

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

Twelve Months Ended 2023

Appalachian Power Company

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 130)	Total			\$515,163,234
2	REVENUE CREDITS	(Worksheet E Ln 8) (Note A)	8,235,000	DA	1.00000	\$ 8,235,000
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>\$ 506,928,234</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)	28,197,230	DA	1.00000	\$ 28,197,230
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))			14.11%
8	Monthly Rate	(In 7 / 12)			1.18%
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))			11.09%
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))			3.47%
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			12,002,000
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				6,907,000
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				2,017,000
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			<u>3,078,000</u>

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

(1)		(2)	(3)	(4)		(5)
RATE BASE CALCULATION		Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission	
Line No.						
19	GROSS PLANT IN SERVICE					
19	Production	(Worksheet A in 14.(b))	6,860,628,000	NA	0.00000	-
20	Less: Production ARO (Enter Negative)	(Worksheet A in 14.(c))	(103,032,000)	NA	0.00000	-
21	Transmission	(Worksheet A in 14.(d) & TCOS Ln 134)	4,589,743,000	DA		4,507,675,000
22	Less: Transmission ARO (Enter Negative)	(Worksheet A in 14.(e))	-	TP	0.98212	-
23	Distribution	(Worksheet A in 14.(f))	5,220,109,000	NA	0.00000	-
24	Less: Distribution ARO (Enter Negative)	(Worksheet A in 14.(g))	(2,971,000)	NA	0.00000	-
25	General Plant	(Worksheet A in 14.(h))	604,476,000	W/S	0.10702	64,692,014
26	Less: General Plant ARO (Enter Negative)	(Worksheet A in 14.(i))	(1,409,000)	W/S	0.10702	(150,793)
27	Intangible Plant	(Worksheet A in 14.(j))	280,942,000	W/S	0.10702	30,066,874
28	TOTAL GROSS PLANT	(sum Ins 19 to 27)	17,448,486,000	GP	0.263764	4,602,263,095
29	ACCUMULATED DEPRECIATION AND AMORTIZATION			GTD=	0.45964	
30	Production	(Worksheet A in 28.(b))	3,413,188,000	NA	0.00000	-
31	Less: Production ARO (Enter Negative)	(Worksheet A in 28.(c))	(51,564,000)	NA	0.00000	-
32	Transmission	(Worksheet A in 28.(d) & In 43.(c))	884,588,000	TP1=	0.96939	857,511,000
33	Less: Transmission ARO (Enter Negative)	(Worksheet A in 28.(e))	-	TP1=	0.96939	-
34	Distribution	(Worksheet A in 28.(f))	1,759,043,000	NA	0.00000	-
35	Less: Distribution ARO (Enter Negative)	(Worksheet A in 28.(g))	(2,971,000)	NA	0.00000	-
36	General Plant	(Worksheet A in 28.(h))	120,347,000	W/S	0.10702	12,879,734
37	Less: General Plant ARO (Enter Negative)	(Worksheet A in 28.(i))	(848,000)	W/S	0.10702	(90,754)
38	Intangible Plant	(Worksheet A in 28.(j))	153,397,000	W/S	0.10702	16,416,799
39	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 30 to 38)	6,275,180,000			886,716,778
40	NET PLANT IN SERVICE					
41	Production	(In 19 + In 20 - In 30 - In 31)	3,395,972,000			-
42	Transmission	(In 21 + In 22 - In 32 - In 33)	3,705,155,000			3,650,164,000
43	Distribution	(In 23 + In 24 - In 34 - In 35)	3,461,066,000			-
44	General Plant	(In 25 + In 26 - In 36 - In 37)	483,568,000			51,752,242
45	Intangible Plant	(In 27 - In 38)	127,545,000			13,650,075
46	TOTAL NET PLANT IN SERVICE	(sum Ins 41 to 45)	11,173,306,000	NP	0.332540	3,715,566,317
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
48	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	(230,377,000)	NA		-
49	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(2,043,106,500)	DA		(644,895,500)
50	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(332,110,000)	DA		(30,392,500)
51	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	230,957,000	DA		52,509,500
52	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(284,500)	DA		(5,000)
53	TOTAL ADJUSTMENTS	(sum Ins 48 to 52)	(2,374,921,000)			(622,783,500)
54	PLANT HELD FOR FUTURE USE	(Worksheet A in 44.(e) & In 45.(e))	3,000,000	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))	(5,160,000)	W/S	0.10702	(552,232)
57	WORKING CAPITAL	(Note E)				
58	Cash Working Capital	(1/8 * In 78)	7,623,375			7,487,063
59	Transmission Materials & Supplies	(Worksheet C, In 2.(F))	220,000	TP	0.98212	216,066
60	A&G Materials & Supplies	(Worksheet C, In 3.(F))	393,000	W/S	0.10702	42,060
61	Stores Expense	(Worksheet C, In 4.(F))	-	GP	0.26376	-
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	283,011,000	W/S	0.10702	30,288,302
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	9,707,000	GP	0.26376	2,560,358
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	-	DA	1.00000	-
65	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	(278,642,000)	NA	0.00000	-
66	TOTAL WORKING CAPITAL	(sum Ins 58 to 65)	22,312,375			40,593,849
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8.B)	-	DA	1.00000	-
68	RATE BASE (sum Ins 46, 53, 54, 55, 56, 66, 67)		8,818,537,375			3,134,397,434

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

Appalachian Power Company

(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	0.98212	
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	0.10702	
88		Plus: Acct. 924, Property Insurance	(In 80)	GP	0.26376	
89		Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	TP	0.98212	
90		Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	TP	0.98212	
91		Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 43.(E) (Note L)	DA	1.00000	
92		Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)	W/S	0.10702	
93		A & G Subtotal	(sum Ins 87 to 92)			
94		O & M EXPENSE SUBTOTAL	(In 78 + In 93)			
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)			
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	0.96939	
101		General	336.10.f	W/S	0.10702	
102		Intangible	336.1.f	W/S	0.10702	
103		TOTAL DEPRECIATION AND AMORTIZATION	(Ln 98+99+ 100+101+102)			
104		TAXES OTHER THAN INCOME	(Note N)			
105		Labor Related				
106		Payroll	Worksheet H In 24.(D)	W/S	0.10702	
107		Plant Related				
108		Property	Worksheet H In 24.(C)	DA	0.00000	
109		Gross Receipts/Sales & Use	Worksheet H In 24.(F)	NA	0.00000	
110		Other	Worksheet H In 24.(E)	GP	0.26376	
111		TOTAL OTHER TAXES	(sum Ins 106 to 110)			
112		INCOME TAXES	(Note O)			
113		T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =	23.50%			
114		EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =	20.78%			
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)	1.3071			
118		Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)			
119		Excess Deferred Income Tax	(Note U)	DA		
120		Tax Effect of Permanent and Flow-Through Differences	(Note U)	DA		
121		Income Tax Calculation	(In 114 * In 126)			
122		ITC adjustment	(In 117 * In 118)	GP	0.26376	
123		Excess Deferred Income Tax	(In 117 * In 119)			
124		Tax Effect of Permanent and Flow-Through Differences	(In 117 * In 120)			
125		TOTAL INCOME TAXES	(sum Ins 121 to 124)			
126		RETURN ON RATE BASE (Rate Base*WACC)	(In 68 * In 157)			
127		INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))	-	DA	1.00000	
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				
		(sum Ins 96, 103, 111, 125, 126, 127, 128, 129)				

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

Appalachian Power Company

SUPPORTING CALCULATIONS

In	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
No.										
131	Total transmission plant	(In 21)							4,589,743,000	
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)								82,068,000	
134	Transmission plant included in PJM Tariff	(In 131 - In 132 - In 133)							4,507,675,000	
135	Percent of transmission plant in PJM Tariff	(In 134 / In 131)						TP=	0.98212	
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)								
137	Production	354.20.b	50,471,000	22,945,000	73,416,000	NA	0.00000		-	
138	Transmission	354.21.b	175,000	15,603,000	15,778,000	TP	0.98212		15,495,878	
139	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000		-	
140	Distribution	354.23.b	33,518,000	3,484,000	37,002,000	NA	0.00000		-	
141	Other (Excludes A&G)	354.24, 25, 26.b	9,339,000	9,257,000	18,596,000	NA	0.00000		-	
142	Total	(sum Ins 137 to 141)	93,503,000	51,289,000	144,792,000				15,495,878	
143	Transmission related amount							W/S=	0.10702	
144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								\$	
145	Long Term Interest	(Worksheet M, In. 37, col. (d))							256,516,000	
146	Preferred Dividends	(Worksheet M, In. 71)							-	
147	Development of Common Stock:									
148	Proprietary Capital	(Worksheet M, In. 14, col. (b))							5,206,136,000	
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))							21,699,000	
152	Common Stock	(In 148 - In 149 - In 150 - In 151)							5,187,900,000	
153										
154	Long Term Debt (Note T) Worksheet M, In 28, col. (g), In 38, col. (d))		\$	%	Cap Limit	Cost (Note S)		Weighted		
155	Preferred Stock (In 149)		5,494,710,000	51.44%	51.44%	4.67%		0.0240		
156	Common Stock (In 152)		-	0.00%	0.00%	-		0.0000		
157	Total (Sum Ins 154 to 156)		5,187,900,000	48.56%	48.56%	10.35%		0.0503		
			10,682,610,000					WACC=	0.0743	
158	Capital Structure Equity Limit (Note Z)	55%								

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

Appalachian Power Company

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 = | 3.16% (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)
		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	6,772,643,000	103,032,000	4,529,797,000		5,052,931,000	2,971,000	575,905,000	1,409,000	266,017,000
2	January	6,789,252,000	103,032,000	4,534,463,000		5,078,455,000	2,971,000	581,136,000	1,409,000	267,394,000
3	February	6,803,452,000	103,032,000	4,543,384,000		5,102,258,000	2,971,000	586,003,000	1,409,000	270,707,000
4	March	6,821,150,000	103,032,000	4,545,917,000		5,125,526,000	2,971,000	590,307,000	1,409,000	269,062,000
5	April	6,828,644,000	103,032,000	4,551,731,000		5,149,807,000	2,971,000	594,785,000	1,409,000	274,370,000
6	May	6,837,952,000	103,032,000	4,558,629,000		5,173,995,000	2,971,000	599,567,000	1,409,000	279,887,000
7	June	6,844,926,000	103,032,000	4,575,538,000		5,201,504,000	2,971,000	604,459,000	1,409,000	278,388,000
8	July	6,856,239,000	103,032,000	4,582,704,000		5,236,963,000	2,971,000	608,922,000	1,409,000	284,276,000
9	August	6,861,913,000	103,032,000	4,596,925,000		5,264,861,000	2,971,000	612,513,000	1,409,000	290,317,000
10	September	6,869,050,000	103,032,000	4,605,480,000		5,293,239,000	2,971,000	615,417,000	1,409,000	285,047,000
11	October	6,876,888,000	103,032,000	4,634,324,000		5,341,653,000	2,971,000	618,250,000	1,409,000	291,464,000
12	November	6,892,214,000	103,032,000	4,651,171,000		5,399,620,000	2,971,000	625,443,000	1,409,000	297,833,000
13	December of Rate Year	7,133,845,000	103,032,000	4,756,601,000		5,440,608,000	2,971,000	645,482,000	1,409,000	297,484,000
14	Average of the 13 Monthly Balances	6,860,628,000	103,032,000	4,589,743,000	-	5,220,109,000	2,971,000	604,476,000	1,409,000	280,942,000

		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)
		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	3,306,437,000	49,613,000	851,389,000		1,711,622,000	2,971,000	118,650,000	827,000	145,381,000
16	January	3,324,179,000	49,938,000	856,863,000		1,719,051,000	2,971,000	118,886,000	830,000	148,778,000
17	February	3,341,791,000	50,263,000	862,347,000		1,726,686,000	2,971,000	119,137,000	834,000	152,198,000
18	March	3,359,221,000	50,589,000	867,851,000		1,734,516,000	2,971,000	119,402,000	838,000	148,630,000
19	April	3,376,956,000	50,914,000	873,361,000		1,742,392,000	2,971,000	119,678,000	841,000	152,086,000
20	May	3,394,988,000	51,239,000	878,884,000		1,750,359,000	2,971,000	119,966,000	845,000	155,631,000
21	June	3,412,795,000	51,564,000	884,422,000		1,758,393,000	2,971,000	120,266,000	848,000	152,208,000
22	July	3,430,827,000	51,890,000	889,997,000		1,766,518,000	2,971,000	120,579,000	852,000	155,833,000
23	August	3,448,799,000	52,215,000	895,588,000		1,774,753,000	2,971,000	120,902,000	856,000	159,556,000
24	September	3,466,793,000	52,540,000	901,213,000		1,783,074,000	2,971,000	121,235,000	859,000	151,885,000
25	October	3,484,952,000	52,866,000	906,858,000		1,791,475,000	2,971,000	121,577,000	863,000	155,644,000
26	November	3,502,830,000	53,191,000	912,563,000		1,800,017,000	2,971,000	121,926,000	866,000	159,509,000
27	December of Rate Year	3,520,882,000	53,516,000	918,306,000		1,808,706,000	2,971,000	122,301,000	870,000	156,819,000
28	Average of the 13 Monthly Balances	3,413,188,000	51,564,000	884,588,000	-	1,759,043,000	2,971,000	120,347,000	848,000	153,397,000

