

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2014 and Projected Net Plant at Year-End 2015

OHIO POWER COMPANY

Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 138)			\$317,417,627
2	REVENUE CREDITS	(Note A) (Worksheet E)	11,860,510	DA 1.00000	\$ 11,860,510
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)			\$ 305,557,117

MEMO: The Carrying Charge Calculations on lines 6 to 11 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 4 is included in the total on line 3.

4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J)		9,267,093	DA 1.00000	\$ 9,267,093
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	((In 1 - In 105 - In 106) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			22.81%
7	Monthly Rate	(In 6 / 12)			1.90%
8	NET PLANT CARRYING CHARGE ON LINE 6 , w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	((In 1 - In 105 - In 106 - In 111 - In 112) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			19.42%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	((In 1 - In 105 - In 106 - In 111 - In 112 - In 133 - In 134) / ((In 48 + In 49 + In 50 + In 51 + In 53) x 100))			9.42%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			9,760,780
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				2,262,111
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				1,522,174
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			5,976,495

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	(1)	(2)	(3)	(4)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
Line No.					
	GROSS PLANT IN SERVICE				
18	Production	(Worksheet A In 1.C)	-	NA 0.00000	-
19	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	-	NA 0.00000	-
20	Transmission	(Worksheet A In 3.C & Ln 142)	2,098,610,563	DA	2,098,610,563
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C & Ln 143)	(3,120)	TP 1.00000	(3,120)
22	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.D)		148,274,856	DA 1.00000	148,274,856
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I, In 22.D)		-	DA 1.00000	-
24	Distribution	(Worksheet A In 5.C)	4,083,984,333	NA 0.00000	-
25	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	-	NA 0.00000	-
26	General Plant	(Worksheet A In 7.C)	249,169,851	W/S 0.18192	45,329,466
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(464,402)	W/S 0.18192	(84,485)
28	Intangible Plant	(Worksheet A In 9.C)	107,548,361	W/S 0.18192	19,565,408
29	TOTAL GROSS PLANT	(sum Ins 18 to 28)	6,687,120,442		2,311,692,688
	ACCUMULATED DEPRECIATION AND AMORTIZATION				
31	Production	(Worksheet A In 12.C)	-	NA 0.00000	-
32	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	-	NA 0.00000	-
33	Transmission	(Worksheet A In 14.C & 28.C)	814,500,351	TP1= 1.00000	814,500,351
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	(3,046)	TP1= 1.00000	(3,046)
35	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.I)		1,557,095	DA 1.00000	1,557,095
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I In. 24.D)		-	DA 1.00000	-
37	Plus: Additional Transmission Depreciation for 2015 (In 111)		45,479,779	TP1 1.00000	45,479,779
38	Plus: Additional General & Intangible Depreciation for 2015 (In 113 + In 114)		23,973,441	W/S 0.18192	4,361,295
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I In 23.D)		-	DA 1.00000	-
40	Distribution	(Worksheet A In 16.C)	1,454,754,803	NA 0.00000	-
41	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	-	NA 0.00000	-
42	General Plant	(Worksheet A In 18.C)	95,531,328	W/S 0.18192	17,379,246
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(205,401)	W/S 0.18192	(37,367)
44	Intangible Plant	(Worksheet A In 20.C)	87,120,447	W/S 0.18192	15,849,122
45	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 31 to 44)	2,522,708,797		899,086,475
	NET PLANT IN SERVICE				
47	Production	(In 18 + In 19 - In 31 - In 32)	-		-
48	Transmission	(In 20 + In 21 - In 33 - In 34)	1,284,110,138		1,284,110,138
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		146,717,761		146,717,761
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		-		-
51	Plus: Additional Transmission Depreciation for 2015 (-In 37)		(45,479,779)		(45,479,779)
52	Plus: Additional General & Intangible Depreciation for 2015 (-In 38)		(23,973,441)		(4,361,295)
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		-		-
54	Distribution	(In 24 + In 25 - In 40 - In 41)	2,629,229,530		-
55	General Plant	(In 26 + In 27 - In 42 - In 43)	153,379,522		27,903,102
56	Intangible Plant	(In 28 - In 44)	20,427,914		3,716,286
57	TOTAL NET PLANT IN SERVICE	(sum Ins 47 to 56)	4,164,411,645		1,412,606,213
	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA	-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(864,572,631)	DA	(278,056,209)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(521,279,952)	DA	(25,689,464)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	147,754,564	DA	20,601,614
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(67,402)	DA	(31,204)
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(1,238,165,421)		(283,175,263)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	10,148,212	DA	6,002,010
66	REGULATORY ASSETS	(Worksheet A In 36. (C))	-	DA	-
	WORKING CAPITAL	(Note E)			
68	Cash Working Capital	(1/8 * In 88)	5,911,218		5,911,218
69	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	2,402,525	TP 1.00000	2,402,525
70	A&G Materials & Supplies	(Worksheet C, In 3.(D))	314,391	W/S 0.18192	57,195
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h) 0.33086	-
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 6.G)	209,186,049	W/S 0.18192	38,055,534
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.F)	5,788,293	GP(h) 0.33086	1,915,093
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	92,791	DA 1.00000	92,791
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	(208,427,190)	NA 0.00000	-
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	15,268,077		48,434,356
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	(2,464,505)	DA 1.00000	(2,464,505)
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		2,949,198,007		1,181,402,811

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Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator	(5) Total Transmission
	OPERATION & MAINTENANCE EXPENSE				
79	Production	321.80.b	1,474,781,827		
80	Distribution	322.156.b	187,980,580		
81	Customer Related Expense	322.164,171,178.b	322,856,999		
82	Regional Marketing Expenses	322.131.b	2,294,236		
83	Transmission	321.112.b	148,145,934		
84	TOTAL O&M EXPENSES	(sum lns 79 to 83)	2,136,059,575		
85	Less: Total Account 561	(Note G) (Worksheet F, ln 14.C)	9,760,780		
86	Less: Account 565	(Note H) 321.96.b	28,530,205		
87	Less: State Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, ln 4.C)	62,565,205		
88	Total O&M Allocable to Transmission	(lns 83 - 85 - 86 - 87)	47,289,743	TP 1.00000	47,289,743
89	Administrative and General	323.197.b (Note J)	84,435,620		
90	Less: Acct. 924, Property Insurance	323.185.b	665,773		
91	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(9,320,145)		
92	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-		
93	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(991,712)		
94	Acct. 928, Reg. Com. Exp.	323.189.b	3,129,463		
95	Acct. 930.1, Gen. Advert. Exp.	323.191.b	2,158,209		
96	Acct. 930.2, Misc. Gen. Exp.	323.192.b	6,326,450		
97	Balance of A & G	(ln 89 - sum ln 90 to ln 96)	82,467,582	W/S 0.18192	15,002,664
98	Plus: Acct. 924, Property Insurance	(ln 90)	665,773	GP(h) 0.33086	220,275
99	Acct. 928 - Transmission Specific	Worksheet F ln 18.(E) (Note L)	-	TP 1.00000	-
100	Acct 930.1 - Only safety related ads -Direct	Worksheet F ln 33.(E) (Note L)	-	TP 1.00000	-
101	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F ln 41.(E) (Note L)	922,654	DA 1.00000	922,654
102	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 6, (Note M)	8,157,799	W/S 0.18192	1,484,083
103	A & G Subtotal	(sum lns 97 to 102)	92,213,808		17,629,675
104	O & M EXPENSE SUBTOTAL	(ln 88 + ln 103)	139,503,551		64,919,418
105	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA 1.00000	-
106	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		1,411,788	DA 1.00000	1,411,788
107	TOTAL O & M EXPENSE	(ln 104 + ln 105 + ln 106)	140,915,339		66,331,206
108	DEPRECIATION AND AMORTIZATION EXPENSE				
109	Production	336.2-6.f	-	NA 0.00000	-
110	Distribution	336.8.f	118,870,055	NA 0.00000	-
111	Transmission	336.7.f	45,479,779	TP1 1.00000	45,479,779
112	Plus: Transmission Plant-in-Service Additions (Worksheet I ln 21.I)		1,557,095	DA 1.00000	1,557,095
113	General	336.10.f	3,937,540	W/S 0.18192	716,325
114	Intangible	336.1.f	20,035,901	W/S 0.18192	3,644,970
115	TOTAL DEPRECIATION AND AMORTIZATION	(lns 109+110+111 +112+113+114)	189,880,370		51,398,169
116	TAXES OTHER THAN INCOME				
117	Labor Related				
118	Payroll	Worksheet H ln 22.(D)	5,087,510	W/S 0.18192	925,530
119	Plant Related				
120	Property	Worksheet H ln 22.(C) & ln 46.(C)	190,303,749	DA	58,847,205
121	Gross Receipts/Sales & Use	Worksheet H ln 22.(F)	153,474,202	NA 0.00000	-
122	Other	Worksheet H ln 22.(E)	4,402,800	GP(h) 0.33086	1,456,694
123	TOTAL OTHER TAXES	(sum lns 118 to 122)	353,268,261		61,229,428
124	INCOME TAXES				
125	T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =		35.63%		
126	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		35.95%		
127	where WCLTD=(ln 162) and WACC = (ln 165)				
128	and FIT, SIT & p are as given in Note O.				
129	GRCF=1 / (1 - T) = (from ln 125)		1.5536		
130	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, ln 19.c)	(203,196)		
131	Income Tax Calculation	(ln 126 * ln 134)	91,472,369		36,642,407
132	ITC adjustment	(ln 129 * ln 130)	(315,680)	NP(h) 0.32192	(101,623)
133	TOTAL INCOME TAXES	(sum lns 131 to 132)	91,156,690		36,540,784
134	RETURN ON RATE BASE (Rate Base * WACC)	(ln 78 * ln 165)	254,423,364		101,918,039
135	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, ln 2.(B))		-	DA 1.00000	-
136	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, ln 4, Cols. ((F) & (H))		-		-
137	Tax Impact on (Gains) / Losses on Sales of Plant Held for Future Use (ln 136 * ln126)		-		-
138	TOTAL REVENUE REQUIREMENT		1,029,644,024		317,417,627
	(sum lns 107, 115, 123, 133, 134, 135, 136, 137)				

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
139	Total transmission plant	(In 20)						2,098,610,563
140	Less transmission plant excluded from PJM Tariff	(Note P)						-
141	Less transmission plant included in OATT Ancillary Services	(Worksheet A, In 23, Col. (C)) (Note Q)						-
142	Transmission plant included in PJM Tariff	(In 139 - In 140 - In 141)						<u>2,098,610,563</u>
143	Percent of transmission plant in PJM Tariff	(In 142 / In 139)					TP	1.00000
144	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
145	Production	354.20.b	0	0	-	NA	0.00000	-
146	Transmission	354.21.b	315,287	17,097,840	17,413,127	TP	1.00000	17,413,127
147	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
148	Distribution	354.23.b	38,647,183	8,355,737	47,002,920	NA	0.00000	-
149	Other (Excludes A&G)	354.24,25,26.b	16,862,211	14,439,311	31,301,522	NA	0.00000	-
150	Total	(sum Ins 145 to 149)	<u>55,824,681</u>	<u>39,892,888</u>	<u>95,717,569</u>			<u>17,413,127</u>
151	Transmission related amount						W/S=	0.18192
152	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
153	Long Term Interest	(Worksheet L, In. 43, col. (D))						<u>122,148,420</u>
154	Preferred Dividends	(Worksheet L, In. 49, col. (D))						-
155	<u>Development of Common Stock:</u>							
156	Proprietary Capital	(FF1 p 112, Ln 16.c)						1,980,209,844
157	Less: Preferred Stock	(FF1 p 112, Ln 3.c)						-
158	Less: Account 216.1	(FF1 p 112, Ln 12.c)						4,915,704
159	Less: Account 219	(FF1 p 112, Ln 15.c)						<u>5,601,842</u>
160	Common Stock	(In 156 - In 157 - In 158 - In 159)						<u>1,969,692,298</u>
161			\$	%		Cost (Note S)	Weighted	
162	Long Term Debt (Note T) Worksheet L, In 43, col. (B))		<u>2,069,619,994</u>	51.24%		0.0590	0.0302	
163	Preferred Stock (In 157)		-	0.00%		-	0.0000	
164	Common Stock (In 160)		<u>1,969,692,298</u>	48.76%		11.49%	0.0560	
165	Total (Sum Ins 162 to 164)		<u>4,039,312,292</u>			WACC=	0.0863	

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OHIO 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.
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.
- C Transmission Plant balances in this study are projected as of December 31, 2015. Other ratebase amounts are as of December 31, 2014.
- 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 flow throughs 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 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.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 85.
2) AEP transmission equalization transfers, as shown on line 86
3) The impact of state regulatory deferrals and amortizations, as shown on line 87
4) All A&G Expenses, as shown on line 103.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 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 135.
- 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 15 & 16 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 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 105 and 106 to determine the total O&M collected in the formula. The amounts on lines 105 and 106 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11.
The addbacks on lines 105 and 106 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 lines 105 and 106 is the OHIO POWER COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from 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 91 through 93 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 reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. 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, and the process for updating the annual total is documented on Attachment F, Allowable PBOP Expense Formula.
- 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)
(ln 130) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0.
- | | | |
|------------------|-------|---|
| Inputs Required: | FIT = | 35.00% |
| | SIT= | 0.97% (State Income Tax Rate or Composite SIT. Worksheet G) |
| | p = | 0.00% (percent of federal income tax deductible for state purposes) |
- 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 (ln 153) / long term debt (ln 162). Preferred Stock cost rate = preferred dividends (ln 154) / preferred outstanding (ln 163).
Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO membership.
In the Projected & Historic templates, the interest expense on long-term debt is the sum of a full year's interest expense at the coupon rate for each issuance outstanding as of December 31 of the historic year. The projected expense for variable rate debt will be based on the effective rate at December 31. These conventions ensure that the expense used in the projection will reflect a full year, similar to the actual expense that will appear in the subsequent true-up of the projection, and minimize the impact on the true-up of using a partial year interest expense. The projection will reflect the actual historic-year expense recorded for issuance expenses, discounts and premiums, and gains or losses on reacquired debt. Eligible hedging gains or losses will be limited to five basis points of the projected capital structure.
Details and calculations are shown on Worksheet L.
- T This note only applies to Indiana Michigan Power Company.
- U This note only applies to the true-up template.

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Line No.			Total	Allocator	Transmission Amount
166	REVENUE REQUIREMENT (w/o incentives)	(ln 303)			\$304,498,381
167	REVENUE CREDITS	(Note A) (Worksheet E)	11,860,510	DA 1.00000	\$ 11,860,510
168	REVENUE REQUIREMENT For All Company Facilities	(ln 166 less ln 167)			\$ 292,637,871

MEMO: The Carrying Charge Calculations on lines 171 to 176 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 169 is included in the total on line 168.

