Donations/Political Activities	76,963		76,963
84	451 - Misc Svc Revenue	71		71
85				
86				
87				
88	TOTAL Other Accounts	35,453,346	(10,070,719)	25,382,627
89	TOTAL SALARIES AND WAGES	233,698,933		233,698,933

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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, 2008
COMMON UTILITY PLANT AND EXPENSES			
<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated</p>		<p>provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>	

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account

426.4, Expenditures for Certain Civic, Political and Related Activities.)

(a) Name and address of person or organization rendering services,

(b) description of services received during year and project or case to which services relate,

(c) basis of charges,

(d) total charges for the year, detailing utility department and account charged.

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	ACCOUNT	AMOUNT
Electric		
Construction Work in Progress	107	29,564,430
Retirement Work in Progress	108	613,409
Nonutility Property	121	169,969
Fuel Stock	151	245
Fuel Stock Undistributed	152	2,260,925
Clearing Accounts	163	1,920,761
Regulatory Assets	182	21
Prelim Survey & Investig. Chgs.	183	64,998
Clearing Accounts	184	111,728
Misc Deferred Debits	186	266,710
Deferred Debits-R&D	188	3,246,523
Income Taxes	409	752,776
Non-Utility Operations Revenue	417	1,406,737
Misc Non-Operating Revenues	421	(20,047)
Other Income Deductions	426	2,180,208
Adj to Retained Earnings	439	1,398,013
Other Electric Revenues	456	(449)
Electric	Account 401	
Operating Expense	500	6,036,640
	501	105,855
	502	30,398
	505	13,565
	506	1,203,531
	517	630,330
	520	844
	524	1,368,467
	535	381,986
	537	1,090
	539	266,506
	546	14,390
	549	1,054
	555	118,500
	556	1,720,206
	557	7,436,952
	560	1,535,381
	561	1,428,451
	562	66,873

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Electric	Account 401	Operating Expense (contd.)	563	5,722
			566	935,277
			580	1,933,400
			581	19,015
			582	38,023
			584	31,343
			586	666,216
			587	737
			588	1,970,703
			589	110
			901	541,231
			902	226,241
			903	12,990,012
			905	6,644
			907	481,620
			908	91,143
			910	179
			920	17,260,237
			921	2,731,371
			922	2,418
			923	27,344,708
			924	48,164
			925	30,289
			926	59,483
			928	1,102,497
			930	820,111
			931	4,925
Electric	Account 401	Total Operating Expense		91,697,913
Electric	Account 402	Maintenance Expense	510	1,633,098
			511	50,354
			512	1,686,143
			513	1,561,941
			514	100,634
			528	461,039
			530	493,267
			531	273,051
			532	36,865
			541	202
			542	87,392
			543	48,203
			544	96,565
			545	947
			554	105
			568	98,249
			569	714,237
			570	190,771
			571	284,981
			573	7,804
			590	29,027
			591	18
			592	201,567
			593	56,718
			594	1,408
			595	5,078
			596	2
			597	1,547
			598	53
			935	39,973
Electric	Account 402	Total Maintenance Expense		8,161,239
		Total O&M		99,859,152
		Total AEP Service Corp charges		143,796,109

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ABB INC 650 ACKERMAN RD COLUMBUS, OH 43202	electronic equipment	Invoice Cost	107	719,335
			512	33,161
			524	9,134
			530	44,865
			570	9,033
				815,528
ABSG CONSULTING INC 16855 NORTHCHASE DR HOUSTON, TX 77060	consulting services	Invoice Cost	107	78,400
			524	11,000
				89,400
ACUREN INSPECTION 502 W CRESCENTVILLE RD CINCINNATI, OH 45246	equipment inspection services	Invoice Cost	107	4,845
			512	54,431
			513	1,005
				60,281
ADMINISTRATIVE CONTROLS MGMT 525 AVIS DRIVE ANN ARBOR, MI 48108	nuclear plant project consulting	Invoice Cost	107	414,000
ADMMICRO INC 2797 FRONTAGE RD NW ROANOKE, VA 24017	energy mgmt system installation	Invoice Cost	107	109,369
ADVANCE BUILDING SERVICES P O BOX 61 HEBRON, KY 41048	janitorial services	Invoice Cost	514	56,724
ADVANCE THERMAL CORPORATION 544 NORTH YORK AVE BENSENVILLE, IL 60106	pad fabrication & measurement services	Invoice Cost	530	104,161
ADVANCED MEASUREMENT TECHNOLOG 801 SOUTH ILLINOIS AVENUE OAK RIDGE, TN 37831	nuclear plant support services	Invoice Cost	107	49,740
			524	14,700
				64,440
ADVANTAGE STAFFING INC 112 N WASHINGTON ST DALE, IN 47523	temporary staffing services	Invoice Cost	152	39,904
			506	129,141
			925	10,410
				179,455
AGGREKO INC 16748 NEW AVE LEMONT, IL 60439	equipment rental	Invoice Cost	519	23,219
			524	7,061
			530	4,617
				34,897
AGT SERVICES 24 SAM STRATTON RD AMSTERDAM, NY 12010	plant equipment repairs	Invoice Cost	513	572,593
AIR RELIEF INC 32 N POWELL RD MAYFIELD, KY 42066	equipment service	Invoice Cost	514	32,664
AIRCRAFT DYNAMICS 418 E KIRACOFE AVE ELIDA, OH 45807	equipment leasing	Invoice Cost	590	26,748
ALION SCIENCE & TECHNOLOGY 6000 UPTOWN BLVD ALBUQUERQUE, NM 87110	nuclear plant support services	Invoice Cost	107	337,787
			517	5,000
			530	24,896
			532	174,540
				542,223
ALLIED TECH SERVICES INC 3460 MUSTAFA DRIVE CINCINNATI, OH 45242	underwater equipment services	Invoice Cost	107	1,296
			512	12,267
			513	23,887
			514	7,638
				45,088

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ALOHA PROFESSIONAL WINDOW 1078 DOUGLAS LN CRETE, IL 60417	window cleaning	Invoice Cost	184	27,022
ALSTOM POWER INC 2800 WATERFORD LAKE DR MIDLOTHIAN, VA 23112	inspection & measurement devices	Invoice Cost	107	31,650
			512	3,384
			513	58,257
			524	23,583
			530	70,070
			531	13,384
				200,328
ALTRAN SOLUTIONS CORPORATION 451 D STREET BOSTON, MA 02210	employee training	Invoice Cost	524	708
			531	59,599
			532	31,765
				92,072
AMBAC ASSURANCE CORP ONE STATE ST NEW YORK, NY 10004	financial services	Invoice Cost	181	75,000
AMERICAN EFFICIENCY SERVICES 15925 NORTH AVENUE WOODBINE, MD 21797	inspection services	Invoice Cost	513	5,528
			524	46,697
				52,225
AMERICLERK INC 1025 N CAMPBELL ROAD ROYAL OAK, MI 48067	legal services - liability claims	Invoice Cost	923	3,014
			925	183,323
				186,337
AMES MULTI-IMAGE 1340 S MANOR DR ST. JOSEPH, MI 49085	emergency calendar supplier	Invoice Cost	921	27,535
			930	5,635
				33,170
ANALYSIS & MEASUREMENT 9111 CROSS PARK DR. KNOXVILLE, TN 37923	sample testing services	Invoice Cost	530	134,219
APM 954 W ROUTE 6 MORRIS, IL 60450	nuclear plant construction services	Invoice Cost	107	52,263
			531	52,262
				104,525
APPROVED FIRE PROTECTION CO 2513 N BURDICK ST KALAMAZOO, MI 49007	fire detection services	Invoice Cost	107	808
			163	1,590
			524	117,485
			588	808
				120,691
AQUARIUS MARINE INC 800 ELM ST. LUDLOW, KY 41016	underwater services	Invoice Cost	512	27,662
			513	7,800
				35,462
AQUATIC SCIENCES LP QUAKER CENTRE BUSINESS PARK ORCHARD PARK, NY 14127	underwater inspection services	Invoice Cost	531	43,505
			532	43,810
				87,315
ARCADIA GARDENS P O BOX 88 STEVENSVILLE, MI 49127	interior plantscaping	Invoice Cost	163	3,700
			529	39,575
				43,275
ARCADIS OF NEW YORK INC 6723 TOWPATH RD SYRACUSE, NY 12314	fish studies	Invoice Cost	532	27,389
ARCHITECTURAL ENERGY CORP 2540 FRONTIER AVE STE 201 BOULDER, CO 80301	energy model project study	Invoice Cost	107	68,786
AREVA T&D INC 10865 WILLOWS ROAD NE REDMOND, WA 98052	electrical testing & repair services	Invoice Cost	107	4,900
			513	30,309
				35,209

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Indiana Michigan Power Company			December 31, 2008	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
AREVA NP INC 29 RESEARCH DR WESTBOROUGH, MA 01581	nuclear plant	Invoice Cost	524	105,095
	engineering services		530	2,187,124
			531	48,000
			532	29,040
				2,369,259
ARNT ASPHALT SEALING CO 1240 S CRYSTAL AVE BENTON HARBOR, MI 49022	asphalt repairs	Invoice Cost	107	98,165
			529	9,930
			570	6,950
				115,045
ARROW FENCE 318 EDGEWOOD AVE FORT WAYNE, IN 46805	fencing supplier	Invoice Cost	107	11,991
			108	2,892
			184	361
			186	11,749
			569	842
			570	34,847
			592	20,313
			935	9,028
			92,023	
ASHER AGENCY INC PO BOX 2535 FORT WAYNE, IN 46801	advertising campaign	Invoice Cost	930	119,000
ATC ENGINEERING SERVICES OF OH 11121 CANAL RD CINCINNATI, OH 45241	fly ash landfill engineering services	Invoice Cost	107	124,629
ATLANTIC GROUP, THE 5426 ROBIN HOOD RD NORFOLK, VA 23513	temporary staffing services	Invoice Cost	530	1,990,692
ATLANTIC PLANT MAINTENANCE INC 1010 EXECUTIVE COURT WESTMONT, IL 60559	turbine rotor services	Invoice Cost	530	104,365
			531	33,139
				137,504
AUTOMATED ENGINEERING SERVICES 387 SHUMAN BLVD NAPIERVILLE, IL 60563	nuclear plant engineering support	Invoice Cost	107	201,010
			517	70,560
			532	101,000
				372,570
AUTRYS SEPTIC TANK SERVICE INC 500 EWING RD OWENSBORO, KY 42301	portable toilet rental	Invoice Cost	152	200
			506	34,422
			514	17
				34,639
B & J SANITATION INC 100 ELLIS SMEATHERS RD OWENSBORO, KY 42303	trash disposal	Invoice Cost	506	37,638
BACHMANS INC 4058 CLOUGH WOODS DR BATAVIA, OH 45103	ventilation systems service	Invoice Cost	107	214,748
			108	875
			511	32,895
			512	15,747
			570	704
				264,969
BAE BATTERIES USA 484 HIGHWAY 35/64 SOMERSET, WI 54025	battery supplier	Invoice Cost	107	28,110
			108	13,845
			513	7,026
				48,981
BAKER & DANIELS 300 N MERIDIAN ST STE 2700 INDIANAPOLIS, IN 46204	legal fees-financing, property & liability issues	Invoice Cost	107	153,432
			242	121,362
			923	21,389
			925	1,829
			930	8,352
				306,364

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
BANK OF NEW YORK 101 BARCLAY ST NEW YORK, NY 10286	financial services	Invoice Cost	427 930	159,583 31,580 <hr/> 191,163
BANTA ELECTRICAL CONTRACTORS 5701 ST RT 128 CLEVES, OH 45002	electrical maintenance svcs	Invoice Cost	107 108 511 512 513 514 570	773,507 79,188 86,402 265,216 236,488 31,876 8,669 <hr/> 1,481,346
BARCLAYS BANK PLC 200 CEDAR KNOLLS RD WHIPPANY, NJ 07981	financial services	Invoice Cost	431	144,324
BARNES & THORNBURG 11 S MERIDIAN ST INDIANAPOLIS, IN 46204	legal services case/fuel/regulatory filings	Invoice Cost	107 183 923	1,778 702 206,947 <hr/> 209,427
BARNHART CRANE & RIGGING CO. 3115 NORTH ROUTE 23 OTTAWA, IL 61350	hauling services	Invoice Cost	108	139,751
BARTLETT NUCLEAR INC 60 INDUSTRIAL PARK RD PLYMOUTH, MA 02360	nuclear engineering services	Invoice Cost	107 108 524 530	546,910 155,583 51,012 1,367,975 <hr/> 2,121,480
BCP TECHNICAL SERVICES INC 1715 S MISSOURI AVE CLEARWATER, FL 33756	refueling support services	Invoice Cost	530	117,641
BDN INDUSTRIAL HYGIENE CONSULT 8105 VALLEYWOOD LANE PORTAGE, MI 49024	air quality testing services	Invoice Cost	524 531	77,006 275,448 <hr/> 352,454
BENEFIT CONCEPTS 10 RISHO AV EAST PROVIDENCE, RI 02914	employee medical plan services	Invoice Cost	926	29,678
BENTLEY SYSTEMS INC 685 STOCKTON DR EXTON, PA 19341	software support	Invoice Cost	524 588	62,558 520 <hr/> 63,078
BENTLY NEVADA LLC 431 OVERBROOK RD VALENCIA, NC 16059	plant equipment	Invoice Cost	107 513	33,251 21,517 <hr/> 54,768
BEST WAY DISPOSAL INC 3290 HENNESSY RD WATERVLIET, MI 49098	waste disposal	Invoice Cost	107 108 184 524 532	160 877 39,447 300 7,222 <hr/> 48,006
BEVER CONSTRUCTION LLC 4003 WOOD TRL BUCHANAN, MI 49107	snowplowing services	Invoice Cost	184 935	26,127 495 <hr/> 26,622
BIGGE CRANE AND RIGGING CO 10700 BIGGE AVENUE SAN LEANDRO, CA 94577	equipment rental	Invoice Cost	107	111,000
BLACK & VEATCH 11401 LAMAR AVE OVERLAND PARK, KS 66211	nuclear plant consultants	Invoice Cost	107	2,055,340

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
BLUE GRASS 107 MILDRED STREET GREENVILLE, AL 36037	concrete cutting services	Invoice Cost	107	89,074
BLUESKY INTEGRATION 692 HILL ROAD NORTH PICKERINGTON, OH 43147	software support	Invoice Cost	107	32,189
BONAR & ASSOCIATES INC 1700 MAGNAVOX WAY - STE 110 FT WAYNE, IN 46804	sewer project engineering	Invoice Cost	107	41,879
BOSE PUBLIC AFFAIRS 1600 FIRST INDIANA PLAZA INDIANAPOLIS, IN 46204	legislative services	Invoice Cost	921	50,435
BOWEN ENGINEERING CORP. 10315 ALLISONVILLE RD FISHERS, IN 46038	plant construction & engineering svcs	Invoice Cost	512	126,579
BRANDENBURG INDUSTRIAL SVCS 1680 JOHN A PAPALAS DRIVE LINCOLN PARK, MI 48146	asbestos removal services	Invoice Cost	108	76,825
BRAY MARINE INC 7000 HOUSTON RD FLORENCE, KY 41042	fuel handling-related services	Invoice Cost	152	1,125,984
BROOKS CONSTRUCTION CO 6525 ARDMORE AVE FT WAYNE, IN 46809	general construction work	Invoice Cost	107 935	232,545 833 233,378
BROWN ELECTRIC CO INC 1100 CHARLES AVE DUNBAR, WV 25064	electrical construction services	Invoice Cost	107 935	87,217 17,448 104,665
BROWN SERVICES CO LLC 11692 B GALLIA ST WHEELERSBURG, OH 45694	project construction services	Invoice Cost	107	39,402
BRUNS-GUTZMILLER INC 305 SOUTH JOHN STREET BATESVILLE, IN 47006	building & grounds services	Invoice Cost	107 108 502 511 512 514 570	180,739 79,752 300 134,021 948 877 17,407 414,044
BULLDOG BOILER RENTALS LTD 1641 CANIFF HAMTRAMCK, MI 48212	boiler inspection & repair services	Invoice Cost	107 532	961,500 160,834 1,122,334
BULLDOG DIVING INC 2968 W COUNTY RD 300S ROCKPORT, IN 47635	underwater services	Invoice Cost	512	41,830
C & G FILTER SERVICE PO BOX 83 GREENVILLE, KY 42345	filter parts & supplies	Invoice Cost	511	28,411
CENTRAL RENT-A-CRANE 5725 KENNEDY AVE HAMMOND, IN 46323	crane & equipment rental	Invoice Cost	107	64,486

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
CFM/VR TESCO INC 1475 RODDENBURG RD SCHAUMBURG, IL 60193	valve repairs	Invoice Cost	512	287,438
			513	27,130
				314,568
CHAPMAN & CUTLER P O BOX 71291 CHICAGO, IL 60694	legal services - railcar leasing issues	Invoice Cost	923	46,520
CITY PLUMBING & HEATING CO 407 STATE ST ST JOSEPH, MI 49085	maintenance services	Invoice Cost	107	19,558
			108	1,125
			163	17,519
			524	11,381
			529	72,119
	935	1,185		
				122,887
COMMONWEALTH ASSOCIATES INC 2700 W ARGYLE JACKSON, MI 49204	electrical engineering & design services	Invoice Cost	107	705,770
CONFIDENTIAL SERVICES INC PO BOX 167 SOUTH HAVEN, MI 49090	employee background check services	Invoice Cost	524	182,776
CONOMOS, JOHN B INC PO BOX 279 BRIDGEVILLE, PA 15017	plant equipment sandblasting & painting	Invoice Cost	512	95,100
CORROSION CONTROL SERVICE INC PO BOX 3708 DAVENPORT, IA 52808	equipment cleaning & repairs	Invoice Cost	530	103,762
COT-PURITECH RECYCLING SYSTEM 2993 PERRY DRIVE SW CANTON, OH 44706	decontamination cleanup	Invoice Cost	530	118,847
CRANE NUCLEAR INC 2825 COBB INTERNATIONAL BLVD KENNESAW, GA 30152	equipment repair	Invoice Cost	107	80,173
			524	68,187
			530	2,073,740
				2,222,100
CRUTCHFIELD, DENNIS M 16087 PARQUE LANE NAPLES, FL 34110	nuclear plant support svcs	Invoice Cost	524	30,947
CULP ENTERPRISES INC 610 N WOLF RD COLUMBIA CITY, IN 46725	mowing services	Invoice Cost	184	35,261
CULY CONSTRUCTION & EXCAVATING PO BOX 29 WINCHESTER, IN 47394	excavating services	Invoice Cost	186	30,991
			594	3,955
				34,946
CUMMINS BRIDGEWAY 3715 CLAY AVE SW GRAND RAPIDS, MI 49548	equipmental rental	Invoice Cost	530	20,378
			592	9,731
				30,109
CUSTER OFFICE ENVIRONMENTS 2435 PLAZA DR BENTON HARBOR, MI 49022	carpeting materials & labor	Invoice Cost	524	10,859
			529	72,117
				82,976
DATAGLANCE INC 927 ORCA TERRACE FREMONT, CA 94536	quality assurance records development	Invoice Cost	524	75,000
DAVIS, J & ASSOCIATES INC 2371 SUNDERLAND AVE STE 4 WELLINGTON, FL 33414	employment recruitment services	Invoice Cost	524	65,700

