

MERGENT PUBLIC UTILITY

NEWS REPORTS

Friday, January 27, 2012

Volume 83 No. 1



NOTICE — Items in this issue will be listed online weekly and printed monthly

AMERICAN ELECTRIC POWER COMPANY, INC.

Merger Completed: On Dec. 31, 2011, Columbus Southern Power Company ("CSPCo") merged with and into Ohio Power Company ("OPCo"), with OPCo as the surviving entity. The separate legal existence of CSPCo terminated. Prior to the merger, each of CSPCo and OPCo was a registrant subsidiary of Co. All shares of CSPCo's common stock outstanding, all of which were owned by Co., were cancelled without payment and each outstanding share of OPCo's common and preferred stock remains outstanding.

| | | | |
|---|-----------|------------|-----------|
| Weighted average shares outstanding - diluted | 1,765,220 | □1,581,375 | 1,293,466 |
| Year end shares outstanding | 1,787,769 | □1,731,146 | 1,526,077 |
| Net earnings (loss) per share - basic | \$0.77 | □\$1.05 | \$0.52 |
| Net earnings (loss) per share - diluted | \$0.76 | □\$1.04 | \$0.52 |
| Total number of employees | 50 | 50 | 53 |
| Number of common stockholders | 272 | 272 | 271 |

| | | |
|---|-------------|-------------|
| Additional paid-in capital | 7,382,167 | 8,130,264 |
| Retained earnings (accumulated deficit) | 1,018,766 | 2,054,115 |
| Accumulated other comprehensive income (loss) | dr2,693,196 | dr2,239,852 |
| Total common stockholders' equity | 14,646,582 | 13,676,797 |

□ Net of accumulated amortization - Unamortized debt issuance costs: 2010 \$397,071; 2011 \$443,854

COLUMBUS SOUTHERN POWER COMPANY

Merger Completed: On Dec. 31, 2011, Co. merged with and into Ohio Power Company ("OPCo"), with OPCo as the surviving entity. The separate legal existence of Co. terminated. Prior to the merger, each of Co. and OPCo was a registrant subsidiary of American Electric Power Company, Inc. ("American"). All shares of Co.'s common stock outstanding, all of which were owned by American, were cancelled without payment and each outstanding share of OPCo's common and preferred stock remains outstanding.

□ Adjusted for 1.5-for-1 stock split, April 21, 2011

Consolidated Balance Sheet, as of Sep. 30(\$):

LACLEDE GROUP INC Annual Report:

Consolidated Income Account, years ended Sep. 30 (\$000):

CORNING NATURAL GAS CORP

Annual Report:

Consolidated Income Account, years ended Sep. 30 (\$):

| | 2011 | 2010 | 2009 |
|--|------------|------------|-------------|
| Utility operating revenues | 22,827,862 | 22,445,300 | 23,697,031 |
| Natural gas purchased | 9,714,941 | 9,647,495 | 13,034,734 |
| Gross margin | 13,112,921 | 12,797,805 | 10,662,297 |
| Operating & maintenance expense | 7,280,393 | 6,874,009 | 6,594,934 |
| Taxes other than income taxes | 1,914,658 | 1,673,868 | 1,521,906 |
| Depreciation | 1,478,953 | 713,066 | 762,197 |
| Other deductions, net | 216,271 | 144,360 | 120,442 |
| Total costs & expenses | 10,890,275 | 9,405,303 | 8,999,479 |
| Utility operating income (loss) | 2,222,646 | 3,392,502 | 1,662,818 |
| Interest expense | 897,437 | 925,999 | 905,658 |
| Non-utility expense | 9,570 | 27,570 | 12,041 |
| Investment income (expense) | 181,542 | 120,641 | dr49,439 |
| Other income | 33,129 | 6,809 | 139,998 |
| Rental income | 48,552 | 48,552 | 51,281 |
| Net income (loss) from utility operations, before income tax | 1,578,862 | 2,614,935 | 886,959 |
| Income tax expense (benefit), current | cr54,139 | 1,114,034 | cr1,555,010 |
| Income tax expense (benefit), deferred | 284,173 | cr140,722 | 1,769,684 |
| Income tax expense (benefit) | 230,034 | 973,312 | 214,674 |
| Net income (loss) Common shares | 1,348,828 | 1,641,623 | 672,285 |
| Weighted average shares outstanding - basic | 1,746,198 | □1,572,993 | 1,288,820 |