169	Not applicable on this template				
170	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
171	Annual Rate	((ln 166 - ln 270 - ln 271) / ln 213 x 100)			23.60%
172	Monthly Rate	(ln 171 / 12)			1.97%
173	NET PLANT CARRYING CHARGE ON LINE 171 , w/o depreciation or ROE incentives (Note B)				
174	Annual Rate	((ln 166 - ln 270 - ln 271 - ln 276) / ln 213 x 100)			20.06%
175	NET PLANT CARRYING CHARGE ON LINE 174, w/o Return, income taxes or ROE incentives (Note B)				
176	Annual Rate	((ln 166 - ln 270 - ln 271 - ln 276 - ln 298 - ln 299) / ln 213 x 100)			10.16%
177	Not applicable on this template				
178	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
179	Total Load Dispatch & Scheduling (Account 561)	Line 250 Below			9,760,780
180	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				2,262,111
181	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				1,522,174
182	Total 561 Internally Developed Costs	(Line 179 - Line 180 - Line 181)			5,976,495

AEP East Companies
Transmission Cost of Service Formula Rate
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OHIO POWER COMPANY

	(1)	(2)	(3)	(4)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
Line No.	GROSS PLANT IN SERVICE				
183	Production	(Worksheet A In 1.C)	-	NA	0.00000
184	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	-	NA	0.00000
185	Transmission	(Worksheet A In 3.C & Ln 307)	2,098,610,563	DA	2,098,610,563
186	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.C & Ln 308)	(3,120)	TP	(3,120)
187	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000
188	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000
189	Distribution	(Worksheet A In 5.C)	4,083,984,333	NA	0.00000
190	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	-	NA	0.00000
191	General Plant	(Worksheet A In 7.C)	249,169,851	W/S	0.18192
192	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(464,402)	W/S	0.18192
193	Intangible Plant	(Worksheet A In 9.C)	107,548,361	W/S	0.18192
194	TOTAL GROSS PLANT	(sum Ins 183 to 193)	6,538,845,586		
				GP(h)=	0.330856
				GTD=	0.339944
195	ACCUMULATED DEPRECIATION AND AMORTIZATION				
196	Production	(Worksheet A In 12.C)	-	NA	0.00000
197	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	-	NA	0.00000
198	Transmission	(Worksheet A In 14.C & 28.C)	814,500,351	TP1=	1.00000
199	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	(3,046)	TP1=	1.00000
200	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000
201	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
202	Plus: Additional Transmission Depreciation for 2015 (In 276)		N/A	TP1	1.00000
203	Plus: Additional General & Intangible Depreciation for 2015 (In 275 + In 276)		N/A	W/S	0.18192
204	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
205	Distribution	(Worksheet A In 16.C)	1,454,754,803	NA	0.00000
206	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	-	NA	0.00000
207	General Plant	(Worksheet A In 18.C)	95,531,328	W/S	0.18192
208	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(205,401)	W/S	0.18192
209	Intangible Plant	(Worksheet A In 20.C)	87,120,447	W/S	0.18192
210	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 196 to 209)	2,451,698,482		
211	NET PLANT IN SERVICE				
212	Production	(In 183 + In 184 - In 196 - In 197)	-		
213	Transmission	(In 185 + In 186 - In 198 - In 199)	1,284,110,138		
214	Plus: Transmission Plant-in-Service Additions (In 187 - In 200)		N/A		
215	Plus: Additional Trans Plant on Transferred Assets (In 188 - In 201)		N/A		
216	Plus: Additional Transmission Depreciation for 2015 (-In 202)		N/A		
217	Plus: Additional General & Intangible Depreciation for 2015 (-In 203)		N/A		
218	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 204)		N/A		
219	Distribution	(In 189 + In 190 - In 205 - In 206)	2,629,229,530		
220	General Plant	(In 191 + In 192 - In 207 - In 208)	153,379,522		
221	Intangible Plant	(In 193 - In 209)	20,427,914		
222	TOTAL NET PLANT IN SERVICE	(sum Ins 212 to 221)	4,087,147,104	NP(h)=	0.321919
223	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
224	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA	-
225	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(864,572,631)	DA	(278,056,209)
226	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(521,279,952)	DA	(25,689,464)
227	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	147,754,564	DA	20,601,614
228	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(67,402)	DA	(31,204)
229	TOTAL ADJUSTMENTS	(sum Ins 224 to 228)	(1,238,165,421)		(283,175,263)
230	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	10,148,212	DA	6,002,010
231	REGULATORY ASSETS	(Worksheet A In 36. (C))	-	DA	-
232	WORKING CAPITAL	(Note E)			
233	Cash Working Capital	(1/8 * In 253)	5,911,218		5,911,218
234	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	2,402,525	TP	1.00000
235	A&G Materials & Supplies	(Worksheet C, In 3.(D))	314,391	W/S	0.18192
236	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	0.33086
237	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 6.G)	209,186,049	W/S	0.18192
238	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.F)	5,788,293	GP(h)	0.33086
239	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	92,791	DA	1.00000
240	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	(208,427,190)	NA	0.00000
241	TOTAL WORKING CAPITAL	(sum Ins 233 to 240)	15,268,077		
242	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	(2,464,505)	DA	1.00000
243	RATE BASE (sum Ins 222, 229, 230, 231, 241, 242)		2,871,933,466		1,084,526,124

AEP East Companies
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OHIO 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				
244	Production	321.80.b	1,474,781,827		
245	Distribution	322.156.b	187,980,580		
246	Customer Related Expense	322 & 323.164,171,178.b	322,856,999		
247	Regional Marketing Expenses	322.131.b	2,294,236		
248	Transmission	321.112.b	148,145,934		
249	TOTAL O&M EXPENSES	(sum Ins 244 to 248)	2,136,059,575		
250	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	9,760,780		
251	Less: Account 565	(Note H) 321.96.b	28,530,205		
252	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	62,565,205		
253	Total O&M Allocable to Transmission	(Ins 248 - 250 - 251 - 252)	47,289,743	TP	1.00000
254	Administrative and General	323.197.b (Note J)	84,435,620		
255	Less: Acct. 924, Property Insurance	323.185.b	665,773		
256	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(9,320,145)		
257	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-		
258	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(991,712)		
259	Acct. 928, Reg. Com. Exp.	323.189.b	3,129,463		
260	Acct. 930.1, Gen. Advert. Exp.	323.191.b	2,158,209		
261	Acct. 930.2, Misc. Gen. Exp.	323.192.b	6,326,450		
262	Balance of A & G	(In 254 - sum In 255 to In 261)	82,467,582	W/S	0.18192
263	Plus: Acct. 924, Property Insurance	(In 255)	665,773	GP(h)	0.33086
264	Acct. 928 - Transmission Specific	Worksheet F In 18.(E) (Note L)	-	TP	1.00000
265	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 33.(E) (Note L)	-	TP	1.00000
266	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 41.(E) (Note L)	922,654	DA	1.00000
267	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 6, (Note M)	8,157,799	W/S	0.18192
268	A & G Subtotal	(sum Ins 262 to 267)	92,213,808		
269	O & M EXPENSE SUBTOTAL	(In 253 + In 268)	139,503,551		
270	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000
271	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		1,411,788	DA	1.00000
272	TOTAL O & M EXPENSE	(In 269 + In 270 + In 271)	140,915,339		
273	DEPRECIATION AND AMORTIZATION EXPENSE				
274	Production	336.2-6.f	-	NA	0.00000
275	Distribution	336.8.f	118,870,055	NA	0.00000
276	Transmission	336.7.f	45,479,779	TP1	1.00000
277	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		N/A
278	General	336.10.f	3,937,540	W/S	0.18192
279	Intangible	336.1.f	20,035,901	W/S	0.18192
280	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 274+275+276+277+278+279)	188,323,275		
281	TAXES OTHER THAN INCOME	(Note N)			
282	Labor Related				
283	Payroll	Worksheet H In 22.(D)	5,087,510	W/S	0.18192
284	Plant Related				
285	Property	Worksheet H In 22.(C) & In 46.(C)	190,303,749	DA	
286	Gross Receipts/Sales & Use	Worksheet H In 22.(F)	153,474,202	NA	0.00000
287	Other	Worksheet H In 22.(E)	4,402,800	GP(h)	0.33086
288	TOTAL OTHER TAXES	(sum Ins 283 to 287)	353,268,261		
289	INCOME TAXES	(Note O)			
290	$T=1 - \frac{[(1 - SIT) * (1 - FIT)]}{(1 - SIT * FIT * p)}$		35.63%		
291	$EIT=(T/(1-T)) * (1-(WCLTD/WACC))$		35.95%		
292	where WCLTD=(In 327) and WACC = (In 330)				
293	and FIT, SIT & p are as given in Note O.				
294	$GRCF=1 / (1 - T)$ = (from In 290)		1.5536		
295	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	(203,196)		
296	Income Tax Calculation	(In 291 * In 299)	89,075,931		
297	ITC adjustment	(In 294 * In 295)	(315,680)	NP(h)	0.32192
298	TOTAL INCOME TAXES	(sum Ins 296 to 297)	88,760,251		
299	RETURN ON RATE BASE (Rate Base*WACC)	(In 243 * In 330)	247,757,856		
300	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA	1.00000
301	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-		
302	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 301 * In291)		-		
303	TOTAL REVENUE REQUIREMENT	(sum Ins 272, 280, 288, 298, 299, 300, 301, 302)	1,019,024,982		
					304,498,381

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
304	Total transmission plant	(In 185)						2,098,610,563
305	Less transmission plant excluded from PJM Tariff (Note P)							
306	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C)) (Note Q)							-
307	Transmission plant included in PJM Tariff	(In 304 - In 305 - In 306)						2,098,610,563
308	Percent of transmission plant in PJM Tariff	(In 307 / In 304)					TP=	1.00000
309	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
310	Production	354.20.b	0	0	-	NA	0.00000	-
311	Transmission	354.21.b	315,287	17,097,840	17,413,127	TP	1.00000	17,413,127
312	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
313	Distribution	354.23.b	38,647,183	8,355,737	47,002,920	NA	0.00000	-
314	Other (Excludes A&G)	354.24,25,26.b	16,862,211	14,439,311	31,301,522	NA	0.00000	-
315	Total	(sum Ins 310 to 314)	55,824,681	39,892,888	95,717,569			17,413,127
316	Transmission related amount						W/S=	0.18192
317	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
318	Long Term Interest	(Worksheet L, In. 43, col. (D))						122,148,420
319	Preferred Dividends	(Worksheet L, In. 49, col. (D))						-
320	Development of Common Stock:							
321	Proprietary Capital	(FF1 p 112, Ln 16.c)						1,980,209,844
322	Less: Preferred Stock	(FF1 p 112, Ln 3.c)						-
323	Less: Account 216.1	(FF1 p 112, Ln 12 .c)						4,915,704
324	Less: Account 219	(FF1 p 112, Ln 15.c)						5,601,842
325	Common Stock	(In 321 - In 322 - In 323 - In 324)						1,969,692,298
326			\$	%			Cost (Note S)	Weighted
327	Long Term Debt (Note T) Worksheet L, In 43, col. (B))		2,069,619,994	51.24%			0.0590	0.0302
328	Preferred Stock (In 322)		-	0.00%			-	0.0000
329	Common Stock (In 325)		1,969,692,298	48.76%			11.49%	0.0560
330	Total (Sum Ins 327 to 329)		4,039,312,292				WACC=	0.0863

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OHIO 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.
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.
- C Transmission Plant balances in this study are historic as of December 31, 2014.
- 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 flow throughs 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 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.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 253. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 250.
2) AEP transmission equalization transfers, as shown on line 251
3) The impact of state regulatory deferrals and amortizations, as shown on line 252
4) All A&G Expenses, as shown on line 268.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 242 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 300.
- 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 180 & 181 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 253. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 270 and 271 to determine the total O&M collected in the formula. The amounts on lines 270 and 271 are also excluded in the calculation of the FCR percentage calculated on lines 170 through 176. The addbacks on lines 270 and 271 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 lines 270 and 271 is the OHIO POWER COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from 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 256 through 258 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 reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. 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, and the process for updating the annual total is documented on Attachment F, Allowable PBOP Expense Formula.
- 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) (ln 295) multiplied by $(1/1-T)$. If the applicable tax rates are zero enter 0.
Inputs Required: FIT = 35.00%
SIT = 0.97% (State Income Tax Rate or Composite SIT. Worksheet G)
 $p =$ 0.00% (percent of federal income tax deductible for state purposes)
- 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 (ln 318) / long term debt (ln 327). Preferred Stock cost rate = preferred dividends (ln 319) / preferred outstanding (ln 328). Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for remaining a member of the PJM RTO.

In the Projected & Historic templates, the interest expense on long-term debt is the sum of a full year's interest expense at the coupon rate for each issuance outstanding as of December 31 of the historic year. The projected expense for variable rate debt will be based on the effective rate at December 31. These conventions ensure that the expense used in the projection will reflect a full year, similar to the actual expense that will appear in the subsequent true-up of the projection, and minimize the impact on the true-up of using a partial year interest expense. The projection will reflect the actual historic-year expense recorded for issuance expenses, discounts and premiums, and gains or losses on reacquired debt. Eligible hedging gains or losses will be limited to five basis points of the projected capital structure. Details and calculations are shown on Worksheet L.
- T This note only applies to Indiana Michigan Power Company.
- U This note only applies to the true-up template.

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Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 138)			\$291,949,125
2	REVENUE CREDITS	(Note A) (Worksheet E)	11,860,510	DA 1.00000	\$ 11,860,510
3	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2)			\$ 280,088,614

MEMO: The Carrying Charge Calculations on lines 6 to 11 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 4 is included in the total on line 3.

4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet K)		4,475,451	DA 1.00000	\$ 4,475,451
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	((ln 1 - ln 105 - ln 106) / ln 48 x 100)			23.37%
7	Monthly Rate	(ln 6 / 12)			1.95%
8	NET PLANT CARRYING CHARGE ON LINE 6 , w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	((ln 1 - ln 105 - ln 106 - ln 111) / ln 48 x 100)			19.71%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	((ln 1 - ln 105 - ln 106 - ln 111 - ln 133 - ln 134) / ln 48 x 100)			10.50%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet K)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			9,760,780
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				2,262,111
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				1,522,174
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			5,976,495

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Line No.	(1) RATE BASE CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total NOTE C	(4) Allocator	(5) Total Transmission
18	GROSS PLANT IN SERVICE				
18	Production	(Worksheet A In 1.E)	-	NA	0.00000
19	Less: Production ARO (Enter Negative)	(Worksheet A In 2.E)	-	NA	0.00000
20	Transmission	(Worksheet A In 3.E & Ln 142)	2,051,949,262	DA	2,051,949,262
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 143)	(3,120)	TP	(3,120)
22	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000
24	Distribution	(Worksheet A In 5.E)	3,978,466,393	NA	0.00000
25	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.E)	-	NA	0.00000
26	General Plant	(Worksheet A In 7.E)	245,343,716	W/S	0.18192
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	(459,704)	W/S	0.18192
28	Intangible Plant	(Worksheet A In 9.E)	96,263,441	W/S	0.18192
29	TOTAL GROSS PLANT	(sum Ins 18 to 28)	6,371,559,987	GP(h)=	0.33179
				GTD=	0.00000
30	ACCUMULATED DEPRECIATION AND AMORTIZATION				
31	Production	(Worksheet A In 12.E)	-	NA	0.00000
32	Less: Production ARO (Enter Negative)	(Worksheet A In 13.E)	-	NA	0.00000
33	Transmission	(Worksheet A In 14.E & 28.E)	808,537,718	TP1=	1.00000
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	(2,983)	TP1=	1.00000
35	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
37	Plus: Additional Transmission Depreciation for 2015 (In 111)		N/A	TP1	1.00000
38	Plus: Additional General & Intangible Depreciation for 2015 (In 110 + In 111)		N/A	W/S	0.18192
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
40	Distribution	(Worksheet A In 16.E)	1,435,924,501	NA	0.00000
41	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.E)	-	NA	0.00000
42	General Plant	(Worksheet A In 18.E)	94,693,484	W/S	0.18192
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	(199,127)	W/S	0.18192
44	Intangible Plant	(Worksheet A In 20.E)	78,256,364	W/S	0.18192
45	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 31 to 44)	2,417,209,956		839,961,883
46	NET PLANT IN SERVICE				
47	Production	(In 18 + In 19 - In 31 - In 32)	-		-
48	Transmission	(In 20 + In 21 - In 33 - In 34)	1,243,411,407		1,243,411,407
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		N/A		N/A
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		N/A		N/A
51	Plus: Additional Transmission Depreciation for 2015 (-In 37)		N/A		N/A
52	Plus: Additional General & Intangible Depreciation for 2015 (-In 38)		N/A		N/A
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		N/A		N/A
54	Distribution	(In 24 + In 25 - In 40 - In 41)	2,542,541,892		-
55	General Plant	(In 26 + In 27 - In 42 - In 43)	150,389,655		27,359,180
56	Intangible Plant	(In 28 - In 44)	18,007,077		3,275,883
57	TOTAL NET PLANT IN SERVICE	(sum Ins 47 to 56)	3,954,350,031	NP(h)=	0.32219
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	-	NA	-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(819,204,514)	DA	(262,440,235)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(528,383,786)	DA	(33,956,687)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	143,424,530	DA	19,912,451
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(115,988)	DA	(60,992)
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(1,204,279,758)		(276,545,462)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	10,685,495	DA	6,002,010
66	REGULATORY ASSETS	(Worksheet A In 36. (E))	-	DA	-
67	WORKING CAPITAL	(Note E)			
68	Cash Working Capital	(1/8 * In 88)	5,911,218		5,911,218
69	Transmission Materials & Supplies	(Worksheet C, In 2.F)	1,746,713	TP	1.00000
70	A&G Materials & Supplies	(Worksheet C, In 3.F)	251,069	W/S	0.18192
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	0.33179
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	207,705,291	W/S	0.18192
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	4,010,240	GP(h)	0.33179
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	92,751	DA	1.00000
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	(206,911,524)	NA	0.00000
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	12,805,759		46,913,060
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8 (B))	(2,464,505)	DA	1.00000
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		2,771,097,022		1,047,951,572