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
DAY & ZIMMERMAN NPS INC 1866 COLONIAL VILLAGE LANE LANCASTER, PA 17601	nuclear engineering support	Invoice Cost	107	9,176,915
			108	1,025,662
			524	39,861
			529	241,158
			530	16,264,072
			531	2,860,822
			532	2,081,092
				31,689,582
DEANGELO BROTHERS INC 2332A N 40TH ST DECATUR, IL 62526	vegetation control services	Invoice Cost	524	6,188
			562	25,411
			582	11,417
				43,016
DELOITTE & TOUCHE LLP various US locations	auditing services	Invoice Cost	921	224,522
DELOITTE TAX LLP 155 E BROAD STREET COLUMBUS, OH 43215	tax services	Invoice Cost	242	78,420
			923	92,807
				171,227
DEWEY & LEBOEUF LLP 1301 AVENUE OF THE AMERICAS NEW YORK, NY 10019	legal fees - financing issues	Invoice Cost	242	196,235
DIAMOND POWER SPECIALTY CO 2600 E MAIN ST LANCASTER, OH 43130	equipment repairs & maintenance	Invoice Cost	512	39,653
DIVERSIFIED SCIENTIFIC SERVICE 657 GALLAHER ROAD KINGSTON, TN 37763	environmental waste disposal	Invoice Cost	532	31,804
DOERING, JOHN JR P O BOX 189 PARKERFORD, PA 19457	nuclear consulting services	Invoice Cost	524	32,224
DUDECK ROOFING & SHEET METAL INC 1634 S FRANKLIN ST SOUTH BEND, IN 46613	substation roofing	Invoice Cost	107	45,610
			108	11,403
				57,013
DUKE ENERGY various US locations	substation electrical service	Invoice Cost	506	332
			562	27,492
			563	849
			582	753
				29,426
DUKES EARTH SERVICES INC 510 S PARK DR MOORESVILLE, IN 46158	environmental waste cleanup	Invoice Cost	108	37,726
			506	100,215
				137,941
DURATEK INC 1560 BEAR CREEK RD OAK RIDGE, TN 37831	nuclear plant support services	Invoice Cost	520	285,205
			532	39,634
				324,839
DYNAMIC CONSTRUCTION INC 7705 NATIONAL RD SW PATASKALA, OH 43062	tower repairs & inspection	Invoice Cost	107	11,744
			935	14,413
				26,157
E & B PAVING INC 210 S THOMAS RD FT WAYNE, IN 46808	asphalt paving services	Invoice Cost	935	25,815
E & T TREE SERVICE 125 MT AUBURN ST DUNKIRK, IN 47336	landscaping & tree removal services	Invoice Cost	163	9,175
			184	119,521
			186	13,745
			562	2,280
			935	12,872
				157,593

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
EATON ELECTRICAL INC 11170 LUSCHEK DR CINCINNATI, OH 45241	electrical equipment testing & repair	Invoice Cost	107 512 580 595	231 9,769 4,389 11,587 <hr/> 25,976
EBI CONSULTING 6876 SUSQUEHANNA TRAIL S YORK, PA 17403	environmental site assessment svcs	Invoice Cost	107	25,225
ECKERT FIRE PROTECTION SYSTEMS 510 W BENSON ST CINCINNATI, OH 45215	fire protection systems	Invoice Cost	511 514	1,001 26,217 <hr/> 27,218
EDGEWATER AUTOMATION 481 RENAISSANCE DR ST JOSEPH, MI 49085	nuclear plant controls systems construction	Invoice Cost	107	598,863
EDISON ELECTRIC INSTITUTE 701 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	trade organization fees	Invoice Cost	506	83,364
EISENHUT CONSULTING INC 29 TREWORTHY RD GAITHERSBURG, MD 20878	nuclear safety consulting	Invoice Cost	524	66,866
ELECTRICAL BUILDERS INC 8927 MAIN AVENUE CLEAR LAKE, MN 55319	equipment welding services	Invoice Cost	107 513	34,598 23,163 <hr/> 57,761
ELITE INSPECTION SERVICE CO. 725 COLONIAL DR HOBART, IN 46342	equipment inspection	Invoice Cost	107 524 530	25,438 28,282 8,511 <hr/> 62,231
EMC CORPORATION 10145 PACIFIC HGTS BLVD SAN DIEGO, CA 92121	software support	Invoice Cost	524	85,816
EMERGENCY RADIO SERVICE INC 4410 EARTH DR FORT WAYNE, IN 46809	radio tower repairs & inspection	Invoice Cost	107 935	360,042 39,090 <hr/> 399,132
EMERSON PROCESS LLP 835 INNOVATION DR KNOXVILLE, TN 37932	software / hardware support	Invoice Cost	510 528	23,425 11,447 <hr/> 34,872
ENERCON SERVICES, INC 500 TOWNPARK LN KENNESAW, GA 30144	water chemistry upgrade study	Invoice Cost	532	119,160
ENERGYSOLUTIONS DIVERSIFIED 140 STONERIDGE DR - STE 5 COLUMBIA, SC 29210	water treatment system services	Invoice Cost	532	78,515
ENERGYSOLUTIONS LLC 140 STONERIDGE DRIVE COLUMBIA, SC 29210	radioactive waste transport	Invoice Cost	107	168,279
ENERTECH 2950 E BIRCH ST BREA, CA 92821	equipment testing	Invoice Cost	530	71,762
ENGINEERING DYNAMICS INC 16117 UNIVERSITY OAK SAN ANTONIO, TX 78249	nuclear plant equipment testing	Invoice Cost	531	30,486
ENGINEERING PLANNING & MGMT 959 CONCORD ST FRAMINGHAM, MA 01701	nuclear engineering & consulting svcs	Invoice Cost	530	1,836,037

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ENVIRO-CLEAN INC 5520 DISTRIBUTION DR FT WAYNE, IN 46825	carpet cleaning services	Invoice Cost	184	104,560
ENVIRONMENTAL PROTECTION SVCS. PO BOX 710 WHEELING, WV 26003	environmental waste	Invoice Cost	108	25,050
	product disposal		532	2,576
				27,626
ENVIRONMENTAL REMEDIATION SVCS 4010 OPTION PASS FT WAYNE, IN 46818	emergency cleanup services	Invoice Cost	107	6,496
			108	68,204
			186	13,851
			570	7,364
			580	5,347
			583	8,359
			588	13,278
				122,899
EOM 22831 STATE ROUTE 62 ALLIANCE, OH 44601	plant equipment engineering services	Invoice Cost	107	350,064
EPRI various US locations	employee training	Invoice Cost	502	33,500
			524	701,416
				734,916
EQ THE ENVIRONMENTAL QUALITY 36255 MICHIGAN AVE WAYNE, MI 48184	plant equipment cleaning	Invoice Cost	506	3,329
			530	36,756
				40,085
ERS INC PO BOX 71-3225 COLUMBUS, OH 43271	substation electrical work	Invoice Cost	107	27,570
FAHEY SCHULTZ BURZYCH RHODES 4151 OKEMOS ROAD OKEMOS, MI 48864	legal services - regulatory affairs & non-rate case filings	Invoice Cost	923	62,801
FED. EMERGENCY MGMT AGENCY 500 C ST SW RM 723 WASHINGTON, DC 20472	emergency management program fees	Invoice Cost	524	374,576
FIREPROOF RECORDS CENTER PO BOX 1150 GROVE CITY, OH 43123	records storage & retrieval services	Invoice Cost	925	133,714
FIRST CONSULTING GROUP 575 SWEDESFORD RD WAYNE, PA 19087	nuclear plant consulting services	Invoice Cost	524	123,673
FISKARS INC 1000 MINERS RD ST JOSEPH, MI 49085	nuclear plant construction services	Invoice Cost	107	2,589,788
			529	12,151
			531	52,417
				2,654,356
FLOWSERVE CORP 2424 WISCONSIN AVE DOWNERS GROVE, IL 60515	equipment repair	Invoice Cost	107	11,500
			530	40,124
				51,624
FLSMIDTH INC 2040 AVENUE C BETHLEHEM, PA 18017	material handling system project	Invoice Cost	107	1,182,993
FMSM ENGINEERS 11687 LEBANON RD CINCINNATI, OH 45241	soil engineering services	Invoice Cost	107	41,672
			512	4,050
				45,722
FOREFRONT ECONOMICS INC 3800 SW CEDAR HILLS BLVD BEAVERTON, OR 97005	project study services	Invoice Cost	908	202,975

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
FORSEY CONSTRUCTION INC 2018 IRONWOOD CIRCLE SOUTH BEND, IN 46835	construction services	Invoice Cost	107 529	44,302 93,346 <hr/> 137,648
FRAMATOME ANP INC PO BOX 10935 LYNCHBURG, VA 24506	nuclear support svcs & sample testing	Invoice Cost	524 532	101,924 5,862 <hr/> 107,786
FUEL TANK MAINTENANCE COMPANY 240 MILL DR COOKEVILLE, TN 38501	fuel tank maintenance	Invoice Cost	530 532	22,723 62,281 <hr/> 85,004
FUN SERVICES KIDS PLACE BELLEVUE, MI 49021	employee outing/catering services	Invoice Cost	524	42,585
FURMANITE AMERICA 1931 NORTH WIND PARKWAY HOBART, IN 46342	equipment repair, testing & heat treatment svcs	Invoice Cost	107 108 512 513 530 570	109,452 3,883 90,046 21,800 412,484 2,808 <hr/> 640,473
G & L CORPORATION 3101 BROOKLYN AVE FORT WAYNE, IN 46809	equipment moving services	Invoice Cost	107 108 186 566 570 930 935	294,267 94,414 2,318 33,366 1,167 1,893 8,085 <hr/> 435,510
G L STONE & SON INC 7701 LYNN AVE HAMLIN, WV 25523	paving & excavation services	Invoice Cost	107	38,645
GALBRETH COMPLETE LANDSCAPE 270 CONRAD RD NILES, MI 49120	mowing & landscaping services	Invoice Cost	107 562 582	2,200 32,425 28,045 <hr/> 62,670
GE ENERGY SERVICES 184 S AVE TALLMADGE, OH 44278	equipment replacement & testing	Invoice Cost	107 108 570	215,251 295,030 126,249 <hr/> 636,530
GE INFRASTRUCTURE WATER & PROC. 3457 ERINDALE STATION RD MISSISSAUGA, ON L5C2S9	equipment maintenance & leasing	Invoice Cost	524	49,045
GENERAL ELECTRIC INTL. INC. various US locations	plant outage support & inspection services equipment supplier & repairs	Invoice Cost	107 108 513 530 531	1,183,014 606,488 52,223 1,867,606 1,990,608 <hr/> 5,699,939
GE MOBILE WATER INC 4545 PATENT ROAD NORFOLK, VA 23502	water demineralization services	Invoice Cost	519 524 530 531	558,810 33,972 215,694 16,868 <hr/> 825,344
GEILER COMPANY 6561 GLENWAY AVENUE CINCINNATI, OH 45211	plumbing repairs	Invoice Cost	511 514	59,607 1,656 <hr/> 61,263

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
GEOSPATIAL INNOVATION INC 880 WORTH AVE WASHINGTON, PA 15301	electronic equipment supplier	Invoice Cost	107	298,546
			580	810
				299,356
GIBBCO INC 146 LOOKOUT FARM DR CRESTVILLE HILLS, KY 41017	boiler slag recycler & processor	Invoice Cost	107	(6,361)
			152	3,143
			501	285,772
			512	2,498
				285,052
GLOBAL INSULATION INC 1501 RAFF RD SW CANTON, OH 44710	plant maintenance	Invoice Cost	107	162,194
			108	76,358
			152	205,108
			186	221,478
			502	218,188
			506	1,140
			511	23,609
			512	479,104
			513	52,003
			514	7,938
			570	658
				1,447,778
GLOBAL RENTAL CO INC 31 INVERNESS CENTER PKWY BIRMINGHAM, AL 35242	truck rental	Invoice Cost	107	12,075
			588	15,461
			593	2,317
				29,853
GRANT TOWER INC 13064 WISNER AVE GRANT, MI 49327	substation construction	Invoice Cost	107	285,825
GRAVER WATER SYSTEMS INC 750 WALNUT AVE CRANFORD, NJ 07016	plant equipment construction	Invoice Cost	107	850,895
GREAT LAKES CLEANING INC 216 COURT ST ST JOSEPH, MI 49085	cleaning services	Invoice Cost	163	17,310
			184	139,876
			524	441,411
			529	1,602
				600,199
GREENSCAPES LANDSCAPING CO. 2545 SOUTH 11TH NILES, MI 49120	winter ice chemical pavement tre	Invoice Cost	524	55,687
GREGORY MICHAEL & ASSOCIATES 303 E MAIN ST ST CHARLES, IL 60174	employee recruitment fees	Invoice Cost	524	46,250
GSE POWER SYSTEMS INC 1332 LONDONTOWN BLVD SYKESVILLE, MD 21784	engineering support services	Invoice Cost	107	3,644,423
			524	19,000
				3,663,423
GUDENKAUF CORP 2679 MCKINLEY AVE COLUMBUS, OH 43204	electrical contractor	Invoice Cost	107	71,698
			570	5,449
			930	8,555
				85,702
H & S SERVICES INC PO BOX 3101 FAIRBORN, OH 45324	plant equipment	Invoice Cost	107	4,797
			108	1,890
			512	411,798
			513	178,512
			514	7,592
				604,589
HALL, MICHAEL S LAND SURVEYING 618 MAIN STREET LAWRENCEBURG, IN 47025	ash pond land surveying services	Invoice Cost	107	29,143

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
HARMELING EQUIPMENT SERVICES 1021 AMBER DR FLORENCE, KY 41042	plant equipment repairs	Invoice Cost	107	21,660
			108	18,211
			506	7,825
			512	140,964
			513	532
			514	9,757
				198,949
HD SUPPLY UTILITIES LTD PO BOX 840123 DALLAS, TX 75284	safety equipment testing	Invoice Cost	107	5,184
			562	2,219
			593	15,030
				22,433
HENDERSON AERIAL SURVEYS 3889 GROVE CITY RD GROVE CITY, OH 43128	aerial photogrammetric svcs	Invoice Cost	107	39,500
HENRY, ROBERT CORP 404 S FRANCES STREET SOUTH BEND, IN 46624	drain installation	Invoice Cost	107	2,215
			108	4,849
			570	29,525
			571	3,802
			592	3,242
				43,633
HERGUTH LABORATORIES INC 101 CORPORATE PL VALLEJO, CA 94590	equipment analysis	Invoice Cost	524	12,805
			528	41,314
			532	8,248
				62,367
HERRMAN & GOETZ INC 225 S LAFAYETTE ST SOUTH BEND, IN 46601	electrical construction services	Invoice Cost	107	21,602
			163	32,540
			184	195
			454	519
			524	53,841
			529	1,801
			570	3,160
			592	516
			935	100,042
				214,216
HI-LINE UTILITY SUPPLY CO 1695 CAMBRIDGE DR ELGIN, IL 60123	equipment reconditioning	Invoice Cost	107	4,071
			566	4,121
			593	26,058
				34,250
HITE, DON ASSOCIATES 5903 N CAMPBELL RD OTIS ORCHARDS, WA 99027	boiler slag recycler & processor	Invoice Cost	524	61,316
HOLLIDAY ENTERPRISES INC PO BOX 1429 HALLSVILLE, TX 75650	computer support & training	Invoice Cost	524	275,900
HOLTEC INTERNATIONAL 555 LINCOLN DR W MARLTON, NJ 08053	nuclear plant dry cask storage project	Invoice Cost	107	3,217,695
			517	40,000
				3,257,695
HOMESCAPES 2040 HENRIETTA STREET FORT WAYNE, IN 46802	landscaping services	Invoice Cost	562	27,224
			571	18,513
			582	11,499
			591	1,200
			592	1,235
				59,671
HONIGMAN MILLER SCHWARTZ COHN 660 WOODWARD AVE DETROIT, MI 48226	legal services - regulatory & non-rate case filings	Invoice Cost	923	42,945

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
HOOSIER HELICOPTER SERVICES 7900 N THAMES DR BLOOMINGTON, IN 47408	aerial inspection services	Invoice Cost	107	13,151
			563	112,867
				126,018
HURST TECHNOLOGIES CORP 201 E MYRTLE ANGLETON, TX 77516	nuclear plant engineering support	Invoice Cost	107	38,437
			517	19,065
				57,502
ICE MILLER ONE AMERICAN SQUARE INDIANAPOLIS, IN 46282	legal services - liability claims	Invoice Cost	923	60,735
IDEAL CONSOLIDATED INC 806 W SAMPLE ST SOUTH BEND, IN 46801	plant equipment installation	Invoice Cost	569	3,667
			570	452
			935	25,870
				29,989
IHS GLOBAL INC 15 INVERNESS WAY E ENGLEWOOD, CO 80155	nuclear plant information services	Invoice Cost	524	134,795
IJUS LLC 560 OFFICENTER PLACE GAHANNA, OH 43230	pole attachment evaluation	Invoice Cost	186	36,967
			566	6,918
				43,885
IKON OFFICE SOLUTIONS various US locations	equipment leasing	Invoice Cost	107	18
			532	196,277
			921	93,754
			923	164
				290,213
INDIANA DEPT OF HOMELAND SECUR. 402 W WASHINGTON ST INDIANAPOLIS, IN 46204	fees, permits & emergency planning	Invoice Cost	524	50,476
			921	1,320
				51,796
INDIANA EQUITIES 605 FRONT STREET, SUITE 200 COLUMBUS, OH 43215	building maintenance services	Invoice Cost	184	51,055
			935	260,255
				311,310
INDIANA UNDERGROUND PLANT PO BOX 50392 INDIANAPOLIS, IN 46250	trade organization fees	Invoice Cost	584	111,695
INDUSTRIAL CONTRACTORS INC 1001 BUCHANAN ROAD EVANSVILLE, IN 47720	equipment repairs	Invoice Cost	107	(358)
			152	10,172
			506	4,505
			511	141,040
			512	918,625
			513	44,175
			514	12,318
				1,130,477
INDUSTRIAL WASTE CONTROL INC 240 SINTER CT YOUNGSTOWN, OH 44510	plant outage equipment cleaning	Invoice Cost	512	30,248
INFRASTRUCTURE ALTERNATIVES 960 W RIVER CENTER DR STE B COMSTOCK PARK, MI 49321	wastewater treatment mgmt fees	Invoice Cost	107	55,236
			532	110,023
				165,259
INSTEP SOFTWARE LLC 55 EAST MONROE STREET CHICAGO, IL 60603	software support & maintenance	Invoice Cost	524	59,460
INTECH INC 2802 BELL ARBOR AVENUE CHATTANOOGA, TN 37406	nuclear plant support services	Invoice Cost	530	124,870

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
INTL. QUALITY CONSULTANTS 106 FREEPORT RD BUTLER, PA 16002	QA/QC inspection & examination support services	Invoice Cost	107	63,160
			163	3,154
			524	276,486
			531	3,405
				346,205
INVENSYS SYSTEMS INC 33 COMMERCIAL STREET FOXBORO, MA 02035	software support/maintenance	Invoice Cost	107	678,756
			530	8,219
				686,975
IRON MOUNTAIN 1137 BRANCHTON RD BOYERS, PA 16020	records storage	Invoice Cost	524	59,335
JOHNSON CONTROLS INC 402 RAWLES CT INDIANAPOLIS, IN 46229	nuclear plant support services	Invoice Cost	511	18,906
			519	57,240
			524	3,898
			532	1,594,529
				1,674,573
JOHNSON, RUSSELL R III 2258 WHEATLAND DR MANAKIN SABOT, VA 23103	legal services - collections & active delinquencies	Invoice Cost	923	28,604
JP MORGAN CHASE BANK 2001 BRYAN ST 10TH FL DALLAS, TX 75201	financial services	Invoice Cost	242	500
			427	351,903
			431	219,074
			923	1,750
				573,227
K & H CONSTRUCTION INC 5720 HUGUENAE RD FT WAYNE, IN 46818	paving & grading services	Invoice Cost	107	105,170
KEITH FIRE EXTINGUISHER SERVICE 601 S HIGH ST RISING SUN, IN 47040	fire extinguisher supplier	Invoice Cost	511	1,248
			514	54,042
				55,290
KENRICH GROUP LLC 1200 NEW HAMPSHIRE AVE NW WASHINGTON, DC 20036	legal services- nuclear spent fuel issues	Invoice Cost	923	95,014
KENT POWER INC 90 SPRING ST KENT CITY, MI 49330	power line relocation	Invoice Cost	107	20,491
			186	53,713
				74,204
KEYSTONE STAFFING SOLUTIONS 5466 MECHANICSVILLE TURNPIKE MECHANICSVILLE, VA 23111	employee recruitment fees	Invoice Cost	524	45,868
KINEMATRICS INC 222 VISTA AVE PASADENA, CA 91107	machine calibration services	Invoice Cost	529	21,705
			532	14,984
				36,689
KING & SPALDING 191 PEACHTREE ST ATLANTA, GA 30303	legal services - financing issues	Invoice Cost	242	62,327
KIRAN CONSULTANTS INC 1401 BRANDING LANE DOWNERS GROVE, IL 60515	nuclear plant consulting svcs	Invoice Cost	107	69,508
			517	17,750
				87,258
KLOPFENSTEIN LAWN CARE LANDSCAPING 18812 MCNABB RD SPENCERVILLE, IN 46788	paving, grading & lawn seeding svcs	Invoice Cost	186	13,798
			593	21,025
			594	6,433
				41,256
KONE INC PO BOX 429 MOLINE, IL 61265	equipment maintenance	Invoice Cost	511	29,701