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	82,387,000	26,338,000		
30	January	82,333,000	26,461,000		
31	February	82,280,000	26,584,000		
32	March	82,226,000	26,707,000		
33	April	82,173,000	26,830,000		
34	May	82,120,000	26,953,000		
35	June	82,067,000	27,076,000		
36	July	82,014,000	27,200,000		
37	August	81,962,000	27,323,000		
38	September	81,909,000	27,446,000		
39	October	81,857,000	27,569,000		
40	November	81,804,000	27,693,000		
41	December of Rate Year	81,752,000	27,816,000		
42	Average of the 13 Monthly Balances	82,068,000	27,077,000	-	-

43 Transmission Accum Depreciation net of GSU 857,511,000

Plant Held For Future Use	Source of Data	Balance @ December	Balance @ December	Average Balance for
		31, 2023	31, 2022	2023
(a)	(b)	(c)	(d)	(e)
44 <u>Plant Held For Future Use</u>	FF1, page 214, In 47, Col. (d)	3,000,000	3,000,000	3,000,000
45 <u>Transmission Plant Held For Future Use</u> (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	412,000	412,000	412,000
53b	Accm Prv I/D - Asbestos - Curr	2282011	535,000	535,000	535,000
53c	Accm Prv I/D - Asbestos	2282012	4,213,000	4,213,000	4,213,000
54	Total		5,160,000	5,160,000	5,160,000

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, 2023	(D) Balance @ December 31, 2022	(E) Average Balance for 2023
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)	232,169,000	228,585,000	230,377,000
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)	232,169,000	228,585,000	230,377,000
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)	2,058,998,000	2,027,215,000	2,043,106,500
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	11,917,000	11,917,000	11,917,000
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	1,399,716,000	1,372,872,000	1,386,294,000
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	647,365,000	642,426,000	644,895,500
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)	334,088,000	330,132,000	332,110,000
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	6,176,000	6,176,000	6,176,000
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	297,392,000	293,691,000	295,541,500
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	30,520,000	30,265,000	30,392,500
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)	230,185,000	231,729,000	230,957,000
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	84,971,000	84,971,000	84,971,000
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	100,348,000	86,605,000	93,476,500
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	44,866,000	60,153,000	52,509,500
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)	279,000	290,000	284,500
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	-	-	-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	279,000	290,000	284,500
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)	5,000	5,000	5,000

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

DEBIT (CREDIT)

[illegible]

APPALACHAIN POWER COMPANY, INC.

Worksheet B-3

Excess/ Deficient ADIT Worksheet for Total Company and Functional Balances

For Year Ended December 31, 2023

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
1j	NOTE E			
Regulatory Deferral Accounts				
2a	182.3	Regulatory Asset		TCJA 2017
2b	254	Regulatory Liability		TCJA 2017
2c	NOTE E			
3	Total For Accounting Entireties (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
4h	NOTE E			
Regulatory Deferral Accounts				
5a	182.3	Regulatory Asset		TCJA 2017
5b	254	Regulatory Liability		TCJA 2017

5c

NOTE E

6

Total For Accounting Entireties (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.

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.

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.

[illegible]

		-
	0	-



	0	-

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

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

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

remain static on this workpaper.

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

mission Functional sections above as required to reflect any new ADIT or regulatory dererrai accounts

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

K	L	M	N	O
	Balance Sheet Entries		Tax Expense Entries	
Account	182.3	254	Excess	Tax Expense/

-	-	-	-	-
---	---	---	---	---

NOTE F

--	--	--	--

-	-	-	-	-
---	---	---	---	---

NOTE F

P	Q	R
12/31/2022 Ending Balance		
Regulatory Offset	Deferrals	Reference
Sum of 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

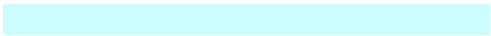
-	Company Records
-	FERC Form 1 p. 278 Ln. 3 Cols, (b) /(f)

-	-
---	---

Sum of 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, 2023	Balance @ December 31, 2022	Average Balance for 2023				
1								
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	220,000	220,000	220,000			
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	393,000	393,000	393,000			
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, 2023	14,076,000	(287,142,000)	0	9,707,000	291,511,000
7	Totals as of December 31, 2022	14,076,000	(270,142,000)		9,707,000	274,511,000
8	Average Balance	14,076,000	(278,642,000)	-	9,707,000	283,011,000

Prepayments Account 165 - Balance @ 12/31/2023

	Acc. No.	Description	2023 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	4,364,000	-		4,364,000		4,364,000	Plant Related Insurance Policies
11	165000219	Prepaid Taxes	0	-				-	
12	165000220	Prepaid Taxes	0	-				-	Prepaid Taxes - Dist
13	165000221	Prepaid Taxes	3,349,000	3,349,000				-	Prepaid Taxes
14	1650004	Prepaid Interest	39,000	39,000				-	Prepaid Interest
15	1650006	Other Prepayments	829,000	829,000				-	Other prepayments - Gen
16	1650009	Prepaid Carry Cost-Factored AR	129,000	129,000				-	AR Factoring
17	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
18	1650010	Prepaid Pension	163,075,000	-			163,075,000	163,075,000	Prefunded Pension Exp
19	1650014	FAS 158 Qual Contra Asset	(163,075,000)	(163,075,000)				-	SFAS 158 Offset
20	165001221	Prepaid Use Taxes	23,000	23,000				-	Prepaid Use Taxes Gen
21	1650016	FAS 112 ASSETS	0	-				-	
22	1650021	Prepaid Insurance - EIS	4,547,000	-		4,547,000		4,547,000	Prepaid Insurance EIS
23	1650023	Prepaid Lease	796,000	-		796,000		796,000	Prepaid Lease
24	1650031	Prepaid OCIP Work Comp	0	-				-	
25	1650032	Prepaid OCIP Work Comp LT	0	-				-	
26	1650033	Prepaid OCIP Work Comp - Alf	0	-				-	
27	1650034	PPD OCIP Work Comp LT - Alf	0	-				-	
28	1650035	PRW Without MED-D Benefits	128,436,000	-			128,436,000	128,436,000	Pension Benefits - All functions
29	1650036	PRW for Med-D Benefits	0	-				-	
30	1650037	FAS158 Contra-PRW Exclud Med-D	(128,436,000)	(128,436,000)				-	SFAS 158 Offset
31									
32									
33		Subtotal - Form 1, p 111.57.c	14,076,000	(287,142,000)	0	9,707,000	291,511,000	301,218,000	

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
34									
35	1650001	Prepaid Insurance	4,364,000	-		4,364,000		4,364,000	Plant Related Insurance Policies
36	165000219	Prepaid Taxes	0	-				-	
37	165000220	Prepaid Taxes	0	-				-	Prepaid Taxes - Dist
38	165000221	Prepaid Taxes	3,349,000	3,349,000				-	Prepaid Taxes
39	1650004	Prepaid Interest	39,000	39,000				-	Prepaid Interest
40	1650006	Other Prepayments	829,000	829,000				-	Other prepayments - Gen
41	1650009	Prepaid Carry Cost-Factored AR	129,000	129,000				-	AR Factoring
42	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
43	1650010	Prepaid Pension	146,075,000	-			146,075,000	146,075,000	Prefunded Pension Exp
44	1650014	FAS 158 Qual Contra Asset	(146,075,000)	(146,075,000)				-	SFAS 158 Offset
45	165001221	Prepaid Use Taxes	23,000	23,000				-	Prepaid Use Taxes Gen
46	1650016	FAS 112 ASSETS	0	-				-	
47	1650021	Prepaid Insurance - EIS	4,547,000	-		4,547,000		4,547,000	Prepaid Insurance EIS
48	1650023	Prepaid Lease	796,000	-		796,000		796,000	Prepaid Lease
49	1650031	Prepaid OCIP Work Comp	0	-				-	
50	1650032	Prepaid OCIP Work Comp LT	0	-				-	
51	1650033	Prepaid OCIP Work Comp - Alf	0	-				-	
52	1650034	PPD OCIP Work Comp LT - Alf	0	-				-	
53	1650035	PRW Without MED-D Benefits	128,436,000	-			128,436,000	128,436,000	Pension Benefits - All functions
54	1650036	PRW for Med-D Benefits	0	-				-	
55	1650037	FAS158 Contra-PRW Exclud Med-D	(128,436,000)	(128,436,000)				-	SFAS 158 Offset
56									
57									
58		Subtotal - Form 1, p 111.57.d	14,076,000	(270,142,000)		9,707,000	274,511,000	284,218,000	

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) 2023</u>
1	Net Funds from IPP Customers 12/31/2022 (2023 FORM 1, P269)	0
2	Interest Accrual (Company Records - Note 1)	0
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 12/31/2023 (2023 FORM 1, P269)	-
8	Average Balance for Year as Indicated in Column B ((ln 1 + ln 7)/2)	-
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)	5,274,000	5,274,000	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	4,065,000	3,610,000	455,000
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	23,684,000	18,530,000	5,154,000
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)	9,976,000	7,350,000	2,626,000
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	229,188,000	229,188,000	-
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))	272,187,000	263,952,000	8,235,000
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	272,187,000	263,952,000	8,235,000

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

-

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>2023</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	3,029,000			
2						
3						
4		Total	3,029,000			
<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	2,226,000			
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	6,907,000			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	852,000			
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	2,017,000			
14		Total of Account 561	12,002,000			
<u>Account 928</u>						
15	9280000	Regulatory Commission Exp	2,697,000	2,697,000	-	
16	9280001	Regulatory Commission Exp-Adm	1,183,000	1,183,000	-	
17	9280002	Regulatory Commission Exp-Case	1,638,000	1,638,000	-	
18	9280003	Rate Case Amort	94,000	94,000	-	
19	9280005	Reg Com Exp-FERC Trans Cases	30,000	-	30,000	
20		Total (FERC Form 1 p.323.189.b)	5,642,000	5,612,000	30,000	
<u>Account 930.1</u>						
21	9301000	General Advertising Expenses	21,000	21,000	-	
22	9301001	Newspaper Advertising Space	297,000	297,000	-	
23	9301002	Radio Station Advertising Time	31,000	31,000	-	
24	9301003	TV Station Advertising Time	-	-	-	
25	9301004	Newspaper Advertising Prod Exp	23,000	23,000	-	
26	9301007	Special Adv Space & Prod Exp	9,000	9,000	-	
27	9301010	Publicity	-	-	-	
28	9301012	Public Opinion Surveys	83,000	83,000	-	
29	9301014	Video Communications	-	-	-	
30	9301015	Other Corporate Comm Exp	24,000	24,000	-	
31					-	
32					-	
33					-	
34					-	
35					-	
36					-	
37		Total (FERC Form 1 p.323.191.b)	488,000	488,000	-	
<u>Account 930.2</u>						
38	9302000	Misc General Expenses	863,000	863,000	-	
39	9302003	Corporate & Fiscal Expenses	208,000	208,000	-	
40	9302004	Research, Develop&Demonstr Exp	1,000	1,000	-	
41	9302006	Assoc Business Development Materials Sold	323,000	323,000	-	
42	9302007	Assoc Business Development Exp	7,615,000	3,827,000	3,788,000	
43		Total (FERC Form 1 p.323.192.b)	9,010,000	5,222,000	3,788,000	

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	0.86%	
Effective State Tax Rate		0.06%
West Virginia Net Income Tax Rate	6.50%	
Apportionment Factor - Note 2	47.56%	
Effective State Tax Rate		3.09%
Virginia Income Tax Rate	0.00%	
Apportionment Factor - Note 2	43.43%	
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	0.01%	
Effective State Tax Rate		0.00%
Illinois Corporation Income Tax Rate	9.50%	
Apportionment Factor - Note 2	0.13%	
Effective State Tax Rate		0.01%
Kentucky Corporation Income Tax Rate	5.00%	
Apportionment Factor - Note 2	0.05%	
Effective State Tax Rate		0.00%
Total Effective State Income Tax Rate		3.16%

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	16,000				16,000
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	60,625,000	60,625,000			
5	Real and Personal Property - Virginia	32,047,000	32,047,000			
6	Real and Personal Property - Tennessee	1,720,000	1,720,000			
7	Real and Personal Property - Other Jurisdictions	1,680,000	1,680,000			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	8,180,000		8,180,000		
10	Federal Unemployment Tax	51,000		51,000		
11	State Unemployment Insurance	166,000		166,000		
12	Production Taxes					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	55,462,000				55,462,000
16	State Public Service Commission Fees	-			-	
17	State Franchise Taxes	235,000			235,000	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	7,597,000			7,597,000	
20	Sales & Use	-				-
21	Federal Excise Tax	-				-
22	CR Audit	-				-
23						
24	Total Taxes by Allocable Basis	167,779,000	96,072,000	8,397,000	7,832,000	55,478,000

