

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual/Projected FERC Form 1 Data

Twelve Months Ended 2022

Appalachian Power Company

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 130)	Total			\$457,333,005
2	REVENUE CREDITS	(Worksheet E Ln 8) (Note A)	6,252,000	DA	1.00000	\$ 6,252,000
3	Facility Credits under PJM OATT Section 30.9	(Worksheet E Ln 9) (Note X)				\$ -
4	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2 plus In 3)				<u>\$ 451,081,005</u>

MEMO: The Carrying Charge Calculations on lines 7 to 12 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 5 is included in the total on line 4.

5	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J/K)	26,695,952	DA	1.00000	\$ 26,695,952
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	((In 1 - In 95)/((In 42) x 100))			13.12%
8	Monthly Rate	(In 7 / 12)			1.09%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	((In 1 - In 95 - In 100) /((In 42) x 100))			10.42%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	((In 1 - In 95 - In 100 - In 125 - In 126) /((In 42) x 100))			2.96%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				
14	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below			10,331,000
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				5,889,000
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				1,710,000
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			<u>2,732,000</u>

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	(1)	(2)	(3)	(4)	(5)	
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission	
Line No.						
	GROSS PLANT IN SERVICE					
19	Production	(Worksheet A in 14.(b))	6,700,639,000	NA	0.00000	-
20	Less: Production ARO (Enter Negative)	(Worksheet A in 14.(c))	(94,815,000)	NA	0.00000	-
21	Transmission	(Worksheet A in 14.(d) & TCOS Ln 134)	4,366,073,000	DA		4,283,457,000
22	Less: Transmission ARO (Enter Negative)	(Worksheet A in 14.(e))	-	TP	0.98108	-
23	Distribution	(Worksheet A in 14.(f))	4,958,502,000	NA	0.00000	-
24	Less: Distribution ARO (Enter Negative)	(Worksheet A in 14.(g))	-	NA	0.00000	-
25	General Plant	(Worksheet A in 14.(h))	453,069,000	W/S	0.10594	47,996,194
26	Less: General Plant ARO (Enter Negative)	(Worksheet A in 14.(i))	-	W/S	0.10594	-
27	Intangible Plant	(Worksheet A in 14.(j))	313,606,000	W/S	0.10594	33,222,080
28	TOTAL GROSS PLANT	(sum Ins 19 to 27)	16,697,074,000	GP	0.261404	4,364,675,274
				GTD=	0.45937	
29	ACCUMULATED DEPRECIATION AND AMORTIZATION					
30	Production	(Worksheet A in 28.(b))	3,221,162,000	NA	0.00000	-
31	Less: Production ARO (Enter Negative)	(Worksheet A in 28.(c))	(48,167,000)	NA	0.00000	-
32	Transmission	(Worksheet A in 28.(d) & In 43.(c))	823,657,000	TP1=	0.96898	798,108,000
33	Less: Transmission ARO (Enter Negative)	(Worksheet A in 28.(e))	-	TP1=	0.96898	-
34	Distribution	(Worksheet A in 28.(f))	1,650,763,000	NA	0.00000	-
35	Less: Distribution ARO (Enter Negative)	(Worksheet A in 28.(g))	-	NA	0.00000	-
36	General Plant	(Worksheet A in 28.(h))	114,583,000	W/S	0.10594	12,138,433
37	Less: General Plant ARO (Enter Negative)	(Worksheet A in 28.(i))	-	W/S	0.10594	-
38	Intangible Plant	(Worksheet A in 28.(j))	149,088,000	W/S	0.10594	15,793,746
39	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 30 to 38)	5,911,086,000			826,040,179
40	NET PLANT IN SERVICE					
41	Production	(In 19 + In 20 - In 30 - In 31)	3,432,829,000			-
42	Transmission	(In 21 + In 22 - In 32 - In 33)	3,542,416,000			3,485,349,000
43	Distribution	(In 23 + In 24 - In 34 - In 35)	3,307,739,000			-
44	General Plant	(In 25 + In 26 - In 36 - In 37)	338,486,000			35,857,761
45	Intangible Plant	(In 27 - In 38)	164,518,000			17,428,334
46	TOTAL NET PLANT IN SERVICE	(sum Ins 41 to 45)	10,785,988,000	NP	0.328077	3,538,635,094
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
48	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	(248,598,500)	NA		-
49	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(2,018,673,000)	DA		(615,415,500)
50	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(207,649,500)	DA		(33,708,000)
51	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	270,574,000	DA		52,302,000
52	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(1,806,000)	DA		(7,000)
53	TOTAL ADJUSTMENTS	(sum Ins 48 to 52)	(2,206,153,000)			(596,828,500)
54	PLANT HELD FOR FUTURE USE	(Worksheet A in 44.(e) & In 45.(e))	3,145,000	DA		1,573,000
55	REGULATORY ASSETS	(Worksheet A in 51.(e))	-	DA		-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A in 54.(e))	(6,321,000)	W/S	0.10594	(669,620)
57	WORKING CAPITAL	(Note E)				
58	Cash Working Capital	(1/8 * In 78)	5,636,625			5,529,967
59	Transmission Materials & Supplies	(Worksheet C, In 2.(F))	68,000	TP	0.98108	66,713
60	A&G Materials & Supplies	(Worksheet C, In 3.(F))	298,000	W/S	0.10594	31,569
61	Stores Expense	(Worksheet C, In 4.(F))	-	GP	0.26140	-
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	259,476,000	W/S	0.10594	27,487,779
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	3,824,000	GP	0.26140	999,607
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	-	DA	1.00000	-
65	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	(257,879,500)	NA	0.00000	-
66	TOTAL WORKING CAPITAL	(sum Ins 58 to 65)	11,423,125			34,115,636
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8.B)	(3,266,500)	DA	1.00000	(3,266,500)
68	RATE BASE (sum Ins 46, 53, 54, 55, 56, 66, 67)		8,584,815,625			2,973,559,110

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(1)		(2)	(3)	(4)		(5)
EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION		Data Sources (See "General Notes")	TO Total	Allocator	Total Transmission	
Line	No.	OPERATION & MAINTENANCE EXPENSE				
	69	Production	321.80.b			
	70	Distribution	322.156.b			
	71	Customer Related Expense	322 & 323.164,171,178.b			
	72	Regional Marketing Expenses	322.131.b			
	73	Transmission	321.112.b			
	74	TOTAL O&M EXPENSES	(sum Ins 69 to 73)			
	75	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)			
	76	Less: Account 565	(Note H) 321.96.b			
	77	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)			
	78	Total O&M Allocable to Transmission	(Ins 73 - 75 - 76 - 77)	TP	0.98108	44,239,738
	79	Administrative and General	323.197.b (Notes J and M)			
	80	Less: Acct. 924, Property Insurance	323.185.b			
	81	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)			
	82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)			
	83	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)			
	84	Acct. 928, Reg. Com. Exp.	323.189.b			
	85	Acct. 930.1, Gen. Advert. Exp.	323.191.b			
	86	Acct. 930.2, Misc. Gen. Exp.	323.192.b			
	87	Balance of A & G	(In 79 - sum In 80 to In 86)	W/S	0.10594	11,211,390
	88	Plus: Acct. 924, Property Insurance	(In 80)	GP	0.26140	1,296,823
	89	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	TP	0.98108	981
	90	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	TP	0.98108	
	91	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 43.(E) (Note L)	DA	1.00000	2,990,000
	92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)	W/S	0.10594	(4,828,207)
	93	A & G Subtotal	(sum Ins 87 to 92)			10,670,987
	94	O & M EXPENSE SUBTOTAL	(In 78 + In 93)			54,910,726
	95	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		DA	1.00000	-
	96	TOTAL O & M EXPENSE	(In 94 + In 95)			54,910,726
	97	DEPRECIATION AND AMORTIZATION EXPENSE				
	98	Production	336.2-6.f	NA	0.00000	-
	99	Distribution	336.8.f	NA	0.00000	-
	100	Transmission	336.7.f	TP1	0.96898	94,168,482
	101	General	336.10.f	W/S	0.10594	1,475,155
	102	Intangible	336.1.f	W/S	0.10594	5,351,025
	103	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 98+99+ 100+101+102)			100,994,663
	104	TAXES OTHER THAN INCOME	(Note N)			
	105	Labor Related				
	106	Payroll	Worksheet H In 24.(D)	W/S	0.10594	892,085
	107	Plant Related				
	108	Property	Worksheet H In 24.(C)	DA		36,292,208
	109	Gross Receipts/Sales & Use	Worksheet H In 24.(F)	NA	0.00000	-
	110	Other	Worksheet H In 24.(E)	GP	0.26140	4,035,287
	111	TOTAL OTHER TAXES	(sum Ins 106 to 110)			41,219,580
	112	INCOME TAXES	(Note O)			
	113	$T=1 - ((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =$	23.29%			
	114	$EIT=((T/(1-T)) * (1-(WCLTD/WACC))) =$	20.99%			
	115	where $WCLTD=(In\ 154)$ and $WACC = (In\ 157)$				
	116	and FIT, SIT & p are as given in Note O.				
	117	$GRCF=1 / (1 - T) = (from\ In\ 113)$	1.3036			
	118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)			
	119	Excess Deferred Income Tax	(Note U)	DA		(3,198,000)
	120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	DA		2,068,000
	121	Income Tax Calculation	(In 114 * In 126)			45,375,148
	122	ITC adjustment	(In 117 * In 118)	GP	0.26140	(4,089)
	123	Excess Deferred Income Tax	(In 117 * In 119)			(4,169,002)
	124	Tax Effect of Permanent and Flow-Through Differences	(In 117 * In 120)			2,695,903
	125	TOTAL INCOME TAXES	(sum Ins 121 to 124)			43,897,959
	126	RETURN ON RATE BASE (Rate Base*WACC)	(In 68 * In 157)			216,177,076
	127	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))	133,000	DA	1.00000	133,000
	128	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))	-			-
	129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 128 * In114)	-			-
	130	TOTAL REVENUE REQUIREMENT				457,333,005
		(sum Ins 96, 103, 111, 125, 126, 127, 128, 129)	1,609,668,920			

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SUPPORTING CALCULATIONS

In	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
No.										
131	Total transmission plant	(In 21)							4,366,073,000	
132	Less transmission plant excluded from PJM Tariff (Worksheet A, In 42, Col. (d)) (Note P)								-	
133	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 42, Col. (b)) (Note Q)								82,616,000	
134	Transmission plant included in PJM Tariff	(In 131 - In 132 - In 133)							4,283,457,000	
135	Percent of transmission plant in PJM Tariff	(In 134 / In 131)						TP=	0.98108	
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)								
137	Production	354.20.b	55,240,000	28,581,000	83,821,000	NA	0.00000		-	
138	Transmission	354.21.b	174,000	17,335,000	17,509,000	TP	0.98108		17,177,690	
139	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000		-	
140	Distribution	354.23.b	37,691,000	4,930,000	42,621,000	NA	0.00000		-	
141	Other (Excludes A&G)	354.24,25,26.b	9,374,000	8,827,000	18,201,000	NA	0.00000		-	
142	Total	(sum Ins 137 to 141)	102,479,000	59,673,000	162,152,000				17,177,690	
143	Transmission related amount							W/S=	0.10594	
144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								\$	
145	Long Term Interest	(Worksheet M, In. 37, col. (d))							220,393,000	
146	Preferred Dividends	(Worksheet M, In. 71)							-	
147	Development of Common Stock:									
148	Proprietary Capital	(Worksheet M, In. 14, col. (b))							4,778,823,000	
149	Less: Preferred Stock	(Worksheet M, In. 14, col. (c))							-	
150	Less: Account 216.1	(Worksheet M, In. 14, col. (d))							(3,463,000)	
151	Less: Account 219	(Worksheet M, In. 14, col. (e))							13,723,000	
152	Common Stock	(In 148 - In 149 - In 150 - In 151)							4,768,563,000	
153										
154	Long Term Debt (Note T) Worksheet M, In 28, col. (g), In 38, col. (d))									
155	Preferred Stock (In 149)									
156	Common Stock (In 152)									
157	Total (Sum Ins 154 to 156)									
158	Capital Structure Equity Limit (Note Z)	55%								

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Letter

Notes

General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X

- A Revenue credits include:
1) Forfeited Discounts.
2) Miscellaneous Service Revenues.
3) Rental revenues earned on assets included in the rate base.
4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service.
5) Other electric revenues.
6) Revenues for grandfathered PTP contracts included in the load divisor.
7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based.
See Worksheet E for details.
- B The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.
- C Transmission Plant Balances in this study are projected or actual average of 13-month balances.
- D The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flowthrough and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated.
In compliance with FERC Rulemaking the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-(h)(6)(i).
RM02-7-000 Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75.
2) Costs of Transmission of Electricity by Others, as described in Note H.
3) The impact of state regulatory deferrals and amortizations, as shown on line 77
4) All A&G Expenses, as shown on line 93.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 127.
- G Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amounts on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12.
The addbacks on line 95 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity.
The company records referenced on line 95 is the Appalachian Power Company general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.
- J General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K These deductions on lines 81 through 83 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP expense.
- L Expenses recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneous General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O.
- N Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
- O The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.
A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)
(in 118) multiplied by (1/(1-T)). If the applicable tax rates are zero enter 0.
Inputs Required:
- | | | |
|-------|--------|---|
| FIT = | 21.00% | |
| SIT = | 2.90% | (State Income Tax Rate or Composite SIT. Worksheet G) |
| p = | 0.00% | (percent of federal income tax deductible for state purposes) |
- The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable.
If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.
- P Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S Long Term Debt cost rate = Long-Term Interest (In 145) / Long-Term Debt (In 154). Preferred Stock cost rate = preferred dividends (In 146) / preferred outstanding (In 155).
Common Stock cost rate (ROE) = 10.35%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO Membership.
The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of capital are shown on Worksheet M.
Eligible Hedging Gains and Losses are computed on Worksheet M. The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.
- T The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983.
This total balance of \$265,249,280 at 12/31/12 is not included in the balance in line 154 above.
The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or 429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.
- U Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.
- V Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.
- W The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
- X Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
- Y The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base.
- Z Per the settlement in EL17-13, equity is limited to 55% in of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
Appalachian Power Company

		Gross Plant In Service								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 46	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	Acct. 359.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	Acct. 399.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
1	December Prior to Rate Year	6,659,537,000	94,815,000	4,320,163,000		4,800,793,000		396,628,000		289,873,000
2	January	6,665,535,000	94,815,000	4,322,517,000		4,830,594,000		398,283,000		296,635,000
3	February	6,668,635,000	94,815,000	4,325,793,000		4,859,175,000		401,105,000		302,976,000
4	March	6,675,054,000	94,815,000	4,327,698,000		4,881,807,000		404,792,000		301,284,000
5	April	6,682,520,000	94,815,000	4,329,888,000		4,904,892,000		408,522,000		306,635,000
6	May	6,690,644,000	94,815,000	4,349,455,000		4,928,188,000		411,643,000		311,985,000
7	June	6,704,682,000	94,815,000	4,353,975,000		4,956,101,000		414,312,000		311,427,000
8	July	6,709,873,000	94,815,000	4,372,016,000		4,982,316,000		503,066,000		316,784,000
9	August	6,713,917,000	94,815,000	4,378,261,000		5,007,466,000		505,387,000		322,139,000
10	September	6,717,890,000	94,815,000	4,383,683,000		5,035,000,000		507,698,000		324,093,000
11	October	6,723,595,000	94,815,000	4,395,851,000		5,063,295,000		509,993,000		329,400,000
12	November	6,731,851,000	94,815,000	4,432,281,000		5,091,298,000		512,285,000		334,699,000
13	December of Rate Year	6,764,577,000	94,815,000	4,467,370,000		5,119,603,000		516,177,000		328,946,000
14	Average of the 13 Monthly Balances	6,700,639,000	94,815,000	4,366,073,000	-	4,958,502,000	-	453,069,000	-	313,606,000

		Accumulated Depreciation								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 219, Ins 20-24, Col. (b)	Company Records (Included in total in Column (b))	FF1, page 219, In 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, In 26, Col. (b)	Company Records (Included in total in Column (f))	FF1, page 219, In 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
15	December Prior to Rate Year	3,116,325,000	46,451,000	799,536,000		1,604,369,000		109,374,000		135,005,000
16	January	3,134,085,000	46,737,000	803,511,000		1,611,316,000		110,181,000		138,821,000
17	February	3,151,422,000	47,023,000	807,493,000		1,618,901,000		110,991,000		142,750,000
18	March	3,168,761,000	47,309,000	811,482,000		1,626,580,000		111,808,000		139,790,000
19	April	3,186,166,000	47,595,000	815,474,000		1,634,330,000		112,635,000		143,811,000
20	May	3,203,462,000	47,881,000	819,472,000		1,642,165,000		113,471,000		147,922,000
21	June	3,220,892,000	48,167,000	823,512,000		1,650,087,000		114,315,000		146,196,000
22	July	3,238,363,000	48,453,000	827,562,000		1,658,106,000		115,166,000		150,398,000
23	August	3,255,851,000	48,739,000	831,650,000		1,666,217,000		116,212,000		154,690,000
24	September	3,273,513,000	49,025,000	835,752,000		1,674,418,000		117,264,000		155,694,000
25	October	3,291,188,000	49,311,000	839,866,000		1,682,716,000		118,322,000		160,114,000
26	November	3,308,749,000	49,596,000	844,006,000		1,691,112,000		119,385,000		164,623,000
27	December of Rate Year	3,326,323,000	49,882,000	848,223,000		1,699,605,000		120,455,000		158,333,000
28	Average of the 13 Monthly Balances	3,221,162,000	48,167,000	823,657,000	-	1,650,763,000	-	114,583,000	-	149,088,000

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b)	OATT Ancillary Services (GSU) Accumulated Depreciation (c)	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumulated Depreciation (e)
	(Note A)	Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (b) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year	82,616,000	24,487,000		
30	January	82,616,000	24,664,000		
31	February	82,616,000	24,841,000		
32	March	82,616,000	25,018,000		
33	April	82,616,000	25,195,000		
34	May	82,616,000	25,372,000		
35	June	82,616,000	25,549,000		
36	July	82,616,000	25,726,000		
37	August	82,616,000	25,903,000		
38	September	82,616,000	26,080,000		
39	October	82,616,000	26,257,000		
40	November	82,616,000	26,434,000		
41	December of Rate Year	82,616,000	26,611,000		
42	Average of the 13 Monthly Balances	82,616,000	25,549,000	-	-

43 Transmission Accum Depreciation net of GSU

798,108,000

Plant Held For Future Use

	(a)	Source of Data (b)	Balance @ December 31, 2022 (c)	Balance @ December 31, 2021 (d)	Average Balance for 2022 (e)
44	Plant Held For Future Use	FF1, page 214, In 47, Col. (d)	3,145,000	3,145,000	3,145,000
45	Transmission Plant Held For Future Use (Included in total on line 44)	Company Records - Note 1	1,573,000	1,573,000	1,573,000

Regulatory Assets and Liabilities Approved for Recovery in Ratebase

Note: Regulatory Assets & Liabilities can only be included in ratebase pursuant to a 205 filing with the FERC.