Name of Respondent Indiana Michigan Power 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, 2008	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
KOORSEN PROTECTION SERVICES 3209 CAPRICE CT FORT WAYNE, IN 46808	fire prevention maintenance	Invoice Cost	184	1,195
			506	9,285
			511	756
			514	550
			935	22,778
				34,564
LAING, JOHN S 39878 BAKER DR STERLING HEIGHTS, MI 48310	nuclear plant pollution control consulting	Invoice Cost	923	114,403
LAKE MICHIGAN COLLEGE 2755 E NAPIER AVE BENTON HARBOR, MI 49022	employee training	Invoice Cost	524	31,637
			532	17,730
				49,367
LAKELAND EMPLOYEE ASSISTANCE 2845 NILES AVE SAINT JOSEPH, MI 49085	employee assistance programs	Invoice Cost	524	57,746
LANDSCAPE SOLUTIONS GROUP INC 52041 PATRICIA LANE SOUTH BEND, IN 46628	landscaping services	Invoice Cost	184	134,326
			935	17,332
				151,658
LARVA, BRUCE MD 1616 LAKEVIEW ST JOSEPH, MI 49085	employee medical testing	Invoice Cost	524	74,705
LAW OFFICES OF GREGORY S FEIS 3 BETHESA METRO CENTER STE 200 BETHESDA, MD 20814	legal fees-contract issues	Invoice Cost	923	39,117
LAWSON FISHER ASSOC P C 525 W WASHINGTON AV SOUTH BEND, IN 46601	hydro plant licensing consulting	Invoice Cost	539	28,381
LEACH ENGINEERING SERVICES 10381 DELIHANT RD THREE RIVERS, MI 49093	nuclear engineering services	Invoice Cost	524	115,000
LIMNO-TECH INC 501 AVIS DR ANN ARBOR, MI 48108	nuclear plant water intake assessment services	Invoice Cost	528	59,529
M.A.A.C. PROPERTY SERVICES 1198 ANDERSON ROAD NILES, MI 49120	snow removal services	Invoice Cost	184	102,371
			562	7,168
			582	24,353
				133,892
MANPOWER various US locations	temporary staffing services	Invoice Cost	107	189,831
			108	5,363
			152	14,851
			163	13,376
			184	10,084
			186	60,011
			501	1,394
			506	36,700
			512	257
			580	2,646
			583	86,035
			588	75,328
			590	7,089
			593	2,653
			594	3,836
			901	6,480
			902	291,997
			903	580
			926	37

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
MAGELLAN PROFESS. SOLUTIONS 109G GAINSBOROUGH SQ #744 CHESAPEAKE, VA 23320	employee recruitment fees	Invoice Cost	524	215,684
MARINE SOLUTIONS INC 250 GOLD RUSH DR LEXINGTON, KY 40503	underwater construction & inspection services	Invoice Cost	107 513	1,370 35,711 37,081
MARTELL ELECTRIC LLC 1904 N KENMORE ST SOUTH BEND, IN 46628	electrical construction & repairs	Invoice Cost	107 163 524 529 532	25,596 16,051 45,063 117,861 5,237 209,808
MARTIN ENGINEERING CO 1 MARTIN PL NEPONSET, IL 61345	engineering services	Invoice Cost	107 108 512	7,401 3,968 112,342 123,711
MASTER-LEE DECON SERVICES INC 430 MILLER ROAD MEDFORD, NJ 08055	decontamination services	Invoice Cost	530	230,034
MASTER-LEE ENERGY SERVICES 1639 CLEARVIEW DR LATROBE, PA 15650	nuclear plant support svcs	Invoice Cost	530	1,048,572
MAXIM CRANE WORKS 840 LICKINS PIKE WILDER, KY 41076	crane services	Invoice Cost	107 108	35,595 27,745 63,340
MAZZELLA LIFTING TECHNOLOGIES 21000 AEROSPACE PKWY CLEVELAND, OH 44194	equipment supplier & repairs	Invoice Cost	511 512 513 514	2,971 5,677 24,458 1,453 34,559
MEYLAN INDUSTRIAL SERVICES 6225 S 60TH ST OMAHA, NE 68117	air basket cleaning for outages	Invoice Cost	512	167,523
MICHIANA LAND SERVICES INC 505 PLEASANT ST ST JOSEPH, MI 49085	land right of way services	Invoice Cost	107 108 183 557 566 571	86,802 572 62,652 2,122 6,106 26,011 184,265
MICHIANA RECYCLING & DISPOSAL 2268 REUM RD NILES, MI 49120	recycling & disposal services	Invoice Cost	184 186	38,210 1,103 39,313
MICHIGAN CAT 25000 NOVI ROAD NOVI, MI 48375	equipment supplier	Invoice Cost	532	55,713
MICHIGAN OFFICE SOLUTIONS 2859 WALKENT GRAND RAPIDS, MI 49514	microfilm maintenance/services	Invoice Cost	524	28,751
MICHIGAN STATE - POLICE DEPT 714 S HARRISON RD EAST LANSING, MI 48823	radiological emergency mgmt planning	Invoice Cost	524	487,350
MOBILE FACILITY ENGINEERING 306 W STATE ST CASSOPOLIS, MI 49031	modular building rental	Invoice Cost	107 530 531	39,030 12,850 21,050 72,930

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
MODSANCO INC 215 S PARK RD BENTON HARBOR, MI 49022	portable toilet rental & sewage removal	Invoice Cost	532	92,243
MOODYS INVESTORS SERVICE P O BOX 102597 ATLANTA, GA 30368	credit rating service	Invoice Cost	923	26,813
MPR ASSOCIATES INC 320 KING STREET ALEXANDRIA, VA 22314	design engineering support	Invoice Cost	107	141,866
			517	27,653
			524	21,939
			528	10,790
			530	22,500
			531	23,281
			532	75,321
				323,350
MPW ENVIRONMENTAL SERVICES 9711 LANCASTER RD SE HEBRON, OH 43025	plant equipment maintenance & cleaning	Invoice Cost	152	24,828
			506	1,570
			511	59,390
			512	277,659
			513	9,991
				373,438
MUCHMORE HARRINGTON SMALLEY 124 WEST ALLEGANY ST STE 1900 LANSING, MI 48933	legislative services	Invoice Cost	426	42,000
N P ENERGY INC 12020 OCEAN VIEW DR SPARKS, NV 89436	nuclear plant support services	Invoice Cost	530	87,000
NATIONAL SERV-ALL 6231 MACBETH RD FORT WAYNE, IN 46809	soil hauling	Invoice Cost	107	2,194
			108	64,653
			184	18,560
			186	133
			570	762
				86,302
NATIONAL THEATRE FOR CHILDREN 2733 PARK AVE S MINNEAPOLIS, MN 55407	school electric safety programs	Invoice Cost	930	89,557
NATURCHEM WEST INC 2518 PLUM STREET NASHVILLE, TN 37207	vegetation control	Invoice Cost	511	59,126
NEPTUNE TECHNOLOGY GROUP INC 2222 W SPRING CREEK PKWY PLANO, TX 75023	software licenses	Invoice Cost	902	26,880
NESCO SALES & RENTALS 3112 E STATE RD 124 BLUFFTON, IN 46714	equipment rental	Invoice Cost	107	36,825
			566	1,800
			570	1,800
			588	339
			592	533
				41,297
NETWORK SYSTEMS ENGINEERING 307 FELLOWSHIP RD STE 202 MOUNT LAUREL, NJ 08054	nuclear plant project engineering services	Invoice Cost	107	186,178
NEW BROTHERS CARPET & FLOOR CARE 1200 N JACKSON PIKE UNION CITY, NJ 47390	plant cleaning services	Invoice Cost	184	83,940
NEWPORT NEWS INDUSTRIAL CORP 182 ENTERPRISE DRIVE NEWPORT NEWS, VA 23603	nuclear plant support services	Invoice Cost	530	573,619

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
NEWKIRK ELECTRIC ASSOCIATES 1875 ROBERTS ST MUSKEGON, MI 49442	electrical construction svcs	Invoice Cost	107	67,919
			186	23,831
			592	22,846
				114,596
NISYS CORPORATION 4227 PLEASANT HILL RD DULUTH, GA 30096	project consultants	Invoice Cost	524	23,936
			530	11,039
				34,975
NOE, CONNIE S. 9412 NEWGATE CT NEW HAVEN, IN 46774	title & easement services	Invoice Cost	107	38,156
			108	636
			563	395
			571	2,792
				41,979
NORTH AMERICAN PROPERTY SVC 6400 S FIDDLERS GREEN CIRCLE ENGLEWOOD, CO 80111	janitorial services	Invoice Cost	184	91,924
NUCLEAR ENERGY INSTITUTE 1776 I ST NW STE 400 WASHINGTON, DC 20006	annual assessment fees	Invoice Cost	524	110,938
			921	276
				111,214
NUTTING H C CO PO BOX C CINCINNATI, OH 45226	concrete testing services	Invoice Cost	107	85,216
			186	4,172
				89,388
NWI CONSULTING LLC 9054 HEMINGWAY GROVE KNOXVILLE, TN 37922	operations training consulting svcs	Invoice Cost	524	161,394
ODONNELL CONSULTING ENGINEERS 2940 SOUTH PARK RD BETHEL PARK, PA 15102	nuclear plant equipment testing	Invoice Cost	531	30,000
OLDENBURG & SONS EXCAVATING 5758 BROWNTOWN RD SAWYER, MI 49125	excavating services	Invoice Cost	163	12,127
			529	19,103
			530	280
			532	720
			593	50
				32,280
ONECIS INSURANCE COMPANY 3663 N SAM HOUSTON PKWY E HOUSTON, TX 77032	plant inspection services	Invoice Cost	532	133,871
ONYX INDUSTRIAL SERVICES INC 7 PK HUB INDUSTRIAL NITRO, WV 25143	equipment cleaning services	Invoice Cost	107	7,316
			108	6,942
			152	378,779
			501	1,660
			506	4,120
			511	29,628
			512	112,182
			513	1,649
			514	11,141
				553,417
OTIS ELEVATOR COMPANY 622 E MARKET ST INDIANAPOLIS, IN 46202	elevator repair & inspection services	Invoice Cost	107	86,939
			108	31,236
			111	119,049
			935	108,083
				345,307
OVERHEAD DOOR CO PO BOX 907 MISHAWAKA, IN 46546	door repairs	Invoice Cost	935	36,611

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Indiana Michigan Power Company	(1) [X] An Original (2) [] A Resubmission	(Mo, Da, Yr)	December 31, 2008	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
PAUSTIAN INC 6410 OLD PIPESTONE RD EAU CLAIRE, MI 49111	nuclear plant equipment supplier	Invoice Cost	107 531	80,000 90,915 <u>170,915</u>
PCI ENERGY SERVICES ONE ENERGY DR LAKE BLUFF, IL 60044	nuclear plant equipment installation	Invoice Cost	107 530	466,020 377,735 <u>843,755</u>
PERFORMANCE IMPROVEMENT INTL 2111 S EL CAMINO REAL OCEANSIDE, CA 92054	engineering consulting services	Invoice Cost	517 524	232,699 94,489 <u>327,188</u>
PERKIN ELMER INC 710 BRIDGEPORT AVE SHELTON, CT 06484	equipment maintenance & leasing	Invoice Cost	524	45,338
PERRY BALLARD INC 526 UPTON DR E ST. JOSEPH, MI 49085	nuclear plant PR & media support svcs	Invoice Cost	107 529 921 930	5,850 42,426 98,254 8,739 <u>155,269</u>
PILLSBURY WINTHROP SHAW & PITTMAN LLP 2300 N ST NW WASHINGTON, DC 20037	legal services-liability claims & regulatory issues	Invoice Cost	923	112,600
PLASTOCOR INC 100 RESEARCH ROAD HINGHAM, MA 02043	nuclear plant equipment repairs	Invoice Cost	530	634,501
PLATT ENVIRONMENTAL SERVICES 371 BALM COURT WOOD DALE, IL 60191	emissions testing	Invoice Cost	506 514	10,524 30,596 <u>41,120</u>
PLATTS 2 PENN PLAZA NEW YORK, NY 10121	nuclear news subscription service	Invoice Cost	524	103,649
POWER PLANT SERVICE INC 2500 W JEFFERSON BLVD FT WAYNE, IN 46802	equipment supplier	Invoice Cost	592	31,180
PRECISION BLASTING INC PO BOX 785 FLATWOODS, KY 41139	blasting services	Invoice Cost	512	68,890
PRECISION DATA PRODUCTS INC 5036 FALCON VIEW AVE GRAND RAPIDS, MI 49512	computer hardware	Invoice Cost	524	201,241
PREFERRED ENGINEERING 31-35 S ST DANBURY, CT 06810	nuclear plant engineering support	Invoice Cost	107	67,000
PREMIER SCALES & SYSTEMS 4901 N ST JOSEPH AVE EVANSVILLE, IN 47712	plant equipment supplier	Invoice Cost	107 512	58,114 9,652 <u>67,766</u>
PRICEWATERHOUSE COOPERS LLP various US locations	tax consulting	Invoice Cost	107 242 923	10,442 131,992 90,213 <u>232,647</u>
PROFESSIONAL CONSTRUCTION SVCS PO BOX 510 RIPLEY, WV 25271	construction services	Invoice Cost	107 108 500	266,620 (300) 52,738 <u>319,058</u>

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
PROFESSIONAL SERVICE IND. 4960 VULCAN AVE COLUMBUS, OH 43228	geotechnical land inspection & preparation	Invoice Cost	107	89,795
PROGRESS PUMP & MACHINE SVCS. 918 KENNEDY AVE SCHERERVILLE, IN 46375	equipment machining & tooling	Invoice Cost	107 530	11,238 35,803 <hr/> 47,041
PRO-TEM INC 2525 S SHORE BLVD STE 401 LEAGUE CITY, TX 77573	software licensing	Invoice Cost	524	45,000
PROTO-POWER CORP 15 THAMES STREET GROTON, CT 06340	software maintenance	Invoice Cost	524	29,500
PSYCHOLOGY ASSOCIATES PC 2095 NILES RD ST JOSEPH, MI 43085	employee evaluations	Invoice Cost	524	81,890
PUBLIC UTILITIES MAINTENANCE 106-18 ASTORIA BLVD EAST ELMHURST, NY 11369	electric tower painting	Invoice Cost	571	703,100
PULVERIZER SERVICES, INC 200 PARK LOOP CALHOUN, KY 42327	plant equipment rebuilding services	Invoice Cost	512	103,947
PURE-FACT WATER CENTER 355 W MAIDEN LN ST JOSEPH, MI 49085	bottled water supplier	Invoice Cost	524 529	6 28,995 <hr/> 29,001
QUALITY NUCLEAR SERVICES INC P O BOX 329 DARDANELLE, AR 72834	nuclear plant support svcs	Invoice Cost	530	277,459
RADECO LLC 607 NORWICH AVE TAFTVILLE, CT 06380	weather equipment system installation	Invoice Cost	524	56,285
RDJ ASSOCIATES INC PO BOX 5514 FORT WAYNE, IN 46895	cleaning services	Invoice Cost	184	142,999
REAL TIME SOLUTIONS COMPANY 13095 BLAZE CT RIVERTON, UT 84065	equipment inspections	Invoice Cost	530	81,650
REDDING, JAMES A CO 733 S CENTER AVE SOMERSET, PA 15501	sampling system equipment installation	Invoice Cost	107	273,384
RELIABLE DISPOSAL 7227 RELIABLE PATH STEVENSVILLE, MI 49127	refuse disposal	Invoice Cost	524 530 531	237,083 14,978 2,703 <hr/> 254,764
REV1 POWER SERVICES INC 166 E BLOOMINGDALE AVE BRANDON, FL 33511	slag tank modifications	Invoice Cost	107	48,704
RICOH BUSINESS SYSTEMS 31478 INDUSTRIAL RD STE 200 LIVONIA, MI 48150	equipment maintenance agreements	Invoice Cost	524	34,765
ROHE INTERNATIONAL 349 NORTHGATE DR WARRENDALE, PA 15086	equipment repair	Invoice Cost	107 570	6,800 50,261 <hr/> 57,061

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NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
ROYAL EXCURSION 12807 MCKINLEY HIGHWAY MISHAWAKA, IN 46545	employee tranportation services	Invoice Cost	524	948
			530	231,678
				232,626
RTW REFRACTORY 3141 BROADWAY AVE EVANSVILLE, IN 47712	refractory equipment repairs	Invoice Cost	107	199,649
			512	57,351
				257,000
RUMPKE CONTAINER SERVICE INC 10795 HUGHES RD CINCINNATI, OH 45251	waste removal services	Invoice Cost	107	279
			506	40,627
				40,906
S & G EXCAVATING INC 545 E MARGARET DR TERRE HAUTE, IN 47802	excavating services	Invoice Cost	107	27,278
			108	28,600
				55,878
SAFETY-KLEEN INC 5400 LEGACY DR PLANO, TX 75024	hazardous waste disposal	Invoice Cost	108	17,677
			506	18,024
			532	7,007
				42,708
SARGENT & LUNDY LLC 55 E MONROE ST CHICAGO, IL 60603	nuclear engineering services	Invoice Cost	107	8,361,038
			517	171,436
			524	69,858
			528	198,429
			529	152,284
			530	159,532
			531	170,677
			532	656,368
	9,939,622			
SBD REPROGRAPHICS 1303 NORTHSIDE BLVD SOUTH BEND, IN 46615	equipment repair	Invoice Cost	107	8,420
			524	26,104
				34,524
SCHALCO CONSTRUCTION 10700 STATE RD 662 NEWBURGH, IN 47630	door & facilities repair	Invoice Cost	511	52,674
SCHINDLER ELEVATOR CORP 3725 W CLEVELAND RD SOUTH BEND, IN 46628	elevator inspection services	Invoice Cost	529	57,255
			530	126,463
			531	1,216
			935	1,332
				186,266
SCIENTECH LLC 440 W BROADWAY ST IDAHO FALLS, ID 83402	software support services	Invoice Cost	524	188,900
			528	9,500
				198,400
SEAWARD MARINE SERVICES INC 508 E INDIANA RIVER RD NORFOLK, VA 23513	underwater cleaning & inspection services	Invoice Cost	513	33,359
SECURITY SRVCS & TECHNOLOGIES 2450 BLVD OF THE GENERALS NORRISTOWN, PA 19403	fire alarm systems installation	Invoice Cost	107	325,631
			184	304
			935	7,528
				333,463
SESSIONS SERVICES EXCAVATING 18025 DOEHRMAN RD WOODBURN, IN 46797	lawn repair services	Invoice Cost	186	74,897
			593	698
				75,595
SHEETS, W A & SONS INC 1336 POLK STREET FORT WAYNE, IN 46808	building maintenance & repair	Invoice Cost	107	4,445
			163	14,192
			935	26,796
				45,433
SIEMENS POWER GENERATION INC 530 D LAKEVIEW PLAZA BLVD WORTHINGTON, OH 43085	nuclear plant equipiment	Invoice Cost	107	241,954

Name of Respondent	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report	
Indiana Michigan Power Company			December 31, 2008	
Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
SILVER FOX SYNERGIES LLC 600 DEER LN TOMS RIVER, NJ 08753	employee training programs assessment	Invoice Cost	524	29,996
SLATILE ROOFING & RESTORATION 1703 SOUTH IRONWOOD SOUTH BEND, IN 46613	roofing installation & repairs	Invoice Cost	107 570 591	54,006 7,715 462 62,183
SOUTH BEND MEDICAL FOUNDATION 530 N LAFAYETTE BLVD SOUTH BEND, IN 46601	employee radiation exposure monitoring	Invoice Cost	524	57,669
SOUTHWEST TRANSPORT CO 137 HILLSBOROUGH ST HARTFORD, MI 49057	snow removal services	Invoice Cost	184 935	43,263 815 44,078
STANDARD & POORS 55 WATER ST 46TH FL NEW YORK, NY 10041	financial rating services	Invoice Cost	921 923	59 56,454 56,513
STAR FIELD FIT INC 116 LATOURETTE ST MARION, OH 43302	engineering services	Invoice Cost	107 108 517 530 531	4,343 1,086 12,258 111,401 34,056 163,144
STERETT CONSTRUCTION CO 34 BOOTHFIELD RD OWENSBORO, KY 42301	crane services	Invoice Cost	506	60,479
STEVENS PAINTON CORPORATION 5997 CARLSON AVE PORTAGE, IN 46368	door & fence installation & repairs	Invoice Cost	524 529	128,047 29,535 157,582
STEVENSON & ASSOC INC 9217 MIDWEST AVE CLEVELAND, OH 44125	nuclear plant equipment engineering	Invoice Cost	107 524	157,002 4,000 161,002
STRAHM INC PO BOX 8299 FORT WAYNE, IN 46898	waste removal services	Invoice Cost	107 931 935	78,494 1,391 23,721 103,606
STRAUB, SEAMAN & ALLEN PC PO BOX 318 ST JOSEPH, MI 49085	legal services - R&D matters	Invoice Cost	107 923	4,213 29,138 33,351
STRUCTURAL INTEGRITY ASSOC. 3315 ALMADEN EXPRESSWAY SAN JOSE, CA 95118	structural analysis consulting	Invoice Cost	512 530	15,565 39,438 55,003
STRUCTURE CONSULTING GROUP 98 MAIN ST TIBURON, CA 94920	nuclear plant consulting services	Invoice Cost	524	40,944
STUDSVIK PROCESSING FACILITY 151 T.C. RUNION ROAD ERWIN, TN 37650	radioactive waste disposal	Invoice Cost	107 532	81,996 552,352 634,348
STUDSVIK SCANDPOWER INC 1087 BEACON STREET NEWTON, MA 02459	annual software licensing	Invoice Cost	107 517 524	9,990 16,400 78,891 105,281
STUDSVIKRACE 2250 CHANNEL AVE MEMPHIS, TN 38113	radioactive waste disposal	Invoice Cost	107 108 532	14,530 43,197 300,043 357,770