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2014 with Average Ratebase Balances

OHIO 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				
79	Production	321.80.b	1,474,781,827		
80	Distribution	322.156.b	187,980,580		
81	Customer Related Expense	322.164,171,178.b	322,856,999		
82	Regional Marketing Expenses	322.131.b	2,294,236		
83	Transmission	321.112.b	148,145,934		
84	TOTAL O&M EXPENSES	(sum Ins 79 to 83)	2,136,059,575		
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	9,760,780		
86	Less: Account 565	(Note H) 321.96.b	28,530,205		
87	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	62,565,205		
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	47,289,743	TP	1.00000
89	Administrative and General	323.197.b (Note J)	84,435,620		
90	Less: Acct. 924, Property Insurance	323.185.b	665,773		
91	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(9,320,145)		
92	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-		
93	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(991,712)		
94	Acct. 928, Reg. Com. Exp.	323.189.b	3,129,463		
95	Acct. 930.1, Gen. Advert. Exp.	323.191.b	2,158,209		
96	Acct. 930.2, Misc. Gen. Exp.	323.192.b	6,326,450		
97	Balance of A & G	(In 89 - sum In 90 to In 96)	82,467,582	W/S	0.18192
98	Plus: Acct. 924, Property Insurance	(In 90)	665,773	GP(h)	0.33179
99	Acct. 928 - Transmission Specific	Worksheet F In 18.(E) (Note L)	-	TP	1.00000
100	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 33.(E) (Note L)	-	TP	1.00000
101	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 41.(E) (Note L)	922,654	DA	1.00000
102	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 6, (Note M)	8,157,799	W/S	0.18192
103	A & G Subtotal	(sum Ins 97 to 102)	92,213,808		
104	O & M EXPENSE SUBTOTAL	(In 88 + In 103)	139,503,551		
105	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000
106	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		1,411,788	DA	1.00000
107	TOTAL O & M EXPENSE	(In 104 + In 105 + In 106)	140,915,339		
108	DEPRECIATION AND AMORTIZATION EXPENSE				
109	Production	336.2-6.f	-	NA	0.00000
110	Distribution	336.8.f	118,870,055	NA	0.00000
111	Transmission	336.7.f	45,479,779	TP1	1.00000
112	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		N/A
113	General	336.10.f	3,937,540	W/S	0.18192
114	Intangible	336.1.f	20,035,901	W/S	0.18192
115	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 109+110+111+112+113+114)	188,323,275		
116	TAXES OTHER THAN INCOME	(Note N)			
117	Labor Related				
118	Payroll	Worksheet H In 22.(D)	5,087,510	W/S	0.18192
119	Plant Related				
120	Property	Worksheet H In 22.(C) & In 46.(C)	190,303,749	DA	
121	Gross Receipts/Sales & Use	Worksheet H In 22.(F)	153,474,202	NA	0.00000
122	Other	Worksheet H In 22.(E)	4,402,800	GP(h)	0.33179
123	TOTAL OTHER TAXES	(sum Ins 118 to 122)	353,268,261		
124	INCOME TAXES	(Note O)			
125	$T=1 - \frac{[(1 - SIT) * (1 - FIT)]}{(1 - SIT * FIT * p)}$		35.63%		
126	$EIT=(T/(1-T)) * (1-(WCLTD/WACC))$		34.47%		
127	where WCLTD=(In 162) and WACC = (In 165)				
128	and FIT, SIT & p are as given in Note O.				
129	$GRCF=1 / (1 - T)$ = (from In 125)		1.5536		
130	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	(203,196)		
131	Income Tax Calculation	(In 126 * In 134)	77,717,583		
132	ITC adjustment	(In 129 * In 130)	(315,680)	NP(h)	0.32219
133	TOTAL INCOME TAXES	(sum Ins 131 to 132)	77,401,903		
134	RETURN ON RATE BASE (Rate Base*WACC)	(In 78 * In 165)	225,436,461		
135	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA	1.00000
136	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-		
137	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 136 * In126)		-		
138	TOTAL REVENUE REQUIREMENT	(sum Ins 107, 115, 123, 133, 134, 135)	985,345,239		

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2014 with Average Ratebase Balances

OHIO POWER COMPANY

SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
139	Total transmission plant	(In 20)					2,051,949,262	
140	Less transmission plant excluded from PJM Tariff	(Note P)					-	
141	Less transmission plant included in OATT Ancillary Services	(Worksheet A, In 23, Col. (C)) (Note Q)					-	
142	Transmission plant included in PJM Tariff	(In 139 - In 140 - In 141)					2,051,949,262	
143	Percent of transmission plant in PJM Tariff	(In 142 / In 139)					TP	1.00000
144	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
145	Production	354.20.b	0	0	-	NA	0.00000	-
146	Transmission	354.21.b	315,287	17,097,840	17,413,127	TP	1.00000	17,413,127
147	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
148	Distribution	354.23.b	38,647,183	8,355,737	47,002,920	NA	0.00000	-
149	Other (Excludes A&G)	354.24,25,26.b	16,862,211	14,439,311	31,301,522	NA	0.00000	-
150	Total	(sum Ins 145 to 149)	55,824,681	39,892,888	95,717,569			17,413,127
151	Transmission related amount						W/S=	0.18192
152	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
153	Long Term Interest	(Worksheet M, In. 21, col. (E))						124,689,785
154	Preferred Dividends	(Worksheet M, In. 56, col. (E))						-
155	<u>Development of Common Stock:</u>							Average
156	Proprietary Capital	(Worksheet M, In. 1, col. (E))						1,802,737,486
157	Less: Preferred Stock	(Worksheet M, In. 2, col. (E))						-
158	Less: Account 216.1	(Worksheet M, In. 3, col. (E))						4,915,704
159	Less: Account 219	(Worksheet M, In. 4, col. (E))						6,340,652
160	Common Stock	(In 156 - In 157 - In 158 - In 159)						1,791,481,130
161		Average \$						
162	Long Term Debt (Note T) W/S M, In 11, In 22, col. (E))	2,271,452,495		55.91%	0.00%		0.0549	0.0307
163	Preferred Stock (In 157)	-		0.00%	0.00%		-	0.0000
164	Common Stock (In 160)	1,791,481,130		44.09%	0.00%		11.49%	0.0507
165	Total (Sum Ins 162 to 164)	4,062,933,625					WACC=	0.0814
166	Capital Structure Equity Limit (Note U)	51.0%						

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2014 with Average Ratebase Balances

OHIO 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.
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.
- C Transmission Plant balances in this study reflect the average of the balances at December 31, 2013 and December 31, 2014.
- 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 flow throughs 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 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.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 88. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 85.
2) AEP transmission equalization transfers, as shown on line 86
3) The impact of state regulatory deferrals and amortizations, as shown on line 87
4) All A&G Expenses, as shown on line 103.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 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 135.
- 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 15 & 16 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 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 105 and 106 to determine the total O&M collected in the formula. The amounts on lines 105 and 106 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11. The addbacks on lines 105 and 106 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 lines 105 and 106 is the OHIO POWER COMPANY general ledger.
- I Removes the impact of state regulatory deferrals or their amortization from O&M expense. applicable only for state regulatory purposes.
- 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 91 through 93 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 reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. 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, and the process for updating the annual total is documented on Attachment F, Allowable PBOP Expense Formula.
- 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) (ln 130) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
Inputs Required: FIT = 35.00%
SIT= 0.97% (State Income Tax Rate or Composite SIT. Worksheet G))
p = 0.00% (percent of federal income tax deductible for state purposes)
- 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 (ln 153) / long term debt (ln 162). Preferred Stock cost rate = preferred dividends (ln 154) / preferred outstanding (ln 163). Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO membership. Interest expense for the true-up WACC is based on actual expenses for the true-up year. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the true-up capital structure. Details and calculations of the true-up weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are defined in the Formula Protocols in the tariff, and on Worksheet M.
- T This note only applies to Indiana Michigan Power Company.
- U Per Settlement, equity for OHIO POWER COMPANY is limited to 51% of Capital Structure. If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure. During the period ended December 31, 2011 the equity cap is in effect. During this period, a change in the cap percentage must be approved via a 205 filing with the FERC.

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet A Supporting Plant Balances
OHIO POWER COMPANY

<u>Line</u>	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>
<u>Number</u>	<u>Rate Base Item & Supporting Balance</u>	<u>Source of Data</u>	<u>Balance @ December 31, 2014</u>	<u>Balance @ December 31, 2013</u>	<u>Average Balance for 2014</u>
NOTE: Functional ARO investment and accumulated depreciation balances shown below are included in the total functional balances shown here.					
Plant Investment Balances					
1	Production Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	-	-	-
2	Production Asset Retirement Obligation (ARO)	FF1, page 205&204, Col.(g)&(b), lns 15,24,34,44	-	-	-
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	2,098,610,563	2,005,287,961	2,051,949,262
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	3,120	3,120	3,120
5	Distribution Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 75	4,083,984,333	3,872,948,452	3,978,466,393
6	Distribution Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 74	-	-	-
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	249,169,851	241,517,580	245,343,716
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	464,402	455,006	459,704
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	107,548,361	84,978,521	96,263,441
10	Total Property Investment Balance	(Sum of Lines: 3, 1, 5, 7, 9)	6,539,313,108	6,204,732,514	6,372,022,811
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 4, 2, 6, 8)	467,522	458,126	462,824
Accumulated Depreciation & Amortization Balances					
12	Production Accumulated Depreciation	FF1, page 219, lns 20-24, Col. (b)	-	-	-
13	Production ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
14	Transmission Accumulated Depreciation	FF1, page 219, ln 25, Col. (b)	814,500,351	802,575,084	808,537,718
15	Transmission ARO Accumulated Depreciation	Company Records - Note 1	3,046	2,920	2,983
16	Distribution Accumulated Depreciation	FF1, page 219, ln 26, Col. (b)	1,454,754,803	1,417,094,199	1,435,924,501
17	Distribution ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
18	General Accumulated Depreciation	FF1, page 219, ln 28, Col. (b)	95,531,328	93,855,639	94,693,484
19	General ARO Accumulated Depreciation	Company Records - Note 1	205,401	192,853	199,127
20	Intangible Accumulated Amortization	FF1, page 200, ln 21, Col. (b)	87,120,447	69,392,281	78,256,364
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 14, 12, 16, 18, 20)	2,451,906,929	2,382,917,203	2,417,412,066
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 15, 13, 17, 19)	208,447	195,772	202,110
Generation Step-Up Units					
23	GSU Investment Amount	Company Records - Note 1	-	-	-
24	GSU Accumulated Depreciation	Company Records - Note 1	-	-	-
25	GSU Net Balance	(Line 23 - Line 24)	-	-	-
Transmission Accumulated Depreciation Net of GSU Accumulated Depreciation					
26	Transmission Accumulated Depreciation	(Line 14 Above)	814,500,351	802,575,084	808,537,718
27	Less: GSU Accumulated Depreciation	(Line 24 Above)	-	-	-
28	Subtotal of Transmission Net of GSU	(Line 26 - Line 27)	814,500,351	802,575,084	808,537,718
Plant Held For Future Use					
29	Plant Held For Future Use	FF1, page 214, ln 47, Col. (d)	10,148,212	11,222,779	10,685,495
30	Transmission Plant Held For Future	Company Records - Note 1	6,002,010	6,002,010	6,002,010
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.					
31					-
32					-
33					-
34					-
35					-
36	Total Regulatory Deferrals Included in Ratebase		-	-	-

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

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

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
OHIO POWER COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 2014</u>	<u>(D) Balance @ December 31, 2013</u>	<u>(E) Average Balance for 2014</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, In 8, Col. (k)	-	-	-
3	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
4	Less: Other Excluded Deferrals	Company Records - Note 1	-	-	-
5	Transmission Related Deferrals	Ln 2 - In 3 - In 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, In 5, Col. (k)	864,572,631	773,836,397	819,204,514
8	Less: ARO Related Deferrals	Company Records - Note 1	546,037	509,252	527,645
9	Less: Other Excluded Deferrals	Company Records - Note 1	585,970,385	526,502,885	556,236,635
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	278,056,209	246,824,260	262,440,235
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	521,279,952	535,487,620	528,383,786
13	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
14	Less: Other Excluded Deferrals	Company Records - Note 1	495,590,488	493,263,711	494,427,100
15	Transmission Related Deferrals	Ln 12 - In 13 - In 14	25,689,464	42,223,909	33,956,687
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	147,754,564	139,094,496	143,424,530
18	Less: ARO Related Deferrals	Company Records - Note 1	476,352	273,972	375,162
19	Less: Other Excluded Deferrals	Company Records - Note 1	126,676,598	119,597,236	123,136,917
20	Transmission Related Deferrals	Ln 17 - In 18 - In 19	20,601,614	19,223,288	19,912,451
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, In 8, Col. (h)	147,351	388,143	267,747
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	79,949	223,569	151,759
24	ITC Balances Includeable Ratebase	Ln 22 - In 23	67,402	164,574	115,988
25	Transmission Related Deferrals	Company Records - Note 1	31,204	90,780	60,992

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

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

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
OHIO POWER COMPANY

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source	Balance @ December 31, 2014	Balance @ December 31, 2013	Average Balance for 2014				
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)	2,402,525	1,090,901	1,746,713			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)	314,391	187,747	251,069			
4	Stores Expense (Undistributed)	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-			

Prepayment Balance Summary

	Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	
6	Totals as of December 31, 2014	6,639,943	(208,427,190)	92,791	5,788,293	209,186,049	215,067,133
7	Totals as of December 31, 2013	3,153,575	(205,395,858)	92,712	2,232,188	206,224,533	208,549,433
8	Average Balance	4,896,759	(206,911,524)	92,751	4,010,240	207,705,291	211,808,283

Prepayments Account 165 - Balance @ 12/31/2014

9	Acc. No.	Description	2014 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
10	1650001	Prepaid Insurance	1,099,203	-	-	1,099,203	-	1,099,203	Plant Related Insurance Policies
11	1650003	Prepaid Rents	0	-	-	-	-	-	
12	1650004	Prepaid Interest	0	-	-	-	-	-	
13	1650005	Prepaid Employee Benefits	0	-	-	-	-	-	
14	1650006	Other Prepayments	3,883,000	-	-	3,883,000	-	3,883,000	Relates to Towers
15	1650009	Prepaid Carry Cost-Factored AR	678,860	678,860	-	-	-	-	AR Factoring - Retail Only
16	1650010	Prepaid Pension Benefits	199,397,350	-	-	-	199,397,350	199,397,350	Prepaid Pension Expense
17	165001214	Prepaid Taxes	80,000	80,000	-	-	-	-	Prepaid Taxes-Distribution
18	1650013	Gavin JMG ST Prepaid Exp - Aff	0	-	-	-	-	-	
19	1650014	FAS 158 Qual Contra Asset	(199,397,350)	(199,397,350)	-	-	-	-	FAS 158 Liability
20	1650016	FAS 112 ASSETS	0	-	-	-	-	-	
21	1650017	Prepayments - Coal	0	-	-	-	-	-	
22	1650019	Prepaid Pension Expense - CG&E	74,844	-	74,844	-	-	74,844	Prepaid Pension Expense
23	1650020	Prepaid Pension Expense - DP&L	17,947	-	17,947	-	-	17,947	Prepaid Pension Expense
24	1650021	Prepaid Insurance - EIS	806,090	-	-	806,090	-	806,090	Energy INS Services
25	1650023	Prepaid Lease	0	-	-	-	-	-	
26	1650035	PRW Without Med-D Benefits	(10,286,922)	-	-	-	(10,286,922)	(10,286,922)	
27	1650036	PRW for Med-D Benefits	20,075,621	-	-	-	20,075,621	20,075,621	
28	1650037	FAS158 Contra-PRW Exc Med-D	(9,788,700)	(9,788,700)	-	-	-	-	
Subtotal - Form 1, p 111.57.c			6,639,943	(208,427,190)	92,791	5,788,293	209,186,049	215,067,133	

Prepayments Account 165 - Balance @ 12/31/ 2013

29	Acc. No.	Description	2013 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
30	1650001	Prepaid Insurance	987,337	-	-	987,337	-	987,337	Plant Related Insurance Policies
31	1650003	Prepaid Rents	0	-	-	-	-	-	
32	1650004	Prepaid Interest	0	-	-	-	-	-	
33	1650005	Prepaid Employee Benefits	0	-	-	-	-	-	
34	1650006	Other Prepayments	477,300	-	-	477,300	-	477,300	Relates to Towers
35	1650009	Prepaid Carry Cost-Factored AR	728,676	728,676	-	-	-	-	AR Factoring - Retail Only
36	1650010	Prepaid Pension Benefits	206,224,533	-	-	-	206,224,533	206,224,533	Prepaid Pension Expense
37	165001213	Prepaid Taxes	100,000	100,000	-	-	-	-	Prepaid Taxes-Distribution
38	1650013	Gavin JMG ST Prepaid Exp - Aff	0	-	-	-	-	-	
39	1650014	FAS 158 Qual Contra Asset	(206,224,533)	(206,224,533)	-	-	-	-	FAS 158 Liability
40	1650016	FAS 112 ASSETS	0	-	-	-	-	-	
41	1650017	Prepayments - Coal	0	-	-	-	-	-	
42	1650019	Prepaid Pension Expense - CG&E	74,964	-	74,964	-	-	74,964	Prepaid Pension Expense
43	1650020	Prepaid Pension Expense - DP&L	17,748	-	17,748	-	-	17,748	Prepaid Pension Expense
44	1650021	Prepaid Insurance - EIS	767,551	-	-	767,551	-	767,551	Energy INS Services
45	1650023	Prepaid Lease	0	-	-	-	-	-	
Subtotal - Form 1, p 111.57.d			3,153,575	(205,395,858)	92,712	2,232,188	206,224,533	208,549,433	

AEP East Companies
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet D Supporting IPP Credits
 OHIO POWER COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2014</u>
1	Net Funds from IPP Customers 12/31/2013 (2014 FORM 1, P269, line 5.b)	(2,464,505.00)
2	Interest Accrual (Company Records - Note 1)	-
3	Revenue Credits to Generators (Company Records - Note 1)	-
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	-
6		-
7	Net Funds from IPP Customers 12/31/2014 (2014 FORM 1, P269, line 5.f)	<u>(2,464,505.00)</u>
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	<u>(2,464,505.00)</u>

Note 1 On this worksheet Company Records refers to OHIO POWER COMPANY's general ledger.

