



American Electric Power
1 Riverside Plaza, 28th Floor
Columbus, OH 43215
AEP.com

Joseph M. Buonaiuto
Senior Vice President &
Chief Accounting Officer

614-716-2821
Fax 614-716-3873
jmbuonaiuto@aep.com

September 30, 2011

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street N.W.
Washington, DC 20006-2803

Subject: PCAOB Rulemaking Docket Matter No. 34

Concept Release on Possible Revisions to PCAOB Standards Related to Reports on Audited Financial Statements and Related Amendments to PCAOB Standards

Dear Board Members:

American Electric Power Company, Inc. (AEP) appreciates the opportunity to respond to the Public Company Accounting Oversight Board's (PCAOB) "Concept Release on Possible Revisions to PCAOB Standards Related to Reports on Audited Financial Statements and Related Amendments to PCAOB Standards", dated June 21, 2011. AEP, a Columbus, Ohio based energy company, is one of the largest investor-owned utilities operating in the United States, with revenues of over \$13 billion and more than 19,000 employees. We provide energy to approximately 5 million customers in Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia.

We appreciate the opportunity to respond to the Concept Release and have addressed each of the major alternatives below.

Auditor's Discussion and Analysis

We agree that investors need relevant information. We also strongly believe management and the company's board should be the source of information regarding the company's financial statements and disclosure about a company's finances, policies and judgments. External auditors are independent, and their role is to provide assurance on reported information, not to be the original source. To expect them to step into the role of management for the purpose of preparing an Auditor's Discussion and Analysis (AD&A) would jeopardize their independence and expose them to inappropriate risk that will come with a significant cost. If there is a perceived need for improved reporting about judgments, estimates and uncertainties affecting a company's financial statements, then that need should be addressed through the accounting standards set by the SEC and the FASB.

Required and expanded use of emphasis paragraphs

We believe that required use of emphasis paragraphs could provide meaningful information to investors, but they should be limited to identification and location of the most significant items considered by the auditor. For many of the same reasons discussed above, there should be no auditor commentary on these items.

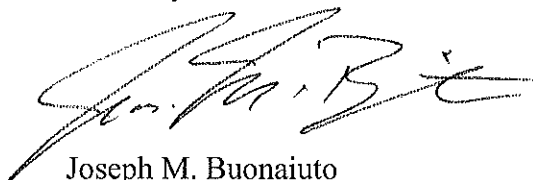
Auditor assurance on other information outside the financial statements

We are concerned about expanding the auditor's responsibility to forward looking statements within the MD&A and certain other non-GAAP information. Forward looking information is intrinsically dependent on management judgment, assumptions, economic indicators and other estimates. As such, forward looking information does not lend itself to an audit based upon independently verifiable evidential matter or specific guidelines such as generally accepted accounting principles. Auditors are not currently trained to opine on forward looking information, nor is there a framework on which to base their conclusions. The reasonableness of forward looking information should be judged in the marketplace by analysts and other market forces. An auditor's responsibility should be limited to historical financial statements and related disclosures.

Clarification of language in the standard auditor's report

We support the inclusion of clarifying language in the auditor's report to facilitate the readers' understanding of scope and the auditor's responsibilities. We believe the "pass/fail" nature of the report on historical information should be maintained.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe M. Buonaiuto", written in a cursive style.

Joseph M. Buonaiuto

cc: Michael G. Morris, Chairman and CEO
Brian X. Tierney, CFO
Lionel L. Nowell III, Board of Directors