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
SUN TECHNICAL SERVICES INC 6490 S MCCARRAN BLVD STE 6 RENO, NV 89509	engineering services	Invoice Cost	107	4,278,994
			108	116,567
			186	917
			500	29,806
			501	12,248
			512	12,445
			513	60,136
			517	1,551,322
			524	2,411,899
			528	4,018
			529	96,722
			530	2,746,689
			531	179,160
			532	475,781
			921	1,658
				11,978,368
SUNPRO INC 7392 WHIPPLE AVE NW NORTH CANTON, OH 44720	emergency response & cleanup services	Invoice Cost	108	64,990
			184	1,365
			524	5,753
			531	30,177
			588	31,736
			594	12,564
				146,585
SUNSET PINES 52426 US 131 THREE RIVERS, MI 49093	snow removal services	Invoice Cost	184	58,040
SWALLOWS LANDSCAPE SERVICE 242 N FULTON PARKER CITY, IN 47368	landscaping services	Invoice Cost	562	21,785
			582	25,645
				47,430
SWARTZ CAMPBELL LLC TWO LIBERTY 50 S 16TH ST PHILADELPHIA, PA 19102	legal services - liability claims	Invoice Cost	925	169,460
SYNERGETIC DESIGN INC PO BOX 411247 CHARLOTTE, NC 28241	engineering services	Invoice Cost	107	414,483
			108	54,917
			186	9,882
			580	20,669
			590	19,347
			593	14,137
				533,435
TANKNOLOGY CORPORATION 470 SCHROCK RD COLUMBUS, OH 43229	storage tank testing services	Invoice Cost	524	38,206
TCI OF ALABAMA LLC 101 PARKWAY EAST PELL CITY, AL 35125	PCB waste disposal	Invoice Cost	108	40,559
T-E INC 5540 HUGUENARD RD FORT WAYNE, IN 46818	asphalt removal & installation	Invoice Cost	107	3,300
			184	52,792
			935	6,683
				62,775
TEAM INDUSTRIAL SERVICES INC 3640 WEST 179TH ST HAMMOND, IN 46323	ultrasonic & magnetic equipment inspection	Invoice Cost	107	27,372
			519	9,571
				36,943
TECHNICAL PLACEMENT INC 2274 BROOMSTICK ROAD GREEN LANE, PA 18054	employee recruitment svcs	Invoice Cost	524	57,970
TEKSYSTEMS 3940 PENINSULAR DRIVE SE GRAND RAPIDS, MI 49546	project support services	Invoice Cost	107	1,783
			186	884
			524	596,540
				599,207

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
TEI CONSTRUCTION SERVICES INC 201 N 4TH ST ROYERSFORD, PA 19468	equipment repairs	Invoice Cost	107	12,952
			108	12,952
			512	31,856
			513	1,672
				59,432
TEMPORARY TECHNICAL SERVICES 915 AIRPORT RD JACKSON, MI 49202	temporary staffing services	Invoice Cost	107	107,528
			108	15,589
			186	7,926
			580	5,474
			590	5,474
			593	806
				142,797
TERRA I/S LLC 5100 W MICHIGAN AVE KALAMAZOO, MI 49006	vacuum excavation services	Invoice Cost	107	34,310
			524	2,679
			529	10,806
			531	28,850
			532	18,720
				95,365
TERRY, CARL D 1399 WEST GENESEE RD BALDWINSVILLE, NY 13027	nuclear safety review board services	Invoice Cost	524	37,945
THERMAL ENGINEERING INTERNAL 10375 SLUSHER DR SANTA FE SPRINGS, CA 90670	nuclear plant consulting svcs	Invoice Cost	107	4,968,000
THINK RESOURCES 280 TECHNOLOGY PKWY ATLANTA, GA 30092	staffing services	Invoice Cost	107	10,389
			506	25,819
				36,208
THYSSENKRUPP SAFWAY INC 3200 CALUMENT AVENUE HAMMOND, IN 46320	equipment rental	Invoice Cost	107	1,623
			530	368,525
			531	208
				370,356
TIP TOP INDUSTRIAL SERVICE INC 4690 ASHLEY DR HAMILTON, OH 45011	machine repair	Invoice Cost	107	4,616
			108	1,816
			512	122,715
				129,147
TOWERS PERRIN 1100 SUPERIOR AVE E STE 900 CLEVELAND, OH 44114	financial & actuarial services	Invoice Cost	926	62,242
TOWNSEND TREE SERVICE INC P O BOX 128 PARKER CITY, IN 47368	brush & tree trimming services	Invoice Cost	562	15,233
			582	15,234
				30,467
TRAFFIC & SAFETY CONTROL SYS. 48584 DOWNING WIXOM, MI 48393	traffic control barricades	Invoice Cost	524	76,969
TRANE WEST MICHIGAN 5005 CORPORATE EXCHANGE BLVD GRAND RAPIDS, MI 49512	electronic controls installation	Invoice Cost	107	1,698,000
			529	4,444
				1,702,444
TREMCO ROOFING 3735 GREEN RD BEACHWOOD, OH 44122	plant roof inspections	Invoice Cost	511	9,700
			524	16,121
			529	107,571
				133,392
UNDERWATER CONSTRUCTION CORP PO BOX 699 ESSEX, CT 06426	underwater construction services	Invoice Cost	107	26,275
			108	6,613
			530	324,592
			532	555,117
				912,597

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
UNITECH SERVICES GROUP 1006 3RD AVE. MORRIS, IL 60450	uniform & cleaning services	Invoice Cost	107	63,486
			520	277,834
				341,320
UNITED CONSTRUCTION CO INC 1340 OLD ROSEMAR RD PARKERSBURG, WV 26104	project construction services	Invoice Cost	107	73,411
			108	18,631
			186	4,063
			500	31,957
			506	5,060
				133,122
UNITED DYNAMICS CORPORATION 2681 CORAL RIDGE RD BROOKS, KY 40109	inspection services	Invoice Cost	512	38,306
UNITED RENTALS various US locations	equipment rental	Invoice Cost	107	31,343
			513	4,269
			514	17,532
			570	17,091
				70,235
UNIVERSAL FABRIC STRUCTURES 2200 KUMRY RD QUAKERTOWN, PA 18951	awning / tent supplier	Invoice Cost	531	34,083
US NUCLEAR REGULATORY COMMISSION KING OF PRUSSIA, PA 19406	inspection & licensing fees	Invoice Cost	517	1,000
			524	316,372
			928	1,545,961
				1,863,333
US TRACKWORKS LLC 1165 142ND AVE WAYLAND, MI 49348	railroad track crossing construction & repairs	Invoice Cost	107	347,205
			529	43,915
				391,120
UTILX CORP 22820 RUSSELL RD KENT, WA 98064	utility pole treatment	Invoice Cost	107	877,125
			517	10,000
				887,125
UTTER CONSTRUCTION INC 779 PRATHER RD FELICITY, OH 45120	fly ash pond construction	Invoice Cost	107	132,900
			512	219,366
				352,266
VARNUM RIDDERING SCHMIDT PO BOX 352 GRAND RAPIDS, MI 49501	legal services-labor & liability claim issues	Invoice Cost	923	63,217
VARO ENGINEERS LTD 2751 TULLER PARKWAY DUBLIN, OH 43017	engineering services	Invoice Cost	107	79,176
VECTREN ENERGY DELIVERY 1239 RELIABLE PARKWAY CHICAGO, IL 60686	auxiliary power & electrical line relocation	Invoice Cost	506	92,364
VENTURESUM CORPORATION 9102 AVIATION BLVD CONCORD, NC 28027	joint use pole inventorying	Invoice Cost	186	84,430
VOLIAN ENTERPRISES INC 122 KERR RD NEW KENSINGTON, PA 15068	computer support services	Invoice Cost	524	43,000

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
VEOLIA ENVIRONMENTAL SERVICES 28900 NETWORK PLACE CHICAGO, IL 60673	environmental disposal & cleanup services	Invoice Cost	107	12,471
			108	1,305
			152	86,083
			184	1,715
			501	70,915
			511	23,089
			512	46,402
			513	2,622
			514	1,300
			532	37,625
			585	7,315
			594	1,094
				291,936
WABASH VALLEY REFUSE REMOVAL 316 SPRING VALLEY RD WABASH, IN 46992	waste removal services	Invoice Cost	184	56,088
WACKENHUT CORP 4200 WACKENHUT DR PALM BEACH GARDENS, FL 33140	security services	Invoice Cost	184	153,444
			506	282,072
			524	12,818,727
				13,254,243
WALSH & KELLY 24358 SR 23 SOUTH BEND, IN 46614	asphalt replacement & repairs	Invoice Cost	935	34,676
WASKO, G L & SONS LLC PO BOX 806 BRIDGMAN, MI 49106	equipment rental	Invoice Cost	107	9,420
			108	2,355
			530	14,263
			531	10,959
				36,997
WAUKESHA ELECTRIC SYSTEMS 400 SOUTH PRAIRIE AVE WAUKESHA, WI 53186	employee training	Invoice Cost	566	25,125
WB-KOESTER CONSTRUCTION LLC 14601 HIGHWAY 41 NORTH EVANSVILLE, IN 47725	fly ash landfill construction services	Invoice Cost	511	55,108
WELLS FARGO BANK various US locations	financial services	Invoice Cost	427	46,181
			930	33,450
				79,631
WEST SHORE SERVICES INC 6620 LAKE MICHIGAN DR ALLENDALE, MI 49401	electrical equipment removal	Invoice Cost	108	44,400
WESTINGHOUSE ELECTRIC CORP 4350 NORTHERN PIKE MONROEVILLE, PA 15146	nuclear support services	Invoice Cost	107	305,050
			120	710,712
			517	365,454
			528	1,394,855
			530	730,301
			531	3,100
			532	222,500
				3,731,972
WHAYNE SUPPLY CO P O BOX 951439 CLEVELAND, OH 44193	equipment repair	Invoice Cost	107	777
			152	3,774
			512	33,243
			514	7,200
				44,994
WHITING SERVICES INC 11200 ST JOHNS INDUSTRL PKWY JACKSONVILLE, FL 32246	nuclear plant support svcs	Invoice Cost	530	76,020
			532	126,402
				202,422

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Charges for Outside Professional & Other Consulting Services - Payments of \$25,000 or more (contd.)				
NAME / ADDRESS	DESCRIPTION	CHARGES	ACCOUNT	AMOUNT
WIECZOREK HILLIARD 12724 S WOLCOTT ST SAWYER, MI 49125	equipment & building repairs	Invoice Cost	184 935	1,005 33,182 <hr/> 34,187
WIESE PLANNING & ENGINEERING INC PO BOX 60106 ST LOUIS, MO 63160	equipment rental & employee training	Invoice Cost	163 566 588 590	21,860 960 1,220 1,280 <hr/> 25,320
WIGHTMAN PETRIE INC 4703 CHESTER DR ELKHART, IN 46616	surveying services	Invoice Cost	107	37,234
WILMINGTON TRUST CO 1100 N MARKET ST WILMINGTON, DE 19890	financial services	Invoice Cost	930	29,245
WINSTED TECHNICAL INTERIORS 1750 BRECKINRIDGE PKWY STE 100 DULUTH, GA 30096	design & engineering svcs	Invoice Cost	107	220,436
WORKFORCE SOFTWARE INC 36141 SCHOOLCRAFT RD LIVONIA, MI 48150	software licensing	Invoice Cost	107	333,779
ZELLER ELEVATOR CO 8875 MEINSCHEN RD MOUNT VERNON, IN 47620	elevator services	Invoice Cost	511	34,821
ZIOLKOWSKI CONSTRUCTION INC 1005 S LAFAYETTE BLVD SOUTH BEND, IN 46601	transformer painting	Invoice Cost	107 570 592 593 925 935	11,630 91,001 62,301 4,646 239 20,364 <hr/> 190,181

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Ohio Power Company	Subsidiaries of AEP	Coal & Urea Barging Costs		
2	Appalachian Power Co				
3	AEP Generating Company				
4	Kentucky Power				
5	Memco Consolidated				
6	Ohio Power - Cook Coal Terminal	Subsidiary of AEP	Boat Rental		
7	Cardinal Operating Co	Subsidiaries of AEP	Rail Car Rental		
8	Southwest Elec Power Co				
9	Ohio Power Company				
10	Public Service Co of OK				
11	Kentucky Power				
12	Appalachian Power Co				
13	AEP Service Corporation	Parent Company	Transmission Equalization	565	37,398,479
14	(agent for AEP System)	Service Corp.			
15	AEP Generating Company	Subsidiary of AEP	Costs billed to operate jointly-owned Rockport facilities	408	1,273,833
16				456	(210,000)
17				500	2,781,561
18				501	212,427,111
19				502	1,467,734
20				505	1,510,353
21				506	2,643,563
22				507	68,283,036
23				510	1,746,018
24				511	529,359
25				512	6,047,517
26				513	1,803,367
27				514	727,660
28				556	5,604
29				557	5,243
30				920	12,282
31				921	201,980
32				922	148
33				923	1,230,466
34				924	190,799
35				925	49,519
36				926	1,541,585
37				930	61,875
38				931	11,980
39				935	112,064
40					
41					
42					
43	AEP Generating Company	Subsidiary of AEP	(1)	408	5,682
44				500	950,749
45				506	2,460,799
46				509	364
47				510	223,417
48				512	2,768
49				513	91,749
50				514	64,334
51				519	474
52				546	162,959
53				553	54,366
54				921	12,150
55				925	455
56				926	866
57					
58					
59					
60	AEP Elmwood LLC	Subsidiary of AEP	(1)	921	25
61					

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number	Amount Classified to Non-operating Income	Account Number	Amount Classified to Balance Sheet	Total	Pricing Method	Line No.
(f)	(g)	(h)	(i)	(j)	(k)	
417	40,854,446				Alloc of barging costs based on deliveries of coal.	1
	27,058,797					2
	17,038,199					3
	8,827					4
	18,381,110			103,341,379		5
417	11,800			11,800	Fee - contract	6
		151	176,660		Alloc of actual usage of cars.	7
		151	2,543,128			8
		151	376,559			9
		151	1,315,638			10
		151	214			11
		151	109,593	4,521,792		12
				37,398,479	Trans Equal Agmt appr by FERC.	13
421	(171)	107,	29,327,714		Cost	14
426	310,604	108	(416,257)			15
		151	(7,152,986)			16
		152	(457,589)			17
		154	1,053,627			18
		186	190,975			19
		236	586,924			20
		253	5,570,952			21
						22
						23
						24
						25
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						34
						35
						36
						37
						38
						39
						40
				333,468,450		41
						42
		107	132,390		Cost	43
		108	11,087			44
		135	2,000			45
		163	103,031			46
		186	27,664			47
		236	3,821,502			48
						49
						50
						51
						52
						53
						54
						55
						56
						57
				8,128,806		58
				25	Cost	59
						60
						61

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
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Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	AEP Pro Serv, Inc.	Subsidiary of AEP	(1)	921	1
2				923	6,435
3	AEP Service Corporation	Parent Company	(1)	920	26
4		Service Corp.		921	6,863
5				935	3,126
6					
7					
8					
9	AEP T&D Services, LLC	Subsidiary of AEP	(1)	930	139,705
10					
11	AEP Texas Central Co	Subsidiary of AEP	(1)	560	2,196
12				566	1,080
14				567	500
15				580	152
16				584	7
17				586	1,780
18				587 and 588	320
19				592	947
20				593	671
21				595	9
22				903	226
23				904	138
24				921	1,304
25				924	(6,949)
26				925	(182,744)
27				926	30
28	AEP Texas North Co	Subsidiary of AEP	(1)	500	293
29				506	2,858
30				560	2,378
31				566	1,163
32				580	53
33				584	1
34				586	90
35				588	91
36				592	480
37				920	50
38				921	403
39				924	(2,596)
40				925	(32,249)
41				926	9
42				930	10
43				935	(323)
44	American Electric Power Co	Parent Company	(1)	920	2,470
45				921	7
46	Appalachian Power Co	Subsidiary of AEP	(1)	500	7,721
47				501	(133,416)
48				506	2,912
49				510	34
50				512	68
51				513	135
52				514	(20,871)
53				524	12,597
54				530	321
55				539	5,285
56				560	2,926
57				566	1,412
58				567	53
59				570	284
60				580 and 584	446

Name of Respondent Indiana Michigan Power 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, 2008			
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				6,436	Cost	1
						2
		107	4,124		Cost	3
		163	4,600			4
		186	160			5
				18,899		6
						7
		163	1,248		Cost	8
				140,953		9
		107	825		Cost	10
		108	6			11
		163	34,830			12
		184	1			14
		188	904			15
				(143,767)		16
		163	268		Cost	17
		188	979			18
						19
						20
						21
						22
						23
						24
						25
						26
						27
				(26,042)		28
426	6,939			9,416	Cost	29
						30
456	(1,721)	107	27,449		Cost	31
		108	5,680			32
		152	3,888			33
		163	1,889			34
		184	959			35
		186	(2)			36
		188	1,204			37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
						49
						50
						51
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						55
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						58
						59
						60

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Appalachian Power Co (cont)			586 & 587	1,749
2				588 & 589	664
3				593-595	11,247
4				592	4,546
5				597	454
6				598	2
7				903	1,094
8				909	562
9				920	324
10				921	2,832
11				924	(17,809)
12				925	1,739
13				926	200
14				930	77
15				935	741
16	Blackhawk Coal Co	Subsidiary of AEP	(1)		
17	Cardinal Operating Co	Subsidiary of AEP	(1)	500	11,130
18				506	2,869
19				510	(8,122)
20				566	62,815
21				571	18,947
22				920	20
23				921	354
24				926	4,321
25					
26	Columbus Southern Co	Subsidiary of AEP	(1)	456	(7,482)
27				500	1,730
28				506	2,876
29				512	1,065
30				524	7,072
31				560	1,059
32				566	561
33				567 & 570	3,995
34				571	4
35				580	4,063
36				583 & 584	19
37				586	5,350
38				588	9,221
39				590 & 592	19,276
40				593	290,927
41				594	1
42				595	838
43				596	(11)
44				597	412
45				598	(5)
46				903	81
47				920	111
48				921	1,589
49				924	(8,861)
50				925 & 926	1,090
51				935	1,052
52	Conesville Coal Prep Co	Subsidiary of AEP	(1)	920	1
53				921	33
54				925	1
55					
56	Ohio Power - Cook Coal Terminal	Subsidiary of AEP	(1)	456	(2,287)
57				500	124,657
58				501	6,117
59				920	2
60				921	94
61				926	2

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				(72,326)		1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
426	4,851	228	5,772	10,623		15
		163	237		Cost	16
						17
						18
						19
						20
						21
						22
				92,572		23
						24
		107	45,200		Cost	25
		108	9,853			26
		152	282			27
		163	8,840			28
		184	146			29
		186	1,686			30
		188	436			31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
						49
				402,480		50
		163	22		Cost	51
						52
						53
				57		54
						55
		163	63		Cost	56
		165	3,436,828			57
						58
						59
						60
				3,567,763		61

Name of Respondent Indiana Michigan Power 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, 2008	
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Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	CSW Energy	Subsidiary of AEP	(1)	920	3
2				921	19
3	Kentucky Power Co	Subsidiary of AEP	(1)	500	640
4				506	2,865
5				511	1,262
6				524	2,693
7				560	634
8				566	396
9				580	90
10				584	1
11				588	2,141
12				589	26
13				597	79
14				903	7
15				920	85
16				921	521
17				924	(3,400)
18				925	238
19				926	12
20					
21					
22					
23	Kingsport Power Co	Subsidiary of AEP	(1)	560	26
24				566	90
25				580	19
26				588	13
27				589	7
28				597	21
29				903	3
30				920	6
31				921	63
32				924	(251)
33				926	1
34					
35					
36	Memco Consolidated	Subsidiary of AEP	(1)	920	224,902
37				921	67,516
38	Ohio Power Co	Subsidiary of AEP	(1)	456	(36,639)
39				500	4,617
40				506	2,910
41				512	105
42				513	595
43				524	8,861
44				539	63
45				560	3,325
46				562	289
47				563	2,491
48				566	1,521
49				570	42,432
50				571	217,864
51				580	2,324
52				582	94
53				583	1,064
54				586	3,663
55				587	145
56				588	115,121
57				590	2,856
58				592	3,261
59				593	540,511
60				594	294

