

AEP Capital Structure

Capital Structure as 6/30/04 and 12/31/03 (unaudited)

in millions \$

Balance Sheet Capitalization	Actual 6/30/04			Actual 12/31/03		
	Debt	Equity	Total	Debt	Equity	Total
Long-term Debt	13,398	-	13,398	14,101	-	14,101
Short-term Debt	596	-	596	326	-	326
Preferred Stock Subject to Mandatory Redemption	72	-	72	76	-	76
Preferred Stock Not Subject to Mandatory Redemption	-	61	61	-	61	61
Common Equity	-	8,083	8,083	-	7,874	7,874
Total Capitalization per Balance Sheet	14,066	8,144	22,210	14,503	7,935	22,438
<i>% of Capitalization per Balance Sheet</i>	63.3%	36.7%	100.0%	64.6%	35.4%	100.0%
Adjustments						
Preferred Stock Subject to Mandatory Redemption	(72)	72	-	(76)	76	-
Defeased First Mortgage Bonds	(112)	-	(112)	-	-	-
Off-balance Sheet Leases	1,234	-	1,234	1,265	-	1,265
Securitization Bonds	(718)	-	(718)	(746)	-	(746)
Spent Nuclear Fuel Trust	(227)	-	(227)	(226)	-	(226)
Equity Credit for Equity Units	(276)	276	-	(276)	276	-
Total Adjusted Capitalization	13,895	8,492	22,387	14,444	8,287	22,731
<i>% of Adjusted Capitalization</i>	62.1%	37.9%	100.0%	63.5%	36.5%	100.0%
Assuming Available Cash is used to Pay Down Debt	(858)	-	(858)	(976)	-	(976)
Capitalization net of Cash	13,037	8,492	21,529	13,468	8,287	21,755
<i>% of Capitalization net of Cash</i>	60.6%	39.4%	100.0%	61.9%	38.1%	100.0%