AEP East Companies
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet E Supporting Revenue Credits
 OHIO 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)	3,062,403	3,062,403	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	7,194,464	7,074,607	119,857
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	28,290,023	18,461,587	9,828,436
4	Account 4560015, Associated Business Development - (Company Records - Note 1)	3,208,458	2,589,516	618,942
5	Account 456 - Other Electric Revenues - (Company Records - Note 1)	228,378,485	227,085,209	1,293,275
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	270,133,833	258,273,322	11,860,510
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)	-	-	-
8	Total Other Operating Revenues To Reduce Revenue Requirement	270,133,833	258,273,322	11,860,510

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

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
OHIO POWER COMPANY

<u>Line Number</u>	<u>(A) Item No.</u>	<u>(B) Description</u>	<u>(C) 2014 Expense</u>	<u>(D) 100% Non-Transmission</u>	<u>(E) 100% Transmission Specific</u>	<u>(F) Explanation</u>
Regulatory O&M Deferrals & Amortizations						
1	5660005	Ohio E-TCR Rider UnderRecovery	62,565,205			
2			-			
3						
4		Total	62,565,205			
Detail of Account 561 Per FERC Form 1						
5	FF1 p 321.84.b	561 - Load Dispatching	0			
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	46,072			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	5,430,490			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	0			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	2,262,111			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	499,933			
11	FF1 p 321.90.b	561.6 - Transmission Service Studies	0			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	0			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Servi	1,522,174			
14		Total of Account 561	9,760,780			
Account 928						
15	9280000	Regulatory Commission Exp	17,604	2,272	-	
16	9280001	Regulatory Commission Exp-Adm	275,064	361,418	-	
17	9280002	Regulatory Commission Exp-Case	2,836,794	1,363,182	-	
18		Total	3,129,462	1,726,872	-	
Account 930.1						
19	9301000	General Advertising Expenses	68,600	68,600	-	
20	9301001	Newspaper Advertising Space	-	-	-	
21	9301002	Radio Station Advertising Time	189	189	-	
22	9301003	TV Station Advertising Time	160,000	160,000	-	
23	9301006	Spec Corporate Comm Info Project	-	-	-	
24	9301007	Special Adv Space & Prod Exp	245,136	245,136	-	
25	9301008	Direct Mail and Handouts	-	-	-	
26	9301009	Fairs, Shows, and Exhibits	-	-	-	
27	9301010	Publicity	5,524	5,524	-	
28	9301011	Dedications, Tours, & Openings	-	-	-	
29	9301012	Public Opinion Surveys	65,418	65,418	-	
30	9301013	Movies Slide Films & Speeches	-	-	-	
31	9301014	Video Communications	-	-	-	
32	9301015	Other Corporate Comm Exp	1,613,342	1,613,342	-	
33		Total	2,158,209	2,158,209	-	
Account 930.2						
34	9302000	Misc General Expenses	1,661,980	1,661,980		
35	9302003	Corporate & Fiscal Expenses	36,356	36,356		
36	9302004	Research, Develop&Demonstr Exp	25,832	25,832		
37	9302006	Assoc Business Development Mat Sold	5	3	2	
38	9302007	Assoc Business Development Exp	2,468,990	1,546,338	922,652	
39	9302019	gSMART-Ov/Und Misc Gen Exp	2,133,288	2,133,288		
40	9302458	AEPSC Non-affiliated Exp	-	0		
41		Total	6,326,451	5,403,797	922,654	

AEP East Companies
 Cost of Service Formula Rate Using 2014 FF1 Balances
 Worksheet G Supporting - Development of Composite State Income Tax Rate
 OHIO POWER COMPANY

Formula Rate
OPCo WS G State Tax Rate
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West Virginia Corporate Income Tax	6.5000%	
Apportionment Factor - Note 2	0.5672%	
Effective State Tax Rate		0.04%
Illinois Corporation Income Tax	9.5000%	
Apportionment Factor - Note 2	0.0000%	
Effective State Tax Rate		0.00%
Michigan Business Income Tax	6.0000%	
Apportionment Factor - Note 2	0.0000%	
Effective State Tax Rate		0.00%
Kentucky Business Income Tax	6.0000%	
Apportionment Factor - Note 2	0.0140%	
Effective State Tax Rate		0.00%
Ohio Municipal Net Income Tax	0.9422%	
Apportionment Factor - Note 2	99.2400%	
Effective State Tax Rate		0.94%
Ohio Franchise Tax Rate	0.0000%	
Phase-out Factor Note 1	0.0000%	
Apportionment Factor - Note 2	0.0000%	
Effective State Tax Rate		0.00%
Total Effective State Income Tax Rate		0.97%

Note 1 The Ohio State Income Tax is being phased-out prorata over a 5 year period from 2005 through 2009. The taxable portion of income is 0% in 2009. The phase-out factors can be found in the Ohio Revised Code at 5733.01(G)2(a)(v). This tax has been replaced with a Commercial Activities Tax that is included in Schedule H and H-1.

Note 2 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 2014 FF1 Balances
Worksheet H Supporting Taxes Other than Income
OHIO 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	153,637,705				153,637,705
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Ohio	189,540,036	189,540,036			
5	Real and Personal Property - West VA.	736,654	736,654			
6	Real and Personal Property - Other	27,059	27,059			
7	Payroll Taxes					
8	Federal Insurance Contribution (FICA)	4,785,454		4,785,454		
9	Federal Unemployment Tax	172,084		172,084		
10	State Unemployment Insurance	129,309		129,309		
11	Payroll Taxes	663		663		
12	Production Taxes					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Public Service Commission Fees	4,364,562			4,364,562	
16	State Franchise Taxes	35,330			35,330	
17	State Lic/Registration Fee	2,908			2,908	
18	Misc. State and Local Tax	-			-	
19	Sales & Use	-			-	
20	Federal Excise Tax	-			-	
21	State B & O Taxes	(163,503)				(163,503)
22	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	<u>353,268,261</u>	<u>190,303,749</u>	<u>5,087,510</u>	<u>4,402,800</u>	<u>153,474,202</u>
	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					
		<u>Production</u>	<u>Transmission</u>	<u>Distribution</u>	<u>General</u>	<u>Total</u>
23	Functionalized Net Plant (Hist. TCOS, Lns 212 thru 222)	-	1,284,110,138	2,629,229,530	153,379,522	4,066,719,190
	OHIO JURISDICTION					
24	Percentage of Plant in OHIO JURISDICTION	0.00%	94.56%	100.00%	99.03%	
25	Net Plant in OHIO JURISDICTION (Ln 23 * Ln 24)	-	1,214,254,547	2,629,229,530	151,891,740	3,995,375,817
26	Less: Net Value Exempted Generation Plant	-	-	-	-	-
27	Taxable Property Basis (Ln 25 - Ln 26)	-	1,214,254,547	2,629,229,530	151,891,740	3,995,375,817
28	Relative Valuation Factor	24%	85%	85%	24%	
29	Weighted Net Plant (Ln 27 * Ln 28)	-	1,032,116,365	2,234,845,101	36,454,018	
30	General Plant Allocator (Ln 29 / (Total - General Plant))	0.00%	31.59%	68.41%	-100.00%	
31	Functionalized General Plant (Ln 30 * General Plant)	-	11,516,753	24,937,265	(36,454,018)	-
30a	Ohio Company Merger Mitigation adjustment (Note 2)	31,000,000	(31,000,000)			-
32	Weighted OHIO JURISDICTION Plant (Ln 29 + 31 + 30a)	31,000,000	1,012,633,118	2,259,782,366	(0)	3,303,415,483
33	Functional Percentage (Ln 32/Total Ln 32)	0.94%	30.65%	68.41%		
34	Functionalized Payment in OHIO JURISDICTION	<u>1,778,687</u>	<u>58,101,840</u>	<u>129,659,509</u>		<u>189,540,036</u>
	WEST VA JURISDICTION					
35	Net Plant in WEST VA JURISDICTION (Ln - Ln 24)	-	69,855,592	-	1,487,781	71,343,373
36	Less: Net Value Exempted Generation Plant	-	-	-	-	-
37	Taxable Property Basis	-	69,855,592	-	1,487,781	71,343,373
38	Relative Valuation Factor	100%	100%	100%	100%	
39	Weighted Net Plant (Ln 37 * Ln 38)	-	69,855,592	-	1,487,781	
40	General Plant Allocator (Ln 39 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
41	Functionalized General Plant (Ln 41 * General Plant)	-	1,487,781	-	(1,487,781)	-
42	Weighted WEST VA JURISDICTION Plant (Ln 39 + 41)	-	71,343,373	-	0	71,343,373
43	Functional Percentage (Ln 42/Total Ln 42)	0.00%	100.00%	0.00%		
44	Functionalized Payment in WEST VA JURISDICTION	<u>-</u>	<u>736,654</u>	<u>-</u>		<u>736,654</u>
45	Total Other Jurisdictions: (Line 7 * Net Plant Allocator)		8,711			<u>27,059</u>
46	Total Functionalized Property Taxes (Sum Lns 33, 44, 45)	<u>1,778,687</u>	<u>58,847,205</u>	<u>129,659,509</u>		<u>190,303,749</u>

Note 2: This adjustment will apply to AEP Ohio only. This adjustment will be in effect for the Annual Updates prepared in 2012, 2013, 2014, 2015 and 2016.

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
OHIO POWER COMPANY

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
1	Revenue Taxes			
2	Gross Receipts Tax	153,637,705		
			(271,490)	P.263 ln 9 (i)
			7,706,146	P.263 ln 10 (i)
			146,203,049	P.263 ln 13 (i)
			-	
			-	
3	Real Estate and Personal Property Taxes			
4	Real and Personal Property - Ohio	189,540,036		
			(56,714)	P.263 ln 38 (i)
			(59,195)	P.263 ln 39 (i)
			(101,520)	P.263 ln 40 (i)
			189,267,394	P.263.1 ln 1 (i)
			(1,033)	P.263.1 ln 4 (i)
			(7,195)	P.263.1 ln 5 (i)
			(1,253)	P.263.1 ln 6 (i)
			207,791	P.263.1 ln 7 (i)
			31,761	P.263.1 ln 9 (i)
			260,000	P.263.1 ln 13 (i)
			-	
			-	
5	Real and Personal Property - West VA.	736,654		
			392,752	P.263.1 ln 16 (i)
			343,902	P.263.1 ln 17 (i)
			-	
			-	
6	Real and Personal Property - Other	27,059		
			229	P.263.1 ln 24 (i)
			26,830	P.263.1 ln 25 (i)
			-	
			-	
7	Payroll Taxes			
8	Federal Insurance Contribution (FICA)	4,785,454		
			4,785,454	P.263 ln 3 (i)
9	Federal Unemployment Tax	172,084		
			172,084	P.263 ln 4 (i)
10	State Unemployment Insurance	129,309		
			129,314	P.263 ln 16 (i)
			(5)	P.263 ln 31 (i)
11	Payroll Taxes	663		
			663	P.263.2 ln 1 (i)
12	Production Taxes			
13	State Severance Taxes	-		
			-	
14	Miscellaneous Taxes			
15	State Public Service Commission Fees	4,364,562		
			4,364,562	P.263 ln 11 (i)
16	State Franchise Taxes	35,330		
			35,240	P.263 ln 29 (i)
			90	P.263 ln 30 (i)
			-	
			-	
17	State Lic/Registration Fee	2,908		
			2,908	P.263.2 ln 11 (i)
18	Misc. State and Local Tax	-		
			-	
19	Sales & Use	-		
			-	
			-	
			-	
20	Federal Excise Tax	-		
			-	
21	State B & O Taxes	(163,503)		
			(163,503)	P.263 ln 34 (i)
			-	
			-	
22	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	<u>353,268,261</u>	<u>353,268,261</u>	

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 of the Ferc Form 1.