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
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Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		163	13	36	Cost	1
456	(6)	107	6,621		Cost	2
		108	789			3
		143	1,043			4
		163	609			5
		188	261			6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
				17,607		21
		163	43		Cost	22
		188	11			23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
				52		35
417	144,646			437,064	Cost	36
		107	320,093		Cost	37
		108	45,018			38
		152	31			39
		163	70,102			40
		184	918			41
		185	271			42
		186	6,900			43
		188	1,299			44
						45
						46
						47
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						60

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Ohio Power Co (cont)			595	2,539
2				596	337
3				597	409
4				598	41
5				903	1,018
6				920	10,460
7				921	2,579
8				923	1,241
9				924	(17,278)
10				925	2,976
11				926	51
12				930	207
13				935	36,907
14	Public Service Co of OK	Subsidiary of AEP	(1)	500	1,556
15				506	2,886
16				511	109
17				512	789
18				524	6,741
19				560	1,836
20				566	916
21				570	1,712
22				580	108
23				583	38
24				584	2
25				586	992
26				588	224
27				592	2,694
28				593	193
29				903	401
30				920	130
31				921	1,363
32				924	(6,435)
33				926	32
34				935	613
35	Southwest Electric Power Co	Subsidiary of AEP	(1)	500	1,950
36				506	2,972
37				513	5
38				514	62
39				524	7,945
40				530	1,775
41				560	1,957
42				566	970
43				580	99
44				584	2
45				586	160
46				588	227
47				592	302
48				593	151,994
49				903	61
50				920	135
51				921	1,538
52	924	(7,501)			
53	925	594			
54	926	36			
55	Wheeling Power Co	Subsidiary of AEP	(1)	560	102
56					
57					
58					
59					
60					

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
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Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				1,403,885		1 2 3 4 5 6 7 8 9 10 11 12 13
		107 108 163 184 186 188	48,970 5 910 12 (1) 756		Cost	14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37
426		107 108 163 184 186 188	40,582 8,265 18,635 (99,344) (1) 805	67,553	Cost	38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59
		107	0	134,222	Cost	60

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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
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Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Wheeling Power Co (cont)			566	125
2				580	20
3				588	1,655
4				589	6
5				592	127
6				597	19
7				903	1,598
8				920	5
9				921	79
10				924	(286)
11				926	2
12					
13					
14					
15					
16	Miscellaneous - For affiliate	Subsidiary of AEP	(1)		
17	totals less than \$50				
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
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47					
48					
49					
50					
51					
52					
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54					
55					
56					
57					
58					
59					
60	TOTALS				347,726,238

Name of Respondent Indiana Michigan Power 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, 2008			
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Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
		188	42			1
		108	32			2
		163	47			3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
				3,572		14
						15
		107	3,826		Cost	16
				3,826		17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
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						40
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						46
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						50
						51
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						54
						55
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						57
						58
						59
	103,818,322		41,398,767	492,943,327		60

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2. In column (b) describe the affiliation (percentage ownership, etc.).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Memco Consolidated	Subsidiary of AEP	Coal Barging		
2	Memco Consolidated	Subsidiary of AEP	River Trans G&A		
3	Appalachian Power Co	Subsidiary of AEP	Lakin Electric Billing		
4	AEP Transportation	Subsidiaries of AEP	Rail Car Usage		
5	Ohio Power Co				
6	Public Service Co of OK				
7	Southwest Elec Power Co				
8	Appalachian Power Co				
9	AEP Generating Company	Subsidiary of AEP	Purchased Power	555	247,931,667
10	AEP Service Corporation			555	135,055,635
11	Public Service Co of OK			555	765,674
12	Southwest Elec Power Co			555	429,242
13					
14	AEP Pro Serv, Inc	Subsidiary of AEP	(1)	921	22
15	AEP Generating Company	Subsidiary of AEP	(1)	408	306,516
16				500/512/921	3,525
17	AEP Texas Central Co	Subsidiary of AEP	(1)	511	(2)
18				514	10,065
19				560	2,727
20				566	484
21				570	390
22				580	638
23				583	(6)
24				586	(209)
25				588	16,308
26				592	4,114
27				593	3,205
28				594	(1)
29				903	12
30				920	2
31				930	110
32	AEP Texas North Co	Subsidiary of AEP	(1)	512	215
33				560	889
34				566	353
35				570	196
36				580	322
37				586	(44)
38				588	19,780
39				592	734
40				903	(10)
41				907	201
42				920	99
43				925, 930	151
44	American Electric Power Co	Parent Co	(1)		
45					
46					
47	Appalachian Power Co	Subsidiary of AEP	(1)	431,454,456	(89,123)
48				500	6,327
49				502	71
50				506	1,209
51				510	567
52				511, 512	1,959
53				512	1,666
54				513	140
55				530,531	1,521
56				537,544	1,095
57				539	1,573
58				549	(38)
59				560	484
60				566	387

(1) Misc transactions rendered at cost

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Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
417	29,834,362			29,834,362	Cost	1
417	6,996,397			6,996,397	Cost	2
417	43,277			43,277	Cost	3
		151	5,886		Alloc of actual expense	4
		151	1,105,491			5
		151	328,085			6
		151	1,154,851			7
		151	522,632	3,116,945		8
					The AEP System operates all gen facilities as agent	9
				384,182,218		10
				22	Cost	11
		152	161		Cost	12
				310,202		13
		107	890		Cost	14
		152	494			15
		163	13,566			16
		184	2			17
		185	(4)			18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
				52,784		31
		107	(1)		Cost	32
		184	9			33
		185	(2)			34
		186	(76)			35
						36
						37
						38
						39
						40
						41
				22,815		42
		236	65		Cost	43
				65		44
		107	15,854		Cost	45
		108	5,257			46
		134	(262,468)			47
		152	807			48
		163	(5,064)			49
		184	23,462			50
		186	(291,204)			51
		188	73,614			52
						53
						54
						55
						56
						57
						58
						59
						60

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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
<p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p>					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Appalachian Power Co (cont)			570	4,878
2				571	(16,718)
3				580	2,887
4				583	(1)
5				586	20,226
6				588	27,838
7				592	23,022
8				593	3,865
9				594	4
10				595	4,016
11				597	3,294
12				598, 599	8,107
13				903,907	1,288
14				920	4,882
15				921	195
16				922, 923	(40,600)
17				925	72
18				926	3,616
19				930	1,160
20				935	2,009
21	Cardinal Operating Co	Subsidiary of AEP	(1)	510	4,408
22				920	1
23	Columbus Southern Power	Subsidiary of AEP	(1)	506	404
24				512	196
25				549	(32)
26				560	991
27				566	682.35
28				568	29
29				570	93
30				571	2,897
31				580	19,620
32				584	29,533
33				586	455
34				588	29,050
35				590	17,894
36				593	24,037
37				594	255
38				596	10
39				597	603
40				598	5
41				903	256
42				920	13,420
43				921	3
44				923	258
45				926	438
46				930	95
47				935	61,467
48					
49					
50					
51					
52	Franklin Real Estate Co	Subsidiary of AEP	(1)		
53	Indiana Franklin Realty Inc.	Subsidiary of AEP	(1)		
54	Kentucky Power Co	Subsidiary of AEP	(1)		
55				560	19
56				566	286
57				567	13
58				570	1,950
59				588	32
60				925	43

(1) Misc transactions rendered at cost

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
				(457,865)		19
		107	171			20
				4,579	Cost	21
		107	51,968		Cost	22
		108	7,539			23
		184	35			24
		186	(1,095)			25
		188	11,020			26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
				272,126		49
		236	8,034	8,034	Cost	50
		236	147,622	147,622	Cost	51
		107	754		Cost	52
		108	48			53
		184	(146)			54
		188	2,326			55
		242	195			56
						57
						58
						59
						60

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc.). 3. In column (c) describe the nature of the goods and services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Kentucky Power Co (cont)			592	1,155
2				593	3,911
3				597	108
4				903	14
5				920	253
6				923	21,408
7				935	300
8					
9					
10	Kingsport Power Co	Subsidiary of AEP	(1)	580	339
11	Ohio Power Co	Subsidiary of AEP	(1)	426-456	(9,057)
12				500	5,037
13				501	5
14				506	747
15				512	1,968
16				524	605
17				539	3,945
18				560	4,899
19				566	3,429
20				567	590
21				570	3,925
22				571	21,308
23				580	17,693
24				583	690
25				584	204
26				586	118,007
27				588	13,385
28				592	5,318
29				593	40,973
30				594	(2,274)
31				595	7,221
32				596	(13)
33				597	9,929
34				598	19,709
35				903	585
36				920	498
37				921	2,115
38				923	129,392
39				925	4,426
40				930	(1,427)
41				931	940,568
42				935	74,811
43					
44					
45	Public Service Co of OK	Subsidiary of AEP	(1)	502	40
46				511	240
47				512	157
48				560	28
49				566	550
50				570	755
51				580	1,174
52				583	4
53				586	228
54				588	37,162
55				592	958
56				593	724
57				597	50
58				903	1,631
59				513-514	2,397
60				561-563	15,451

(1) Misc transactions rendered at cost

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008			
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				32,667		1
						2
						3
						4
						5
						6
						7
						8
						9
		107	1,778	2,118	Cost	10
		107	161,601		Cost	11
		108	10,736			12
		134	(262,468)			13
		152	1,454			14
		163	20,260			15
		184	334			16
		186	(27,285)			17
		188	3,066			18
		253	(864,346)			19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
				462,564		43
						44
		107	4,590		Cost	45
		108	107			46
		163	73			47
		184	12			48
		186	(355)			49
		188	68			50
						51
						52
						53
						54
						55
						56
						57
						58
						59
						60

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) December 31, 2008	Year of Report December 31, 2008
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc.).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	Public Service Co of OK(cont)			920	30
2				926	62
3				930	197
4				935	3,104
5					
6	Southwestern Electric Co	Subsidiary of AEP	(1)	500	319
7				506	153
8				512	1,497
9				560	385
10				561	5,164
11				566	208
12				570	215
13				571	702
14				580	53
15				583	455
16				586	19
17				588	10,143
18				592	3,006
19				593	587
20				595	(20)
21				596	24
22				903	1,600
23				907	196
24				920	698
25				921	3,352
26				923	(989)
27				926	79
28				935	41,311
29					
30	Wheeling Power Co	Subsidiary of AEP	(1)	560	2
31				586	3
32				588	372
33				593	22
34				597	28
35				903	992
36	United Sciences Testing	Subsidiary of AEP	(1)		
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60	TOTALS				386,326,509

(1) Misc transactions rendered at cost

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES (Continued)						
<p>5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.</p> <p>6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.</p> <p>7. In column (j) report the total.</p> <p>8. In column (k) indicate the pricing method (cost, per contract terms, etc.)</p>						
Account Number (f)	Amount Classified to Non-operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
				69,437		1
		107	6,559		Cost	2
		108	(20)			3
		163	1,019			4
		184	2			5
		188	305			6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
				77,022		28
		107	5,970		Cost	29
		108	17			30
						31
						32
						33
				7,405		34
		107	3,320			35
				3,320		36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46
						47
						48
						49
						50
						51
						52
						53
						54
						55
						56
						57
						58
						59
	36,874,036		1,987,573	425,188,118		60

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
ELECTRIC ENERGY ACCOUNT							
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.							
Line No.	Item (a)	MWH's (b)	Line No.	Item (a)	MWH's (b)		
1	SOURCES OF ENERGY		18	Net Transmission for other (line 16	0		
2	Generation (Excluding Station Use):			minus line 17)			
3	Steam	14,641,694	19	Transmission by others losses	0		
4	Nuclear	15,036,286	20	TOTAL (Total of lines 9, 10, 14, 18 & 19)	43,953,718		
5	Hydro-Conventional	112,270	21	DISPOSITION OF ENERGY			
6	Hydro-Pumped Storage		22	Sales to Ultimate Consumers			
7	Other			(Including Interdepartmental Sales)	18,942,835		
8	LESS Energy for Pumping		23	Requirements Sales for Resale			
9	Net Generation (Total of lines 3 thru 8)	29,790,250		(See instruction 4, page 311.)	4,552,202		
10	Purchases	14,163,468	24	Non-Requirements Sales For Resale			
11	Power Exchanges:			(See instruction 4, page 311.)	18,579,255		
12	Received		25	Energy furnished without charge	45		
13	Delivered		26	Energy used by the company (Electric			
14	NET Exchanges (line 12 minus 13)			Dept. only, excluding station use)			
15	Transmission for other (Wheeling)		27	Total Energy Losses	1,879,381		
16	Received		28	TOTAL (Enter total of lines 22 thru			
17	Delivered			27) (MUST equal line 20)	43,953,718		
MONTHLY PEAKS AND OUTPUT							
1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system				amount on line 24 by the amount of losses incurred (or estimated) in making the non-requirements Sales for Resale.			
2. Report in column (b) the system's energy output for each month such that the total on line 41 matches the total on line 20.				4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c).			
3. Report in column (c) a monthly breakdown on the Non-Requirements Sales for Resale reported on line 24. Include in the monthly amounts any energy losses associated with the sales so that the total on line 41 exceeds the				5. Report in columns (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 Instruction 4) (d)	Day of Month (e)	Hour (f)	
29	January	4,223,257	2,001,072	3875	25	800	
30	February	3,841,334	1,686,012	3842	11	1100	
31	March	3,443,634	1,310,894	3579	4	2000	
32	April	3,152,116	1,231,957	3288	14	700	
33	May	3,945,941	2,060,224	3166	30	1300	
34	June	3,811,893	1,720,356	4134	9	1300	
35	July	4,388,114	2,131,537	4264	31	1400	
36	August	4,149,872	1,937,576	4217	1	1500	
37	September	3,702,280	1,727,281	4227	2	1800	
38	October	3,215,353	1,297,664	3230	30	700	
39	November	2,790,740	909,398	3272	17	1900	
40	December	3,289,184	1,144,648	3608	21	1900	
41	TOTAL	43,953,718	19,158,619				

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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, 2008	
STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)							
1. Report data for Plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants 3. Indicate by footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.				6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mef. 7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21. 8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned. 9. Items under Cost of Plant are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System			
Line No.	Item (a)	ROCKPORT UNIT 1 I&M (b)		ROCKPORT UNIT 2 I&M (c)			
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	Steam		Steam			
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional		Conventional			
3	Year originally constructed	1984		1989			
4	Year last unit was installed	1984		1989			
5	Total Installed cpcty. (max. generator name plate ratings in MW)	650.00		650.00			
6	Net Peak Demand on Plant-MW (60 minutes)	669		660			
7	Plant hours connected to load	8,603		8,116			
8	Net continuous plant capability (megawatts)	0		0			
9	When not limited by condenser water	650		650			
10	When limited by condenser water	650		650			
11	Average number of employees	0		0			
12	Net generation, exclusive of plant use-KWh	5,172,126,000		4,781,478,000			
13	Cost of plant: Land and Land Rights	6,508,470		68,095			
14	Structures and Improvements	89,371,964		5,682,638			
15	Equipments costs	528,177,171		70,929,497			
16	Asset Retirement Costs	1,484,706		1,076,223			
17	Total cost	625,542,311		77,756,453			
18	Cost per KW of Installed capacity (line 5)	962.3728		119.6253			
19	Production Expenses: Oper., Supv., & Engr.	1,768,536		1,728,591			
20	Fuel	113,358,712		107,157,911			
21	Coolants and Water (Nuclear Plants only)	0		0			
22	Steam expenses	732,661		735,269			
23	Steam from other sources	0		0			
24	Steam transferred (credit)	0		0			
25	Electric expenses	744,565		765,788			
26	Misc. steam (or nuclear) power expenses	1,848,924		1,884,024			
27	Rents	0		70,147,272			
28	Allowances	1,784,248		1,784,248			
29	Maintenance Supervision and Engineering	915,417		931,571			
30	Maintenance of structures	386,770		142,891			
31	Maintenance of boiler (or reactor) plant	3,530,967		2,523,652			
32	Maintenance of electric plant	1,169,541		638,478			
33	Maintenance of Misc. steam (or nuclear) plant	440,011		288,413			
34	Total Production Expenses	126,680,352		188,728,108			
35	Expenses per net KWh	0.0245		0.0395			
36	Fuel: Kind (coal, gas, oil, or nuclear)						
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.)						
	(Gas-Mcf) (Nuclear-indicate)						
38	Quantity (units) of fuel burned						
	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal.						
39	of oil, or per Mcf of gas) (give unit if nuclear)						
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year						
41	Avg. cost of fuel per unit burned						
42	Avg. cost of fuel burned per million Btu						
43	Avg. cost of fuel burned per KWh net gen.						
44	Avg. Btu per KWh net generation						

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)			
Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.		functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.	
10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.		12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.	
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			

ROCKPORT TOTAL I&M (d)		ROCKPORT TOTAL PLANT (e)		TANNERS CREEK PLANT (f)		Line No.
Steam		Steam		Steam		1
Conventional		Conventional		Conventional		2
1984		1984		1951		3
1989		1989		1964		4
1300.00		2600.00		995.00		5
1,323		2,646		992		6
8,603		8,603		7,719		7
0		0		0		8
1300		2600		995		9
1300		2600		980		10
0		240		182		11
9,953,604,000		19,900,735,000		4,688,090,000		12
6,576,564		13,123,804		393,903		13
95,054,603		191,927,534		47,348,615		14
599,106,668		1,201,628,263		496,787,223		15
2,560,929		5,095,636		7,830,110		16
703,298,764		1,411,775,237		552,359,851		17
540.9990		542.9905		555.1355		18
3,497,127		6,280,145		1,666,375		19
220,516,624		440,830,044		141,601,570		20
0		0		0		21
1,467,929		2,935,664		4,280,129		22
0		0		0		23
0		0		0		24
1,510,353		3,020,706		83,217		25
3,732,948		6,424,917		8,834,037		26
70,147,272		138,430,308		0		27
3,568,496		3,568,496		1,763,312		28
1,846,988		3,593,006		673,596		29
529,661		1,059,020		1,632,389		30
6,054,619		12,102,136		15,471,499		31
1,808,019		3,611,417		5,949,367		32
728,424		1,456,084		1,135,356		33
315,408,460		623,311,943		183,090,847		34
0.0317		0.0313		0.0391		35
COAL	OIL	COAL	OIL	COAL	OIL	36
TONS	BARRELS	TONS	BARRELS	TONS	BARRELS	37
5465377	22100	10930754	44201	2244486	30586	38
8796	139089	8796	139089	10702	138319	39
40.713	118.057	40.713	118.057	64.885	129.296	40
40.152	114.871	40.144	114.871	61.642	131.239	41
2.282	19.664	2.282	19.664	2.88	22.591	42
0.022	0	0.022		0.03		43
9678	0	9676		10286		44

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report December 31, 2008	
STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)							
1. Report data for Plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants 3. Indicate by footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.				6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mef. 7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21. 8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned. 9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System			
Line No.	Item (a)	DONALD C COOK PLANT (b)					
1	Kind of plant (steam, int. combustion, Gas turbine or nuclear)	Nuclear					
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional					
3	Year originally constructed	1975					
4	Year last unit was installed	1978					
5	Total Installed cpcty. (max. generator name plate ratings in MW)	2285.00					
6	Net Peak Demand on Plant-MW (60 minutes)	2,219					
7	Plant hours connected to load	8,651					
8	Net continuous plant capability (megawatts)	0					
9	When not limited by condenser water	2,143					
10	When limited by condenser water	2,093					
11	Average number of employees	1,059					
12	Net generation, exclusive of plant use-KWh	15,036,286,000					
13	Cost of plant: Land and Land Rights	1,879,588					
14	Structures and Improvements	313,197,504					
15	Equipments costs	1,692,114,611					
16	Asset Retirement Costs	200,044,971					
17	Total cost	2,207,236,674					
18	Cost per KW of Installed capacity (line 5)	966					
19	Production Expenses: Oper., Supv., & Engr.	20,393,171					
20	Fuel	105,412,046					
21	Coolants and Water (Nuclear Plants only)	5,636,396					
22	Steam expenses	7,996,332					
23	Steam from other sources	0					
24	Steam transferred (credit)	0					
25	Electric expenses	2,528,175					
26	Misc. steam (or nuclear) power expenses	74,056,074					
27	Rents	0					
28	Allowances	0					
29	Maintenance Supervision and Engineering	14,332,311					
30	Maintenance of structures	3,086,595					
31	Maintenance of boiler (or reactor) plant	62,631,079					
32	Maintenance of electric plant	10,783,576					
33	Maintenance of Misc. steam (or nuclear) plant	28,640,837					
34	Total Production Expenses	335,496,592					
35	Expenses per net KWh	0.0223					
36	Fuel: Kind (coal, gas, oil, or nuclear)	NUCLEAR					
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.)						
	(Gas-Mcf) (Nuclear-indicate)						
38	Quantity (units) of fuel burned						
	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal.						
39	of oil, or per Mcf of gas) (give unit if nuclear)						
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year						
41	Avg. cost of fuel per unit burned						
42	Avg. cost of fuel burned per million Btu	0.651					
43	Avg. cost of fuel burned per KWh net gen.	0.007					
44	Avg. Btu per KWh net generation	10762					