46		-	-
47		-	-
48		-	-
49		-	-
50		-	-
51	Total Regulatory Deferrals Included in Ratebase	-	-

Unfunded Reserves Summary (Company Records)

	Description	Account			
52					
53a	Accum Prv I/D Worker's Com	2282003	252,000	252,000	252,000
53b	Accm Prv I/D - Asbestos - Curr	2282011	576,000	576,000	576,000
53c	Accm Prv I/D - Asbestos	2282012	5,493,000	5,493,000	5,493,000
54	Total		6,321,000	6,321,000	6,321,000

NOTE 1: On this worksheet, "Company Records" refers to AEP's property accounting ledger.

NOTE 2: The ratebase should not include the unamortized balance of hedging gains or losses.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
Appalachian Power Company

Line Number	(A) Description	(B) Source	(C) Balance @ December 31, 2022	(D) Balance @ December 31, 2021	(E) Average Balance for 2022
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)	249,211,000	247,986,000	248,598,500
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)	-	-	-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)	249,211,000	247,986,000	248,598,500
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)	2,026,553,000	2,010,793,000	2,018,673,000
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	11,324,000	11,324,000	11,324,000
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	1,398,705,000	1,385,162,000	1,391,933,500
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	616,524,000	614,307,000	615,415,500
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)	207,970,000	207,329,000	207,649,500
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	6,249,000	6,249,000	6,249,000
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	167,965,000	167,420,000	167,692,500
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	33,756,000	33,660,000	33,708,000
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)	270,439,000	270,709,000	270,574,000
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	65,743,000	65,743,000	65,743,000
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	152,420,000	152,638,000	152,529,000
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	52,276,000	52,328,000	52,302,000
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)	3,305,000	307,000	1,806,000
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	-	-	-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	3,305,000	307,000	1,806,000
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)	7,000	7,000	7,000

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PTRR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(l)-(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.

NOTE 2 ADIT balances should exclude balances related to hedging activity.

(DEBIT) CREDIT

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
		PER BOOKS	NON-APPLICABLE/NON-UTILITY		AVERAGE	FUNCTIONALIZATION AVERAGE				FUNCTIONALIZATION 12/31/2021				FUNCTIONALIZATION 12/31/2022	
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2021	BALANCE AS OF 12-31-2022	BALANCE AS OF 12-31-2021	BALANCE AS OF 12-31-2022	UTILITY (B+C+D+E)/2	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1.00	ACCOUNT 281:														
2.02		0	0			0	0	0	0	-			-		
2.03				0	0	0									
2.04		0	0	0	0	0									
2.05		0	0	0	0	0									
2.06		0	0	0	0	0									
3	TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ACCOUNT 282:														
5.01		0	0			0	0	0	0	-					
5.02		0	0			0	0	0	0						
5.03		0	0			0	0	0	0						
5.04		0	0			0	0	0	0						
5.05		0	0			0	0	0	0						
5.06		0	0			0	0	0	0						
5.07		0	0			0	0	0	0						
5.08		0	0			0	0	0	0						
5.09		0	0			0	0	0	0						
5.10		0	0			0	0	0	0						
5.37		0	0			0	0	0	0						
5.38		0	0			0	0	0	0						
5.39				0	0	0	0	0	0						
5.40				0	0	0	0	0	0						
5.41				0	0	0	0	0	0						
6	TOTAL ACCOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:														
9.01		0	0			0	0	0	0						
9.02		0	0			0	0	0	0						
9.03		0	0			0	0	0	0						
9.04		0	0			0	0	0	0						
9.05		0	0			0	0	0	0						
9.06		0	0			0	0	0	0						
9.07		0	0			0	0	0	0						
9.08		0	0			0	0	0	0						
9.09		0	0			0	0	0	0						
9.10		0	0			0	0	0	0						
9.93		0	0			0	0	0	0						
9.94				0	0	0	0	0	0						
9.95				0	0	0	0	0	0						
9.96				0	0	0	0	0	0						
9.97				0	0	0	0	0	0						
9.98				0	0	0	0	0	0						
9.99				0	0	0	0	0	0						
10		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	DEFD STATE INCOME TAXES	0		0	0	0	0	0	0						
11.01				0	0	0									
12	TOTAL ACCOUNT 283	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	ACCOUNT 283 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	JURISDICTIONAL AMOUNTS FUNCTIONALIZED														
15	TOTAL COMPANY AMOUNTS FUNCTIONALIZED														
16	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT														
17	NOTE: POST 1970 ACCUMULATED DEFERRED														
18	INV TAX CRED. (JDTIC) IN AC 255														
18.01		0	0			0	0	0	0						
18.02		0	0			0	0	0	0						
19															
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Appalachian Power Company
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190 - Actual Cycle Only
PERIOD ENDED DECEMBER 31, 2022

DEBIT (CREDIT)

COLUMN A	COLUMN B		COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G			COLUMN H	COLUMN I	COLUMN J			COLUMN K	COLUMN L	COLUMN M			COLUMN N	COLUMN O
	PER BOOKS						FUNCTIONALIZATION AVERAGE					FUNCTIONALIZATION 12/31/2021					FUNCTIONALIZATION 12/31/2022				
	BALANCE AS OF 12-31-2021	BALANCE AS OF 12-31-2022					GENERATION	TRANSMISSION	DISTRIBUTION			GENERATION	TRANSMISSION	DISTRIBUTION			GENERATION	TRANSMISSION	DISTRIBUTION		
1 ACCOUNT 190:																					
2.01	0	0				0	0	0	0												
2.02	0	0				0	0	0	0												
2.03	0	0				0	0	0	0												
2.04	0	0				0	0	0	0												
2.05	0	0				0	0	0	0												
2.06	0	0				0	0	0	0												
2.07	0	0				0	0	0	0												
2.08	0	0				0	0	0	0												
2.09	0	0				0	0	0	0												
2.10	0	0				0	0	0	0												
2.11	0	0				0	0	0	0												
2.12	0	0				0	0	0	0												
2.13	0	0				0	0	0	0												
2.14	0	0				0	0	0	0												
2.15	0	0				0	0	0	0												
2.16	0	0				0	0	0	0												
2.17	0	0				0	0	0	0												
2.18	0	0				0	0	0	0												
2.19	0	0				0	0	0	0												
2.20	0	0				0	0	0	0												
2.21	0	0				0	0	0	0												
2.22	0	0				0	0	0	0												
2.23	0	0				0	0	0	0												
2.24	0	0				0	0	0	0												
2.25	0	0				0	0	0	0												
2.26	0	0				0	0	0	0												
2.27	0	0				0	0	0	0												
2.28	0	0				0	0	0	0												
2.29	0	0				0	0	0	0												
2.30	0	0				0	0	0	0												
2.31	0	0				0	0	0	0												
3 TOTAL ACCOUNT 190	0	0		0	0	0	0	0	0			0	0	0			0	0	0		
4 ACCOUNT 190 - ARO-Related Deferrals	0	0		0	0	0	0	0	0			0	0	0			0	0	0		

APPALACHIAN POWER COMPANY, INC.

Worksheet B-3

Excess/ Deficient ADIT Worksheet for Total Company and Functional Balances

For Year Ended December 31, 2022

Debit/(Credit)

A	B	C	D	E
TOTAL COMPANY BALANCES				
Line No.	Account (NOTE A)	Description of Account	Unprotected	Change Act

Deferred Tax Account (NOTE B)

1a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017
1b	2811001	ADFIT - Accel Amortization Property	Protected	TCJA 2017
1c	2814001	ADFIT - Accel Amort FAS 109 Excess	Protected	TCJA 2017
1d	2821001	ADFIT - Utility Property	Protected	TCJA 2017
1e	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017
1f	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017
1g	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017
1h	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017
1i	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017

NOTE E

Regulatory Deferral Accounts

2a	182.3	Regulatory Asset		TCJA 2017
2b	254	Regulatory Liability		TCJA 2017

NOTE E

3 Total For Accounting Entires (Sum of Lines 1a through 2b)

TRANSMISSION FUNCTION BALANCES

Deferred Tax Account (NOTE B)

4a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017
4b	2821001	ADFIT - Utility Property	Protected	TCJA 2017
4c	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017
4d	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017
4e	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017
4f	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017
4g	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017

NOTE E

Regulatory Deferral Accounts

5a	182.3	Regulatory Asset		TCJA 2017
5b	254	Regulatory Liability		TCJA 2017

NOTE E

6 Total For Accounting Entires (Sum of Lines 4a through 5b)

GENERAL NOTE: ADIT Tax balances provided in the formula presented in Attachment H-14B are maintained on both a total company and transmission functional summary. The information for excess and deficient ADIT is also presented for both total company and the transmission functional summary.

NOTE A: In order to ensure ratebase neutrality, AEP utilizes the fourth digit of its seven digit FERC Tax subaccount number. The fourth digit of a FERC tax account refers to the utility operations balances or activity. Accounts with the "1" in the fourth position of the account number indicates accounts used to track regulatory accounting requirements balance, which will ensure that in the formula rate the excess or deficiency amounts will be part of ratebase, but the amounts recorded in the "4" accounts will be offset on a net basis in the regulatory asset or liability subaccount.

NOTE B: The amount of the FIT gross up to be recorded on regulatory assets and liabilities will be reported on the first line of the FIT gross up calculation.

NOTE C: The amounts of the remeasurement shown here are as of the effective date of the change in tax rates and will be reported on the first line of the FIT gross up calculation.

NOTE D: The ten year amortization period for unprotected excess ADIT is consistent with the period agreed upon by the *Company, et al, 166 FERC ¶ 61,135 (2019)*.

NOTE E: In the event of future tax rate changes, additional lines will be inserted in both the Total Company and Transmission Functional Summary that may be necessary to track that tax rate change.

NOTE F: The amount of excess amortization entries shown in lines 1a through 1j and 4a through 4h are shown as a debit and 6 is the offset recorded to the 410/411 account and will tie to the total company and transmission functional summary.

F	G	H	1/1/2022 Beginning Balances	
Remeasurement	Methodology	Period	Regulatory Offset	Utility Deferrals
(115,991,956) ARAM	Life of Asset			
(568,878,716) ARAM	Life of Asset			
(230,625,401) 10 Years	1/2018 - 12/2027			
(12,804,071) 10 Years	1/2018 - 12/2027			
			0	-
(185,402,169) ARAM	Life of Asset			
(29,860,604) 10 Years	1/2018 - 12/2027			
18,056,743 10 Years	1/2018 - 12/2027			
			0	-

generation company and transmission functional basis. Because both sets of numbers are presented in the worksheet, Account 281 only applies to the generation function, so is not presented in the

numbers to identify balances associated with utility operations vs regulatory reporting requirements. A "1" in the "4" designation will be included in the determination of ratebase to be recovered in the formula rate. A "4" designation will be contra to the "1" designation. The excess ADIT amounts recorded in accounts with the "4" designation will be contra to the "1" designation. At the total FERC account level the tax liability or asset will be recorded at the current Federal FIT rate. The amount established for this purpose.

of ADIT accounts provided for each specific change in tax rates.

remain static on this workpaper.

Company and its customers and approved for the Company's PJM formula rates. *Appalachian Power*

transmission functional sections above as required to reflect any new ADIT or regulatory deferral accounts

debit or credit to the ADIT account from which it is being amortized. The total in line 3 of the cost of al amounts of excess or deficient ADIT amortization shown on line 119 of the cost of

Q	R
Ending Balance	
Deferrals	Reference
Cols (I) - (O)	
	WS B - 2 Col B/C, ADIT item 2.91
-	
	WS B - 1, Col B/C, ADIT Item 2.06
-	
-	WS B - 1 Cols M+N+O , ADIT Item 5.47
	WS B - 1 Col B/C, ADIT Item 5.50
-	WS B - 1 Col C, Items 10.04
	WS B - 1 Col C/D, Item 10.07

Company Records

FERC Form 1 p. 278 Ln. 3 Cols, (b) /(f)

-

Cols (I) - (O)	
	Company Records
-	WS B-1, Col N, ADIT 5.47
-	
	Company Records
-	WS B-1, Col N, item 10.04
	Company Records

Company Records

Company Records

-

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
Appalachian Power Company

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source	Balance @ December 31, 2022	Balance @ December 31, 2021	Average Balance for 2022				
1								
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	68,000	68,000	68,000			
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	298,000	298,000	298,000			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, In 16, Col. (c) & (b)			-			

Prepayment Balance Summary (Note 1)

	Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)
5						
6	Totals as of December 31, 2022	423,000	(260,601,000)	0	299,000	260,725,000
7	Totals as of December 31, 2021	10,418,000	(255,158,000)		7,349,000	258,227,000
8	Average Balance	5,420,500	(257,879,500)	-	3,824,000	259,476,000

Prepayments Account 165 - Balance @ 12/31/2022

	Acc. No.	Description	2022 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
9									
10	1650001	Prepaid Insurance	136,000	-		136,000		136,000	Plant Related Insurance Policies
11	165000218	Prepaid Taxes	0	-				-	
12	165000219	Prepaid Taxes	0	-		-		-	Prepayed Taxes - Dist
13	165000220	Prepaid Taxes	83,000	83,000				-	Prepayed Taxes
14	1650004	Prepaid Interest	1,000	1,000				-	Prepaid Interest
15	1650006	Other Prepayments	33,000	33,000				-	Other prepayments - Gen
16	1650009	Prepaid Carry Cost-Factored AR	6,000	6,000				-	AR Factoring
17	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
18	1650010	Prepaid Pension	135,684,000	-			135,684,000	135,684,000	Prefunded Pension Exp
19	1650014	FAS 158 Qual Contra Asset	(135,684,000)	(135,684,000)				-	SFAS 158 Offset
20	165001220	Prepaid Use Taxes	1,000	1,000				-	Prepaid Use Taxes Gen
21	1650016	FAS 112 ASSETS	0	-				-	
22	1650021	Prepaid Insurance - EIS	151,000	-		151,000		151,000	Prepaid Insurance EIS
23	1650023	Prepaid Lease	12,000	-		12,000		12,000	Prepaid Lease
24	1650031	Prepaid OCIP Work Comp	0	-				-	
25	1650032	Prepaid OCIP Work Comp LT	0	-				-	
26	1650033	Prepaid OCIP Work Comp - Aff	0	-				-	
27	1650034	PPD OCIP Work Comp LT - Aff	0	-				-	
28	1650035	PRW Without MED-D Benefits	125,041,000	-			125,041,000	125,041,000	Pension Benefits - All functions
29	1650036	PRW for Med-D Benefits	0	-				-	
30	1650037	FAS158 Contra-PRW Exclud Med-D	(125,041,000)	(125,041,000)				-	SFAS 158 Offset
31									
32									
33		Subtotal - Form 1, p 111.57.c	423,000	(260,601,000)	0	299,000	260,725,000	261,024,000	

Prepayments Account 165 - Balance @ 12/31/2021

	Acc. No.	Description	2021 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
34									
35	1650001	Prepaid Insurance	3,348,000	-		3,348,000		3,348,000	Plant Related Insurance Policies
36	165000218	Prepaid Taxes	0	-				-	
37	165000219	Prepaid Taxes	0	-		-		-	Prepayed Taxes - Dist
38	165000220	Prepaid Taxes	2,051,000	2,051,000				-	Prepayed Taxes
39	1650004	Prepaid Interest	34,000	34,000				-	Prepaid Interest
40	1650006	Other Prepayments	815,000	815,000				-	Other prepayments - Gen
41	1650009	Prepaid Carry Cost-Factored AR	147,000	147,000				-	AR Factoring
42	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
43	1650010	Prepaid Pension	147,178,000	-			147,178,000	147,178,000	Prefunded Pension Exp
44	1650014	FAS 158 Qual Contra Asset	(147,178,000)	(147,178,000)				-	SFAS 158 Offset
45	165001220	Prepaid Use Taxes	22,000	22,000				-	Prepaid Use Taxes Gen
46	1650016	FAS 112 ASSETS	0	-				-	
47	1650021	Prepaid Insurance - EIS	3,711,000	-		3,711,000		3,711,000	Prepaid Insurance EIS
48	1650023	Prepaid Lease	290,000	-		290,000		290,000	Prepaid Lease
49	1650031	Prepaid OCIP Work Comp	0	-				-	
50	1650032	Prepaid OCIP Work Comp LT	0	-				-	
51	1650033	Prepaid OCIP Work Comp - Aff	0	-				-	
52	1650034	PPD OCIP Work Comp LT - Aff	0	-				-	
53	1650035	PRW Without MED-D Benefits	111,049,000	-			111,049,000	111,049,000	Pension Benefits - All functions
54	1650036	PRW for Med-D Benefits	0	-				-	
55	1650037	FAS158 Contra-PRW Exclud Med-D	(111,049,000)	(111,049,000)				-	SFAS 158 Offset
56									
57									
58		Subtotal - Form 1, p 111.57.d	10,418,000	(255,158,000)		7,349,000	258,227,000	265,576,000	

Note 1: Prepayment Balance will not include: (i) federal and state income tax payments made to offset additional tax liabilities resulting (or expected to result) from prior federal or state audits or from the filing of one or more amended income tax returns; (ii) outstanding income tax refunds due to the company resulting (or expected to result) from prior federal or state audits or from the filing of one or more amended income tax returns; or (iii) prepayments of federal or state income taxes which are attributable to income earned during periods prior to January 1 of the year depicted in the Balance Sheet (as described in USdA Account 236).

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet D Supporting IPP Credits
Appalachian Power Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2022</u>
1	Net Funds from IPP Customers 12/31/2021 (2022 FORM 1, P269)	(3,200,000)
2	Interest Accrual (Company Records - Note 1)	(133,000)
3	Revenue Credits to Generators (Company Records - Note 1)	0
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	0
6		-
7	Net Funds from IPP Customers 12/31/2022 (2022 FORM 1, P269)	(3,333,000)
8	Average Balance for Year as Indicated in Column B ((ln 1 + ln 7)/2)	(3,266,500)
Note 1 On this worksheet Company Records refers to Appalachian Power Company's general ledger.		