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet I Supporting Transmission Plant in Service Additions
OHIO POWER COMPANY

(A) (B) (C) (D) (E) (F) (G) (H) (I)

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2014) (P.206, In 58,(b)):	2,005,287,961
2	Transmission Plant @ End of Historic Period (2014) (P.207, In 58,(g)):	2,098,610,563
3		<hr/> 4,103,898,524
4	Average Balance of Transmission Investment	2,051,949,262
5	Annual Depreciation Expense, Historic TCOS, In 276	45,479,779
6	Composite Depreciation Rate	2.22%
7	Round to 2.22% to Reflect a Composite Life of 45 Years	2.22%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Capitalized Balance	Composite Annual Depreciation Rate	Annual Depreciation	Monthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$ 17,447,049	2.22%	\$ 387,324	\$ 32,277	11	\$ 355,047
10	February	\$ 15,922,706	2.22%	\$ 353,484	\$ 29,457	10	\$ 294,570
11	March	\$ 6,252,105	2.22%	\$ 138,797	\$ 11,566	9	\$ 104,094
12	April	\$ 6,606,020	2.22%	\$ 146,654	\$ 12,221	8	\$ 97,768
13	May	\$ 11,343,075	2.22%	\$ 251,816	\$ 20,985	7	\$ 146,895
14	June	\$ 38,272,332	2.22%	\$ 849,646	\$ 70,804	6	\$ 424,824
15	July	\$ 5,043,685	2.22%	\$ 111,970	\$ 9,331	5	\$ 46,655
16	August	\$ 5,081,550	2.22%	\$ 112,810	\$ 9,401	4	\$ 37,604
17	September	\$ 4,423,012	2.22%	\$ 98,191	\$ 8,183	3	\$ 24,549
18	October	\$ 4,588,785	2.22%	\$ 101,871	\$ 8,489	2	\$ 16,978
19	November	\$ 4,384,487	2.22%	\$ 97,336	\$ 8,111	1	\$ 8,111
20	December	\$ 28,910,050	2.22%	\$ 641,803	\$ 53,484	0	\$ -
21	Investment	<hr/> <hr/> \$ 148,274,856				Depreciation Expense	<hr/> <hr/> \$ 1,557,095

III. Plant Transferred

22	\$ -	<== This input area is for original cost plant
23	\$ -	<== This input area is for accumulated depreciation that may be associated with capital expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$ -	<== This input area is for additional Depreciation Expense

IV. List of Major Projects Expected to be In-Service in 2015

	<u>Estimated Cost</u> (000's)	<u>Month in Service</u>
25 Major Zonal Projects		
26 TBSIOP - OHIO SYS REHAB	\$ 8,511	Dec-15
27 T/OP/Purchase/Rebuild Maj Eqp	\$ 7,958	Dec-15
28 T/OP/Sporn-Muskingum River 345	\$ 7,692	Jun-15
29 T/OP/Loop the Conesville - Bix	\$ 6,172	Jun-15
30	\$ -	
31	Subtotal	\$30,333
32 PJM Socialized/Beneficiary Allocated Regional Projects		
33		\$0
34	Subtotal	\$0

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
OHIO POWER COMPANY

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 (Projected TCOS, In 164)			11.49%
Project ROE Incentive Adder			<=ROE Adder Cannot Exceed 125 Basis Points
ROE with additional basis point incentive			11.49% <= ROE Including Incentives Cannot Exceed 12.74% Until July 1, 2012
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the Projected TCOS, Ins 162 through 164)			
	%	Cost	Weighted cost
Long Term Debt	51.24%	5.90%	3.024%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	48.76%	11.49%	5.603%
		R =	8.627%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
	Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	2015	9,267,093	9,267,093 \$ -

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

Rate Base (Projected TCOS, In 78)	1,181,402,811
R (from A. above)	8.627%
Return (Rate Base x R)	101,918,039

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

Return (from B. above)	101,918,039
Effective Tax Rate (Projected TCOS, In 126)	35.95%
Income Tax Calculation (Return x CIT)	36,642,407
ITC Adjustment	(101,623)
Income Taxes	36,540,784

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 (Projected TCOS, In 1)	317,417,627
T.E.A. & Lease Payments (Projected TCOS, Lns 105 & 106)	1,411,788
Return (Projected TCOS, In 134)	101,918,039
Income Taxes (Projected TCOS, In 133)	36,540,784
Annual Revenue Requirement, Less TEA Charges, Return and Taxes	177,547,016

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

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	177,547,016
Return (from I.B. above)	101,918,039
Income Taxes (from I.C. above)	36,540,784
Annual Revenue Requirement, with Basis Point ROE increase	316,005,839
Depreciation (Projected TCOS, In 111)	45,479,779
Annual Rev. Req. w/ Basis Point ROE increase, less Depreciation	270,526,060

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (Projected TCOS, In 48)	1,284,110,138
Annual Revenue Requirement, with Basis Point ROE increase	316,005,839
FCR with Basis Point increase in ROE	24.61%
Annual Rev. Req. w/ Basis Point ROE increase, less Dep.	270,526,060
FCR with Basis Point ROE increase, less Depreciation	21.07%
FCR less Depreciation (Projected TCOS, In 9)	19.42%
Incremental FCR with Basis Point ROE increase, less Depreciation	1.65%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period (2014) (P.206, In 58,(b)):	2,005,287,961
Transmission Plant @ End of Historic Period (2014) (P.207, In 58,(g)):	2,098,610,563
Subtotal	4,103,898,524
Average Transmission Plant Balance for 2014	2,051,949,262
Annual Depreciation Rate (Projected TCOS, In 111)	45,479,779
Composite Depreciation Rate	2.22%
Depreciable Life for Composite Depreciation Rate	45.12
Round to nearest whole year	45

OPCo 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: b504 (765 kV circuit breaker installations at Hanging Rock)

Current Projected Year ARR	1,028,335
Current Projected Year ARR w/ Incentive	1,028,335
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	5,491,719		
Service Year (yyyy)	2009	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	3	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	122,038

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 **
2009	5,491,719	91,529	5,400,190	1,139,990	1,139,990	\$ -	\$ 894,796	\$ 894,796
2010	5,400,190	122,038	5,278,152	1,146,805	1,146,805	\$ -	\$ 1,094,271	\$ 1,094,271
2011	5,278,152	122,038	5,156,114	1,123,111	1,123,111	\$ -	\$ 1,210,680	\$ 1,210,680
2012	5,156,114	122,038	5,034,076	1,099,417	1,099,417	\$ -	\$ 1,057,666	\$ 1,057,666
2013	5,034,076	122,038	4,912,038	1,075,723	1,075,723	\$ -	\$ 1,051,933	\$ 1,051,933
2014	4,912,038	122,038	4,789,999	1,052,029	1,052,029	\$ -	\$ 1,050,369	\$ 1,050,369
2015	4,789,999	122,038	4,667,961	1,028,335	1,028,335	\$ -		
2016	4,667,961	122,038	4,545,923	1,004,641	1,004,641	\$ -		
2017	4,545,923	122,038	4,423,885	980,947	980,947	\$ -		
2018	4,423,885	122,038	4,301,847	957,253	957,253	\$ -		
2019	4,301,847	122,038	4,179,808	933,559	933,559	\$ -		
2020	4,179,808	122,038	4,057,770	909,865	909,865	\$ -		
2021	4,057,770	122,038	3,935,732	886,171	886,171	\$ -		
2022	3,935,732	122,038	3,813,694	862,477	862,477	\$ -		
2023	3,813,694	122,038	3,691,656	838,783	838,783	\$ -		
2024	3,691,656	122,038	3,569,617	815,089	815,089	\$ -		
2025	3,569,617	122,038	3,447,579	791,395	791,395	\$ -		
2026	3,447,579	122,038	3,325,541	767,701	767,701	\$ -		
2027	3,325,541	122,038	3,203,503	744,007	744,007	\$ -		
2028	3,203,503	122,038	3,081,465	720,313	720,313	\$ -		
2029	3,081,465	122,038	2,959,426	696,619	696,619	\$ -		
2030	2,959,426	122,038	2,837,388	672,925	672,925	\$ -		
2031	2,837,388	122,038	2,715,350	649,231	649,231	\$ -		
2032	2,715,350	122,038	2,593,312	625,536	625,536	\$ -		
2033	2,593,312	122,038	2,471,274	601,842	601,842	\$ -		
2034	2,471,274	122,038	2,349,235	578,148	578,148	\$ -		
2035	2,349,235	122,038	2,227,197	554,454	554,454	\$ -		
2036	2,227,197	122,038	2,105,159	530,760	530,760	\$ -		
2037	2,105,159	122,038	1,983,121	507,066	507,066	\$ -		
2038	1,983,121	122,038	1,861,083	483,372	483,372	\$ -		
2039	1,861,083	122,038	1,739,044	459,678	459,678	\$ -		
2040	1,739,044	122,038	1,617,006	435,984	435,984	\$ -		
2041	1,617,006	122,038	1,494,968	412,290	412,290	\$ -		
2042	1,494,968	122,038	1,372,930	388,596	388,596	\$ -		
2043	1,372,930	122,038	1,250,892	364,902	364,902	\$ -		
2044	1,250,892	122,038	1,128,853	341,208	341,208	\$ -		
2045	1,128,853	122,038	1,006,815	317,514	317,514	\$ -		
2046	1,006,815	122,038	884,777	293,820	293,820	\$ -		
2047	884,777	122,038	762,739	270,126	270,126	\$ -		
2048	762,739	122,038	640,701	246,432	246,432	\$ -		
2049	640,701	122,038	518,662	222,738	222,738	\$ -		
2050	518,662	122,038	396,624	199,044	199,044	\$ -		
2051	396,624	122,038	274,586	175,350	175,350	\$ -		
2052	274,586	122,038	152,548	151,656	151,656	\$ -		
2053	152,548	122,038	30,510	127,962	127,962	\$ -		
2054	30,510	30,510	-	30,510	30,510	\$ -		
2055	-	-	-	-	-	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
Project Totals			29,215,373	29,215,373	-			

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: B1231 (Replace the existing 138/69-12 kV transformer at West Moulton Station with a 138/69 kV transformer and a 69/12 kV transformer)

Current Projected Year ARR	1,279,512
Current Projected Year ARR w/ Incentive	1,279,512
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	6,300,788		
Service Year (yyyy)	2012	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	140,018

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 **
2012	6,300,788	11,668	6,289,120	1,232,717	1,232,717	\$ -	\$ 832,082	\$ 832,082
2013	6,289,120	140,018	6,149,102	1,333,882	1,333,882	\$ -	\$ 1,210,587	\$ 1,210,587
2014	6,149,102	140,018	6,009,085	1,306,697	1,306,697	\$ -	\$ 1,247,628	\$ 1,247,628
2015	6,009,085	140,018	5,869,067	1,279,512	1,279,512	\$ -		
2016	5,869,067	140,018	5,729,050	1,252,328	1,252,328	\$ -		
2017	5,729,050	140,018	5,589,032	1,225,143	1,225,143	\$ -		
2018	5,589,032	140,018	5,449,015	1,197,958	1,197,958	\$ -		
2019	5,449,015	140,018	5,308,997	1,170,773	1,170,773	\$ -		
2020	5,308,997	140,018	5,168,980	1,143,588	1,143,588	\$ -		
2021	5,168,980	140,018	5,028,962	1,116,404	1,116,404	\$ -		
2022	5,028,962	140,018	4,888,945	1,089,219	1,089,219	\$ -		
2023	4,888,945	140,018	4,748,927	1,062,034	1,062,034	\$ -		
2024	4,748,927	140,018	4,608,910	1,034,849	1,034,849	\$ -		
2025	4,608,910	140,018	4,468,892	1,007,665	1,007,665	\$ -		
2026	4,468,892	140,018	4,328,875	980,480	980,480	\$ -		
2027	4,328,875	140,018	4,188,857	953,295	953,295	\$ -		
2028	4,188,857	140,018	4,048,840	926,110	926,110	\$ -		
2029	4,048,840	140,018	3,908,822	898,926	898,926	\$ -		
2030	3,908,822	140,018	3,768,805	871,741	871,741	\$ -		
2031	3,768,805	140,018	3,628,787	844,556	844,556	\$ -		
2032	3,628,787	140,018	3,488,770	817,371	817,371	\$ -		
2033	3,488,770	140,018	3,348,752	790,187	790,187	\$ -		
2034	3,348,752	140,018	3,208,735	763,002	763,002	\$ -		
2035	3,208,735	140,018	3,068,717	735,817	735,817	\$ -		
2036	3,068,717	140,018	2,928,700	708,632	708,632	\$ -		
2037	2,928,700	140,018	2,788,682	681,447	681,447	\$ -		
2038	2,788,682	140,018	2,648,665	654,263	654,263	\$ -		
2039	2,648,665	140,018	2,508,647	627,078	627,078	\$ -		
2040	2,508,647	140,018	2,368,630	599,893	599,893	\$ -		
2041	2,368,630	140,018	2,228,612	572,708	572,708	\$ -		
2042	2,228,612	140,018	2,088,595	545,524	545,524	\$ -		
2043	2,088,595	140,018	1,948,577	518,339	518,339	\$ -		
2044	1,948,577	140,018	1,808,560	491,154	491,154	\$ -		
2045	1,808,560	140,018	1,668,542	463,969	463,969	\$ -		
2046	1,668,542	140,018	1,528,524	436,785	436,785	\$ -		
2047	1,528,524	140,018	1,388,507	409,600	409,600	\$ -		
2048	1,388,507	140,018	1,248,489	382,415	382,415	\$ -		
2049	1,248,489	140,018	1,108,472	355,230	355,230	\$ -		
2050	1,108,472	140,018	968,454	328,045	328,045	\$ -		
2051	968,454	140,018	828,437	300,861	300,861	\$ -		
2052	828,437	140,018	688,419	273,676	273,676	\$ -		
2053	688,419	140,018	548,402	246,491	246,491	\$ -		
2054	548,402	140,018	408,384	219,306	219,306	\$ -		
2055	408,384	140,018	268,367	192,122	192,122	\$ -		
2056	268,367	140,018	128,349	164,937	164,937	\$ -		
2057	128,349	128,349	-	128,349	128,349	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
Project Totals				34,335,078	34,335,078	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b0570 (Reconductor EAST LIMA-STERLING 138 KV LINE)

Current Projected Year ARR	228,159
Current Projected Year ARR w/ Incentive	228,159
Current Projected Year Incentive ARR	-

Details		2015
Investment	1,109,782	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	6	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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 **
2013	1,109,782	12,331	1,097,451	225,404	225,404	\$ -	\$ 219,263	\$ 219,263
2014	1,097,451	24,662	1,072,789	232,947	232,947	\$ -	\$ 203,042	\$ 203,042
2015	1,072,789	24,662	1,048,127	228,159	228,159	\$ -		
2016	1,048,127	24,662	1,023,466	223,370	223,370	\$ -		
2017	1,023,466	24,662	998,804	218,582	218,582	\$ -		
2018	998,804	24,662	974,142	213,794	213,794	\$ -		
2019	974,142	24,662	949,480	209,006	209,006	\$ -		
2020	949,480	24,662	924,818	204,218	204,218	\$ -		
2021	924,818	24,662	900,157	199,430	199,430	\$ -		
2022	900,157	24,662	875,495	194,641	194,641	\$ -		
2023	875,495	24,662	850,833	189,853	189,853	\$ -		
2024	850,833	24,662	826,171	185,065	185,065	\$ -		
2025	826,171	24,662	801,509	180,277	180,277	\$ -		
2026	801,509	24,662	776,847	175,489	175,489	\$ -		
2027	776,847	24,662	752,186	170,701	170,701	\$ -		
2028	752,186	24,662	727,524	165,912	165,912	\$ -		
2029	727,524	24,662	702,862	161,124	161,124	\$ -		
2030	702,862	24,662	678,200	156,336	156,336	\$ -		
2031	678,200	24,662	653,538	151,548	151,548	\$ -		
2032	653,538	24,662	628,876	146,760	146,760	\$ -		
2033	628,876	24,662	604,215	141,972	141,972	\$ -		
2034	604,215	24,662	579,553	137,184	137,184	\$ -		
2035	579,553	24,662	554,891	132,395	132,395	\$ -		
2036	554,891	24,662	530,229	127,607	127,607	\$ -		
2037	530,229	24,662	505,567	122,819	122,819	\$ -		
2038	505,567	24,662	480,906	118,031	118,031	\$ -		
2039	480,906	24,662	456,244	113,243	113,243	\$ -		
2040	456,244	24,662	431,582	108,455	108,455	\$ -		
2041	431,582	24,662	406,920	103,666	103,666	\$ -		
2042	406,920	24,662	382,258	98,878	98,878	\$ -		
2043	382,258	24,662	357,596	94,090	94,090	\$ -		
2044	357,596	24,662	332,935	89,302	89,302	\$ -		
2045	332,935	24,662	308,273	84,514	84,514	\$ -		
2046	308,273	24,662	283,611	79,726	79,726	\$ -		
2047	283,611	24,662	258,949	74,937	74,937	\$ -		
2048	258,949	24,662	234,287	70,149	70,149	\$ -		
2049	234,287	24,662	209,625	65,361	65,361	\$ -		
2050	209,625	24,662	184,964	60,573	60,573	\$ -		
2051	184,964	24,662	160,302	55,785	55,785	\$ -		
2052	160,302	24,662	135,640	50,997	50,997	\$ -		
2053	135,640	24,662	110,978	46,209	46,209	\$ -		
2054	110,978	24,662	86,316	41,420	41,420	\$ -		
2055	86,316	24,662	61,655	36,632	36,632	\$ -		
2056	61,655	24,662	36,993	31,844	31,844	\$ -		
2057	36,993	24,662	12,331	27,056	27,056	\$ -		
2058	12,331	12,331	-	12,331	12,331	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				5,957,791	5,957,791	-		

** 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.

OPCo 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: b1034.1 (South Canton - West Canton 138kV line (replacing Torrey - West Canton) and Wagenhals - Wayview 138kV)

Current Projected Year ARR	953,651
Current Projected Year ARR w/ Incentive	953,651
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	4,598,429		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	11	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	102,187

