



Control Number: 33310



Item Number: 414

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**SOAH DOCKET NO. 473-07-0851
PUC DOCKET NO. 33310**

**APPLICATION OF AEP TEXAS
NORTH COMPANY FOR
AUTHORITY TO CHANGE RATES**

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**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**



**WORKPAPERS OF
ERIN K. WASIK-GUTIERREZ
ELECTRIC INDUSTRY OVERSIGHT DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS
MARCH 23, 2007**

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**STAFF'S
FUNCTIONAL
COST OF
SERVICE MODEL**

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
I-A COST OF SERVICE SUMMARY
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Description	Reference Schedule	Amount
Transmission and Distribution Cost of Service	I-A-1	165,116,229
Other Revenue Credits	I-A-1	(7,581,898)
Nuclear Decommissioning	I-A-1	-
System Benefit Fee	RateDesign SBF Fee	3,026,254
Rate Case Expenses		1,971,598
TOTAL NON-BYPASSABLE DELIVERY CHARGE		162,532,183

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 I-A-1 SUMMARY OF TEXAS RETAIL
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Description	Reference Schedule	1	2	3	4	5	6	7
		Company Total TX Company	Staff Total TX Company	Transmission Function (TRAN)	Distribution Function (DIST)	Metering Function (MET)	T&D Customer Service (TDCS)	Total TX-Retail
Operating and Maintenance Expenses	II-D-2	73,188,602	69,474,549	11,973,878	41,533,450	10,499,013	5,468,298	69,474,639
Depreciation & Amortization Expenses	II-E-1	40,876,793	40,876,793	12,206,069	27,072,766	1,539,595	58,365	40,876,795
Taxes Other Than Federal Income Tax	II-E-2	15,750,713	14,400,406	3,135,109	10,249,265	792,342	223,690	14,400,406
Federal Income Tax	II-E-3	8,405,682	7,894,105	3,252,010	4,303,251	342,107	(3,259)	7,894,108
Return on Rate Base	II-B	33,898,926	32,470,280	12,626,073	18,193,471	1,546,229	104,507	32,470,280
TOTAL COST OF SERVICE		172,120,717	165,116,133	43,193,139	101,352,203	14,719,286	5,851,601	165,116,229
Decommissioning Expense	II-E-4	-	-	-	-	-	-	-
Other Non-Bypassable Charges		-	-	-	-	-	-	-
Minus: Other Revenues	II-E-5	(7,581,901)	(7,581,901)	(365,848)	(7,097,070)	(118,980)	-	(7,581,901)
TOTAL ADJUSTED REVENUE REQUIREMENT		164,538,816	157,534,232	42,827,291	94,255,133	14,600,306	5,851,601	157,534,331

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B SUMMARY OF RATE BASE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Description	Reference Schedule	Test Year Allocation to Texas Company	2			3			4			5			6			7		
			Total TX Staff	TRAN	DIST	MET	TDCS	Total TX-Retail												
Original Cost of Plant	II-B-1	833,687,345	833,687,345	325,972,331	474,750,515	32,860,176	104,329	833,687,351												
General Plant	II-B-2	40,342,723	40,342,723	2,113,274	33,633,159	3,113,467	1,482,812	40,342,712												
Communication Equipment	II-B-3	32,205,078	32,205,078	8,622,004	21,986,496	563,635	1,032,938	32,205,073												
Total Plant		906,235,146	906,235,146	336,707,609	530,370,170	36,537,278	2,620,079	906,235,136												
Minus: Accumulated Depreciation	II-B-5	372,361,017	380,487,789	145,295,310	219,636,203	13,623,487	1,932,789	380,487,790												
NET PLANT IN SERVICE		533,874,129	525,747,357	191,412,299	310,733,967	22,913,791	687,290	525,747,346												
Other Rate Base Items:																				
CWIP	II-B-4	-	-	-	-	-	-	-												
Cash Working Capital	II-B-9	530,357	(1,788,607)	1,947,305	(2,630,706)	(726,076)	(379,132)	(1,788,607)												
Prepayments	II-B-10	30,038,508	21,099,623	2,835,998	9,071,761	6,599,924	2,591,939	21,099,622												
Materials & Supplies	II-B-8	3,208,697	3,208,697	1,541,274	1,555,840	104,052	7,531	3,208,697												
Plant Held for Future Use	II-B-6	-	-	-	-	-	-	-												
ADIT & FAS 109 Accts.	II-B-7	(93,204,756)	(93,204,756)	(25,645,815)	(59,704,235)	(6,512,673)	(1,342,023)	(93,204,746)												
Rate Base - Other	II-B-11	(25,645,787)	(25,645,787)	(4,146,673)	(19,689,002)	(1,644,721)	(165,385)	(25,645,781)												
Regulatory Assets	II-B-12	11,157,149	11,157,149	3,372,754	7,520,863	245,746	17,787	11,157,150												
Customer Deposits		-	-	-	-	-	-	-												
Reserve For Insurance		(73,915,834)	(85,173,683)	(20,095,157)	(63,875,478)	(1,933,748)	730,718	(85,173,665)												
Subtotal																				
TOTAL RATE BASE		459,958,295	440,573,674	171,317,142	246,858,489	20,980,043	1,418,007	440,573,681												
Rate of Return		7.3700%	7.3700%	7.3700%	7.3700%	7.3700%	7.3700%	7.3700%												
RETURN ON RATE BASE		33,898,926	32,470,280	12,626,073	18,193,471	1,546,229	104,507	32,470,280												

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-1 RATE BASE ACCOUNTS - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas
Intangible Plant-Gross								
II-B-1								
A301	Organization		21,968	(1,731)	-	20,237	0.982560	19,921
A302	Franchise & Consents		-	-	-	-	-	-
A303	Miscellaneous Intangible Plant		21,277,216	(7,428,971)	-	13,848,245	0.983209	13,672,892
	Subtotal		21,299,184	(7,430,702)	-	13,868,482		13,692,812
Transmission Plant-Gross								
II-B-1								
A350	Land		559,419	-	-	559,419	0.970976	543,182
A350	Land Rights		8,452,860	-	(33,301)	8,419,559	0.970976	8,435,467
A352	Structures and Improvements		854,180	-	-	854,180	0.970976	852,628
A353	Station Equipment		149,819,952	(246,842)	477,643	150,050,753	0.970976	149,614,117
A354	Towers and Fixtures		2,790,005	-	-	2,790,005	1.000000	2,790,005
A355	Poles and Fixtures		101,997,089	-	-	101,997,089	1.000000	101,997,089
A356	O.H. Conductors & Devices		59,818,126	-	-	59,818,126	1.000000	59,818,126
A357	Underground Conduit		2,945	-	-	2,945	1.000000	2,945
A358	Underground Conductors		-	-	-	-	1.000000	-
A359	Roads and Trails		-	-	-	-	1.000000	-
	Subtotal		324,294,576	(246,842)	444,342	324,492,076		324,053,560
Distribution Plant-Gross								
II-B-1								
A360	Land and Land Rights		1,040,354	-	-	1,040,354	0.970976	1,011,998
A361	Structures and Improvements		70,725	-	-	70,725	0.970976	69,491
A362	Station Equipment		64,942,469	-	-	64,942,469	0.970976	63,437,525
A363	Storage Battery Equipment		-	-	-	-	-	-
A364P	Poles, Towers & Fixtures-Primary		122,363,337	-	-	122,363,337	0.981024	120,041,404
A365P	O.H. Conductors & Devices-Primary		76,288,396	-	-	76,288,396	0.974865	74,370,920
A366P	Underground Conduits-Primary		9,036,260	-	-	9,036,260	0.980345	8,858,652
A367P	U.G. Conductors & Devices-Primary		26,167,613	-	-	26,167,613	0.980345	25,653,289
A368P	Line Transformers-Primary		93,518,506	-	-	93,518,506	0.995025	93,053,283
A369	Services		43,921,978	-	-	43,921,978	1.000000	43,921,978
A370	Meters		32,607,231	-	-	32,607,231	0.998708	32,565,117
A371	Install. on Customer Prem.		16,885,847	-	-	16,885,847	1.000000	16,885,847
A372	Leased Prop. on Cust. Premises		86,896	-	-	86,896	0.970976	84,374
A373	Street Lights		15,987,083	-	-	15,987,083	1.000000	15,987,083
A374	Land Owned in Fee		-	-	-	-	-	-
	Subtotal		502,916,695	-	-	502,916,695		495,940,963
TOTAL INT. TRAN, DIST PLANT-GROSS								
			II-B-1	(7,677,544)	444,342	841,277,253	-	833,687,345
TOTAL TRAN, DIST PLANT-GROSS								
			II-B-1	(246,842)	444,342	827,408,771	-	819,994,523

