

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 1 Approved
OMB No. 1902-0021
(Expires 12/31/2011)
Form 1-F Approved
OMB No. 1902-0029
(Expires 12/31/2011)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 1/31/2012)



FERC FINANCIAL REPORT

FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

Ohio Valley Electric Corporation

Year/Period of Report

End of 2010/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</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

- e) The following format must be used for the CPA Certification Statement 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 date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the 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 Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

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

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (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 period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. 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 VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "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. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "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 OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

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

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give 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.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).



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Indianapolis, IN 46204-5120
USA
Tel: +1 317 464 8600
Fax: +1 317 464 8500
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

Ohio Valley Electric Corporation
Piketon, Ohio

We have audited the balance sheet — regulatory basis of Ohio Valley Electric Corporation (the “Company”) as of December 31, 2010, and the related statements of income — regulatory basis; retained earnings — regulatory basis; and cash flows — regulatory basis, for the year ended December 31, 2010, included on pages 110 through 123, of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed on page 123.1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such regulatory-basis financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of the Company as of December 31, 2010, and the results of its operations and its cash flows for the year ended December 31, 2010, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

May 12, 2011

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**


IDENTIFICATION

01 Exact Legal Name of Respondent Ohio Valley Electric Corporation		02 Year/Period of Report End of <u>2010/Q4</u>	
03 Previous Name and Date of Change (if name changed during year) / /			
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 3932 U.S. Route 23, Piketon, Ohio 45661			
05 Name of Contact Person John D. Brodt		06 Title of Contact Person Secretary and Treasurer	
07 Address of Contact Person (Street, City, State, Zip Code) 3932 U.S. Route 23, Piketon, Ohio 45661			
08 Telephone of Contact Person, Including Area Code (740) 289-7200	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		10 Date of Report (Mo, Da, Yr) 12/31/2010

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name John D. Brodt	03 Signature  John D. Brodt	04 Date Signed (Mo, Da, Yr) 05/18/2011
02 Title Secretary and Treasurer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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LIST OF SCHEDULES (Electric Utility)

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 respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	NA
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	NA
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	NONE
18	Electric Plant Held for Future Use	214	NONE
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	
24	Extraordinary Property Losses	230	NONE
25	Unrecovered Plant and Regulatory Study Costs	230	NONE
26	Transmission Service and Generation Interconnection Study Costs	231	NONE
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	NONE
32	Capital Stock Expense	254	NONE
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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LIST OF SCHEDULES (Electric Utility) (continued)

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 respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During the Year	424-425	NONE
68	Substations	426-427	
69	Transactions with Associated (Affiliated) Companies	429	
70	Footnote Data	450	

Stockholders' Reports Check appropriate box:

- Two copies will be submitted
- No annual report to stockholders is prepared

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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GENERAL INFORMATION

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

John D. Brodt, Secretary and Treasurer
3932 U.S. Route 23
P.O. Box 468
Piketon, OH 45661

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 the date organized.

Incorporated under the General Corporation Laws of the State of Ohio on October 1, 1952.

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.

Not Applicable

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

Major - Electric Utility - Ohio

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

- (1) Yes...Enter the date when such independent accountant was initially engaged:
(2) No

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the 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.

Ohio Valley Electric Corporation is owned by twelve entities consisting of ten investor-owned utilities or utility holding companies and two affiliates of generation and transmission rural electric cooperatives. American Electric Power Company, Inc., and its subsidiary, Columbus Southern Power Company held 43.47% of Ohio Valley Electric Corporation's capital stock at December 31, 2010.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Indiana-Kentucky Electric Corp.	Electric Utility	100%	
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President	Michael G. Morris	
2	Vice President and Assistant to the President	Scott N. Smith	
3	Vice President and Assistant to the President	David E. Hart	
4	Vice President - Operations	David E. Jones	
5	Secretary and Treasurer	John D. Brodt	
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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) 12/31/2010	Year/Period of Report 2010/Q4
Ohio Valley Electric Corporation			
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: c

Salaries are none.

Schedule Page: 104 Line No.: 2 Column: c

Footnote Linked. See note on 104, Row: 1, col/item:

Schedule Page: 104 Line No.: 3 Column: b

Effective August 2010, David L. Hart was replaced by Scott N. Smith.

Schedule Page: 104 Line No.: 3 Column: c

Salaries are none.

Schedule Page: 104 Line No.: 4 Column: c

Information was reported to FERC and is also kept in the Corporation file retained by the respondent.

Schedule Page: 104 Line No.: 5 Column: c

Information was reported to FERC and is also kept in the Corporation file retained by the respondent.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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DIRECTORS

- Report below the 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.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Anthony J. Ahern***	6677 Busch Blvd., Columbus, OH 43226
2	Nicholas K. Akins	1 Riverside Plaza, Columbus, OH 43215
3	Curtis H. Davis	800 Cabin Hill Dr., Greensburg, PA 15601
4	William S. Doty	One Vectren Square, Evansville, IN 47708
5	Carl L. English	1 Riverside Plaza, Columbus, OH 43215
6	Gary R. Leidich	76 South Main St., Akron, OH 44308
7	Michael G. Morris, President **	1 Riverside Plaza, Columbus, OH 43215
8	Steven K. Nelson	6677 Busch Blvd., Columbus, OH 43226
9	Patrick W. O'Loughlin	6677 Busch Blvd., Columbus, OH 43226
10	Gary G. Stephenson	1065 Woodman Drive, Dayton, OH 45432
11	Stanley F. Szwed***	76 South Main St., Akron, OH 44308
12	Paul W. Thompson	220 West Main St., Louisville, KY 40202
13	John N. Voyles, Jr.***	220 West Main St., Louisville, KY 40202
14	Charles Whitlock ***	221 East Fourth St., 5th Floor, Cincinnati, OH 45202
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

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

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

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

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. Not Applicable
2. Not Applicable
3. Not Applicable
4. Not Applicable
5. Not Applicable
6. Not Applicable
7. Not Applicable
8. All 2009 employees shared a \$2,010,613 bonus that was paid in 2010. Effective September 1, 2010, a general wage increase of approximately 2.81% was given to employees except management and clerical personnel.
9. Not Applicable
10. Not Applicable
11. Not Applicable
12. See Notes to the Financial Statements beginning on page 122.
13. Effective August 2010, David L. Hart, Vice President and Assistant to the President, was replaced by Scott N. Smith.
14. Not Applicable

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	617,756,519	597,488,215
3	Construction Work in Progress (107)	200-201	585,887,241	566,291,983
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,203,643,760	1,163,780,198
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	439,834,555	409,098,308
6	Net Utility Plant (Enter Total of line 4 less 5)		763,809,205	754,681,890
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		763,809,205	754,681,890
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		0	0
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	127,129,515	135,242,925
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		70,136,363	68,738,187
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		197,265,878	203,981,112
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		194,022	50,770
36	Special Deposits (132-134)		2,000	13,513,206
37	Working Fund (135)		12,186	8,509
38	Temporary Cash Investments (136)		21,776,150	14,630,118
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		41,713,703	35,060,378
41	Other Accounts Receivable (143)		15,583,838	5,345,106
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		407,793,735	396,674,825
45	Fuel Stock (151)	227	25,511,247	32,031,212
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	12,770,696	12,185,376
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	641,329	5,215,651

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		1,170,421	1,030,721
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		15,507	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		0	0
62	Miscellaneous Current and Accrued Assets (174)		2,502,000	2,364,600
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		529,686,834	518,110,472
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		11,385,593	12,108,055
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	15,221,867	18,632,750
73	Prelim. Survey and Investigation Charges (Electric) (183)		5,633	5,252
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	240	25,303
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	4,839,720	30,856,877
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		31,453,053	61,628,237
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,522,214,970	1,538,401,711

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2010	Year/Period of Report end of <u>2010/Q4</u>
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	10,000,000	10,000,000
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	2,367,174	2,242,366
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Required Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		12,367,174	12,242,366
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	200,000,000	200,000,000
19	(Less) Required Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,177,222,726	1,109,864,782
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		1,377,222,726	1,309,864,782
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		35,362	35,362
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		31,424,224	21,766,473
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		12,030,532	11,615,532
35	Total Other Noncurrent Liabilities (lines 26 through 34)		43,490,118	33,417,367
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	65,000,000
38	Accounts Payable (232)		19,882,269	27,747,605
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		0	0
42	Taxes Accrued (236)	262-263	5,586,549	3,891,913
43	Interest Accrued (237)		14,731,134	15,297,782
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2010	Year/Period of Report end of 2010/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		31,882	0
48	Miscellaneous Current and Accrued Liabilities (242)		4,308,419	4,027,031
49	Obligations Under Capital Leases-Current (243)		8,278	22,248
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		44,548,531	115,986,579
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		5,749,039	17,455,994
57	Accumulated Deferred Investment Tax Credits (255)	266-267	3,393,146	3,393,146
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	0	0
60	Other Regulatory Liabilities (254)	278	35,444,236	46,041,477
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		0	0
64	Accum. Deferred Income Taxes-Other (283)		0	0
65	Total Deferred Credits (lines 56 through 64)		44,586,421	66,890,617
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,522,214,970	1,538,401,711

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STATEMENT OF INCOME

Quarterly

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

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	690,687,064	648,593,144		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	512,668,710	517,149,750		
5	Maintenance Expenses (402)	320-323	41,840,695	39,620,268		
6	Depreciation Expense (403)	336-337	55,523,123	19,959,821		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337		1,152,667		
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	6,037,176	5,718,820		
15	Income Taxes - Federal (409.1)	262-263	-3,842,492	32,833,858		
16	- Other (409.1)	262-263	6,580	800		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	23,810,458			
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	19,028,181	31,670,451		
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		617,016,069	584,765,533		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		73,670,995	63,827,611		

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		73,670,995	63,827,611		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		1,447,340	7,081,754		
38	Allowance for Other Funds Used During Construction (419.1)					
39	Miscellaneous Nonoperating Income (421)		196,992	59,042		
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		1,644,332	7,140,796		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		26,090	29,090		
46	Life Insurance (426.2)					
47	Penalties (426.3)		54,830	12,878		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		100,000	6,825		
49	Other Deductions (426.5)					
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		180,920	48,793		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263				
53	Income Taxes-Federal (409.2)	262-263				
54	Income Taxes-Other (409.2)	262-263				
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277				
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)					
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		1,463,412	7,092,003		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		68,307,334	65,854,731		
63	Amort. of Debt Disc. and Expense (428)		2,638,699	1,021,186		
64	Amortization of Loss on Reaquired Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		2,013,566	1,158,142		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)					
70	Net Interest Charges (Total of lines 62 thru 69)		72,959,599	68,034,059		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		2,174,808	2,885,555		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		2,174,808	2,885,555		

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		2,242,366	2,506,811
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,174,808	2,885,555
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31			-2,050,000	(3,150,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-2,050,000	(3,150,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		2,367,174	2,242,366
	APPROPRIATED RETAINED EARNINGS (Account 215)			

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		2,367,174	2,242,366
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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STATEMENT OF CASH FLOWS

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

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	2,174,808	2,885,555
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	55,523,123	21,112,488
5	Amortization of Debt Expense	2,638,699	1,021,186
6	Gain on Marketable Securities	1,728,311	-4,568,855
7			
8	Deferred Income Taxes (Net)	14,248,642	-13,308,432
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	-3,479,861	-8,556,355
11	Net (Increase) Decrease in Inventory	5,934,645	-13,385,135
12	Net (Increase) Decrease in Allowances Inventory	4,574,322	-2,971,525
13	Net Increase (Decrease) in Payables and Accrued Expenses	-6,280,793	9,448,113
14	Net (Increase) Decrease in Other Regulatory Assets	-6,738,776	9,766,114
15	Net Increase (Decrease) in Other Regulatory Liabilities	1,171,272	11,027,825
16	(Less) Allowance for Other Funds Used During Construction		
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-15,415,501	-8,016,074
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	56,078,891	4,454,905
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-54,658,412	-146,935,777
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-54,658,412	-146,935,777
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-3,005,500	-137,294,138
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)	-12,631,613	-70,906,196
45	Proceeds from Sales of Investment Securities (a)	23,119,888	47,413,042

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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STATEMENT OF CASH FLOWS

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

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-47,175,637	-307,723,069
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	40,000,000	300,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65	Loan Origination Costs	-1,916,237	-3,579,325
66	Net Increase in Short-Term Debt (c)		15,000,000
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	38,083,763	311,420,675
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-37,642,056	-35,453,527
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-2,050,000	-3,150,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-1,608,293	272,817,148
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	7,294,961	-30,451,016
87			
88	Cash and Cash Equivalents at Beginning of Period	14,689,397	45,140,413
89			
90	Cash and Cash Equivalents at End of period	21,984,358	14,689,397

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Ohio Valley Electric Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
FOOTNOTE DATA			

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

Other:

Property Taxes Applicable to Subsequent Years	\$ (137,400)
Income Taxes Receivable	(13,427,703)
Prepays and Other	(139,701)
Other Assets	(101,556)
Other Noncurrent Assets	25,063
Deferred Revenue	(11,706,955)
Other Liabilities	10,072,751
Total	<u>\$ (15,415,501)</u>

Schedule Page: 120 Line No.: 18 Column: c

Other:

Property Taxes Applicable to Subsequent Years	\$ (16,200)
Prepays and Other	28,635
Other Assets	(468,128)
Deferred Revenue	7,159,336
Other Liabilities	(14,719,717)
Total	<u>\$ (8,016,074)</u>

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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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.