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 **
2013	4,598,429	8,516	4,589,913	899,659	899,659	\$ -	\$ 528,784	\$ 528,784
2014	4,589,913	102,187	4,487,726	973,491	973,491	\$ -	\$ 1,017,894	\$ 1,017,894
2015	4,487,726	102,187	4,385,539	953,651	953,651	\$ -		
2016	4,385,539	102,187	4,283,351	933,811	933,811	\$ -		
2017	4,283,351	102,187	4,181,164	913,971	913,971	\$ -		
2018	4,181,164	102,187	4,078,977	894,131	894,131	\$ -		
2019	4,078,977	102,187	3,976,790	874,291	874,291	\$ -		
2020	3,976,790	102,187	3,874,602	854,451	854,451	\$ -		
2021	3,874,602	102,187	3,772,415	834,612	834,612	\$ -		
2022	3,772,415	102,187	3,670,228	814,772	814,772	\$ -		
2023	3,670,228	102,187	3,568,040	794,932	794,932	\$ -		
2024	3,568,040	102,187	3,465,853	775,092	775,092	\$ -		
2025	3,465,853	102,187	3,363,666	755,252	755,252	\$ -		
2026	3,363,666	102,187	3,261,478	735,412	735,412	\$ -		
2027	3,261,478	102,187	3,159,291	715,572	715,572	\$ -		
2028	3,159,291	102,187	3,057,104	695,732	695,732	\$ -		
2029	3,057,104	102,187	2,954,916	675,892	675,892	\$ -		
2030	2,954,916	102,187	2,852,729	656,052	656,052	\$ -		
2031	2,852,729	102,187	2,750,542	636,212	636,212	\$ -		
2032	2,750,542	102,187	2,648,354	616,372	616,372	\$ -		
2033	2,648,354	102,187	2,546,167	596,532	596,532	\$ -		
2034	2,546,167	102,187	2,443,980	576,692	576,692	\$ -		
2035	2,443,980	102,187	2,341,793	556,852	556,852	\$ -		
2036	2,341,793	102,187	2,239,605	537,013	537,013	\$ -		
2037	2,239,605	102,187	2,137,418	517,173	517,173	\$ -		
2038	2,137,418	102,187	2,035,231	497,333	497,333	\$ -		
2039	2,035,231	102,187	1,933,043	477,493	477,493	\$ -		
2040	1,933,043	102,187	1,830,856	457,653	457,653	\$ -		
2041	1,830,856	102,187	1,728,669	437,813	437,813	\$ -		
2042	1,728,669	102,187	1,626,481	417,973	417,973	\$ -		
2043	1,626,481	102,187	1,524,294	398,133	398,133	\$ -		
2044	1,524,294	102,187	1,422,107	378,293	378,293	\$ -		
2045	1,422,107	102,187	1,319,919	358,453	358,453	\$ -		
2046	1,319,919	102,187	1,217,732	338,613	338,613	\$ -		
2047	1,217,732	102,187	1,115,545	318,773	318,773	\$ -		
2048	1,115,545	102,187	1,013,358	298,933	298,933	\$ -		
2049	1,013,358	102,187	911,170	279,093	279,093	\$ -		
2050	911,170	102,187	808,983	259,253	259,253	\$ -		
2051	808,983	102,187	706,796	239,414	239,414	\$ -		
2052	706,796	102,187	604,608	219,574	219,574	\$ -		
2053	604,608	102,187	502,421	199,734	199,734	\$ -		
2054	502,421	102,187	400,234	179,894	179,894	\$ -		
2055	400,234	102,187	298,046	160,054	160,054	\$ -		
2056	298,046	102,187	195,859	140,214	140,214	\$ -		
2057	195,859	102,187	93,672	120,374	120,374	\$ -		
2058	93,672	93,672	-	93,672	93,672	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				25,058,361	25,058,361	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.6 (138kV circuit breakers at South Canton Station)

Current Projected Year ARR	375,622
Current Projected Year ARR w/ Incentive	375,622
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	1,808,082		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	40,180

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 **
2013	1,808,082	-	1,808,082	351,044	351,044	\$ -	\$ 424,916	\$ 424,916
2014	1,808,082	40,180	1,767,902	383,422	383,422	\$ -	\$ 372,954	\$ 372,954
2015	1,767,902	40,180	1,727,723	375,622	375,622	\$ -		
2016	1,727,723	40,180	1,687,543	367,821	367,821	\$ -		
2017	1,687,543	40,180	1,647,364	360,020	360,020	\$ -		
2018	1,647,364	40,180	1,607,184	352,219	352,219	\$ -		
2019	1,607,184	40,180	1,567,004	344,418	344,418	\$ -		
2020	1,567,004	40,180	1,526,825	336,617	336,617	\$ -		
2021	1,526,825	40,180	1,486,645	328,816	328,816	\$ -		
2022	1,486,645	40,180	1,446,466	321,015	321,015	\$ -		
2023	1,446,466	40,180	1,406,286	313,214	313,214	\$ -		
2024	1,406,286	40,180	1,366,106	305,413	305,413	\$ -		
2025	1,366,106	40,180	1,325,927	297,612	297,612	\$ -		
2026	1,325,927	40,180	1,285,747	289,811	289,811	\$ -		
2027	1,285,747	40,180	1,245,568	282,010	282,010	\$ -		
2028	1,245,568	40,180	1,205,388	274,209	274,209	\$ -		
2029	1,205,388	40,180	1,165,208	266,408	266,408	\$ -		
2030	1,165,208	40,180	1,125,029	258,607	258,607	\$ -		
2031	1,125,029	40,180	1,084,849	250,806	250,806	\$ -		
2032	1,084,849	40,180	1,044,670	243,005	243,005	\$ -		
2033	1,044,670	40,180	1,004,490	235,204	235,204	\$ -		
2034	1,004,490	40,180	964,310	227,403	227,403	\$ -		
2035	964,310	40,180	924,131	219,602	219,602	\$ -		
2036	924,131	40,180	883,951	211,801	211,801	\$ -		
2037	883,951	40,180	843,772	204,000	204,000	\$ -		
2038	843,772	40,180	803,592	196,199	196,199	\$ -		
2039	803,592	40,180	763,412	188,398	188,398	\$ -		
2040	763,412	40,180	723,233	180,597	180,597	\$ -		
2041	723,233	40,180	683,053	172,796	172,796	\$ -		
2042	683,053	40,180	642,874	164,995	164,995	\$ -		
2043	642,874	40,180	602,694	157,194	157,194	\$ -		
2044	602,694	40,180	562,514	149,393	149,393	\$ -		
2045	562,514	40,180	522,335	141,592	141,592	\$ -		
2046	522,335	40,180	482,155	133,791	133,791	\$ -		
2047	482,155	40,180	441,976	125,990	125,990	\$ -		
2048	441,976	40,180	401,796	118,189	118,189	\$ -		
2049	401,796	40,180	361,616	110,388	110,388	\$ -		
2050	361,616	40,180	321,437	102,587	102,587	\$ -		
2051	321,437	40,180	281,257	94,786	94,786	\$ -		
2052	281,257	40,180	241,078	86,985	86,985	\$ -		
2053	241,078	40,180	200,898	79,184	79,184	\$ -		
2054	200,898	40,180	160,718	71,383	71,383	\$ -		
2055	160,718	40,180	120,539	63,583	63,583	\$ -		
2056	120,539	40,180	80,359	55,782	55,782	\$ -		
2057	80,359	40,180	40,180	47,981	47,981	\$ -		
2058	40,180	40,180	-	40,180	40,180	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				9,882,091	9,882,091	-		

** 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.

OPCo 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. [redacted] (e.g. ER05-925-000)

Current Projected Year ARR	77,624
Current Projected Year ARR w/ Incentive	77,624
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b1864.1 (Add two additional 345/138 kV transformers at Kammer)

Details		Current Year	2015
Investment	399,809		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	8,885

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	399,809	-	399,809	77,624	77,624	\$ -		
2016	399,809	8,885	390,924	84,784	84,784	\$ -		
2017	390,924	8,885	382,040	83,059	83,059	\$ -		
2018	382,040	8,885	373,155	81,334	81,334	\$ -		
2019	373,155	8,885	364,270	79,609	79,609	\$ -		
2020	364,270	8,885	355,386	77,884	77,884	\$ -		
2021	355,386	8,885	346,501	76,159	76,159	\$ -		
2022	346,501	8,885	337,616	74,434	74,434	\$ -		
2023	337,616	8,885	328,732	72,709	72,709	\$ -		
2024	328,732	8,885	319,847	70,984	70,984	\$ -		
2025	319,847	8,885	310,963	69,259	69,259	\$ -		
2026	310,963	8,885	302,078	67,534	67,534	\$ -		
2027	302,078	8,885	293,193	65,809	65,809	\$ -		
2028	293,193	8,885	284,309	64,084	64,084	\$ -		
2029	284,309	8,885	275,424	62,359	62,359	\$ -		
2030	275,424	8,885	266,539	60,634	60,634	\$ -		
2031	266,539	8,885	257,655	58,909	58,909	\$ -		
2032	257,655	8,885	248,770	57,184	57,184	\$ -		
2033	248,770	8,885	239,885	55,459	55,459	\$ -		
2034	239,885	8,885	231,001	53,734	53,734	\$ -		
2035	231,001	8,885	222,116	52,009	52,009	\$ -		
2036	222,116	8,885	213,231	50,284	50,284	\$ -		
2037	213,231	8,885	204,347	48,559	48,559	\$ -		
2038	204,347	8,885	195,462	46,834	46,834	\$ -		
2039	195,462	8,885	186,578	45,109	45,109	\$ -		
2040	186,578	8,885	177,693	43,384	43,384	\$ -		
2041	177,693	8,885	168,808	41,659	41,659	\$ -		
2042	168,808	8,885	159,924	39,934	39,934	\$ -		
2043	159,924	8,885	151,039	38,209	38,209	\$ -		
2044	151,039	8,885	142,154	36,484	36,484	\$ -		
2045	142,154	8,885	133,270	34,759	34,759	\$ -		
2046	133,270	8,885	124,385	33,034	33,034	\$ -		
2047	124,385	8,885	115,500	31,309	31,309	\$ -		
2048	115,500	8,885	106,616	29,584	29,584	\$ -		
2049	106,616	8,885	97,731	27,859	27,859	\$ -		
2050	97,731	8,885	88,846	26,134	26,134	\$ -		
2051	88,846	8,885	79,962	24,409	24,409	\$ -		
2052	79,962	8,885	71,077	22,684	22,684	\$ -		
2053	71,077	8,885	62,193	20,959	20,959	\$ -		
2054	62,193	8,885	53,308	19,235	19,235	\$ -		
2055	53,308	8,885	44,423	17,510	17,510	\$ -		
2056	44,423	8,885	35,539	15,785	15,785	\$ -		
2057	35,539	8,885	26,654	14,060	14,060	\$ -		
2058	26,654	8,885	17,769	12,335	12,335	\$ -		
2059	17,769	8,885	8,885	10,610	10,610	\$ -		
2060	8,885	8,885	-	8,885	8,885	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				2,185,160	2,185,160	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

Current Projected Year ARR	583,939
Current Projected Year ARR w/ Incentive	583,939
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	2,820,599		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	62,680

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 **
2013	2,820,599	10,447	2,810,152	556,045	556,045	\$ -	\$ 0	\$ 0
2014	2,810,152	62,680	2,747,472	596,109	596,109	\$ -	\$ 7,389,592	\$ 7,389,592
2015	2,747,472	62,680	2,684,792	583,939.45	583,939	\$ -		
2016	2,684,792	62,680	2,622,112	571,770	571,770	\$ -		
2017	2,622,112	62,680	2,559,432	559,600	559,600	\$ -		
2018	2,559,432	62,680	2,496,752	547,431	547,431	\$ -		
2019	2,496,752	62,680	2,434,072	535,262	535,262	\$ -		
2020	2,434,072	62,680	2,371,392	523,092	523,092	\$ -		
2021	2,371,392	62,680	2,308,713	510,923	510,923	\$ -		
2022	2,308,713	62,680	2,246,033	498,753	498,753	\$ -		
2023	2,246,033	62,680	2,183,353	486,584	486,584	\$ -		
2024	2,183,353	62,680	2,120,673	474,414	474,414	\$ -		
2025	2,120,673	62,680	2,057,993	462,245	462,245	\$ -		
2026	2,057,993	62,680	1,995,313	450,075	450,075	\$ -		
2027	1,995,313	62,680	1,932,633	437,906	437,906	\$ -		
2028	1,932,633	62,680	1,869,953	425,736	425,736	\$ -		
2029	1,869,953	62,680	1,807,273	413,567	413,567	\$ -		
2030	1,807,273	62,680	1,744,593	401,397	401,397	\$ -		
2031	1,744,593	62,680	1,681,913	389,228	389,228	\$ -		
2032	1,681,913	62,680	1,619,233	377,058	377,058	\$ -		
2033	1,619,233	62,680	1,556,553	364,889	364,889	\$ -		
2034	1,556,553	62,680	1,493,873	352,719	352,719	\$ -		
2035	1,493,873	62,680	1,431,193	340,550	340,550	\$ -		
2036	1,431,193	62,680	1,368,513	328,380	328,380	\$ -		
2037	1,368,513	62,680	1,305,833	316,211	316,211	\$ -		
2038	1,305,833	62,680	1,243,153	304,041	304,041	\$ -		
2039	1,243,153	62,680	1,180,473	291,872	291,872	\$ -		
2040	1,180,473	62,680	1,117,793	279,702	279,702	\$ -		
2041	1,117,793	62,680	1,055,113	267,533	267,533	\$ -		
2042	1,055,113	62,680	992,433	255,363	255,363	\$ -		
2043	992,433	62,680	929,753	243,194	243,194	\$ -		
2044	929,753	62,680	867,073	231,024	231,024	\$ -		
2045	867,073	62,680	804,393	218,855	218,855	\$ -		
2046	804,393	62,680	741,713	206,686	206,686	\$ -		
2047	741,713	62,680	679,033	194,516	194,516	\$ -		
2048	679,033	62,680	616,353	182,347	182,347	\$ -		
2049	616,353	62,680	553,673	170,177	170,177	\$ -		
2050	553,673	62,680	490,993	158,008	158,008	\$ -		
2051	490,993	62,680	428,313	145,838	145,838	\$ -		
2052	428,313	62,680	365,633	133,669	133,669	\$ -		
2053	365,633	62,680	302,953	121,499	121,499	\$ -		
2054	302,953	62,680	240,273	109,330	109,330	\$ -		
2055	240,273	62,680	177,593	97,160	97,160	\$ -		
2056	177,593	62,680	114,913	84,991	84,991	\$ -		
2057	114,913	62,680	52,233	72,821	72,821	\$ -		
2058	52,233	52,233	-	52,233	52,233	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				15,324,742	15,324,742	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)

Current Projected Year ARR	17,942
Current Projected Year ARR w/ Incentive	17,942
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	88,041		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	1	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	1,956

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 **
2013	88,041	1,793	86,248	18,539	18,539	\$ -	\$ -	\$ -
2014	86,248	1,956	84,291	18,322	18,322	\$ -	\$ -	\$ -
2015	84,291	1,956	82,335	17,942	17,942	\$ -	\$ 25,862	\$ 25,862
2016	82,335	1,956	80,378	17,562	17,562	\$ -		
2017	80,378	1,956	78,422	17,182	17,182	\$ -		
2018	78,422	1,956	76,465	16,802	16,802	\$ -		
2019	76,465	1,956	74,509	16,423	16,423	\$ -		
2020	74,509	1,956	72,552	16,043	16,043	\$ -		
2021	72,552	1,956	70,596	15,663	15,663	\$ -		
2022	70,596	1,956	68,639	15,283	15,283	\$ -		
2023	68,639	1,956	66,683	14,903	14,903	\$ -		
2024	66,683	1,956	64,726	14,523	14,523	\$ -		
2025	64,726	1,956	62,770	14,143	14,143	\$ -		
2026	62,770	1,956	60,814	13,764	13,764	\$ -		
2027	60,814	1,956	58,857	13,384	13,384	\$ -		
2028	58,857	1,956	56,901	13,004	13,004	\$ -		
2029	56,901	1,956	54,944	12,624	12,624	\$ -		
2030	54,944	1,956	52,988	12,244	12,244	\$ -		
2031	52,988	1,956	51,031	11,864	11,864	\$ -		
2032	51,031	1,956	49,075	11,484	11,484	\$ -		
2033	49,075	1,956	47,118	11,105	11,105	\$ -		
2034	47,118	1,956	45,162	10,725	10,725	\$ -		
2035	45,162	1,956	43,205	10,345	10,345	\$ -		
2036	43,205	1,956	41,249	9,965	9,965	\$ -		
2037	41,249	1,956	39,292	9,585	9,585	\$ -		
2038	39,292	1,956	37,336	9,205	9,205	\$ -		
2039	37,336	1,956	35,379	8,825	8,825	\$ -		
2040	35,379	1,956	33,423	8,446	8,446	\$ -		
2041	33,423	1,956	31,467	8,066	8,066	\$ -		
2042	31,467	1,956	29,510	7,686	7,686	\$ -		
2043	29,510	1,956	27,554	7,306	7,306	\$ -		
2044	27,554	1,956	25,597	6,926	6,926	\$ -		
2045	25,597	1,956	23,641	6,546	6,546	\$ -		
2046	23,641	1,956	21,684	6,167	6,167	\$ -		
2047	21,684	1,956	19,728	5,787	5,787	\$ -		
2048	19,728	1,956	17,771	5,407	5,407	\$ -		
2049	17,771	1,956	15,815	5,027	5,027	\$ -		
2050	15,815	1,956	13,858	4,647	4,647	\$ -		
2051	13,858	1,956	11,902	4,267	4,267	\$ -		
2052	11,902	1,956	9,945	3,887	3,887	\$ -		
2053	9,945	1,956	7,989	3,508	3,508	\$ -		
2054	7,989	1,956	6,032	3,128	3,128	\$ -		
2055	6,032	1,956	4,076	2,748	2,748	\$ -		
2056	4,076	1,956	2,120	2,368	2,368	\$ -		
2057	2,120	1,956	163	1,988	1,988	\$ -		
2058	163	163	-	163	163	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				465,520	465,520	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