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-1 RATE BASE ACCOUNTS - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	7	8
		Staff Adjustments	Total TX Company Retail
Intangible Plant-Gross			
A301	Organization	-	19,921
A302	Franchise & Consents	-	-
A303	Miscellaneous Intangible Plant	-	13,672,892
	Subtotal	-	13,692,812
Transmission Plant-Gross			
A350	Land	-	543,182
A350	Land Rights	-	8,435,467
A352	Structures and Improvements	-	852,628
A353	Station Equipment	-	149,614,117
A354	Towers and Fixtures	-	2,790,005
A355	Poles and Fixtures	-	101,997,089
A356	O.H. Conductors & Devices	-	59,818,126
A357	Underground Conduit	-	2,945
A358	Underground Conductors	-	-
A359	Roads and Trails	-	-
	Subtotal	-	324,053,560
Distribution Plant-Gross			
A360	Land and Land Rights	-	1,011,998
A361	Structures and Improvements	-	69,491
A362	Station Equipment	-	63,437,525
A363	Storage Battery Equipment	-	-
A364P	Poles, Towers & Fixtures-Primary	-	120,041,404
A365P	O.H. Conductors & Devices-Primary	-	74,370,920
A366P	Underground Conduits-Primary	-	8,858,652
A367P	U.G. Conductors & Devices-Primary	-	25,653,289
A368P	Line Transformers-Primary	-	93,053,283
A369	Services	-	43,921,978
A370	Meters	-	32,565,117
A371	Install. on Customer Prem.	-	16,885,847
A372	Leased Prop. on Cust. Premises	-	84,374
A373	Street Lights	-	15,987,083
A374	Land Owned in Fee	-	-
	Subtotal	-	495,940,963
TOTAL INT, TRAN, DIST PLANT-GROSS			
		-	833,687,345
TOTAL TRAN, DIST PLANT-GROSS			
		-	819,994,523

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-1 RATE BASE ACCOUNTS - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Intangible Plant-Gross								
A301	Organization	1	DA	2,113	17,807	-	-	19,920
A302	Franchise & Consents	1	DA	-	-	-	-	-
A303	Miscellaneous Intangible Plant	1	DA	3,404,945	9,868,560	295,059	104,329	13,672,893
	Subtotal			3,407,058	9,886,567	295,059	104,329	13,692,813
Transmission Plant-Gross								
A350	Land	1	DA	-	543,182	-	-	543,182
A350	Land Rights	1	DA	-	(532,199)	-	-	8,435,467
A352	Structures and Improvements	1	DA	8,967,666	-	-	-	852,628
A353	Station Equipment	1	DA	800,712	51,916	-	-	149,614,121
A354	Towers and Fixtures	1	DA	135,006,806	14,607,315	-	-	2,790,005
A355	Poles and Fixtures	1	DA	2,790,005	-	-	-	101,997,089
A356	O.H. Conductors & Devices	1	DA	101,997,089	-	-	-	59,818,126
A357	Underground Conduit	1	DA	59,818,126	-	-	-	2,945
A358	Underground Conductors	1	DA	2,945	-	-	-	-
A359	Roads and Trails	1	DA	-	-	-	-	-
	Subtotal			309,383,349	14,670,214	-	-	324,053,563
Distribution Plant-Gross								
A360	Land and Land Rights	1	DA	63,375	948,624	-	-	1,011,999
A361	Structures and Improvements	1	DA	28,221	41,270	-	-	69,491
A362	Station Equipment	1	DA	13,090,328	50,347,197	-	-	63,437,525
A363	Storage Battery Equipment	1	DA	-	-	-	-	-
A364P	Poles, Towers & Fixtures-Primary	1	DA	-	120,041,404	-	-	120,041,404
A365P	O.H. Conductors & Devices-Primary	1	DA	-	74,370,920	-	-	74,370,920
A366P	Underground Conduits-Primary	1	DA	-	8,858,653	-	-	8,858,653
A367P	U.G. Conductors & Devices-Primary	1	DA	-	25,653,292	-	-	25,653,292
A368P	Line Transformers-Primary	1	DA	-	93,053,283	-	-	93,053,283
A369	Services	1	DA	-	43,921,987	-	-	43,921,987
A370	Meters	1	DA	-	-	32,565,117	-	32,565,117
A371	Install. on Customer Prem.	1	DA	-	16,885,847	-	-	16,885,847
A372	Leased Prop. on Cust. Premises	1	DA	-	84,374	-	-	84,374
A373	Street Lights	1	DA	-	15,987,083	-	-	15,987,083
A374	Land Owned in Fee	1	DA	-	-	-	-	-
	Subtotal			13,181,924	450,193,934	32,565,117	-	495,940,975
TOTAL INT, TRAN, DIST PLANT-GROSS								
				325,972,331	474,750,515	32,860,176	104,329	833,687,351
TOTAL TRAN, DIST PLANT-GROSS								
				322,565,273	464,864,148	32,565,117	-	819,994,538

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-2 RATE BASE ACCOUNTS - GENERAL PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 3310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas
II-B-2								
General Plant-Gross								
A389	Land		1,875,809	(8,547)	-	1,867,262	0.982560	1,834,697
A389	Land Rights		17,633	-	-	17,633	0.982560	17,325
A390	Structures and Improvements		22,865,781	-	-	22,865,781	0.982560	22,470,044
A391	Office Furniture & Equip.		10,476,854	(3,021,053)	-	7,455,801	0.990998	7,394,649
A392	Transportation Equipment		2,259,662	(47,075)	-	2,212,587	0.982560	2,176,527
A392	Transportation Equipment- Special		22,541	(647)	-	21,894	0.982560	21,547
A393	Store Equipment		393,166	(27,050)	-	366,116	0.984336	360,838
A394	Tools, Shop & Garage Equip.		4,471,526	(104,720)	-	4,366,806	0.987645	4,322,632
A395	Laboratory Equipment		2,083,007	(2,083,007)	-	-	1.000000	-
A396	Power Operated Equipment		261,688	-	-	261,688	0.982560	257,124
	Subtotal		44,727,667	(5,292,099)	-	39,435,568		38,855,384
A398	Misc. Equipment		1,379,133	(60,771)	-	1,318,362	0.984437	1,302,648
A399			187,969		-	187,969	0.982560	184,691
	Subtotal		1,567,102	(60,771)	-	1,506,331		1,487,339
TOTAL GENERAL PLANT GROSS			46,294,769	(5,352,870)	-	40,941,899	-	40,342,723

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-2 RATE BASE ACCOUNTS - GENERAL PLANT
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	7	8
		Staff Adjustments	Total TX Company Retail
General Plant-Gross			
A389	Land	-	1,834,697
A389	Land Rights	-	17,325
A390	Structures and Improvements	-	22,470,044
A391	Office Furniture & Equip.	-	7,394,649
A392	Transportation Equipment	-	2,176,527
A392	Transportation Equipment- Special	-	21,547
A393	Store Equipment	-	360,838
A394	Tools, Shop & Garage Equip.	-	4,322,632
A395	Laboratory Equipment	-	-
A396	Power Operated Equipment	-	257,124
	Subtotal	-	38,855,384
A398	Misc. Equipment	-	1,302,648
A399		-	184,691
	Subtotal	-	1,487,339
TOTAL GENERAL PLANT GROSS		-	40,342,723

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-2 RATE BASE ACCOUNTS - GENERAL PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310

FUNCTIONAL MODEL

Account Number	Description	FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
General Plant-Gross								
A389	Land	1	DA	-	1,834,697	-	-	1,834,697
A389	Land Rights	1	DA	-	17,325	-	-	17,325
A390	Structures and Improvements	1	DA	174,443	22,295,591	-	-	22,470,034
A391	Office Furniture & Equip.	1	DA	662,671	3,358,585	1,952,948	1,420,448	7,394,652
A392	Transportation Equipment	1	DA	144,910	2,031,615	-	-	2,176,525
A392	Transportation Equipment- Special	1	DA	2,000	19,547	-	-	21,547
A393	Store Equipment	1	DA	29,173	296,316	35,350	-	360,839
A394	Tools, Shop & Garage Equip.	1	DA	791,413	2,454,549	1,059,365	17,303	4,322,630
A395	Laboratory Equipment	1	DA	-	-	-	-	-
A396	Power Operated Equipment	1	DA	-	257,124	-	-	257,124
	Subtotal			1,804,610	32,565,349	3,047,663	1,437,751	38,855,373
A398	Misc. Equipment	1	DA	308,664	883,119	65,804	45,061	1,302,648
A399		1	DA		184,691			184,691
	Subtotal			308,664	1,067,810	65,804	45,061	1,487,339
TOTAL GENERAL PLANT GROSS								
				2,113,274	33,633,159	3,113,467	1,482,812	40,342,712

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-3 RATE BASE ACCOUNTS - COMMUNICATION EQUIP.
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310

FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor
A397	Communication Equipment	II-B-3	29,447,852	(1,091,681)	-	28,356,171	0.983706
A397	Mobile Radios		2,063,094	(143,069)	-	1,920,025	0.983706
A397	Economic Dispatch		2,252,625	(52,612)	-	2,200,013	0.983706
A397	Radio Antenna Systems		119,496	-	-	119,496	0.983706
	Subtotal		33,883,067	(1,287,362)	-	32,595,705	
TOTAL COMMUNICATION EQUIPMENT			33,883,067	(1,287,362)	-	32,595,705	
TOTAL GENERAL PLANT GROSS INCLUDE COMM. EQUIP.			80,177,836	(6,640,232)	-	73,537,604	
TOTAL PLANT IN SERVICE-GROSS (INCL. INTANGIBLES)			928,688,291	(14,317,776)	444,342	914,814,857	-
TOTAL PLANT IN SERVICE-GROSS (EXCL. INTANGIBLES)			907,389,107	(6,887,074)	444,342	900,946,375	-