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) 12/31/2010	Year/Period of Report 2010/Q4
Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

This FERC Form 1 represents the financial statements of Ohio Valley Electric Corporation at December 31, 2010. Ohio Valley Electric Corporation's financial statements have been prepared in conformity with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. The following areas represent significant differences between the Uniform System of Accounts and generally accepted accounting principles: (1) the presentation of majority-owned subsidiaries, (2) the disclosure of certain significant non-cash transactions, (3) the presentation of current and non-current portions of long-term debt, deferred taxes, and certain other assets and liabilities, (4) the presentation of preliminary survey and investigation charges, and (5) the gross presentation of certain regulatory assets and regulatory liabilities.

Generally accepted accounting principles require that majority-owned subsidiaries be consolidated for financial reporting purposes. FERC requires majority-owned subsidiaries be reported as set forth in the Uniform System of Accounts and published accounting releases, which require majority-owned subsidiaries to be presented on an unconsolidated basis.

Generally accepted accounting principles require that the current and non-current portions of assets and liabilities be appropriately identified and reported as such on the balance sheet. FERC requires that certain items such as deferred taxes, long-term debt, regulatory assets, and regulatory liabilities be reported as set forth in the Uniform System of Accounts and published accounting releases, which does not recognize any segregation between the current and non-current portions of these items for reporting purposes.

Generally accepted accounting principles require that preliminary survey and investigation charges be recorded as a component of construction work in progress. FERC requires that these items be reported as set forth in the Uniform System of Accounts and published accounting releases, which require preliminary survey and investigation charges be recorded as a deferred debit.

Generally accepted accounting principles allow for net presentation of certain regulatory assets and liabilities when the legal right of offset exists. FERC requires that these items be reported as set forth in the Uniform System of Accounts and published accounting releases, which require gross presentation of certain regulatory assets and liabilities.

Ohio Valley Electric Corporation's Notes to Consolidating Financial Statements have been prepared in conformity with generally accepted accounting principles. Accordingly, certain footnotes are not reflective of Ohio Valley Electric Corporation's Financial Statements contained herein.

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Consolidating Financial Statements — The consolidating financial statements include the accounts of Ohio Valley Electric Corporation (OVEC) and its wholly owned subsidiary, Indiana-Kentucky Electric Corporation (IKEC), collectively, the Companies. All intercompany transactions have been eliminated in consolidation.

Organization — The Companies own two generating stations located in Ohio and Indiana with a combined electric production capability of approximately 2,256 megawatts. OVEC is owned by several investor-owned utilities or utility holding companies and two affiliates of generation and transmission rural electric cooperatives. These

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Ohio Valley Electric Corporation			
NOTES TO FINANCIAL STATEMENTS (Continued)			

entities or their affiliates comprise the Sponsoring Companies. The Sponsoring Companies purchase power from OVEC according to the terms of the Inter-Company Power Agreement (ICPA), which has a current termination date of March 13, 2026. The Sponsoring Companies recently agreed to an extension of the ICPA to June 30, 2040 (ICPA Extension), which is subject to federal and state regulatory approval. Approximately 30% of the Companies' employees are covered by a collective bargaining agreement that expires August 31, 2011.

Prior to 2004, OVEC's primary commercial customer was the U.S. Department of Energy (DOE). The contract to provide OVEC-generated power to the DOE was terminated in 2003 and all obligations were settled at that time. Currently, OVEC has an agreement to arrange for the purchase of power, under the direction of the DOE, for resale directly to the DOE. All purchase costs are billable by OVEC to the DOE.

Rate Regulation — The proceeds from the sale of power to the Sponsoring Companies are designed to be sufficient for OVEC to meet its operating expenses and fixed costs, as well as earn a return on equity before federal income taxes. In addition, the proceeds from power sales are designed to cover debt amortization and interest expense associated with financings. The Companies have continued and expect to continue to operate pursuant to the cost plus rate of return recovery provisions at least to March 13, 2026, the date of termination of the ICPA. The rate recovery terms of the ICPA Extension are the same as the terms of the current ICPA.

The accounting guidance for Regulated Operations provides that rate-regulated utilities account for and report assets and liabilities consistent with the economic effect of the way in which rates are established, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be charged and collected. The Companies follow the accounting and reporting requirements in accordance with the guidance for Regulated Operations. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income are deferred on the accompanying consolidating balance sheets and are recognized in income as the related amounts are included in service rates and recovered from or refunded to customers.

The Companies' regulatory assets, liabilities, and amounts authorized for recovery through Sponsor billings at December 31, 2010 and 2009, were as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	2010		2009	
	OVEC	IKEC	OVEC	IKEC
Regulatory assets:				
Current assets:				
Deferred debt costs	\$ -	\$ -	\$ 378,717	\$ -
Total	-	-	378,717	-
Other assets:				
Asset retirement costs	-	1,977,532	2,250,879	4,270,011
Unrecognized postemployment benefits	1,528,979	1,429,789	1,079,663	2,131,917
Deferred depreciation	-	-	10,149,660	-
Pension benefits	13,136,429	10,618,414	4,217,373	3,614,332
Total	14,665,408	14,025,735	17,697,575	10,016,260
Total regulatory assets	\$14,665,408	\$14,025,735	\$18,076,292	\$10,016,260
Regulatory liabilities:				
Current liabilities:				
Deferred credit — EPA emission allowance proceeds	\$ 236,579	\$ 29,064	\$ -	\$ -
Advance collection of interest	2,536,606	-	2,630,963	-
Total	2,773,185	29,064	2,630,963	-
Other liabilities:				
Postretirement benefits	27,170,924	5,008,744	26,430,878	4,844,387
Decommissioning and demolition	289,004	-	-	-
Investment tax credits	3,393,146	-	3,393,146	-
Net antitrust settlement	673,070	1,150,859	673,070	1,150,859
Income taxes refundable to customers	3,981,593	39,225,710	15,750,108	32,843,176
Total	35,507,737	45,385,313	46,247,202	38,838,422
Total regulatory liabilities	\$38,280,922	\$45,414,377	\$48,878,165	\$38,838,422

Regulatory Assets — Regulatory assets consist primarily of deferred depreciation, asset retirement costs, and pension benefits. Deferred depreciation is recovered over the life of the debt that was used to fund the related plant additions. The Companies follow the sinking fund depreciation method for ratemaking purposes, and the difference between straight-line depreciation and the debt principal payments billed to customers is recorded as deferred depreciation. With the exception of deferred debt costs and deferred depreciation, which were recovered during 2010, other regulatory assets are being recovered on a long-term basis.

Regulatory Liabilities — The regulatory liabilities classified as current in the accompanying consolidating balance sheet as of December 31, 2010, consists primarily of interest expense collected from customers in advance of expense recognition. These amounts outstanding will be credited to customer bills during 2011. Other regulatory liabilities consist primarily of income taxes refundable to customers and postretirement benefits. Income taxes refundable to customers are credited to customer bills in the period when the related deferred tax assets are realized. The Companies' current ratemaking policy recovers postretirement benefits in an amount equal to estimated service cost. As a result, related regulatory liabilities are being credited to customer bills on a long-term basis. The remaining regulatory liabilities are awaiting credit to customer bills in a future period that is yet to be determined.

In 2003, the DOE terminated the DOE Power Agreement with OVEC, entitling the Sponsoring Companies to 100% of OVEC's generating capacity under the terms of the ICPA. Under the terms of the DOE Power Agreement, OVEC

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NOTES TO FINANCIAL STATEMENTS (Continued)			

was entitled to receive a “termination payment” from the DOE to recover unbilled costs upon termination of the agreement. The termination payment included unbilled postretirement benefit costs. In 2003, OVEC recorded a settlement payment of \$97 million for the DOE obligation related to postretirement benefit costs. The regulatory liability for postretirement benefits recorded at December 31, 2010 and December 31, 2009 represents amounts collected in historical billings in excess of the Generally Accepted Accounting Principles net periodic benefit costs, including the DOE termination payment.

Cash and Cash Equivalents — For purposes of these statements, the Companies consider temporary cash investments to be cash equivalents since they are readily convertible into cash and have original maturities of less than three months.

Electric Plant — Property additions and replacements are charged to utility plant accounts. Depreciation expense is recorded at the time property additions and replacements are billed to customers or at the date the property is placed in service if the in-service date occurs subsequent to the customer billing. Customer billings for construction in progress are recorded as deferred revenue-advances for construction. These amounts are closed to revenue at the time the related property is placed in service. Deferred depreciation, depreciation expense, and accumulated depreciation are recorded when financed property additions and replacements are recovered over a period of years through customer debt retirement billing. All depreciable property will be fully billed and depreciated prior to the expiration of the ICPA. Repairs of property are charged to maintenance expense.

Fuel in Storage, Emission Allowances, and Materials and Supplies — The Companies maintain coal, reagent, and oil inventories for use in the generation of electricity and emission allowance inventories for regulatory compliance purposes due to the generation of electricity. These inventories are valued at average cost, less reserves for obsolescence. Materials and supplies consist primarily of replacement parts necessary to maintain the generating facilities and are valued at average cost.

Long-Term Investments — Long-term investments consist of marketable securities that are held for the purpose of funding postretirement benefits and decommissioning and demolition costs. These securities have been classified as trading securities in accordance with the provisions of Investments — Debt and Equity Securities accounting guidance. Trading securities reflected in Long-Term Investments are carried at fair value with the unrealized gain or loss, reported in Other Income. The cost of securities sold is based on the specific identification cost method. The fair value of most investment securities is determined by reference to currently available market prices. Where quoted market prices are not available, we use the market price of similar types of securities that are traded in the market to estimate fair value. See Fair Value Measurements in Note 11. Due to tax limitations, the amounts held in the postretirement benefits portfolio have not yet been transferred to the Voluntary Employee Beneficiary Association (VEBA) trusts (see Note 9). Long-term investments primarily consist of municipal bonds, money market mutual fund investments, and mutual funds. Net unrealized gains/ (losses) recognized during 2010 and 2009 on securities still held at the balance sheet date were (\$341,250) and \$4,632,659, respectively.

Special Deposits — Special deposits consist of money market mutual funds held by trustees primarily restricted for use in specific construction projects.

Money market mutual funds reflected in special deposits are carried at fair value with the related investment income, reported in Other Income. The cost of securities sold is based on the specific identification method. The fair value of money market mutual funds is determined by reference to currently available market prices. There were no material unrealized gains or losses recognized on this portfolio during 2010 or 2009.

Fair Value Measurements of Assets and Liabilities — The accounting guidance for Fair Value Measurements and Disclosures establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Where observable

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NOTES TO FINANCIAL STATEMENTS (Continued)			

inputs are available, pricing may be completed using comparable securities, dealer values and general market conditions to determine fair value. 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 inactive markets and other observable inputs for the asset or liability.

OVEC utilizes its trustee's external pricing service in its estimate of the fair value of the underlying investments held in the benefit plan trusts and investment portfolios. The Companies' management reviews and validates the prices utilized by the trustee to determine fair value. Equities and fixed income securities are classified as Level 1 holdings if they are actively traded on exchanges. Certain fixed income securities do not trade on an exchange and do not have an official closing price. Pricing vendors calculate bond valuations using financial models and matrices. Fixed income securities are typically classified as Level 2 holdings because their valuation inputs are based on observable market data. Observable inputs used for valuing fixed income securities are benchmark yields, reported trades, broker/dealer quotes, issuer spreads, bids, offers, and economic events. Other securities with model-derived valuation inputs that are observable are also classified as Level 2 investments. Investments with unobservable valuation inputs are classified as Level 3 investments. At December 31, 2009, the Companies' only Level 3 investment was the John Hancock Group Annuity Contract held in the Pension Trust (Note 9). The fair value of the insurance contract was calculated based on estimated redemption value of the policy.

Unamortized Debt Expense — Unamortized debt expense relates to loan origination costs incurred to secure financing. These costs are being amortized using the effective yield method over the life of the related loans, except for approximately \$1.5 million of costs related to the 2010 line of credit facility that were billed to Sponsors and expensed upon renewal of the line of credit.

Asset Retirement Obligations and Asset Retirement Costs — The Companies recognize the fair value of legal obligations associated with the retirement or removal of long-lived assets at the time the obligations are incurred and can be reasonably estimated. The initial recognition of this liability is accompanied by a corresponding increase in depreciable electric plant. Subsequent to the initial recognition, the liability is adjusted for any revisions to the expected value of the retirement obligation (with corresponding adjustments to electric plant) and for accretion of the liability due to the passage of time.

These asset retirement obligations are primarily related to obligations associated with future asbestos abatement at certain generating stations and certain plant closure costs. As of December 31, 2010 and 2009, the Companies had a regulatory asset of \$2.0 million and \$6.5 million, respectively, related to asset retirement obligations.