(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)	3,395,972,000	3,705,155,000	3,461,066,000	483,568,000	11,045,761,000
VIRGINIA JURISDICTION					
26 Percentage of Plant in VIRGINIA JURISDICTION	15.18%	60.36%	55.60%	53.62%	
27 Net Plant in VIRGINIA JURISDICTION (Ln 25 * Ln 26)	515,376,480	2,236,248,092	1,924,469,759	259,309,424	4,935,403,755
28 Less: Net Value of Exempted Generation Plant	\$39,712,288				
29 Taxable Property Basis (Ln 27 - Ln 28)	475,664,192	2,236,248,092	1,924,469,759	259,309,424	4,895,691,467
30 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
31 Weighted Net Plant (Ln 29 * Ln 30)	475,664,192	2,236,248,092	1,924,469,759	259,309,424	
32 General Plant Allocator (Ln 31 / (Total - General Plant))	10.26%	48.23%	41.51%	-100.00%	
33 Functionalized General Plant (Ln 32 * General Plant)	26,603,547	125,071,704	107,634,172	(259,309,424)	-
34 Weighted VIRGINIA JURISDICTION Plant (Ln 31 + 33)	502,267,739	2,361,319,796	2,032,103,931	(0)	4,895,691,467
35 Functional Percentage (Ln 34/Total Ln 34)	10.26%	48.23%	41.51%		
WEST VA JURISDICTION					
36 Percentage of Plant in WEST VA JURISDICTION	71.86%	37.17%	44.40%	46.24%	
37 Net Plant in WEST VA JURISDICTION (Ln 25 * Ln 36)	2,440,427,910	1,377,302,639	1,536,562,068	223,624,835	5,577,917,453
38 Less: Net Value of Exempted Generation Plant	\$1,723,733,838				
39 Taxable Property Basis (Ln 37 - Ln 38)	716,694,072	1,377,302,639	1,536,562,068	223,624,835	3,854,183,615
40 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
41 Weighted Net Plant (Ln 39 * Ln 40)	716,694,072	1,377,302,639	1,536,562,068	223,624,835	
42 General Plant Allocator (Ln 41 / (Total - General Plant))	19.74%	37.94%	42.32%	-100.00%	
43 Functionalized General Plant (Ln 42 * General Plant)	44,144,883	84,835,171	94,644,780	(223,624,835)	-
44 Weighted WEST VA JURISDICTION Plant (Ln 41 + 43)	760,838,955	1,462,137,810	1,631,206,848	(0)	3,854,183,615
45 Functional Percentage (Ln 44/Total Ln 44)	19.74%	37.94%	42.32%		
TENNESSEE JURISDICTION					
46 Net Plant in TENNESSEE JURISDICTION (Ln 25 - Ln 27 - Ln 37)	440,167,609	91,604,269	34,173	633,741	532,439,792
47 Less: Net Value Exempted Generation Plant					
48 Taxable Property Basis	440,167,609	91,604,269	34,173	633,741	532,439,792
49 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
50 Weighted Net Plant (Ln 48 * Ln 49)	440,167,609	91,604,269	34,173	633,741	
51 General Plant Allocator (Ln 50 / (Total - General Plant))	82.77%	17.23%	0.01%	-100.00%	
52 Functionalized General Plant (Ln 52 * General Plant)	524,538	109,163	41	(633,741)	
53 Weighted TENNESSEE JURISDICTION Plant (Ln 50 + 52)	440,692,147	91,713,432	34,214	0	532,439,792
54 Functional Percentage (Ln 53/Total Ln 53)	82.77%	17.23%	0.01%		

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

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

Revenue Taxes

Gross Receipts Tax

16,000

16,000

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Real Estate and Personal Property Tax Detail	Tax Year	Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference	Tax Year Factor (Note 2)	Transmission Function (Note 2)
Annual Tax Expenses by Type (Note 1)						

Real Estate and Personal Property Taxes Total
(Ln 4 + Ln 5 + Ln 6 + Ln 7)

96,072,000

39,195,432

Real and Personal Property - West Virginia

2023

60,625,000

60,625,000

37.94%

22,998,931

22,998,931

-

-

-

Real and Personal Property - Virginia

2023

32,047,000

32,047,000

48.23%

15,457,105

15,457,105

-

-

-

-

-

-

Real and Personal Property - Tennessee

2023

1,720,000

1,720,000

17.23%

296,272

296,272

-

-

-

Real and Personal Property - Other Jurisdictions

2023

1,680,000

1,680,000

26.38%

443,124

443,124

-

-

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

Payroll Taxes

Federal Insurance Contribution (FICA)

8,180,000

8,180,000

Federal Unemployment Tax

51,000

51,000

State Unemployment Insurance

166,000

166,000

Production Taxes

State Severance Taxes

-

Miscellaneous Taxes

State Business & Occupation Tax

55,462,000

55,462,000

State Public Service Commission Fees

-

-

State Franchise Taxes

235,000

235,000

State Lic/Registration Fee

-

-

Misc. State and Local Tax

7,597,000

7,597,000

Sales & Use

-

-

Federal Excise Tax

-

-

CR Audit

-

-

Total Taxes by Allocable Basis
(Total Company Amount Ties to FF1 p.114, Ln 14.(c))

167,779,000

167,779,000

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 2023 FF1 Balances
Worksheet I RESERVED FOR FUTURE USE
Appalachian Power Company

AEP East Companies
Cost of Service Formula Rate Using 2023 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%	4.67%	2.401%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	48.56%	10.35%	5.026%
		R =	7.428%

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

Rate Base (TCOS, ln 68)	3,134,397,434
R (from A. above)	7.428%
Return (Rate Base x R)	232,811,123

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

Return (from B. above)	232,811,123
Effective Tax Rate (TCOS, ln 114)	20.78%
Income Tax Calculation (Return x CIT)	48,386,932
ITC Adjustment	(4,137)
Excess Deferred Income Tax	(6,075,531)
Tax Affect of Permanent Differences	2,900,517
Income Taxes	45,207,781

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS				
PROJECTED YEAR	2023	Rev Require	W Incentives	Incentive Amounts
		28,197,230	28,197,230	\$ -

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)	515,163,234
Lease Payments (TCOS, ln 95)	-
Return (TCOS, ln 126)	232,811,123
Income Taxes (TCOS, ln 125)	45,207,781
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	237,144,330

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	237,144,330
Return (from I.B. above)	232,811,123
Income Taxes (from I.C. above)	45,207,781
Annual Revenue Requirement, with Basis Point ROE increase	515,163,234
Depreciation (TCOS, ln 100)	110,434,878
Annual Rev. Req. w/ Basis Point ROE increase, less Depreciation	404,728,356

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (TCOS, ln 42)	3,650,164,000
Annual Revenue Requirement, with Basis Point ROE increase	515,163,234
FCR with Basis Point increase in ROE	14.11%
Annual Rev. Req. w / Basis Point ROE increase, less Dep.	404,728,356
FCR with Basis Point ROE increase, less Depreciation	11.09%
FCR less Depreciation (TCOS, ln 10)	11.09%
Incremental FCR with Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2023 (TCOS, ln 21)	4,507,675,000
Annual Depreciation and Amortization Expense (TCOS, ln 100)	110,434,878
Composite Depreciation Rate	2.45%
Depreciable Life for Composite Depreciation Rate	40.62
Round to nearest whole year	41

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

Page 2 of 15

1

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	1,305,900
Current Projected Year ARR w/ Incentive	1,305,900
Current Projected Year Incentive ARR	-

Details	Current Year	2023
Investment	13,789,272	-
Service Year (yyy)	2008	-
Service Month (1-12)	6	11.09%
Useful life	41	11.09%
CIAC (Yes or No)	No	336,324

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 **
2008	13,789,272	168,162	13,621,110	1,687,787	1,687,787	\$ -	\$ -	\$ -
2009	13,621,110	336,324	13,284,786	1,827,980	1,827,980	\$ -	\$ -	\$ -
2010	13,284,786	336,324	12,948,462	1,790,688	1,790,688	\$ -	\$ 1,124,469	\$ 1,124,469
2011	12,948,462	336,324	12,612,139	1,753,397	1,753,397	\$ -	\$ 2,027,403	\$ 2,027,403
2012	12,612,139	336,324	12,275,815	1,716,106	1,716,106	\$ -	\$ 2,050,107	\$ 2,050,107
2013	12,275,815	336,324	11,939,491	1,678,814	1,678,814	\$ -	\$ 1,906,118	\$ 1,906,118
2014	11,939,491	336,324	11,603,168	1,641,523	1,641,523	\$ -	\$ 1,915,150	\$ 1,915,150
2015	11,603,168	336,324	11,266,844	1,604,231	1,604,231	\$ -	\$ 1,778,172	\$ 1,778,172
2016	11,266,844	336,324	10,930,520	1,566,940	1,566,940	\$ -	\$ 1,790,894	\$ 1,790,894
2017	10,930,520	336,324	10,594,196	1,529,649	1,529,649	\$ -	\$ 1,719,834	\$ 1,719,834
2018	10,594,196	336,324	10,257,873	1,492,357	1,492,357	\$ -	\$ 1,790,894	\$ 1,790,894
2019	10,257,873	336,324	9,921,549	1,455,066	1,455,066	\$ -	\$ 1,501,804	\$ 1,501,804
2020	9,921,549	336,324	9,585,225	1,417,774	1,417,774	\$ -	\$ 1,444,940	\$ 1,444,940
2021	9,585,225	336,324	9,248,902	1,380,483	1,380,483	\$ -	\$ 1,375,796	\$ 1,375,796
2022	9,248,902	336,324	8,912,578	1,343,192	1,343,192	\$ -	\$ 1,322,366	\$ 1,322,366
2023	8,912,578	336,324	8,576,254	1,305,900	1,305,900	\$ -	\$ 1,296,229	\$ 1,296,229
2024	8,576,254	336,324	8,239,931	1,268,609	1,268,609	\$ -		
2025	8,239,931	336,324	7,903,607	1,231,317	1,231,317	\$ -		
2026	7,903,607	336,324	7,567,283	1,194,026	1,194,026	\$ -		
2027	7,567,283	336,324	7,230,959	1,156,735	1,156,735	\$ -		
2028	7,230,959	336,324	6,894,636	1,119,443	1,119,443	\$ -		
2029	6,894,636	336,324	6,558,312	1,082,152	1,082,152	\$ -		
2030	6,558,312	336,324	6,221,988	1,044,860	1,044,860	\$ -		
2031	6,221,988	336,324	5,885,665	1,007,569	1,007,569	\$ -		
2032	5,885,665	336,324	5,549,341	970,278	970,278	\$ -		
2033	5,549,341	336,324	5,213,017	932,986	932,986	\$ -		
2034	5,213,017	336,324	4,876,694	895,695	895,695	\$ -		
2035	4,876,694	336,324	4,540,370	858,403	858,403	\$ -		
2036	4,540,370	336,324	4,204,046	821,112	821,112	\$ -		
2037	4,204,046	336,324	3,867,723	783,821	783,821	\$ -		
2038	3,867,723	336,324	3,531,399	746,529	746,529	\$ -		
2039	3,531,399	336,324	3,195,075	709,238	709,238	\$ -		
2040	3,195,075	336,324	2,858,751	671,946	671,946	\$ -		
2041	2,858,751	336,324	2,522,428	634,655	634,655	\$ -		
2042	2,522,428	336,324	2,186,104	597,364	597,364	\$ -		
2043	2,186,104	336,324	1,849,780	560,072	560,072	\$ -		
2044	1,849,780	336,324	1,513,457	522,781	522,781	\$ -		
2045	1,513,457	336,324	1,177,133	485,489	485,489	\$ -		
2046	1,177,133	336,324	840,809	448,198	448,198	\$ -		
2047	840,809	336,324	504,486	410,907	410,907	\$ -		
2048	504,486	336,324	168,162	373,615	373,615	\$ -		
2049	168,162	336,324	-	177,485	177,485	\$ -		
2050	-	-	-	-	-	\$ -		
2051	-	-	-	-	-	\$ -		
2052	-	-	-	-	-	\$ -		
2053	-	-	-	-	-	\$ -		
2054	-	-	-	-	-	\$ -		
2055	-	-	-	-	-	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
Project Totals	13,789,272			45,897,170	45,897,170	-		

** 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	257,954
Current Projected Year ARR w/ Incentive	257,954
Current Projected Year Incentive ARR	-

Details			
Investment	2,476,289	Current Year	2023
Service Year (yyy)	2011	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	60,397