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet E Supporting Revenue Credits
Appalachian Power Company

<u>Line Number</u>	<u>Description</u>	<u>Total Company</u>	<u>Non- Transmission</u>	<u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)	5,610,000	5,610,000	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	2,144,000	1,771,000	373,000
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	22,535,000	19,623,000	2,912,000
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)	9,749,000	6,782,000	2,967,000
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	166,439,000	166,439,000	-
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)		-	
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)		-	
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	206,477,000	200,225,000	6,252,000
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	206,477,000	200,225,000	6,252,000

Note 1 The total company data on this worksheet comes from the indicated FF1 source, or Appalachian Power Company's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.

Note 2 The total of line 4 and line 5 will equal total Account 456 as listed on FF1 p.300.21-22.(b)

9 Facility Credits under PJM OATT Section 30.9

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AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
Appalachian Power Company

<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Item No.</u>	<u>(B)</u> <u>Description</u>	<u>(C)</u> <u>2022</u> <u>Expense</u>	<u>(D)</u> <u>100%</u> <u>Non-Transmission</u>	<u>(E)</u> <u>100%</u> <u>Transmission</u> <u>Specific</u>	<u>(F)</u> <u>Explanation</u>
<u>Regulatory O&M Deferrals & Amortizations</u>						
1	5660007	Virginia T-RAC UnderRecovery	2,119,000			
2						
3						
4		Total	2,119,000			
<u>Detail of Account 561 Per FERC Form 1</u>						
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	-			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	2,153,000			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	-			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	5,889,000			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	579,000			
11	FF1 p 321.90.b	561.6 - Transmission Service Studies	-			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	-			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services	1,710,000			
14		Total of Account 561	10,331,000			
<u>Account 928</u>						
15	9280000	Regulatory Commission Exp	-	-	-	
16	9280001	Regulatory Commission Exp-Adm	11,000	11,000	-	
17	9280002	Regulatory Commission Exp-Case	29,000	29,000	-	
18	9280003	Rate Case Amort	1,000	1,000	-	
19	9280005	Reg Com Exp-FERC Trans Cases	1,000	-	1,000	
20		Total (FERC Form 1 p.323.189.b)	42,000	41,000	1,000	
<u>Account 930.1</u>						
21	9301000	General Advertising Expenses	350,000	350,000	-	
22	9301001	Newspaper Advertising Space	19,000	19,000	-	
23	9301002	Radio Station Advertising Time	7,000	7,000	-	
24	9301003	TV Station Advertising Time	3,000	3,000	-	
25	9301004	Newspaper Advertising Prod Exp	-	-	-	
26	9301005	Radio &TV Advertising Prod Exp	-	-	-	
27	9301006	Spec Corporate Comm Info Proj	-	-	-	
28	9301007	Special Adv Space & Prod Exp	8,000	8,000	-	
29	9301008	Direct Mail and Handouts	-	-	-	
30	9301009	Fairs, Shows, and Exhibits	-	-	-	
31	9301010	Publicity	1,000	1,000	-	
32	9301011	Dedications, Tours, & Openings	-	-	-	
33	9301012	Public Opinion Surveys	49,000	49,000	-	
34	9301013	Movies Slide Films & Speeches	-	-	-	
35	9301014	Video Communications	2,000	2,000	-	
36	9301015	Other Corporate Comm Exp	51,000	51,000	-	
37		Total (FERC Form 1 p.323.191.b)	490,000	490,000	-	
<u>Account 930.2</u>						
38	9302000	Misc General Expenses	1,050,000	1,050,000	-	
39	9302003	Corporate & Fiscal Expenses	142,000	142,000	-	
40	9302004	Research, Develop&Demonstr Exp	-	-	-	
41	9302006	Assoc Business Development Materials Sold	92,000	92,000	-	
42	9302007	Assoc Business Development Exp	6,719,000	3,729,000	2,990,000	
43		Total (FERC Form 1 p.323.192.b)	8,003,000	5,013,000	2,990,000	

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet G Supporting - Development of Composite State Income Tax Rate
Appalachian Power Company

Tennessee Income Tax Rate	6.50%	
Apportionment Factor - Note 2	2.38%	
Effective State Tax Rate		0.15%
West Virginia Net Income Tax Rate	6.50%	
Apportionment Factor - Note 2	41.70%	
Effective State Tax Rate		2.71%
Virginia Income Tax Rate	6.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Ohio Franchise Tax Rate	0.00%	
Phase-out Factor Note 1	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Michigan Business Income Tax Rate	6.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Illinois Corporation Income Tax Rate	9.50%	
Apportionment Factor - Note 2	0.30%	
Effective State Tax Rate		0.03%
Kentucky Corporation Income Tax Rate	5.00%	
Apportionment Factor - Note 2	0.10%	
Effective State Tax Rate		0.01%
Total Effective State Income Tax Rate		<u>2.90%</u>

Note 1 Apportionment Factors are determined as part of the Company's annual tax return for that jurisdiction.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H Supporting Taxes Other than Income
Appalachian Power Company

Line No.	(A) Account	(B) Total Company NOTE 1	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes					
2	Gross Receipts Tax	62,000				62,000
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	58,828,000	58,828,000			
5	Real and Personal Property - Virginia	29,536,000	29,536,000			
6	Real and Personal Property - Tennessee	1,565,000	1,565,000			
7	Real and Personal Property - Other Jurisdictions	2,814,000	2,814,000			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	8,314,000		8,314,000		
10	Federal Unemployment Tax	18,000		18,000		
11	State Unemployment Insurance	89,000		89,000		
12	Production Taxes					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	49,962,000				49,962,000
16	State Public Service Commission Fees	4,733,000			4,733,000	
17	State Franchise Taxes	274,000			274,000	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	10,430,000			10,430,000	
20	Sales & Use	(4,000)				(4,000)
21	Federal Excise Tax	-				-
22	CR Audit	-				-
23						
24	Total Taxes by Allocable Basis	166,621,000	92,743,000	8,421,000	15,437,000	50,020,000

(Total Company Amount Ties to FFI p.114, Ln 14,(c))

NOTE 1: The detail of each total company number and its source in the FERC Form 1 is shown on WS H-1.

Functional Property Tax Allocation

	Production	Transmission	Distribution	General	Total
25 Functionalized Net Plant (TCOS, Lns 41 thru 46)	3,432,829,000	3,542,416,000	3,307,739,000	338,486,000	10,621,470,000
VIRGINIA JURISDICTION					
26 Percentage of Plant in VIRGINIA JURISDICTION	8.20%	58.31%	55.61%	54.55%	
27 Net Plant in VIRGINIA JURISDICTION (Ln 25 * Ln 26)	281,566,503	2,065,562,661	1,839,409,190	184,644,160	4,371,182,515
28 Less: Net Value of Exempted Generation Plant	42,267,753				
29 Taxable Property Basis (Ln 27 - Ln 28)	239,298,750	2,065,562,661	1,839,409,190	184,644,160	4,328,914,762
30 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
31 Weighted Net Plant (Ln 29 * Ln 30)	239,298,750	2,065,562,661	1,839,409,190	184,644,160	
32 General Plant Allocator (Ln 31 / (Total - General Plant))	5.77%	49.84%	44.38%	-100.00%	
33 Functionalized General Plant (Ln 32 * General Plant)	10,661,735	92,029,242	81,953,183	(184,644,160)	-
34 Weighted VIRGINIA JURISDICTION Plant (Ln 31 + 33)	249,960,485	2,157,591,904	1,921,362,373	0	4,328,914,762
35 Functional Percentage (Ln 34/Total Ln 34)	5.77%	49.84%	44.38%		
WEST VA JURISDICTION					
36 Percentage of Plant in WEST VA JURISDICTION	90.07%	39.33%	44.39%	45.31%	
37 Net Plant in WEST VA JURISDICTION (Ln 25 * Ln 36)	3,091,907,537	1,393,114,067	1,468,295,558	153,370,972	6,106,688,135
38 Less: Net Value of Exempted Generation Plant	1,839,121,095				
39 Taxable Property Basis (Ln 37 - Ln 38)	1,252,786,442	1,393,114,067	1,468,295,558	153,370,972	4,267,567,040
40 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
41 Weighted Net Plant (Ln 39 * Ln 40)	1,252,786,442	1,393,114,067	1,468,295,558	153,370,972	
42 General Plant Allocator (Ln 41 / (Total - General Plant))	30.45%	33.86%	35.69%	-100.00%	
43 Functionalized General Plant (Ln 42 * General Plant)	46,701,973	51,933,174	54,735,825	(153,370,972)	-
44 Weighted WEST VA JURISDICTION Plant (Ln 41 + 43)	1,299,488,415	1,445,047,241	1,523,031,383	0	4,267,567,040
45 Functional Percentage (Ln 44/Total Ln 44)	30.45%	33.86%	35.69%		
TENNESSEE JURISDICTION					
46 Net Plant in TENNESSEE JURISDICTION (Ln 25 - Ln 27 - Ln 37)	59,354,960	83,739,271	34,252	470,867	143,599,350
47 Less: Net Value Exempted Generation Plant					
48 Taxable Property Basis	59,354,960	83,739,271	34,252	470,867	143,599,350
49 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
50 Weighted Net Plant (Ln 48 * Ln 49)	59,354,960	83,739,271	34,252	470,867	
51 General Plant Allocator (Ln 50 / (Total - General Plant))	41.47%	58.51%	0.02%	-100.00%	
52 Functionalized General Plant (Ln 52 * General Plant)	195,267	275,487	113	(470,867)	
53 Weighted TENNESSEE JURISDICTION Plant (Ln 50 + 52)	59,550,227	84,014,758	34,365	0	143,599,350
54 Functional Percentage (Ln 53/Total Ln 53)	41.47%	58.51%	0.02%		

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
Appalachian Power Company

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
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Revenue Taxes

Gross Receipts Tax

62,000

62,000

Line No.	(A) Real Estate and Personal Property Tax Detail Annual Tax Expenses by Type (Note 1)	(B) Tax Year	(C) Total Company	(D) FERC FORM 1 Tie-Back	(E) FERC FORM 1 Reference	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
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Real Estate and Personal Property Taxes Total
(Ln 4 + Ln 5 + Ln 6 + Ln 7)

92,743,000

36,292,208

Real and Personal Property - West Virginia

2021

58,828,000

58,828,000

33.86%

19,919,837

Real and Personal Property - Virginia

2021

29,536,000

29,536,000

49.84%

14,721,157

Real and Personal Property - Tennessee

2021

1,565,000

1,565,000

58.51%

915,625

Real and Personal Property - Other Jurisdictions

2021

2,814,000

2,814,000

26.14%

735,590

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
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Payroll Taxes

Federal Insurance Contribution (FICA)

8,314,000

8,314,000

Federal Unemployment Tax

18,000

18,000

State Unemployment Insurance

89,000

89,000

Production Taxes

State Severance Taxes

-

Miscellaneous Taxes

State Business & Occupation Tax

49,962,000

49,962,000

State Public Service Commission Fees

4,733,000

4,733,000

State Franchise Taxes

274,000

274,000

State Lic/Registration Fee

-

Misc. State and Local Tax

10,430,000

10,430,000

Sales & Use

(4,000)

(4,000)

Federal Excise Tax

-

CR Audit

-

Total Taxes by Allocable Basis
(Total Company Amount Ties to FFI p.114, Ln 14.(c))

166,621,000 166,621,000

Note 1: The taxes assessed on each operating company can differ from year to year and between operating companies by both the type of taxes and the states in which they were assessed. Therefore, for each company, the types and jurisdictions of tax expense recorded on this page could differ from the same page in the same company's prior year template or from this page in other operating companies' current year templates. For each update, this sheet will be revised to ensure that the total activity recorded hereon equals the total reported in account 408.1 on P. 114, Ln 14.(c) of the Ferc Form 1.

Note 2: The transmission functional amounts for any Real Estate and Property taxes listed on pages 263 of the FERC Form 1 will be allocated using the transmission functional allocator calculated for each state in Worksheet H of the applicable year that the taxes were assessed. Real and Personal Property - Other Jurisdictions will be allocated using the Gross Plant Allocator from the applicable year.

AEP East Companies
Cost of Service Formula Rate Using 2022 FF1 Balances
Worksheet I RESERVED FOR FUTURE USE
Appalachian Power Company

AEP East Companies
Cost of Service Formula Rate Using 2022 FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
Appalachian Power Company

Page 1 of 15

I. Calculate Return and Income Taxes with basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical basis point increase in ROE for Identified Projects

ROE w/o incentives (TCOS, ln 156)				10.35%
Project ROE Incentive Adder				
ROE with additional basis point incentive				10.35%
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156)				
		Cost	Weighted cost	
Long Term Debt	51.44%	4.36%	2.244%	
Preferred Stock	0.00%	0.00%	0.000%	
Common Stock	48.56%	10.35%	5.026%	
		R =	7.270%	

B. Determine Return using 'R' with hypothetical basis point ROE increase for Identified Projects.

Rate Base (TCOS, ln 68)	2,973,559,110
R (from A. above)	7.270%
Return (Rate Base x R)	216,177,076

C. Determine Income Taxes using Return with hypothetical basis point ROE increase for Identified Projects.

Return (from B. above)	216,177,076
Effective Tax Rate (TCOS, ln 114)	20.99%
Income Tax Calculation (Return x CIT)	45,375,148
ITC Adjustment	(4,089)
Excess Deferred Income Tax	(4,169,002)
Tax Affect of Permanent Differences	2,695,903
Income Taxes	43,897,959

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS				
PROJECTED YEAR	2022	Rev Require	W Incentives	Incentive Amounts
		26,695,952	26,695,952	\$ -

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical basis point ROE increase.

A. Determine Annual Revenue Requirement less return and Income Taxes.

Annual Revenue Requirement (TCOS, ln 1)	457,333,005
Lease Payments (TCOS, ln 95)	-
Return (TCOS, ln 126)	216,177,076
Income Taxes (TCOS, ln 125)	43,897,959
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	197,257,969

B. Determine Annual Revenue Requirement with hypothetical basis point increase in ROE.

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	197,257,969
Return (from I.B. above)	216,177,076
Income Taxes (from I.C. above)	43,897,959
Annual Revenue Requirement, with Basis Point ROE increase	457,333,005
Depreciation (TCOS, ln 100)	94,168,482
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation	363,164,522

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (TCOS, ln 42)	3,485,349,000
Annual Revenue Requirement, with Basis Point ROE increase	457,333,005
FCR with Basis Point increase in ROE	13.12%
Annual Rev. Req, w / Basis Point ROE increase, less Dep.	363,164,522
FCR with Basis Point ROE increase, less Depreciation	10.42%
FCR less Depreciation (TCOS, ln 10)	10.42%
Incremental FCR with Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2022 (TCOS, ln 21)	4,283,457,000
Annual Depreciation and Amortization Expense (TCOS, ln 100)	94,168,482
Composite Depreciation Rate	2.20%
Depreciable Life for Composite Depreciation Rate	45.49
Round to nearest whole year	45

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b0318 (Amos 765/138 kV Transformer)

Current Projected Year ARR	1,296,229
Current Projected Year ARR w/ Incentive	1,296,229
Current Projected Year Incentive ARR	-

Details	Current Year	2022
Investment	13,789,272	-
Service Year (yyy)	2008	-
Service Month (1-12)	6	10.42%
Useful life	45	10.42%
CIAC (Yes or No)	No	306,428

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req'd. w/o Incentives	RTEP Rev. Req'd. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req'd. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req'd. From Prior Year Template with Incentives **		
2008	13,789,272	153,214	13,636,057	1,582,039	1,582,039	\$ -	\$ 1,124,469	\$ 1,124,469		
2009	13,636,057	306,428	13,329,629	1,711,306	1,711,306	\$ -	\$ 2,027,403	\$ 2,027,403		
2010	13,329,629	306,428	13,023,201	1,679,377	1,679,377	\$ -	\$ 2,050,107	\$ 2,050,107		
2011	13,023,201	306,428	12,716,773	1,647,448	1,647,448	\$ -	\$ 1,906,118	\$ 1,906,118		
2012	12,716,773	306,428	12,410,344	1,615,519	1,615,519	\$ -	\$ 1,915,150	\$ 1,915,150		
2013	12,410,344	306,428	12,103,916	1,583,590	1,583,590	\$ -	\$ 1,778,172	\$ 1,778,172		
2014	12,103,916	306,428	11,797,488	1,551,661	1,551,661	\$ -	\$ 1,790,894	\$ 1,790,894		
2015	11,797,488	306,428	11,491,060	1,519,732	1,519,732	\$ -	\$ 1,719,834	\$ 1,719,834		
2016	11,491,060	306,428	11,184,631	1,487,803	1,487,803	\$ -	\$ 1,790,894	\$ 1,790,894		
2017	11,184,631	306,428	10,878,203	1,455,874	1,455,874	\$ -	\$ 1,501,804	\$ 1,501,804		
2018	10,878,203	306,428	10,571,775	1,423,945	1,423,945	\$ -	\$ 1,444,940	\$ 1,444,940		
2019	10,571,775	306,428	10,265,347	1,392,016	1,392,016	\$ -	\$ 1,375,796	\$ 1,375,796		
2020	10,265,347	306,428	9,958,918	1,360,087	1,360,087	\$ -	\$ 1,322,366	\$ 1,322,366		
2021	9,958,918	306,428	9,652,490	1,328,158	1,328,158	\$ -				
2022	9,652,490	306,428	9,346,062	1,296,229	1,296,229	\$ -				
2023	9,346,062	306,428	9,039,634	1,264,300	1,264,300	\$ -				
2024	9,039,634	306,428	8,733,205	1,232,371	1,232,371	\$ -				
2025	8,733,205	306,428	8,426,777	1,200,442	1,200,442	\$ -				
2026	8,426,777	306,428	8,120,349	1,168,513	1,168,513	\$ -				
2027	8,120,349	306,428	7,813,921	1,136,583	1,136,583	\$ -				
2028	7,813,921	306,428	7,507,492	1,104,654	1,104,654	\$ -				
2029	7,507,492	306,428	7,201,064	1,072,725	1,072,725	\$ -				
2030	7,201,064	306,428	6,894,636	1,040,796	1,040,796	\$ -				
2031	6,894,636	306,428	6,588,208	1,008,867	1,008,867	\$ -				
2032	6,588,208	306,428	6,281,779	976,938	976,938	\$ -				
2033	6,281,779	306,428	5,975,351	945,009	945,009	\$ -				
2034	5,975,351	306,428	5,668,923	913,080	913,080	\$ -				
2035	5,668,923	306,428	5,362,494	881,151	881,151	\$ -				
2036	5,362,494	306,428	5,056,066	849,222	849,222	\$ -				
2037	5,056,066	306,428	4,749,638	817,293	817,293	\$ -				
2038	4,749,638	306,428	4,443,210	785,364	785,364	\$ -				
2039	4,443,210	306,428	4,136,781	753,435	753,435	\$ -				
2040	4,136,781	306,428	3,830,353	721,506	721,506	\$ -				
2041	3,830,353	306,428	3,523,925	689,577	689,577	\$ -				
2042	3,523,925	306,428	3,217,497	657,648	657,648	\$ -				
2043	3,217,497	306,428	2,911,068	625,719	625,719	\$ -				
2044	2,911,068	306,428	2,604,640	593,790	593,790	\$ -				
2045	2,604,640	306,428	2,298,212	561,861	561,861	\$ -				
2046	2,298,212	306,428	1,991,784	529,932	529,932	\$ -				
2047	1,991,784	306,428	1,685,355	498,003	498,003	\$ -				
2048	1,685,355	306,428	1,378,927	466,073	466,073	\$ -				
2049	1,378,927	306,428	1,072,499	434,144	434,144	\$ -				
2050	1,072,499	306,428	766,071	402,215	402,215	\$ -				
2051	766,071	306,428	459,642	370,286	370,286	\$ -				
2052	459,642	306,428	153,214	338,357	338,357	\$ -				
2053	153,214	153,214	-	161,196	161,196	\$ -				
2054	-	-	-	-	-	\$ -				
2055	-	-	-	-	-	\$ -				
2056	-	-	-	-	-	\$ -				
2057	-	-	-	-	-	\$ -				
2058	-	-	-	-	-	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
Project Totals	13,789,272	13,789,272	46,835,835	46,835,835	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1712.2 (Altavista-Leesville 138kV line)

Current Projected Year ARR	252,846
Current Projected Year ARR w/ Incentive	252,846
Current Projected Year Incentive ARR	-

Details			
Investment	2,476,289	Current Year	2022
Service Year (yyy)	2011	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	55,029

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR			
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE			
LIFE OF THE PROJECT.			