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	OVEC	IKEC	Consolidated
Balance — December 31, 2008	\$10,379,998	\$23,782,395	\$34,162,393
Accretion	622,800	1,426,944	2,049,744
Liabilities settled	(1,832,935)	(1,431,624)	(3,264,559)
Revision in cash flow estimates	<u>2,445,669</u>	<u>(5,954,190)</u>	<u>(3,508,521)</u>
Balance — December 31, 2009	11,615,532	17,823,525	29,439,057
Accretion	734,522	1,390,503	2,125,025
Liabilities settled	(319,522)	(244,907)	(564,429)
Revision in cash flow estimates	<u>-</u>	<u>-</u>	<u>-</u>
Balance — December 31, 2010	<u>\$12,030,532</u>	<u>\$18,969,121</u>	<u>\$30,999,653</u>

During 2009 the Companies completed an updated study to estimate the asset retirement costs described above. The revised estimated costs are recorded in the accompanying balance sheets.

The Companies do not recognize liabilities for asset retirement obligations for which the fair value cannot be reasonably estimated. The Companies have asset retirement obligations associated with transmission assets at certain generating stations. However, the retirement date for these assets cannot be determined; therefore, the fair value of the associated liability currently cannot be estimated and no amounts are recognized in the consolidating financial statements herein.

Income Taxes — The Companies use the liability method of accounting for income taxes. Under the liability method, the Companies provide deferred income taxes for all temporary differences between the book and tax basis of assets and liabilities which will result in a future tax consequence.

The Companies account for uncertain tax positions in accordance with the accounting guidance for Income Taxes.

Use of Estimates — The preparation of consolidating financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidating financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. RELATED-PARTY TRANSACTIONS

Transactions with the Sponsoring Companies during 2010 and 2009 included the sale of all generated power to them, the purchase of Arranged Power from them and other utility systems in order to meet the Department of Energy's power requirements, contract barging services, railcar services, and minor transactions for services and materials. The Companies have Power Agreements with Louisville Gas and Electric Company, Duke Energy Ohio, Inc., The Dayton Power and Light Company, Kentucky Utilities Company, Ohio Edison Company, and American Electric Power Service Corporation as agent for the American Electric Power System Companies; and Transmission Service Agreements with Louisville Gas and Electric Company, Duke Energy Ohio, Inc., The Dayton Power and Light Company, The Toledo Edison Company, Ohio Edison Company, Kentucky Utilities Company, and American Electric Power Service Corporation as agent for the American Electric Power System Companies.

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At December 31, 2010 and 2009, balances due from or to the Sponsoring Companies are as follows:

	2010	2009
Accounts receivable	\$40,855,687	\$35,699,802

American Electric Power Company, Inc. and subsidiary company owned 43.47% of the common stock of OVEC as of December 31, 2010. The following is a summary of the principal services received from the American Electric Power Service Corporation as authorized by the Companies' Boards of Directors:

	2010	2009
General services	\$2,836,519	\$ 2,762,461
Specific projects	<u>3,192,761</u>	<u>11,973,067</u>
Total	<u>\$6,029,280</u>	<u>\$14,735,528</u>

General services consist of regular recurring operation and maintenance services. Specific projects primarily represent nonrecurring plant construction projects and engineering studies, which are approved by the Companies' Boards of Directors. The services are provided in accordance with the service agreement dated December 15, 1956, between the Companies and the American Electric Power Service Corporation.

3. COAL SUPPLY

The Companies have coal supply agreements with certain nonaffiliated companies that expire at various dates from the year 2011 through 2017. Pricing for coal under these contracts is subject to contract provisions and adjustments. The Companies currently have approximately 93% of their 2011 coal requirements under long-term agreements of one year or greater.

4. INVENTORIES

Inventories — At December 31, 2010 and 2009, consist of the following:

	2010	2009
Fuel in storage	\$62,837,327	\$ 81,102,751
Materials and supplies	22,952,901	21,984,752
Emission allowances	<u>641,329</u>	<u>5,215,651</u>
Total inventories	<u>\$86,431,557</u>	<u>\$108,303,154</u>

5. ELECTRIC PLANT

Electric plant at December 31, 2010 and 2009, consists of the following:

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	2010		2009	
	OVEC	IKEC	OVEC	IKEC
Intangible	\$ 18,924	\$ 7,640	\$ 18,924	\$ 7,640
Steam production plant	559,656,045	642,675,575	538,988,939	635,777,196
Transmission plant	47,260,731	26,506,605	47,236,078	26,473,748
General plant	<u>10,820,819</u>	<u>1,051,439</u>	<u>11,244,274</u>	<u>1,046,538</u>
	617,756,519	670,241,259	597,488,215	663,305,122
Less accumulated depreciation	<u>439,834,555</u>	<u>550,669,609</u>	<u>409,098,308</u>	<u>540,284,550</u>
	177,921,964	119,571,650	188,389,907	123,020,572
Construction in progress	<u>585,892,874</u>	<u>425,901,271</u>	<u>566,297,233</u>	<u>400,826,217</u>
Total electric plant	<u>\$763,814,838</u>	<u>\$545,472,921</u>	<u>\$754,687,140</u>	<u>\$523,846,789</u>

6. BORROWING ARRANGEMENTS AND NOTES

OVEC has an unsecured bank revolving line of credit agreement with a borrowing limit of \$225 million as of December 31, 2010. The \$225 million line of credit was renewed in June 2010 and has an expiration date of June 18, 2013. At December 31, 2010 and 2009, OVEC had borrowed \$105 million and \$65 million, respectively, under this line of credit. Interest expense related to line of credit borrowings was \$2,011,926 in 2010 and \$1,138,063 in 2009. During 2010 and 2009, OVEC incurred annual commitment fees of \$451,351 and \$220,622, respectively, based on the borrowing limits of the line of credit.

7. LONG-TERM DEBT

The following amounts were outstanding at December 31, 2010 and 2009:

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	Interest		
	Rate	2010	2009
Senior 2006 Notes due February 15, 2026	5.80 %	\$ 383,920,928	\$ 398,883,135
Senior 2007 Notes:			
Tranche A due February 15, 2026	5.90	176,976,681	184,039,494
Tranche B due February 15, 2026	5.90	44,570,011	46,349,039
Tranche C due February 15, 2026	5.90	44,924,312	46,716,375
Senior 2008 Notes:			
Tranche A due February 15, 2026	5.92	45,274,425	47,078,351
Tranche B due February 15, 2026	6.71	137,172,957	142,330,117
Tranche C due February 15, 2026	6.71	139,383,412	144,468,271
Series 2009 Notes and Bonds:			
2009A due February 15, 2013	2.05	100,000,000	100,000,000
2009A due February 1, 2026	0.31	25,000,000	25,000,000
2009B due February 1, 2026	0.32	25,000,000	25,000,000
2009C due February 1, 2026	0.32	25,000,000	25,000,000
2009D due February 1, 2026	0.32	25,000,000	25,000,000
2009E due October 1, 2019	5.63	100,000,000	100,000,000
Total debt		1,272,222,726	1,309,864,782
Current portion of long-term debt		139,966,242	37,642,056
Total long-term debt		\$1,132,256,484	\$1,272,222,726

During 2009, OVEC issued \$100 million variable rate unsecured senior notes (2009A Notes) in private placement, a series of four variable rate tax exempt pollution control bonds (2009A, B, C, and D Bonds), and fixed rate tax exempt pollution control bonds (2009E Bonds). The 2009A, B, C, and D Bonds, in the amount of \$25 million each, were issued in August 2009. In October 2009, the non-amortizing 2009E Bonds were issued in the amount of \$100 million. The 2009A Notes and 2009A, B, C, and D Bonds are non-amortizing issues and pay interest at variable rates. The rates listed above reflect the interest rate in effect at December 31, 2010.

The 2009 Series A, B, C and D tax exempt pollution control bonds are secured by an irrevocable transferable direct-pay letter of credit, expiring August 12, 2013, issued for the benefit of the owners of the bonds. The interest rate on the bonds are adjusted weekly, and bondholders may require repurchase of the bonds at the time of such interest rate adjustments. OVEC has entered into an agreement to provide for the remarketing of the bonds if such repurchase is required.

All of the OVEC amortizing senior notes have maturities scheduled for February 15, 2026. The \$100 million non-amortizing senior note will mature on February 15, 2013, with the principal amount due on that date. The tax exempt variable rate pollution control bonds all mature on February 1, 2026, with the aggregate \$100 million principal amount due on that date. The tax exempt fixed rate pollution control bonds mature on October 1, 2019, with an amount of \$100 million principal due on that date. The annual maturities of long-term debt as of December 31, 2010, are as follows:

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2011	\$ 39,966,242
2012	42,434,535
2013	145,055,904
2014	47,839,885
2015	50,796,613
2016–2026	946,129,547
Total	<u>\$1,272,222,726</u>

In December 2010, OVEC established a borrowing facility under which OVEC expects, in 2011, to undertake a \$100 million offering of variable rate bonds due February 1, 2040. No related borrowings have been recorded in the accompanying financial statements.

8. INCOME TAXES

OVEC and IKEC file a consolidated federal income tax return. The effective tax rate varied from the statutory federal income tax rate due to differences between the book and tax treatment of various transactions as follows:

	2010	2009
Income tax expense at 35% statutory rate	\$1,032,999	\$1,857,353
State income taxes net of federal benefit	(106,060)	817,024
Temporary differences flowed through to customer bills	(225,190)	(267,941)
Permanent differences and other	<u>74,867</u>	<u>14,731</u>
Income tax provision	<u>\$ 776,616</u>	<u>\$2,421,167</u>
Effective tax rate	<u>26.3 %</u>	<u>45.6 %</u>

Components of the income tax provision were as follows:

	2010	2009
Current income tax expense	\$ (13,471,404)	\$ 15,678,705
Deferred income tax expense	<u>14,248,020</u>	<u>(13,257,538)</u>
Total income tax provision	<u>\$ 776,616</u>	<u>\$ 2,421,167</u>

OVEC and IKEC record deferred tax assets and liabilities based on differences between book and tax basis of assets and liabilities measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets and liabilities are adjusted for changes in tax rates. The deferred tax assets recorded in the accompanying consolidating balance sheets consist primarily of the net deferred taxes on depreciation, postretirement benefits obligation, net operating loss carryforwards, asset retirement obligations, regulatory assets and regulatory liabilities.

To the extent that the Companies have not reflected credits in customer billings for deferred tax assets, they have recorded a regulatory liability representing income taxes refundable to customers under the applicable agreements

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among the parties. The liability was \$43,207,303 at December 31, 2010, and \$48,593,284 at December 31, 2009.

Deferred income tax assets (liabilities) consisted of the following at December 31, 2010 and 2009:

	2010	2009
Deferred tax assets:		
Deferred revenue — advances for construction	\$ 5,054,015	\$ 7,888,820
AMT credit carryforwards	983,893	-
Postretirement benefit obligation	11,358,448	15,914,071
Pension liability	8,439,542	2,803,971
Postemployment benefit obligation	1,051,181	1,149,836
Asset retirement obligations	11,213,983	10,648,464
Miscellaneous accruals	2,696,520	2,784,832
Regulatory liability — postretirement benefits	11,432,686	11,197,425
Regulatory liability — investment tax credits	1,205,506	1,214,842
Regulatory liability — net antitrust settlement	648,000	653,018
Regulatory liability — income taxes refundable to customers	17,025,284	17,660,365
Total deferred tax assets	<u>71,109,058</u>	<u>71,915,644</u>
Deferred tax liabilities:		
Regulatory asset — income taxes billable to customers	-	-
Prepaid expenses	(594,319)	(613,978)
Electric plant	(14,586,719)	(1,204,691)
Unrealized gain/loss on marketable securities	(1,751,211)	-
Regulatory asset — pension benefits	(8,439,542)	(2,803,971)
Regulatory asset — unrecognized postemployment benefits	(1,051,181)	(1,149,836)
Regulatory asset — asset retirement costs	(800,423)	(2,443,115)
Total deferred tax liabilities	<u>(27,223,395)</u>	<u>(8,215,591)</u>
Deferred income tax assets (liabilities)	<u>\$ 43,885,663</u>	<u>\$63,700,053</u>
Current deferred income taxes	\$ 7,141,504	\$10,372,692
Non-current deferred income taxes	36,744,159	53,327,361

The accounting guidance for Income Taxes addresses the determination of whether the tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Companies may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. The Companies have not identified any uncertain tax positions as of December 31, 2010 and 2009, and accordingly, no liabilities for uncertain tax positions have been recognized.

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act (the PPAC Act). The PPAC Act is a comprehensive health care reform bill that includes revenue-raising provisions of nearly \$400 billion over 10 years through tax increases on high-income individuals, excise taxes on high-cost group health plans and new fees on selected health-care-related industries. In addition, on March 30, 2010, President Obama

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signed into law the reconciliation measure, which modifies certain provisions of the PPAC Act.

An employer offering retiree prescription drug coverage that is at least as valuable as Medicare Part D coverage is currently entitled to a federal retiree drug subsidy. Employers can currently claim a deduction for the entire cost of providing the prescription drug coverage even though a portion of the cost is offset by the subsidy they receive. However, the PPAC Act repealed the current rule permitting a deduction of the portion of the drug coverage expense that is offset by the Medicare Part D subsidy. This provision of the PPAC Act as modified by the reconciliation measure is effective for taxable years beginning after December 31, 2012.

During 2010, the passage of the PPAC Act resulted in a reduction of the postemployment benefits deferred tax asset of approximately \$4.6 million and a reduction to the related regulatory liability (income taxes refundable to customers) of approximately \$4.6 million.

