

AEPTCo subsidiaries in PJM - Transmission Formula Rate Revenue Requirement  
True-up Rates Forecasted through December 31, 2017  
True-up Included PTRR effective January 1, 2019

Revenue Requirements for Network and Point-to-Point Transmission Service

			AEPTCo subsidiaries in PJM	APPALACHIAN TRANSMISSION COMPANY	INDIANA MICHIGAN TRANSMISSION COMPANY	KENTUCKY TRANSMISSION COMPANY	OHIO TRANSMISSION COMPANY	WEST VIRGINIA TRANSMISSION COMPANY
Line No.			Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement
A. <u>Network Service</u>								
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1 )	\$578,029,268	\$192,217	\$145,366,086	\$9,616,793	\$339,803,550	\$83,050,622
2	LESS: REVENUE CREDITS	(TCOS Ln 2 )	\$6,309,897	\$0	\$0	\$0	\$5,887,587	\$422,310
3	CURRENT YEAR AEPTCo ANNUAL TRANSMISSION REVENUE REQUIREMENT (ATRR)	(TCOS Ln 3 )	\$571,719,371	\$192,217	\$145,366,086	\$9,616,793	\$333,915,963	\$82,628,312
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:							
5	RTEP UPGRADES ATRR (W/O INCENTIVES)	(TCOS Ln 5)	\$145,648,385	\$0	\$49,817,761	\$5,015,456	\$44,736,527	\$46,078,641
6	OTHER UPGRADES ATRR (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$145,648,385	\$0	\$49,817,761	\$5,015,456	\$44,736,527	\$46,078,641
8	EXISTING AEPTCo ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$426,070,986	\$192,217	\$95,548,326	\$4,601,337	\$289,179,435	\$36,549,671
9	INCREMENTAL APPROVED INCENTIVE ATRR	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0
10	EXISTING AEPTCo ZONAL ATRR (W/ INCENTIVES)	(Ln 8 + Ln 9)	\$426,070,986	\$192,217	\$95,548,326	\$4,601,337	\$289,179,435	\$36,549,671
11	PRIOR YEAR TRUE-UP (INCLUDING INTEREST)		\$0	\$0	\$0	\$0	\$0	\$0
12	EXISTING AEPTCo ATRR FOR AEP ZONE OF PJM OATT	(Ln 10 + Ln 11 )	\$426,070,986	\$192,217	\$95,548,326	\$4,601,337	\$289,179,435	\$36,549,671
B. <u>Point-to-Point Service</u>								
13	AEP East Zone Network Service Peak Load (1 CP)		22,475.7	MW				
	Line 16 is provided from PJM records							
14	Annual Point-to-Point Rate in \$/MW - Year	(Ln 12 / Ln 13)	\$18,956.96					
15	Monthly Point-to-Point Rate in \$/MW - Month	(Ln 14 / 12)	\$1,579.75					
16	Weekly Point-to-Point Rate in \$/MW - Weekly	(Ln 14 / 52)	\$364.56					
17	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Ln 14 / 260)	\$72.91					
18	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Ln 14 / 365)	\$51.94					
19	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 14 / 4160)	\$4.56					
20	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 14 / 8760)	\$2.16					
C. <u>PJM Regional Service</u>								
21	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	145,648,385	-	49,817,761	5,015,456	44,736,527	46,078,641
22	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-
23	TRUE-UP ADJUSTMENT INCLUDING INTEREST		-	-	-	-	-	-
24	RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12		\$ 145,648,385	-	49,817,761	5,015,456	44,736,527	46,078,641

AEPTCo subsidiaries in PJM - Transmission Formula Rate Revenue Requirement  
Including Costs through December 31, 2017  
For charges effective January 1, 2017

Annual Revenue Requirement for Scheduling, System Control and Dispatch Services - Schedule 1A

		AEPTCo subsidiaries in PJM	APPALACHIAN TRANSMISSION COMPANY	INDIANA MICHIGAN TRANSMISSION COMPANY	KENTUCKY TRANSMISSION COMPANY	OHIO TRANSMISSION COMPANY	WEST VIRGINIA TRANSMISSION COMPANY
Line No.		Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement	Annual Revenue Requirement
<b>A. Schedule 1A ARR</b>							
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 15)	\$2,179,508	\$2,253	\$510,624	\$73,374	\$891,244	\$702,013
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$0	\$0	\$0	\$0	\$0	\$0
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	\$0	\$0	\$0	\$0	\$0	\$0
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$2,179,508	\$2,253	\$510,624	\$73,374	\$891,244	\$702,013
5	Less: PTP Service Credit	\$0	\$0	\$0	\$0	\$0	\$0
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$2,179,508	\$2,253	\$510,624	\$73,374	\$891,244	\$702,013
7	BILLED HISTORICAL YEAR (2016) ACTUAL ARR	\$0					
8	BILLED PROJECTED (2016) ARR FROM PRIOR YEAR	\$0					
9	PRIOR YEAR TRUE-UP (Ln 7 - Ln 8)	\$0	\$0	\$0	\$0	\$0	\$0
10	INTEREST ON PRIOR YEAR TRUE UP	\$0	\$0	\$0	\$0	\$0	\$0
11	Net Schedule 1A Revenue Requirement for Zone	\$2,179,508	\$2,253	\$510,624	\$73,374	\$891,244	\$702,013
<b>B. Schedule 1A Rate Calculations</b>							
12	2017 AEP East Zone Annual MWh	126,865,775					
Line 12 is provided from PJM records							
13	AEP Zone Rate for Schedule 1A Service. (Line 11 / Line 12)	\$0.0172					