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-3 RATE BASE ACCOUNTS - COMMUNICATION EQUIP.
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

		6	7	8
Account Number	Description	Allocation to Texas	Staff Adjustments	Total TX Company Retail
A397	Communication Equipment	28,011,523	-	28,011,523
A397	Mobile Radios	1,891,229	-	1,891,229
A397	Economic Dispatch	2,184,688	-	2,184,688
A397	Radio Antenna Systems	117,637	-	117,637
	Subtotal	32,205,078	-	32,205,078
TOTAL COMMUNICATION EQUIPMENT		32,205,078	-	32,205,078
TOTAL GENERAL PLANT GROSS INCLUDE COMM. EQUIP.		72,547,800	-	72,547,800
TOTAL PLANT IN SERVICE-GROSS (INCL. INTANGIBLES)		906,235,146	-	906,235,146
TOTAL PLANT IN SERVICE-GROSS (EXCL. INTANGIBLES)		892,542,323	-	892,542,323

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-3 RATE BASE ACCOUNTS - COMMUNICATION EQUIP.
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS
A397	Communication Equipment	1	DA	7,204,312	19,398,559	497,292	911,356
A397	Mobile Radios	1	DA	152,777	1,620,759	41,549	76,144
A397	Economic Dispatch	1	DA	1,259,495	862,558	22,112	40,523
A397	Radio Antenna Systems	1	DA	5,420	104,620	2,682	4,915
	Subtotal			8,622,004	21,986,496	563,635	1,032,938
TOTAL COMMUNICATION EQUIPMENT				8,622,004	21,986,496	563,635	1,032,938
TOTAL GENERAL PLANT GROSS INCLUDE COMM. EQUIP.				10,735,278	55,619,655	3,677,102	2,515,750
TOTAL PLANT IN SERVICE-GROSS (INCL. INTANGIBLES)				336,707,609	530,370,170	36,537,278	2,620,079
TOTAL PLANT IN SERVICE-GROSS (EXCL. INTANGIBLES)				333,300,551	520,483,803	36,242,219	2,515,750

000013

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-3 RATE BASE ACCOUNTS - COMMUNICATION EQUIP.
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

15

Account Number	Description	Total
A397	Communication Equipment	28,011,519
A397	Mobile Radios	1,891,229
A397	Economic Dispatch	2,184,688
A397	Radio Antenna Systems	117,637
	Subtotal	32,205,073
TOTAL COMMUNICATION EQUIPMENT		32,205,073
TOTAL GENERAL PLANT GROSS INCLUDE COMM. EQUIP.		72,547,785
TOTAL PLANT IN SERVICE-GROSS (INCL. INTANGIBLES)		906,235,136
TOTAL PLANT IN SERVICE-GROSS (EXCL. INTANGIBLES)		892,542,323

000014

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-4 RATE BASE ACCOUNTS - CWIP
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
A107	Construction Work in Progress CWIP	Subtotal	23,222,935	(1,071,668)	(22,151,267)	-	-	-	-	-
			23,222,935	(1,071,668)	(22,151,267)	-	-	-	-	-
TOTAL CWIP			23,222,935	(1,071,668)	(22,151,267)	-	-	-	-	-

000015

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-4 RATE BASE ACCOUNTS - CWIP
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
AI07	Construction Work in Progress	1	DA	-	-	-	-	-
	CWIP			-	-	-	-	-
	Subtotal			-	-	-	-	-
	TOTAL CWIP			-	-	-	-	-

000010

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 13310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments
Intangible Plant									
Accumulated Depreciation									
A301	Organization		-	-	-	-	-	-	-
A302	Franchise & Consents		11,305,971	(4,808,227)	-	6,497,744	0.983209	6,407,630	-
A303	Miscellaneous Intangible Plant		11,305,971	(4,808,227)	-	6,497,744	-	6,407,630	-
Subtotal									
Transmission Plant									
Accumulated Depreciation									
A349	Land Owned in Fee		-	-	-	-	-	-	-
A350	Land Rights		4,249,902	-	(33,301)	4,216,601	0.970976	4,215,058	(46,491)
A352	Structures and Improvements		454,568	-	-	454,568	0.970976	453,560	(6,492)
A353	Station Equipment		46,850,824	911,436	4,910	47,767,170	0.970976	47,618,895	(329,061)
A354	Towers and Fixtures		305,573	-	-	305,573	1.000000	305,573	837
A355	Poles and Fixtures		51,398,204	-	-	51,398,204	1.000000	51,398,204	1,468,758
A356	O.H. Conductors & Devices		30,109,135	-	-	30,109,135	1.000000	30,109,135	299,091
A357	Underground Conduit		1,568	-	-	1,568	1.000000	1,568	-
A358	Underground Conductors		-	-	-	-	1.000000	-	-
A359	Roads and Trails		-	-	-	-	1.000000	-	-
Subtotal									
			133,369,774	911,436	(28,391)	134,252,819	-	134,101,993	1,386,642
Distribution Plant									
Accumulated Depreciation									
A360	Land and Land Rights		223,496	-	-	223,496	0.970976	217,392	(6,554)
A361	Structures and Improvements		32,303	-	-	32,303	0.970976	31,738	(120)
A362	Station Equipment		27,869,321	-	-	27,869,321	0.970976	27,222,782	(116,896)
A363	Storage Battery Equipment		-	-	-	-	-	-	-
A364P	Poles, Towers & Fixtures-Primary		51,007,297	-	-	51,007,297	0.981024	50,039,383	5,224,914
A365P	O.H. Conductors & Devices-Primary		20,946,814	-	-	20,946,814	0.974865	20,420,316	831,544
A366P	Underground Conduits-Primary		3,034,680	-	-	3,034,680	0.980345	2,975,033	(2,711)
A367P	U.G. Conductors & Devices-Primary		9,045,244	-	-	9,045,244	0.980345	8,867,460	(185,790)
A368P	Line Transformers-Primary		31,003,893	-	-	31,003,893	0.995025	30,849,649	(196,389)
A369	Services		16,043,893	-	-	16,043,893	1.000000	16,043,893	2,209,275
A370	Meters		10,786,136	-	-	10,786,136	0.998708	10,772,200	254,336
A371	Install. on Customer Prem.		7,203,245	-	-	7,203,245	1.000000	7,203,245	211,073
A372	Leased Prop. on Cust. Premises		40,474	-	-	40,474	0.970976	39,299	235
A373	Street Lights		6,362,305	-	-	6,362,305	1.000000	6,362,305	999,193
Subtotal									
			183,599,101	-	-	183,599,101	-	181,044,740	9,322,110
TOTAL INT. TRAN. DIST PLANT-ACCUM DEP.									
			328,274,344	(3,896,791)	(28,391)	324,349,162	-	321,554,364	10,608,752
TOTAL TRAN. DIST PLANT-ACCUM DEP.									
			316,968,575	911,436	(28,391)	317,651,620	-	315,146,733	10,608,752
TOTAL INT. TRAN. DIST PLANT-NET									
			520,235,609	(3,706,753)	472,733	516,927,589	-	512,132,982	(10,608,752)
TOTAL TRAN. DIST PLANT-NET									
			510,242,396	(1,158,278)	472,733	509,556,851	-	504,847,790	(10,608,752)

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

8

Account Number	Description	Total TX Company Retail
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Intangible Plant**Accumulated Depreciation**

A301	Organization	-
A302	Franchise & Consents	-
A303	Miscellaneous Intangible Plant	6,407,630

6,407,630

Subtotal**Transmission Plant****Accumulated Depreciation**

A349	Land Owned in Fee	-
A350	Land Rights	4,168,567
A352	Structures and Improvements	447,068
A353	Station Equipment	47,289,834
A354	Towers and Fixtures	306,410
A355	Poles and Fixtures	52,866,962
A356	O.H. Conductors & Devices	30,408,226
A357	Underground Conduit	1,568
A358	Underground Conductors	-
A359	Roads and Trails	-

135,488,635

Subtotal**Distribution Plant****Accumulated Depreciation**

A360	Land and Land Rights	210,838
A361	Structures and Improvements	31,618
A362	Station Equipment	27,105,886
A363	Storage Battery Equipment	-
A364P	Poles, Towers & Fixtures-Primary	55,264,297
A365P	O.H. Conductors & Devices-Primary	21,251,860
A366P	Underground Conduits-Primary	2,972,322
A367P	U.G. Conductors & Devices-Primary	8,681,670
A368P	Line Transformers-Primary	30,653,260
A369	Services	18,253,168
A370	Meters	11,026,536
A371	Install. on Customer Prem.	7,414,318
A372	Leased Prop. on Cust. Premises	39,534
A373	Street Lights	7,361,498

190,266,805

Subtotal**TOTAL INT. TRAN, DIST PLANT-ACCUM DEP.**

332,163,071

TOTAL TRAN, DIST PLANT-ACCUM DEP.