The Companies file income tax returns with the Internal Revenue Service and the states of Ohio, Indiana and the Commonwealth of Kentucky. The Companies are no longer subject to federal tax examinations for tax years 2006 and earlier. The Companies are no longer subject to state of Indiana tax examinations for tax years 2006 and earlier. The Companies are no longer subject to Ohio and the Commonwealth of Kentucky examinations for tax years 2005 and earlier.

9. PENSION PLAN, OTHER POSTRETIREMENT AND POSTEMPLOYMENT BENEFITS

The Companies have a noncontributory qualified defined benefit pension plan (the Pension Plan) covering substantially all of their employees. The benefits are based on years of service and each employee's highest consecutive 36-month compensation period. Employees are vested in the Pension Plan after five years of service with the Companies.

Funding for the Pension Plan is based on actuarially determined contributions, the maximum of which is generally the amount deductible for income tax purposes and the minimum being that required by the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The full cost of the pension benefits and related obligations has been allocated to OVEC and IKEC in the accompanying consolidating financial statements. The allocated amounts represent approximately a 55% and 45% split for OVEC and IKEC, respectively, as of December 31, 2010 and 2009. The Pension Plan's assets as of December 31, 2010 consist of investments in equity and debt securities. As of December 31, 2009, the assets included an insurance contract which was treated as a debt security because its long-term yield was tied to the debt markets. This contract was discontinued on December 27, 2010 and approximately 29% of the Pension Plan's Projected Benefit Obligation (PBO) was settled. The impact of the settlement was a reduction of the PBO by \$60,789,221, resulting from the purchase of an annuity used to settle the obligations to certain retirees. Additionally, a settlement expense of \$7,896,655 was incurred by the Plan to recognize previously unrecognized actuarial losses.

In addition to the Pension Plan, the Companies provide certain health care and life insurance benefits (Other Postretirement Benefits) for retired employees. Substantially all of the Companies' employees become eligible for these benefits if they reach retirement age while working for the Companies. These and similar benefits for active employees are provided through employer funding and insurance policies. In December 2004, the Companies established Voluntary Employee Beneficiary Association (VEBA) trusts.

All of the trust funds' investments for the pension and postemployment benefit plans are diversified and managed in compliance with all laws and regulations. Management regularly reviews the actual asset allocation and periodically rebalances the investments to targeted allocation when appropriate. The investments are reported at fair value under

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the Fair Value Measurements and Disclosures accounting guidance.

All benefit plan assets are invested in accordance with each plan's investment policy. The investment policy outlines the investment objectives, strategies and target asset allocations by plan. Benefit plan assets are reviewed on a formal basis each quarter by the OVEC/IKEC Qualified Plan Trust Committee.

The investment philosophies for the benefit plans support the allocation of assets to minimize risks and optimize net returns.

Investment strategies include:

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

The target asset allocation for each portfolio is as follows:

Pension Plan Assets	Target
Domestic equity	15.0 %
International and global equity	15.0
Fixed income	70.0

VEBA Plan Assets	Target
Domestic equity	20.0 %
International and global equity	20.0
Fixed income	57.0
Cash	3.0

Each benefit plan contains various investment limitations. These limitations are described in the investment policy statement and detailed in customized investment guidelines or documented by mutual fund prospectus. These investment guidelines require appropriate portfolio diversification and define security concentration limits. Each investment manager's portfolio is compared to an appropriate diversified benchmark index.

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Equity investment limitations:

- No security in excess of 5% of all equities.
- Cash equivalents must be less than 10% of each investment manager's equity portfolio.
- Individual securities must be less than 15% of each manager's equity portfolio.
- No investment in excess of 5% of an outstanding class of any company.
- No securities may be bought or sold on margin or other use of leverage.
- As otherwise defined by fund prospectus.

Fixed Income Limitations — As of December 31, 2010, the Pension Plan fixed income allocation consists of managed accounts comprised of U.S. Government, corporate and municipal obligations. Prior to December 27, 2010, the fixed income allocation was a Guaranteed Annuity Contract issued by the John Hancock Life Insurance Company. The VEBA benefit plans' fixed income allocation is comprised of a variety of fixed income managed accounts and mutual funds. Investment limitations for these fixed income funds are defined by manager prospectus.

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

Projected Pension Plan and Other Postretirement Benefits obligations and funded status as of December 31, 2010 and 2009:

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	Pension Plan		Other Postretirement Benefits	
	2010	2009	2010	2009
Change in projected benefit obligation:				
Projected benefit obligation — beginning of year	\$182,464,568	\$168,926,587	\$113,332,841	\$104,956,170
Service cost	4,881,471	4,309,555	3,792,611	3,135,170
Interest cost	10,516,131	10,215,241	6,749,106	6,030,604
Plan participants' contributions	-	-	752,175	670,264
Benefits paid	(8,633,587)	(8,385,160)	(4,415,967)	(4,166,111)
Net actuarial (gain) loss	22,453,315	7,453,646	3,447,584	2,214,103
Medicare subsidy	-	-	22,002	492,641
Settlement	(60,789,221)	-	-	-
Expenses paid from assets	(93,090)	(55,301)	-	-
Projected benefit obligation — end of year	<u>150,799,587</u>	<u>182,464,568</u>	<u>123,680,352</u>	<u>113,332,841</u>
Change in fair value of plan assets:				
Fair value of plan assets — beginning of year	174,632,863	141,665,077	81,894,142	62,427,019
Actual return on plan assets	15,602,779	35,708,247	9,362,005	18,567,123
Expenses paid from assets	(93,090)	(55,301)	-	-
Employer contributions	6,325,000	5,700,000	4,741,790	3,903,206
Plan participants' contributions	-	-	752,175	670,264
Medicare subsidy	-	-	22,002	492,641
Settlement	(60,789,221)	-	-	-
Benefits paid	(8,633,587)	(8,385,160)	(4,415,967)	(4,166,111)
Fair value of plan assets — end of year	<u>127,044,744</u>	<u>174,632,863</u>	<u>92,356,147</u>	<u>81,894,142</u>
Funded (underfunded) status — end of year	<u>\$ (23,754,843)</u>	<u>\$ (7,831,705)</u>	<u>\$ (31,324,205)</u>	<u>\$ (31,438,699)</u>

On December 8, 2003, the President of the United States of America signed into law the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act). The Act introduced a prescription drug benefit to retirees as well as a federal subsidy to Sponsors of retiree health care benefit plans that provide a prescription drug benefit that is actuarially equivalent to the benefit provided by Medicare. The Companies believe that the coverage for prescription drugs is at least actuarially equivalent to the benefits provided by Medicare for most current retirees because the benefits for that group substantially exceed the benefits provided by Medicare, thereby allowing the Companies to qualify for the subsidy. The Companies' employer contributions for Other Postretirement Benefits in the above table are net of subsidies received of \$22,002 and \$492,641 for 2010 and 2009, respectively. The Companies have accounted for the subsidy as a reduction of the benefit obligation detailed in the above table. The benefit obligation was reduced by approximately \$13.6 million and \$13.0 million as of December 31, 2010 and 2009, respectively. Refer to the Income Taxes footnote (Note 8) for changes in the tax law surrounding the new health care bill.

The accumulated benefit obligation for the Pension Plan was \$121,427,105 and \$156,891,866 at December 31, 2010 and 2009, respectively.

Components of Net Periodic Benefit Cost — The Companies record the expected cost of Other Postretirement Benefits over the service period during which such benefits are earned.

Pension expense is recognized as amounts are contributed to the Pension Plan and billed to customers. The accumulated difference between recorded pension expense and the yearly net periodic pension expense, as

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calculated under the accounting guidance for Compensation — Retirement Benefits, is billable as a cost of operations under the ICPA when contributed to the pension fund. This accumulated difference has been recorded as a regulatory asset in the accompanying consolidating balance sheets.

	Pension Plan		Other Postretirement Benefits	
	2010	2009	2010	2009
Service cost	\$ 4,881,471	\$ 4,309,555	\$ 3,792,611	\$ 3,135,170
Interest cost	10,516,131	10,215,241	6,749,106	6,030,604
Expected return on plan assets	(10,382,188)	(8,374,411)	(4,702,519)	(3,585,115)
Amortization of prior service cost	190,437	329,437	(379,000)	(379,000)
Recognized actuarial loss	-	1,318,607	(248,323)	(94,810)
Net periodic benefit cost	5,205,851	7,798,429	5,211,875	5,106,849
Settlement expense	7,896,655	-	-	-
Total benefit cost	\$ 13,102,506	\$ 7,798,429	\$ 5,211,875	\$ 5,106,849
Pension and Other Postretirement Benefits expense recognized in the consolidating statement of income and retained earnings and billed to Sponsoring Companies under the ICPA	\$ 6,325,000	\$ 5,700,000	\$ 4,915,000	\$ 3,260,000

The following table presents the classification of Pension Plan assets within the fair value hierarchy at December 31, 2010 and 2009:

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2010			
Domestic equity	\$18,415,260	\$ -	\$ -
International and global equity	19,491,321	-	-
Cash and cash equivalents	12,702,017	-	-
U.S. Treasury Security	-	76,436,146	-
2009			
Domestic equity	\$41,331,372	\$ -	\$ -
International and global equity	8,366,973	-	-
Cash and cash equivalents	863,051	-	-
Group Annuity Contract — John Hancock	-	-	123,998,162

The following table provides a reconciliation of beginning and ending balances of Pension Trust assets measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3) for the year ended December 31, 2010:

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
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NOTES TO FINANCIAL STATEMENTS (Continued)

Pension Trust	
Balance at January 1, 2010	\$123,998,162
Return on plan assets	6,138,339
Purchases, sales, issuances, and settlements (net)	<u>(130,136,501)</u>
Balance at December 31, 2010	<u>\$ -</u>

The following table provides a reconciliation of beginning and ending balances of Pension Trust assets measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3) for the year ended December 31, 2009:

Pension Trust	
Balance at January 1, 2009	\$125,621,344
Return on plan assets	7,660,865
Purchases, sales, issuances, and settlements (net)	<u>(9,284,047)</u>
Balance at December 31, 2009	<u>\$123,998,162</u>

The following table presents the classification of VEBA assets within the fair value hierarchy at December 31, 2010 and 2009:

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2010			
Domestic equity	\$20,332,914	\$ -	\$ -
International and global equity	19,281,036	-	-
Fixed income mutual funds	50,194,485	-	-
Cash and cash equivalents	2,547,712	-	-
2009			
Domestic equity	\$34,393,753	\$ -	\$ -
International and global equity	10,136,800	-	-
Fixed income mutual funds	33,902,168	-	-
Cash and cash equivalents	3,338,776	-	-

Pension Plan and Other Postretirement Benefit Assumptions — Actuarial assumptions used to determine benefit obligations at December 31, 2010 and 2009, were as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	Pension Plan		Other Postretirement Benefits	
	2010	2009	2010	2009
	Discount rate	5.50 %	5.90 %	5.50 %
Rate of compensation increase	4.00	4.00	4.00	4.00

Actuarial assumptions used to determine net periodic benefit cost for the years ended December 31, 2010 and 2009, were as follows:

	Pension Plan		Other Postretirement Benefits	
	2010	2009	2010	2009
	Discount rate	5.90 %	6.10 %	6.00 %
Expected long-term return on plan assets	6.00	6.00	5.60	5.60
Rate of compensation increase	4.00	4.00	4.00	4.00

In selecting the expected long-term rate of return on assets, the Companies considered the average rate of earnings expected on the funds invested or to be invested to provide for plan benefits. This included considering the Pension Plan and VEBA trusts' asset allocation, as well as the target asset allocations for the future, and the expected returns likely to be earned over the life of the Pension Plan and the VEBAs.

Assumed health care cost trend rates at December 31, 2010 and 2009, were as follows:

	2010	2009
Health care trend rate assumed for next year — participants under 65	9.00 %	9.50 %
Health care trend rate assumed for next year — participants over 65	9.00	9.50
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate) — participants under 65	5.00	5.00
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate) — participants over 65	5.00	5.00
Year that the rate reaches the ultimate trend rate	2019	2015

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	One-Percentage Point Increase	One-Percentage Point Decrease
Effect on total service and interest cost	\$ 1,935,565	\$ (1,501,391)
Effect on postretirement benefit obligation	19,057,686	(15,202,623)

Pension Plan and Other Postretirement Benefit Assets — The asset allocation for the Pension Plan and VEBA trusts at December 31, 2010 and 2009, by asset category was as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	Pension Plan		VEBA Trusts	
	2010	2009	2010	2009
Asset category:				
Equity securities	30 %	29 %	43 %	40 %
Debt securities	70	71	57	60

Pension Plan and Other Postretirement Benefit Contributions — The Companies expect to contribute \$6,100,000 to their Pension Plan and \$5,090,559 to their Other Postretirement Benefits plan in 2011.