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	274,570	274,570	\$ -				
2012	2,476,289	60,397	2,415,892	331,619	331,619	\$ -				
2013	2,415,892	60,397	2,355,494	324,922	324,922	\$ -	\$ 41,778	\$ 41,778		
2014	2,355,494	60,397	2,295,097	318,225	318,225	\$ -	\$ 36,470	\$ 36,470		
2015	2,295,097	60,397	2,234,700	311,528	311,528	\$ -	\$ 36,769	\$ 36,769		
2016	2,234,700	60,397	2,174,302	304,831	304,831	\$ -	\$ 35,303	\$ 35,303		
2017	2,174,302	60,397	2,113,905	298,134	298,134	\$ -	\$ 36,769	\$ 36,769		
2018	2,113,905	60,397	2,053,508	291,438	291,438	\$ -	\$ 279,967	\$ 279,967		
2019	2,053,508	60,397	1,993,111	284,741	284,741	\$ -	\$ 289,107	\$ 289,107		
2020	1,993,111	60,397	1,932,713	278,044	278,044	\$ -	\$ 263,834	\$ 263,834		
2021	1,932,713	60,397	1,872,316	271,347	271,347	\$ -	\$ 256,948	\$ 256,948		
2022	1,872,316	60,397	1,811,919	264,650	264,650	\$ -	\$ 252,846	\$ 252,846		
2023	1,811,919	60,397	1,751,521	257,954	257,954	\$ -				
2024	1,751,521	60,397	1,691,124	251,257	251,257	\$ -				
2025	1,691,124	60,397	1,630,727	244,560	244,560	\$ -				
2026	1,630,727	60,397	1,570,330	237,863	237,863	\$ -				
2027	1,570,330	60,397	1,509,932	231,166	231,166	\$ -				
2028	1,509,932	60,397	1,449,535	224,469	224,469	\$ -				
2029	1,449,535	60,397	1,389,138	217,773	217,773	\$ -				
2030	1,389,138	60,397	1,328,740	211,076	211,076	\$ -				
2031	1,328,740	60,397	1,268,343	204,379	204,379	\$ -				
2032	1,268,343	60,397	1,207,946	197,682	197,682	\$ -				
2033	1,207,946	60,397	1,147,548	190,985	190,985	\$ -				
2034	1,147,548	60,397	1,087,151	184,288	184,288	\$ -				
2035	1,087,151	60,397	1,026,754	177,592	177,592	\$ -				
2036	1,026,754	60,397	966,357	170,895	170,895	\$ -				
2037	966,357	60,397	905,959	164,198	164,198	\$ -				
2038	905,959	60,397	845,562	157,501	157,501	\$ -				
2039	845,562	60,397	785,165	150,804	150,804	\$ -				
2040	785,165	60,397	724,767	144,108	144,108	\$ -				
2041	724,767	60,397	664,370	137,411	137,411	\$ -				
2042	664,370	60,397	603,973	130,714	130,714	\$ -				
2043	603,973	60,397	543,576	124,017	124,017	\$ -				
2044	543,576	60,397	483,178	117,320	117,320	\$ -				
2045	483,178	60,397	422,781	110,623	110,623	\$ -				
2046	422,781	60,397	362,384	103,927	103,927	\$ -				
2047	362,384	60,397	301,986	97,230	97,230	\$ -				
2048	301,986	60,397	241,589	90,533	90,533	\$ -				
2049	241,589	60,397	181,192	83,836	83,836	\$ -				
2050	181,192	60,397	120,795	77,139	77,139	\$ -				
2051	120,795	60,397	60,397	70,443	70,443	\$ -				
2052	60,397	60,397	-	63,746	63,746	\$ -				
2053	-	-	-	-	-	\$ -				
2054	-	-	-	-	-	\$ -				
2055	-	-	-	-	-	\$ -				
2056	-	-	-	-	-	\$ -				
2057	-	-	-	-	-	\$ -				
2058	-	-	-	-	-	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
Project Totals		2,476,289		8,379,537	8,379,537	-				

** 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

Page 4 of 15

1

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	3,188,927
Current Projected Year ARR w/ Incentive	3,188,927
Current Projected Year Incentive ARR	-

Details			
Investment	28,572,967	Current Year	2023
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	696,902

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	28,572,967	174,225	28,398,742	3,332,723	3,332,723	\$ -	\$ 184,681	\$ 184,681
2015	28,398,742	696,902	27,701,840	3,807,104	3,807,104	\$ -	\$ 1,644,963	\$ 1,644,963
2016	27,701,840	696,902	27,004,939	3,729,832	3,729,832	\$ -	\$ 1,563,801	\$ 1,563,801
2017	27,004,939	696,902	26,308,037	3,652,560	3,652,560	\$ -	\$ 1,644,963	\$ 1,644,963
2018	26,308,037	696,902	25,611,135	3,575,288	3,575,288	\$ -	\$ 1,909,994	\$ 1,909,994
2019	25,611,135	696,902	24,914,234	3,498,015	3,498,015	\$ -	\$ 1,902,584	\$ 1,902,584
2020	24,914,234	696,902	24,217,332	3,420,743	3,420,743	\$ -	\$ 2,304,571	\$ 2,304,571
2021	24,217,332	696,902	23,520,430	3,343,471	3,343,471	\$ -	\$ 3,141,410	\$ 3,141,410
2022	23,520,430	696,902	22,823,529	3,266,199	3,266,199	\$ -	\$ 3,099,440	\$ 3,099,440
2023	22,823,529	696,902	22,126,627	3,188,927	3,188,927	\$ -		
2024	22,126,627	696,902	21,429,725	3,111,655	3,111,655	\$ -		
2025	21,429,725	696,902	20,732,824	3,034,383	3,034,383	\$ -		
2026	20,732,824	696,902	20,035,922	2,957,111	2,957,111	\$ -		
2027	20,035,922	696,902	19,339,021	2,879,839	2,879,839	\$ -		
2028	19,339,021	696,902	18,642,119	2,802,566	2,802,566	\$ -		
2029	18,642,119	696,902	17,945,217	2,725,294	2,725,294	\$ -		
2030	17,945,217	696,902	17,248,316	2,648,022	2,648,022	\$ -		
2031	17,248,316	696,902	16,551,414	2,570,750	2,570,750	\$ -		
2032	16,551,414	696,902	15,854,512	2,493,478	2,493,478	\$ -		
2033	15,854,512	696,902	15,157,611	2,416,206	2,416,206	\$ -		
2034	15,157,611	696,902	14,460,709	2,338,934	2,338,934	\$ -		
2035	14,460,709	696,902	13,763,807	2,261,662	2,261,662	\$ -		
2036	13,763,807	696,902	13,066,906	2,184,390	2,184,390	\$ -		
2037	13,066,906	696,902	12,370,004	2,107,118	2,107,118	\$ -		
2038	12,370,004	696,902	11,673,102	2,029,845	2,029,845	\$ -		
2039	11,673,102	696,902	10,976,201	1,952,573	1,952,573	\$ -		
2040	10,976,201	696,902	10,279,299	1,875,301	1,875,301	\$ -		
2041	10,279,299	696,902	9,582,398	1,798,029	1,798,029	\$ -		
2042	9,582,398	696,902	8,885,496	1,720,757	1,720,757	\$ -		
2043	8,885,496	696,902	8,188,594	1,643,485	1,643,485	\$ -		
2044	8,188,594	696,902	7,491,693	1,566,213	1,566,213	\$ -		
2045	7,491,693	696,902	6,794,791	1,488,941	1,488,941	\$ -		
2046	6,794,791	696,902	6,097,889	1,411,669	1,411,669	\$ -		
2047	6,097,889	696,902	5,400,988	1,334,397	1,334,397	\$ -		
2048	5,400,988	696,902	4,704,086	1,257,124	1,257,124	\$ -		
2049	4,704,086	696,902	4,007,184	1,179,852	1,179,852	\$ -		
2050	4,007,184	696,902	3,310,283	1,102,580	1,102,580	\$ -		
2051	3,310,283	696,902	2,613,381	1,025,308	1,025,308	\$ -		
2052	2,613,381	696,902	1,916,480	948,036	948,036	\$ -		
2053	1,916,480	696,902	1,219,578	870,764	870,764	\$ -		
2054	1,219,578	696,902	522,676	793,492	793,492	\$ -		
2055	522,676	522,676	-	551,653	551,653	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	28,572,967			95,896,289	95,896,289	-		

** 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	271,714
Current Projected Year ARR w/ Incentive	271,714
Current Projected Year Incentive ARR	-

Details			
Investment	2,419,910	Current Year	2023
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	59,022

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	2,419,910		2,419,910	268,318	268,318	\$ -	\$ 222,712	\$ 222,712
2015	2,419,910	59,022	2,360,888	324,068	324,068	\$ -	\$ 317,491	\$ 317,491
2016	2,360,888	59,022	2,301,866	317,524	317,524	\$ -	\$ 303,455	\$ 303,455
2017	2,301,866	59,022	2,242,843	310,980	310,980	\$ -	\$ 317,491	\$ 317,491
2018	2,242,843	59,022	2,183,821	304,435	304,435	\$ -	\$ 292,574	\$ 292,574
2019	2,183,821	59,022	2,124,799	297,891	297,891	\$ -	\$ 285,753	\$ 285,753
2020	2,124,799	59,022	2,065,777	291,347	291,347	\$ -	\$ 271,872	\$ 271,872
2021	2,065,777	59,022	2,006,755	284,802	284,802	\$ -	\$ 267,413	\$ 267,413
2022	2,006,755	59,022	1,947,732	278,258	278,258	\$ -	\$ 263,900	\$ 263,900
2023	1,947,732	59,022	1,888,710	271,714	271,714	\$ -		
2024	1,888,710	59,022	1,829,688	265,169	265,169	\$ -		
2025	1,829,688	59,022	1,770,666	258,625	258,625	\$ -		
2026	1,770,666	59,022	1,711,644	252,081	252,081	\$ -		
2027	1,711,644	59,022	1,652,621	245,536	245,536	\$ -		
2028	1,652,621	59,022	1,593,599	238,992	238,992	\$ -		
2029	1,593,599	59,022	1,534,577	232,448	232,448	\$ -		
2030	1,534,577	59,022	1,475,555	225,903	225,903	\$ -		
2031	1,475,555	59,022	1,416,533	219,359	219,359	\$ -		
2032	1,416,533	59,022	1,357,510	212,814	212,814	\$ -		
2033	1,357,510	59,022	1,298,488	206,270	206,270	\$ -		
2034	1,298,488	59,022	1,239,466	199,726	199,726	\$ -		
2035	1,239,466	59,022	1,180,444	193,181	193,181	\$ -		
2036	1,180,444	59,022	1,121,422	186,637	186,637	\$ -		
2037	1,121,422	59,022	1,062,400	180,093	180,093	\$ -		
2038	1,062,400	59,022	1,003,377	173,548	173,548	\$ -		
2039	1,003,377	59,022	944,355	167,004	167,004	\$ -		
2040	944,355	59,022	885,333	160,460	160,460	\$ -		
2041	885,333	59,022	826,311	153,915	153,915	\$ -		
2042	826,311	59,022	767,289	147,371	147,371	\$ -		
2043	767,289	59,022	708,266	140,827	140,827	\$ -		
2044	708,266	59,022	649,244	134,282	134,282	\$ -		
2045	649,244	59,022	590,222	127,738	127,738	\$ -		
2046	590,222	59,022	531,200	121,194	121,194	\$ -		
2047	531,200	59,022	472,178	114,649	114,649	\$ -		
2048	472,178	59,022	413,155	108,105	108,105	\$ -		
2049	413,155	59,022	354,133	101,560	101,560	\$ -		
2050	354,133	59,022	295,111	95,016	95,016	\$ -		
2051	295,111	59,022	236,089	88,472	88,472	\$ -		
2052	236,089	59,022	177,067	81,927	81,927	\$ -		
2053	177,067	59,022	118,044	75,383	75,383	\$ -		
2054	118,044	59,022	59,022	68,839	68,839	\$ -		
2055	59,022	59,022	0	62,294	62,294	\$ -		
2056	0	0	-	0	0	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals		2,419,910		8,188,756	8,188,756	-		

** 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

Page 6 of 15 1

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	1,719,761
Current Projected Year ARR w/ Incentive	1,719,761
Current Projected Year Incentive ARR	-

Details	Current Year	2023
Investment	15,164,191	-
Service Year (yyy)	2015	-
Service Month (1-12)	5	11.09%
Useful life	41	11.09%
CIAC (Yes or No)	No	369,858

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	215,751	14,948,440	1,885,187	1,885,187	\$ -	\$ 2,647,738	\$ 2,647,738
2016	14,948,440	369,858	14,578,582	2,006,829	2,006,829	\$ -	\$ 2,089,493	\$ 2,089,493
2017	14,578,582	369,858	14,208,723	1,965,819	1,965,819	\$ -	\$ 2,647,738	\$ 2,647,738
2018	14,208,723	369,858	13,838,865	1,924,810	1,924,810	\$ -	\$ 1,845,050	\$ 1,845,050
2019	13,838,865	369,858	13,469,007	1,883,800	1,883,800	\$ -	\$ 1,803,579	\$ 1,803,579
2020	13,469,007	369,858	13,099,149	1,842,790	1,842,790	\$ -	\$ 1,715,891	\$ 1,715,891
2021	13,099,149	369,858	12,729,290	1,801,780	1,801,780	\$ -	\$ 1,689,922	\$ 1,689,922
2022	12,729,290	369,858	12,359,432	1,760,771	1,760,771	\$ -	\$ 1,668,337	\$ 1,668,337
2023	12,359,432	369,858	11,989,574	1,719,761	1,719,761	\$ -		
2024	11,989,574	369,858	11,619,715	1,678,751	1,678,751	\$ -		
2025	11,619,715	369,858	11,249,857	1,637,742	1,637,742	\$ -		
2026	11,249,857	369,858	10,879,999	1,596,732	1,596,732	\$ -		
2027	10,879,999	369,858	10,510,140	1,555,722	1,555,722	\$ -		
2028	10,510,140	369,858	10,140,282	1,514,713	1,514,713	\$ -		
2029	10,140,282	369,858	9,770,424	1,473,703	1,473,703	\$ -		
2030	9,770,424	369,858	9,400,565	1,432,693	1,432,693	\$ -		
2031	9,400,565	369,858	9,030,707	1,391,683	1,391,683	\$ -		
2032	9,030,707	369,858	8,660,849	1,350,674	1,350,674	\$ -		
2033	8,660,849	369,858	8,290,990	1,309,664	1,309,664	\$ -		
2034	8,290,990	369,858	7,921,132	1,268,654	1,268,654	\$ -		
2035	7,921,132	369,858	7,551,274	1,227,645	1,227,645	\$ -		
2036	7,551,274	369,858	7,181,416	1,186,635	1,186,635	\$ -		
2037	7,181,416	369,858	6,811,557	1,145,625	1,145,625	\$ -		
2038	6,811,557	369,858	6,441,699	1,104,616	1,104,616	\$ -		
2039	6,441,699	369,858	6,071,841	1,063,606	1,063,606	\$ -		
2040	6,071,841	369,858	5,701,982	1,022,596	1,022,596	\$ -		
2041	5,701,982	369,858	5,332,124	981,586	981,586	\$ -		
2042	5,332,124	369,858	4,962,266	940,577	940,577	\$ -		
2043	4,962,266	369,858	4,592,407	899,567	899,567	\$ -		
2044	4,592,407	369,858	4,222,549	858,557	858,557	\$ -		
2045	4,222,549	369,858	3,852,691	817,548	817,548	\$ -		
2046	3,852,691	369,858	3,482,832	776,538	776,538	\$ -		
2047	3,482,832	369,858	3,112,974	735,528	735,528	\$ -		
2048	3,112,974	369,858	2,743,116	694,518	694,518	\$ -		
2049	2,743,116	369,858	2,373,257	653,509	653,509	\$ -		
2050	2,373,257	369,858	2,003,399	612,499	612,499	\$ -		
2051	2,003,399	369,858	1,633,541	571,489	571,489	\$ -		
2052	1,633,541	369,858	1,263,683	530,480	530,480	\$ -		
2053	1,263,683	369,858	893,824	489,470	489,470	\$ -		
2054	893,824	369,858	523,966	448,460	448,460	\$ -		
2055	523,966	369,858	154,108	407,451	407,451	\$ -		
2056	154,108	369,858	-	162,651	162,651	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals	15,164,191			50,333,430	50,333,430	-		