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2011	2,476,289		2,476,289	258,023	258,023	\$ -				
2012	2,476,289	55,029	2,421,260	310,185	310,185	\$ -				
2013	2,421,260	55,029	2,366,232	304,451	304,451	\$ -	\$ 41,778	\$ 41,778		
2014	2,366,232	55,029	2,311,203	298,717	298,717	\$ -	\$ 36,470	\$ 36,470		
2015	2,311,203	55,029	2,256,174	292,983	292,983	\$ -	\$ 36,769	\$ 36,769		
2016	2,256,174	55,029	2,201,146	287,249	287,249	\$ -	\$ 35,303	\$ 35,303		
2017	2,201,146	55,029	2,146,117	281,516	281,516	\$ -	\$ 36,769	\$ 36,769		
2018	2,146,117	55,029	2,091,088	275,782	275,782	\$ -	\$ 279,967	\$ 279,967		
2019	2,091,088	55,029	2,036,060	270,048	270,048	\$ -	\$ 289,107	\$ 289,107		
2020	2,036,060	55,029	1,981,031	264,314	264,314	\$ -	\$ 263,834	\$ 263,834		
2021	1,981,031	55,029	1,926,002	258,580	258,580	\$ -	\$ 256,948	\$ 256,948		
2022	1,926,002	55,029	1,870,974	252,846	252,846	\$ -				
2023	1,870,974	55,029	1,815,945	247,112	247,112	\$ -				
2024	1,815,945	55,029	1,760,917	241,379	241,379	\$ -				
2025	1,760,917	55,029	1,705,888	235,645	235,645	\$ -				
2026	1,705,888	55,029	1,650,859	229,911	229,911	\$ -				
2027	1,650,859	55,029	1,595,831	224,177	224,177	\$ -				
2028	1,595,831	55,029	1,540,802	218,443	218,443	\$ -				
2029	1,540,802	55,029	1,485,773	212,709	212,709	\$ -				
2030	1,485,773	55,029	1,430,745	206,975	206,975	\$ -				
2031	1,430,745	55,029	1,375,716	201,242	201,242	\$ -				
2032	1,375,716	55,029	1,320,687	195,508	195,508	\$ -				
2033	1,320,687	55,029	1,265,659	189,774	189,774	\$ -				
2034	1,265,659	55,029	1,210,630	184,040	184,040	\$ -				
2035	1,210,630	55,029	1,155,601	178,306	178,306	\$ -				
2036	1,155,601	55,029	1,100,573	172,572	172,572	\$ -				
2037	1,100,573	55,029	1,045,544	166,839	166,839	\$ -				
2038	1,045,544	55,029	990,516	161,105	161,105	\$ -				
2039	990,516	55,029	935,487	155,371	155,371	\$ -				
2040	935,487	55,029	880,458	149,637	149,637	\$ -				
2041	880,458	55,029	825,430	143,903	143,903	\$ -				
2042	825,430	55,029	770,401	138,169	138,169	\$ -				
2043	770,401	55,029	715,372	132,436	132,436	\$ -				
2044	715,372	55,029	660,344	126,702	126,702	\$ -				
2045	660,344	55,029	605,315	120,968	120,968	\$ -				
2046	605,315	55,029	550,286	115,234	115,234	\$ -				
2047	550,286	55,029	495,258	109,500	109,500	\$ -				
2048	495,258	55,029	440,229	103,766	103,766	\$ -				
2049	440,229	55,029	385,200	98,032	98,032	\$ -				
2050	385,200	55,029	330,172	92,299	92,299	\$ -				
2051	330,172	55,029	275,143	86,565	86,565	\$ -				
2052	275,143	55,029	220,115	80,831	80,831	\$ -				
2053	220,115	55,029	165,086	75,097	75,097	\$ -				
2054	165,086	55,029	110,057	69,363	69,363	\$ -				
2055	110,057	55,029	55,029	63,629	63,629	\$ -				
2056	55,029	55,029	0	57,896	57,896	\$ -				
2057	0	0	-	0	0	\$ -				
2058	-	-	-	-	-	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
Project Totals		2,476,289		8,539,830	8,539,830	-				

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b2020 (Rebuild Amos-Kanawha River 138 kV corridor)

Current Projected Year ARR	3,099,440
Current Projected Year ARR w/ Incentive	3,099,440
Current Projected Year Incentive ARR	-

Details			
Investment	28,572,967	Current Year	2022
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	634,955

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req'd. w/o Incentives	RTEP Rev. Req'd. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req'd. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req'd. From Prior Year Template with Incentives **
2014	28,572,967	158,739	28,414,229	3,127,699	3,127,699	\$ -	\$ 184,681	\$ 184,681
2015	28,414,229	634,955	27,779,274	3,962,565	3,962,565	\$ -	\$ 1,644,963	\$ 1,644,963
2016	27,779,274	634,955	27,144,319	3,496,404	3,496,404	\$ -	\$ 1,563,801	\$ 1,563,801
2017	27,144,319	634,955	26,509,364	3,430,244	3,430,244	\$ -	\$ 1,644,963	\$ 1,644,963
2018	26,509,364	634,955	25,874,409	3,364,083	3,364,083	\$ -	\$ 1,909,994	\$ 1,909,994
2019	25,874,409	634,955	25,239,454	3,297,922	3,297,922	\$ -	\$ 1,902,584	\$ 1,902,584
2020	25,239,454	634,955	24,604,500	3,231,762	3,231,762	\$ -	\$ 2,304,571	\$ 2,304,571
2021	24,604,500	634,955	23,969,545	3,165,601	3,165,601	\$ -	\$ 3,141,410	\$ 3,141,410
2022	23,969,545	634,955	23,334,590	3,099,440	3,099,440	\$ -		
2023	23,334,590	634,955	22,699,635	3,033,280	3,033,280	\$ -		
2024	22,699,635	634,955	22,064,680	2,967,119	2,967,119	\$ -		
2025	22,064,680	634,955	21,429,725	2,900,958	2,900,958	\$ -		
2026	21,429,725	634,955	20,794,771	2,834,798	2,834,798	\$ -		
2027	20,794,771	634,955	20,159,816	2,768,637	2,768,637	\$ -		
2028	20,159,816	634,955	19,524,861	2,702,476	2,702,476	\$ -		
2029	19,524,861	634,955	18,889,906	2,636,315	2,636,315	\$ -		
2030	18,889,906	634,955	18,254,951	2,570,155	2,570,155	\$ -		
2031	18,254,951	634,955	17,619,996	2,503,994	2,503,994	\$ -		
2032	17,619,996	634,955	16,985,042	2,437,833	2,437,833	\$ -		
2033	16,985,042	634,955	16,350,087	2,371,673	2,371,673	\$ -		
2034	16,350,087	634,955	15,715,132	2,305,512	2,305,512	\$ -		
2035	15,715,132	634,955	15,080,177	2,239,351	2,239,351	\$ -		
2036	15,080,177	634,955	14,445,222	2,173,191	2,173,191	\$ -		
2037	14,445,222	634,955	13,810,268	2,107,030	2,107,030	\$ -		
2038	13,810,268	634,955	13,175,313	2,040,869	2,040,869	\$ -		
2039	13,175,313	634,955	12,540,358	1,974,709	1,974,709	\$ -		
2040	12,540,358	634,955	11,905,403	1,908,548	1,908,548	\$ -		
2041	11,905,403	634,955	11,270,448	1,842,387	1,842,387	\$ -		
2042	11,270,448	634,955	10,635,493	1,776,227	1,776,227	\$ -		
2043	10,635,493	634,955	10,000,539	1,710,066	1,710,066	\$ -		
2044	10,000,539	634,955	9,365,584	1,643,905	1,643,905	\$ -		
2045	9,365,584	634,955	8,730,629	1,577,745	1,577,745	\$ -		
2046	8,730,629	634,955	8,095,674	1,511,584	1,511,584	\$ -		
2047	8,095,674	634,955	7,460,719	1,445,423	1,445,423	\$ -		
2048	7,460,719	634,955	6,825,764	1,379,263	1,379,263	\$ -		
2049	6,825,764	634,955	6,190,810	1,313,102	1,313,102	\$ -		
2050	6,190,810	634,955	5,555,855	1,246,941	1,246,941	\$ -		
2051	5,555,855	634,955	4,920,900	1,180,780	1,180,780	\$ -		
2052	4,920,900	634,955	4,285,945	1,114,620	1,114,620	\$ -		
2053	4,285,945	634,955	3,650,990	1,048,459	1,048,459	\$ -		
2054	3,650,990	634,955	3,016,035	982,298	982,298	\$ -		
2055	3,016,035	634,955	2,381,081	916,138	916,138	\$ -		
2056	2,381,081	634,955	1,746,126	849,977	849,977	\$ -		
2057	1,746,126	634,955	1,111,171	783,816	783,816	\$ -		
2058	1,111,171	634,955	476,216	717,656	717,656	\$ -		
2059	476,216	634,955	-	501,026	501,026	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	28,572,967			97,793,581	97,793,581	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b2021 (Kanawha River Gen Retirement - Upgrades)

Current Projected Year ARR	263,900
Current Projected Year ARR w/ Incentive	263,900
Current Projected Year Incentive ARR	-

Details			
Investment	2,419,910	Current Year	2022
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	53,776

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR			
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE			
LIFE OF THE PROJECT.			

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2014	2,419,910		2,419,910	252,148	252,148	\$ -	\$ 222,712	\$ 222,712		
2015	2,419,910	53,776	2,366,134	303,123	303,123	\$ -	\$ 317,491	\$ 317,491		
2016	2,366,134	53,776	2,312,358	297,519	297,519	\$ -	\$ 303,455	\$ 303,455		
2017	2,312,358	53,776	2,258,583	291,916	291,916	\$ -	\$ 317,491	\$ 317,491		
2018	2,258,583	53,776	2,204,807	286,313	286,313	\$ -	\$ 292,574	\$ 292,574		
2019	2,204,807	53,776	2,151,031	280,709	280,709	\$ -	\$ 285,753	\$ 285,753		
2020	2,151,031	53,776	2,097,255	275,106	275,106	\$ -	\$ 271,872	\$ 271,872		
2021	2,097,255	53,776	2,043,480	269,503	269,503	\$ -	\$ 267,413	\$ 267,413		
2022	2,043,480	53,776	1,989,704	263,900	263,900	\$ -				
2023	1,989,704	53,776	1,935,928	258,296	258,296	\$ -				
2024	1,935,928	53,776	1,882,152	252,693	252,693	\$ -				
2025	1,882,152	53,776	1,828,376	247,090	247,090	\$ -				
2026	1,828,376	53,776	1,774,601	241,486	241,486	\$ -				
2027	1,774,601	53,776	1,720,825	235,883	235,883	\$ -				
2028	1,720,825	53,776	1,667,049	230,280	230,280	\$ -				
2029	1,667,049	53,776	1,613,273	224,676	224,676	\$ -				
2030	1,613,273	53,776	1,559,498	219,073	219,073	\$ -				
2031	1,559,498	53,776	1,505,722	213,470	213,470	\$ -				
2032	1,505,722	53,776	1,451,946	207,867	207,867	\$ -				
2033	1,451,946	53,776	1,398,170	202,263	202,263	\$ -				
2034	1,398,170	53,776	1,344,394	196,660	196,660	\$ -				
2035	1,344,394	53,776	1,290,619	191,057	191,057	\$ -				
2036	1,290,619	53,776	1,236,843	185,453	185,453	\$ -				
2037	1,236,843	53,776	1,183,067	179,850	179,850	\$ -				
2038	1,183,067	53,776	1,129,291	174,247	174,247	\$ -				
2039	1,129,291	53,776	1,075,516	168,643	168,643	\$ -				
2040	1,075,516	53,776	1,021,740	163,040	163,040	\$ -				
2041	1,021,740	53,776	967,964	157,437	157,437	\$ -				
2042	967,964	53,776	914,188	151,834	151,834	\$ -				
2043	914,188	53,776	860,412	146,230	146,230	\$ -				
2044	860,412	53,776	806,637	140,627	140,627	\$ -				
2045	806,637	53,776	752,861	135,024	135,024	\$ -				
2046	752,861	53,776	699,085	129,420	129,420	\$ -				
2047	699,085	53,776	645,309	123,817	123,817	\$ -				
2048	645,309	53,776	591,534	118,214	118,214	\$ -				
2049	591,534	53,776	537,758	112,610	112,610	\$ -				
2050	537,758	53,776	483,982	107,007	107,007	\$ -				
2051	483,982	53,776	430,206	101,404	101,404	\$ -				
2052	430,206	53,776	376,430	95,801	95,801	\$ -				
2053	376,430	53,776	322,655	90,197	90,197	\$ -				
2054	322,655	53,776	268,879	84,594	84,594	\$ -				
2055	268,879	53,776	215,103	78,991	78,991	\$ -				
2056	215,103	53,776	161,327	73,387	73,387	\$ -				
2057	161,327	53,776	107,552	67,784	67,784	\$ -				
2058	107,552	53,776	53,776	62,181	62,181	\$ -				
2059	53,776	53,776	-	56,577	56,577	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
Project Totals		2,419,910		8,345,399	8,345,399	-				

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b2017 (Rebuild Sporn-Waterford-Muskingum River 345 kV line)

Current Projected Year ARR	1,668,337
Current Projected Year ARR w/ Incentive	1,668,337
Current Projected Year Incentive ARR	-

Details			
Investment	15,164,191	Current Year	2022
Service Year (yyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	5	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	336,982

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	15,164,191	196,573	14,967,618	1,766,402	1,766,402	\$ -	\$ 2,647,738	\$ 2,647,738
2016	14,967,618	336,982	14,630,636	1,870,013	1,870,013	\$ -	\$ 2,089,493	\$ 2,089,493
2017	14,630,636	336,982	14,293,654	1,843,901	1,843,901	\$ -	\$ 2,647,738	\$ 2,647,738
2018	14,293,654	336,982	13,956,672	1,808,788	1,808,788	\$ -	\$ 1,845,050	\$ 1,845,050
2019	13,956,672	336,982	13,619,690	1,773,675	1,773,675	\$ -	\$ 1,803,579	\$ 1,803,579
2020	13,619,690	336,982	13,282,708	1,738,563	1,738,563	\$ -	\$ 1,715,891	\$ 1,715,891
2021	13,282,708	336,982	12,945,726	1,703,450	1,703,450	\$ -	\$ 1,689,922	\$ 1,689,922
2022	12,945,726	336,982	12,608,744	1,668,337	1,668,337	\$ -		
2023	12,608,744	336,982	12,271,762	1,633,225	1,633,225	\$ -		
2024	12,271,762	336,982	11,934,780	1,598,112	1,598,112	\$ -		
2025	11,934,780	336,982	11,597,798	1,562,999	1,562,999	\$ -		
2026	11,597,798	336,982	11,260,816	1,527,887	1,527,887	\$ -		
2027	11,260,816	336,982	10,923,834	1,492,774	1,492,774	\$ -		
2028	10,923,834	336,982	10,586,852	1,457,661	1,457,661	\$ -		
2029	10,586,852	336,982	10,249,870	1,422,549	1,422,549	\$ -		
2030	10,249,870	336,982	9,912,888	1,387,436	1,387,436	\$ -		
2031	9,912,888	336,982	9,575,906	1,352,323	1,352,323	\$ -		
2032	9,575,906	336,982	9,238,924	1,317,211	1,317,211	\$ -		
2033	9,238,924	336,982	8,901,942	1,282,098	1,282,098	\$ -		
2034	8,901,942	336,982	8,564,960	1,246,985	1,246,985	\$ -		
2035	8,564,960	336,982	8,227,978	1,211,873	1,211,873	\$ -		
2036	8,227,978	336,982	7,890,996	1,176,760	1,176,760	\$ -		
2037	7,890,996	336,982	7,554,014	1,141,647	1,141,647	\$ -		
2038	7,554,014	336,982	7,217,032	1,106,535	1,106,535	\$ -		
2039	7,217,032	336,982	6,880,050	1,071,422	1,071,422	\$ -		
2040	6,880,050	336,982	6,543,067	1,036,309	1,036,309	\$ -		
2041	6,543,067	336,982	6,206,085	1,001,197	1,001,197	\$ -		
2042	6,206,085	336,982	5,869,103	966,084	966,084	\$ -		
2043	5,869,103	336,982	5,532,121	930,971	930,971	\$ -		
2044	5,532,121	336,982	5,195,139	895,859	895,859	\$ -		
2045	5,195,139	336,982	4,858,157	860,746	860,746	\$ -		
2046	4,858,157	336,982	4,521,175	825,633	825,633	\$ -		
2047	4,521,175	336,982	4,184,193	790,521	790,521	\$ -		
2048	4,184,193	336,982	3,847,211	755,408	755,408	\$ -		
2049	3,847,211	336,982	3,510,229	720,295	720,295	\$ -		
2050	3,510,229	336,982	3,173,247	685,183	685,183	\$ -		
2051	3,173,247	336,982	2,836,265	650,070	650,070	\$ -		
2052	2,836,265	336,982	2,499,283	614,957	614,957	\$ -		
2053	2,499,283	336,982	2,162,301	579,845	579,845	\$ -		
2054	2,162,301	336,982	1,825,319	544,732	544,732	\$ -		
2055	1,825,319	336,982	1,488,337	509,619	509,619	\$ -		
2056	1,488,337	336,982	1,151,355	474,507	474,507	\$ -		
2057	1,151,355	336,982	814,373	439,394	439,394	\$ -		
2058	814,373	336,982	477,391	404,281	404,281	\$ -		
2059	477,391	336,982	140,409	369,169	369,169	\$ -		
2060	140,409	336,982	-	147,724	147,724	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals	15,164,191			51,374,133	51,374,133	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