Estimated Future Benefit Payments — The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Years Ending December 31	Pension Plan	Other Postretirement Benefits	
		With Medicare Subsidy	Without Medicare Subsidy
2011	\$ 3,293,775	\$ 4,645,559	\$ 4,952,117
2012	3,794,204	5,023,493	5,363,439
2013	4,381,501	5,344,945	5,720,330
2014	5,094,439	5,803,185	6,209,954
2015	5,885,388	6,211,014	6,656,951
Five years thereafter	44,235,819	41,477,242	42,479,868

Postemployment Benefits — The Companies follow the accounting guidance in Compensation — Non-Retirement Postemployment Benefits and accrue the estimated cost of benefits provided to former or inactive employees after employment but before retirement. Such benefits include, but are not limited to, salary continuations, supplemental unemployment, severance, disability (including workers' compensation), job training, counseling, and continuation of benefits, such as health care and life insurance coverage. The cost of such benefits and related obligations has been allocated to OVEC and IKEC in the accompanying consolidating financial statements. The allocated amounts represent approximately a 52% and 48% split between OVEC and IKEC, respectively, as of December 31, 2010, and approximately a 34% and 66% split between OVEC and IKEC, respectively, as of December 31, 2009. The liability is offset with a corresponding regulatory asset and represents unrecognized postemployment benefits billable in the future to customers. The accrued cost of such benefits was \$2,958,768 and \$3,211,580 at December 31, 2010 and 2009, respectively.

Defined Contribution Plan — The Companies have a trustee-defined contribution supplemental pension and savings plan that includes 401(k) features and is available to employees who have met eligibility requirements. The Companies' contributions to the savings plan equal 100% of the first 1% and 50% of the next 5% of employee-participants' contributions based upon total compensation. Benefits to participating employees are based solely upon amounts contributed to the participants' accounts and investment earnings. By its nature, the plan is fully funded at all times. The employer contributions for 2010 and 2009 were \$1,744,254 and \$1,712,262, respectively.

10. ENVIRONMENTAL MATTERS

Title IV of the 1990 Clean Air Act Amendments (CAAAAs) required the Companies to reduce sulfur dioxide (SO₂)

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NOTES TO FINANCIAL STATEMENTS (Continued)

emissions in two phases: Phase I in 1995 and Phase II in 2000. The Companies selected a fuel switching strategy to comply with the emission reduction requirements. The Companies also purchased additional SO₂ allowances. The cost of these purchased allowances has been inventoried and included on an average cost basis in the cost of fuel consumed when used. The cost of unused allowances at December 31, 2010 and 2009, was \$641,329 and \$5,215,651, respectively.

Title IV of the 1990 CAAAs also required the Companies to comply with a nitrogen oxides (NO_x) emission rate limit of 0.84 lb/mmBtu in 2000. The Companies installed overfire air systems on all eleven units at the plants to comply with this limit. The total capital cost of the eleven overfire air systems was approximately \$8.2 million.

During 2002 and 2003, Ohio and Indiana finalized respective NO_x State Implementation Plan (SIP) Call regulations that required further significant NO_x emission reductions for coal-burning power plants during the ozone control period. The Companies installed selective catalytic reduction (SCR) systems on ten of their eleven units to comply with these rules. The total capital cost of the ten SCR systems was approximately \$355 million.

On March 10, 2005, the U.S. EPA issued the Clean Air Interstate Rule (CAIR) that required further significant reductions of SO₂ and NO_x emissions from coal-burning power plants. On March 15, 2005, the U.S. EPA also issued the Clean Air Mercury Rule (CAMR) that required significant mercury emission reductions for coal-burning power plants. These emission reductions were required in two phases: 2009 and 2015 for NO_x; 2010 and 2015 for SO₂; and 2010 and 2018 for mercury. Ohio and Indiana subsequently finalized their respective versions of CAIR and CAMR. In response, the Companies determined that it would be necessary to install flue gas desulfurization (FGD) systems at both plants to comply with these new rules. Following completion of the necessary engineering and permitting, construction was started on the new FGD systems.

In February 2008, the D.C. Circuit Court of Appeals issued a decision which vacated the federal CAMR and remanded the rule to the U.S. EPA with a determination that the rule be rewritten under the maximum achievable control technologies (MACT) provision of Section 112(d) of the Clean Air Act. A group of electric utilities and the U.S. EPA requested a rehearing of the decision, which was denied by the court. Following those denials, both the group of electric utilities and the U.S. EPA requested that the U.S. Supreme Court hear the case. However, in February 2009, the U.S. EPA withdrew its request and the group of utilities' request was denied. These actions left the original court decision in place, which vacated the federal CAMR and remanded the rule to the U.S. EPA with a determination that the rule be rewritten under the MACT provision of Section 112(d) of the Clean Air Act.

In July 2008, the D.C. Circuit Court of Appeals issued a decision that vacated the federal CAIR and remanded the rule to the U.S. EPA. In September 2008, the U.S. EPA, a group of electric utilities and other parties filed petitions for rehearing. In December 2008, the D.C. Circuit Court of Appeals granted the U.S. EPA's petition and remanded the rule to the U.S. EPA without vacatur, allowing the federal CAIR to remain in effect while a new rule was developed and promulgated. Since that time, U.S. EPA has been working on the CAIR replacement rule and is expected to issue a draft of the new rule for comment in the near future.

In December 2008, the Boards of Directors of the Companies authorized a delay in construction of the FGD at the Clifty Creek plant of at least 18 months due to economic uncertainty in the capital markets.

In March 2009, the Boards of Directors also authorized a delay in the tie-in of the FGD systems of all five generating units at the Kyger Creek plant pending an investigation into the structural integrity of the internal components of two newly constructed jet bubbling reactors (JBRs), which are major components of the FGD system. Extensive studies were conducted relating to this design issue, which affected the FGD construction projects at both the Kyger Creek and Clifty Creek plants, and as a result, the Boards of Directors authorized a

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NOTES TO FINANCIAL STATEMENTS (Continued)			

complete redesign and replacement of the JBR internal components to resolve this structural integrity issue.

In December 2010, the Boards of Directors authorized the completion of the FGD construction projects at the Kyger Creek and Clifty Creek plants with the redesign and replacement of the JBR internal components. The Kyger Creek plant FGD system is expected to be fully operational by the end of the second quarter of 2012 and the Clifty Creek plant FGD system is expected to be fully operational by the end of the second quarter of 2013.

Additional SO₂ allowances will be purchased to operate the Kyger Creek and Clifty Creek generating units to comply with the current environmental emission rules during the final construction period.

The total cost to complete the new Kyger Creek and Clifty Creek FGD systems and the associated landfills is currently estimated not to exceed \$1.35 billion, including the amounts expended to date and included in construction in progress in the accompanying balance sheets.

On November 6, 2009, the Companies received a Section 114 Information Request from the U.S. EPA. The stated purpose of the information request was for the U.S. EPA to obtain the necessary information to determine if the Kyger Creek and Clifty Creek plants have been operating in compliance with the Federal Clean Air Act. Attorneys for the Companies subsequently contacted the U.S. EPA and established a schedule for submission of the requested information. Based on this schedule, all requested information was submitted to the U.S. EPA by March 8, 2010. As of this date, OVEC has not had any further contact with U.S. EPA related to this issue.

11. FAIR VALUE MEASUREMENTS

The accounting guidance for Financial Instruments requires disclosure of the fair value of certain financial instruments. The estimates of fair value under this guidance require the application of broad assumptions and estimates. Accordingly, any actual exchange of such financial instruments could occur at values significantly different from the amounts disclosed. As cash and cash equivalents, current receivables, current payables, and line of credit borrowings are all short term in nature, their carrying amounts approximate fair value.

As of December 31, 2010 and 2009, the Companies held certain assets that are required to be measured at fair value on a recurring basis. These consist of investments recorded within special deposits and long-term investments. The investments consist of money market mutual funds, equity mutual funds and fixed income municipal securities. Changes in the observed trading prices and liquidity of money market funds are monitored as additional support for determining fair value, and unrealized gains and losses are recorded in earnings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Companies believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Special Deposits and Long-Term Investments — Assets measured at fair value on a recurring basis at December 31, 2010 and 2009, were as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2010			
Equity mutual funds	\$18,550,343	\$ -	\$ -
Fixed income municipal securities	-	66,827,187	-
Money market mutual funds	915,376	-	-
2009			
Marketable securities	\$ -	\$82,432,063	\$ -
Money market mutual funds	13,511,206	-	-

Long-Term Debt — The fair values of the senior notes and fixed rate bonds were estimated using discounted cash flow analyses based on current incremental borrowing rates for similar types of borrowing arrangements. These fair values are not reflected in the balance sheet.

The fair values and recorded values of the senior notes, fixed and variable rate bonds as of December 31, 2010 and 2009, are as follows:

	2010		2009	
	Fair Value	Recorded Value	Fair Value	Recorded Value
Senior 2006 Notes	\$ 399,815,254	\$ 383,920,928	\$ 417,418,759	\$ 398,883,135
Senior 2007 Notes	280,247,003	266,471,004	291,985,441	277,104,908
Senior 2008 Notes	361,514,174	321,830,794	368,508,300	333,876,739
Senior 2009A Notes	100,100,000	100,000,000	98,560,000	100,000,000
2009A Bonds	25,000,000	25,000,000	25,000,000	25,000,000
2009B Bonds	25,000,000	25,000,000	25,000,000	25,000,000
2009C Bonds	25,000,000	25,000,000	25,000,000	25,000,000
2009D Bonds	25,000,000	25,000,000	25,000,000	25,000,000
2009E Bonds	102,650,000	100,000,000	102,000,000	100,000,000
Total	\$1,344,326,431	\$1,272,222,726	\$1,378,472,500	\$1,309,864,782

12. LEASES

OVEC has entered into operating leases to secure railcars for the transportation of coal in connection with the fuel switching modifications at the OVEC and the IKEC generating stations. OVEC has railcar lease agreements that extend to as long as December 31, 2025, with options to exit the leases under certain conditions. The amount in property under capital leases is \$76,931 with accumulated depreciation of \$26,036 and \$8,614 as of December 31, 2010 and 2009, respectively. OVEC also has various other operating leases with other property and equipment.

Future minimum lease payments for capital and operating leases at December 31, 2010, are as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Years Ending December 31	Operating	Capital
2011	\$ 3,416,666	\$19,600
2012	3,304,201	18,638
2013	3,227,215	11,813
2014	3,265,308	3,441
2015	3,093,654	-
There after	<u>19,034,274</u>	<u>-</u>
Total future minimum lease payments	<u>\$35,341,318</u>	53,492
Less estimated interest element		(2,540)
Estimated present value of future minimum lease payments		<u>\$50,952</u>

The annual operating lease cost incurred was \$4,785,133 and \$4,749,821 for 2010 and 2009, respectively, and the annual capital lease cost incurred was \$19,600 and \$9,335 for 2010 and 2009, respectively.

13. COMMITMENTS AND CONTINGENCIES

The Companies are party to or may be affected by various matters under litigation. Management believes that the ultimate outcome of these matters will not have a significant adverse effect on either the Companies' future results of operation or financial position.

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

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1					
2					
3					
4				2,174,808	2,174,808
5					
6					
7					
8					
9					
10					

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

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

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	617,690,631	617,690,631
4	Property Under Capital Leases	65,888	65,888
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	617,756,519	617,756,519
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	585,887,241	585,887,241
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	1,203,643,760	1,203,643,760
14	Accum Prov for Depr, Amort, & Depl	439,834,555	439,834,555
15	Net Utility Plant (13 less 14)	763,809,205	763,809,205
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	439,834,555	439,834,555
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant		
22	Total In Service (18 thru 21)	439,834,555	439,834,555
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	439,834,555	439,834,555

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

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
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					32
					33

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- 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.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and 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)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	18,924	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	18,924	
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	469,124	
9	(311) Structures and Improvements	63,091,485	9,281,987
10	(312) Boiler Plant Equipment	380,616,749	19,570,565
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	66,030,703	2,272,655
13	(315) Accessory Electric Equipment	17,161,413	
14	(316) Misc. Power Plant Equipment	12,232,200	599,873
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	539,601,674	31,725,080
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	539,601,674	31,725,080

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years 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.