** 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

Page 7 of 15 1

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	402,834
Current Projected Year ARR w/ Incentive	402,834
Current Projected Year Incentive ARR	-

Details	Current Year	2023
Investment	3,429,372	-
Service Year (yyy)	2016	-
Service Month (1-12)	11	11.09%
Useful life	41	11.09%
CIAC (Yes or No)	No	83,643

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	6,970	3,422,402	386,831	386,831	\$ -	\$ 8,871,247	\$ 8,871,247
2017	3,422,402	83,643	3,338,759	458,480	458,480	\$ -	\$ 8,889,735	\$ 8,889,735
2018	3,338,759	83,643	3,255,115	449,206	449,206	\$ -	\$ 1,820,478	\$ 1,820,478
2019	3,255,115	83,643	3,171,472	439,932	439,932	\$ -	\$ 396,848	\$ 396,848
2020	3,171,472	83,643	3,087,829	430,657	430,657	\$ -	\$ 387,035	\$ 387,035
2021	3,087,829	83,643	3,004,186	421,383	421,383	\$ -	\$ 393,735	\$ 393,735
2022	3,004,186	83,643	2,920,542	412,109	412,109	\$ -	\$ 389,205	\$ 389,205
2023	2,920,542	83,643	2,836,899	402,834	402,834	\$ -		
2024	2,836,899	83,643	2,753,256	393,560	393,560	\$ -		
2025	2,753,256	83,643	2,669,613	384,286	384,286	\$ -		
2026	2,669,613	83,643	2,585,970	375,011	375,011	\$ -		
2027	2,585,970	83,643	2,502,326	365,737	365,737	\$ -		
2028	2,502,326	83,643	2,418,683	356,463	356,463	\$ -		
2029	2,418,683	83,643	2,335,040	347,188	347,188	\$ -		
2030	2,335,040	83,643	2,251,397	337,914	337,914	\$ -		
2031	2,251,397	83,643	2,167,753	328,640	328,640	\$ -		
2032	2,167,753	83,643	2,084,110	319,365	319,365	\$ -		
2033	2,084,110	83,643	2,000,467	310,091	310,091	\$ -		
2034	2,000,467	83,643	1,916,824	300,817	300,817	\$ -		
2035	1,916,824	83,643	1,833,181	291,543	291,543	\$ -		
2036	1,833,181	83,643	1,749,537	282,268	282,268	\$ -		
2037	1,749,537	83,643	1,665,894	272,994	272,994	\$ -		
2038	1,665,894	83,643	1,582,251	263,720	263,720	\$ -		
2039	1,582,251	83,643	1,498,608	254,445	254,445	\$ -		
2040	1,498,608	83,643	1,414,964	245,171	245,171	\$ -		
2041	1,414,964	83,643	1,331,321	235,897	235,897	\$ -		
2042	1,331,321	83,643	1,247,678	226,622	226,622	\$ -		
2043	1,247,678	83,643	1,164,035	217,348	217,348	\$ -		
2044	1,164,035	83,643	1,080,392	208,074	208,074	\$ -		
2045	1,080,392	83,643	996,748	198,799	198,799	\$ -		
2046	996,748	83,643	913,105	189,525	189,525	\$ -		
2047	913,105	83,643	829,462	180,251	180,251	\$ -		
2048	829,462	83,643	745,819	170,976	170,976	\$ -		
2049	745,819	83,643	662,175	161,702	161,702	\$ -		
2050	662,175	83,643	578,532	152,428	152,428	\$ -		
2051	578,532	83,643	494,889	143,153	143,153	\$ -		
2052	494,889	83,643	411,246	133,879	133,879	\$ -		
2053	411,246	83,643	327,603	124,605	124,605	\$ -		
2054	327,603	83,643	243,959	115,330	115,330	\$ -		
2055	243,959	83,643	160,316	106,056	106,056	\$ -		
2056	160,316	83,643	76,673	96,782	96,782	\$ -		
2057	76,673	-	-	80,924	80,924	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals		3,429,372		11,572,996	11,572,996	-		

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

Current Projected Year ARR	3,532,642
Current Projected Year ARR w/ Incentive	3,532,642
Current Projected Year Incentive ARR	-

Details			
Investment	30,073,762	Current Year	2023
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	733,506

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	51,126	30,012,637	3,392,300	3,392,300	\$ -	\$ 13,022,465	\$ 13,022,465
2017	30,012,637	733,506	29,279,130	4,020,627	4,020,627	\$ -	\$ 3,514,742	\$ 3,514,742
2018	29,279,130	733,506	28,545,624	3,939,296	3,939,296	\$ -	\$ 3,974,755	\$ 3,974,755
2019	28,545,624	733,506	27,812,117	3,857,965	3,857,965	\$ -	\$ 3,572,369	\$ 3,572,369
2020	27,812,117	733,506	27,078,611	3,776,635	3,776,635	\$ -	\$ 3,435,593	\$ 3,435,593
2021	27,078,611	733,506	26,345,105	3,695,304	3,695,304	\$ -	\$ 3,452,943	\$ 3,452,943
2022	26,345,105	733,506	25,611,598	3,613,973	3,613,973	\$ -	\$ 3,413,116	\$ 3,413,116
2023	25,611,598	733,506	24,878,092	3,532,642	3,532,642	\$ -		
2024	24,878,092	733,506	24,144,585	3,451,311	3,451,311	\$ -		
2025	24,144,585	733,506	23,411,079	3,369,981	3,369,981	\$ -		
2026	23,411,079	733,506	22,677,573	3,288,650	3,288,650	\$ -		
2027	22,677,573	733,506	21,944,066	3,207,319	3,207,319	\$ -		
2028	21,944,066	733,506	21,210,560	3,125,988	3,125,988	\$ -		
2029	21,210,560	733,506	20,477,053	3,044,657	3,044,657	\$ -		
2030	20,477,053	733,506	19,743,547	2,963,326	2,963,326	\$ -		
2031	19,743,547	733,506	19,010,041	2,881,996	2,881,996	\$ -		
2032	19,010,041	733,506	18,276,534	2,800,665	2,800,665	\$ -		
2033	18,276,534	733,506	17,543,028	2,719,334	2,719,334	\$ -		
2034	17,543,028	733,506	16,809,521	2,638,003	2,638,003	\$ -		
2035	16,809,521	733,506	16,076,015	2,556,672	2,556,672	\$ -		
2036	16,076,015	733,506	15,342,509	2,475,341	2,475,341	\$ -		
2037	15,342,509	733,506	14,609,002	2,394,011	2,394,011	\$ -		
2038	14,609,002	733,506	13,875,496	2,312,680	2,312,680	\$ -		
2039	13,875,496	733,506	13,141,990	2,231,349	2,231,349	\$ -		
2040	13,141,990	733,506	12,408,483	2,150,018	2,150,018	\$ -		
2041	12,408,483	733,506	11,674,977	2,068,687	2,068,687	\$ -		
2042	11,674,977	733,506	10,941,470	1,987,357	1,987,357	\$ -		
2043	10,941,470	733,506	10,207,964	1,906,026	1,906,026	\$ -		
2044	10,207,964	733,506	9,474,458	1,824,695	1,824,695	\$ -		
2045	9,474,458	733,506	8,740,951	1,743,364	1,743,364	\$ -		
2046	8,740,951	733,506	8,007,445	1,662,033	1,662,033	\$ -		
2047	8,007,445	733,506	7,273,938	1,580,702	1,580,702	\$ -		
2048	7,273,938	733,506	6,540,432	1,499,372	1,499,372	\$ -		
2049	6,540,432	733,506	5,806,926	1,418,041	1,418,041	\$ -		
2050	5,806,926	733,506	5,073,419	1,336,710	1,336,710	\$ -		
2051	5,073,419	733,506	4,339,913	1,255,379	1,255,379	\$ -		
2052	4,339,913	733,506	3,606,406	1,174,048	1,174,048	\$ -		
2053	3,606,406	733,506	2,872,900	1,092,718	1,092,718	\$ -		
2054	2,872,900	733,506	2,139,394	1,011,387	1,011,387	\$ -		
2055	2,139,394	733,506	1,405,887	930,056	930,056	\$ -		
2056	1,405,887	733,506	672,381	848,725	848,725	\$ -		
2057	672,381	733,506	-	709,657	709,657	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	30,073,762			101,489,001	101,489,001	-		

** 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 (Jacksn Ferry 765 kV breakers, switches, bus work, and relays)

Current Projected Year ARR	630,587
Current Projected Year ARR w/ Incentive	630,587
Current Projected Year Incentive ARR	-

Details			
Investment	5,483,986	Current Year	2023
Service Year (yyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	133,756

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	608,062	608,062	\$ -	\$ -	\$ -		
2016	5,483,986	133,756	5,350,230	734,402	734,402	\$ -	\$ -	\$ -		
2017	5,350,230	133,756	5,216,474	719,571	719,571	\$ -	\$ 780,577	\$ 780,577		
2018	5,216,474	133,756	5,082,719	704,740	704,740	\$ -	\$ 779,062	\$ 779,062		
2019	5,082,719	133,756	4,948,963	689,910	689,910	\$ -	\$ 672,821	\$ 672,821		
2020	4,948,963	133,756	4,815,207	675,079	675,079	\$ -	\$ 658,791	\$ 658,791		
2021	4,815,207	133,756	4,681,451	660,248	660,248	\$ -	\$ 626,724	\$ 626,724		
2022	4,681,451	133,756	4,547,696	645,417	645,417	\$ -	\$ 618,333	\$ 618,333		
2023	4,547,696	133,756	4,413,940	630,587	630,587	\$ -	\$ 610,746	\$ 610,746		
2024	4,413,940	133,756	4,280,184	615,756	615,756	\$ -				
2025	4,280,184	133,756	4,146,428	600,925	600,925	\$ -				
2026	4,146,428	133,756	4,012,673	586,094	586,094	\$ -				
2027	4,012,673	133,756	3,878,917	571,263	571,263	\$ -				
2028	3,878,917	133,756	3,745,161	556,433	556,433	\$ -				
2029	3,745,161	133,756	3,611,405	541,602	541,602	\$ -				
2030	3,611,405	133,756	3,477,650	526,771	526,771	\$ -				
2031	3,477,650	133,756	3,343,894	511,940	511,940	\$ -				
2032	3,343,894	133,756	3,210,138	497,110	497,110	\$ -				
2033	3,210,138	133,756	3,076,382	482,279	482,279	\$ -				
2034	3,076,382	133,756	2,942,627	467,448	467,448	\$ -				
2035	2,942,627	133,756	2,808,871	452,617	452,617	\$ -				
2036	2,808,871	133,756	2,675,115	437,787	437,787	\$ -				
2037	2,675,115	133,756	2,541,359	422,956	422,956	\$ -				
2038	2,541,359	133,756	2,407,604	408,125	408,125	\$ -				
2039	2,407,604	133,756	2,273,848	393,294	393,294	\$ -				
2040	2,273,848	133,756	2,140,092	378,463	378,463	\$ -				
2041	2,140,092	133,756	2,006,336	363,633	363,633	\$ -				
2042	2,006,336	133,756	1,872,581	348,802	348,802	\$ -				
2043	1,872,581	133,756	1,738,825	333,971	333,971	\$ -				
2044	1,738,825	133,756	1,605,069	319,140	319,140	\$ -				
2045	1,605,069	133,756	1,471,313	304,310	304,310	\$ -				
2046	1,471,313	133,756	1,337,558	289,479	289,479	\$ -				
2047	1,337,558	133,756	1,203,802	274,648	274,648	\$ -				
2048	1,203,802	133,756	1,070,046	259,817	259,817	\$ -				
2049	1,070,046	133,756	936,290	244,987	244,987	\$ -				
2050	936,290	133,756	802,535	230,156	230,156	\$ -				
2051	802,535	133,756	668,779	215,325	215,325	\$ -				
2052	668,779	133,756	535,023	200,494	200,494	\$ -				
2053	535,023	133,756	401,267	185,663	185,663	\$ -				
2054	401,267	133,756	267,512	170,833	170,833	\$ -				
2055	267,512	133,756	133,756	156,002	156,002	\$ -				
2056	133,756	133,756	-	141,171	141,171	\$ -				
2057	-	-	-	-	-	\$ -				
2058	-	-	-	-	-	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
Project Totals	5,483,986			18,557,310	18,557,310	-				

** 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

Page 10 of 15

1

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	780,744
Current Projected Year ARR w/ Incentive	780,744
Current Projected Year Incentive ARR	-