Current Projected Year ARR	652,736
Current Projected Year ARR w/ Incentive	652,736
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	3,144,453		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	3	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	69,877

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	3,144,453	52,408	3,092,045	652,736	652,736	\$ -		
2016	3,092,045	69,877	3,022,169	656,639	656,639	\$ -		
2017	3,022,169	69,877	2,952,292	643,072	643,072	\$ -		
2018	2,952,292	69,877	2,882,415	629,505	629,505	\$ -		
2019	2,882,415	69,877	2,812,539	615,938	615,938	\$ -		
2020	2,812,539	69,877	2,742,662	602,372	602,372	\$ -		
2021	2,742,662	69,877	2,672,785	588,805	588,805	\$ -		
2022	2,672,785	69,877	2,602,908	575,238	575,238	\$ -		
2023	2,602,908	69,877	2,533,032	561,671	561,671	\$ -		
2024	2,533,032	69,877	2,463,155	548,105	548,105	\$ -		
2025	2,463,155	69,877	2,393,278	534,538	534,538	\$ -		
2026	2,393,278	69,877	2,323,401	520,971	520,971	\$ -		
2027	2,323,401	69,877	2,253,525	507,404	507,404	\$ -		
2028	2,253,525	69,877	2,183,648	493,838	493,838	\$ -		
2029	2,183,648	69,877	2,113,771	480,271	480,271	\$ -		
2030	2,113,771	69,877	2,043,894	466,704	466,704	\$ -		
2031	2,043,894	69,877	1,974,018	453,137	453,137	\$ -		
2032	1,974,018	69,877	1,904,141	439,571	439,571	\$ -		
2033	1,904,141	69,877	1,834,264	426,004	426,004	\$ -		
2034	1,834,264	69,877	1,764,388	412,437	412,437	\$ -		
2035	1,764,388	69,877	1,694,511	398,870	398,870	\$ -		
2036	1,694,511	69,877	1,624,634	385,304	385,304	\$ -		
2037	1,624,634	69,877	1,554,757	371,737	371,737	\$ -		
2038	1,554,757	69,877	1,484,881	358,170	358,170	\$ -		
2039	1,484,881	69,877	1,415,004	344,603	344,603	\$ -		
2040	1,415,004	69,877	1,345,127	331,037	331,037	\$ -		
2041	1,345,127	69,877	1,275,250	317,470	317,470	\$ -		
2042	1,275,250	69,877	1,205,374	303,903	303,903	\$ -		
2043	1,205,374	69,877	1,135,497	290,336	290,336	\$ -		
2044	1,135,497	69,877	1,065,620	276,770	276,770	\$ -		
2045	1,065,620	69,877	995,743	263,203	263,203	\$ -		
2046	995,743	69,877	925,867	249,636	249,636	\$ -		
2047	925,867	69,877	855,990	236,069	236,069	\$ -		
2048	855,990	69,877	786,113	222,503	222,503	\$ -		
2049	786,113	69,877	716,237	208,936	208,936	\$ -		
2050	716,237	69,877	646,360	195,369	195,369	\$ -		
2051	646,360	69,877	576,483	181,802	181,802	\$ -		
2052	576,483	69,877	506,606	168,236	168,236	\$ -		
2053	506,606	69,877	436,730	154,669	154,669	\$ -		
2054	436,730	69,877	366,853	141,102	141,102	\$ -		
2055	366,853	69,877	296,976	127,535	127,535	\$ -		
2056	296,976	69,877	227,099	113,969	113,969	\$ -		
2057	227,099	69,877	157,223	100,402	100,402	\$ -		
2058	157,223	69,877	87,346	86,835	86,835	\$ -		
2059	87,346	69,877	17,469	73,268	73,268	\$ -		
2060	17,469	17,469	-	17,469	17,469	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				16,728,162	16,728,162	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.7 (Replace all obsolete 138kV circuit breakers at the Torrey and Wagenhals stations)

Current Projected Year ARR	660,744
Current Projected Year ARR w/ Incentive	660,744
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	3,197,141		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	71,048

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 **
2013	3,197,141	17,762	3,179,379	635,047	635,047	\$ -	\$ 0	\$ 0
2014	3,179,379	71,048	3,108,332	674,538	674,538	\$ -	\$ 95,797	\$ 95,797
2015	3,108,332	71,048	3,037,284	660,744	660,744	\$ -		
2016	3,037,284	71,048	2,966,236	646,950	646,950	\$ -		
2017	2,966,236	71,048	2,895,189	633,156	633,156	\$ -		
2018	2,895,189	71,048	2,824,141	619,362	619,362	\$ -		
2019	2,824,141	71,048	2,753,094	605,568	605,568	\$ -		
2020	2,753,094	71,048	2,682,046	591,774	591,774	\$ -		
2021	2,682,046	71,048	2,610,998	577,980	577,980	\$ -		
2022	2,610,998	71,048	2,539,951	564,186	564,186	\$ -		
2023	2,539,951	71,048	2,468,903	550,392	550,392	\$ -		
2024	2,468,903	71,048	2,397,856	536,598	536,598	\$ -		
2025	2,397,856	71,048	2,326,808	522,803	522,803	\$ -		
2026	2,326,808	71,048	2,255,761	509,009	509,009	\$ -		
2027	2,255,761	71,048	2,184,713	495,215	495,215	\$ -		
2028	2,184,713	71,048	2,113,665	481,421	481,421	\$ -		
2029	2,113,665	71,048	2,042,618	467,627	467,627	\$ -		
2030	2,042,618	71,048	1,971,570	453,833	453,833	\$ -		
2031	1,971,570	71,048	1,900,523	440,039	440,039	\$ -		
2032	1,900,523	71,048	1,829,475	426,245	426,245	\$ -		
2033	1,829,475	71,048	1,758,428	412,451	412,451	\$ -		
2034	1,758,428	71,048	1,687,380	398,657	398,657	\$ -		
2035	1,687,380	71,048	1,616,332	384,863	384,863	\$ -		
2036	1,616,332	71,048	1,545,285	371,069	371,069	\$ -		
2037	1,545,285	71,048	1,474,237	357,275	357,275	\$ -		
2038	1,474,237	71,048	1,403,190	343,481	343,481	\$ -		
2039	1,403,190	71,048	1,332,142	329,686	329,686	\$ -		
2040	1,332,142	71,048	1,261,095	315,892	315,892	\$ -		
2041	1,261,095	71,048	1,190,047	302,098	302,098	\$ -		
2042	1,190,047	71,048	1,118,999	288,304	288,304	\$ -		
2043	1,118,999	71,048	1,047,952	274,510	274,510	\$ -		
2044	1,047,952	71,048	976,904	260,716	260,716	\$ -		
2045	976,904	71,048	905,857	246,922	246,922	\$ -		
2046	905,857	71,048	834,809	233,128	233,128	\$ -		
2047	834,809	71,048	763,761	219,334	219,334	\$ -		
2048	763,761	71,048	692,714	205,540	205,540	\$ -		
2049	692,714	71,048	621,666	191,746	191,746	\$ -		
2050	621,666	71,048	550,619	177,952	177,952	\$ -		
2051	550,619	71,048	479,571	164,158	164,158	\$ -		
2052	479,571	71,048	408,524	150,363	150,363	\$ -		
2053	408,524	71,048	337,476	136,569	136,569	\$ -		
2054	337,476	71,048	266,428	122,775	122,775	\$ -		
2055	266,428	71,048	195,381	108,981	108,981	\$ -		
2056	195,381	71,048	124,333	95,187	95,187	\$ -		
2057	124,333	71,048	53,286	81,393	81,393	\$ -		
2058	53,286	53,286	-	53,286	53,286	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
Project Totals				17,318,824	17,318,824	-		

** 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.

OPCo 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. [redacted] (e.g. ER05-925-000)

Project Description: RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 kV line)

Current Projected Year ARR	178,664
Current Projected Year ARR w/ Incentive	178,664
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	842,516		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	18,723

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	842,516	-	842,516	163,577	163,577	\$ -	\$ 99,055	\$ 99,055
2015	842,516	18,723	823,793	178,664	178,664	\$ -		
2016	823,793	18,723	805,071	175,029	175,029	\$ -		
2017	805,071	18,723	786,348	171,394	171,394	\$ -		
2018	786,348	18,723	767,626	167,759	167,759	\$ -		
2019	767,626	18,723	748,903	164,124	164,124	\$ -		
2020	748,903	18,723	730,181	160,489	160,489	\$ -		
2021	730,181	18,723	711,458	156,854	156,854	\$ -		
2022	711,458	18,723	692,735	153,219	153,219	\$ -		
2023	692,735	18,723	674,013	149,584	149,584	\$ -		
2024	674,013	18,723	655,290	145,949	145,949	\$ -		
2025	655,290	18,723	636,568	142,314	142,314	\$ -		
2026	636,568	18,723	617,845	138,679	138,679	\$ -		
2027	617,845	18,723	599,122	135,044	135,044	\$ -		
2028	599,122	18,723	580,400	131,409	131,409	\$ -		
2029	580,400	18,723	561,677	127,774	127,774	\$ -		
2030	561,677	18,723	542,955	124,139	124,139	\$ -		
2031	542,955	18,723	524,232	120,504	120,504	\$ -		
2032	524,232	18,723	505,510	116,869	116,869	\$ -		
2033	505,510	18,723	486,787	113,234	113,234	\$ -		
2034	486,787	18,723	468,064	109,599	109,599	\$ -		
2035	468,064	18,723	449,342	105,963	105,963	\$ -		
2036	449,342	18,723	430,619	102,328	102,328	\$ -		
2037	430,619	18,723	411,897	98,693	98,693	\$ -		
2038	411,897	18,723	393,174	95,058	95,058	\$ -		
2039	393,174	18,723	374,452	91,423	91,423	\$ -		
2040	374,452	18,723	355,729	87,788	87,788	\$ -		
2041	355,729	18,723	337,006	84,153	84,153	\$ -		
2042	337,006	18,723	318,284	80,518	80,518	\$ -		
2043	318,284	18,723	299,561	76,883	76,883	\$ -		
2044	299,561	18,723	280,839	73,248	73,248	\$ -		
2045	280,839	18,723	262,116	69,613	69,613	\$ -		
2046	262,116	18,723	243,394	65,978	65,978	\$ -		
2047	243,394	18,723	224,671	62,343	62,343	\$ -		
2048	224,671	18,723	205,948	58,708	58,708	\$ -		
2049	205,948	18,723	187,226	55,073	55,073	\$ -		
2050	187,226	18,723	168,503	51,438	51,438	\$ -		
2051	168,503	18,723	149,781	47,803	47,803	\$ -		
2052	149,781	18,723	131,058	44,168	44,168	\$ -		
2053	131,058	18,723	112,335	40,533	40,533	\$ -		
2054	112,335	18,723	93,613	36,898	36,898	\$ -		
2055	93,613	18,723	74,890	33,263	33,263	\$ -		
2056	74,890	18,723	56,168	29,628	29,628	\$ -		
2057	56,168	18,723	37,445	25,993	25,993	\$ -		
2058	37,445	18,723	18,723	22,358	22,358	\$ -		
2059	18,723	18,723	-	18,723	18,723	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals				4,604,780	4,604,780	-		

** 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.

OPCo 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. [redacted] (e.g. ER05-925-000)

Project Description: RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

Current Projected Year ARR	250,071
Current Projected Year ARR w/ Incentive	250,071
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	1,196,081		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	2	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	26,580

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	1,196,081	22,149.65	1,173,931	250,071	250,071	\$ -		
2016	1,173,931	26,580	1,147,352	249,341	249,341	\$ -		
2017	1,147,352	26,580	1,120,772	244,180	244,180	\$ -		
2018	1,120,772	26,580	1,094,193	239,020	239,020	\$ -		
2019	1,094,193	26,580	1,067,613	233,859	233,859	\$ -		
2020	1,067,613	26,580	1,041,033	228,699	228,699	\$ -		
2021	1,041,033	26,580	1,014,454	223,538	223,538	\$ -		
2022	1,014,454	26,580	987,874	218,378	218,378	\$ -		
2023	987,874	26,580	961,295	213,217	213,217	\$ -		
2024	961,295	26,580	934,715	208,057	208,057	\$ -		
2025	934,715	26,580	908,136	202,896	202,896	\$ -		
2026	908,136	26,580	881,556	197,736	197,736	\$ -		
2027	881,556	26,580	854,976	192,575	192,575	\$ -		
2028	854,976	26,580	828,397	187,415	187,415	\$ -		
2029	828,397	26,580	801,817	182,254	182,254	\$ -		
2030	801,817	26,580	775,238	177,094	177,094	\$ -		
2031	775,238	26,580	748,658	171,934	171,934	\$ -		
2032	748,658	26,580	722,079	166,773	166,773	\$ -		
2033	722,079	26,580	695,499	161,613	161,613	\$ -		
2034	695,499	26,580	668,919	156,452	156,452	\$ -		
2035	668,919	26,580	642,340	151,292	151,292	\$ -		
2036	642,340	26,580	615,760	146,131	146,131	\$ -		
2037	615,760	26,580	589,181	140,971	140,971	\$ -		
2038	589,181	26,580	562,601	135,810	135,810	\$ -		
2039	562,601	26,580	536,021	130,650	130,650	\$ -		
2040	536,021	26,580	509,442	125,489	125,489	\$ -		
2041	509,442	26,580	482,862	120,329	120,329	\$ -		
2042	482,862	26,580	456,283	115,168	115,168	\$ -		
2043	456,283	26,580	429,703	110,008	110,008	\$ -		
2044	429,703	26,580	403,124	104,847	104,847	\$ -		
2045	403,124	26,580	376,544	99,687	99,687	\$ -		
2046	376,544	26,580	349,964	94,526	94,526	\$ -		
2047	349,964	26,580	323,385	89,366	89,366	\$ -		
2048	323,385	26,580	296,805	84,205	84,205	\$ -		
2049	296,805	26,580	270,226	79,045	79,045	\$ -		
2050	270,226	26,580	243,646	73,884	73,884	\$ -		
2051	243,646	26,580	217,067	68,724	68,724	\$ -		
2052	217,067	26,580	190,487	63,563	63,563	\$ -		
2053	190,487	26,580	163,907	58,403	58,403	\$ -		
2054	163,907	26,580	137,328	53,242	53,242	\$ -		
2055	137,328	26,580	110,748	48,082	48,082	\$ -		
2056	110,748	26,580	84,169	42,921	42,921	\$ -		
2057	84,169	26,580	57,589	37,761	37,761	\$ -		
2058	57,589	26,580	31,010	32,600	32,600	\$ -		
2059	31,010	26,580	4,430	27,440	27,440	\$ -		
2060	4,430	4,430	-	4,430	4,430	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				6,343,674	6,343,674	-		

** 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.

OPCo 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. [redacted] (e.g. ER05-925-000)

Project Description: RTEP ID: b1032.4 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

Current Projected Year ARR	247,850
Current Projected Year ARR w/ Incentive	247,850
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	1,220,295		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	27,118