7. Show in column (f) reclassifications 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, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. 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 requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, 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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			18,924	2
				3
				4
			18,924	5
				6
				7
			469,124	8
188,092			72,185,380	9
10,113,694			390,073,620	10
				11
880,908			67,422,450	12
			17,161,413	13
488,015			12,344,058	14
				15
11,670,709			559,656,045	16
				17
				18
				19
				20
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				36
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				45
11,670,709			559,656,045	46

Name of Respondent		This Report Is:		Date of Report	Year/Period of Report
Ohio Valley Electric Corporation		(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	End of <u>2010/Q4</u>
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights	1,979,740			
49	(352) Structures and Improvements	745,929			12,580
50	(353) Station Equipment	19,178,561			40,329
51	(354) Towers and Fixtures	12,642,213			
52	(355) Poles and Fixtures				
53	(356) Overhead Conductors and Devices	12,689,634			
54	(357) Underground Conduit				
55	(358) Underground Conductors and Devices				
56	(359) Roads and Trails				
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	47,236,077			52,909
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights				
61	(361) Structures and Improvements				
62	(362) Station Equipment				
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures				
65	(365) Overhead Conductors and Devices				
66	(366) Underground Conduit				
67	(367) Underground Conductors and Devices				
68	(368) Line Transformers				
69	(369) Services				
70	(370) Meters				
71	(371) Installations on Customer Premises				
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems				
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)				
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT				
77	(380) Land and Land Rights				
78	(381) Structures and Improvements				
79	(382) Computer Hardware				
80	(383) Computer Software				
81	(384) Communication Equipment				
82	(385) Miscellaneous Regional Transmission and Market Operation Plant				
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper				
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)				
85	6. GENERAL PLANT				
86	(389) Land and Land Rights	124,762			
87	(390) Structures and Improvements	3,799,880			217,047
88	(391) Office Furniture and Equipment	2,943,354			96,751
89	(392) Transportation Equipment	942,320			
90	(393) Stores Equipment	590			
91	(394) Tools, Shop and Garage Equipment	424,699			57,780
92	(395) Laboratory Equipment	601,392			58,190
93	(396) Power Operated Equipment				
94	(397) Communication Equipment	1,794,543			42,105
95	(398) Miscellaneous Equipment				
96	SUBTOTAL (Enter Total of lines 86 thru 95)	10,631,540			471,873
97	(399) Other Tangible Property				
98	(399.1) Asset Retirement Costs for General Plant				
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	10,631,540			471,873
100	TOTAL (Accounts 101 and 106)	597,488,215			32,249,862
101	(102) Electric Plant Purchased (See Instr. 8)				
102	(Less) (102) Electric Plant Sold (See Instr. 8)				
103	(103) Experimental Plant Unclassified				
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	597,488,215			32,249,862

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
			1,979,740	48
5,289			753,220	49
22,966			19,195,924	50
			12,642,213	51
				52
			12,689,634	53
				54
				55
				56
				57
28,255			47,260,731	58
				59
				60
				61
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				65
				66
				67
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				81
				82
				83
				84
				85
			124,762	86
6,303			4,010,624	87
83,105			2,957,000	88
64,491	-20,536		857,293	89
			590	90
48,281			434,198	91
17,773			641,809	92
				93
42,105			1,794,543	94
				95
262,058	-20,536		10,820,819	96
				97
				98
262,058	-20,536		10,820,819	99
11,961,022	-20,536		617,756,519	100
				101
				102
				103
11,961,022	-20,536		617,756,519	104

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Flue Gas Desulfurization Project	540,336,744
2	Flue Gas Desulfurization Landfill Project	35,806,094
3	8 Gas Circuit Breakers	2,893,968
4	Out of Period Estimate	2,205,493
5	Unit #4 Retube Reheat & Header - Material	1,865,370
6	Bypass X533 Switchyard	477,650
7	Plant Roof	451,075
8	Powder River Basin Conversion - Flood Mitigation	390,848
9	Access Walkway - Harbor Boat	309,000
10	Ultrasonic Leak Detection	280,745
11	Unit #1 Retube Slope Floor - Material	257,388
12	Boiler Water Monitoring	254,069
13		
14	Projects Less Than \$100,000	358,797
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
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42		
43	TOTAL	585,887,241

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

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 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 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 costs 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	409,098,308	409,098,308		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	52,801,818	52,801,818		
4	(403.1) Depreciation Expense for Asset Retirement Costs	2,721,305	2,721,305		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	55,523,123	55,523,123		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	11,961,021	11,961,021		
13	Cost of Removal	1,950	1,950		
14	Salvage (Credit)	293,757	293,757		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	11,669,214	11,669,214		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17	Change in RWIP, Deferred Depreciation	-13,117,662	-13,117,662		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	439,834,555	439,834,555		

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

20	Steam Production	398,479,985	398,479,985		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission	33,650,052	33,650,052		
26	Distribution				
27	Regional Transmission and Market Operation				
28	General	7,704,518	7,704,518		
29	TOTAL (Enter Total of lines 20 thru 28)	439,834,555	439,834,555		

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

- Report below investments in Accounts 123.1, investments in Subsidiary Companies.
- Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
 - Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 - Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Indiana-Kentucky Electric Corporation			
2	Common Stock without par value, 17,000 shares			
3	5 shares	10/09/52		1,000
4	995 shares	11/19/52		199,000
5	2,500 shares	01/16/53		500,000
6	2,000 shares	03/06/53		400,000
7	2,000 shares	04/14/53		400,000
8	2,500 shares	05/20/53		500,000
9	2,000 shares	06/30/53		400,000
10	5,000 shares	07/17/53		1,000,000
11				
12				
13	Advances to Subsidiary Company-			
14	Selective Catalytic Converter Open Account	12/31/02	03/12/26	131,842,925
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
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39				
40				
41				
42	Total Cost of Account 123.1 \$	0	TOTAL	135,242,925

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
		1,000		3
		199,000		4
		500,000		5
		400,000		6
		400,000		7
		500,000		8
		400,000		9
		1,000,000		10
				11
				12
				13
		123,729,515		14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
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				30
				31
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				33
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				41
		127,129,515		42

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	32,031,212	25,511,247	Electric
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	11,977,962	12,569,584	Electric
8	Transmission Plant (Estimated)	207,414	201,112	Electric
9	Distribution Plant (Estimated)			
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	12,185,376	12,770,696	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			Electric
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	44,216,588	38,281,943	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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Allowances (Accounts 158.1 and 158.2)

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

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	130,399.00	5,215,651		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	19,539.00		19,539.00	
5	Returned by EPA	1,201.00		71.00	
6					
7					
8	Purchases/Transfers:				
9	Purchase transactions	18,000.00	948,540		
10					
11					
12					
13					
14					
15	Total	18,000.00	948,540		
16					
17	Relinquished During Year:				
18	Charges to Account 509	109,663.00	3,398,099		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	SO2 Transfers to IKEC	29,266.00	2,124,763		
23	True-up 2009 transfers	12,953.00			
24					
25					
26					
27					
28	Total	42,219.00	2,124,763		
29	Balance-End of Year	17,257.00	641,329	19,610.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA	570.00		570.00	
38	Deduct: Returned by EPA				
39	Cost of Sales	570.00			
40	Balance-End of Year			570.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	570.00	21,403		
45	Gains				
46	Losses				

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						130,399.00	5,215,651	1
								2
								3
19,539.00		19,539.00		293,085.00		371,241.00		4
71.00		71.00		1,065.00		2,479.00		5
								6
								7
								8
						18,000.00	948,540	9
								10
								11
								12
								13
								14
						18,000.00	948,540	15
								16
								17
						109,663.00	3,398,099	18
								19
								20
								21
						29,266.00	2,124,763	22
						12,953.00		23
								24
								25
								26
								27
						42,219.00	2,124,763	28
19,610.00		19,610.00		294,150.00		370,237.00	641,329	29
								30
								31
								32
								33
								34
								35
								36
570.00		570.00		14,765.00		17,045.00		37
								38
						570.00		39
570.00		570.00		14,765.00		16,475.00		40
								41
								42
								43
				565.00	1,176	1,135.00	22,579	44
								45
								46

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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Allowances (Accounts 158.1 and 158.2)

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

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	9,146.00		7,370.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	7,370.00			
5	Returned by EPA	504.00			
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	6,747.00			
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	Sold	400.00			
23	Transfer to IKEC	75.00			
24					
25					
26					
27					
28	Total	475.00			
29	Balance-End of Year	9,798.00		7,370.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
7,370.00		7,370.00		7,370.00		38,626.00		1
								2
								3
						7,370.00		4
						504.00		5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
						6,747.00		17
								18
								19
								20
								21
						400.00		22
						75.00		23
								24
								25
								26
								27
						475.00		28
7,370.00		7,370.00		7,370.00		39,278.00		29
								30
								31
								32
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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OTHER REGULATORY ASSETS (Account 182.3)

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

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Other Regulatory Assets	378,716		428-06	378,716	
2						
3	Unrecognized Pension Expense					
4	per SFAS 87	4,217,373	8,919,056			13,136,429
5						
6	Unrecognized Postemployment Benefit Exp.					
7	per SFAS 112	1,079,663	449,316			1,528,979
8						
9	Federal income tax resulting from the					
10	difference between book and tax					
11	depreciation created by antitrust					
12	settlement refunds for the years 1965					
13	through 1969	556,459				556,459
14						
15	Deferred Depreciation	10,149,660	21,015,054	403-00	31,164,714	
16						
17	Asset Retirement Costs	2,250,879	734,522	403-15	2,985,401	
18						
19						
20						
21						
22						
23						
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26						
27						
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31						
32						
33						
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36						
37						
38						
39						
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41						
42						
43						
44	TOTAL	18,632,750	31,117,948		34,528,831	15,221,867

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Costs related to EPA 114	8,993		401-20	8,993	
2						
3	Deferred Debit - Other	16,310	758,617	401-20	774,729	198
4						
5	Required billing of maintenance					
6	due to incompleion of work by					
7	contractor		42			42
8						
9						
10						
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42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	25,303				240

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2			
3			
4	Tax on deferred billings	7,919,597	3,337,914
5	Future FIT benefits, per SFAS 109	22,937,280	1,501,806
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	30,856,877	4,839,720
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	30,856,877	4,839,720

Notes

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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CAPITAL STOCKS (Account 201 and 204)

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

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common	300,000	100.00	
2				
3	Preferred-None authorized, issued or outstanding			
4				
5				
6				
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

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

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
100,000	10,000,000					1
						2
						3
						4
						5
						6
						7
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

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

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	221.Bonds		
2			
3	2009 Tax Exempt Poll Cntrl Bonds Series A, B, C&D	100,000,000	5,331,706
4			
5	2009 Tax Exempt Poll Cntrl Bonds Series E	100,000,000	
6			
7	2010 Tax Exempt Bonds	100,000,000	171,692
8			
9	222.Required Bonds		
10			
11	223.Advances from Associated Companies		
12			
13	224.Other Long-Term Debt:		
14			
15	Unsecured Senior Notes 2006	445,000,000	4,249,047
16			
17	Unsecured Senior Notes 2007	300,000,000	2,443,584
18			
19	Unsecured Senior Notes 2008	350,000,000	2,662,680
20			
21	Unsecured Senior Notes 2009	100,000,000	
22			
23	Line of Credit Borrowings-Long Term	105,000,000	1,502,458
24			
25			
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	1,600,000,000	16,361,167

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

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

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
8/5/09	2/1/26	NA	NA	100,000,000	244,370	3
						4
10/6/09	10/1/19	NA	NA	100,000,000	5,625,000	5
						6
12/16/10	2/1/40	NA	NA		15,507	7
						8
						9
						10
						11
						12
						13
						14
2/6/06	2/15/26	2/6/06	2/15/26	383,920,928	22,559,784	15
						16
6/15/07	2/15/26	6/15/07	2/15/26	266,471,004	16,142,337	17
						18
3/14/08	2/15/26	3/14/08	2/15/26	321,830,794	21,655,216	19
						20
2/13/09	2/5/23	NA	NA	100,000,000	2,065,120	21
						22
6/18/10	6/18/13	NA	NA	105,000,000	2,011,926	23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				1,377,222,726	70,319,260	33

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 3 Column: a
Authorization Ohio PUCO 08-1286-EL-AIS.

Schedule Page: 256 Line No.: 5 Column: a
Authorization Ohio PUCO 08-1286-EL-AIS.

Schedule Page: 256 Line No.: 5 Column: c
Debt expense associated with the 2009E bonds are included in the expense for 2009 A,B,C, & D.

Schedule Page: 256 Line No.: 7 Column: a
In December 2010, OVEC established a borrowing facility under which OVEC expects, in 2011, to undertake a \$100 million offering of variable rate bonds due February 1, 2040. No related borrowings have been recorded in the financial statements.

Authorization Ohio PUCO 09-977-EL-AIS.

Schedule Page: 256 Line No.: 15 Column: a
Authorization Ohio PUCO 05-977-EL-AIS.

Schedule Page: 256 Line No.: 17 Column: a
Authorization Ohio PUCO 06-1196-EL-AIS and 07-1105-EL-AIS.

Schedule Page: 256 Line No.: 19 Column: a
Authorization Ohio PUCO 07-1105-EL-AIS.

Schedule Page: 256 Line No.: 21 Column: a
Authorization Ohio PUCO 08-1286-EL-AIS.

Schedule Page: 256 Line No.: 21 Column: c
Debt expense associated with the 2009 unsecured senior notes is included in the 2008 expense.

Schedule Page: 256 Line No.: 23 Column: a
Authorization Ohio PUCO 09-977-EL-AIS.

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

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.