Details			
Investment	6,995,509	Current Year	2023
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	170,622

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	6,995,509	170,622	6,824,886	815,949	815,949	\$ -	\$ -	\$ -
2015	6,952,853	170,622	6,782,231	932,092	932,092	\$ -	\$ -	\$ -
2016	6,782,231	170,622	6,611,609	913,173	913,173	\$ -	\$ 1,117	\$ 1,117
2017	6,611,609	170,622	6,440,987	894,255	894,255	\$ -	\$ 57,580	\$ 57,580
2018	6,440,987	170,622	6,270,364	875,336	875,336	\$ -	\$ 54,331	\$ 54,331
2019	6,270,364	170,622	6,099,742	856,418	856,418	\$ -	\$ 52,092	\$ 52,092
2020	6,099,742	170,622	5,929,120	837,499	837,499	\$ -	\$ 82,533	\$ 82,533
2021	5,929,120	170,622	5,758,498	818,581	818,581	\$ -	\$ 715,550	\$ 715,550
2022	5,758,498	170,622	5,587,876	799,662	799,662	\$ -	\$ 747,963	\$ 747,963
2023	5,587,876	170,622	5,417,254	780,744	780,744	\$ -		
2024	5,417,254	170,622	5,246,631	761,825	761,825	\$ -		
2025	5,246,631	170,622	5,076,009	742,907	742,907	\$ -		
2026	5,076,009	170,622	4,905,387	723,988	723,988	\$ -		
2027	4,905,387	170,622	4,734,765	705,070	705,070	\$ -		
2028	4,734,765	170,622	4,564,143	686,151	686,151	\$ -		
2029	4,564,143	170,622	4,393,521	667,233	667,233	\$ -		
2030	4,393,521	170,622	4,222,898	648,314	648,314	\$ -		
2031	4,222,898	170,622	4,052,276	629,396	629,396	\$ -		
2032	4,052,276	170,622	3,881,654	610,477	610,477	\$ -		
2033	3,881,654	170,622	3,711,032	591,559	591,559	\$ -		
2034	3,711,032	170,622	3,540,410	572,640	572,640	\$ -		
2035	3,540,410	170,622	3,369,788	553,722	553,722	\$ -		
2036	3,369,788	170,622	3,199,166	534,803	534,803	\$ -		
2037	3,199,166	170,622	3,028,543	515,885	515,885	\$ -		
2038	3,028,543	170,622	2,857,921	496,966	496,966	\$ -		
2039	2,857,921	170,622	2,687,299	478,048	478,048	\$ -		
2040	2,687,299	170,622	2,516,677	459,129	459,129	\$ -		
2041	2,516,677	170,622	2,346,055	440,211	440,211	\$ -		
2042	2,346,055	170,622	2,175,433	421,292	421,292	\$ -		
2043	2,175,433	170,622	2,004,810	402,374	402,374	\$ -		
2044	2,004,810	170,622	1,834,188	383,455	383,455	\$ -		
2045	1,834,188	170,622	1,663,566	364,537	364,537	\$ -		
2046	1,663,566	170,622	1,492,944	345,618	345,618	\$ -		
2047	1,492,944	170,622	1,322,322	326,700	326,700	\$ -		
2048	1,322,322	170,622	1,151,700	307,781	307,781	\$ -		
2049	1,151,700	170,622	981,077	288,863	288,863	\$ -		
2050	981,077	170,622	810,455	269,944	269,944	\$ -		
2051	810,455	170,622	639,833	251,026	251,026	\$ -		
2052	639,833	170,622	469,211	232,107	232,107	\$ -		
2053	469,211	170,622	298,589	213,189	213,189	\$ -		
2054	298,589	170,622	127,967	194,270	194,270	\$ -		
2055	127,967	127,967	-	135,061	135,061	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	6,995,509			23,478,251	23,478,251	-		

** 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

Page 11 of 15

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	6,404,780
Current Projected Year ARR w/ Incentive	6,404,780
Current Projected Year Incentive ARR	-

Details	Current Year	2023
Investment	55,052,689	-
Service Year (yyy)	2016	-
Service Month (1-12)	6	11.09%
Useful life	41	11.09%
CIAC (Yes or No)	No	1,342,749

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	55,052,689	671,374	54,381,314	6,738,368	6,738,368	\$ -	\$ 5,862,811	\$ 5,862,811
2017	54,381,314	1,342,749	53,038,566	7,298,080	7,298,080	\$ -	\$ 3,438,786	\$ 3,438,786
2018	53,038,566	1,342,749	51,695,817	7,149,196	7,149,196	\$ -	\$ 5,966,416	\$ 5,966,416
2019	51,695,817	1,342,749	50,353,069	7,000,313	7,000,313	\$ -	\$ 5,898,940	\$ 5,898,940
2020	50,353,069	1,342,749	49,010,320	6,851,430	6,851,430	\$ -	\$ 5,887,656	\$ 5,887,656
2021	49,010,320	1,342,749	47,667,572	6,702,547	6,702,547	\$ -	\$ 5,781,911	\$ 5,781,911
2022	47,667,572	1,342,749	46,324,823	6,553,663	6,553,663	\$ -	\$ 5,625,382	\$ 5,625,382
2023	46,324,823	1,342,749	44,982,075	6,404,780	6,404,780	\$ -		
2024	44,982,075	1,342,749	43,639,326	6,255,897	6,255,897	\$ -		
2025	43,639,326	1,342,749	42,296,578	6,107,013	6,107,013	\$ -		
2026	42,296,578	1,342,749	40,953,829	5,958,130	5,958,130	\$ -		
2027	40,953,829	1,342,749	39,611,081	5,809,247	5,809,247	\$ -		
2028	39,611,081	1,342,749	38,268,332	5,660,364	5,660,364	\$ -		
2029	38,268,332	1,342,749	36,925,584	5,511,480	5,511,480	\$ -		
2030	36,925,584	1,342,749	35,582,835	5,362,597	5,362,597	\$ -		
2031	35,582,835	1,342,749	34,240,087	5,213,714	5,213,714	\$ -		
2032	34,240,087	1,342,749	32,897,338	5,064,831	5,064,831	\$ -		
2033	32,897,338	1,342,749	31,554,590	4,915,947	4,915,947	\$ -		
2034	31,554,590	1,342,749	30,211,841	4,767,064	4,767,064	\$ -		
2035	30,211,841	1,342,749	28,869,093	4,618,181	4,618,181	\$ -		
2036	28,869,093	1,342,749	27,526,344	4,469,297	4,469,297	\$ -		
2037	27,526,344	1,342,749	26,183,596	4,320,414	4,320,414	\$ -		
2038	26,183,596	1,342,749	24,840,847	4,171,531	4,171,531	\$ -		
2039	24,840,847	1,342,749	23,498,099	4,022,648	4,022,648	\$ -		
2040	23,498,099	1,342,749	22,155,350	3,873,764	3,873,764	\$ -		
2041	22,155,350	1,342,749	20,812,602	3,724,881	3,724,881	\$ -		
2042	20,812,602	1,342,749	19,469,853	3,575,998	3,575,998	\$ -		
2043	19,469,853	1,342,749	18,127,105	3,427,114	3,427,114	\$ -		
2044	18,127,105	1,342,749	16,784,356	3,278,231	3,278,231	\$ -		
2045	16,784,356	1,342,749	15,441,608	3,129,348	3,129,348	\$ -		
2046	15,441,608	1,342,749	14,098,859	2,980,465	2,980,465	\$ -		
2047	14,098,859	1,342,749	12,756,111	2,831,581	2,831,581	\$ -		
2048	12,756,111	1,342,749	11,413,362	2,682,698	2,682,698	\$ -		
2049	11,413,362	1,342,749	10,070,614	2,533,815	2,533,815	\$ -		
2050	10,070,614	1,342,749	8,727,865	2,384,931	2,384,931	\$ -		
2051	8,727,865	1,342,749	7,385,117	2,236,048	2,236,048	\$ -		
2052	7,385,117	1,342,749	6,042,368	2,087,165	2,087,165	\$ -		
2053	6,042,368	1,342,749	4,699,620	1,938,282	1,938,282	\$ -		
2054	4,699,620	1,342,749	3,356,871	1,789,398	1,789,398	\$ -		
2055	3,356,871	1,342,749	2,014,123	1,640,515	1,640,515	\$ -		
2056	2,014,123	1,342,749	671,374	1,491,632	1,491,632	\$ -		
2057	671,374	671,374	-	708,595	708,595	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	55,052,689			183,241,193	183,241,193	-		

** 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	29,426
Current Projected Year ARR w/ Incentive	29,426
Current Projected Year Incentive ARR	-

Details			
Investment	267,989	Current Year	2023
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	1	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	6,536

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	5,992	261,998	35,374	35,374	\$ -		
2015	261,998	6,536	255,461	35,224	35,224	\$ -		
2016	255,461	6,536	248,925	34,499	34,499	\$ -		
2017	248,925	6,536	242,389	33,775	33,775	\$ -	\$ 31,947	\$ 31,947
2018	242,389	6,536	235,852	33,050	33,050	\$ -	\$ 35,555	\$ 35,555
2019	235,852	6,536	229,316	32,325	32,325	\$ -	\$ 31,143	\$ 31,143
2020	229,316	6,536	222,780	31,600	31,600	\$ -	\$ 29,633	\$ 29,633
2021	222,780	6,536	216,243	30,876	30,876	\$ -	\$ 29,062	\$ 29,062
2022	216,243	6,536	209,707	30,151	30,151	\$ -	\$ 28,656	\$ 28,656
2023	209,707	6,536	203,171	29,426	29,426	\$ -		
2024	203,171	6,536	196,634	28,701	28,701	\$ -		
2025	196,634	6,536	190,098	27,977	27,977	\$ -		
2026	190,098	6,536	183,562	27,252	27,252	\$ -		
2027	183,562	6,536	177,025	26,527	26,527	\$ -		
2028	177,025	6,536	170,489	25,802	25,802	\$ -		
2029	170,489	6,536	163,953	25,078	25,078	\$ -		
2030	163,953	6,536	157,416	24,353	24,353	\$ -		
2031	157,416	6,536	150,880	23,628	23,628	\$ -		
2032	150,880	6,536	144,344	22,903	22,903	\$ -		
2033	144,344	6,536	137,807	22,179	22,179	\$ -		
2034	137,807	6,536	131,271	21,454	21,454	\$ -		
2035	131,271	6,536	124,735	20,729	20,729	\$ -		
2036	124,735	6,536	118,198	20,004	20,004	\$ -		
2037	118,198	6,536	111,662	19,280	19,280	\$ -		
2038	111,662	6,536	105,126	18,555	18,555	\$ -		
2039	105,126	6,536	98,590	17,830	17,830	\$ -		
2040	98,590	6,536	92,053	17,106	17,106	\$ -		
2041	92,053	6,536	85,517	16,381	16,381	\$ -		
2042	85,517	6,536	78,981	15,656	15,656	\$ -		
2043	78,981	6,536	72,444	14,931	14,931	\$ -		
2044	72,444	6,536	65,908	14,207	14,207	\$ -		
2045	65,908	6,536	59,372	13,482	13,482	\$ -		
2046	59,372	6,536	52,835	12,757	12,757	\$ -		
2047	52,835	6,536	46,299	12,032	12,032	\$ -		
2048	46,299	6,536	39,763	11,308	11,308	\$ -		
2049	39,763	6,536	33,226	10,583	10,583	\$ -		
2050	33,226	6,536	26,690	9,858	9,858	\$ -		
2051	26,690	6,536	20,154	9,133	9,133	\$ -		
2052	20,154	6,536	13,617	8,409	8,409	\$ -		
2053	13,617	6,536	7,081	7,684	7,684	\$ -		
2054	7,081	6,536	545	6,959	6,959	\$ -		
2055	545	-	-	575	575	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	267,989			879,613	879,613	-		

** 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

Page 13 of 15

1

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	1,153,662
Current Projected Year ARR w/ Incentive	1,153,662
Current Projected Year Incentive ARR	-

Details	Current Year	2023
Investment	9,582,260	-
Service Year (yyy)	2017	-
Service Month (1-12)	12	11.09%
Useful life	41	11.09%
CIAC (Yes or No)	No	233,714

