

**SECURITIES AND EXCHANGE COMMISSION**

**(Release No. 35-28005)**

**Filings Under the Public Utility Holding Company Act of 1935, as amended (“Act”)**

**July 27, 2005**

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated under the Act. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) is/are available for public inspection through the Commission’s Branch of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by **August 23, 2005**, to the Secretary, Securities and Exchange Commission, Washington, DC 20549-9303, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for hearing should identify specifically the issues of facts or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After **August 23, 2005**, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

**American Electric Power Company, Inc., et al. (70-10317)**

American Electric Power Company, Inc. (“AEP”), a registered public-utility holding company, and Columbus Southern Power Company (“CSP”), a wholly owned

electric utility subsidiary of AEP (together, “Applicants”), both located at 1 Riverside Plaza, Columbus Ohio 43215, have filed an application-declaration (“Application”) with the Commission under sections 9(a)(1) and 10 of the Act and rule 54.

CSP is requesting authority to purchase the Waterford Energy Center, a natural-gas fired combined cycle power plant (“Waterford Facility”) and an exempt wholesale generator, as defined under section 32 of the Act (“EWG”), from Public Service Enterprise Group, Incorporated (“PSE”), an electric and gas utility holding company that claims exemption from registration under section 3(a)(1) of the Act by rule 2, and PSEG Power LLC, a wholly owned subsidiary of PSE (together, “PSEG”).

#### I. Background

CSP is engaged in the generation, transmission and distribution of electric power to approximately 707,000 retail customers in Ohio and in supplying and marketing electric power at wholesale to other electric utilities, municipalities and other market participants.<sup>1</sup> Applicants state that the Waterford Facility has a nominal generating capacity of 821 megawatts and is located in southeastern Ohio and that its sellers, PSE PSEG Power LLC, are a New Jersey corporation and a wholly owned Delaware subsidiary, respectively.

#### II. The Proposed Transaction

CSP proposes to purchase the Waterford Facility from PSEG, having entered into

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<sup>1</sup> Applicants state that CSP was organized in Ohio in 1937, with its earliest direct predecessor company having been organized in 1883. CSP’s service area is comprised of two areas in Ohio. One area includes the City of Columbus and the other is a predominantly rural area in south central Ohio. Applicants also state that, in addition to its AEP system interconnections, CSP is interconnected with several unaffiliated utility companies and that it joined PJM on October 1, 2004.

a purchase and sale agreement dated as of May 24, 2005 (“Purchase Agreement”), for a purchase price of \$220,000,000 (“Purchase Price”).

Applicants anticipate a closing date for the proposed transaction in the third quarter of 2005. Applicants state they propose that PSEG will sell and transfer to CSP, and CSP will purchase from PSEG, substantially all of the assets and related liabilities associated with the Waterford Facility and that PSEG will deliver the assets and related liabilities, free and clear of any mortgage, lien or other security.

Applicants also state that, under an interconnection and operation agreement between PSEG and American Electric Power Service Corporation (the service company affiliate of CSP) dated as of October 20, 2000 (“Interconnection Agreement”), the Waterford Facility is interconnected with CSP’s transmission grid owned and its public utility affiliates. Applicants state that, as part of the proposed transaction, all of PSEG’s rights and obligations under the Interconnection Agreement will be assigned to CSP. Applicants further state that, upon completion of the Waterford Facility acquisition, the facility will be integrated with AEP’s electric public-utility system and the Waterford

Facility will no longer be an EWG.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland  
Deputy Secretary