325,755,440

TOTAL INT. TRAN, DIST PLANT-NET

901,524,275

TOTAL TRAN, DIST PLANT-NET

494,239,083

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Intangible Plant								
Accumulated Depreciation								
A301	Organization	1	DA	-	-	-	-	-
A302	Franchise & Consents	1	DA	-	-	-	-	-
A303	Miscellaneous Intangible Plant	1	DA	1,130,959	5,072,328	151,630	52,714	6,407,631
	Subtotal			1,130,959	5,072,328	151,630	52,714	6,407,631
Transmission Plant								
Accumulated Depreciation								
A349	Land Owned in Fee	1	DA	-	-	-	-	-
A350	Land Rights	1	DA	4,163,446	5,121	-	-	4,168,567
A352	Structures and Improvements	1	DA	419,847	27,222	-	-	447,068
A353	Station Equipment	1	DA	42,638,463	4,631,371	-	-	47,269,834
A354	Towers and Fixtures	1	DA	306,410	-	-	-	306,410
A355	Poles and Fixtures	1	DA	52,866,962	-	-	-	52,866,962
A356	O.H. Conductors & Devices	1	DA	30,408,226	-	-	-	30,408,226
A357	Underground Conduit	1	DA	1,568	-	-	-	1,568
A358	Underground Conductors	1	DA	-	-	-	-	-
A359	Roads and Trails	1	DA	-	-	-	-	-
	Subtotal			130,824,922	4,663,713	-	-	135,488,635
Distribution Plant								
Accumulated Depreciation								
A360	Land and Land Rights	1	DA	13,204	197,635	-	-	210,838
A361	Structures and Improvements	1	DA	12,841	18,778	-	-	31,618
A362	Station Equipment	1	DA	5,593,297	21,512,589	-	-	27,105,886
A363	Storage Battery Equipment	1	DA	-	-	-	-	-
A364P	Poles, Towers & Fixtures-Primary	1	DA	-	55,264,297	-	-	55,264,297
A365P	O.H. Conductors & Devices-Primary	1	DA	-	21,251,860	-	-	21,251,860
A366P	Underground Conduits-Primary	1	DA	-	2,972,322	-	-	2,972,322
A367P	U.G. Conductors & Devices-Primary	1	DA	-	8,681,670	-	-	8,681,670
A368P	Line Transformers-Primary	1	DA	-	30,653,260	-	-	30,653,260
A369	Services	1	DA	-	18,253,168	-	-	18,253,168
A370	Meters	1	DA	-	-	11,026,536	-	11,026,536
A371	Install. on Customer Prem.	1	DA	-	7,414,318	-	-	7,414,318
A372	Leased Prop. on Cust. Premises	1	DA	-	39,534	-	-	39,534
A373	Street Lights	1	DA	-	7,361,498	-	-	7,361,498
	Subtotal			5,619,341	173,620,927	11,026,536	-	190,266,805
TOTAL INT, TRAN, DIST PLANT-ACCUM DEP.								
				137,575,222	183,386,969	11,178,166	52,714	332,163,071
TOTAL TRAN, DIST PLANT-ACCUM DEP.				136,444,283	178,284,641	11,026,536	-	325,755,460
TOTAL INT, TRAN, DIST PLANT-NET								
				188,397,109	291,393,546	21,682,010	51,615	501,524,280
TOTAL TRAN, DIST PLANT-NET				186,121,010	286,579,507	21,538,581	-	494,239,098

000019

PUBLIC UTILITY COMMISSION OF TEXAS

AEP TEXAS NORTH COMPANY

II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT

TEST YEAR ENDING 6/30/2006

DOCKET NO. 33310

FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6	7
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas	Staff Adjustments
II-B-5									
General Plant									
Accumulated Depreciation									
A388	Land Owned in Fee		1,162,134	-	-	-	-	1,141,866	24,504
A389	Land and Land Rights		16,209,026	-	-	16,209,026	0.98256	15,928,269	(802,589)
A390	Structures and Improvements		9,974,705	(3,046,034)	-	6,928,671	0.990998	6,871,291	(957,393)
A391	Office Furniture & Equip.		618,639	(32,380)	-	586,259	0.98256	579,058	109,929
A392	Transportation Equipment		314,963	(21,667)	-	293,296	0.984336	289,043	(10,581)
A393	Store Equipment		1,753,625	(68,354)	-	1,685,271	0.987645	1,667,322	41,475
A394	Tools, Shop & Garage Equip.		1,430,058	(1,430,058)	-	-	-	-	-
A395	Laboratory Equipment		147,149	-	-	147,149	0.98256	144,583	(1,492)
A396	Power Operated Equipment		31,610,299	(4,598,493)	-	27,011,806	-	26,621,432	(1,596,147)
Subtotal									
A397	Communication Equipment		25,222,367	(966,981)	-	24,255,386	0.983706	23,966,650	(875,805)
A398	Misc. Equipment		565,699	(40,913)	-	524,786	0.984241	517,971	(9,983)
A399	Lignite Reserve Depletable		(304,714)	-	-	(304,714)	-	(299,400)	-
A399	Other Tangible-Deprc.		9,037	(9,037)	-	-	-	-	-
Subtotal			25,492,389	(1,016,931)	-	24,475,458	-	24,185,221	(885,788)
II-B-5									
TOTAL ACCUM. DEP. FOR GENERAL PLANT									
TOTAL GENERAL PLANT-NET (Include, Comm Eq.)			57,102,688	(5,615,424)	-	51,487,264	-	50,806,453	(2,481,935)
TOTAL GENERAL PLANT-NET (Include, Comm Eq.)			23,075,148	(1,024,808)	-	22,050,340	-	21,741,147	2,481,935
II-B-5									
TOTAL PLANT IN SERVICE NET (INCL. INTANGIBLES)									
TOTAL PLANT IN SERVICE NET (INCL. INTANGIBLES)			543,310,757	(4,805,561)	472,733	538,977,929	-	533,874,129	(8,126,817)
II-B-5									
TOTAL PLANT IN SERVICE NET (EXCL. INTANGIBLES)									
TOTAL PLANT IN SERVICE NET (EXCL. INTANGIBLES)			533,317,544	(2,183,086)	472,733	531,607,191	-	526,588,937	(8,126,817)

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PUBLIC UTILITY COMMISSION OF TEXAS	
AEP TEXAS NORTH COMPANY	
II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT	
TEST YEAR ENDING 6/30/2006	
DOCKET NO. 33310	
FUNCTIONAL MODEL	

8

Account Number	Description	Total TX Company Retail
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General Plant

Accumulated Depreciation		
A388	Land Owned in Fee	1,166,370
A389	Land and Land Rights	15,125,680
A390	Structures and Improvements	5,913,898
A391	Office Furniture & Equip.	688,987
A392	Transportation Equipment	278,462
A393	Store Equipment	1,708,797
A394	Tools, Shop & Garage Equip.	
A395	Laboratory Equipment	143,091
A396	Power Operated Equipment	25,025,285
	Subtotal	
A397	Communication Equipment	23,090,845
A398	Misc. Equipment	507,988
A399	Lignite Reserve Depletable	(299,400)
A399	Other Tangible-Depr.	
	Subtotal	23,299,433
TOTAL ACCUM. DEP. FOR GENERAL PLANT		
		48,324,718
TOTAL GENERAL PLANT-NET (Include Comm Eq.)		
		24,223,882
TOTAL PLANT IN SERVICE NET (INCL. INTANGIBLES)		
		525,747,357
TOTAL PLANT IN SERVICE NET (EXCL. INTANGIBLES)		
		518,462,165

000021

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-5 RATE BASE ACCOUNTS DEPRECIATION - PLANT
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	9	FF #	10	Functionalization Factor Name	11	TRAN	12	DIST	13	MET	14	TDCS	15	Total
General Plant															
Accumulated Depreciation															
A388	Land Owned in Fee	1	1	DA	-	-	-	-	-	-	-	-	-	-	-
A389	Land and Land Rights	1	1	DA	-	-	-	1,166,370	-	-	-	-	-	-	1,166,370
A390	Structures and Improvements	1	1	DA	-	110,560	-	15,015,120	-	-	-	-	-	-	15,125,680
A391	Office Furniture & Equip.	1	1	DA	-	554,545	-	2,673,781	-	1,554,748	-	1,130,823	-	-	5,913,898
A392	Transportation Equipment	1	1	DA	-	173,361	-	515,626	-	-	-	-	-	-	688,987
A393	Store Equipment	1	1	DA	-	21,765	-	229,337	-	27,360	-	-	-	-	278,462
A394	Tools, Shop & Garage Equip.	1	1	DA	-	232,511	-	1,026,167	-	442,886	-	7,233	-	-	1,708,797
A395	Laboratory Equipment	1	1	DA	-	-	-	-	-	-	-	-	-	-	-
A396	Power Operated Equipment	1	1	DA	-	-	-	143,091	-	-	-	-	-	-	143,091
	Subtotal					1,092,742		20,769,493		2,024,994		1,138,056			25,025,285
A397	Communication Equipment	1	1	DA	-	6,535,001	-	15,435,013	-	395,685	-	725,146	-	-	23,090,845
A398	Misc. Equipment	1	1	DA	-	92,345	-	374,128	-	24,641	-	16,873	-	-	507,988
A399	Lignite Reserve Depletable	1	1	DA	-	-	-	(299,400)	-	-	-	-	-	-	(299,400)
A399	Other Tangible-Depr.	1	1	DA	-	-	-	-	-	-	-	-	-	-	-
	Subtotal					6,627,346		15,509,742		420,326		742,019			23,299,433
TOTAL ACCUM. DEP. FOR GENERAL PLANT															
TOTAL GENERAL PLANT-NET (Include Comm Eq.)															
						7,720,088		36,279,234		2,445,320		1,880,075			
						3,015,190		19,340,421		1,231,782		635,675			
TOTAL PLANT IN SERVICE NET (INCL. INTANGIBLES)															
						191,412,299		310,733,967		22,913,791		687,290			
TOTAL PLANT IN SERVICE NET (EXCL. INTANGIBLES)															
						189,136,200		308,519,528		22,770,562		635,675			