Name of Respondent Indiana Michigan Power 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, 2008
FOOTNOTE DATA				
Page Number (a)	Line Number (b)	Column Number (c)	Comments (d)	
403	1	e	<p>The Rockport Plant is a two unit coal fired generating facility. Unit 1 is jointly owned and Unit 2 is jointly leased by the Respondent and AEP Generating Company. Column (b) Respondent's 50% share of Unit 1 and column (c) represents the Respondent's 50% share of Unit 2. Column (d) represents Respondent's total share of Rockport Plant and column (e) represents Total Rockport Plant owned and leased by the Respondent and AEP Generating Company.</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, 2008	
GENERATING PLANT STATISTICS (Small Plants)							
1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and umped storage plants of less than 10,000 Kw installed capacity (name plate rating).				2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.			
Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity- Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)	
1	Hydroelectric						
2	Berrien Springs	1908	7.20	7.0	38,799	14,330,744	
3	Buchanan (Project #2551)	1919	4.10	3.0	15,537	7,044,415	
4	Constantine (Project #10661)	1921	1.20	1.0	4,728	2,580,638	
5	Elkhart (Project #2651)	1913	3.44	4.0	18,426	6,074,277	
6	Mottville (Project #401)	1923	1.60	2.0	7,377	3,032,849	
7	Twin Branch (Project #2579)	1904	4.80	4.0	27,403	11,510,449	
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 of Report December 31, 2008	
GENERATING PLANT STATISTICS (Small Plants) (Continued)						
3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see inst. 11, p. 403.				steacm, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.		
4. If net peak demand for 60 minutes if not available, give that which is available, specifying period.						
5. If any plant is equipped with combinations of						
Plant Cost Per MW Inst Capacity (g)	Operation Exc'l Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
1,941,721	327,784		420,088			1
1,710,260	187,003		432,490			2
2,085,520	90,852		151,722			3
1,763,751	128,882		114,813			4
1,889,200	129,126		189,126			5
2,346,365	198,302		261,141			6
						7
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						9
						10
						11
						12
						13
						14
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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, 2008	
CHANGES MADE OR SCHEDULED TO BE MADE IN GENERATING PLANT CAPACITIES							
Give below information called for concerning changes in electric generating plant capacities during the year.							
A. Generating Plants or Units Dismantled, Removed from Service, Sold or Leased to Others During Year.							
1. State in column (b) whether dismantled, removed from service, sold, or leased to another. Plants removed from service include those not maintained for regular or emergency service.				2. In column (f), give date dismantled, removed from service, sold, or leased to another. Designate complete plants as such.			
Line No.	Name of Plant (a)	Disposition (b)	Installed Capacity (in megawatts)			Date (f)	If Sold or Leased to Another, Give Name and Address of Purchaser or Lessee (g)
			Hydro (c)	Steam (d)	(Other) (e)		
1	NONE						
2							
3							
4							
5							
6							
7							
B. Generating Units Scheduled for or Undergoing Major Modifications							
Line No.	Name of Plant (a)	Character of Modification (b)	Installed Plant Capacity After Modification (in MW) (c)	Estimated Dates of Construction			
				Start (d)	Completion (e)		
8	NONE						
9							
10							
11							
12							
13							
14							
C. New Generating Plants Scheduled for or Under Construction							
Line No.	Plant Name and Location (a)	Type (Hydro, Pumped Storage, Steam, Internal Combustion Gas-Turbine, Nuclear, etc) (b)	Installed Capacity (in megawatts)		Estimated Dates of Construction		
			Initial (c)	Ultimate (d)	Start (e)	Completion (f)	
15	NONE						
16							
17							
18							
19							
20							
21							
D. New Units in Existing Plants Scheduled for or Under Construction							
Line No.	Plant Name and Location (a)	Type (Hydro, Pumped Storage, Steam, Internal Combustion Gas-Turbine, Nuclear, etc) (b)	Unit No. (c)	Size of Unit (in megawatts) (d)	Estimated Dates of Construction		
					Start (e)	Completion (f)	
22	NONE						
23							
24							
25							
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)		Year of Report December 31, 2008	
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, <i>Nonutility Property</i> . 4. Designate any generating plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant or portion thereof for which the respondent is not the sole				owner but which the respondent operates or share in the of, furnish a succinct statement explaining the arrangement and giving details as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company. 5. Designate any generating plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company. 6. Designate any plant or equipment owned, not			
Line No.	Name of Plant (a)	Location of Plant (b)	BOILERS (Include both ratings for the boiler and the turbine-generator or dual-rated installations)				
			Number and Year Installed (c)	Kind of Fuel And Method of Firing (d)	Rated Pressure (In psig) (e)	Rated Steam Temp. (Indicate reheat boilers as 1050/1000) (f)	Rated Max. Continuous M lbs. Steam per Hour (g)
1	Tanners Creek	Lawrenceburg, IN	1-1951	Pulv. Coal	2080	1050/1000	930
2							
3			2-1952	Pulv. Coal	2080	1050/1000	930
4							
5			3-1954	Pulv. Coal	2075	1050/1050	1,335
6							
7			4-1964	Coal-Cyclone	3500	1000/1025 /1050	3,840
8							
9							
10							
11							
12							
13							
14							
15	Donald C. Cook	Bridgman, MI	1-1975	Nuclear	2485	556	15,600
16			2-1978	Nuclear	2485	556	14,740
17							
18							
19							
20							
21	Rockport*	Rockport, IN	1-1984	Pulv. Coal	3650	1000/1000	9,775
22							
23			2-1989	Pulv. Coal	3650	1000/1000	9,775
24							
25							
26							
27							
28	* Figures shown are the totals for the plant which is shared one-half by respondent and one-half						
29	by AEP Generating Company (an associated company). Both companies are subsidiaries of American						
30	Electric Power Company. Operating expenses are shared on the basis of ownership percentage.						
31	Unit 1 is owned 50% by each and unit 2 is leased 50% by each from a consortium of financial institutions.						
32							
33							

Name of Respondent Indiana Michigan Power 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, 2008		
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 (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.)												
TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>					GENERATORS NAME PLATE Rating in Kw							
Year Installed	Max. Rating Mega-Watt	Type (Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure (Include both ratings for the boiler and the turbine-generator of dual-rated installations)	Hydrogen Pressure (Designate air cooled generators)		Power Factor	Voltage (in MV) (If other than 3 phase, 60 cycle indicate other characteristic)	Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	Line No.
							Min.	Max.				
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	
1951	90	CC	Var.	1800	90,000	109,800	0.5	25	0.80	13.8	152,500	1
1951	35	CC	2000	3600	35,000	42,700	0.5	25	0.80	13.8		2
1952	90	CC	Var.	1800	90,000	109,800	0.5	25	0.80	13.8	152,500	3
1952	35	CC	2000	3600	35,000	42,700	0.5	25	0.80	13.8		4
1954	100	CC	Var.	1800	112,000	137,200	0.5	30	0.80	18	215,400	5
1954	60	CC	2000	3600	63,750	78,200	0.5	30	0.85	18		6
1964	580	CC	Var.	1800	108,000	238,850	0.5	45	0.85	20	579,700	7
1964		CC	3500	3600	108,000	340,850	0.5	45	0.85	20		8
											1,100,100	9
												10
												11
												12
												13
												14
1975	1089	TC	728	1800	771,840	1,152,000	30	75	0.90	26	1,152,000	15
1978	1162	TC	785	1800	933,850	1,133,333	40	60	0.85	26	1,133,333	16
											2,285,333	17
												18
												19
												20
1984	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	21
1984	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		22
1989	650	CC	600	3600	600,000	650,000	45	65	0.90	26	1,300,000	23
1989	650	CC	3650	3600	600,000	650,000	45	65	0.90	26		24
											2,600,000	25
												26
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												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 2008/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	203.00		1
3	6136 DUMONT	WILTON CENTER	765.00	765.00	STEEL	63.00		1
4	6141 DUMONT	MARYSVILLE	765.00	765.00	STEEL	104.00		1
5	6215 D.C. COOK	DUMONT	765.00	765.00	STEEL	20.00		1
6	6223 ROCKPORT	JEFFERSON	765.00	765.00	STEEL	111.00		1
7	6224 ROCKPORT	SULLIVAN	765.00	765.00	STEEL	97.00		1
8	6226 JEFFERSON	WEST	765.00	765.00				
9	6236 HANGING ROCK	JEFFERSON	765.00	765.00	STEEL	1.00		1
10	0675 TANNERS CREEK	SORENSEN	345.00	345.00	STEEL	136.00		2
11	0676 SORENSON	EAST LIMA	345.00	345.00	STEEL	30.00		1
12	0677 BREED	DEQUINE EAST	345.00	345.00	STEEL	188.19		2
13	0678 DEQUINE	OLIVE	345.00	345.00				
14	0679 SORENSON	OLIVE	345.00	345.00	STEEL	78.00		2
15	0680 OLIVE	GOODINGS GROVE	345.00	345.00	STEEL	41.00		2
16	0683 DESOTO	JCT TOWER (MAR. CO)	345.00	345.00	STEEL	53.00	6.00	1
17	0684 TANNERS CREEK	JUNCTION TOWER	345.00	345.00	ST & ALUM	80.00		1
18	0685 HANNA	JUNCTION TOWER	345.00	345.00				
19	0687 TANNERS CREEK	MIAMI FORT	345.00	345.00	STEEL			2
20	0688 EUGENE	SIDNEY	345.00	345.00	WOOD POLE	2.00		1
21	0689 SORENSON-OLIVE	TWIN BRANCH	345.00	345.00	STEEL	11.00		2
22	0690 BREED	CIPSCO	345.00	345.00	STEEL	1.00		1
23	0691 BREED	PETERSBURG	345.00	345.00	STEEL	1.00		1
24	6118 ROBISON PARK	SORENSEN-EAST LIMA	345.00	345.00	STEEL	23.00		1
25	6119 COOK	OLIVE	345.00	345.00	STEEL	4.00		2
26	6122 DUMONT	OLIVE	345.00	345.00	STEEL	15.00		2
27	6123 DUMONT	TWIN BRANCH	345.00	345.00	STEEL	17.00		2
28	6125 ROBISON PARK	EAST	345.00	345.00				
29	6133 DUMONT	BABCOCK	345.00	345.00	STEEL	9.00		1
30	6145 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL	6.00		2
31	6147 COOK	ROBISON PARK	345.00	345.00	STEEL	68.00		2
32	6148 JACKSON ROAD	SORENSEN-OLIVE	345.00	345.00	STEEL	4.00		2
33	6213 COOK-ROB-PARK JCT	ARGENTA	345.00	345.00	STEEL	2.00		2
34	6237 JACKSON ROAD	WEST	345.00	345.00				
35	6240 TWIN BRANCH	SUBSTATION CORRIDOR	345.00	345.00				
36					TOTAL	3,953.23	122.54	201

Name of Respondent Indiana Michigan Power 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 2008/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)	
4-954 MCM	2,873,075	43,315,975	46,189,050					1
4-954 MCM	1,542,558	8,831,739	10,374,297					2
4-954 MCM	1,234,793	18,984,521	20,219,314					3
4-954 MCM	431,470	5,202,510	5,633,980					4
4-1351 MCM	6,254,900	87,903,402	94,158,302					5
4-1351 MCM	14,100,277	67,806,860	81,907,137					6
	761,721	9,497	771,218					7
4-1351 MCM	31,637	766,942	798,579					8
1275 MCM	667,658	11,146,664	11,814,322					9
1275 MCM	107,576	1,561,710	1,669,286					10
1414 MCM	533,312	12,057,966	12,591,277					11
	481,566	11,547,065	12,028,631					12
1414 MCM	447,262	7,925,663	8,372,925					13
1414 MCM	429,643	4,660,346	5,089,989					14
2-954 MCM	513,937	3,976,476	4,490,413					15
2-954 MCM	457,068	5,988,990	6,446,058					16
	232,250	655,842	888,092					17
2-954 MCM		197,170	197,170					18
1414 MCM	10,088	544,727	554,815					19
1563 MCM	237,747	1,287,660	1,525,407					20
2-1024 MCM		295,899	295,899					21
2-954 MCM		188,845	188,845					22
1414 MCM	169,865	2,746,589	2,916,454					23
2-954 MCM	30,751	771,641	802,392					24
2-954 MCM	180,037	2,836,290	3,016,327					25
2-954 MCM	344,724	3,545,528	3,890,252					26
	173,109		173,109					27
2-954 MCM	163,248	1,187,728	1,350,976					28
2-954 MCM	58,820	1,035,507	1,094,327					29
2-954 MCM	1,599,622	14,179,309	15,778,931					30
2303 MCM	219,514	954,544	1,174,058					31
2-954 MCM	77,031	369,085	446,116					32
	48,061		48,061					33
	8,817		8,817					34
								35
	54,857,704	523,330,441	578,188,144	299,295	7,180,448		7,479,743	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 2008/Q4
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	6256 BREED	SULLIVAN	345.00	345.00	STEEL	2.00		2
2	6259 COLLINGWOOD	SOUTH BUTLER	345.00	345.00	STEEL POLE	12.00		1
3								
4	6127 EAST ELKHART TAP		138.00	138.00				
5	6232 GODMAN TAP		34.00	138.00				
6	0602 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	6.00		2
7	0603 TWIN BRANCH	SOUTH BEND	138.00	138.00	STEEL	5.00		1
8	0604 TWIN BRANCH	ROBISON PARK	138.00	138.00	STEEL	65.00		2
9	0605 SOUTH BEND	MICHIGAN CITY	138.00	138.00	STEEL			1
10	0606 ROBISON PARK	LIMA	138.00	138.00	STEEL	20.00		2
11	0607 ROBISON PARK	DEER CREEK	138.00	138.00	STEEL	60.00		2
12	0608 DEER CREEK	KOKOMO	138.00	138.00	STEEL	7.00		1
13	0609 CONCORD TAP		138.00	138.00	STEEL	4.00		2
14	0613 TWIN BRANCH	JACKSON ROAD	138.00	138.00	STEEL	8.00		2
15	0614 LINCOLN TAP		138.00	138.00	STEEL	4.00		2
16	0615 TWIN BRANCH	LINCOLN	138.00	138.00	STEEL	84.00		1
17	0616 DEER CREEK	DELAWARE	138.00	138.00	STEEL	21.00		2
18	0617 DELAWARE	MADISON	138.00	138.00	STEEL	19.00		2
19	0618 DELAWARE	TRENTON	138.00	138.00	STEEL TWR &	57.00		2
20	0725 DELAWARE	TRENTON	138.00	138.00	STEEL TWR &			
21	0619 MADISON	NEW CASTLE	138.00	138.00	STEEL	6.00	1.00	1
22	0620 TANNERS CREEK	MADISON	138.00	138.00	STEEL	82.00		2
23	0622 JACKSON ROAD	OLIVE	138.00	138.00	STEEL	17.00	1.00	1
24	0623 MADISON	PENDLETON	138.00	138.00	WOOD &	5.00		1
25	0624 DRAGOON TAP		138.00	138.00	STEEL	2.00		1
26	0625 TANNERS CREEK	COLLEGE CORNER	138.00	138.00	STEEL	40.00		2
27	0626 COLLEGE CORNER	RANDOLPH	138.00	138.00	WOOD	39.00		1
28	0627 RANDOLPH	JAY	138.00	138.00	WOOD	24.00		1
29	0628 MCKINLEY TAP		138.00	138.00	STEEL	1.00		2
30	0629 JAY	LINCOLN	138.00	138.00	WOOD &	49.00		1
31	0630 NEW CARLISLE	MAPLE	138.00	138.00	WOOD	1.00		1
32	6104 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL	3.00		2
33	0632 SORENSON	DEVILS HOLLOW	138.00	138.00	STEEL			
34	0634 DEER CREEK	MULLIN	138.00	138.00	WOOD	15.00		1
35	0635 PENDLETON	MULLIN	138.00	138.00	WOOD &	16.00		1
36					TOTAL	3,953.23	122.54	201

Name of Respondent Indiana Michigan Power 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 2008/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)	
1351.5 MCM		1,580,285	1,580,285					1
2-954 MCM	652,439	3,115,754	3,768,193					2
								3
	4,006	54,344	58,350					4
	5,999	93,336	99,335					5
397.5 MCM	50,884	99,820	150,704					6
397.5 MCM	21,504	335,764	357,268					7
397.5 MCM	103,367	1,378,105	1,481,472					8
397.5 MCM	88,927	1,825,476	1,914,403					9
397.5 MCM	26,662	690,555	717,217					10
397.5 MCM	146,959	1,889,197	2,036,156					11
336.4 MCM	20,552	387,202	407,754					12
397.5 MCM	45,025	368,110	413,135					13
447 MCM	88,528	504,578	593,106					14
397.5 MCM	48,187	123,345	171,532					15
477 MCM	317,644	2,142,745	2,460,389					16
397.5 MCM	57,269	355,705	412,974					17
397.5 MCM	82,081	479,923	562,004					18
397.5 MCM	233,078	966,381	1,199,459					19
397.5 MCM		1,360,786	1,360,786					20
795 MCM	39,152	279,396	318,548					21
636 MCM	405,394	2,446,699	2,852,093					22
556.5 MCM	187,919	1,062,216	1,250,135					23
477 MCM	64,558	264,394	328,952					24
795 MCM	18,502	160,276	178,778					25
636 MCM	178,525	1,652,881	1,831,406					26
556.5 MCM	196,883	2,261,707	2,458,590					27
556.5 MCM	133,748	1,040,590	1,174,338					28
300 MCM CU	38,296	109,551	147,847					29
556.5 MCM	207,712	1,602,820	1,810,532					30
397.5 MCM	2,242	32,335	34,577					31
556.5 MCM	35,618	318,074	353,692					32
556.5 MCM	40,380	1,975,339	2,015,719					33
556.5 MCM	126,284	538,294	664,578					34
556.5 MCM	124,403	410,265	534,668					35
	54,857,704	523,330,441	578,188,144	299,295	7,180,448		7,479,743	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 2008/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	0636 DEER CREEK	FISHER BODY	138.00	138.00	STEEL	4.75		2
2	0637 TWIN BRANCH	CONCORD	138.00	138.00	STEEL	17.00	1.00	1
3	0638 GRANT	FISHER BODY	138.00	138.00	STEEL		1.00	1
4	0639 ROBISON PARK	AUBURN	138.00	138.00	WOOD &	15.00		1
5	0641 DESOTO	MEDFORD	138.00	138.00	STEEL	7.00		2
6	0642 OLIVE	HICKORY CREEK	138.00	138.00	STEEL	3.00	2.00	1
7	0645 COREY TAP		138.00	138.00	WOOD	4.00		1
8	0646 OLIVE	NEW CARLISLE	138.00	138.00	STEEL	2.00		1
9	0647 OLIVE	SOUTH BEND	138.00	138.00	STEEL	1.00	16.00	1
10	0648 MEDFORD TAP		138.00	138.00	STEEL	8.00		2
11	0714 EAST SIDE STA ENTR		138.00	138.00	UNDERGROU			1
12	0723 SPY RUN STATION		138.00	138.00	UNDERGROU			1
13	6101 WESTINGHOUSE TAP		138.00	138.00	STEEL	2.00		2
14	6102 MILAN TAP		138.00	138.00	STEEL	6.00		2
15	6103 MILAN	GOODRICH	138.00	138.00	STEEL	1.00		2
16	6105 DESOTO	JAY	138.00	138.00	WOOD &	13.00		1
17	6106 DESOTO	DEER CREEK-DELAWARE	138.00	138.00	STEEL	8.00		2
18	6107 DARDEN TAP		138.00	138.00	WOOD	1.00		1
19	6109 ROBISON PARK	RICHLAND	138.00	138.00	WOOD &	18.00		1
20	6110 WESTINGHOUSE	23RD STREET	138.00	138.00	STEEL			2
21	6111 KANKAKEE	WEST SIDE	138.00	138.00	WOOD POLE	2.00		1
22	6113 INDUSTRIAL PARK		138.00	138.00	STEEL	3.00		2
23	6114 OLIVE	MICHIGAN CITY	138.00	138.00	STEEL	2.00	1.00	1
24	6115 HUMMEL CREEK	VAN BUREN	138.00	138.00	STEEL	6.00		2
25	6130 HUMMEL CREEK	TOWER 70, GREENTOWN	138.00	138.00				
26	6116 SOUTH ELWOOD TAP		138.00	138.00	WOOD POLE	3.00		1
27	6117 PENDLETON	FALL CREEK	138.00	138.00	STEEL	10.00		2
28	6121 ROBISON PARK	LINCOLN	138.00	138.00	STEEL	8.00		1
29	6126 CONCORD	EAST ELKHART	138.00	138.00	STEEL	11.00		1
30	6129 GREENTOWN-GRANT	HUMMEL CREEK	138.00	138.00	STEEL	21.00		1
31	6131 INDUSTRIAL PARK	MC KINLEY	138.00	138.00	WOOD POLE	5.00		1
32	6132 CROSS STREET TAP	JUNCTION TOWER #88	138.00	138.00	WOOD POLE	4.00		1
33	6134 LINCOLN	ANTHONY	138.00	138.00	WOOD POLE	3.00		1
34	6135 WAYNEDEALE TAP		138.00	138.00	STEEL			2
35	6138 JACKSON ROAD	SOUTH SIDE	138.00	138.00	WOOD POLE	2.00		1
36					TOTAL	3,953.23	122.54	201

