FORM U-1/A

Application or declaration under the act 1935 [amend]

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OHIO VALLEY ELECTRIC CORP

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Business Address
P O BOX 468
PIKETON OH 45661
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File No. 70-8335

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM U-1

APPLICATION OR DECLARATION

under the

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

* * *

OHIO VALLEY ELECTRIC CORPORATION
P.O. Box 468, Piketon, Ohio 45661
(Name of company filing this statement and
address of principal executive offices)

* * *

AMERICAN ELECTRIC POWER COMPANY, INC.
1 Riverside Plaza, Columbus, Ohio 43215

ALLEGHENY POWER SYSTEM, INC.
12 East 49th Street, New York, New York 10017
(Name of top registered holding company
parent of each applicant or declarant)

* * *

G. P. Maloney, Executive Vice President
AMERICAN ELECTRIC POWER SERVICE CORPORATION
1 Riverside Plaza, Columbus, Ohio 43215

A. Joseph Dowd, General Counsel
AMERICAN ELECTRIC POWER SERVICE CORPORATION
1 Riverside Plaza, Columbus, Ohio 43215
(Names and addresses of agents for service)

The undersigned Ohio Valley Electric Corporation ("OVEC") hereby amends its Application or Declaration on Form U-1 in File No. 70-8335 as follows:

1. By adding the following paragraphs at the beginning of ITEM 1. DESCRIPTION OF PROPOSED TRANSACTIONS:

"OVEC was organized in October, 1952 by fifteen investor-owned utilities for the purpose of providing the electric power requirements for the United States Department of Energy's ("DOE") Portsmouth Area Uranium Enrichment Plant (the "Portsmouth Facility"). The fifteen utilities are all shareholders or affiliates of shareholders of OVEC (the "Sponsoring Companies"). OVEC and the United States of America, acting by and through the United States Atomic Energy Commission (now the DOE), entered into a Power Agreement dated October 15, 1952 (the "Power Agreement"). The Power Agreement requires the DOE to make payments to OVEC for power delivered from the Kyger Creek Plant of OVEC and the Clifty Creek Plant of IKEC to the DOE's Portsmouth facility.

The Power Agreement establishes the quantity of power the DOE is obligated to purchase and the cost of that power. The fundamental purpose of the Power Agreement is to give the DOE the right to purchase the power generated by the two plants, for which right the DOE pays for the costs associated with the plants. The DOE has agreed to pay a demand charge for the full contract quantity under the Power Agreement, although from time to time and to various extents that requirement has been waived. The demand charge encompasses OVEC's costs (except for fuel costs) and the return on equity. The demand charge is payable whether or not the energy is delivered. The DOE also pays an energy charge which is based on the cost of providing fuel consumed in the production of energy. Electricity not used by the DOE is sold to the Sponsoring Companies.

OVEC is subject to the rate jurisdiction of two regulatory commissions: (1) The Public Utilities Commission of Ohio (the "PUCO") and (2) the Federal Energy Regulatory Commission (the "FERC"). The PUCO regulates the retail electric service OVEC provides to the Portsmouth Facility, which is supplied pursuant to the Power Agreement. In addition, OVEC sells power and energy not used at the Portsmouth Facility to the Sponsoring Companies. Such sales are regulated by the FERC.

IKEC is only subject to the rate jurisdiction of the FERC. IKEC sells all of the power and energy it produces to OVEC at wholesale."

2. By adding the following paragraphs at the end of ITEM

1. DESCRIPTION OF PROPOSED TRANSACTIONS:

"OVEC does not intend to use the services of Ohio Power Company's Cook Coal Terminal for transloading services, but intends to utilize Enron Transportation Services, L. P.'s Terminal at Cora, Illinois. Indiana Michigan Power Company's River Transportation Division will not supply barge services to OVEC. OVEC has already contracted with American Commercial Barge Line Company and The Ohio River Company to provide such services.

OVEC's Clifty Creek Plant will burn approximately 3,000,000 tons of Powder River Basin coal each year, which will require up to 515 railcars. Attached hereto and incorporated herein by reference as Appendix A is a chart describing how OVEC has calculated the number of railcars needed to support such a movement.

If OVEC enters into a lease, the purchase price of the railcars would be paid by the lessor. If OVEC purchases the railcars, OVEC would include such cost in its rates.

The initial term of the lease would not exceed 15 years. The lease payments would depend on several factors, including the term of the lease and the prevailing pricing conditions regarding debt and equity at the time the lease is negotiated. The lease payments would be considered an energy charge under the Power Agreement.

In order to minimize its costs associated with its railcars, OVEC will sublease the railcars to its associate companies and, during times of non-utilization by OVEC and its associated companies, to non-affiliates. OVEC will charge the associate companies for the use of such railcars at cost pursuant to Rules 90 and 91 of the 1935 Act.

The railcars would only be subleased if they were unnecessary for OVEC/IKEC use during periods of idle capacity. OVEC would sublease the railcars only if the revenue generated by the sublease covered all variable costs and makes a contribution to the fixed costs. The reduction in fixed costs would benefit the customers of OVEC."

SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this statement to be signed on its behalf by the undersigned thereunto duly authorized.

OHIO VALLEY ELECTRIC CORPORATION

By__/s/ G. P. Maloney___________
Vice President

Dated: March 15, 1994

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APPENDIX A

Assumptions: Clifty Creek's western coal needs are approximately 3,000,000 tons per year.

One train set has 117 cars.

Each train set can cycle 60 times per year.

Deliveries will be consistent throughout the year.

<TABLE>

Volume in Tons		No. of Cars		Trips per Year		No. of Train Sets		TOTAL VOLUME
<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
120	x	117	x	60	x	3	=	2,527,200 tons per year
120	x	117	x	60	x	4	=	3,369,600 tons per year

</TABLE>

To move 3,000,000 tons of coal, OVEC needs 4 train sets.

(4 x 117 = 468 railcars)

10% spare railcars for maintenance purposes.

(468 x 1.1 = 515 railcars)