000022

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-6 RATE BASE ACC. - PLANT HELD FOR FUTURE USE
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
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Other Rate Base Items

A105	Plant Held for Future Use	II-B-6	-	-	-	-	-	-	-	-
Subtotal			-	-	-	-	-	-	-	-
TOTAL PLANT HELD FOR FUTURE USE			-	-	-	-	-	-	-	-

000023

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-6 RATE BASE ACC. - PLANT HELD FOR FUTURE USE
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	9 FF #	10 Functionalization Factor Name	11 TRAN	12 DIST	13 MET	14 TDCS	15 Total
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Other Rate Base Items

A105	Plant Held for Future Use	1	DA	-	-	-	-	-
Subtotal				-	-	-	-	-
TOTAL PLANT HELD FOR FUTURE USE								

000024

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-7 RATE BASE ACCOUNTS - ACCUM. PROVISIONS
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments
Other Rate Base Items									
	Customer Deposits	II-B-7	-	-	-	-	-	-	-
	Asset Retirement Obligations		(481,391)	-	(11,292)	(492,683)	0.984832	(485,210)	-
	Customers Advances for Construction		-	-	-	-	-	-	-
	Subtotal		(481,391)	-	(11,292)	(492,683)	-	(485,210)	-
	Accumulated Deferred Income Taxes	II-E-3.7	(127,114,490)	37,228,193	(3,762,648)	(93,648,945)	0.986333	(92,719,546)	-
	TOTAL ACCUMULATED PROVISIONS	II-B-7	(127,595,881)	37,228,193	(3,773,940)	(94,141,628)	-	(93,264,756)	-

000025

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-7 RATE BASE ACCOUNTS - ACCUM. PROVISIONS
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

8

Account Number	Description	Total TX Company Retail
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Other Rate Base Items

Customer Deposits		(485,210)
Asset Retirement Obligations		
Customers Advances for Construction	Subtotal	(485,210)
Accumulated Deferred Income Taxes		(92,719,546)

TOTAL ACCUMULATED PROVISIONS		(93,204,756)
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000026

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-7 RATE BASE ACCOUNTS - ACCUM. PROVISIONS
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	9 FF #	10 Functionalization Factor Name	11 TRAN	12 DIST	13 MET	14 TDCS	15 Total
Other Rate Base Items								
	Customer Deposits	1	DA	-	-	-	-	-
	Asset Retirement Obligations	1	DA	-	(485,210)	-	-	(485,210)
	Customers Advances for Construction	1	DA	-	-	-	-	-
	Subtotal			-	(485,210)	-	-	(485,210)
	Accumulated Deferred Income Taxes			(25,645,815)	(59,219,025)	(6,512,673)	(1,342,023)	(92,719,536)
TOTAL ACCUMULATED PROVISIONS				(25,645,815)	(59,704,235)	(6,512,673)	(1,342,023)	(93,204,746)

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-8 RATE BASE ACC. - MATERIALS & SUPPLIES
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
MONTHLY										
Other Rate Base Items										
Working Capital										
Materials and Supplies										
154	Material and Supplies	II-B-8	7,825,645	(3,774,777)	(817,052)	3,233,816	0.985159	3,208,697	-	3,208,697
158	Allowance Inventory		4,902	(4,902)			1.000000			
163	Undistributed M&S Expenses						1.000000			
	Subtotal		7,830,547	(3,779,679)	(817,052)	3,233,816		3,208,697	-	3,208,697
	TOTAL MATERIALS & SUPPLIES	II-B-8	7,830,547	(3,779,679)	(817,052)	3,233,816		3,208,697	-	3,208,697

000028

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-8 RATE BASE ACC. - MATERIALS & SUPPLIES
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Other Rate Base Items								
Working Capital								
Materials and Supplies								
154 Material and Supplies		1	DA	1,541,274	1,555,840	104,052	7,531	3,208,697
158 Allowance Inventory		1	DA					
163 Undistributed M&S Expenses		1	DA	1,541,274	1,555,840	104,052	7,531	3,208,697
Subtotal				1,541,274	1,555,840	104,052	7,531	3,208,697
TOTAL MATERIALS & SUPPLIES								
				1,541,274	1,555,840	104,052	7,531	3,208,697

000029

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-9 RATE BASE ACCOUNTS - CASH WORKING CAPITAL
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
Other Rate Base Items										
Working Capital										
	Cash Working Capital	II-B-9	512,984	-	-	512,984	0.987888	530,357	(2,318,964)	(1,788,607)
	Subtotal		512,984	-	-	512,984		530,357	(2,318,964)	(1,788,607)
	TOTAL CASH WORKING CAPITAL	II-B-9	512,984	-	-	512,984		530,357	(2,318,964)	(1,788,607)

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-9 RATE BASE ACCOUNTS - CASH WORKING CAPITAL
TEST YEAR ENDING 6/30/2006
DOCKET NO. 3310
FUNCTIONAL MODEL

Account Number	Description	FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Other Rate Base Items								
Working Capital								
	Cash Working Capital	1	DA	1,947,305	(2,630,706)	(726,076)	(379,132)	(1,788,607)
	Subtotal			1,947,305	(2,630,706)	(726,076)	(379,132)	(1,788,607)
TOTAL CASH WORKING CAPITAL				1,947,305	(2,630,706)	(726,076)	(379,132)	(1,788,607)

Other Rate Base Items

Working Capital

Cash Working Capital

TOTAL CASH WORKING CAPITAL

000031

PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-B-10 RATE BASE ACCOUNTS - PREPAYMENTS
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
Other Rate Base Items										
Working Capital										
165 Prepayments										
	Prepaid Insurance	II-B-10	337,069	(41,311)	13,669	309,427	0.991796	307,129	-	307,129
	Prepaid Interest		69,246	-	(14,922)	54,324	0.991796	54,284	-	54,284
	Prepaid Employee Benefits		4,780	-	-	4,780	0.991796	4,741	-	4,741
	Other Prepayments		667	-	71,173	71,840	0.991796	71,251	-	71,251
	Prepaid Pension Benefits		45,702,129	(15,920,634)	(78,330)	29,703,165	0.991796	29,481,852	(8,938,885)	20,542,967
	State Franchise Taxes		541,500	(197,500)	(224,013)	119,987	0.991796	119,250	-	119,250
	Subtotal		46,655,391	(16,159,445)	(232,423)	30,263,523		30,038,506	(8,938,885)	21,099,623
TOTAL PREPAYMENTS			46,655,391	(16,159,445)	(232,423)	30,263,523	-	30,038,506	(8,938,885)	21,099,623
WORKING CAPITAL TOTAL										
II-B-8-10			54,998,922	(19,939,124)	(1,049,475)	34,010,323	-	33,777,561	(11,257,849)	22,519,712

000032

PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-10 RATE BASE ACCOUNTS - PREPAYMENTS
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Other Rate Base Items								
Working Capital								
165 Prepayments								
	Prepaid Insurance	1	DA	29,306	258,951	17,598	1,274	307,129
	Prepaid Interest	1	DA	49,484	4,474	304	22	54,284
	Prepaid Employee Benefits	1	DA	-	2,267	1,773	701	4,741
	Other Prepayments	1	DA	-	66,411	4,513	327	71,251
	Prepaid Pension Benefits	1	DA	2,726,995	8,636,669	6,570,096	2,589,207	20,542,967
	State Franchise Taxes	1	DA	30,213	82,989	5,640	408	119,250
	Subtotal	1	DA	2,835,998	9,071,761	6,599,924	2,591,939	21,099,622
TOTAL PREPAYMENTS		-	-	2,835,998	9,071,761	6,599,924	2,591,939	21,099,622
WORKING CAPITAL TOTAL		-	-	6,324,577	7,296,896	5,977,900	2,220,339	22,519,712