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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
397.5 MCM	41,365	204,739	246,104					1
556.5 MCM	176,267	668,024	844,291					2
397.5 MCM	2,880	48,472	51,352					3
556.5 MCM	76,321	594,637	670,958					4
556.5 MCM	75,010	280,989	355,999					5
556.5 MCM	23,973	159,356	183,329					6
477 MCM	29,668	129,527	159,195					7
556.5 MCM	20,280	155,782	176,062					8
556.5 MCM		306,637	306,637					9
556.5 MCM	125,413	302,296	427,709					10
795 MCM		724,752	724,752					11
3.5IN OD		398,528	398,528					12
556.5 MCM	31,370	80,037	111,407					13
397.5 MCM	30,796	207,838	238,634					14
397.5 MCM	1,694	31,137	32,831					15
2-556.5 MCM	67,227	566,464	633,691					16
636 MCM	63,247	338,575	401,822					17
336.4 MCM	5,232	719,390	724,622					18
636 MCM	123,078	718,259	841,337					19
556.5 MCM	13,643	60,184	73,827					20
636 MCM	19,773	177,907	197,680					21
745 MCM	32,372	436,056	468,428					22
636 MCM	15,878	189,366	205,244					23
795 MCM	40,836	486,308	527,144					24
	44,222	584,596	628,818					25
556.5 MCM	5,090	677,832	682,922					26
795 MCM	150,802	969,302	1,120,104					27
795 MCM	677	969,446	970,123					28
795 MCM	179,506	978,091	1,157,597					29
795 MCM	180,124	1,321,738	1,501,862					30
795 MCM	75,267	326,046	401,313					31
795 MCM	262,613	177,784	440,397					32
795 MCM	90,524	634,914	725,438					33
795 MCM	22,040	71,621	93,661					34
795 MCM	1,633	627,504	629,137					35
	54,857,704	523,330,441	578,188,144	299,295	7,180,448		7,479,743	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 2008/Q4
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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	6142 ALBION	KENDALLVILLE	138.00	138.00	WOOD POLE	10.00		1
2	6150 SOUTHSIDE	SOUTH BEND	138.00	138.00	WOOD &	6.07		1
3	6219 DELCO BATTERY TAP		138.00	138.00	STEEL POLE	1.00		2
4	6220 FALL CREEK	MADISON-NEW CASTLE	138.00	138.00	STEEL	1.00		2
5	6225 INDUSTRIAL PARK	SPY RUN	138.00	138.00	WOOD POLE	4.00		1
6	6266 WALLEN		138.00	138.00	STEEL POLE	0.22		1
7	6234 CABOT TAP	TOWER 54	138.00	138.00	WOOD POLE			1
8	6238 SORENSON	MCKINLEYTOWER	138.00	138.00	STEEL	3.00		2
9	6241 KENDALLVILLE TAP	CITY OF AUBURN #5	138.00	138.00	WOOD H-FR	14.00		1
10	6242 AUBURN	CITY OF AUBURN #5	138.00	138.00	WOOD POLE	2.00		1
11	6245 LAPORTE JCT	LIQUID CARBONICS	138.00	138.00	WOOD POLE	5.00		1
12	6246 LAPORTE JCT	AIRCO	138.00	138.00	WOOD POLE	1.00		1
13	6248 ELCONA TAP	CONC-DUN-E-ELK	138.00	138.00	WOOD POLE	2.00		1
14	6249 ALLEN	LINCOLN	138.00	138.00	STEEL	5.00		2
15	6250 ALLEN	ADAMS/HILLCREST	138.00	138.00	STEEL	5.00		2
16	6251 OLIVE	EDISON	138.00	138.00	STEEL	1.00		2
17	6253 TRIER RD TAP		138.00	138.00	STEEL POLE			1
18	6258 KENZIE CREEK	TWIN BRANCH	138.00	138.00	STEEL			2
19	6260 WILMINGTON TAP		138.00	138.00	WOOD POLE	1.00	9.00	1
20	6229 DUNLAP NORTH TAP		34.00	138.00	WOOD POLE	2.00		2
21	6140 INDIANA-PURDUE		34.00	138.00	STEEL POLE			2
22	6217 HILLCREST	KINNERK	69.00	138.00	WOOD POLE	4.00		1
23	6252 KENDALLVILLE	BIXLER	138.00	138.00	WOOD POLE	2.00		1
24	6254 ALLEN/LINCOLN	ALLEN/HILLCREST	138.00	138.00				
25	6265 CONCORD	WOLF	138.00	138.00	WOOD POLE	0.56	0.54	1
26	LINES<132 KV	SYSTEM	69.00		WOOD,	931.94	72.00	1
27								
28	STATE OF MICHIGAN							
29	6216 D.C. COOK	DUMONT	765.00	765.00	STEEL	16.00		1
30	6120 COOK	PALISADES	345.00	345.00	STEEL	42.00		2
31	6143 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
32	6144 TWIN BRANCH	COOK-ROB PARK JCT	345.00	345.00	STEEL			2
33	6151 COOK	OLIVE	345.00	345.00				
34	6152 COOK	ROBINSON PARK	345.00	345.00				
35	6146 D.C. COOK	ROBISON PARK	345.00	345.00	STEEL	37.00		2
36					TOTAL	3,953.23	122.54	201

Name of Respondent Indiana Michigan Power 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 2008/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	77,153	539,898	617,051					1
795 MCM	321,397	1,941,803	2,263,200					2
795 MCM AA	47,993	59,531	107,524					3
795 MCM	65,007	307,522	372,529					4
1033 MCM	91,134	603,198	694,332					5
1033.5 KCM		484,324	484,324					6
556.5 MCM		650,701	650,701					7
795 MCM	157,782	1,127,906	1,285,688					8
795 MCM	694,850	2,341,025	3,035,875					9
795 MCM	61,515	370,703	432,218					10
795 MCM	58,646	1,024,628	1,083,274					11
795 MCM	45,547	267,987	313,534					12
795 MCM	87,386	557,013	644,399					13
1033 MCM	23,500	1,658,256	1,681,756					14
1033 MCM		1,723,668	1,723,668					15
795 MCM	202,537	688,549	891,086					16
795 MCM		69,888	69,888					17
1033 MCM		136,604	136,604					18
2-954 MCM		1,365,463	1,365,463					19
795 MCM	10,443	304,289	314,732					20
1033 MCM	428	127,388	127,816					21
795 MCM	47,490	264,978	312,468					22
795 MCM	118,432	760,317	878,749					23
	385,522		385,522					24
336.4 ACSR KCM		636,518	636,518					25
VARIOUS	2,906,113	70,578,645	73,484,758					26
								27
								28
4-954 MCM	871,513	3,483,777	4,355,290					29
2-954 MCM	1,073,200	5,756,747	6,829,947					30
2-954 MCM	722,573	1,183,640	1,906,213					31
2-954 MCM		45,603	45,603					32
		1,497,837	1,497,837					33
	12,355		12,355					34
2-954 MCM	1,373,242	6,811,389	8,184,631					35
	54,857,704	523,330,441	578,188,144	299,295	7,180,448		7,479,743	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 2008/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	6214 COOK-ROB PARK	ARGENTA	345.00	345.00	STEEL	29.00		2
2	6221 D.C. COOK	OLIVE-PALISADES	345.00	345.00	STEEL	5.00		2
3	6263 BARODA TAP		138.00	138.00				
4	0601 TWIN BRANCH	RIVERSIDE	138.00	138.00	STEEL	33.00		2
5	0610 AUTO SPECIALTIES		138.00	138.00				
6	0621 TWIN BRANCH - R	HICKORY CREEK	138.00	138.00	STEEL	5.00		2
7	0644 RIVERSIDE	HARTFORD	138.00	138.00	WOOD	16.33		1
8	0649 COREY TAP		138.00	138.00	WOOD	13.00		1
9	6108 RIVERSIDE	OLIVE-HICKORY CREEK	138.00	138.00	WOOD &	6.00		1
10	6124 BENTON HARBOR	RIVERSIDE-HARTFORD	138.00	138.00	STEEL	1.00		2
11	6137 EDGEWATER TAP		138.00	138.00	WOOD POLE	0.76		1
12	6139 BENTON HARBOR	TWIN BRANCH-R SIDE	138.00	138.00	STEEL	6.00		2
13	6149 HARTFORD	COREY	138.00	138.00	WOOD POLE	41.00		1
14	6218 MOTTVILLE TAP		138.00	138.00	WOOD POLE	1.00		1
15	6255 KENZIE CREEK	VALLEY	138.00	138.00	WOOD POLE	20.00		1
16	6257 KENZIE CREEK	T B/R'SIDE/HICK CR	138.00	138.00	STEEL			
17	6261 FLATBUSH TAP		138.00	138.00		1.00		1
18	6262 WEST ST TAP		138.00	138.00		1.00		2
19	6700 GM HYDRAMATIC		138.00	138.00	STEEL	2.00		2
20	6227 NICKERSON	TOWER #13A	138.00	138.00				
21	0643 OLIVE	HICKORY CREEK	138.00	138.00				
22	6267 STUDEBAKER	WEST SIDE	138.00	138.00	WOOD POLE	1.41		1
23			13.80	138.00	STEEL	1.11		1
24	LESS THAN 132 KV LINES		69.00		WOOD,	434.89	12.00	
25								
26	VOLTAGE OTHER							
27	VOLTAGE LESS THAN 132							
28	VOLTAGE 138KV							
29	VOLTAGE 345KV							
30	VOLTAGE 765KV							
31								
32								
33								
34								
35								
36					TOTAL	3,953.23	122.54	201

Name of Respondent Indiana Michigan Power 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 2008/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)	
2-954 MCM	853,389	4,679,125	5,532,514					1
2-954 MCM		1,894,767	1,894,767					2
		-8,230	-8,230					3
397.5 MCM	187,259	621,551	808,810					4
	821		821					5
397.5 MCM	51,083	307,583	358,666					6
397.5 MCM	117,604	1,021,538	1,139,142					7
477 MCM	73,434	312,859	386,293					8
636 MCM	72,387	982,907	1,055,294					9
795 MCM	88,699	168,142	256,841					10
556.5 MCM	552	56,413	56,965					11
795 MCM	472,534	628,432	1,100,966					12
795 MCM	794,466	1,927,534	2,722,000					13
795 AA	16,279	100,911	117,190					14
1033 MCM	579,785	4,804,096	5,383,881					15
795 MCM		383,038	383,038					16
	64,293	430,007	494,300					17
	24,993	331,419	356,412					18
795 MCM	10,463	370,087	380,550					19
0		16,381	16,381					20
	171,678	1,190,287	1,361,965					21
954 MCM		2,382,875	2,382,875					22
954 MCM								23
VARIOUS	1,578,542	23,645,852	25,224,394					24
								25
								26
				45,158	1,083,394		1,128,552	27
				66,613	1,598,121		1,664,734	28
				80,993	1,943,125		2,024,118	29
				106,531	2,555,808		2,662,339	30
								31
								32
								33
								34
								35
	54,857,704	523,330,441	578,188,144	299,295	7,180,448		7,479,743	36

Name of Respondent Indiana Michigan Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008	
TRANSMISSION LINES ADDED DURING YEAR							
1. Report below the information called for concerning transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.				underground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these			
2. Provide separate subheadings for overhead and							
Line No.	LINE DESIGNATION		Line Length in Miles	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	New Lines Added:						
2	6267 Studebaker	West Side	2.52	Wood - Steel		1	1
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
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38							
39							
40							
41							
42							
43			2.52			1	1

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2008	Year of Report December 31, 2008
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TRANSMISSION LINES ADDED DURING YEAR (Continued)

columns the estimated final completion costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate foot-

note, and costs of Underground Conduit in col. (m).
3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating)	LINE COST				Total	Line No.
Size	Specifi- cation	Config- uration & Spacing		Land and Land Rights	Poles, Towers, and Fixtures	Conduct- tors and Device	Asset Retire. Costs		
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	
954 mcm	ACSR		138		1,549,611	833,264		2,382,875	1
									2
									3
									4
									5
									6
									7
									8
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									40
									41
									42
			138		1,549,611	833,264		2,382,875	43

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	ADAMS (IM)-IN	T	138.00	69.00	34.00
2		T	34.50	13.00	
3	ALBION-IN	T	138.00	69.00	12.00
4		T	138.00		
5		T	69.00	12.00	
6		T	69.00		
7	ALEXANDRIA-IN	D	34.50	13.00	
8		D	34.50	4.00	
9		D	34.50		
10	ALLEN (IM)-IN	T	345.00	138.00	13.80
11	ALMENA-MI	T	69.00	34.50	
12		T	69.00	34.00	
13		T	69.00	12.00	
14		T	69.00		
15	ANCHOR HOCKING (IM)-IN	D	69.00	13.00	
16		D	69.00	2.40	
17	ANTHONY-IN	T	138.00	34.00	
18		T	34.50	12.00	
19	ARMSTRONG CORK-IN	D	69.00	4.00	
20	ARNOLD HOGAN-IN	T	138.00	34.00	
21		T	138.00	13.09	
22		T	34.50		
23	AUBURN-IN	T	138.00	69.00	34.00
24		T	138.00		
25	BARODA-MI	D	138.00	13.09	
26	BEECH ROAD-IN	D	138.00	13.09	
27	BENTON HARBOR-MI	T	345.00	138.00	13.00
28	BERNE-IN	D	69.00	12.00	
29		D	69.00		
30	BERRIEN SP HYDR STAT-MI	T	34.50	13.00	
31		T	34.50	12.00	
32		T	34.50		
33	BETHEL-IN	D	34.50	13.00	
34	BIXLER-IN	D	138.00	13.09	
35	BLAINE STREET-IN	D	34.50	13.00	
36	BLUFF POINT-IN	T	138.00	69.50	13.09
37		T	69.00	13.00	
38		T	69.00		
39	BREED-IN	T	345.00		
40		T	345.00		

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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)	
115	1					1
4	1					2
90	1					3
			STATCAP	1	53	4
8	1					5
			STATCAP	1	14	6
20	1					7
6	1					8
			STATCAP	1	7	9
450	1					10
30	1					11
22	1					12
7	1					13
			STATCAP	1	14	14
20	1					15
13	2					16
112	1					17
29	2					18
20	2					19
30	1					20
22	1					21
			STATCAP	2	29	22
30	1					23
			STATCAP	2	106	24
20	1					25
20	1					26
448	2					27
20	1					28
			STATCAP	1	16	29
5	1					30
5	1					31
			STATCAP	1	10	32
11	1					33
20	1					34
29	2					35
60	1					36
6	1					37
			STATCAP	1	16	38
			REACTOR	1	250	39
65	1					40

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SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>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.</p> <p>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).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	BRIDGMAN-MI	D	69.00	12.00	
2		D	69.00		
3	BUCHANAN HYDRO STA-MI	T	69.00	34.00	
4		T	69.00	12.00	
5	BUCHANAN SOUTH-MI	D	69.00	12.00	
6	BUTLER (IM)-IN	D	69.00	13.00	
7		D	69.00		
8	CALVERT-IN	D	138.00	13.09	
9	CHURUBUSCO-IN	D	34.50	13.00	
10		D	34.50		
11	CLEVELAND-IN	D	138.00	13.09	
12	COLBY-MI	T	138.00	69.00	34.50
13		T	138.00	13.09	
14		T	69.00	34.50	
15		T	34.50		
16	COLFAX-IN	D	34.50	12.00	
17	COLOMA Y-MI	T	69.00	34.00	
18		T	69.00		
19	COLONY BAY-IN	D	69.00	13.00	
20		D	69.00	12.00	
21		D	69.00		
22	COLUMBIA(IM)-IN	T	138.00	69.00	34.00
23		T	138.00	34.00	
24	CONANT-IN	D	34.50	12.00	
25	CONCORD-IN	T	138.00	34.00	
26		T	138.00	13.09	
27		T	138.00		
28		T	34.50		
29	COREY-MI	T	138.00	69.00	34.50
30		T	69.00		
31	COUNTRYSIDE-IN	D	138.00	12.47	
32	COUNTY LINE (IM)-IN	D	138.00	13.09	
33	COUNTY ROAD 4-IN	D	138.00	13.09	
34	CROSS STREET-IN	D	138.00	13.09	
35	CRYSTAL-MI	D	138.00	13.09	
36	DALEVILLE-IN	D	138.00	13.09	
37	DARDEN ROAD-IN	D	138.00	13.09	
38	DC COOK EHV-MI	T	765.00	345.00	34.00
39					
40					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)	
19	2					1
			STATCAP	1	14	2
20	1					3
8	1					4
22	1					5
20	1					6
			STATCAP	2	30	7
20	1					8
11	1					9
			STATCAP	1	5	10
20	1					11
75	1					12
8	1					13
20	1					14
			STATCAP	1	17	15
22	1					16
22	1					17
			STATCAP	1	14	18
22	1					19
20	1					20
			STATCAP	1	16	21
50	1					22
20	1					23
22	1					24
50	1					25
45	2					26
			STATCAP	1	53	27
			STATCAP	1	14	28
130	1					29
			STATCAP	1	14	30
20	1					31
20	1					32
20	1					33
20	1					34
22	1					35
20	1					36
42	2					37
1500	3	1				38
						39
						40

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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	DECATUR (FTW)-IN	T	69.00	34.00	
2		T	69.00	13.00	
3		T	69.00	4.00	
4		T	69.00		
5	DEER CREEK-IN	T	138.00	69.00	34.00
6		T	138.00	34.50	
7		T	138.00	13.09	
8		T	138.00		
9		T	34.50	13.09	
10		T	34.50	11.00	4.00
11		T	34.50		
12	DELAWARE (IM)-IN	T	138.00	34.00	
13		T	138.00		
14		T	34.50		
15	DERBY-MI	T	138.00	69.00	34.50
16	DESOTO-IN	T	345.00	138.00	34.50
17	DOCK FOUNDRY-MI	D	69.00	12.00	
18	DRAGOON-IN	T	138.00	69.00	34.00
19		T	34.50		
20	DREWRY-S-IN	D	34.50	13.09	
21		D	34.50	12.00	
22	DUMONT-IN	T	765.00		
23		T	765.00	345.00	34.50
24		T	765.00	345.00	17.00
25	DUNLAP-IN	T	138.00	69.00	34.00
26		T	138.00	13.09	
27		T	34.50		
28	EAST ELKHART-IN	T	345.00	138.00	13.80
29		T	138.00	69.00	34.00
30		T	34.50	7.20	
31	EAST SIDE (IM)-IN	D	138.00	13.09	
32	ELCONA-IN	D	138.00	13.09	
33	ELKHART HYDRO STAT-IN	T	34.50	13.00	
34		T	34.50		
35	ELMRIDGE-IN	D	34.50	13.00	
36	ELWOOD (IM)-IN	D	34.50	13.00	
37		D	34.50		
38					
39					
40					