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In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1660 (Install a 765/500 kV transformer at Cloverdale)

Current Projected Year ARR	389,205
Current Projected Year ARR w/ Incentive	389,205
Current Projected Year Incentive ARR	-

Details			
Investment	3,429,372	Current Year	2022
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	76,208

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	3,429,372	6,361	3,423,021	363,352	363,352	\$ -	\$ 8,871,247	\$ 8,871,247
2017	3,423,021	76,208	3,346,813	428,908	428,908	\$ -	\$ 8,889,735	\$ 8,889,735
2018	3,346,813	76,208	3,270,605	420,967	420,967	\$ -	\$ 1,820,478	\$ 1,820,478
2019	3,270,605	76,208	3,194,397	413,027	413,027	\$ -	\$ 396,848	\$ 396,848
2020	3,194,397	76,208	3,118,188	405,086	405,086	\$ -	\$ 387,035	\$ 387,035
2021	3,118,188	76,208	3,041,980	397,145	397,145	\$ -	\$ 393,735	\$ 393,735
2022	3,041,980	76,208	2,965,772	389,205	389,205	\$ -		
2023	2,965,772	76,208	2,889,563	381,264	381,264	\$ -		
2024	2,889,563	76,208	2,813,355	373,323	373,323	\$ -		
2025	2,813,355	76,208	2,737,147	365,382	365,382	\$ -		
2026	2,737,147	76,208	2,660,939	357,442	357,442	\$ -		
2027	2,660,939	76,208	2,584,730	349,501	349,501	\$ -		
2028	2,584,730	76,208	2,508,522	341,560	341,560	\$ -		
2029	2,508,522	76,208	2,432,314	333,620	333,620	\$ -		
2030	2,432,314	76,208	2,356,106	325,679	325,679	\$ -		
2031	2,356,106	76,208	2,279,897	317,738	317,738	\$ -		
2032	2,279,897	76,208	2,203,689	309,797	309,797	\$ -		
2033	2,203,689	76,208	2,127,481	301,857	301,857	\$ -		
2034	2,127,481	76,208	2,051,273	293,916	293,916	\$ -		
2035	2,051,273	76,208	1,975,064	285,975	285,975	\$ -		
2036	1,975,064	76,208	1,898,856	278,035	278,035	\$ -		
2037	1,898,856	76,208	1,822,648	270,094	270,094	\$ -		
2038	1,822,648	76,208	1,746,439	262,153	262,153	\$ -		
2039	1,746,439	76,208	1,670,231	254,212	254,212	\$ -		
2040	1,670,231	76,208	1,594,023	246,272	246,272	\$ -		
2041	1,594,023	76,208	1,517,815	238,331	238,331	\$ -		
2042	1,517,815	76,208	1,441,606	230,390	230,390	\$ -		
2043	1,441,606	76,208	1,365,398	222,450	222,450	\$ -		
2044	1,365,398	76,208	1,289,190	214,509	214,509	\$ -		
2045	1,289,190	76,208	1,212,982	206,568	206,568	\$ -		
2046	1,212,982	76,208	1,136,773	198,628	198,628	\$ -		
2047	1,136,773	76,208	1,060,565	190,687	190,687	\$ -		
2048	1,060,565	76,208	984,357	182,746	182,746	\$ -		
2049	984,357	76,208	908,149	174,805	174,805	\$ -		
2050	908,149	76,208	831,940	166,865	166,865	\$ -		
2051	831,940	76,208	755,732	158,924	158,924	\$ -		
2052	755,732	76,208	679,524	150,983	150,983	\$ -		
2053	679,524	76,208	603,315	143,043	143,043	\$ -		
2054	603,315	76,208	527,107	135,102	135,102	\$ -		
2055	527,107	76,208	450,899	127,161	127,161	\$ -		
2056	450,899	76,208	374,691	119,220	119,220	\$ -		
2057	374,691	76,208	298,482	111,280	111,280	\$ -		
2058	298,482	76,208	222,274	103,339	103,339	\$ -		
2059	222,274	76,208	146,066	95,398	95,398	\$ -		
2060	146,066	76,208	69,858	87,458	87,458	\$ -		
2061	69,858	69,858	-	73,497	73,497	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals		3,429,372		11,796,893	11,796,893	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

RTEP ID: b1660.1 (Cloverdale: Establish 500 kV station and 500 to 765 kV tie)

Current Projected Year ARR	3,413,116
Current Projected Year ARR w/ Incentive	3,413,116
Current Projected Year Incentive ARR	-

Details			
Investment	30,073,762	Current Year	2022
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	668,306

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	30,073,762	668,306	30,018,070	3,186,400	3,186,400	\$ -	\$ 13,022,465	\$ 13,022,465
2017	30,018,070	668,306	29,349,764	3,761,295	3,761,295	\$ -	\$ 3,514,742	\$ 3,514,742
2018	29,349,764	668,306	28,681,458	3,691,659	3,691,659	\$ -	\$ 3,974,755	\$ 3,974,755
2019	28,681,458	668,306	28,013,152	3,622,023	3,622,023	\$ -	\$ 3,572,369	\$ 3,572,369
2020	28,013,152	668,306	27,344,847	3,552,387	3,552,387	\$ -	\$ 3,435,593	\$ 3,435,593
2021	27,344,847	668,306	26,676,541	3,482,752	3,482,752	\$ -	\$ 3,452,843	\$ 3,452,843
2022	26,676,541	668,306	26,008,235	3,413,116	3,413,116	\$ -		
2023	26,008,235	668,306	25,339,929	3,343,480	3,343,480	\$ -		
2024	25,339,929	668,306	24,671,623	3,273,844	3,273,844	\$ -		
2025	24,671,623	668,306	24,003,318	3,204,208	3,204,208	\$ -		
2026	24,003,318	668,306	23,335,012	3,134,573	3,134,573	\$ -		
2027	23,335,012	668,306	22,666,706	3,064,937	3,064,937	\$ -		
2028	22,666,706	668,306	21,998,400	2,995,301	2,995,301	\$ -		
2029	21,998,400	668,306	21,330,094	2,925,665	2,925,665	\$ -		
2030	21,330,094	668,306	20,661,788	2,856,030	2,856,030	\$ -		
2031	20,661,788	668,306	19,993,483	2,786,394	2,786,394	\$ -		
2032	19,993,483	668,306	19,325,177	2,716,758	2,716,758	\$ -		
2033	19,325,177	668,306	18,656,871	2,647,122	2,647,122	\$ -		
2034	18,656,871	668,306	17,988,565	2,577,487	2,577,487	\$ -		
2035	17,988,565	668,306	17,320,259	2,507,851	2,507,851	\$ -		
2036	17,320,259	668,306	16,651,953	2,438,215	2,438,215	\$ -		
2037	16,651,953	668,306	15,983,648	2,368,579	2,368,579	\$ -		
2038	15,983,648	668,306	15,315,342	2,298,943	2,298,943	\$ -		
2039	15,315,342	668,306	14,647,036	2,229,308	2,229,308	\$ -		
2040	14,647,036	668,306	13,978,730	2,159,672	2,159,672	\$ -		
2041	13,978,730	668,306	13,310,424	2,090,036	2,090,036	\$ -		
2042	13,310,424	668,306	12,642,118	2,020,400	2,020,400	\$ -		
2043	12,642,118	668,306	11,973,813	1,950,765	1,950,765	\$ -		
2044	11,973,813	668,306	11,305,507	1,881,129	1,881,129	\$ -		
2045	11,305,507	668,306	10,637,201	1,811,493	1,811,493	\$ -		
2046	10,637,201	668,306	9,968,895	1,741,857	1,741,857	\$ -		
2047	9,968,895	668,306	9,300,589	1,672,222	1,672,222	\$ -		
2048	9,300,589	668,306	8,632,284	1,602,586	1,602,586	\$ -		
2049	8,632,284	668,306	7,963,978	1,532,950	1,532,950	\$ -		
2050	7,963,978	668,306	7,295,672	1,463,314	1,463,314	\$ -		
2051	7,295,672	668,306	6,627,366	1,393,678	1,393,678	\$ -		
2052	6,627,366	668,306	5,959,060	1,324,043	1,324,043	\$ -		
2053	5,959,060	668,306	5,290,754	1,254,407	1,254,407	\$ -		
2054	5,290,754	668,306	4,622,449	1,184,771	1,184,771	\$ -		
2055	4,622,449	668,306	3,954,143	1,115,135	1,115,135	\$ -		
2056	3,954,143	668,306	3,285,837	1,045,500	1,045,500	\$ -		
2057	3,285,837	668,306	2,617,531	975,864	975,864	\$ -		
2058	2,617,531	668,306	1,949,225	906,228	906,228	\$ -		
2059	1,949,225	668,306	1,280,919	836,592	836,592	\$ -		
2060	1,280,919	668,306	612,614	766,956	766,956	\$ -		
2061	612,614	612,614	-	644,530	644,530	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	30,073,762			103,452,456	103,452,456	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1663.2 (Jacksnons Ferry 765 kV breakers, switches, bus work, and relays)

Current Projected Year ARR	610,746
Current Projected Year ARR w/ Incentive	610,746
Current Projected Year Incentive ARR	-

Details			
Investment	5,483,986	Current Year	2022
Service Year (yyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	121,866

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR			
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE			
LIFE OF THE PROJECT.			

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2015	5,483,986		5,483,986	571,417	571,417	\$ -	\$ -	\$ -
2016	5,483,986	121,866	5,362,120	686,935	686,935	\$ -	\$ -	\$ -
2017	5,362,120	121,866	5,240,253	674,237	674,237	\$ -	\$ 780,577	\$ 780,577
2018	5,240,253	121,866	5,118,387	661,538	661,538	\$ -	\$ 779,062	\$ 779,062
2019	5,118,387	121,866	4,996,520	648,840	648,840	\$ -	\$ 672,821	\$ 672,821
2020	4,996,520	121,866	4,874,654	636,142	636,142	\$ -	\$ 658,791	\$ 658,791
2021	4,874,654	121,866	4,752,788	623,444	623,444	\$ -	\$ 626,724	\$ 626,724
2022	4,752,788	121,866	4,630,921	610,746	610,746	\$ -	\$ 618,333	\$ 618,333
2023	4,630,921	121,866	4,509,055	598,048	598,048	\$ -		
2024	4,509,055	121,866	4,387,189	585,349	585,349	\$ -		
2025	4,387,189	121,866	4,265,322	572,651	572,651	\$ -		
2026	4,265,322	121,866	4,143,456	559,953	559,953	\$ -		
2027	4,143,456	121,866	4,021,590	547,255	547,255	\$ -		
2028	4,021,590	121,866	3,899,723	534,557	534,557	\$ -		
2029	3,899,723	121,866	3,777,857	521,859	521,859	\$ -		
2030	3,777,857	121,866	3,655,991	509,160	509,160	\$ -		
2031	3,655,991	121,866	3,534,124	496,462	496,462	\$ -		
2032	3,534,124	121,866	3,412,258	483,764	483,764	\$ -		
2033	3,412,258	121,866	3,290,392	471,066	471,066	\$ -		
2034	3,290,392	121,866	3,168,525	458,368	458,368	\$ -		
2035	3,168,525	121,866	3,046,659	445,670	445,670	\$ -		
2036	3,046,659	121,866	2,924,792	432,971	432,971	\$ -		
2037	2,924,792	121,866	2,802,926	420,273	420,273	\$ -		
2038	2,802,926	121,866	2,681,060	407,575	407,575	\$ -		
2039	2,681,060	121,866	2,559,193	394,877	394,877	\$ -		
2040	2,559,193	121,866	2,437,327	382,179	382,179	\$ -		
2041	2,437,327	121,866	2,315,461	369,481	369,481	\$ -		
2042	2,315,461	121,866	2,193,594	356,782	356,782	\$ -		
2043	2,193,594	121,866	2,071,728	344,084	344,084	\$ -		
2044	2,071,728	121,866	1,949,862	331,386	331,386	\$ -		
2045	1,949,862	121,866	1,827,995	318,688	318,688	\$ -		
2046	1,827,995	121,866	1,706,129	305,990	305,990	\$ -		
2047	1,706,129	121,866	1,584,263	293,292	293,292	\$ -		
2048	1,584,263	121,866	1,462,396	280,593	280,593	\$ -		
2049	1,462,396	121,866	1,340,530	267,895	267,895	\$ -		
2050	1,340,530	121,866	1,218,664	255,197	255,197	\$ -		
2051	1,218,664	121,866	1,096,797	242,499	242,499	\$ -		
2052	1,096,797	121,866	974,931	229,801	229,801	\$ -		
2053	974,931	121,866	853,064	217,103	217,103	\$ -		
2054	853,064	121,866	731,198	204,404	204,404	\$ -		
2055	731,198	121,866	609,332	191,706	191,706	\$ -		
2056	609,332	121,866	487,465	179,008	179,008	\$ -		
2057	487,465	121,866	365,599	166,310	166,310	\$ -		
2058	365,599	121,866	243,733	153,612	153,612	\$ -		
2059	243,733	121,866	121,866	140,914	140,914	\$ -		
2060	121,866	121,866	-	128,215	128,215	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals		5,483,986		18,912,295	18,912,295	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1875 (138 kV Bradley to McClung upgrades)

Current Projected Year ARR	747,963
Current Projected Year ARR w/ Incentive	747,963
Current Projected Year Incentive ARR	-

Details			
Investment	6,895,284	Current Year	2022
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	153,229

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR			
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE			
LIFE OF THE PROJECT.			

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	6,895,284	38,307	6,856,977	754,782	754,782	\$ -	\$ -	\$ -
2015	6,856,977	153,229	6,703,748	859,725	859,725	\$ -	\$ -	\$ -
2016	6,703,748	153,229	6,550,520	843,759	843,759	\$ -	\$ 1,117	\$ 1,117
2017	6,550,520	153,229	6,397,291	827,793	827,793	\$ -	\$ 57,580	\$ 57,580
2018	6,397,291	153,229	6,244,063	811,827	811,827	\$ -	\$ 54,331	\$ 54,331
2019	6,244,063	153,229	6,090,834	795,861	795,861	\$ -	\$ 52,092	\$ 52,092
2020	6,090,834	153,229	5,937,606	779,895	779,895	\$ -	\$ 82,533	\$ 82,533
2021	5,937,606	153,229	5,784,377	763,929	763,929	\$ -	\$ 715,550	\$ 715,550
2022	5,784,377	153,229	5,631,149	747,963	747,963	\$ -		
2023	5,631,149	153,229	5,477,920	731,997	731,997	\$ -		
2024	5,477,920	153,229	5,324,692	716,031	716,031	\$ -		
2025	5,324,692	153,229	5,171,463	700,065	700,065	\$ -		
2026	5,171,463	153,229	5,018,235	684,099	684,099	\$ -		
2027	5,018,235	153,229	4,865,006	668,133	668,133	\$ -		
2028	4,865,006	153,229	4,711,777	652,167	652,167	\$ -		
2029	4,711,777	153,229	4,558,549	636,201	636,201	\$ -		
2030	4,558,549	153,229	4,405,320	620,235	620,235	\$ -		
2031	4,405,320	153,229	4,252,092	604,269	604,269	\$ -		
2032	4,252,092	153,229	4,098,863	588,303	588,303	\$ -		
2033	4,098,863	153,229	3,945,635	572,337	572,337	\$ -		
2034	3,945,635	153,229	3,792,406	556,371	556,371	\$ -		
2035	3,792,406	153,229	3,639,178	540,405	540,405	\$ -		
2036	3,639,178	153,229	3,485,949	524,439	524,439	\$ -		
2037	3,485,949	153,229	3,332,721	508,473	508,473	\$ -		
2038	3,332,721	153,229	3,179,492	492,507	492,507	\$ -		
2039	3,179,492	153,229	3,026,264	476,541	476,541	\$ -		
2040	3,026,264	153,229	2,873,035	460,575	460,575	\$ -		
2041	2,873,035	153,229	2,719,807	444,608	444,608	\$ -		
2042	2,719,807	153,229	2,566,578	428,642	428,642	\$ -		
2043	2,566,578	153,229	2,413,349	412,676	412,676	\$ -		
2044	2,413,349	153,229	2,260,121	396,710	396,710	\$ -		
2045	2,260,121	153,229	2,106,892	380,744	380,744	\$ -		
2046	2,106,892	153,229	1,953,664	364,778	364,778	\$ -		
2047	1,953,664	153,229	1,800,435	348,812	348,812	\$ -		
2048	1,800,435	153,229	1,647,207	332,846	332,846	\$ -		
2049	1,647,207	153,229	1,493,978	316,880	316,880	\$ -		
2050	1,493,978	153,229	1,340,750	300,914	300,914	\$ -		
2051	1,340,750	153,229	1,187,521	284,948	284,948	\$ -		
2052	1,187,521	153,229	1,034,293	268,982	268,982	\$ -		
2053	1,034,293	153,229	881,064	253,016	253,016	\$ -		
2054	881,064	153,229	727,836	237,050	237,050	\$ -		
2055	727,836	153,229	574,607	221,084	221,084	\$ -		
2056	574,607	153,229	421,378	205,118	205,118	\$ -		
2057	421,378	153,229	268,150	189,152	189,152	\$ -		
2058	268,150	153,229	114,921	173,186	173,186	\$ -		
2059	114,921	114,921	-	120,909	120,909	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	6,895,284			23,599,737	23,599,737	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

RTEP ID: b1797.1 (Reconductor portion of Cloverdale-Lexington 500 kV line)

Current Projected Year ARR	5,625,382
Current Projected Year ARR w/ Incentive	5,625,382
Current Projected Year Incentive ARR	-

Details			
Investment	49,991,539	Current Year	2022
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	1,110,923