| | 2011 | 2010 |
|--|------------|------------|
| Assets: | | |
| Utility property, plant & equipment | 47,490,565 | 43,785,340 |
| Less: accumulated depreciation - plant utility & non-utility | 14,361,951 | 13,037,075 |
| Total plant utility & non-utility net | 33,128,614 | 30,748,265 |
| Marketable securities available-for-sale at fair value | 2,267,268 | 2,366,870 |
| Cash & cash equivalents | 173,245 | 69,552 |
| Customer accounts receivable, net | 1,598,241 | 1,251,584 |
| Gas stored underground, at average cost | 2,832,932 | 2,696,395 |
| Materials & supplies inventories | 1,188,017 | 774,677 |
| Prepaid expenses | 258,015 | 967,038 |
| Total current assets | 6,050,450 | 5,759,246 |
| Unrecovered gas costs | 536,648 | 1,093,029 |
| Deferred regulatory costs | 1,207,028 | 1,052,427 |
| Unamortized debt issuance costs, net | □286,093 | □303,468 |
| Deferred income tax | 1,308,298 | |
| Other assets | 221,089 | 168,334 |
| Total deferred debits & other assets | 3,559,156 | 2,617,258 |
| Total assets | 45,005,488 | 41,491,639 |
| Liabilities: | | |
| Current portion of long-term debt | 945,063 | 971,417 |
| Demand note payable | 750,000 | 1,250,000 |
| Borrowings under lines-of-credit | 4,178,784 | 5,140,649 |
| Accounts payable | 1,882,249 | 1,367,884 |
| Accrued expenses | 892,502 | 842,935 |
| Customer deposits & accrued interest | 1,034,319 | 1,083,068 |
| Dividends declared | 205,375 | 171,683 |
| Deferred income taxes | 147,779 | 359,254 |
| Total current liabilities | 10,036,071 | 11,186,890 |
| Total long-term debt | 11,534,801 | 8,656,394 |
| Deferred income taxes | | 31,035 |
| Deferred compensation | 1,849,019 | 1,938,106 |
| Deferred pension costs & post-retirement benefits | 6,622,459 | 5,823,219 |
| Other deferred credits | 316,556 | 179,198 |
| Total deferred credits & other liabilities | 8,788,034 | 7,971,558 |
| Common stock | 8,938,845 | 5,732,270 |

| | 2011 | 2010 | □2009 |
|---|-----------|-----------|-----------|
| Regulated gas distribution revenues | 913,190 | 864,297 | 1,053,993 |
| Non-regulated gas marketing revenues | 669,375 | 858,782 | 836,865 |
| Other non-regulated revenues | 20,742 | 11,950 | 4,340 |
| Total operating revenues | 1,603,307 | 1,735,029 | 1,895,198 |
| Regulated gas distribution - natural & propane gas expenses | 549,947 | 519,905 | 699,984 |
| Regulated gas distribution - other operation expenses | 147,889 | 141,995 | 146,542 |
| Regulated gas distribution - maintenance expenses | 25,049 | 27,244 | 27,818 |
| Regulated gas distribution - depreciation & amortization | 39,214 | 37,572 | 36,751 |
| Regulated gas distribution - taxes, other than income taxes | 60,752 | 61,407 | 68,639 |
| Total regulated gas distribution operating expenses | 822,851 | 788,123 | 979,734 |
| Non-regulated gas marketing expenses | 652,567 | 836,687 | 787,056 |
| Other non-regulated expenses | 9,642 | 5,353 | 3,344 |
| Total operating expenses | 1,485,060 | 1,630,163 | 1,770,134 |
| Operating income (loss) | 118,247 | 104,866 | 125,064 |
| Other income & (income deductions), net | 177 | 3,120 | 1,453 |
| Interest on long-term debt | 23,161 | 24,583 | 24,583 |
| Other interest charges | 2,256 | 2,269 | 5,163 |
| Total interest charges | 25,417 | 26,852 | 29,746 |

MERGENT Public Utility (ISSN 0027-0873) is published weekly on the mergent.com and Printed monthly by Mergent, 477 Madison Ave., Ste 410, New York, NY 10022. Periodicals postage paid at New York, NY and additional mailing offices. POSTMASTER: Send address changes to MERGENT Customer Service, Mergent, 477 Madison Ave., Ste 410, New York, NY 10022.