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 member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	2,174,808
2		
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		92,258,748
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		-110,312,014
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	-15,878,458
28	Show Computation of Tax:	
29		
30	Federal Tax Rate	35
31		
32	Federal Income Tax	-5,557,460
33	Deferred Tax	6,497,245
34		
35	2010 Federal Income Tax per books	939,785
36		
37		
38		
39		
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43		
44		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Schedule Page: 261 Line No.: 10 Column: b

Federal income tax	939,785
Employment taxes	493,791
Accrued vacation	3,087,675
Nondeductible property tax deduction	1,031,427
Business meals	22,906
Capitalized interest	10,153,435
Penalties-correction for prior years	55,394
Lobby expense	100,000
Book depreciation	50,996,902
Capitalized expenses	1,794,734
Prior year prepaid deductions	1,714,889
Postretirement billing	1,374,486
Retirement work	13,716,807
Asset Retirement Obligation	6,392,958
Charitable Contributions Limit	42,040
Unrealized Gain/Loss	341,519
	<u>92,258,748</u>

Schedule Page: 261 Line No.: 20 Column: b

Employment taxes	(487,718)
Reversal of accrued vacation	(3,046,826)
Reversal of nondeductible property tax deduction	(999,581)
Tax depreciation	(93,366,806)
Accrued deductible prepaids	(1,672,836)
Loss on sale of assets	(1,962,989)
Retirement work	(99,698)
Advances for construction	(7,808,504)
Advance collection of interest	(94,358)
State income taxes accrued	(166,120)
2010 Medicare subsidy	(606,578)
	<u>(110,312,014)</u>

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

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

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL:					
2	FICA	237,335		2,391,761	2,391,290	
3	Unemployment	16,920		25,924	25,771	
4	Income Tax	-1,376,223		126,223	-1,250,000	
5	Excise Tax			5,833	5,833	
6	Heavy Highway Vehicle			1,100	1,100	
7	SUBTOTAL	-1,121,968		2,550,841	1,173,994	
8						
9	OHIO:					
10	Unemployment	10,511		20,572	20,354	
11	SUBTOTAL	10,511		20,572	20,354	
12						
13	Commercial Activity Tax					
14	2009	273,342		896	274,238	
15	2010			1,092,436	775,497	
16	SUBTOTAL	273,342		1,093,332	1,049,735	
17						
18	Property Tax					
19	2009	2,364,628		-16,069	2,348,559	
20	2010	2,364,600		137,402		
21	2011			2,502,000		
22	SUBTOTAL	4,729,228		2,623,333	2,348,559	
23						
24	KENTUCKY:					
25	Property Tax					
26	2009			43	43	
27	2010			49,102	49,102	
28	SUBTOTAL			49,145	49,145	
29						
30	Income Tax					
31	2009	800		-800		
32	2010					
33	SUBTOTAL	800		-800		
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	3,891,913		6,336,423	4,641,787	

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

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

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
237,806		2,365,740			26,021	2
17,073		25,676			248	3
		-3,842,492			3,968,715	4
					5,833	5
					1,100	6
254,879		-1,451,076			4,001,917	7
						8
						9
10,729		17,350			3,222	10
10,729		17,350			3,222	11
						12
						13
		896				14
316,939		1,092,436				15
316,939		1,093,332				16
						17
						18
		-16,069				19
2,502,002		2,502,002			2,364,600	20
2,502,000					2,502,000	21
5,004,002		2,485,933			137,400	22
						23
						24
						25
		43				26
		49,102				27
		49,145				28
						29
						30
		-800				31
		7,380			7,380	32
		6,580			-7,380	33
						34
						35
						36
						37
						38
						39
						40
5,586,549		2,201,264			4,135,159	41

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Ohio Valley Electric Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: 1

Apportioned to Accounts 107, 108, 142, and 143 through overhead rates applied to labor charged to work orders and Account 401 on basis of payroll distribution.

Schedule Page: 262 Line No.: 3 Column: 1

Apportioned to Accounts 107, 108, 142, and 143 through overhead rates applied to labor charged to work orders and Account 401 on basis of payroll distribution.

Schedule Page: 262 Line No.: 4 Column: 1

Charged to accounts 190, 254, 410, and 411.

Schedule Page: 262 Line No.: 5 Column: 1

Charged to Account 401.

Schedule Page: 262 Line No.: 6 Column: 1

Charged to Account 401.

Schedule Page: 262 Line No.: 10 Column: 1

Apportioned to Accounts 107, 108, 142, and 143 through overhead rates applied to labor charged to work orders and Account 401 on basis of payroll distribution.

Schedule Page: 262 Line No.: 20 Column: 1

Charged to Account 174.

Schedule Page: 262 Line No.: 21 Column: 1

Charged to Account 174.

Schedule Page: 262 Line No.: 32 Column: 1

Charged to Account 143.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	3,393,146					
6							
7							
8	TOTAL	3,393,146					
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
30							
31							
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46							
47							
48							

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
3,393,146			5
			6
			7
3,393,146			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
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			26
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			28
			30
			31
			32
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			41
			42
			43
			44
			45
			46
			47
			48

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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OTHER REGULATORY LIABILITIES (Account 254)

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

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Def. Cr. Other- Postretirement Interest	17,028,749	401-10/20	12,681,276	12,728,714	17,076,187
2						
3	Def. Cr.- DOE Settlement Postretirement	39,100,000	128-10	1,100,000		38,000,000
4						
5	Def. Cr.- Estimated FAS 106 Expense	20,524,960			4,915,307	25,440,267
6						
7	Antitrust Settlements Pending					
8	Final Disposition	1,229,529				1,229,529
9						
10	Federal Income Tax Benefits					
11	per SFAS 109	15,750,107	411-15	35,872,953	24,104,441	3,981,595
12						
13	Def. Cr.- SO2 Allowances				22,579	22,579
14						
15	Def. Cr.-NOx Allowances				214,000	214,000
16						
17	Advance Collection of Interest	2,630,964	237-00	9,945,728	9,851,370	2,536,606
18						
19	Other Postretirement Benefits	(50,222,832)	182-30	8,347,672	5,224,973	-53,345,531
20						
21	Decommission and Demolition Interest				289,004	289,004
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	46,041,477		67,947,629	57,350,388	35,444,236

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales		
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)		
5	Large (or Ind.) (See Instr. 4)	11,207,298	11,450,964
6	(444) Public Street and Highway Lighting		
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	11,207,298	11,450,964
11	(447) Sales for Resale	679,479,766	637,142,180
12	TOTAL Sales of Electricity	690,687,064	648,593,144
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	690,687,064	648,593,144
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property		
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues		
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues		
27	TOTAL Electric Operating Revenues	690,687,064	648,593,144

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

6. 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 a footnote.)

7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
				2
				3
				4
249,139	264,664	1	1	5
				6
				7
				8
				9
249,139	264,664	1	1	10
14,421,180	15,069,699	12	12	11
14,670,319	15,334,363	13	13	12
				13
14,670,319	15,334,363	13	13	14

Line 12, column (b) includes \$ 0 of unbilled revenues.

Line 12, column (d) includes 0 MWH relating to unbilled revenues

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date 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 300-301. 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)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Ohio Valley Electric Corporation					
2	Power Agreement (DOE)					
3	Rate Schedule FPC No. 1-A					
4	Commercial and Industrial Sales					
5	(Account 442)	249,139	11,207,298	1	249,139,000	0.0450
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
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25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	2,491,390	11,207,298	1	2,491,390,000	0.0045
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	2,491,390	11,207,298	1	2,491,390,000	0.0045

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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SALES FOR RESALE (Account 447)

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	NOTE 1					
2	American Electric Power Eastern Op. Co.	OS	FPC1-B	NA	NA	NA
3	Appalachian Power Company	OS	FPC1-B	NA	NA	NA
4	Buckeye Power Generating, LLC	OS	FPC1-B	NA	NA	NA
5	The Cincinnati Gas & Electric Company	OS	FPC1-B	NA	NA	NA
6	Columbus Southern Power Company	OS	FPC1-B	NA	NA	NA
7	The Dayton Power and Light Company	OS	FPC1-B	NA	NA	NA
8	FirstEnergy Generation Corporation	OS	FPC1-B	NA	NA	NA
9	Indiana Michigan Power Company	OS	FPC1-B	NA	NA	NA
10	Kentucky Utilities Company	OS	FPC1-B	NA	NA	NA
11	Louisville Gas and Electric Company	OS	FPC1-B	NA	NA	NA
12	Monongahela Power Company	OS	FPC1-B	NA	NA	NA
13	Ohio Power Company	OS	FPC1-B	NA	NA	NA
14	Southern Indiana Gas & Electric Company	OS	FPC1-B	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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SALES FOR RESALE (Account 447)

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	See footnote		NA	NA	NA	NA
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/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
642,092	14,836,759	15,309,528		30,146,287	2
2,254,119	49,135,403	56,004,744		105,140,147	3
1,983,887	41,532,728	49,994,397		91,527,125	4
1,140,728	28,184,744	28,263,945		56,448,689	5
638,259	13,904,474	15,857,742		29,762,216	6
798,376	15,345,027	19,900,202		35,245,229	7
1,650,873	36,013,839	41,075,745		77,089,584	8
1,127,782	24,583,360	28,020,664		52,604,024	9
373,224	7,829,095	9,285,939		17,115,034	10
840,516	17,631,123	20,912,327		38,543,450	11
553,245	10,960,734	13,788,918		24,749,652	12
2,225,394	48,509,075	55,291,099		103,800,174	13
192,685	4,697,457	4,802,194		9,499,651	14
0	0	0	0	0	
14,421,180	320,972,322	358,507,444	0	679,479,766	
14,421,180	320,972,322	358,507,444	0	679,479,766	

Name of Respondent Ohio Valley Electric Corporation	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

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)		
	7,808,504			7,808,504	1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
14,421,180	320,972,322	358,507,444	0	679,479,766	
14,421,180	320,972,322	358,507,444	0	679,479,766	

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) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

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

NOTE 1: Power is sold pursuant to an Inter-Company Power Agreement among Ohio Valley Electric Corporation (OVEC) and Sponsoring Companies (Sponsors). The agreement provides, among other things, that any power generated by OVEC or its subsidiary company, Indiana-Kentucky Electric Corporation, shall be made available to Sponsors. The Sponsors or their parent corporations are shareholders of OVEC.

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

This figure represents the difference between billings for current construction projects and depreciation expense on projects closed to plant in service.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	1,581,093	1,512,798
5	(501) Fuel	155,732,716	135,107,702
6	(502) Steam Expenses	5,698,380	5,647,339
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	3,114,998	3,083,139
10	(506) Miscellaneous Steam Power Expenses	10,118,995	10,998,438
11	(507) Rents	21,600	28,800
12	(509) Allowances	3,398,098	2,359,945
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	179,665,880	158,738,161
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	866,813	872,498
16	(511) Maintenance of Structures	6,877,120	1,356,146
17	(512) Maintenance of Boiler Plant	26,268,218	31,062,654
18	(513) Maintenance of Electric Plant	5,892,269	4,480,768
19	(514) Maintenance of Miscellaneous Steam Plant	1,021,896	742,969
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	40,926,316	38,515,035
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	220,592,196	197,253,196
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

Line No.	Account	(a) Amount for Current Year	(b) Amount for Previous Year
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering		
63	(547) Fuel		
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses		
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)		
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures		
71	(553) Maintenance of Generating and Electric Plant		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)		
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	301,294,154	328,617,029
77	(556) System Control and Load Dispatching		
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	301,294,154	328,617,029
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	521,886,350	525,870,225
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	500,740	599,073
84	(561) Load Dispatching		
85	(561.1) Load Dispatch-Reliability		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System		
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services		
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	1,132,822	1,063,671
94	(563) Overhead Lines Expenses	312,914	421,509
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others		
97	(566) Miscellaneous Transmission Expenses	149,684	106,841
98	(567) Rents	20,112	5,341
99	TOTAL Operation (Enter Total of lines 83 thru 98)	3,366,959	3,513,322
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	116,280	101,801
102	(569) Maintenance of Structures	44,900	56,728
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	561,119	604,571
108	(571) Maintenance of Overhead Lines	49,596	104,292
109	(572) Maintenance of Underground Lines		
110	(573) Maintenance of Miscellaneous Transmission Plant	106,292	131,059
111	TOTAL Maintenance (Total of lines 101 thru 110)	878,187	998,451
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	4,245,146	4,511,773

If the amount for previous year is not derived from previously reported figures, explain in footnote.

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
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		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
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 (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)		
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering		
135	(581) Load Dispatching		
136	(582) Station Expenses		
137	(583) Overhead Line Expenses		
138	(584) Underground Line Expenses		
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses		
141	(587) Customer Installations Expenses		
142	(588) Miscellaneous Expenses		
143	(589) Rents		
144	TOTAL Operation (Enter Total of lines 134 thru 143)		
145	Maintenance		
146	(590) Maintenance Supervision and Engineering		
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment		
149	(593) Maintenance of Overhead Lines		
150	(594) Maintenance of Underground Lines		
151	(595) Maintenance of Line Transformers		
152	(596) Maintenance of Street Lighting and Signal Systems		
153	(597) Maintenance of Meters		
154	(598) Maintenance of Miscellaneous Distribution Plant		
155	TOTAL Maintenance (Total of lines 146 thru 154)		
156	TOTAL Distribution Expenses (Total of lines 144 and 155)		
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision		
160	(902) Meter Reading Expenses		
161	(903) Customer Records and Collection Expenses		
162	(904) Uncollectible Accounts		
163	(905) Miscellaneous Customer Accounts Expenses		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)		

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses		
169	(909) Informational and Instructional Expenses		
170	(910) Miscellaneous Customer Service and Informational Expenses		
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)		
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)		
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	4,307,970	3,783,263
182	(921) Office Supplies and Expenses	1,032,471	891,130
183	(Less) (922) Administrative Expenses Transferred-Credit	42,293	40,582
184	(923) Outside Services Employed	3,416,592	2,406,971
185	(924) Property Insurance	870,204	852,171
186	(925) Injuries and Damages	673,453	552,925
187	(926) Employee Pensions and Benefits	12,667,845	15,506,005
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	939,479	817,000
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses		
192	(930.2) Miscellaneous General Expenses	4,451,415	1,510,683
193	(931) Rents	24,581	1,672
194	TOTAL Operation (Enter Total of lines 181 thru 193)	28,341,717	26,281,238
195	Maintenance		
196	(935) Maintenance of General Plant	36,192	106,782
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	28,377,909	26,388,020
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	554,509,405	556,770,018

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

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

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

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

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

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

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

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

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

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

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	NOTE 1 & 3					
2	Indiana-Kentucky Electric Corporation	OS	FPC 1-B	NA	NA	NA
3	NOTE 2, 3 & 4					
4	Ohio Power Company	OS	FPC 1-B	NA	NA	NA
5	NOTE 2					
6	Cargil Power Markets, LLC	OS	FPC 1-B	NA	NA	NA
7	NOTE 2					
8	PowerEx Corporation	OS	FPC 1-B	NA	NA	NA
9	NOTE 2					
10						
11						
12						
13						
14						
	Total					

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

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

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

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

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

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

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

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

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
							1
7,853,431					290,772,176	290,772,176	2
							3
27,918					1,008,437	1,008,437	4
							5
182,400					6,795,926	6,795,926	6
							7
76,061					2,717,615	2,717,615	8
							9
							10
							11
							12
							13
							14
8,139,810					301,294,154	301,294,154	

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Ohio Valley Electric Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
FOOTNOTE DATA			

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

NOTE 1: All power generated by Indiana-Kentucky Electric Corporation is purchased by Ohio Valley Electric Corporation, the Parent Company, under the Power Agreement between the two companies dated July 10, 1953.