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-11 RATE BASE ACCOUNTS - OTHER
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
Other Rate Base Items										
		II-B-11								
	Excess Earnings		(12,525,818)	-	-	(12,525,818)	0.985894	(12,349,129)	-	(12,349,129)
	SFAS 109 Flow Thru DeId FIT		(6,802,313)	-	-	(6,802,313)	0.985894	(6,744,844)	-	(6,744,844)
	SFAS 109 Excess Deferred FIT		(6,625,262)	-	-	(6,625,262)	0.985894	(6,551,814)	-	(6,551,814)
	Subtotal		(25,953,393)	-	-	(25,953,393)		(25,645,787)	-	(25,645,787)
TOTAL OTHER RATE BASE ITEMS										
		II-B-11	(25,953,393)	-	-	(25,953,393)	-	(25,645,787)	-	(25,645,787)

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-11 RATE BASE ACCOUNTS - OTHER
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 3310
 FUNCTIONAL MODEL

Account Number	Description	9 FF #	10 Functionalization Factor Name	11 TRAN	12 DIST	13 MET	14 TDCS	15 Total
Other Rate Base Items								
	Excess Earnings	1	DA		(11,160,555)	(1,065,136)	(123,435)	(12,349,126)
	SFAS 109 Flow Thru Defd FIT	1	DA	(2,728,249)	(3,743,757)	(254,422)	(18,415)	(6,744,843)
	SFAS 109 Excess Deferred FIT	1	DA	(1,418,424)	(4,784,690)	(325,163)	(23,535)	(6,551,812)
	Subtotal			(4,146,673)	(19,689,002)	(1,644,721)	(165,385)	(25,645,781)
TOTAL OTHER RATE BASE ITEMS				(4,146,673)	(19,689,002)	(1,644,721)	(165,385)	(25,645,781)

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-12 RATE BASE ACCOUNTS - REGULATORY ASSETS
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments
Other Rate Base Items									
Regulatory Assets/(liabilities) In Rate Base									
	Unrecovered Fuel Costs	II-B-12	22,027,017	(22,027,017)	-	-	-	-	-
	Subtotal								
	Debt Refinancing - Restructuring Costs		176,865	-	-	176,865	0.985270	175,218	-
	Loss on Reacquired Debt due to Restructuring		5,185,455	-	-	5,185,455	0.985270	5,137,153	-
	Plant Impairments-Severance		2,716,531	-	-	2,716,531	0.985270	2,676,516	-
	SFAS 109 Flow Thru - Defrd FIT		3,190,676	-	-	3,190,676	0.985270	3,164,306	-
	SFAS 109 Flow Thru - Defrd SIT		4,000	-	-	4,000	0.985270	3,956	-
	Subtotal		11,273,527	-	-	11,273,527	0.985270	11,157,149	-
TOTAL REGULATORY ASSETS									
		II-B-12	33,300,544	(22,027,017)	-	11,273,527	-	11,157,149	-
TOTAL OTHER RATE BASE ITEMS									
		II-B-6-12	(65,249,800)	(4,737,948)	(4,823,415)	(74,811,171)	-	(73,915,834)	(11,257,849)
TOTAL RATE BASE									
		II-B-1-12	501,283,884	(10,615,177)	(26,501,949)	464,166,758	-	459,958,295	(19,384,666)
Rate of Return		7.3700%	7.3700%	7.3700%	7.3700%	7.3700%	7.3700%	7.3700%	-
RETURN ON RATE BASE									
			36,944,622	(782,339)	(1,953,194)	34,209,090	-	33,896,926	-

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-B-12 RATE BASE ACCOUNTS - REGULATORY ASSETS
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

8

Account Number	Description	Total TX Company Retail
----------------	-------------	-------------------------

Other Rate Base Items
Regulatory Assets/(Liabilities) in Rate Base
 Unrecovered Fuel Costs

	Subtotal
Debt Refinancing - Restructuring Costs	175,218
Loss on Reacquired Debt due to Restructuring	5,137,153
Plant Impairments-Severance	2,676,516
SFAS 109 Flow Thru - Defrd FTT	3,164,306
SFAS 109 Flow Thru - Defrd SIT	3,956
Subtotal	11,157,149

TOTAL REGULATORY ASSETS **11,157,149**

TOTAL OTHER RATE BASE ITEMS **(85,173,683)**

TOTAL RATE BASE **440,573,674**

Rate of Return 7.3700%

RETURN ON RATE BASE **32,470,280**

000037

[illegible]

Other Rate Base Items
Regulatory Assets/(liabilities) In Rate Base
Unrecovered Fuel Costs

Subtotal									
Debt Refinancing - Restructuring Costs	1	DA	65,020	105,464	4,414	319	175,217		
Loss on Reacquired Debt due to Restructuring	1	DA	1,906,303	3,092,068	129,416	9,367	5,137,154		
Plant Impairments-Severance	1	DA	-	2,676,517	-	-	2,676,517		
SFAS 109 Flow Thru - Defrid FIT	1	DA	1,400,431	1,644,059	111,729	8,087	3,164,306		
SFAS 109 Flow Thru - Defrid SIT	1	DA	1,000	2,755	187	14	3,956		
Subtotal			3,372,754	7,520,863	245,746	17,787	11,157,150		
TOTAL REGULATORY ASSETS									
			3,372,754	7,520,863	245,746	17,787	11,157,150		
TOTAL OTHER RATE BASE ITEMS									
		-	(20,095,157)	(63,875,478)	(1,933,746)	730,718	(85,173,665)		
TOTAL RATE BASE									
			171,317,142	246,958,409	20,980,043	1,418,007	440,573,681		
Rate of Return			7.3700%	7.3700%	7.3700%	7.3700%	7.3700%		
RETURN ON RATE BASE									
			12,626,073	18,193,471	1,546,229	104,597	32,478,280		

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6	7	8
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas	Staff Adjustments	Total TX Company Retail
Transmission Expense										
II-D-1										
Operation										
A556	Load Dispatching		417,261	233,703	(16,349)	167,209	0.864346	166,640	(3,270)	163,370
A560	Operation Super. & Engin.		1,151,996	5,032	(86,847)	1,060,117	0.941565	1,059,125	(7,275)	1,051,850
A561	Load Dispatching		2,061,075	258,154	(194,040)	1,608,881	0.970976	1,607,344	(51,407)	1,555,937
A562	Station Expenses - Nonassoc		254,082	-	(14)	254,068	0.970976	250,927	(89,698)	161,229
A563	Overhead Line Expenses		276,120	-	(719)	275,401	0.970976	275,251	(5,014)	270,237
A564	Underground Line Expenses		-	-	-	-	1.000000	-	(90)	(90)
A565	Wheeling Expense		19,950,517	-	851,536	20,802,053	1.000000	20,802,053	-	20,802,053
A565.1	Wheeling Expense		1,970,951	-	(1,922,856)	48,095	0.970976	47,797	-	47,797
A566	Misc. Transmission Expense		1,344,467	1,323	(57,465)	1,285,679	0.864346	1,264,385	(53,124)	1,211,261
A567	Rents		276,066	-	-	276,066	0.970976	268,833	-	268,833
Subtotal			27,702,535	498,212	(1,426,754)	25,777,569		25,742,356	(209,878)	25,532,478
Maintenance										
II-D-1										
A568	Maintenance Super. & Engin.		61,506	-	(1,633)	59,873	0.970976	59,633	(3,270)	56,363
A569	Maint. of Structures		6,754	-	49	6,803	0.970976	6,791	-	6,791
A570	Maint. of Station Equipment		1,218,366	4	(714)	1,217,648	0.970976	1,212,291	(66,985)	1,145,306
A571	Maint. of Overhead Lines		2,926,496	-	(2,843)	2,923,653	0.970976	2,923,164	(12,436)	2,910,728
A572	Maint. of Underground Lines		588	-	-	588	0.970976	588	-	588
A573	Maint. of Misc. Trans. Plant		1,720	-	-	1,720	0.970976	1,702	-	1,702
Subtotal			4,215,430	4	(5,141)	4,210,285		4,204,169	(82,691)	4,121,478
TOTAL TRANSMISSION EXPENSE										
II-D-1			31,917,965	498,216	(1,431,895)	29,987,854		29,946,525	(292,569)	29,653,956

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Updated

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MEET	TDCS	Total
Transmission Expense								
Operation								
A556	Load Dispatching	1	DA	163,013	357	-	-	163,370
A560	Operation Super. & Engin.	1	DA	1,043,146	8,704	-	-	1,051,850
A561	Load Dispatching	1	DA	1,555,937	-	-	-	1,555,937
A562	Station Expenses - Nonassoc	1	DA	145,847	15,382	-	-	161,229
A563	Overhead Line Expenses	1	DA	270,237	-	-	-	270,237
A564	Underground Line Expenses	1	DA	-	-	-	-	-
A565	Wheeling Expense	1	DA	-	20,802,053	-	-	20,802,053
A565.1	Wheeling Expense	1	DA	37,832	9,965	-	-	47,797
A566	Misc. Transmission Expense	1	DA	1,200,300	10,961	-	-	1,211,261
A567	Rents	1	DA	268,833	-	-	-	268,833
	Subtotal			4,685,145	20,847,422	-	-	25,532,568
Maintenance								
A568	Maintenance Super. & Engin.	1	DA	51,610	4,753	-	-	56,363
A569	Maint. of Structures	1	DA	6,380	411	-	-	6,791
A570	Maint. of Station Equipment	1	DA	1,033,062	112,244	-	-	1,145,306
A571	Maint. of Overhead Lines	1	DA	2,910,728	-	-	-	2,910,728
A572	Maint. of Underground Lines	1	DA	588	-	-	-	588
A573	Maint. of Misc. Trans. Plant	1	DA	1,702	-	-	-	1,702
	Subtotal			4,004,070	117,407	-	-	4,121,478
	TOTAL TRANSMISSION EXPENSE			8,689,216	20,964,830	-	-	29,654,046