Copyright © 2009 by Mergent. All Information contained herein is copyrighted in the name of Mergent, Inc., and none of such information may be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any such purpose, in whole or in part, in any form or matter or by any means whatsoever, by any person without Mergent's prior written consent.

All information contained herein is obtained by Mergent, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY INFORMATION IS GIVEN OR MADE BY MERGENT IN ANY FORM OR MANNER WHATSOEVER. Under no circumstances shall Mergent have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any such information, or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if Mergent is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, any such information.

| | | | |
|--|--------|--------|--------|
| Income (loss) before income taxes & dividends on preferred stock | 93,007 | 81,134 | 96,771 |
| Income tax expense | 29,182 | 27,094 | 32,509 |
| Dividends on redeemable preferred stock | | | 15 |
| Laclede Gas Company (Laclede Gas) redeemable preferred stock | | | |
| Income from continuing operations | 63,825 | 54,040 | 64,247 |
| Net income (loss) | 63,825 | 54,040 | 64,247 |
| Common shares(000) | | | |
| Weighted average shares outstanding - basic | 22,099 | 21,986 | 21,893 |
| Weighted average shares outstanding - diluted | 22,171 | 22,039 | 21,960 |
| Year end shares outstanding | 22,431 | 22,293 | 22,168 |
| Net income (loss) per share of common stock - basic | \$2.87 | \$2.43 | \$2.90 |
| Net income (loss) per share of common stock - diluted | \$2.86 | \$2.43 | \$2.89 |
| Dividends per common share | \$1.62 | \$1.58 | \$1.54 |
| Number of full time employees | 1,624 | 1,683 | 1,749 |
| Number of part time employees | 14 | 14 | 13 |
| Total number of employees | 1,638 | 1,697 | 1,762 |
| Number of common stockholders | 4,430 | 4,676 | 4,952 |
| Reclassified to conform with 2010 presentation | | | As is |

| | | | |
|--|---------|---------|--|
| Customer deposits | 10,048 | 11,244 | |
| Interest accrued | 8,812 | 9,639 | |
| Taxes accrued | 11,901 | 10,501 | |
| Deferred income taxes | 8,405 | 155 | |
| Other current liabilities | 11,968 | 12,979 | |
| Total current liabilities | 231,934 | 333,924 | |
| Deferred income taxes | 315,405 | 292,391 | |
| Unamortized investment tax credits | 3,326 | 3,538 | |
| Pension & postretirement benefit costs | 185,701 | 207,607 | |
| Asset retirement obligations | 27,495 | 25,837 | |
| Regulatory liabilities | 50,846 | 47,365 | |
| Other deferred credits & liabilities | 30,687 | 29,659 | |
| Total deferred credits & other liabilities | 613,460 | 606,397 | |

NORTH EUROPEAN OIL ROYALTY TRUST
Annual Report:

| | | | |
|--|------------|------------|-------------------------|
| Income Account, years ended Oct. 31(\$): | | | |
| | 2011 | 2010 | 2009 |
| German gas, sulfur & oil royalties received | 25,148,523 | 19,645,331 | 28,724,078 |
| Interest income | 26,233 | 7,359 | 11,471 |
| Trust income | 25,174,756 | 19,652,690 | 28,735,549 |
| Non-related party expenses | 872,233 | 810,681 | 909,660 |
| Related party expenses | 106,616 | 121,744 | 126,661 |
| Trust expenses | 978,849 | 932,425 | 1,036,321 |
| Net income | 24,195,907 | 18,720,265 | 27,699,228 |
| Common shares | | | |
| Weighted average units outstanding | 9,190,590 | 9,190,590 | 9,190,590 |
| Year end units outstanding | 9,190,590 | 9,190,590 | 9,190,590 |
| Net income per unit | \$2.63 | \$2.04 | \$3.01 |
| Distributions per unit paid or to be paid to unit owners | \$2.63 | \$2.04 | \$3.01 |
| Total number of employees | 2.00 | 2.00 | 2.00 |
| Number of unit holders | 996 | 1,024 | 1,059 |
| Reclassified to conform with 2011 presentation | | | As of November 30, 2009 |
| As of November 30, 2009 | | | As of November 30, 2010 |
| As of November 30, 2011 | | | As of November 30, 2011 |