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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
5	1					3
			STATCAP	1	13	4
90	1					5
75	1					6
20	1					7
			STATCAP	1	58	8
4	1					9
20	1					10
			STATCAP	2	30	11
125	2					12
			STATCAP	1	53	13
			STATCAP	2	59	14
75	1					15
675	1					16
20	1					17
84	1					18
			STATCAP	1	12	19
8	1					20
8	1					21
			REACTOR	7	550	22
1500	3					23
1500	3					24
130	1					25
40	2					26
			STATCAP	1	29	27
450	1					28
84	1					29
1		1				30
45	2					31
22	1					32
8	1					33
			STATCAP	1	14	34
8	1					35
19	2					36
			STATCAP	1	5	37
						38
						39
						40

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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	FAIRMOUNT-IN	D	34.50	13.00	
2		D	34.50	7.20	
3		D	34.50	4.00	
4		D	34.50	2.40	
5	FALL CREEK-IN	T	345.00	138.00	34.00
6	FERGUSON-IN	D	69.00	13.00	
7	FISHER BODY-IN	D	138.00	13.80	
8	FLORENCE ROAD-MI	D	69.00	12.00	
9		D	69.00		
10	FULTON (IM)-IN	D	34.50	13.00	
11	GARRETT (IM)-IN	T	69.00	34.00	
12		T	34.50	13.00	
13	GAS CITY-IN	D	34.50	13.00	
14		D	34.50		
15	GATEWAY (IM)-IN	T	69.00	34.00	
16		T	69.00		
17	GERMAN-IN	D	138.00	13.09	
18	GLENBROOK-IN	D	34.50	13.00	
19	GRABILL-IN	D	138.00	13.09	
20	GRANGER-IN	D	138.00	13.09	
21		D	138.00	12.47	
22	GRANT-IN	T	138.00	34.00	
23		T	138.00	13.09	
24	GREENLEAF-IN	D	34.50	13.09	
25	GREENTOWN-IN	T	765.00		
26	HACIENDA-IN	D	138.00	13.09	
27		D	138.00	12.47	
28	HADLEY-IN	D	69.00	13.00	
29	HAGAR-MI	D	69.00	12.00	
30	HAMILTON-IN	D	69.00	13.00	
31	HARLAN-IN	D	69.00	13.09	
32		D	69.00	13.00	
33	HARPER-IN	D	138.00	13.09	
34	HARTFORD-MI	T	138.00	69.00	34.00
35		T	69.00	12.00	
36		T	34.50		
37	HARTFORD CITY-IN	T	69.00	34.00	
38		T	69.00	13.00	
39		T	69.00		
40	HARVEST PARK-IN	D	34.50	13.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)	
2	1					1
11	1					2
1	2					3
1	1					4
672	1					5
20	1					6
100	2					7
20	1					8
			STATCAP	1	19	9
20	1					10
10	1					11
1	3					12
20	1					13
			STATCAP	1	10	14
20	1					15
			STATCAP	1	13	16
22	1					17
40	2					18
20	1					19
20	1					20
20	1					21
30	1					22
	1					23
20	1					24
			REACTOR	3	300	25
20	1					26
25	1					27
40	2					28
11	1					29
11	1					30
13	1					31
5	1					32
20	1					33
129	1					34
11	1					35
			STATCAP	1	5	36
20	1					37
20	1					38
			STATCAP	1	16	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 2008/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	HAWTHORNE-MI	D	69.00	12.00	
2	HAYMOND-IN	D	34.50	13.00	
3		D	34.50	4.00	
4	HICKORY CREEK-MI	T	138.00	69.00	34.50
5		T	138.00	34.50	
6		T	34.50	12.00	
7		T	34.50		
8	HILLCREST-IN	T	138.00	69.00	34.00
9		T	138.00	13.09	
10		T	138.00		
11	HUMMEL CREEK-IN	T	138.00	69.00	34.00
12		T	138.00	13.09	
13	ILLINOIS ROAD-IN	T	138.00	69.00	13.00
14		T	138.00	13.09	
15	INDUSTRIAL PARK-IN	T	138.00	69.00	34.00
16		T	138.00	13.09	
17		T	138.00		
18		T	34.50	13.00	
19		T	34.50		
20	IRELAND ROAD-IN	D	138.00	13.09	
21	IUPU-IN	D	34.50	13.00	
22		D	34.50	12.00	
23		D	13.80	4.00	
24	JACKSON ROAD-IN	T	345.00	138.00	34.00
25		T	138.00	34.00	
26		T	138.00	13.09	
27		T	34.50		
28	JAY (IM)-IN	T	138.00	69.00	34.00
29		T	138.00	13.09	
30		T	138.00		
31	JEFFERSON (IM)-IN	T	765.00		
32		T	765.00	345.00	34.00
33		T	138.00		
34	KANKAKEE-IN	T	138.00	34.00	11.00
35		T	138.00	13.09	
36	KENDALLVILLE-IN	T	138.00	69.00	13.00
37		T	138.00		
38		T	69.00	13.00	
39		T	69.00	12.00	
40	KENZIE CREEK-MI	T	345.00	138.00	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)	
22	1					1
24	2					2
16	2					3
75	1					4
60	2					5
31	2					6
			STATCAP	1	31	7
84	1					8
42	2					9
			STATCAP	1	53	10
75	1					11
20	1					12
84	1					13
20	1					14
75	1					15
22	1					16
			STATCAP	1	50	17
22	1					18
			STATCAP	1	16	19
20	1					20
20	1					21
22	1					22
5	1					23
672	1					24
30	1					25
32	2					26
			STATCAP	1	14	27
115	1					28
9	1					29
			STATCAP	1	58	30
			REACTOR	9	750	31
2000	4					32
			REACTOR	1	20	33
50	1					34
22	1					35
75	1					36
			STATCAP	1	43	37
8	1					38
11	1					39
450	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 2008/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>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.</p> <p>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).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	KLINE-IN	T	138.00	34.00	
2		T	34.50		
3	LAKE STREET-MI	T	69.00	34.00	
4		T	69.00		
5	LAKEHEAD-MI	D	69.00	13.00	
6	LANGLEY (IM)-MI	D	34.50	13.00	
7	LANTERN PARK-IN	D	138.00	13.09	
8	LAPORTE JUNCTION-IN	T	138.00	69.00	34.00
9	LAWTON PARK-IN	D	34.50	14.00	
10		D	34.50	4.00	
11	LIGONIER-IN	D	138.00	13.09	
12	LINCOLN-IN	T	138.00	34.00	11.00
13		T	138.00	13.09	
14		T	138.00		
15		T	34.50		
16	LINWOOD (IM)-IN	D	138.00	13.09	
17	LUSHER AVENUE-IN	D	34.50	12.00	
18	LYDICK-IN	D	34.50	13.09	
19	MADISON (IM)-IN	T	138.00	35.00	
20		T	34.50	13.09	
21		T	34.50		
22	MAGLEY-IN	T	138.00	69.00	13.00
23		T	69.00	13.00	
24	MAIN STREET-MI	T	138.00	34.00	
25		T	138.00	13.09	
26		T	34.50	4.00	
27		T	34.50		
28	MARATHON OIL (IM)-IN	D	69.00	4.00	
29	MARION ETHANOL-IN	D	34.50	4.00	
30	MARION PLANT-IN	D	34.50	13.00	
31		D	34.50	4.00	
32		D	34.50		
33	MAYFIELD-IN	D	138.00	13.09	
34	MCGALLIARD ROAD-IN	D	34.50	13.00	
35	MCKINLEY-IN	T	138.00	69.00	34.00
36		T	138.00	34.00	11.50
37		T	138.00	13.09	
38		T	138.00		
39		T	69.00		
40		T	34.50		

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 2008/Q4	
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)	
100	1					1
			STATCAP	1	14	2
40	1					3
			STATCAP	1	26	4
11	1					5
17	2					6
20	1					7
84	1					8
53	2					9
7	1					10
29	2					11
100	6					12
20	1					13
			STATCAP	1	53	14
			STATCAP	2	29	15
11	1					16
20	1					17
20	1					18
60	1					19
5	1					20
			STATCAP	1	18	21
90	1					22
9	1					23
30	1					24
22	1					25
8	1					26
			STATCAP	1	14	27
6	1					28
11	1					29
22	1					30
6	1					31
			STATCAP	1	9	32
20	1					33
29	2					34
84	1					35
100	2					36
40	2					37
			STATCAP	1	86	38
			STATCAP	1	22	39
			STATCAP	2	29	40

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SUBSTATIONS

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4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	MEADOWBROOK-IN	T	138.00	35.00	
2		T	34.50		
3	MEDFORD-IN	T	138.00	69.00	34.00
4		T	34.50		
5	MIER-IN	D	138.00	13.09	
6	MISSISSINEWA-IN	D	138.00	13.09	
7	MODOC-IN	T	138.00	69.00	13.00
8		T	69.00	13.00	
9	MONTPELIER-IN	D	69.00	13.00	
10	MOORE PARK-MI	T	138.00	69.00	34.50
11		T	138.00	13.09	
12		T	69.00		
13	MOTTVILLE-MI	T	138.00	69.00	34.00
14		T	69.00	12.00	
15	MULLIN-IN	T	138.00	34.00	
16		T	34.50		
17	MURCH-MI	D	69.00	12.00	
18		D	69.00		
19	NEW BUFFALO-MI	D	69.00	12.00	
20	NEW CARLISLE-IN	T	138.00	34.50	
21		T	34.50	13.00	
22	NICKERSON-MI	D	138.00	13.09	
23	NILES-MI	T	69.00	34.00	
24		T	69.00	13.09	
25		T	69.00		
26	NOBLE-IN	D	69.00	13.00	
27	NORTH KENDALLVILLE-IN	D	69.00	12.00	
28	NORTH PORTLAND-IN	D	69.00	13.00	
29	NORTHLAND-IN	D	138.00	13.09	
30	NORTHWEST ELKHART-IN	D	34.50	13.00	
31		D	34.50		
32	OLIVE-IN	T	345.00	138.00	34.50
33		T	138.00	69.00	34.00
34		T	138.00	13.09	
35	OSOLO-IN	T	138.00	69.00	34.00
36		T	138.00	13.09	
37		T	34.50		
38	OSSIAN-IN	D	69.00	13.00	
39	PARNELL-IN	D	34.50	13.09	
40		D	34.50	13.00	

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SUBSTATIONS (Continued)

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

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
100	1					1
			STATCAP	2	29	2
75	1					3
			STATCAP	1	15	4
11	1					5
12	1					6
60	1					7
5	1					8
22	1					9
90	1					10
20	1					11
			STATCAP	1	16	12
90	1					13
3	1					14
30	1					15
			STATCAP	1	20	16
20	1					17
			STATCAP	1	26	18
21	2					19
30	1					20
8	1					21
20	1					22
45	1					23
20	1					24
			STATCAP	1	14	25
11	1					26
22	1					27
20	1					28
32	2					29
29	2					30
			STATCAP	1	14	31
675	1					32
27	1					33
9	1					34
75	1					35
42	2					36
			STATCAP	1	14	37
20	1					38
20	1					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 2008/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>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.</p> <p>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).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	PEARL STREET-MI	D	34.50	12.00	
2	PENDLETON-IN	T	138.00	35.00	
3		T	34.50		
4	PETTIT AVENUE-IN	D	34.50	13.00	
5	PIGEON RIVER-MI	D	69.00	12.00	
6	PINE ROAD-IN	D	138.00	13.09	
7	PIPE CREEK-IN	D	138.00	12.00	
8	POKAGON(MBH)-MI	T	138.00	69.00	13.00
9		T	69.00	13.00	
10		T	69.00		
11	PORTLAND (IM)-IN	D	69.00	13.00	
12	PRICE-IN	D	69.00	13.09	
13	RANDOLPH-IN	T	138.00	69.00	13.00
14		T	138.00	13.09	
15		T	69.00		
16		T	34.50	13.00	
17	REED-IN	D	138.00	13.09	
18	RIVERSIDE (IM)-MI	T	138.00	69.00	34.00
19		T	138.00	13.09	
20		T	138.00		
21	ROBISON PARK-IN	T	345.00	138.00	13.00
22		T	138.00		
23		T	138.00	69.00	34.00
24		T	138.00	13.09	
25		T	34.50		
26	ROCKPORT-IN	T	765.00		
27		T	138.00		
28		T	34.50	13.00	
29	SCHOOLCRAFT-MI	D	69.00	13.00	
30	SCOTTDAL- MI	D	34.50	13.00	
31	SISTER LAKES-MI	D	34.50	12.00	
32	SODUS-MI	D	138.00	13.09	
33	SORENSEN-IN	T	345.00	138.00	34.00
34	SOUTH BEND-IN	T	138.00	69.00	34.00
35		T	138.00	34.00	
36		T	138.00	13.09	
37		T	138.00		
38	SOUTH BERNE-IN	D	69.00	12.00	
39	SOUTH DECATUR-IN	D	69.00	13.09	
40		D	69.00	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 2008/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)	
17	2					1
125	2					2
			STATCAP	2	47	3
20	1					4
20	1					5
20	1					6
20	1					7
115	1					8
5	1					9
			STATCAP	1	14	10
17	2					11
20	1					12
56	1					13
22	1					14
			STATCAP	1	14	15
4	1					16
22	1					17
134	2					18
20	1					19
			STATCAP	1	106	20
672	1					21
			STATCAP	1	86	22
84	1					23
40	2					24
			STATCAP	1	14	25
			REACTOR	6	300	26
			REACTOR	2	40	27
2	2	1				28
22	1					29
11	1					30
15	2					31
11	1					32
1347	2					33
130	1					34
150	2					35
20	1					36
			STATCAP	1	53	37
12	1					38
20	1					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 2008/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	SOUTH ELWOOD-IN	T	138.00	34.00	
2		T	138.00	13.09	
3	SOUTH HAVEN-MI	T	69.00		
4	SOUTH SIDE (MARION)-IN	D	34.50	13.09	
5		D	34.50	13.00	
6		D	34.50	4.00	
7	SOUTH SIDE (SOUTH BEND)-IN	D	138.00	13.09	
8	SOYA-IN	D	34.50	4.00	
9	SPRING STREET-IN	D	34.50	13.00	
10		D	34.50	12.00	
11	SPY RUN-IN	T	138.00	34.00	
12		T	138.00	13.09	
13		D	34.50		
14		D	34.50	12.00	
15		D	34.50	4.00	
16	STATE STREET-IN	D	138.00	13.09	
17	STEVENSVILLE-MI	D	69.00	13.00	
18	STONE LAKE-MI	D	69.00	34.00	
19		D	69.00	13.00	
20		D	34.50		
21	STUBEY ROAD-MI	D	69.00	12.00	
22		D	69.00		
23	STUDEBAKER-IN	D	138.00	13.80	
24		D	138.00	13.09	
25	SULLIVAN (IM)-IN	T	765.00		
26		T	765.00	345.00	34.00
27		T	138.00		
28	SUMMIT-IN	D	138.00	13.09	
29	SWANSON-IN	D	69.00	34.00	
30		D	69.00		
31	TANNERS CREEK-IN	T	345.00	138.00	13.00
32		T	345.00	138.00	12.00
33	THOMAS ROAD-IN	D	69.00	13.09	
34	THREE M-IN	D	69.00	4.00	
35	THREE RIVERS (FTW)-IN	D	34.50	14.40	
36		D	34.50	13.00	
37	THREE RIVERS (MBH)-MI	D	69.00	12.00	
38	TILLOTSON-IN	D	34.50	13.00	
39	TRIER-IN	D	138.00	13.09	
40	TWENTY FIRST STREET-IN	D	34.50	13.00	

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)	
30	1					1
20	1					2
			STATCAP	2	19	3
20	1					4
8	1					5
12	6					6
20	1					7
11	1					8
8	1					9
12	1					10
200	2					11
22	1	1				12
			STATCAP	1	10	13
20	1					14
8	1					15
22	1					16
19	2					17
20	1					18
7	1					19
			STATCAP	1	10	20
11	1					21
			STATCAP	1	14	22
36	2					23
20	1					24
			REACTOR	4	200	25
3000	6	1				26
			REACTOR	1	20	27
40	2					28
45	2					29
			STATCAP	1	14	30
150	1					31
150	1					32
20	1					33
13	1					34
22	2					35
10	2					36
22	1					37
22	1					38
20	1					39
19	2					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 2008/Q4
SUBSTATIONS					
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>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.</p> <p>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).</p>					
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	TWENTY THIRD STREET (IM)-IN	T	138.00	69.00	34.00
2		T	34.50		
3	TWIN BRANCH 138KV-IN	T	345.00	138.00	13.20
4		T	138.00	13.09	
5	TWIN BRANCH 34KV-IN	G	34.50	13.00	
6		G	34.50		
7	UPLAND-IN	D	69.00	13.20	
8	UTICA (IM)-IN	D	34.50	13.09	
9	VALLEY-MI	T	138.00	69.00	34.00
10		T	138.00		
11		T	34.50	34.00	
12		T	34.50		
13	VAN BUREN-IN	T	138.00	69.00	13.00
14	VICKSBURG-MI	D	69.00	13.09	
15		D	69.00	12.00	
16	WABASH AVENUE-IN	D	69.00	13.00	
17	WALLEN-IN	T	138.00	69.00	34.00
18		T	138.00	13.09	
19		T	34.50	13.00	
20	WAYNE TRACE-IN	D	138.00	13.09	
21	WAYNE DALE-IN	D	138.00	13.09	
22		D	138.00	12.47	
23	WEBSTER-IN	D	34.50	14.00	
24		D	34.50	12.00	
25		D	13.80		
26	WES-DEL-IN	D	138.00	13.09	
27	WEST END-IN	D	34.50	13.00	
28		D	34.50	4.00	
29	WEST SIDE-IN	T	138.00	69.00	34.00
30		T	138.00	13.09	
31		T	34.50	27.00	
32		T	34.50	4.00	
33		T	34.50		
34	WEST STREET-MI	D	138.00	13.09	
35	WHEELER STREET-MI	D	69.00	12.00	
36	WHITAKER-IN	D	34.50	12.00	
37	WINCHESTER (IM)-IN	T	69.00	34.00	
38		T	69.00	13.00	
39		T	69.00		
40	WOODBURN-IN	D	69.00	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 2008/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)	
213	2					1
			STATCAP	2	29	2
450	1					3
20	1					4
3	1					5
			STATCAP	1	14	6
20	1					7
40	2					8
75	1					9
			STATCAP	1	44	10
11		1				11
			STATCAP	1	7	12
56	1					13
20	1					14
9	1					15
20	1					16
54	1					17
20	1					18
20	1					19
22	1					20
22	1					21
20	1					22
18	4					23
20	1					24
			STATCAP	2	14	25
22	1					26
9	2					27
8	1					28
84	1					29
42	2					30
45	1					31
8	3					32
			STATCAP	1	12	33
20	1					34
11	1					35
20	1					36
17	1					37
26	2					38
			STATCAP	2	22	39
11	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 2008/Q4	
SUBSTATIONS							
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>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.</p> <p>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).</p>							
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)				
			Primary (c)	Secondary (d)	Tertiary (e)		
1							
2	102 STATIONS UNDER 10 MVA	T/D					
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
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29							
30							
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35							
36							
37							
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39							
40							

Name of Respondent Indiana Michigan Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/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)	
479	123					1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
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						27
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						29
						30
						31
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						33
						34
						35
						36
						37
						38
						39
						40

Name of Respondent Indiana Michigan Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report December 31, 2008
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ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS				
1. Report below the information called for concerning distribution watt-hour metes and line transformers.		or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's book of account. Specify in each case whether lessor, co-owner, or other party is an associated company.		
2. Include watt-hour demand distribution meters, but not external demand meters.				
3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters				
Line No.	Item (a)	Number of Watt-Hours Meters (b)	LINE TRANSFORMERS	
			Number (c)	Total Capacity (In Mva) (d)
1	Number at Beginning of Year	915,654	191,451	8,643
2	Additions During Year	66,796		
3	Purchases	32,089	6,174	281
4	Associated with Utility Plant Acquired			
5	Other		0	0
6	TOTAL Additions (Enter Total of lines 2, 3, 4, & 5)	98,885	6,174	281
7	Reduction During Year			
8	Retirements	58,680	2,888	119
9	Associated with Utility Plant Sold	4,968		
10	Other		34	13
11	TOTAL Reductions (Enter Total of lines 7, 8, 9, & 10)	63,648	2,922	132
12	Number at End of Year (Lines 1+ 6 - 11)	950,891	194,703	8,792
13	In Stock	350,107	8,056	615
14	Locked Meters on Customers' Premises	38,593		
15	Inactive Transformers on System		897	46
16	In Customers' Use	561,964	185,750	8,131
17	In Companys' Use	227		
18	Total End of Year (Enter Total of lines 13 to 17. This line should equal line 11)	950,891	194,703	8,792

NOTES:
8,591 meters leased from City of Fort Wayne through 9/13/09. The total charge for the entire lease in 2008 was \$1,740,000, as seen on pages 333C and 333D.

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