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6	7	8
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas	Staff Adjustments	Total TX Company Retail
Distribution Expense										
Operation										
A580	Oper Supervising & Engineering	II-D-1	1,598,828	2,402	(86,399)	1,510,027	0.989839	1,494,728	(153,557)	1,341,171
A581	Load Dispatching		1,151,623	-	(132,075)	1,019,548	0.984832	1,004,537	-	1,004,537
A582	Station Expenses		179,701	-	(3,874)	175,827	0.970976	171,752	(3,891)	167,861
A583	Overhead Line Expense		1,530,994	-	(15,906)	1,515,088	0.978659	1,482,755	(52,931)	1,429,824
A584	Underground Line Expense		562,576	-	(8,563)	554,013	0.980345	543,124	(28,328)	514,796
A585	Street Lights		47,827	-	(750)	47,077	1.000000	47,077	(2,647)	44,430
A586	Meter Expenses		1,174,908	29	(55,957)	1,118,922	0.998708	1,117,476	(121,538)	995,938
A587	Customer Installation Expense		257,388	-	(10,479)	246,909	0.984832	243,164	(13,075)	230,089
A588	Misc. Distribution Expenses		4,719,174	770	(124,877)	4,593,527	0.991333	4,553,873	(189,298)	4,364,575
A589	Rents		191,557	-	(93,242)	98,315	0.984832	96,824	-	96,824
	Subtotal 590-589		11,414,576	3,201	(532,122)	10,879,253		10,755,309	(565,265)	10,190,044
Distribution-Operation-Total										
Maintenance										
A590	Maintenance Super. & Engin.	II-D-1	33,507	-	115	33,622	0.986140	33,170	(1,029)	32,141
A591	Maint. of Structures		250,132	-	(347)	249,785	0.970976	245,406	(1,523)	243,883
A592	Maint. of Station Equipment		1,204,776	-	(1,703)	1,203,073	0.970976	1,175,085	(39,404)	1,135,681
A593	Maint. of Overhead Lines		3,897,211	965	(32,124)	3,864,122	0.978659	3,781,658	(100,156)	3,681,502
A594	Maint. of Underground Lines		133,568	-	(1,769)	131,799	0.980345	129,208	(6,116)	123,092
A595	Maint. of Line Transformers		732,330	-	(15,156)	717,174	0.995025	713,606	(46,764)	666,842
A596	Maint. of Street Lights		121,498	-	(639)	120,859	1.000000	120,859	(13,455)	107,404
A597	Maint. of Meters		263,665	-	(3,998)	259,667	0.998708	259,332	(850)	258,482
A598	Maint. of Misc. Dist. Plant.		60,655	-	(244)	60,411	0.986954	59,645	-	59,645
	Subtotal 590-598		6,697,342	965	(55,865)	6,640,512		6,517,969	(209,297)	6,308,672
TOTAL DISTRIBUTION EXPENSE										
		II-D-1	18,111,918	4,166	(587,987)	17,519,765		17,273,278	(774,562)	16,498,716

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Updated

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Distribution Expense								
Operation								
A580	Oper Supervising & Engineering	1	DA	4,360	710,550	626,262	-	1,341,171
A581	Load Dispatching	1	DA	29,888	974,649	-	-	1,004,537
A582	Station Expenses	1	DA	35,415	132,446	-	-	167,861
A583	Overhead Line Expense	1	DA	-	1,429,824	-	-	1,429,824
A584	Underground Line Expense	1	DA	-	514,796	-	-	514,796
A585	Street Lights	1	DA	-	44,430	-	-	44,430
A586	Meter Expenses	1	DA	-	-	995,938	-	995,938
A587	Customer Installation Expense	1	DA	-	230,089	-	-	230,089
A 588	Misc Distribution Expenses	1	DA	18,273	2,310,170	2,036,131	-	4,364,575
A589	Rents	1	DA	-	96,824	-	-	96,824
	Subtotal 590-598			87,936	6,443,776	3,658,331	-	10,190,044
Distribution-Operation-Total								
Maintenance								
A590	Maintenance Super. & Engin.	1	DA	1,017	26,364	4,759	-	32,141
A591	Maint. of Structures	1	DA	98,906	144,977	-	-	243,883
A592	Maint. of Station Equipment	1	DA	238,760	896,921	-	-	1,135,681
A593	Maint. of Overhead Lines	1	DA	-	3,681,502	-	-	3,681,502
A594	Maint. of Underground Lines	1	DA	-	123,092	-	-	123,092
A595	Maint. of Line Transformers	1	DA	-	666,842	-	-	666,842
A596	Maint. of Street Lights	1	DA	-	107,404	-	-	107,404
A597	Maint. of Meters	1	DA	1,693	-	258,482	-	258,482
A598	Maint. of Misc. Dist. Plant.	1	DA	340,376	49,090	8,862	-	59,645
	Subtotal 590-598			428,313	5,696,192	272,103	-	6,396,672
	TOTAL DISTRIBUTION EXPENSE				12,139,969	3,930,434	-	16,498,716

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6	7	8
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas	Staff Adjustments	Total TX Company Retail
II-D-1										
Customer Accounting Expenses										
A901	Supervision		648,329	526	(36,674)	611,129	0.999796	611,004	(89,257)	521,747
A902	Meter Reading Expense		2,601,105	488	(45,281)	2,555,336	1.000000	2,555,336	(4,263)	2,551,073
A903	Customer Records & Collection		3,686,252	(89)	(303,449)	3,382,892	0.999583	3,297,698	(146,913)	3,150,785
A904	Uncollectible Accounts		(595,459)	-	631,452	35,993	0.999581	35,978	(26,827)	9,151
A905	Misc. Customer Account Exp.		11,515	34	(1,543)	9,938	0.999796	9,936	(33,107)	(23,171)
	Subtotal Customer Accounting		6,351,742	959	244,505	6,595,288		6,599,953	(300,367)	6,299,586
II-D-1										
Cost Service & Information Expense										
A907	Supervision		267,937	360	(58,161)	209,416	0.999633	209,339	-	209,339
A907	DSM		1,293,415	-	(3,703)	1,293,415	1.000000	1,293,415	-	1,293,415
A908	Customer Assistance		80,492	-	-	76,789	0.999958	76,786	-	76,786
A909	Inform. & Instruct. Adv. Exp.		206,012	-	-	206,012	0.999958	206,003	-	206,003
A910	Misc. Cust. Service & Inform.		78,617	23,221	(3)	55,393	0.999958	55,391	-	55,391
	Subtotal 907-910		1,926,473	23,581	(61,867)	1,841,025		1,840,934	-	1,840,934
II-D-1										
TOTAL-CUSTOMER SERVICE & INFO.										
			8,278,215	24,540	182,638	8,436,313		8,430,886	(300,367)	8,050,519
II-D-1										
Sales Expense										
A911	Demonstrating & Selling Exp.		-	-	-	-	1.000000	-	-	-
A912	Advertising Exp.		(134)	2	136	-	1.000000	-	-	-
A913	Misc. Sales Exp.		265	265	-	-	1.000000	-	-	-
	Subtotal Sales		131	267	136	-		-	-	-
II-D-1										
TOTAL SALES EXPENSE										
			131	267	136	-		-	-	-
II-D-1										
TOTAL O&M EXPENSE										
			58,300,229	527,189	(1,837,106)	55,943,932		55,970,689	(1,367,498)	54,203,191

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-1 OPERATIONS AND MAINTENANCE EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Updated