| | | | |
|--|-----------|-----------|--|
| Balance Sheet, as of Oct. 31(\$): | | | |
| | 2011 | 2010 | |
| Assets: | | | |
| Cash & cash equivalents | 5,971,866 | 5,211,965 | |
| Producing gas & oil royalty rights | 1.00 | 1.00 | |
| Total assets | 5,971,867 | 5,211,966 | |
| Liabilities: | | | |
| Distributions to be paid to unit owners | 5,881,977 | 5,146,731 | |
| Trust corpus | 1.00 | 1.00 | |
| Undistributed earnings | 89,889 | 65,234 | |

OHIO POWER COMPANY
Merger Completed: On Dec. 31, 2011, Columbus Southern Power Company ("Columbus") merged with and into Co., with Co. as the surviving entity. The separate legal existence of Columbus terminated. Prior to the merger, each of Co. and Columbus was a registrant subsidiary of American Electric Power Company, Inc. ("American"). All shares of Columbus's common stock outstanding, all of which were owned by American, were cancelled without payment and each outstanding share of Co.'s common and preferred stock remains outstanding.

OTTER TAIL CORP.
Bankruptcy Proceedings: On Aug. 22, 2011, Otter Tail Ag Enterprises filed with the U.S. Bankruptcy Court a monthly operating report for July 2011. For the period, Co. reported a \$95,276 net loss on zero revenue.

| | | | |
|--|-----------|-----------|-----------|
| PIEDMONT NATURAL GAS CO., INC. Annual Report: | | | |
| Consolidated Income Account, years ended Oct. 31 (\$000): | | | |
| | 2011 | 2010 | 2009 |
| Operating revenues | 1,433,905 | 1,552,295 | 1,638,116 |
| Cost of gas | 860,266 | 999,703 | 1,076,542 |
| Margin | 573,639 | 552,592 | 561,574 |
| Operations & maintenance expense | 225,351 | 219,829 | 208,105 |
| Depreciation expense | 102,829 | 98,494 | 97,425 |
| General taxes expense | 38,380 | 33,909 | 34,590 |
| Income taxes | 64,068 | 62,082 | 70,079 |
| Total operating expenses | 430,628 | 414,314 | 410,199 |
| Operating income (loss) | 143,011 | 138,278 | 151,375 |
| Income from equity method investments | 24,027 | 28,854 | 33,464 |
| Gain on sale of interest in equity method investment | | 49,674 | |

| | | | |
|---|-------------------------|-------------------------|-------------------------|
| Non-operating income | 1,762 | 659 | 32 |
| Charitable contributions | 1,818 | 1,363 | 2,011 |
| Non-operating expense | 1,204 | 643 | 1,558 |
| Income taxes | 8,218 | 29,794 | 11,803 |
| Total other income (expense) | 14,549 | 47,387 | 18,124 |
| Interest expense on long-term debt | 46,070 | 52,666 | 55,105 |
| Allowance for borrowed funds used during construction | 8,619 | 9,981 | 2,298 |
| Other utility interest charges | 6,541 | 1,026 | dr6,132 |
| Total utility interest charges | 43,992 | 43,711 | 46,675 |
| Net income (loss) | 113,568 | 141,954 | 122,824 |
| Common shares(000) | | | |
| Weighted average shares outstanding-basic | 72,056 | 72,275 | 73,171 |
| Weighted average shares outstanding-diluted | 72,266 | 72,525 | 73,461 |
| Year end shares outstanding | 72,318 | 72,282 | 73,266 |
| Net earnings (loss) per share-basic | \$1.58 | \$1.96 | \$1.68 |
| Net earnings (loss) per share-diluted | \$1.57 | \$1.96 | \$1.67 |
| Dividends per common share | \$1.15 | \$1.11 | \$1.07 |
| Total number of employees | 1,782 | 1,788 | 1,821 |
| Number of common stockholders | 13,916 | 14,260 | 14,587 |
| As is | As of December 17, 2010 | As of December 16, 2011 | As of December 11, 2009 |