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	49,991,539	555,462	49,436,078	5,735,514	5,735,514	\$ -	\$ 5,862,811	\$ 5,862,811
2017	49,436,078	1,110,923	48,325,155	6,204,159	6,204,159	\$ -	\$ 3,438,786	\$ 3,438,786
2018	48,325,155	1,110,923	47,214,231	6,088,404	6,088,404	\$ -	\$ 5,966,416	\$ 5,966,416
2019	47,214,231	1,110,923	46,103,308	5,972,649	5,972,649	\$ -	\$ 5,898,940	\$ 5,898,940
2020	46,103,308	1,110,923	44,992,385	5,856,893	5,856,893	\$ -	\$ 5,887,656	\$ 5,887,656
2021	44,992,385	1,110,923	43,881,462	5,741,138	5,741,138	\$ -	\$ 5,781,911	\$ 5,781,911
2022	43,881,462	1,110,923	42,770,539	5,625,382	5,625,382	\$ -		
2023	42,770,539	1,110,923	41,659,616	5,509,627	5,509,627	\$ -		
2024	41,659,616	1,110,923	40,548,693	5,393,872	5,393,872	\$ -		
2025	40,548,693	1,110,923	39,437,770	5,278,116	5,278,116	\$ -		
2026	39,437,770	1,110,923	38,326,847	5,162,361	5,162,361	\$ -		
2027	38,326,847	1,110,923	37,215,924	5,046,606	5,046,606	\$ -		
2028	37,215,924	1,110,923	36,105,000	4,930,850	4,930,850	\$ -		
2029	36,105,000	1,110,923	34,994,077	4,815,095	4,815,095	\$ -		
2030	34,994,077	1,110,923	33,883,154	4,699,339	4,699,339	\$ -		
2031	33,883,154	1,110,923	32,772,231	4,583,584	4,583,584	\$ -		
2032	32,772,231	1,110,923	31,661,308	4,467,829	4,467,829	\$ -		
2033	31,661,308	1,110,923	30,550,385	4,352,073	4,352,073	\$ -		
2034	30,550,385	1,110,923	29,439,462	4,236,318	4,236,318	\$ -		
2035	29,439,462	1,110,923	28,328,539	4,120,563	4,120,563	\$ -		
2036	28,328,539	1,110,923	27,217,616	4,004,807	4,004,807	\$ -		
2037	27,217,616	1,110,923	26,106,693	3,889,052	3,889,052	\$ -		
2038	26,106,693	1,110,923	24,995,770	3,773,297	3,773,297	\$ -		
2039	24,995,770	1,110,923	23,884,846	3,657,541	3,657,541	\$ -		
2040	23,884,846	1,110,923	22,773,923	3,541,786	3,541,786	\$ -		
2041	22,773,923	1,110,923	21,663,000	3,426,030	3,426,030	\$ -		
2042	21,663,000	1,110,923	20,552,077	3,310,275	3,310,275	\$ -		
2043	20,552,077	1,110,923	19,441,154	3,194,520	3,194,520	\$ -		
2044	19,441,154	1,110,923	18,330,231	3,078,764	3,078,764	\$ -		
2045	18,330,231	1,110,923	17,219,308	2,963,009	2,963,009	\$ -		
2046	17,219,308	1,110,923	16,108,385	2,847,254	2,847,254	\$ -		
2047	16,108,385	1,110,923	14,997,462	2,731,498	2,731,498	\$ -		
2048	14,997,462	1,110,923	13,886,539	2,615,743	2,615,743	\$ -		
2049	13,886,539	1,110,923	12,775,616	2,499,988	2,499,988	\$ -		
2050	12,775,616	1,110,923	11,664,692	2,384,232	2,384,232	\$ -		
2051	11,664,692	1,110,923	10,553,769	2,268,477	2,268,477	\$ -		
2052	10,553,769	1,110,923	9,442,846	2,152,721	2,152,721	\$ -		
2053	9,442,846	1,110,923	8,331,923	2,036,966	2,036,966	\$ -		
2054	8,331,923	1,110,923	7,221,000	1,921,211	1,921,211	\$ -		
2055	7,221,000	1,110,923	6,110,077	1,805,455	1,805,455	\$ -		
2056	6,110,077	1,110,923	4,999,154	1,689,700	1,689,700	\$ -		
2057	4,999,154	1,110,923	3,888,231	1,573,945	1,573,945	\$ -		
2058	3,888,231	1,110,923	2,777,308	1,458,189	1,458,189	\$ -		
2059	2,777,308	1,110,923	1,666,385	1,342,434	1,342,434	\$ -		
2060	1,666,385	1,110,923	555,462	1,226,678	1,226,678	\$ -		
2061	555,462	555,462	-	584,400	584,400	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	49,991,539			169,798,344	169,798,344	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b1712.1 (Altavista-Leesville 138kV line)

Current Projected Year ARR	28,656
Current Projected Year ARR w/ Incentive	28,656
Current Projected Year Incentive ARR	-

Details			
Investment	267,989	Current Year	2022
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	1	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	5,955

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:			
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR			
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE			
LIFE OF THE PROJECT.			

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't.From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't.From Prior Year Template with Incentives **
2014	267,989	5,469	262,530	33,098	33,098	\$ -		
2015	262,530	5,955	256,575	33,000	33,000	\$ -		
2016	256,575	5,955	250,620	32,380	32,380	\$ -		
2017	250,620	5,955	244,664	31,759	31,759	\$ -	\$ 31,947	\$ 31,947
2018	244,664	5,955	238,709	31,138	31,138	\$ -	\$ 35,555	\$ 35,555
2019	238,709	5,955	232,754	30,518	30,518	\$ -	\$ 31,143	\$ 31,143
2020	232,754	5,955	226,798	29,897	29,897	\$ -	\$ 29,633	\$ 29,633
2021	226,798	5,955	220,843	29,277	29,277	\$ -	\$ 29,062	\$ 29,062
2022	220,843	5,955	214,888	28,656	28,656	\$ -		
2023	214,888	5,955	208,932	28,036	28,036	\$ -		
2024	208,932	5,955	202,977	27,415	27,415	\$ -		
2025	202,977	5,955	197,022	26,795	26,795	\$ -		
2026	197,022	5,955	191,066	26,174	26,174	\$ -		
2027	191,066	5,955	185,111	25,554	25,554	\$ -		
2028	185,111	5,955	179,156	24,933	24,933	\$ -		
2029	179,156	5,955	173,200	24,313	24,313	\$ -		
2030	173,200	5,955	167,245	23,692	23,692	\$ -		
2031	167,245	5,955	161,290	23,072	23,072	\$ -		
2032	161,290	5,955	155,334	22,451	22,451	\$ -		
2033	155,334	5,955	149,379	21,831	21,831	\$ -		
2034	149,379	5,955	143,424	21,210	21,210	\$ -		
2035	143,424	5,955	137,469	20,589	20,589	\$ -		
2036	137,469	5,955	131,513	19,969	19,969	\$ -		
2037	131,513	5,955	125,558	19,348	19,348	\$ -		
2038	125,558	5,955	119,603	18,728	18,728	\$ -		
2039	119,603	5,955	113,647	18,107	18,107	\$ -		
2040	113,647	5,955	107,692	17,487	17,487	\$ -		
2041	107,692	5,955	101,737	16,866	16,866	\$ -		
2042	101,737	5,955	95,781	16,246	16,246	\$ -		
2043	95,781	5,955	89,826	15,625	15,625	\$ -		
2044	89,826	5,955	83,871	15,005	15,005	\$ -		
2045	83,871	5,955	77,915	14,384	14,384	\$ -		
2046	77,915	5,955	71,960	13,764	13,764	\$ -		
2047	71,960	5,955	66,005	13,143	13,143	\$ -		
2048	66,005	5,955	60,049	12,523	12,523	\$ -		
2049	60,049	5,955	54,094	11,902	11,902	\$ -		
2050	54,094	5,955	48,139	11,282	11,282	\$ -		
2051	48,139	5,955	42,183	10,661	10,661	\$ -		
2052	42,183	5,955	36,228	10,040	10,040	\$ -		
2053	36,228	5,955	30,273	9,420	9,420	\$ -		
2054	30,273	5,955	24,318	8,799	8,799	\$ -		
2055	24,318	5,955	18,362	8,179	8,179	\$ -		
2056	18,362	5,955	12,407	7,558	7,558	\$ -		
2057	12,407	5,955	6,452	6,938	6,938	\$ -		
2058	6,452	5,955	496	6,317	6,317	\$ -		
2059	496	-	-	522	522	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	267,989			898,602	898,602	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. (e.g. ER05-925-000)

Project Description: RTEP ID: b2687.2 (Install a 300 MVAR shunt line reactor Broadford-Jacksons Ferry 765 kV line)

Current Projected Year ARR	1,111,542
Current Projected Year ARR w/ Incentive	1,111,542
Current Projected Year Incentive ARR	-

Details			
Investment	9,582,260	Current Year	2022
Service Year (yyy)	2017	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	212,939

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2017	9,582,260		9,582,260	998,447	998,447	\$ -				
2018	9,582,260	212,939	9,369,320	1,200,292	1,200,292	\$ -	\$ 1,174,872	\$ 1,174,872		
2019	9,369,320	212,939	9,156,381	1,178,105	1,178,105	\$ -	\$ 1,181,870	\$ 1,181,870		
2020	9,156,381	212,939	8,943,442	1,155,917	1,155,917	\$ -	\$ 1,110,565	\$ 1,110,565		
2021	8,943,442	212,939	8,730,503	1,133,729	1,133,729	\$ -	\$ 1,123,491	\$ 1,123,491		
2022	8,730,503	212,939	8,517,564	1,111,542	1,111,542	\$ -				
2023	8,517,564	212,939	8,304,625	1,089,354	1,089,354	\$ -				
2024	8,304,625	212,939	8,091,686	1,067,166	1,067,166	\$ -				
2025	8,091,686	212,939	7,878,747	1,044,978	1,044,978	\$ -				
2026	7,878,747	212,939	7,665,808	1,022,791	1,022,791	\$ -				
2027	7,665,808	212,939	7,452,869	1,000,603	1,000,603	\$ -				
2028	7,452,869	212,939	7,239,929	978,415	978,415	\$ -				
2029	7,239,929	212,939	7,026,990	956,228	956,228	\$ -				
2030	7,026,990	212,939	6,814,051	934,040	934,040	\$ -				
2031	6,814,051	212,939	6,601,112	911,852	911,852	\$ -				
2032	6,601,112	212,939	6,388,173	889,664	889,664	\$ -				
2033	6,388,173	212,939	6,175,234	867,477	867,477	\$ -				
2034	6,175,234	212,939	5,962,295	845,289	845,289	\$ -				
2035	5,962,295	212,939	5,749,356	823,101	823,101	\$ -				
2036	5,749,356	212,939	5,536,417	800,914	800,914	\$ -				
2037	5,536,417	212,939	5,323,478	778,726	778,726	\$ -				
2038	5,323,478	212,939	5,110,538	756,538	756,538	\$ -				
2039	5,110,538	212,939	4,897,599	734,350	734,350	\$ -				
2040	4,897,599	212,939	4,684,660	712,163	712,163	\$ -				
2041	4,684,660	212,939	4,471,721	689,975	689,975	\$ -				
2042	4,471,721	212,939	4,258,782	667,787	667,787	\$ -				
2043	4,258,782	212,939	4,045,843	645,600	645,600	\$ -				
2044	4,045,843	212,939	3,832,904	623,412	623,412	\$ -				
2045	3,832,904	212,939	3,619,965	601,224	601,224	\$ -				
2046	3,619,965	212,939	3,407,026	579,036	579,036	\$ -				
2047	3,407,026	212,939	3,194,087	556,849	556,849	\$ -				
2048	3,194,087	212,939	2,981,147	534,661	534,661	\$ -				
2049	2,981,147	212,939	2,768,208	512,473	512,473	\$ -				
2050	2,768,208	212,939	2,555,269	490,286	490,286	\$ -				
2051	2,555,269	212,939	2,342,330	468,098	468,098	\$ -				
2052	2,342,330	212,939	2,129,391	445,910	445,910	\$ -				
2053	2,129,391	212,939	1,916,452	423,722	423,722	\$ -				
2054	1,916,452	212,939	1,703,513	401,535	401,535	\$ -				
2055	1,703,513	212,939	1,490,574	379,347	379,347	\$ -				
2056	1,490,574	212,939	1,277,635	357,159	357,159	\$ -				
2057	1,277,635	212,939	1,064,696	334,972	334,972	\$ -				
2058	1,064,696	212,939	851,756	312,784	312,784	\$ -				
2059	851,756	212,939	638,817	290,596	290,596	\$ -				
2060	638,817	212,939	425,878	268,408	268,408	\$ -				
2061	425,878	212,939	212,939	246,221	246,221	\$ -				
2062	212,939	212,939	0	224,033	224,033	\$ -				
2063	0	0	-	0	0	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
2075	-	-	-	-	-	\$ -				
2076	-	-	-	-	-	\$ -				
Project Totals		9,582,260		33,045,767	33,045,767	-				

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

RTEP ID: b2687.1 (Install a 450 MVAR SVC Jacksons Ferry 765kv Substation)

Current Projected Year ARR	8,092,331
Current Projected Year ARR w/ Incentive	8,092,331
Current Projected Year Incentive ARR	-

Details	Current Year	2022
Investment	68,620,064	-
Service Year (yyy)	2019	-
Service Month (1-12)	10	10.42%
Useful life	45	10.42%
CIAC (Yes or No)	No	1,524,890

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req'd. w/o Incentives	RTEP Rev. Req'd. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req'd. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req'd. From Prior Year Template with Incentives **
2018	68,620,064	254,148	68,365,915	7,390,944	7,390,944	\$ -	\$ 8,045,448	\$ 8,045,448
2019	68,365,915	1,524,890	66,841,025	8,560,000	8,560,000	\$ -	\$ 8,376,603	\$ 8,376,603
2020	66,841,025	1,524,890	65,316,135	8,410,111	8,410,111	\$ -	\$ 4,444,449	\$ 4,444,449
2021	65,316,135	1,524,890	63,791,245	8,251,221	8,251,221	\$ -	\$ 8,170,472	\$ 8,170,472
2022	63,791,245	1,524,890	62,266,354	8,092,331	8,092,331	\$ -		
2023	62,266,354	1,524,890	60,741,464	7,933,442	7,933,442	\$ -		
2024	60,741,464	1,524,890	59,216,574	7,774,552	7,774,552	\$ -		
2025	59,216,574	1,524,890	57,691,683	7,615,662	7,615,662	\$ -		
2026	57,691,683	1,524,890	56,166,793	7,456,772	7,456,772	\$ -		
2027	56,166,793	1,524,890	54,641,903	7,297,883	7,297,883	\$ -		
2028	54,641,903	1,524,890	53,117,012	7,138,993	7,138,993	\$ -		
2029	53,117,012	1,524,890	51,592,122	6,980,103	6,980,103	\$ -		
2030	51,592,122	1,524,890	50,067,232	6,821,214	6,821,214	\$ -		
2031	50,067,232	1,524,890	48,542,341	6,662,324	6,662,324	\$ -		
2032	48,542,341	1,524,890	47,017,451	6,503,434	6,503,434	\$ -		
2033	47,017,451	1,524,890	45,492,561	6,344,545	6,344,545	\$ -		
2034	45,492,561	1,524,890	43,967,671	6,185,655	6,185,655	\$ -		
2035	43,967,671	1,524,890	42,442,780	6,026,765	6,026,765	\$ -		
2036	42,442,780	1,524,890	40,917,890	5,867,875	5,867,875	\$ -		
2037	40,917,890	1,524,890	39,393,000	5,708,986	5,708,986	\$ -		
2038	39,393,000	1,524,890	37,868,109	5,550,096	5,550,096	\$ -		
2039	37,868,109	1,524,890	36,343,219	5,391,206	5,391,206	\$ -		
2040	36,343,219	1,524,890	34,818,329	5,232,317	5,232,317	\$ -		
2041	34,818,329	1,524,890	33,293,438	5,073,427	5,073,427	\$ -		
2042	33,293,438	1,524,890	31,768,548	4,914,537	4,914,537	\$ -		
2043	31,768,548	1,524,890	30,243,658	4,755,648	4,755,648	\$ -		
2044	30,243,658	1,524,890	28,718,767	4,596,758	4,596,758	\$ -		
2045	28,718,767	1,524,890	27,193,877	4,437,868	4,437,868	\$ -		
2046	27,193,877	1,524,890	25,668,987	4,278,978	4,278,978	\$ -		
2047	25,668,987	1,524,890	24,144,097	4,120,089	4,120,089	\$ -		
2048	24,144,097	1,524,890	22,619,206	3,961,199	3,961,199	\$ -		
2049	22,619,206	1,524,890	21,094,316	3,802,309	3,802,309	\$ -		
2050	21,094,316	1,524,890	19,569,426	3,643,420	3,643,420	\$ -		
2051	19,569,426	1,524,890	18,044,535	3,484,530	3,484,530	\$ -		
2052	18,044,535	1,524,890	16,519,645	3,325,640	3,325,640	\$ -		
2053	16,519,645	1,524,890	14,994,755	3,166,751	3,166,751	\$ -		
2054	14,994,755	1,524,890	13,469,864	3,007,861	3,007,861	\$ -		
2055	13,469,864	1,524,890	11,944,974	2,848,971	2,848,971	\$ -		
2056	11,944,974	1,524,890	10,420,084	2,690,081	2,690,081	\$ -		
2057	10,420,084	1,524,890	8,895,193	2,531,192	2,531,192	\$ -		
2058	8,895,193	1,524,890	7,370,303	2,372,302	2,372,302	\$ -		
2059	7,370,303	1,524,890	5,845,413	2,213,412	2,213,412	\$ -		
2060	5,845,413	1,524,890	4,320,523	2,054,523	2,054,523	\$ -		
2061	4,320,523	1,524,890	2,795,633	1,895,633	1,895,633	\$ -		
2062	2,795,633	1,524,890	1,270,742	1,736,743	1,736,743	\$ -		
2063	1,270,742	1,270,742	-	1,336,946	1,336,946	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
2076	-	-	-	-	-	\$ -		
2077	-	-	-	-	-	\$ -		
Project Totals	68,620,064			235,454,250	235,454,250	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

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IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

RTEP ID: b2230 (Amos Station retire three 765kV reactors Amos-Hanging Rock)

Current Projected Year ARR	80,241
Current Projected Year ARR w/ Incentive	80,241
Current Projected Year Incentive ARR	-

Details	Current Year	2022
Investment	705,825	-
Service Year (yyy)	2016	-
Service Month (1-12)	12	10.42%
Useful life	45	10.42%
CIAC (Yes or No)	No	15,685