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	1,062,476	1,062,476	\$ -		
2018	9,582,260	233,714	9,348,546	1,283,233	1,283,233	\$ -	\$ 1,174,872	\$ 1,174,872
2019	9,348,546	233,714	9,114,832	1,257,319	1,257,319	\$ -	\$ 1,181,870	\$ 1,181,870
2020	9,114,832	233,714	8,881,119	1,231,405	1,231,405	\$ -	\$ 1,110,565	\$ 1,110,565
2021	8,881,119	233,714	8,647,405	1,205,491	1,205,491	\$ -	\$ 1,123,491	\$ 1,123,491
2022	8,647,405	233,714	8,413,691	1,179,577	1,179,577	\$ -	\$ 1,111,542	\$ 1,111,542
2023	8,413,691	233,714	8,179,978	1,153,662	1,153,662	\$ -		
2024	8,179,978	233,714	7,946,264	1,127,748	1,127,748	\$ -		
2025	7,946,264	233,714	7,712,550	1,101,834	1,101,834	\$ -		
2026	7,712,550	233,714	7,478,837	1,075,920	1,075,920	\$ -		
2027	7,478,837	233,714	7,245,123	1,050,006	1,050,006	\$ -		
2028	7,245,123	233,714	7,011,409	1,024,092	1,024,092	\$ -		
2029	7,011,409	233,714	6,777,696	998,178	998,178	\$ -		
2030	6,777,696	233,714	6,543,982	972,264	972,264	\$ -		
2031	6,543,982	233,714	6,310,268	946,350	946,350	\$ -		
2032	6,310,268	233,714	6,076,555	920,436	920,436	\$ -		
2033	6,076,555	233,714	5,842,841	894,522	894,522	\$ -		
2034	5,842,841	233,714	5,609,128	868,608	868,608	\$ -		
2035	5,609,128	233,714	5,375,414	842,694	842,694	\$ -		
2036	5,375,414	233,714	5,141,700	816,780	816,780	\$ -		
2037	5,141,700	233,714	4,907,987	790,866	790,866	\$ -		
2038	4,907,987	233,714	4,674,273	764,952	764,952	\$ -		
2039	4,674,273	233,714	4,440,559	739,038	739,038	\$ -		
2040	4,440,559	233,714	4,206,846	713,124	713,124	\$ -		
2041	4,206,846	233,714	3,973,132	687,210	687,210	\$ -		
2042	3,973,132	233,714	3,739,418	661,296	661,296	\$ -		
2043	3,739,418	233,714	3,505,705	635,381	635,381	\$ -		
2044	3,505,705	233,714	3,271,991	609,467	609,467	\$ -		
2045	3,271,991	233,714	3,038,277	583,553	583,553	\$ -		
2046	3,038,277	233,714	2,804,564	557,639	557,639	\$ -		
2047	2,804,564	233,714	2,570,850	531,725	531,725	\$ -		
2048	2,570,850	233,714	2,337,136	505,811	505,811	\$ -		
2049	2,337,136	233,714	2,103,423	479,897	479,897	\$ -		
2050	2,103,423	233,714	1,869,709	453,983	453,983	\$ -		
2051	1,869,709	233,714	1,635,996	428,069	428,069	\$ -		
2052	1,635,996	233,714	1,402,282	402,155	402,155	\$ -		
2053	1,402,282	233,714	1,168,568	376,241	376,241	\$ -		
2054	1,168,568	233,714	934,855	350,327	350,327	\$ -		
2055	934,855	233,714	701,141	324,413	324,413	\$ -		
2056	701,141	233,714	467,427	298,499	298,499	\$ -		
2057	467,427	233,714	233,714	272,585	272,585	\$ -		
2058	233,714	233,714	-	246,671	246,671	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
2076	-	-	-	-	-	\$ -		
Project Totals	9,582,260			32,425,497	32,425,497	-		

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

Current Projected Year ARR	8,418,536
Current Projected Year ARR w/ Incentive	8,418,536
Current Projected Year Incentive ARR	-

Details			
Investment	68,639,079	Current Year	2023
Service Year (yyy)	2019	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	1,674,124

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 **
2018	68,639,079	279,021	68,360,058	7,874,218	7,874,218	\$ -	\$ 8,045,448	\$ 8,045,448
2019	68,360,058	1,674,124	66,685,934	9,161,040	9,161,040	\$ -	\$ 8,376,603	\$ 8,376,603
2020	66,685,934	1,674,124	65,011,810	8,975,414	8,975,414	\$ -	\$ 4,444,449	\$ 4,444,449
2021	65,011,810	1,674,124	63,337,686	8,789,788	8,789,788	\$ -	\$ 8,170,472	\$ 8,170,472
2022	63,337,686	1,674,124	61,663,563	8,604,162	8,604,162	\$ -	\$ 8,092,331	\$ 8,092,331
2023	61,663,563	1,674,124	59,989,439	8,418,536	8,418,536	\$ -		
2024	59,989,439	1,674,124	58,315,315	8,232,910	8,232,910	\$ -		
2025	58,315,315	1,674,124	56,641,191	8,047,284	8,047,284	\$ -		
2026	56,641,191	1,674,124	54,967,067	7,861,658	7,861,658	\$ -		
2027	54,967,067	1,674,124	53,292,943	7,676,032	7,676,032	\$ -		
2028	53,292,943	1,674,124	51,618,819	7,490,406	7,490,406	\$ -		
2029	51,618,819	1,674,124	49,944,695	7,304,780	7,304,780	\$ -		
2030	49,944,695	1,674,124	48,270,572	7,119,154	7,119,154	\$ -		
2031	48,270,572	1,674,124	46,596,448	6,933,528	6,933,528	\$ -		
2032	46,596,448	1,674,124	44,922,324	6,747,902	6,747,902	\$ -		
2033	44,922,324	1,674,124	43,248,200	6,562,276	6,562,276	\$ -		
2034	43,248,200	1,674,124	41,574,076	6,376,650	6,376,650	\$ -		
2035	41,574,076	1,674,124	39,899,952	6,191,024	6,191,024	\$ -		
2036	39,899,952	1,674,124	38,225,828	6,005,398	6,005,398	\$ -		
2037	38,225,828	1,674,124	36,551,705	5,819,772	5,819,772	\$ -		
2038	36,551,705	1,674,124	34,877,581	5,634,146	5,634,146	\$ -		
2039	34,877,581	1,674,124	33,203,457	5,448,520	5,448,520	\$ -		
2040	33,203,457	1,674,124	31,529,333	5,262,894	5,262,894	\$ -		
2041	31,529,333	1,674,124	29,855,209	5,077,268	5,077,268	\$ -		
2042	29,855,209	1,674,124	28,181,085	4,891,641	4,891,641	\$ -		
2043	28,181,085	1,674,124	26,506,961	4,706,015	4,706,015	\$ -		
2044	26,506,961	1,674,124	24,832,837	4,520,389	4,520,389	\$ -		
2045	24,832,837	1,674,124	23,158,714	4,334,763	4,334,763	\$ -		
2046	23,158,714	1,674,124	21,484,590	4,149,137	4,149,137	\$ -		
2047	21,484,590	1,674,124	19,810,466	3,963,511	3,963,511	\$ -		
2048	19,810,466	1,674,124	18,136,342	3,777,885	3,777,885	\$ -		
2049	18,136,342	1,674,124	16,462,218	3,592,259	3,592,259	\$ -		
2050	16,462,218	1,674,124	14,788,094	3,406,633	3,406,633	\$ -		
2051	14,788,094	1,674,124	13,113,970	3,221,007	3,221,007	\$ -		
2052	13,113,970	1,674,124	11,439,846	3,035,381	3,035,381	\$ -		
2053	11,439,846	1,674,124	9,765,723	2,849,755	2,849,755	\$ -		
2054	9,765,723	1,674,124	8,091,599	2,664,129	2,664,129	\$ -		
2055	8,091,599	1,674,124	6,417,475	2,478,503	2,478,503	\$ -		
2056	6,417,475	1,674,124	4,743,351	2,292,877	2,292,877	\$ -		
2057	4,743,351	1,674,124	3,069,227	2,107,251	2,107,251	\$ -		
2058	3,069,227	1,674,124	1,395,103	1,921,625	1,921,625	\$ -		
2059	1,395,103	1,395,103	-	1,472,447	1,472,447	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
2076	-	-	-	-	-	\$ -		
2077	-	-	-	-	-	\$ -		
Project Totals	68,639,079			230,999,968	230,999,968	-		

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

Current Projected Year ARR	83,069
Current Projected Year ARR w/ Incentive	83,069
Current Projected Year Incentive ARR	-

Details			
Investment	705,825	Current Year	2023
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.09%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.09%
CIAC (Yes or No)	No	Annual Depreciation Expense	17,215

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	78,261	78,261	\$ -	\$ -	\$ -
2017	705,825	17,215	688,609	94,522	94,522	\$ -		
2018	688,609	17,215	671,394	92,613	92,613	\$ -		
2019	671,394	17,215	654,179	90,705	90,705	\$ -		
2020	654,179	17,215	636,964	88,796	88,796	\$ -	\$ 82,029	\$ 82,029
2021	636,964	17,215	619,748	86,887	86,887	\$ -	\$ 81,170	\$ 81,170
2022	619,748	17,215	602,533	84,978	84,978	\$ -	\$ 80,241	\$ 80,241
2023	602,533	17,215	585,318	83,069	83,069	\$ -		
2024	585,318	17,215	568,103	81,161	81,161	\$ -		
2025	568,103	17,215	550,887	79,252	79,252	\$ -		
2026	550,887	17,215	533,672	77,343	77,343	\$ -		
2027	533,672	17,215	516,457	75,434	75,434	\$ -		
2028	516,457	17,215	499,242	73,525	73,525	\$ -		
2029	499,242	17,215	482,027	71,617	71,617	\$ -		
2030	482,027	17,215	464,811	69,708	69,708	\$ -		
2031	464,811	17,215	447,596	67,799	67,799	\$ -		
2032	447,596	17,215	430,381	65,890	65,890	\$ -		
2033	430,381	17,215	413,166	63,981	63,981	\$ -		
2034	413,166	17,215	395,950	62,072	62,072	\$ -		
2035	395,950	17,215	378,735	60,164	60,164	\$ -		
2036	378,735	17,215	361,520	58,255	58,255	\$ -		
2037	361,520	17,215	344,305	56,346	56,346	\$ -		
2038	344,305	17,215	327,089	54,437	54,437	\$ -		
2039	327,089	17,215	309,874	52,528	52,528	\$ -		
2040	309,874	17,215	292,659	50,620	50,620	\$ -		
2041	292,659	17,215	275,444	48,711	48,711	\$ -		
2042	275,444	17,215	258,229	46,802	46,802	\$ -		
2043	258,229	17,215	241,013	44,893	44,893	\$ -		
2044	241,013	17,215	223,798	42,984	42,984	\$ -		
2045	223,798	17,215	206,583	41,075	41,075	\$ -		
2046	206,583	17,215	189,368	39,167	39,167	\$ -		
2047	189,368	17,215	172,152	37,258	37,258	\$ -		
2048	172,152	17,215	154,937	35,349	35,349	\$ -		
2049	154,937	17,215	137,722	33,440	33,440	\$ -		
2050	137,722	17,215	120,507	31,531	31,531	\$ -		
2051	120,507	17,215	103,291	29,623	29,623	\$ -		
2052	103,291	17,215	86,076	27,714	27,714	\$ -		
2053	86,076	17,215	68,861	25,805	25,805	\$ -		
2054	68,861	17,215	51,646	23,896	23,896	\$ -		
2055	51,646	17,215	34,430	21,987	21,987	\$ -		
2056	34,430	17,215	17,215	20,078	20,078	\$ -		
2057	17,215	17,215	0	18,170	18,170	\$ -		
2058	0	0	-	0	0	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	705,825			2,388,446	2,388,446	-		

** 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

Page 15 of 15

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	16,694
Current Projected Year ARR w/ Incentive	16,694
Current Projected Year Incentive ARR	-

Details		Current Year			2023	
Investment	135,118	2019	ROE increase accepted by FERC (Basis Points)			
Service Year (vvv)	2	2019	FCR w/o incentives, less depreciation			11.09%
Service Month (1-12)	41	2019	FCR w/incentives approved for these facilities, less dep.			11.09%
Useful life	41	2019	Annual Depreciation Expense			3,296
CIAC (Yes or No)	No	2019				
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	135,118	2,746	132,372	17,576	17,576	\$ -
2020	132,372	3,296	129,076	17,790	17,790	\$ -
2021	129,076	3,296	125,781	17,425	17,425	\$ -
2022	125,781	3,296	122,485	17,059	17,059	\$ -
2023	122,485	3,296	119,190	16,694	16,694	\$ -
2024	119,190	3,296	115,894	16,329	16,329	\$ -
2025	115,894	3,296	112,598	15,963	15,963	\$ -
2026	112,598	3,296	109,303	15,598	15,598	\$ -
2027	109,303	3,296	106,007	15,232	15,232	\$ -
2028	106,007	3,296	102,712	14,867	14,867	\$ -
2029	102,712	3,296	99,416	14,501	14,501	\$ -
2030	99,416	3,296	96,121	14,136	14,136	\$ -
2031	96,121	3,296	92,825	13,771	13,771	\$ -
2032	92,825	3,296	89,530	13,405	13,405	\$ -
2033	89,530	3,296	86,234	13,040	13,040	\$ -
2034	86,234	3,296	82,938	12,674	12,674	\$ -
2035	82,938	3,296	79,643	12,309	12,309	\$ -
2036	79,643	3,296	76,347	11,944	11,944	\$ -
2037	76,347	3,296	73,052	11,578	11,578	\$ -
2038	73,052	3,296	69,756	11,213	11,213	\$ -
2039	69,756	3,296	66,461	10,847	10,847	\$ -
2040	66,461	3,296	63,165	10,482	10,482	\$ -
2041	63,165	3,296	59,869	10,117	10,117	\$ -
2042	59,869	3,296	56,574	9,751	9,751	\$ -
2043	56,574	3,296	53,278	9,386	9,386	\$ -
2044	53,278	3,296	49,983	9,020	9,020	\$ -
2045	49,983	3,296	46,687	8,655	8,655	\$ -
2046	46,687	3,296	43,392	8,290	8,290	\$ -
2047	43,392	3,296	40,096	7,924	7,924	\$ -
2048	40,096	3,296	36,800	7,559	7,559	\$ -
2049	36,800	3,296	33,505	7,193	7,193	\$ -
2050	33,505	3,296	30,209	6,828	6,828	\$ -
2051	30,209	3,296	26,914	6,462	6,462	\$ -
2052	26,914	3,296	23,618	6,097	6,097	\$ -
2053	23,618	3,296	20,323	5,732	5,732	\$ -
2054	20,323	3,296	17,027	5,366	5,366	\$ -
2055	17,027	3,296	13,732	5,001	5,001	\$ -
2056	13,732	3,296	10,436	4,635	4,635	\$ -
2057	10,436	3,296	7,140	4,270	4,270	\$ -
2058	7,140	3,296	3,845	3,905	3,905	\$ -
2059	3,845	3,296	549	3,539	3,539	\$ -
2060	549	549	-	580	580	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
2075	-	-	-	-	-	\$ -
2076	-	-	-	-	-	\$ -
2077	-	-	-	-	-	\$ -
2078	-	-	-	-	-	\$ -
Project Totals	135,118			444,743	444,743	