Consolidated Balance Sheet, as of Oct. 31(\$000):

| | | |
|---|-----------|-----------|
| | 2011 | 2010 |
| Assets: | | |
| Utility plant in service | 3,377,310 | 3,176,312 |
| Less accumulated depreciation | 974,631 | 917,300 |
| Utility plant in service, net | 2,402,679 | 2,259,012 |
| Construction work in progress | 217,832 | 171,901 |
| Plant held for future use | 6,751 | 6,751 |
| Total utility plant, net | 2,627,262 | 2,437,664 |
| Other physical property, net | 452 | 528 |
| Cash & cash equivalents | 6,777 | 5,619 |
| Trade accounts receivable, net | 57,035 | 62,370 |
| Income taxes receivable | 15,966 | 24,856 |
| Other receivables | 2,547 | 2,289 |
| Unbilled utility revenues | 28,715 | 21,337 |
| Gas in storage | 91,124 | 101,734 |
| Materials, supplies & merchandise | 1,368 | 4,547 |
| Gas purchase derivative assets, at fair value | 2,772 | 2,819 |
| Amounts due from customers | 38,649 | 62,336 |
| Prepayments | 39,128 | 39,832 |
| Deferred income taxes | 1,793 | |
| Other current assets | 147 | 101 |
| Total current assets | 286,021 | 327,840 |
| Equity method investments in non-utility activities | 85,121 | 80,287 |
| Goodwill | 48,852 | 48,852 |
| Marketable securities, at fair value | 1,439 | 997 |
| Overfunded postretirement asset | 22,879 | 17,342 |
| Regulatory asset for postretirement benefits | 81,073 | 64,775 |
| Unamortized debt expense | 11,315 | 8,576 |
| Regulatory cost of removal asset | 19,336 | 17,825 |
| Other non-current assets | 58,791 | 48,589 |
| Total non-current assets | 328,806 | 287,243 |
| Total assets | 3,242,541 | 3,053,275 |
| Common stock | 446,791 | 445,640 |
| Retained earnings (accumulated deficit) | 550,584 | 519,831 |
| Accumulated other comprehensive income (loss) | dr452 | dr530 |
| Total stockholders' equity | 996,923 | 964,941 |
| Liabilities: | | |
| Long-term debt | 675,000 | 671,922 |
| Total capitalization | 1,671,923 | 1,636,863 |
| Current maturities of long-term debt | | 60,000 |
| Bank debt | 331,000 | 242,000 |
| Trade accounts payable | 85,721 | 66,019 |
| Other accounts payable | 43,959 | 49,645 |
| Accrued interest | 20,038 | 20,134 |

| | | | | | | |
|---|---------|---------|--|-----------|---------|---|
| Customers' deposits | 25,462 | 25,631 | Cost of removal obligations | 466,000 | 436,072 | Vectren Source, a subsidiary of Co. for \$39,000,000 in cash. |
| Deferred income taxes | | 4,933 | | | | |
| General taxes accrued | 21,262 | 20,100 | Other non-current liabilities | 40,850 | 35,605 | |
| Amounts due to customers | 2,617 | | Total non-current liabilities | 1,036,486 | 917,852 | |
| Other current liabilities | 4,073 | 10,098 | | | | |
| Total current liabilities | 534,132 | 498,560 | | | | |
| Deferred income taxes | 512,961 | 429,225 | | | | |
| Unamortized federal investment tax credits | 2,004 | 2,145 | VECTREN CORP | | | |
| Accumulated provision for postretirement benefits | 14,671 | 14,805 | Interest Sale Completed: On Jan. 3, 2012, Direct Energy acquired Indiana-based natural gas retailer | | | |

MERGENT Public Utility (ISSN 0027-0873) is published weekly on the mergent.com and Printed monthly by Mergent, 477 Madison Ave., Ste 410, New York, NY 10022. POSTMASTER: Send address changes to MERGENT Public Utility, Mergent, 477 Madison Ave., Ste 410, New York, NY 10022.

Copyright © 2009 by Mergent. All Information contained herein is copyrighted in the name of Mergent, Inc., and none of such information may be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any such purpose, in whole or in part, in any form or matter or by any means whatsoever, by any person without Mergent's prior written consent.

All information contained herein is obtained by Mergent, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY INFORMATION IS GIVEN OR MADE BY MERGENT IN ANY FORM OR MANNER WHATSOEVER. Under no circumstances shall Mergent have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any such information, or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if Mergent is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, any such information.



This Page left intentionally blank