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	705,825		705,825	73,545	73,545	\$ -	\$ -	\$ -
2017	705,825	15,685	690,140	88,413	88,413	\$ -		
2018	690,140	15,685	674,455	86,779	86,779	\$ -		
2019	674,455	15,685	658,770	85,144	85,144	\$ -		
2020	658,770	15,685	643,085	83,510	83,510	\$ -	\$ 82,029	\$ 82,029
2021	643,085	15,685	627,400	81,876	81,876	\$ -	\$ 81,170	\$ 81,170
2022	627,400	15,685	611,715	80,241	80,241	\$ -		
2023	611,715	15,685	596,030	78,607	78,607	\$ -		
2024	596,030	15,685	580,345	76,973	76,973	\$ -		
2025	580,345	15,685	564,660	75,338	75,338	\$ -		
2026	564,660	15,685	548,975	73,704	73,704	\$ -		
2027	548,975	15,685	533,290	72,070	72,070	\$ -		
2028	533,290	15,685	517,605	70,435	70,435	\$ -		
2029	517,605	15,685	501,920	68,801	68,801	\$ -		
2030	501,920	15,685	486,235	67,167	67,167	\$ -		
2031	486,235	15,685	470,550	65,532	65,532	\$ -		
2032	470,550	15,685	454,865	63,898	63,898	\$ -		
2033	454,865	15,685	439,180	62,264	62,264	\$ -		
2034	439,180	15,685	423,495	60,629	60,629	\$ -		
2035	423,495	15,685	407,810	58,995	58,995	\$ -		
2036	407,810	15,685	392,125	57,361	57,361	\$ -		
2037	392,125	15,685	376,440	55,726	55,726	\$ -		
2038	376,440	15,685	360,755	54,092	54,092	\$ -		
2039	360,755	15,685	345,070	52,458	52,458	\$ -		
2040	345,070	15,685	329,385	50,823	50,823	\$ -		
2041	329,385	15,685	313,700	49,189	49,189	\$ -		
2042	313,700	15,685	298,015	47,555	47,555	\$ -		
2043	298,015	15,685	282,330	45,920	45,920	\$ -		
2044	282,330	15,685	266,645	44,286	44,286	\$ -		
2045	266,645	15,685	250,960	42,652	42,652	\$ -		
2046	250,960	15,685	235,275	41,017	41,017	\$ -		
2047	235,275	15,685	219,590	39,383	39,383	\$ -		
2048	219,590	15,685	203,905	37,749	37,749	\$ -		
2049	203,905	15,685	188,220	36,114	36,114	\$ -		
2050	188,220	15,685	172,535	34,480	34,480	\$ -		
2051	172,535	15,685	156,850	32,846	32,846	\$ -		
2052	156,850	15,685	141,165	31,211	31,211	\$ -		
2053	141,165	15,685	125,480	29,577	29,577	\$ -		
2054	125,480	15,685	109,795	27,943	27,943	\$ -		
2055	109,795	15,685	94,110	26,308	26,308	\$ -		
2056	94,110	15,685	78,425	24,674	24,674	\$ -		
2057	78,425	15,685	62,740	23,040	23,040	\$ -		
2058	62,740	15,685	47,055	21,405	21,405	\$ -		
2059	47,055	15,685	31,370	19,771	19,771	\$ -		
2060	31,370	15,685	15,685	18,137	18,137	\$ -		
2061	15,685	15,685	-	16,502	16,502	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	705,825			2,434,137	2,434,137	-		

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

APCo Worksheet J - ATRR PROJECTED Calculation for PJM Projects Charged to Benefiting Zones

IV. Determine the Revenue Requirement, and Additional Revenue Requirement for facilities receiving incentives.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description: RTEP ID: b2423 Install a 300 MVAR shunt reactor at AEP's Wyoming 765 kV station.

Current Projected Year ARR	16,018
Current Projected Year ARR w/ Incentive	16,018
Current Projected Year Incentive ARR	-

Details		Current Year		2022		
Investment	134,945	ROE increase accepted by FERC (Basis Points)	-			
Service Year (vvv)	2019	FCR w/o incentives, less depreciation	10.42%			
Service Month (1-12)	2	FCR w/incentives approved for these facilities, less dep.	10.42%			
Useful life	45	Annual Depreciation Expense	2,999			
CIAC (Yes or No)	No					
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #
2019	134,945	2,499	132,446	16,430	16,430	\$ -
2020	132,446	2,999	129,448	16,643	16,643	\$ -
2021	129,448	2,999	126,449	16,331	16,331	\$ -
2022	126,449	2,999	123,450	16,018	16,018	\$ -
2023	123,450	2,999	120,451	15,706	15,706	\$ -
2024	120,451	2,999	117,452	15,393	15,393	\$ -
2025	117,452	2,999	114,454	15,081	15,081	\$ -
2026	114,454	2,999	111,455	14,768	14,768	\$ -
2027	111,455	2,999	108,456	14,456	14,456	\$ -
2028	108,456	2,999	105,457	14,143	14,143	\$ -
2029	105,457	2,999	102,458	13,831	13,831	\$ -
2030	102,458	2,999	99,460	13,518	13,518	\$ -
2031	99,460	2,999	96,461	13,206	13,206	\$ -
2032	96,461	2,999	93,462	12,894	12,894	\$ -
2033	93,462	2,999	90,463	12,581	12,581	\$ -
2034	90,463	2,999	87,465	12,269	12,269	\$ -
2035	87,465	2,999	84,466	11,956	11,956	\$ -
2036	84,466	2,999	81,467	11,644	11,644	\$ -
2037	81,467	2,999	78,468	11,331	11,331	\$ -
2038	78,468	2,999	75,469	11,019	11,019	\$ -
2039	75,469	2,999	72,471	10,706	10,706	\$ -
2040	72,471	2,999	69,472	10,394	10,394	\$ -
2041	69,472	2,999	66,473	10,081	10,081	\$ -
2042	66,473	2,999	63,474	9,769	9,769	\$ -
2043	63,474	2,999	60,475	9,456	9,456	\$ -
2044	60,475	2,999	57,477	9,144	9,144	\$ -
2045	57,477	2,999	54,478	8,831	8,831	\$ -
2046	54,478	2,999	51,479	8,519	8,519	\$ -
2047	51,479	2,999	48,480	8,207	8,207	\$ -
2048	48,480	2,999	45,482	7,894	7,894	\$ -
2049	45,482	2,999	42,483	7,582	7,582	\$ -
2050	42,483	2,999	39,484	7,269	7,269	\$ -
2051	39,484	2,999	36,485	6,957	6,957	\$ -
2052	36,485	2,999	33,486	6,644	6,644	\$ -
2053	33,486	2,999	30,488	6,332	6,332	\$ -
2054	30,488	2,999	27,489	6,019	6,019	\$ -
2055	27,489	2,999	24,490	5,707	5,707	\$ -
2056	24,490	2,999	21,491	5,394	5,394	\$ -
2057	21,491	2,999	18,493	5,082	5,082	\$ -
2058	18,493	2,999	15,494	4,769	4,769	\$ -
2059	15,494	2,999	12,495	4,457	4,457	\$ -
2060	12,495	2,999	9,496	4,144	4,144	\$ -
2061	9,496	2,999	6,497	3,832	3,832	\$ -
2062	6,497	2,999	3,499	3,520	3,520	\$ -
2063	3,499	2,999	500	3,207	3,207	\$ -
2064	500	500	-	526	526	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
2075	-	-	-	-	-	\$ -
2076	-	-	-	-	-	\$ -
2077	-	-	-	-	-	\$ -
2078	-	-	-	-	-	\$ -
Project Totals	134,945			453,660	453,660	-

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:
INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF PROJECTED ARRS OVER THE
LIFE OF THE PROJECT.

RTEP Projected Rev. w/o Incentives	RTEP Projected with Incentives **
\$ -	\$ -
\$ 16,151	\$ 16,151

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

AEP East Companies
Cost of Service Formula Rate Using 2022 FF1 Balances
Worksheet L Reserved for Future Use
Appalachian Power Company

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
Appalachian Power Company

Line No	Month (a)	Average Balance of Common Equity				
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
				(FF1 112.12)	(FF1 112.15)	
	(Note A)	(FF1 112.16)	(FF1 250-251)			
1	December Prior to Rate Year	4,631,487,000		(3,463,000)	13,748,000	4,621,202,000
2	January	4,682,174,000		(3,463,000)	13,744,000	4,671,893,000
3	February	4,699,766,000		(3,463,000)	13,739,000	4,689,490,000
4	March	4,731,254,000		(3,463,000)	13,735,000	4,720,982,000
5	April	4,744,631,000		(3,463,000)	13,731,000	4,734,363,000
6	May	4,745,932,000		(3,463,000)	13,727,000	4,735,668,000
7	June	4,766,652,000		(3,463,000)	13,723,000	4,756,392,000
8	July	4,812,468,000		(3,463,000)	13,719,000	4,802,212,000
9	August	4,828,025,000		(3,463,000)	13,715,000	4,817,773,000
10	September	4,843,785,000		(3,463,000)	13,711,000	4,833,537,000
11	October	4,856,329,000		(3,463,000)	13,707,000	4,846,085,000
12	November	4,869,561,000		(3,463,000)	13,702,000	4,859,322,000
13	December of Rate Year	4,912,636,000		(3,463,000)	13,698,000	4,902,401,000
14	Average of the 13 Monthly Balances	4,778,823,000	-	(3,463,000)	13,723,000	4,768,563,077

Line No	Month (a)	Average Balance of Long Term Debt					Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
		Acct 221 Bonds (b)	Less: Acct 222 Reacquired Bonds (c)	Acct 223 LT Advances from Assoc. Companies (d)	Acct 224 Senior Unsecured Notes (e)	Less: Fair Value Hedges (f)	
				(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
	(Note A)	(FF1 112.18)	(FF1 112.19)				
15	December Prior to Rate Year	200,079,000			4,782,948,000		4,983,027,000
16	January	200,079,000			4,782,948,000		4,983,027,000
17	February	187,374,000			4,782,948,000		4,970,322,000
18	March	187,374,000			4,782,948,000		4,970,322,000
19	April	187,374,000			4,782,948,000		4,970,322,000
20	May	187,374,000			4,782,948,000		4,970,322,000
21	June	187,374,000			4,782,948,000		4,970,322,000
22	July	187,374,000			4,782,948,000		4,970,322,000
23	August	174,174,000			4,782,948,000		4,957,122,000
24	September	174,174,000			5,132,948,000		5,307,122,000
25	October	174,174,000			5,032,948,000		5,207,122,000
26	November	174,174,000			5,032,948,000		5,207,122,000
27	December of Rate Year	174,174,000			5,032,948,000		5,207,122,000
28	Average of the 13 Monthly Balances	184,252,000	-	-	4,867,563,000	-	5,051,815,077

NOTE 1: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (Page 257 Column H of the FF1)

Development of Cost of Long Term Debt Based on Average Outstanding Balance

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29	Annual Interest Expense for 2022						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			213,293,000			
31	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 50 below.			(1,128,000)			
32	Plus: Allowed Hedge Recovery From Ln 55 below.			(1,128,000)			
33	Amort of Debt Discount & Expense - Acct 428 (117.63.c)			3,215,000			
34	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)			3,885,000			
35	Less: Amort of Premium on Debt - Acct 429 (117.65.c)						
36	Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)						
37	Total Interest Expense (Ln 30 - 31 + 33 + 34 - 35 - 36)			220,393,000			
38	Average Cost of Debt for 2022 (Ln 37/ Ln 28 (g))			4.36%			

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

39 NOTE: The net amount of hedging gains or losses recorded in account 427 to be recovered in this formula rate should be limited to the effective portion of pre-issuance cash flow hedges that are amortized over the life of the underlying debt issuances. The recovery of a net loss or passback of a net gain will be limited to five basis points of the total Capital Structure. Amounts related to the ineffective portion of pre-issuance hedges, cash settlements of fair value hedges issued on Long Term Debt, post-issuance cash flow hedges, and cash flow hedges of variable rate debt issuances are not recoverable in this formula and are to be recorded in the "Excludable" column below.

Amortization Period

HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)		Total Hedge (Gain)/Loss for 2022	Less Excludable Amounts (See NOTE on Line 39)	Net Includable Hedge Amount	Remaining Unamortized Balance	Beginning	Ending
40	Senior Unsecured Notes - Series I	-	-	-	-	Jan-05	Jul-14
41	Senior Unsecured Notes - Series K	-	-	-	-	Jun-05	May-15
42	Senior Unsecured Notes - Series L	-	-	-	-	Sep-05	Sep-15
43	Senior Unsecured Notes - Series H	37,000	-	37,000	457,000	May-03	May-33
44	Senior Unsecured Notes - Series N	(194,000)	-	(194,000)	(2,962,000)	Apr-06	Apr-36
45	Senior Unsecured Notes - Series Q	160,000	-	160,000	2,748,000	Mar-08	Apr-38
46	Senior Unsecured Notes - Series S	-	-	-	-	May-10	May-15
47	Senior Unsecured Notes - Series T	(1,131,000)	-	(1,131,000)	(251,000)	Mar-11	Mar-21
48				-			
49					(8,000)		
50	Total Hedge Amortization	(1,128,000)	-				
51	Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48)			(1,128,000)			
52	Total Average Capital Structure Balance for 2022 (TCOS, Ln 157)			9,820,378,077			
53	Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
54	Limit of Recoverable Amount			4,910,189			
55	Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)			(1,128,000)			

Development of Cost of Preferred Stock

Preferred Stock		Average	
56	0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%
57	0% Series - 0 - Par Value (p. 250-251)	\$ -	\$ -
58	0% Series - 0 - Shares O/S (p.250-251)	-	-
59	0% Series - 0 - Monetary Value (Ln 57 * Ln 58)	-	-
60	0% Series - 0 - Dividend Amount (Ln 56 * Ln 59)	-	-
61	0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%

62 0% Series - 0 - Par Value (p. 250-251)	\$	-	\$	-	
63 0% Series - 0 - Shares O/S (p.250-251)		-		-	
64 0% Series - 0 - Monetary Value (Ln 62 * Ln 63)		-		-	-
65 0% Series - 0 - Dividend Amount (Ln 61 * Ln 64)		-		-	-
66 0% Series - 0 - Dividend Rate (p. 250-251)		0.000%		0.000%	
67 0% Series - 0 - Par Value (p. 250-251)	\$	-	\$	-	
68 0% Series - 0 - Shares O/S (p.250-251)		-		-	
69 0% Series - 0 - Monetary Value (Ln 67 * Ln 68)		-		-	-
70 0% Series - 0 - Dividend Amount (Ln 66 * Ln 69)		-		-	-
71 Balance of Preferred Stock (Lns 59, 64, 69)		-		-	- Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)
72 Dividends on Preferred Stock (Lns 60, 65, 70)		-		-	-
73 Average Cost of Preferred Stock (Ln 72/71)		0.00%		0.00%	0.00%

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
Appalachian Power Company

Note: Gain or loss on plant held for future are recorded in accounts 411.6 or 411.7 respectively. Sales will be funtionalized based on the description of that asset. Sales of transmission assets will be direct assigned; sales of general assets will be functionalized on labor. Sales of plant held for future use related to generation or distribution will not be included in the formula.

Line	(A) Date	(B) Property Description	(C) Function (T) or (G) T = Transmission G = General	(D) Basis	(E) Proceeds	(F) (Gain) / Loss	(G) Functional Allocator	(H) Functionalized Proceeds (Gain) / Loss	(I) FERC Account
1						-	0.000%	-	
2						-	0.000%	-	
3						-	0.000%	-	
4				Net (Gain) or Loss for 2022		-		-	

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service
Appalachian Power Company

1 Total AEP East Operating Company PBOP Settlement Amount (127,042,000)

Allocation of PBOP Settlement Amount for 2022

Line#	Company	Actual Expense (Including AEPSC Billed OPEB)	Total Company Amount			Labor Allocator for 2022	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
			Ratio of Company Actual to Total	Allocation of PBOP Recovery Allowance					
		(A)	(B)=(A)/Total (A)	(C)=(B) * -127042000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)	
		(Line 14)							
2	APCo	(21,654,000)	35.88%	(45,576,757)	10.559%	(2,286,344)	(4,812,235)	2,525,891	
3	I&M	(16,229,000)	26.89%	(34,158,363)	4.637%	(752,490)	(1,583,820)	831,330	
4	KPCo	(5,029,000)	8.33%	(10,584,904)	8.698%	(437,439)	(920,709)	483,270	
5	KNGP	(537,000)	0.89%	(1,130,263)	12.563%	(67,464)	(141,997)	74,533	
6	OPCo	(15,972,000)	26.46%	(33,617,436)	12.672%	(2,023,979)	(4,260,016)	2,236,037	
7	WPCo	(938,000)	1.55%	(1,974,277)	3.775%	(35,411)	(74,533)	39,122	
8	Sum of Lines 2 to 7	(60,359,000)		(127,042,000)		(5,603,126)	(11,793,309)	6,190,183	

Detail of Actual PBOP Expenses to be Removed in Cost of Service

	APCo	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9 Direct Charged PBOP Expense per Actuarial Report	(18,399,000)	(15,727,000)	(4,563,000)	(409,000)	(12,905,000)	(478,000)	(52,481,000)
10 Additional PBOP Ledger Entries (from Company Records)	519,000	1,847,000	418,000	-	-	(376,000)	
11 Medicare Subsidy							-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(17,880,000)	(13,880,000)	(4,145,000)	(409,000)	(12,905,000)	(854,000)	(50,073,000)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(5,244,000)	(3,720,000)	(1,263,000)	(166,000)	(4,133,000)	(120,000)	(14,646,000)
14 Company PBOP Expense (Ln 12 + Ln 13)	(23,124,000)	(17,600,000)	(5,408,000)	(575,000)	(17,038,000)	(974,000)	(64,719,000)

For the rate year 2017 and adjusted every four years thereafter, using the annual actuarial report produced for that year, filed as part of the informational filing, Worksheet O will be used to adjust PBOP costs for the next four years (i.e. 2017, 2018, 2019, 2020). If the annual actuarial report projects PBOP costs during the next four years, taken together with the then current cumulative PBOP cost/allowance position, will, absent a change in the PBOP allowance, cause the AEP Companies to over or under collect their cumulative PBOP costs by more than 20% of the projected next four year's total cost, the PBOP allowance shall be adjusted. Worksheet O will be used in the process of updating the PBOP allowance determining (a) the level of cumulative over or under collections during the period since the PBOP allowance was last set, including carrying costs based on the weighted average cost of capital ("WACC") each year from the actual formula rate; (b) the cumulative net present value of projected PBOP costs during the next four years, as estimated by the then current actuarial report, assuming a discount rate equal to the actual formula rate weighted average cost of capital for the prior calendar year; and (c) the cumulative net present value of continued collections over the next four years based on the then effective PBOP allowance, assuming a discount rate equal to the prior year WACC. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance used in the formula rate calculation shall be changed to the value that will cause the projected result (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years will be less than 20% of (b), then the PBOP allowance will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover or under-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP expense stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF 1/1/2020
FOR MULTIPLE JURISDICTION COMPANIES
Appalachian Power Company

