



Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P. O. Box 30221
Lansing, Michigan 48909

February 16, 2004

Dear Ms. Kunkle:

Re: Case Nos. U-12780/12781

Enclosed for filing on behalf of Indiana Michigan Power Company, d/b/a American Electric Power (AEP), in Case Nos. U-12780/12781 are an original and four copies of the Verification of Tommy L. Antill (Verification). The Verification confirms previous communications by AEP that the AEP projects required by the Joint Transmission Capability Expansion Plan (Joint Plan) approved by the Michigan Public Service Commission (Commission) in the above matter were timely completed. This document is also being filed electronically pursuant to the Commission's Electronic Filing Program.

As shown in Attachment 1 to the Verification, AEP incurred costs of nearly \$55 million to comply with MCL 460.10v (Section 10v) and implement the Joint Plan approved by the Commission. Among the projects completed, as required by the Joint Plan, was the installation of a second 765/345 kV transformer at the Dumont Substation (shown in Attachment 2 to the Verification). AEP incurred costs in excess of \$13.2 million to install the second Dumont transformer. AEP has not yet sought recovery of any costs incurred as a result of the Joint Plan, but intends to do so at the appropriate time in accordance with Section 10v.

The Commission's July 23, 2002, Order in this matter (July Order) properly found that the Joint Plan complied with Section 10v and that the projects identified in the Joint Plan were reasonable and prudent. AEP's projects completed pursuant to the Joint Plan benefited both its internal load customers and customers of other Michigan utilities by improving transmission capability into the State of Michigan. Under these circumstances, AEP intends to seek recovery of its costs from the customers in Michigan who benefited from the projects, to the extent those costs were not otherwise recovered through FERC transmission rates.

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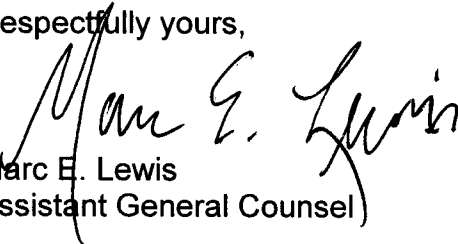
There is dictum in the July Order that implies the Commission may deny recovery of costs incurred for the Joint Plan because an economic downturn resulted in the availability of more import capability for alternative electric suppliers and, therefore, use of the Joint Plan projects largely to serve markets other than Michigan. The July Order introduced the notion that parties should take additional but unspecified actions necessary to ensure that "when the economy improves," Michigan alternative electric suppliers will be guaranteed access to at least 2,000 MW more transmission capability than on January 1, 2000.

AEP agrees with the Commission that this requirement cannot be found in Section 10v, but disagrees that this would be a logical outcome of the law. Because this issue is not ripe for determination at this time, suffice it to say that there are factual and legal reasons that the "logical expectation" of the July Order is flawed, beginning with the reality that the only way to assure the exclusive use of transmission capacity is to request and obtain a transmission service reservation from a transmission provider in accordance with that provider's approved Open Access tariff.

As verified by this submittal, AEP has complied with Section 10v. AEP will continue to abide by all state and federal laws and regulations governing its transmission system, including when it seeks, at an appropriate time, recovery from benefiting customers of costs incurred for complying with Section 10v. By filing this Verification, however, AEP is not agreeing with the interpretation of Section 10v posited in the July Order or indicating that it will seek anything less than full recovery of the costs incurred by AEP pursuant to Section 10v.

Thank you for your attention to this matter. If you have any questions or comments, please contact me.

Respectfully yours,



Marc E. Lewis
Assistant General Counsel

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Enclosures

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of	)	
INDIANA MICHIGAN POWER COMPANY,	)	
d/b/a AMERICAN ELECTRIC POWER,	)	Case No. U-12780
for certain approvals in connection with	)	
2000 PA 141 Section 10v.	)	
_____	)	

In the matter of the application of	)	
INTERNATIONAL TRANSMISSION	)	
COMPANY, CONSUMERS ENERGY	)	Case No. U-12781
COMPANY, and GREAT LAKES ENERGY	)	
COOPERATIVE for certain approvals in	)	
connection with 2000 PA 141 Section 10v.	)	
_____	)	

VERIFICATION

Tommy L. Antill, being first duly sworn, deposes and says as follows:

1. I am a Project Manager, Transmission Capital Improvements for American Electric Power (AEP) Service Corporation. I am responsible for managing transmission projects owned and operated by the subsidiaries of AEP, including Indiana Michigan Power Company, which does business in Michigan as American Electric Power.

2. My duties include managing the construction of the projects identified in the Joint Transmission Capability Expansion Plan (Joint Plan) as the responsibility of American Electric Power. These projects were listed in Exhibit 4, page 18 of 18, of the Joint Plan that was approved by the Commission in MPSC Case Nos. U-12780/12781. The American Electric Power projects, including the installation of a second 765/345 kV transformer at the Dumont Substation, are also listed on Attachment 1 to this Verification. The second Dumont Substation 765/345 kV transformer is shown in the

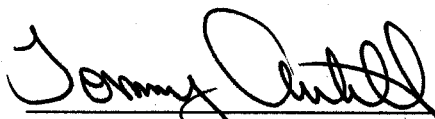
photograph attached to this Verification as Attachment 2.

3. On July 23, 2002, the Commission issued an Order in Case Nos. U-12780/12781 that stated, in part, as follows:

First, the Joint Report technically complies with Section 10v because the record shows that it will achieve the required increase in transmission capacity. Second, once a utility has completed the projects identified in the Joint Report for its system and submitted appropriate verification, it will be deemed to be in technical compliance with Section 10v.

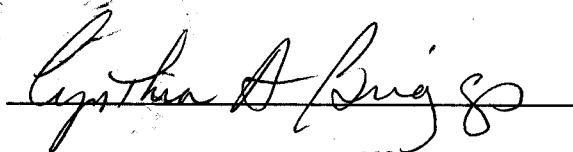
4. Each project listed on Attachment 1 to this Verification has been completed and was placed into commercial operation on the date identified on Attachment 1. The cost associated with each project is also shown on Attachment 1.

5. The statements in this Verification are true and correct to the best of my information, knowledge, and belief.



Tommy L. Antill
Project Manager
Transmission Capital Improvements
American Electric Power Service Corporation

Subscribed and sworn to before me, a
Notary Public in and for said County and
State, this 4th day of February 2004.



CYNTHIA A. BRIGGS
Notary Public, State of Ohio
My commission Expires July 25, 2004

Identified Projects in Non-MECS Systems to Achieve a 2,000 MW
Increase in First Contingency Total Transfer Capability into MECS

Transmission Owner	Required Project	State	Cost (\$k)	In-Service Date
American Electric Power	Capacitors – installed prior to summer 1999	Indiana, Ohio	3,416	5/28/1999
	Capacitors – installed prior to summer 2000	Indiana, Ohio	4,102	3/21/2000
	Transformer Reactor Switches	Ohio	682	8/11/2000
	Marysville Substation - Spare 765/345 kV transformer	Ohio	2,338	12/15/2001
	Orange Substation - New 765/138 kV Substation	Ohio	31,008	5/4/2001
	Dumont Substation - add 2nd 765/345 kV transformer	Indiana	13,226	5/30/2002
	Cook Substation - replace wavetrap	Michigan	<u>55</u>	6/7/2002
	Total Cost		<u>54,827</u>	