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Customer Accounting Expenses								
A901	Supervision	1	DA	-	-	266,846	254,901	521,747
A902	Meter Reading Expense	1	DA	-	-	2,551,073	-	2,551,073
A903	Customer Records & Collection	1	DA	-	-	-	3,150,785	3,150,785
A904	Uncollectible Accounts	1	DA	-	-	-	9,151	9,151
A905	Misc. Customer Account Exp.	1	DA	-	-	(11,851)	(11,320)	(23,171)
	Subtotal Customer Accounting			-	-	2,806,068	3,403,518	6,209,586
Cost Service & Information Expense								
A907	Supervision	1	DA	-	-	-	209,339	209,339
A907	DSM	1	DA	-	1,293,415	-	-	1,293,415
A908	Customer Assistance	1	DA	-	-	-	76,786	76,786
A909	Inform. & Instruct. Adv. Exp.	1	DA	-	-	-	206,003	206,003
A910	Misc. Cust. Service & Inform.	1	DA	-	-	-	55,391	55,391
	Subtotal 907-910			-	1,293,415	-	547,519	1,840,934
TOTAL-CUSTOMER SERVICE & INFO.								
				-	1,293,415	2,806,068	3,951,036	8,050,519
Sales Expense								
A911	Demonstrating & Selling Exp.	1	DA	-	-	-	-	-
A912	Advertising Exp.	1	DA	-	-	-	-	-
A913	Misc. Sales Exp.	1	DA	-	-	-	-	-
	Subtotal Sales			-	-	-	-	-
TOTAL SALES EXPENSE								
				-	-	-	-	-
TOTAL O&M EXPENSE								
				9,117,529	34,998,213	6,736,502	3,951,036	54,203,281

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-D-2 ADMINISTRATIVE & GENERAL EXPENSE
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1	2	3	4	5	6	7	8
			Total Company	Non-Regulated or Non-Electric	Known Change	Company Subtotal	TX Retail Allocation Factor	Allocation to Texas	Staff Adjustments	Total TX Company Retail
II-D-2										
Administrative & General Expenses										
A920	Admin. & General Salaries		6,995,196	1,488,821	(785,620)	4,720,755	0.994117	4,594,260	(2,081,400)	2,512,860
A921	Office Supplies		948,631	137,567	(165,846)	645,218	0.992719	640,441	(148,035)	492,406
A922	Admin Expense Transferred		(1,786,180)	30	-	(1,786,210)	0.993172	(1,776,327)	-	(1,776,327)
A923	Outside Services		6,873,245	1,117,944	(646,993)	5,108,308	0.991853	5,056,776	-	5,056,776
A924	Property Insurance Exp.		419,791	383,817	-	35,974	0.981565	35,555	-	35,555
A925	Injuries & Damages		2,140,639	317,845	(1,761)	1,821,033	0.994600	1,813,064	-	1,813,064
A926	Pensions & Benefits		3,143,396	846,175	1,004,400	3,301,621	0.986624	3,264,284	-	3,264,284
A928	Regulatory Commission		(428,040)	34,739	575,744	112,965	0.989312	109,822	(55,016)	54,806
A930	Misc. General Expense		907,557	50,356	(76,240)	780,961	1.000000	778,419	-	778,419
A931	Rents		962,635	6,378	(4)	956,253	0.990947	949,238	-	949,238
A935	Maint. of General Plant		2,227,860	18,363	(27,776)	2,181,721	0.984327	2,152,381	(62,104)	2,090,277
TOTAL A&G EXPENSE			22,404,730	4,402,635	(124,096)	17,378,599		17,617,913	(2,346,555)	15,271,358
II-D-2										
TOTAL O&M & A&G EXPENSE										
II-D-1-2			80,712,959	4,929,224	(1,961,204)	73,222,531		73,188,402	(3,714,053)	69,474,549
II-D-1-2										
TOTAL O&M EXP. EXCL. FUEL & PUR. POWER			80,712,959	4,929,224	(1,961,204)	73,222,531		73,188,402	(3,714,053)	69,474,549

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-2 ADMINISTRATIVE & GENERAL EXPENSE
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Updated

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Administrative & General Expenses								
A920	Admin. & General Salaries	1	DA	487,269	630,943	999,725	394,923	2,512,860
A921	Office Supplies	1	DA	92,678	157,794	173,425	68,509	492,406
A922	Admin Expense Transferred	1	DA	(338,843)	(528,644)	(651,483)	(257,357)	(1,776,327)
A923	Outside Services	1	DA	978,910	1,820,033	1,618,482	639,351	5,056,776
A924	Property Insurance Exp.	1	DA	13,225	26,440	(3,833)	(277)	35,555
A925	Injuries & Damages	1	DA	345,333	414,937	754,674	298,120	1,813,064
A926	Pensions & Benefits	1	DA	510,268	2,087,166	478,018	188,832	3,284,284
A928	Regulatory Commission	1	DA	23,603	23,122	7,535	545	54,806
A930	Misc. General Expense	1	DA	252,770	525,649	-	-	778,419
A931	Rents	1	DA	181,400	384,175	275,021	108,642	949,238
A935	Maint. of General Plant	1	DA	309,735	1,593,623	110,946	75,973	2,090,277
TOTAL A&G EXPENSE				2,856,349	7,135,237	3,762,511	1,517,261	15,271,358
TOTAL O&M & A&G EXPENSE				11,973,878	41,533,450	10,499,013	5,468,296	69,474,637
TOTAL O&M EXP. EXCL. FUEL & PUR. POWER				11,973,878	41,533,450	10,499,013	5,468,296	69,474,637

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PUBLIC UTILITY COMMISSION OF TEXAS
AEP TEXAS NORTH COMPANY
II-D-3 PAYROLL EXPENSES
TEST YEAR ENDING 6/30/2006
DOCKET NO. 33310
FUNCTIONAL MODEL

Account Number	Description	Reference Schedule	1 Total Company	2 Non-Regulated or Non-Electric	3 Known Change	4 Company Subtotal	5 TX Retail Allocation Factor	6 Allocation to Texas	7 Staff Adjustments	8 Total TX Company Retail
Transmission Expense										
Operation										
A560	Operation Super. & Engin.	II-D-3	589	-	1,067	1,656	0.864346	1,656	-	1,656
A561	Load Dispatching		-	-	-	-	0.941565	-	-	-
A562	Station Equipment		86,979	-	6,876	93,855	0.970976	93,090	-	93,090
A563	Overhead Line Expense		59,404	-	4,280	63,684	0.970976	62,800	-	62,800
A564	Underground Line Expense		-	-	-	-	0.970976	-	-	-
A565.1	Wheeling Expense		-	-	-	-	1.000000	-	-	-
A565.2	Wheeling Expense		-	-	-	-	1.000000	-	-	-
A566	Misc. Transmission Expense		148,085	-	13,209	161,294	0.970976	161,294	-	161,294
A567	Rents		-	-	-	-	0.864346	-	-	-
A567R	Inter Fuel Credit		-	-	-	-	0.970976	-	-	-
	Subtotal		295,057	-	25,432	320,489		318,640	-	318,640
Maintenance										
A568	Maintenance Super. & Engin.	II-D-3	30,318	-	2,704	33,022	0.970976	33,022	-	33,022
A569	Maint. of Structures		5,063	-	452	5,515	0.970976	5,515	-	5,515
A570	Maint. of Station Equipment		745,694	-	66,514	812,208	0.970976	812,208	-	812,208
A571	Maint. of Overhead Lines		136,308	-	10,285	146,593	0.970976	144,968	-	144,968
A572	Maint. of Underground Lines		-	-	-	-	0.970976	-	-	-
A573	Maint. of Misc. Trans.Plant		-	-	-	-	1.000000	-	-	-
	Others		-	-	-	-	-	-	-	-
	Subtotal	917,383	-	79,955	997,338		995,713	-	995,713	
TOTAL TRANSMISSION EXPENSE			1,212,440	-	105,387	1,317,827		1,314,553	-	1,314,553

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PUBLIC UTILITY COMMISSION OF TEXAS
 AEP TEXAS NORTH COMPANY
 II-D-3 PAYROLL EXPENSES
 TEST YEAR ENDING 6/30/2006
 DOCKET NO. 33310
 FUNCTIONAL MODEL

Account Number	Description	9	10	11	12	13	14	15
		FF #	Functionalization Factor Name	TRAN	DIST	MET	TDCS	Total
Transmission Expense								
Operation								
A560	Operation Super. & Engin.	1	DA	1,656	-	-	-	1,656
A561	Load Dispatching	1	DA	-	-	-	-	-
A562	Station Equipment	1	DA	67,482	25,608	-	-	93,090
A563	Overhead Line Expense	1	DA	33,235	29,565	-	-	62,800
A564	Underground Line Expense	1	DA	-	-	-	-	-
A565.1	Wheeling Expense	1	DA	-	-	-	-	-
A565.2	Wheeling Expense	1	DA	-	-	-	-	-
A566	Misc. Transmission Expense	1	DA	161,294	-	-	-	161,294
A567	Rents	1	DA	-	-	-	-	-
A567R	Inter Fuel Credit	1	DA	263,667	55,173	-	-	318,840
	Subtotal							
Maintenance								
A568	Maintenance Super. & Engin.	1	DA	33,022	-	-	-	33,022
A569	Maint. of Structures	1	DA	5,514	-	-	-	5,514
A570	Maint. of Station Equipment	1	DA	812,207	-	-	-	812,207
A571	Maint. of Overhead Lines	1	DA	90,599	54,369	-	-	144,968
A572	Maint. of Underground Lines	1	DA	-	-	-	-	-
A573	Maint. of Misc. Trans. Plant	1	DA	-	-	-	-	-
	Subtotal							
				941,342	54,369	-	-	995,711
				1,205,009	109,542	-	-	1,314,551
	TOTAL TRANSMISSION EXPENSE							

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