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
\$ 16,018	\$ 16,018

** 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 2023 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	4,998,511,000		(3,463,000)	21,722,000	4,980,252,000
2	January	5,062,294,000		(3,463,000)	21,718,000	5,044,039,000
3	February	5,101,689,000		(3,463,000)	21,714,000	5,083,438,000
4	March	5,137,380,000		(3,463,000)	21,710,000	5,119,133,000
5	April	5,149,049,000		(3,463,000)	21,706,000	5,130,806,000
6	May	5,171,070,000		(3,463,000)	21,702,000	5,152,831,000
7	June	5,197,234,000		(3,463,000)	21,699,000	5,178,998,000
8	July	5,240,296,000		(3,463,000)	21,695,000	5,222,064,000
9	August	5,276,404,000		(3,463,000)	21,691,000	5,258,176,000
10	September	5,291,844,000		(3,463,000)	21,687,000	5,273,620,000
11	October	5,311,498,000		(3,463,000)	21,683,000	5,293,278,000
12	November	5,348,098,000		(3,463,000)	21,679,000	5,329,882,000
13	December of Rate Year	5,394,407,000		(3,463,000)	21,675,000	5,376,195,000
14	Average of the 13 Monthly Balances	5,206,136,000	-	(3,463,000)	21,699,000	5,187,900,923

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	174,174,000			5,282,855,000		5,457,029,000
16	January	174,174,000			5,282,855,000		5,457,029,000
17	February	161,197,000			5,282,855,000		5,444,052,000
18	March	161,197,000			5,282,855,000		5,444,052,000
19	April	161,197,000			5,282,855,000		5,444,052,000
20	May	161,197,000			5,282,855,000		5,444,052,000
21	June	161,197,000			5,282,855,000		5,444,052,000
22	July	161,197,000			5,282,855,000		5,444,052,000
23	August	147,717,000			5,182,855,000		5,330,572,000
24	September	147,717,000			5,482,855,000		5,630,572,000
25	October	147,717,000			5,482,855,000		5,630,572,000
26	November	147,717,000			5,482,855,000		5,630,572,000
27	December of Rate Year	147,717,000			5,482,855,000		5,630,572,000
28	Average of the 13 Monthly Balances	158,009,000	-	-	5,336,701,000	-	5,494,710,000

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 2023						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			248,727,000			
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.			(248,000)			
32	Plus: Allowed Hedge Recovery From Ln 55 below.			(248,000)			
33	Amort of Debt Discount & Expense - Acct 428 (117.63.c)			3,909,000			
34	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)			3,880,000			
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)			256,516,000			
38	Average Cost of Debt for 2023 (Ln 37/ Ln 28 (g))			4.67%			

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 2023	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	420,000	May-03	May-33
44	Senior Unsecured Notes - Series N	(194,000)	-	(194,000)	(2,767,000)	Apr-06	Apr-36
45	Senior Unsecured Notes - Series Q	160,000	-	160,000	2,588,000	Mar-08	Apr-38
46	Senior Unsecured Notes - Series S	-	-	-	-	May-10	May-15
47	Senior Unsecured Notes - Series T	(251,000)	-	(251,000)	-	Mar-11	Mar-21
48				-			
49					241,000		
50	Total Hedge Amortization	(248,000)	-				
51	Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48)			(248,000)			
52	Total Average Capital Structure Balance for 2023 (TCOS, Ln 157)			10,682,610,000			
53	Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
54	Limit of Recoverable Amount			5,341,305			
55	Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)			(248,000)			

Development of Cost of Preferred Stock

	Preferred Stock	Average
56	0% Series - 0 - Dividend Rate (p. 250-251)	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%

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 2023		-		-	

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 52,288,000

Allocation of PBOP Settlement Amount for 2023

Line#	Company	Total Company Amount				One Year Functional Expense (Over)/Under		
		Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOP Recovery Allowance	Labor Allocator for 2023	Actual Expense	Allowable Expense	Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B) * 52288000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
2	APCo	(23,619,000)	35.96%	18,800,564	10.674%	(2,521,032)	2,006,724	(4,527,756)
3	I&M	(17,707,000)	26.96%	14,094,652	4.922%	(871,581)	693,773	(1,565,354)
4	KPCo	(5,481,000)	8.34%	4,362,839	9.816%	(538,035)	428,272	(966,307)
5	KNGP	(551,000)	0.84%	438,592	10.629%	(58,565)	46,617	(105,182)
6	OPCo	(17,283,000)	26.31%	13,757,151	12.769%	(2,206,875)	1,756,658	(3,963,533)
7	WPCo	(1,048,000)	1.60%	834,201	2.864%	(30,016)	23,892	(53,908)
8	Sum of Lines 2 to 7	(65,689,000)		52,288,000		(6,226,104)	4,955,937	(11,182,040)

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	(19,054,000)	(16,769,000)	(4,940,000)	(434,000)	(13,441,000)	(521,000)	(55,159,000)
10 Additional PBOP Ledger Entries (from Company Records)	567,000	2,049,000	483,000	-	-	(440,000)	
11 Medicare Subsidy							-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(18,487,000)	(14,720,000)	(4,457,000)	(434,000)	(13,441,000)	(961,000)	(52,500,000)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(5,671,000)	(3,793,000)	(1,364,000)	(140,000)	(4,292,000)	(115,000)	(15,375,000)
14 Company PBOP Expense (Ln 12 + Ln 13)	(24,158,000)	(18,513,000)	(5,821,000)	(574,000)	(17,733,000)	(1,076,000)	(67,875,000)

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.	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
TRANSMISSION PLANT		
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	-
GENERAL PLANT		
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 2021 Available May 25, 2022		2021 Forecasted Revenue Requirement For Year 2021		True-up Adjustment - Over (Under) Recovery
\$387,408,324	-	\$381,043,986	=	(\$6,364,338)

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
		0.2770%				

An over or under collection will be recovered prorata over 2021, held for 2022 and returned prorata over 2023

<u>Calculation of Interest</u>					Monthly	
January	Year 2021	(530,362)	0.2770%	12	17,629	547,991
February	Year 2021	(530,362)	0.2770%	11	16,160	546,522
March	Year 2021	(530,362)	0.2770%	10	14,691	545,053
April	Year 2021	(530,362)	0.2770%	9	13,222	543,583
May	Year 2021	(530,362)	0.2770%	8	11,753	542,114
June	Year 2021	(530,362)	0.2770%	7	10,284	540,645
July	Year 2021	(530,362)	0.2770%	6	8,815	539,176
August	Year 2021	(530,362)	0.2770%	5	7,346	537,707
September	Year 2021	(530,362)	0.2770%	4	5,876	536,238
October	Year 2021	(530,362)	0.2770%	3	4,407	534,769
November	Year 2021	(530,362)	0.2770%	2	2,938	533,300
December	Year 2021	(530,362)	0.2770%	1	1,469	531,831
					114,590	6,478,928
					Annual	
January through December	Year 2022	6,478,928	0.2770%	12	215,360	6,694,288
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					Monthly	
January	Year 2023	(6,694,288)	0.2770%		18,543	6,144,879
February	Year 2023	(6,144,879)	0.2770%		17,021	5,593,947
March	Year 2023	(5,593,947)	0.2770%		15,495	5,041,490
April	Year 2023	(5,041,490)	0.2770%		13,965	4,487,503
May	Year 2023	(4,487,503)	0.2770%		12,430	3,931,981
June	Year 2023	(3,931,981)	0.2770%		10,892	3,374,920
July	Year 2023	(3,374,920)	0.2770%		9,349	2,816,316
August	Year 2023	(2,816,316)	0.2770%		7,801	2,256,164
September	Year 2023	(2,256,164)	0.2770%		6,250	1,694,461
October	Year 2023	(1,694,461)	0.2770%		4,694	1,131,203
November	Year 2023	(1,131,203)	0.2770%		3,133	566,384
December	Year 2023	(566,384)	0.2770%		1,569	0
					121,142	
True-Up Adjustment with Interest					6,815,430	
Less Over (Under) Recovery					(6,364,338)	
Total Interest					451,091	

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 2021 Available May 25, 2022		2021 Forecasted Revenue Requirement For Year 2021		True-up Adjustment - Over (Under) Recovery
\$28,366,903	-	\$27,060,777	=	(\$1,306,126)

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate 0.2770%	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
An over or under collection will be recovered prorata over 2021, held for 2022 and returned prorata over 2023							
Calculation of Interest					Monthly		
January	Year 2021	(108,844)	0.2770%	12	3,618		112,462
February	Year 2021	(108,844)	0.2770%	11	3,316		112,160
March	Year 2021	(108,844)	0.2770%	10	3,015		111,859
April	Year 2021	(108,844)	0.2770%	9	2,713		111,557
May	Year 2021	(108,844)	0.2770%	8	2,412		111,256
June	Year 2021	(108,844)	0.2770%	7	2,110		110,954
July	Year 2021	(108,844)	0.2770%	6	1,809		110,653
August	Year 2021	(108,844)	0.2770%	5	1,507		110,351
September	Year 2021	(108,844)	0.2770%	4	1,206		110,050
October	Year 2021	(108,844)	0.2770%	3	904		109,748
November	Year 2021	(108,844)	0.2770%	2	603		109,447
December	Year 2021	(108,844)	0.2770%	1	301		109,145
					23,517		1,329,643
					Annual		
January through December	Year 2022	1,329,643	0.2770%	12	44,197		1,373,840
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly		
January	Year 2023	(1,373,840)	0.2770%		3,806	(116,558)	1,261,087
February	Year 2023	(1,261,087)	0.2770%		3,493	(116,558)	1,148,022
March	Year 2023	(1,148,022)	0.2770%		3,180	(116,558)	1,034,644
April	Year 2023	(1,034,644)	0.2770%		2,866	(116,558)	920,951
May	Year 2023	(920,951)	0.2770%		2,551	(116,558)	806,944
June	Year 2023	(806,944)	0.2770%		2,235	(116,558)	692,620
July	Year 2023	(692,620)	0.2770%		1,919	(116,558)	577,980
August	Year 2023	(577,980)	0.2770%		1,601	(116,558)	463,023
September	Year 2023	(463,023)	0.2770%		1,283	(116,558)	347,747
October	Year 2023	(347,747)	0.2770%		963	(116,558)	232,152
November	Year 2023	(232,152)	0.2770%		643	(116,558)	116,236
December	Year 2023	(116,236)	0.2770%		322	(116,558)	0
					24,861		
True-Up Adjustment with Interest						1,398,702	
Less Over (Under) Recovery						(1,306,126)	
Total Interest						92,576	

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 2021 Available May 25, 2022		2021 Collections		True-up Adjustment - Over (Under) Recovery
\$3,016,234	-	\$3,243,040	=	\$226,806

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
		0.2770%				
An over or under collection will be recovered prorata over 2021, held for 2022 and returned prorata over 2023						
Calculation of Interest				Monthly		
January	Year 2021	18,900	0.2770%	12	(628)	(19,529)
February	Year 2021	18,900	0.2770%	11	(576)	(19,476)
March	Year 2021	18,900	0.2770%	10	(524)	(19,424)
April	Year 2021	18,900	0.2770%	9	(471)	(19,372)
May	Year 2021	18,900	0.2770%	8	(419)	(19,319)
June	Year 2021	18,900	0.2770%	7	(366)	(19,267)
July	Year 2021	18,900	0.2770%	6	(314)	(19,215)
August	Year 2021	18,900	0.2770%	5	(262)	(19,162)
September	Year 2021	18,900	0.2770%	4	(209)	(19,110)
October	Year 2021	18,900	0.2770%	3	(157)	(19,058)
November	Year 2021	18,900	0.2770%	2	(105)	(19,005)
December	Year 2021	18,900	0.2770%	1	(52)	(18,953)
					(4,084)	(230,889)
				Annual		
January through December	Year 2022	(230,889)	0.2770%	12	(7,675)	(238,564)
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months				Monthly		
January	Year 2023	238,564	0.2770%		(661)	20,240
February	Year 2023	218,985	0.2770%		(607)	20,240
March	Year 2023	199,351	0.2770%		(552)	20,240
April	Year 2023	179,664	0.2770%		(498)	20,240
May	Year 2023	159,921	0.2770%		(443)	20,240
June	Year 2023	140,124	0.2770%		(388)	20,240
July	Year 2023	120,272	0.2770%		(333)	20,240
August	Year 2023	100,365	0.2770%		(278)	20,240
September	Year 2023	80,403	0.2770%		(223)	20,240
October	Year 2023	60,385	0.2770%		(167)	20,240
November	Year 2023	40,313	0.2770%		(112)	20,240
December	Year 2023	20,184	0.2770%		(56)	20,240
					(4,317)	(0)
True-Up Adjustment with Interest					(242,881)	
Less Over (Under) Recovery					226,806	
Total Interest					(16,076)	

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.