NOTE 3: Aggregate of settlements for the year paid by Ohio Valley Electric Corporation to Indiana-Kentucky Electric Corporation pursuant to Section 2.01 of the Power Agreement between these two companies, a copy of which has been filed with your commission.

Schedule Page: 326 Line No.: 3 Column: a

NOTE 2: Arranged Power as defined in the Arranged Power Letter Agreement dated April 29, 2003 filed with the Public Utilities Commission of Ohio between Ohio Valley Electric Corporation and the United States of America, acting by and through the Secretary of Energy, the statutory head of the Department of Energy.

NOTE 4: Aggregate of settlements for the year paid by Ohio Valley Electric Corporation for Arranged Power (see NOTE 2).

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	31,860
6	American Electric Power	79,342
7	AT&T	25,679
8	AT&T Mobility	46,949
9	Bank of Nova Scotia	1,213,056
10	Bank of Tokyo	2,000,712
11	Cintas Corporation	9,935
12	Citibank CMRS	27,999
13	Edison Electric Institute	30,900
14	Frontier	43,952
15	Gordon Flesch Company	7,205
16	Huntington National Bank	52,730
17	Hunton & Williams	15,000
18	Keybanc Capital Markets	50,205
19	Keybank National Association	481,277
20	King & Spalding	21,653
21	Moody's Investors Service	69,000
22	Morgan Stanley & Company	50,000
23	Premiere Global Services	8,409
24	Shumaker, Lopp & Kendrick, LLP	55,625
25	Standard and Poor's	51,000
26	United Parcel Service	5,199
27	USEC	5,702
28	Verizon Business	68,026
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46	TOTAL	4,451,415

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
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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)	(c) Expenses of Utility (c)	(d) Total Expense for Current Year (b) + (c) (d)	(e) Deferred in Account 182.3 at Beginning of Year (e)
1	FERC Order 582				
2	Assessment for maintenance of the				
3	Federal Energy Regulatory Commission	910,786			910,786
4					
5	Section 4905.10 Ohio Revised Code				
6	Assessment for maintenance of the				
7	Public Utilities Commission of Ohio	22,631			22,631
8					
9	Section 4911.18 Ohio Revised Code				
10	Assessment for maintenance of the				
11	Office of the Consumers' Counsel of Ohio	6,062			6,062
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	939,479			939,479

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

REGULATORY COMMISSION EXPENSES

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
							2
Electric	928						3
							4
							5
							6
Electric	928						7
							8
							9
							10
Electric	928						11
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

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

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

Classifications:

A. Electric R, D & D Performed Internally:

a. Overhead

b. Underground

(1) Generation

a. hydroelectric

i. Recreation fish and wildlife

ii Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(2) Transmission

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$50,000.)

(7) Total Cost Incurred

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

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

Line No.	Classification (a)	Description (b)
1	A - (5)	Ohio River Ecological Research Program
2		
3		
4		
5		
6		
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
- (3) Research Support to Nuclear Power Groups
- (4) Research Support to Others (Classify)
- (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

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

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

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

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
16,700		506-130	16,700		1
					2
					3
					4
					5
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	14,564,411		
4	Transmission	1,962,683		
5	Regional Market			
6	Distribution			
7	Customer Accounts			
8	Customer Service and Informational			
9	Sales			
10	Administrative and General	4,308,365		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	20,835,459		
12	Maintenance			
13	Production	10,841,035		
14	Transmission	780,891		
15	Regional Market			
16	Distribution			
17	Administrative and General			
18	TOTAL Maintenance (Total of lines 13 thru 17)	11,621,926		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	25,405,446		
21	Transmission (Enter Total of lines 4 and 14)	2,743,574		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)			
24	Customer Accounts (Transcribe from line 7)			
25	Customer Service and Informational (Transcribe from line 8)			
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	4,308,365		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	32,457,385		32,457,385
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			

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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	32,457,385		32,457,385
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	287,625		287,625
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	287,625		287,625
72	Plant Removal (By Utility Departments)			
73	Electric Plant	1,250		1,250
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	1,250		1,250
77	Other Accounts (Specify, provide details in footnote):	11,248		11,248
78				
79				
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	11,248		11,248
96	TOTAL SALARIES AND WAGES	32,757,508		32,757,508

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FOOTNOTE DATA			

Schedule Page: 354 Line No.: 77 Column: a
Account 186-10

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	88	4	900			2,256			
2	February	93	5	600			2,256			
3	March	76	19	1500			2,256		40	
4	Total for Quarter 1	257					6,768		40	
5	April	69	24	2000			2,256			
6	May	81	12	1000			2,256			
7	June	78	23	1500			2,256			
8	Total for Quarter 2	228					6,768			
9	July	76	12	1400			2,256			
10	August	75	30	1300			2,256			
11	September	76	1	1700			2,256			
12	Total for Quarter 3	227					6,768			
13	October	85	26	1400			2,256			
14	November	96	16	1400			2,256			
15	December	124	16	2200			2,256		8	
16	Total for Quarter 4	305					6,768		8	
17	Total Year to Date/Year	1,017					27,072		48	

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FOOTNOTE DATA			

Schedule Page: 400 Line No.: 1 Column: b

Transmission data includes both Ohio Valley Electric Corporation and its wholly owned subsidiary, Indiana-Kentucky Electric Corporation. This information is not tracked on an individual company basis.

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ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	249,139
3	Steam	6,738,803	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	14,421,180
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	
7	Other		27	Total Energy Losses	208,294
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	14,878,613
9	Net Generation (Enter Total of lines 3 through 8)	6,738,803			
10	Purchases	8,139,810			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	14,878,613			

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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	1,485,725	1,439,716	1,039	22	1200
30	February	1,193,175	1,154,691	1,031	4	1900
31	March	1,273,013	1,235,492	1,017	31	1100
32	April	1,098,728	1,066,958	1,024	2	1300
33	May	1,008,071	975,383	814	24	1200
34	June	1,260,966	1,225,851	991	21	2000
35	July	993,507	957,256	982	13	1800
36	August	1,262,510	1,226,088	979	2	1700
37	September	1,172,722	1,137,231	984	10	1600
38	October	1,178,499	1,142,062	860	15	1700
39	November	1,404,035	1,362,791	1,038	29	1600
40	December	1,547,662	1,497,661	1,052	16	0600
41	TOTAL	14,878,613	14,421,180			

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: KYGER CREEK (b)	Plant Name: (c)			
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	STEAM				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	CONVENTIONAL				
3	Year Originally Constructed	1955				
4	Year Last Unit was Installed	1955				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	1086.30	0.00			
6	Net Peak Demand on Plant - MW (60 minutes)	1052	0			
7	Plant Hours Connected to Load	8760	0			
8	Net Continuous Plant Capability (Megawatts)	0	0			
9	When Not Limited by Condenser Water	1070	0			
10	When Limited by Condenser Water	0	0			
11	Average Number of Employees	445	0			
12	Net Generation, Exclusive of Plant Use - KWh	6738803000	0			
13	Cost of Plant: Land and Land Rights	469124	0			
14	Structures and Improvements	72185380	0			
15	Equipment Costs	487001541	0			
16	Asset Retirement Costs	0	0			
17	Total Cost	559656045	0			
18	Cost per KW of Installed Capacity (line 17/5) Including	515.1947	0.0000			
19	Production Expenses: Oper, Supv, & Engr	1581092	0			
20	Fuel	155732716	0			
21	Coolants and Water (Nuclear Plants Only)	0	0			
22	Steam Expenses	5698380	0			
23	Steam From Other Sources	0	0			
24	Steam Transferred (Cr)	0	0			
25	Electric Expenses	3114998	0			
26	Misc Steam (or Nuclear) Power Expenses	10118995	0			
27	Rents	21600	0			
28	Allowances	3398098	0			
29	Maintenance Supervision and Engineering	866814	0			
30	Maintenance of Structures	6877120	0			
31	Maintenance of Boiler (or reactor) Plant	26268218	0			
32	Maintenance of Electric Plant	5892269	0			
33	Maintenance of Misc Steam (or Nuclear) Plant	1021896	0			
34	Total Production Expenses	220592196	0			
35	Expenses per Net KWh	0.0327	0.0000			
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	COAL	OIL			
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	TONS	GALLONS			
38	Quantity (Units) of Fuel Burned	3404506	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	10123	136000	0	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	44.433	2.067	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	44.054	1.997	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	214.706	1468.418	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.023	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	10375.000	0.000	0.000	0.000	0.000

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
0	0	0	8
0	0	0	9
0	0	0	10
0	0	0	11
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0	0	0	17
0.0000	0.0000	0.0000	18
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0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35
			36
			37
0	0	0	38
0	0	0	39
0.000	0.000	0.000	40
0.000	0.000	0.000	41
0.000	0.000	0.000	42
0.000	0.000	0.000	43
0.000	0.000	0.000	44

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: 43 Column: b1
Includes both coal and oil.

Schedule Page: 402 Line No.: 44 Column: b1
Includes both coal and oil.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/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	Kyger Creek	Ohio-W.VA						
2		State Line						
3		Sporn-						
4		Tristate	345.00	330.00	Steel Tower	0.40		2
5								
6	Kyger Creek	X-530(DOE)	345.00	330.00	Steel Tower	50.40		2
7								
8	Kyger Creek	X-533(DOE)	345.00	330.00	Steel Tower	49.10		2
9								
10	Pierce	X-530(DOE)	345.00	330.00	Steel Tower	71.50		2
11								
12	Pierce	X-533(DOE)	345.00	330.00	Steel Tower	70.70		2
13								
14	Ind.-Kentucky							
15	State Line							
16	(Clifty Creek)	Pierce	345.00	330.00	Steel Tower	69.60		2
17								
18	Ind.-Kentucky							
19	State Line							
20	(Dearborn)	Pierce	345.00	330.00	Steel Tower	33.00		1
21								
22	Ind.-Kentucky							
23	State Line							
24	(Dearborn)	Buffington (CG&E)	345.00	330.00	Steel Tower		16.00	1
25								
26								
27	Pierce	Buffington (CG&E)	345.00	330.00	Steel Tower		17.00	1
28								
29								
30	Expenses Applicable							
31	To All Lines							
32								
33								
34								
35								
36					TOTAL	344.70	33.00	15

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
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TRANSMISSION LINE STATISTICS (Continued)

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

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
								1
								2
1.75 in.								3
Aluminum		81,232	81,232					4
"	254,459	3,576,700	3,831,159					5
"	244,852	3,397,636	3,642,488					6
"	389,206	5,533,748	5,922,954					7
"	477,960	4,893,925	5,371,885					8
"								9
"								10
"								11
"								12
"								13
"								14
"	341,839	4,922,293	5,264,132					15
"								16
"								17
"								18
"								19
"	221,853	2,391,061	2,612,914					20
"								21
"								22
"								23
"								24
"								25
"								26
"								27
"								28
"								29
"								30
"				3,366,959	878,187		4,245,146	31
"								32
"								33
"								34
"								35
	1,930,169	24,796,595	26,726,764	3,366,959	878,187		4,245,146	36

Name of Respondent Ohio Valley Electric Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 24 Column: a

The pole miles and cost of these transmission lines are included in the Indiana-Kentucky State Line (Dearborn) to Pierce information. One circuit of this double circuit transmission line has been interconnected at the Buffington Substation of Cincinnati Gas & Electric Company.

Schedule Page: 422 Line No.: 27 Column: a

See footnote for page 422 line 24 column a.

Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/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	Kyger Creek-Cheshire, OH	Transmission			
2		Partially Attended	15.50	345.00	
3					
4	Pierce-New Richmond, OH	Transmission			
5		Unattended	345.00	138.00	
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17	*MVa Changed to KV				
18					
19					
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/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)	
1200	15	2	None			1
						2
						3
250	2		None			4
						5
						6
						7
						8
						9
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Name of Respondent Ohio Valley Electric Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Use and Maintenance of Railcars	American Electric Power	401-10	1,768,052
3	Purchase of Urea	American Electric Power	401-10	3,363,962
4	Operation, Maint., Construction, and Engineering	American Electric Power	107, 401-20, 401-10	3,322,496
5	Sale of Coal	Duke Energy	401-10, 421	893,294
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21	Use of OVEC Leased Railcars	American Electric Power	401-10	2,870,615
22				
23				
24				
25				
26				
27				
28				
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