	VIRGINIA				WEST VIRGINIA			FERC WHOLESALE			FERC KINGSFORT			COMPANY
	(1) PLANT ACCT.	(1) VA SCC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(2) PSC OF WV APPROVED RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(3) FERC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(4) FERC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	WTD AVG. DEPREC. RATE
TRANSMISSION PLANT														
Land Rights - Va.	350.1	0.66%	1.000000	0.66%										0.66%
Energy Storage Equip	351.0				14.22%	1.000000	14.22%							14.22%
Structures & Improvements	352.0	1.99%	0.494821	0.98%	1.62%	0.411083	0.67%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.86%
Station Equipment	353.0	2.70%	0.494821	1.34%	2.37%	0.411083	0.97%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	2.52%
Towers & Fixtures	354.0	1.64%	0.494821	0.81%	1.59%	0.411083	0.65%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.67%
Poles & Fixtures	355.0	3.46%	0.494821	1.71%	2.71%	0.411083	1.11%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	3.03%
Overhead Conductor	356.0	1.65%	0.494821	0.82%	1.53%	0.411083	0.63%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.66%
Underground Conduit	357.0	2.49%	0.494821	1.23%	3.71%	0.411083	1.53%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	2.97%
Underground Conductors	358.0	4.72%	0.494821	2.34%	5.24%	0.411083	2.15%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	4.70%
GENERAL PLANT														
Structures & Improvements	390.0	1.89%	0.523756	0.99%	1.91%	0.425941	0.81%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.98%
Office Furniture & Equipment	391.0	3.21%	0.523756	1.68%	3.17%	0.425941	1.35%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.21%
Transportation Equipment	392.0	3.46%	0.523756	1.81%	3.40%	0.425941	1.45%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.44%
Stores Equipment	393.0	1.78%	0.523756	0.93%	1.80%	0.425941	0.77%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.88%
Tools Shop & Garage Equipment	394.0	2.59%	0.523756	1.36%	2.57%	0.425941	1.09%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	2.63%
Laboratory Equipment	395.0	3.87%	0.523756	2.03%	4.01%	0.425941	1.71%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.92%
Power Operated Equipment	396.0	0.00%	0.523756	0.00%	3.90%	0.425941	1.66%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.84%
Communication Equipment	397.0	5.05%	0.523756	2.64%	4.98%	0.425941	2.12%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	4.94%
Miscellaneous Equipment	398.0	2.67%	0.523756	1.40%	2.70%	0.425941	1.15%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	2.73%

(1) As approved in VA Case No. PUE 2020-00015 on Nov. 24, 2020
Depreciation rates were made effective on January 1, 2020.

(3) Approved by FERC March 2, 1990 in Docket ER90-132

(4) Approved by FERC March 2, 1990 in Docket ER90-133

(2) Approved by PSC of WV Order dated 2/27/2019 in
Case No. 18-0645-E-D effective 03/06/2019.

(5) Transmission allocation factors are changed annually in January based on
September factors as per the PJM tariff approved in FERC Docket ER08-1329
Attachment H-14B, Part II, pg. 15 of 21.

(6) Distribution Plant (recorded by state) is assigned only to
jurisdictions within each state.

GENERAL NOTES:

The rates for each AEP company have been approved by their respective regulatory commissions.

APCo falls under the authority of Virginia, West Virginia and the FERC. Therefore, APCo's rates are a composite of the jurisdictions under which it operates. Each jurisdictions' rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate for the company.

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF MARCH 11, 2020
FOR MULTIPLE JURISDICTION COMPANIES
INDIANA MICHIGAN POWER COMPANY

	INDIANA				MICHIGAN AND FERC			COMPANY
	(1) PLANT ACCT.	(1) IURC RATES	ALLOCATION FACTOR (4)	WTD AVG. DEPREC. RATE	(2) MPSC APPROVED RATES	ALLOCATION FACTOR (4)	WTD AVG. DEPREC. RATE	WTD AVG. DEPREC. RATE
TRANSMISSION PLANT								
Land Improvements	350.1	1.6600%	0.662335	1.0995%	1.6200%	0.337665	0.5470%	1.65%
Structures & Improvements	352.0	1.7700%	0.662335	1.1723%	1.7400%	0.337665	0.5875%	1.76%
Station Equipment	353.0	2.4300%	0.662335	1.6095%	2.4100%	0.337665	0.8138%	2.42%
Towers & Fixtures	354.0	2.5700%	0.662335	1.7022%	2.4500%	0.337665	0.8273%	2.53%
Poles & Fixtures	355.0	3.1900%	0.662335	2.1128%	3.1700%	0.337665	1.0704%	3.18%
Overhead Conductors	356.0	2.3500%	0.662335	1.5565%	2.2800%	0.337665	0.7699%	2.33%
Underground Conduit	357.0	2.3000%	0.662335	1.5234%	2.2100%	0.337665	0.7462%	2.27%
Underground Conductors	358.0	1.9300%	0.662335	1.2783%	1.9000%	0.337665	0.6416%	1.92%
Trails & Roads	359.0	1.6100%	0.662335	1.0664%	1.5900%	0.337665	0.5369%	1.60%
GENERAL PLANT								
	390.0	2.0800%	0.681868	1.4183%	2.0800%	0.318132	0.6617%	2.08%
	391.0	4.7900%	0.681868	3.2661%	4.8400%	0.318132	1.5398%	4.81%
\$0 at Dec 2018 - use old rate	392.0	4.6400%	0.681868	3.1639%	4.6800%	0.318132	1.4889%	4.65%
	393.0	7.3500%	0.681868	5.0117%	7.3800%	0.318132	2.3478%	7.36%
	394.0	6.9900%	0.681868	4.7663%	7.0700%	0.318132	2.2492%	7.02%
	395.0	5.4100%	0.681868	3.6889%	5.4600%	0.318132	1.7370%	5.43%
	396.0	4.8100%	0.681868	3.2798%	4.9000%	0.318132	1.5588%	4.84%
	397.0	3.9100%	0.681868	2.6661%	3.9300%	0.318132	1.2503%	3.92%
	398.0	3.3200%	0.681868	2.2638%	3.3500%	0.318132	1.0657%	3.33%

(1) As approved in Indiana Cause No. 45235 effective March 11, 2020.

(2) As approved in Michigan Case No. U-20359 effective February 1, 2020.

(3) FERC wholesale formula rate agreements specify that the depreciation rates in the formula rates change upon approval of MPSC rates in the Michigan jurisdiction.

(4) The rates approved for each jurisdiction are updated when approved by that commission. These demand-based allocation factors for all jurisdictions are updated when new rates are approved in one of the jurisdictions. These allocation factors reflect I&M's 12 monthly Coincident Peaks during test year of the most recent rate case.

GENERAL NOTES:

The rates for each AEP company have been approved by their respective regulatory commissions.

I&M falls under the authority of Indiana, Michigan and the FERC. Therefore, I&M's rates are a composite of the jurisdictions under which it operates. Each jurisdiction's rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate. AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 09/1/2016
FOR SINGLE JURISDICTION COMPANIES
KINGSPORT POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	1.04%
Station Equipment	353.0	1.49%
Towers & Fixtures	354.0	0.12%
Poles & Fixtures	355.0	2.14%
Overhead Conductors	356.0	0.77%
Underground Conduit	357.0	Note 2
Underground Conductors	358.0	Note 2
Composite Transmission Depreciation Rate		1.46%
GENERAL PLANT		
Structures & Improvements	390.0	1.71%
Office Furniture & Equipment	391.0	2.82%
Stores Equipment	393.0	2.22%
Tools Shop & Garage Equipmen	394.0	3.12%
Laboratory Equipment	395.0	3.17%
Communication Equipment	397.0	3.32%
Miscellaneous Equipment	398.0	4.92%
Total General Plant		3.25%

Reference:

Note 1: Rates Approved In Tennessee Regulatory Authority Docket No. 16-00001.
K

Note 2: Kingsport Power Company does not have investment in plant
accounts 357 or 358. Therefore, there are no depreciation rates approved

General Note

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 07/1/2015
FOR SINGLE JURISDICTION COMPANIES
KENTUCKY POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Land Rights	350.1	1.44%
Structures & Improvements	352.0	2.08%
Station Equipment	353.0	2.15%
Towers & Fixtures	354.0	2.61%
Poles & Fixtures	355.0	3.95%
Overhead Conductors	356.0	2.91%
Underground Conduit	357.0	2.99%
Underground Conductors	358.0	2.62%

Reference:

Note 1: Rates Approved in KPSC Case No. 2014-00396.

General Note

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 4/1/2012
FOR SINGLE JURISDICTION COMPANIES
OHIO POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	2.02%
Station Equipment	353.0	2.29%
Twrs and Fixtures Above 69 KV	354.0	1.88%
Twrs and Fixtures Below 69 KV	354.0	1.88%
Poles and Fixtures Above 69 KV	355.0	3.52%
Poles and Fixtures Below 69 KV	355.0	3.52%
Overhead Conductor & Devices Above 69KV	356.0	1.91%
Overhead Conductor & Devices MSP	356.0	1.91%
Overhead Conductor & Devices 138KV	356.0	1.91%
Overhead Conductor & Devices 69KV	356.0	1.91%
Overhead Conductor & Devices CLR (356.0	1.91%
Underground Conduit	357.0	2.26%
Underground Conductors	358.0	3.27%

Reference:

Note 1: These are the weighted average of the depreciation rates in effect for Columbus Southern Power and Ohio Power prior to the merger of Columbus Southern into Ohio Power.

General Note:

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 3/1/2019
FOR SINGLE JURISDICTION COMPANIES
WHEELING POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	1.15%
Station Equipment	353.0	2.22%
Towers & Fixtures	354.0	2.65%
Poles & Fixtures	355.0	2.41%
Overhead Conductors	356.0	1.32%
Underground Conduit	351.0	9.94%
Underground Conductors	351.0	13.98%
Trails & Roads	359.0	-
<i>GENERAL PLANT</i>		
Structures & Improvements	390.0	1.08%
Office Furniture & Equipment	391.0	2.13%
Stores Equipment	393.0	1.78%
Tools Shop & Garage Equipment	394.0	1.65%
Communication Equipment	397.0	5.09%
Miscellaneous Equipment	398.0	2.76%

Note 1: Rates Approved in WV Public Service Commission Case No. 14-1151-E-D.

General Note:

AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2020 Available May 25, 2021	-	2020 Forecasted Revenue Requirement For Year 2020	=	True-up Adjustment - Over (Under) Recovery
\$340,939,169		\$333,583,559		(\$7,355,610)

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.3145%				

An over or under collection will be recovered prorata over 2019, held for 2020 and returned prorata over 2021

<u>Calculation of Interest</u>							Monthly	
January	Year 2020	(612,967)	0.3145%	12	23,133			636,101
February	Year 2020	(612,967)	0.3145%	11	21,206			634,173
March	Year 2020	(612,967)	0.3145%	10	19,278			632,245
April	Year 2020	(612,967)	0.3145%	9	17,350			630,318
May	Year 2020	(612,967)	0.3145%	8	15,422			628,390
June	Year 2020	(612,967)	0.3145%	7	13,494			626,462
July	Year 2020	(612,967)	0.3145%	6	11,567			624,534
August	Year 2020	(612,967)	0.3145%	5	9,639			622,606
September	Year 2020	(612,967)	0.3145%	4	7,711			620,679
October	Year 2020	(612,967)	0.3145%	3	5,783			618,751
November	Year 2020	(612,967)	0.3145%	2	3,856			616,823
December	Year 2020	(612,967)	0.3145%	1	1,928			614,895
					150,367			7,505,977
							Annual	
January through December	Year 2020	7,505,977	0.3145%	12	283,276			7,789,252

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>							Monthly	
January	Year 2022	(7,789,252)	0.3145%		24,497	(662,450)		7,151,299
February	Year 2022	(7,151,299)	0.3145%		22,491	(662,450)		6,511,340
March	Year 2022	(6,511,340)	0.3145%		20,478	(662,450)		5,869,368
April	Year 2022	(5,869,368)	0.3145%		18,459	(662,450)		5,225,377
May	Year 2022	(5,225,377)	0.3145%		16,434	(662,450)		4,579,361
June	Year 2022	(4,579,361)	0.3145%		14,402	(662,450)		3,931,313
July	Year 2022	(3,931,313)	0.3145%		12,364	(662,450)		3,281,227
August	Year 2022	(3,281,227)	0.3145%		10,319	(662,450)		2,629,097
September	Year 2022	(2,629,097)	0.3145%		8,269	(662,450)		1,974,915
October	Year 2022	(1,974,915)	0.3145%		6,211	(662,450)		1,318,676
November	Year 2022	(1,318,676)	0.3145%		4,147	(662,450)		660,373
December	Year 2022	(660,373)	0.3145%		2,077	(662,450)		0
					160,148			

True-Up Adjustment with Interest	7,949,401
Less Over (Under) Recovery	(7,355,610)
Total Interest	593,791

Note 1: The interest rate to be applied to the over recovery or under recovery amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being true-up through August 31 of the following year.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2020 Available May 25, 2021		2020 Forecasted Revenue Requirement For Year 2020		True-up Adjustment - Over (Under) Recovery
\$26,888,819	-	\$22,018,181	=	(\$4,870,638)

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate 0.3145%	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
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An over or under collection will be recovered prorata over 2019, held for 2020 and returned prorata over 2021

<u>Calculation of Interest</u>					Monthly	
January	Year 2020	(405,887)	0.3145%	12	15,318	421,205
February	Year 2020	(405,887)	0.3145%	11	14,042	419,928
March	Year 2020	(405,887)	0.3145%	10	12,765	418,652
April	Year 2020	(405,887)	0.3145%	9	11,489	417,375
May	Year 2020	(405,887)	0.3145%	8	10,212	416,099
June	Year 2020	(405,887)	0.3145%	7	8,936	414,822
July	Year 2020	(405,887)	0.3145%	6	7,659	413,546
August	Year 2020	(405,887)	0.3145%	5	6,383	412,269
September	Year 2020	(405,887)	0.3145%	4	5,106	410,993
October	Year 2020	(405,887)	0.3145%	3	3,830	409,716
November	Year 2020	(405,887)	0.3145%	2	2,553	408,440
December	Year 2020	(405,887)	0.3145%	1	1,277	407,163
					99,568	4,970,206

January through December	Year 2020	4,970,206	0.3145%	12	187,576	5,157,782
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<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					Monthly	
January	Year 2022	(5,157,782)	0.3145%		16,221	4,735,351
February	Year 2022	(4,735,351)	0.3145%		14,893	4,311,591
March	Year 2022	(4,311,591)	0.3145%		13,560	3,886,499
April	Year 2022	(3,886,499)	0.3145%		12,223	3,460,070
May	Year 2022	(3,460,070)	0.3145%		10,882	3,032,299
June	Year 2022	(3,032,299)	0.3145%		9,537	2,603,184
July	Year 2022	(2,603,184)	0.3145%		8,187	2,172,719
August	Year 2022	(2,172,719)	0.3145%		6,833	1,740,900
September	Year 2022	(1,740,900)	0.3145%		5,475	1,307,722
October	Year 2022	(1,307,722)	0.3145%		4,113	873,183
November	Year 2022	(873,183)	0.3145%		2,746	437,277
December	Year 2022	(437,277)	0.3145%		1,375	0
					106,045	

True-Up Adjustment with Interest	5,263,827
Less Over (Under) Recovery	(4,870,638)
Total Interest	393,189

Note 1: The interest rate to be applied to the over recovery or under recovery amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being trued-up through August 31 of the following year.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2020 Available May 25, 2021		2020 Forecasted Revenue Requirement For Year 2020		True-up Adjustment - Over (Under) Recovery
\$2,447,182	-	\$5,007,004	=	\$2,559,822

Interest Rate on Amount of Refunds or Surcharge from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate 0.3145%	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
An over or under collection will be recovered prorata over 2019, held for 2020 and returned prorata over 2021							
Calculation of Interest					Monthly		
January	Year 2020	213,318	0.3145%	12	(8,051)		(221,369)
February	Year 2020	213,318	0.3145%	11	(7,380)		(220,698)
March	Year 2020	213,318	0.3145%	10	(6,709)		(220,027)
April	Year 2020	213,318	0.3145%	9	(6,038)		(219,356)
May	Year 2020	213,318	0.3145%	8	(5,367)		(218,686)
June	Year 2020	213,318	0.3145%	7	(4,696)		(218,015)
July	Year 2020	213,318	0.3145%	6	(4,025)		(217,344)
August	Year 2020	213,318	0.3145%	5	(3,354)		(216,673)
September	Year 2020	213,318	0.3145%	4	(2,684)		(216,002)
October	Year 2020	213,318	0.3145%	3	(2,013)		(215,331)
November	Year 2020	213,318	0.3145%	2	(1,342)		(214,660)
December	Year 2020	213,318	0.3145%	1	(671)		(213,989)
					(52,329)		(2,612,151)
January through December Year 2020		(2,612,151)	0.3145%	12	(98,583)		(2,710,733)
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly		
January	Year 2022	2,710,733	0.3145%		(8,525)	230,539	(2,488,720)
February	Year 2022	2,488,720	0.3145%		(7,827)	230,539	(2,266,008)
March	Year 2022	2,266,008	0.3145%		(7,127)	230,539	(2,042,596)
April	Year 2022	2,042,596	0.3145%		(6,424)	230,539	(1,818,481)
May	Year 2022	1,818,481	0.3145%		(5,719)	230,539	(1,593,661)
June	Year 2022	1,593,661	0.3145%		(5,012)	230,539	(1,368,134)
July	Year 2022	1,368,134	0.3145%		(4,303)	230,539	(1,141,898)
August	Year 2022	1,141,898	0.3145%		(3,591)	230,539	(914,950)
September	Year 2022	914,950	0.3145%		(2,878)	230,539	(687,289)
October	Year 2022	687,289	0.3145%		(2,162)	230,539	(458,912)
November	Year 2022	458,912	0.3145%		(1,443)	230,539	(229,816)
December	Year 2022	229,816	0.3145%		(723)	230,539	(0)
					(55,733)		
True-Up Adjustment with Interest						(2,766,466)	
Less Over (Under) Recovery						2,559,822	
Total Interest						(206,645)	

amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being trued-up through August 31 of the following year.