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	1,220,295	13,559	1,206,736	247,850	247,850	\$ -		
2016	1,206,736	27,118	1,179,619	256,144	256,144	\$ -		
2017	1,179,619	27,118	1,152,501	250,879	250,879	\$ -		
2018	1,152,501	27,118	1,125,383	245,614	245,614	\$ -		
2019	1,125,383	27,118	1,098,266	240,349	240,349	\$ -		
2020	1,098,266	27,118	1,071,148	235,084	235,084	\$ -		
2021	1,071,148	27,118	1,044,030	229,819	229,819	\$ -		
2022	1,044,030	27,118	1,016,913	224,554	224,554	\$ -		
2023	1,016,913	27,118	989,795	219,289	219,289	\$ -		
2024	989,795	27,118	962,677	214,024	214,024	\$ -		
2025	962,677	27,118	935,560	208,759	208,759	\$ -		
2026	935,560	27,118	908,442	203,494	203,494	\$ -		
2027	908,442	27,118	881,324	198,229	198,229	\$ -		
2028	881,324	27,118	854,207	192,964	192,964	\$ -		
2029	854,207	27,118	827,089	187,699	187,699	\$ -		
2030	827,089	27,118	799,971	182,434	182,434	\$ -		
2031	799,971	27,118	772,854	177,169	177,169	\$ -		
2032	772,854	27,118	745,736	171,904	171,904	\$ -		
2033	745,736	27,118	718,618	166,639	166,639	\$ -		
2034	718,618	27,118	691,501	161,374	161,374	\$ -		
2035	691,501	27,118	664,383	156,109	156,109	\$ -		
2036	664,383	27,118	637,265	150,844	150,844	\$ -		
2037	637,265	27,118	610,148	145,579	145,579	\$ -		
2038	610,148	27,118	583,030	140,314	140,314	\$ -		
2039	583,030	27,118	555,912	135,049	135,049	\$ -		
2040	555,912	27,118	528,795	129,785	129,785	\$ -		
2041	528,795	27,118	501,677	124,520	124,520	\$ -		
2042	501,677	27,118	474,559	119,255	119,255	\$ -		
2043	474,559	27,118	447,442	113,990	113,990	\$ -		
2044	447,442	27,118	420,324	108,725	108,725	\$ -		
2045	420,324	27,118	393,206	103,460	103,460	\$ -		
2046	393,206	27,118	366,089	98,195	98,195	\$ -		
2047	366,089	27,118	338,971	92,930	92,930	\$ -		
2048	338,971	27,118	311,853	87,665	87,665	\$ -		
2049	311,853	27,118	284,736	82,400	82,400	\$ -		
2050	284,736	27,118	257,618	77,135	77,135	\$ -		
2051	257,618	27,118	230,500	71,870	71,870	\$ -		
2052	230,500	27,118	203,383	66,605	66,605	\$ -		
2053	203,383	27,118	176,265	61,340	61,340	\$ -		
2054	176,265	27,118	149,147	56,075	56,075	\$ -		
2055	149,147	27,118	122,030	50,810	50,810	\$ -		
2056	122,030	27,118	94,912	45,545	45,545	\$ -		
2057	94,912	27,118	67,794	40,280	40,280	\$ -		
2058	67,794	27,118	40,677	35,015	35,015	\$ -		
2059	40,677	27,118	13,559	29,750	29,750	\$ -		
2060	13,559	13,559	-	13,559	13,559	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				6,551,073	6,551,073	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1666 (Build an 8 breaker 138 kV station tapping both circuits of the Fostoria-East Lima 138 kV line)

Current Projected Year ARR	559,098
Current Projected Year ARR w/ Incentive	559,098
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	2,879,685		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	63,993

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	2,879,685	-	2,879,685	559,098	559,098	\$ -		
2016	2,879,685	63,993	2,815,692	610,667	610,667	\$ -		
2017	2,815,692	63,993	2,751,699	598,243	598,243	\$ -		
2018	2,751,699	63,993	2,687,706	585,818	585,818	\$ -		
2019	2,687,706	63,993	2,623,713	573,394	573,394	\$ -		
2020	2,623,713	63,993	2,559,720	560,969	560,969	\$ -		
2021	2,559,720	63,993	2,495,727	548,545	548,545	\$ -		
2022	2,495,727	63,993	2,431,734	536,121	536,121	\$ -		
2023	2,431,734	63,993	2,367,741	523,696	523,696	\$ -		
2024	2,367,741	63,993	2,303,748	511,272	511,272	\$ -		
2025	2,303,748	63,993	2,239,755	498,847	498,847	\$ -		
2026	2,239,755	63,993	2,175,762	486,423	486,423	\$ -		
2027	2,175,762	63,993	2,111,769	473,998	473,998	\$ -		
2028	2,111,769	63,993	2,047,776	461,574	461,574	\$ -		
2029	2,047,776	63,993	1,983,783	449,150	449,150	\$ -		
2030	1,983,783	63,993	1,919,790	436,725	436,725	\$ -		
2031	1,919,790	63,993	1,855,797	424,301	424,301	\$ -		
2032	1,855,797	63,993	1,791,804	411,876	411,876	\$ -		
2033	1,791,804	63,993	1,727,811	399,452	399,452	\$ -		
2034	1,727,811	63,993	1,663,818	387,028	387,028	\$ -		
2035	1,663,818	63,993	1,599,825	374,603	374,603	\$ -		
2036	1,599,825	63,993	1,535,832	362,179	362,179	\$ -		
2037	1,535,832	63,993	1,471,839	349,754	349,754	\$ -		
2038	1,471,839	63,993	1,407,846	337,330	337,330	\$ -		
2039	1,407,846	63,993	1,343,853	324,906	324,906	\$ -		
2040	1,343,853	63,993	1,279,860	312,481	312,481	\$ -		
2041	1,279,860	63,993	1,215,867	300,057	300,057	\$ -		
2042	1,215,867	63,993	1,151,874	287,632	287,632	\$ -		
2043	1,151,874	63,993	1,087,881	275,208	275,208	\$ -		
2044	1,087,881	63,993	1,023,888	262,784	262,784	\$ -		
2045	1,023,888	63,993	959,895	250,359	250,359	\$ -		
2046	959,895	63,993	895,902	237,935	237,935	\$ -		
2047	895,902	63,993	831,909	225,510	225,510	\$ -		
2048	831,909	63,993	767,916	213,086	213,086	\$ -		
2049	767,916	63,993	703,923	200,661	200,661	\$ -		
2050	703,923	63,993	639,930	188,237	188,237	\$ -		
2051	639,930	63,993	575,937	175,813	175,813	\$ -		
2052	575,937	63,993	511,944	163,388	163,388	\$ -		
2053	511,944	63,993	447,951	150,964	150,964	\$ -		
2054	447,951	63,993	383,958	138,539	138,539	\$ -		
2055	383,958	63,993	319,965	126,115	126,115	\$ -		
2056	319,965	63,993	255,972	113,691	113,691	\$ -		
2057	255,972	63,993	191,979	101,266	101,266	\$ -		
2058	191,979	63,993	127,986	88,842	88,842	\$ -		
2059	127,986	63,993	63,993	76,417	76,417	\$ -		
2060	63,993	63,993	-	63,993	63,993	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				15,738,948	15,738,948	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1957 (Terminate Transformer #2 at SW Lima in new bay position)

Current Projected Year ARR	265,269
Current Projected Year ARR w/ Incentive	265,269
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	1,366,291		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	30,362

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	1,366,291	-	1,366,291	265,269	265,269	\$ -		
2016	1,366,291	30,362	1,335,929	289,736	289,736	\$ -		
2017	1,335,929	30,362	1,305,567	283,841	283,841	\$ -		
2018	1,305,567	30,362	1,275,205	277,946	277,946	\$ -		
2019	1,275,205	30,362	1,244,843	272,052	272,052	\$ -		
2020	1,244,843	30,362	1,214,481	266,157	266,157	\$ -		
2021	1,214,481	30,362	1,184,119	260,262	260,262	\$ -		
2022	1,184,119	30,362	1,153,757	254,367	254,367	\$ -		
2023	1,153,757	30,362	1,123,395	248,472	248,472	\$ -		
2024	1,123,395	30,362	1,093,033	242,577	242,577	\$ -		
2025	1,093,033	30,362	1,062,671	236,682	236,682	\$ -		
2026	1,062,671	30,362	1,032,309	230,787	230,787	\$ -		
2027	1,032,309	30,362	1,001,947	224,893	224,893	\$ -		
2028	1,001,947	30,362	971,585	218,998	218,998	\$ -		
2029	971,585	30,362	941,223	213,103	213,103	\$ -		
2030	941,223	30,362	910,861	207,208	207,208	\$ -		
2031	910,861	30,362	880,499	201,313	201,313	\$ -		
2032	880,499	30,362	850,137	195,418	195,418	\$ -		
2033	850,137	30,362	819,775	189,523	189,523	\$ -		
2034	819,775	30,362	789,413	183,629	183,629	\$ -		
2035	789,413	30,362	759,051	177,734	177,734	\$ -		
2036	759,051	30,362	728,689	171,839	171,839	\$ -		
2037	728,689	30,362	698,327	165,944	165,944	\$ -		
2038	698,327	30,362	667,964	160,049	160,049	\$ -		
2039	667,964	30,362	637,602	154,154	154,154	\$ -		
2040	637,602	30,362	607,240	148,259	148,259	\$ -		
2041	607,240	30,362	576,878	142,364	142,364	\$ -		
2042	576,878	30,362	546,516	136,470	136,470	\$ -		
2043	546,516	30,362	516,154	130,575	130,575	\$ -		
2044	516,154	30,362	485,792	124,680	124,680	\$ -		
2045	485,792	30,362	455,430	118,785	118,785	\$ -		
2046	455,430	30,362	425,068	112,890	112,890	\$ -		
2047	425,068	30,362	394,706	106,995	106,995	\$ -		
2048	394,706	30,362	364,344	101,100	101,100	\$ -		
2049	364,344	30,362	333,982	95,206	95,206	\$ -		
2050	333,982	30,362	303,620	89,311	89,311	\$ -		
2051	303,620	30,362	273,258	83,416	83,416	\$ -		
2052	273,258	30,362	242,896	77,521	77,521	\$ -		
2053	242,896	30,362	212,534	71,626	71,626	\$ -		
2054	212,534	30,362	182,172	65,731	65,731	\$ -		
2055	182,172	30,362	151,810	59,836	59,836	\$ -		
2056	151,810	30,362	121,448	53,941	53,941	\$ -		
2057	121,448	30,362	91,086	48,047	48,047	\$ -		
2058	91,086	30,362	60,724	42,152	42,152	\$ -		
2059	60,724	30,362	30,362	36,257	36,257	\$ -		
2060	30,362	30,362	-	30,362	30,362	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				7,467,477	7,467,477	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1962 (Add four 765 kV breakers at Kammer)

Current Projected Year ARR	63,382
Current Projected Year ARR w/ Incentive	63,382
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	326,456		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	7,255

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	326,456	-	326,456	63,382	63,382	\$ -		
2016	326,456	7,255	319,201	69,228	69,228	\$ -		
2017	319,201	7,255	311,947	67,820	67,820	\$ -		
2018	311,947	7,255	304,692	66,411	66,411	\$ -		
2019	304,692	7,255	297,438	65,003	65,003	\$ -		
2020	297,438	7,255	290,183	63,594	63,594	\$ -		
2021	290,183	7,255	282,929	62,186	62,186	\$ -		
2022	282,929	7,255	275,674	60,777	60,777	\$ -		
2023	275,674	7,255	268,419	59,369	59,369	\$ -		
2024	268,419	7,255	261,165	57,960	57,960	\$ -		
2025	261,165	7,255	253,910	56,552	56,552	\$ -		
2026	253,910	7,255	246,656	55,143	55,143	\$ -		
2027	246,656	7,255	239,401	53,735	53,735	\$ -		
2028	239,401	7,255	232,146	52,326	52,326	\$ -		
2029	232,146	7,255	224,892	50,918	50,918	\$ -		
2030	224,892	7,255	217,637	49,509	49,509	\$ -		
2031	217,637	7,255	210,383	48,101	48,101	\$ -		
2032	210,383	7,255	203,128	46,692	46,692	\$ -		
2033	203,128	7,255	195,874	45,284	45,284	\$ -		
2034	195,874	7,255	188,619	43,875	43,875	\$ -		
2035	188,619	7,255	181,364	42,467	42,467	\$ -		
2036	181,364	7,255	174,110	41,058	41,058	\$ -		
2037	174,110	7,255	166,855	39,650	39,650	\$ -		
2038	166,855	7,255	159,601	38,241	38,241	\$ -		
2039	159,601	7,255	152,346	36,833	36,833	\$ -		
2040	152,346	7,255	145,092	35,424	35,424	\$ -		
2041	145,092	7,255	137,837	34,016	34,016	\$ -		
2042	137,837	7,255	130,582	32,607	32,607	\$ -		
2043	130,582	7,255	123,328	31,199	31,199	\$ -		
2044	123,328	7,255	116,073	29,791	29,791	\$ -		
2045	116,073	7,255	108,819	28,382	28,382	\$ -		
2046	108,819	7,255	101,564	26,974	26,974	\$ -		
2047	101,564	7,255	94,310	25,565	25,565	\$ -		
2048	94,310	7,255	87,055	24,157	24,157	\$ -		
2049	87,055	7,255	79,800	22,748	22,748	\$ -		
2050	79,800	7,255	72,546	21,340	21,340	\$ -		
2051	72,546	7,255	65,291	19,931	19,931	\$ -		
2052	65,291	7,255	58,037	18,523	18,523	\$ -		
2053	58,037	7,255	50,782	17,114	17,114	\$ -		
2054	50,782	7,255	43,527	15,706	15,706	\$ -		
2055	43,527	7,255	36,273	14,297	14,297	\$ -		
2056	36,273	7,255	29,018	12,889	12,889	\$ -		
2057	29,018	7,255	21,764	11,480	11,480	\$ -		
2058	21,764	7,255	14,509	10,072	10,072	\$ -		
2059	14,509	7,255	7,255	8,663	8,663	\$ -		
2060	7,255	7,255	-	7,255	7,255	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				1,784,249	1,784,249	-		

** 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.

OPCo 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. [REDACTED] (e.g. ER05-925-000)

Current Projected Year ARR	1,039,339
Current Projected Year ARR w/ Incentive	1,039,339
Current Projected Year Incentive ARR	-

Project Description: RTEP ID: b2019 (Establish Burger 345/138 kV station)

Details		Current Year	2015
Investment	5,353,208		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	118,960

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	5,353,208	-	5,353,208	1,039,339	1,039,339	\$ -		
2016	5,353,208	118,960	5,234,248	1,135,203	1,135,203	\$ -		
2017	5,234,248	118,960	5,115,288	1,112,107	1,112,107	\$ -		
2018	5,115,288	118,960	4,996,327	1,089,010	1,089,010	\$ -		
2019	4,996,327	118,960	4,877,367	1,065,914	1,065,914	\$ -		
2020	4,877,367	118,960	4,758,407	1,042,817	1,042,817	\$ -		
2021	4,758,407	118,960	4,639,447	1,019,721	1,019,721	\$ -		
2022	4,639,447	118,960	4,520,487	996,625	996,625	\$ -		
2023	4,520,487	118,960	4,401,527	973,528	973,528	\$ -		
2024	4,401,527	118,960	4,282,566	950,432	950,432	\$ -		
2025	4,282,566	118,960	4,163,606	927,335	927,335	\$ -		
2026	4,163,606	118,960	4,044,646	904,239	904,239	\$ -		
2027	4,044,646	118,960	3,925,686	881,142	881,142	\$ -		
2028	3,925,686	118,960	3,806,726	858,046	858,046	\$ -		
2029	3,806,726	118,960	3,687,766	834,950	834,950	\$ -		
2030	3,687,766	118,960	3,568,805	811,853	811,853	\$ -		
2031	3,568,805	118,960	3,449,845	788,757	788,757	\$ -		
2032	3,449,845	118,960	3,330,885	765,660	765,660	\$ -		
2033	3,330,885	118,960	3,211,925	742,564	742,564	\$ -		
2034	3,211,925	118,960	3,092,965	719,467	719,467	\$ -		
2035	3,092,965	118,960	2,974,004	696,371	696,371	\$ -		
2036	2,974,004	118,960	2,855,044	673,274	673,274	\$ -		
2037	2,855,044	118,960	2,736,084	650,178	650,178	\$ -		
2038	2,736,084	118,960	2,617,124	627,082	627,082	\$ -		
2039	2,617,124	118,960	2,498,164	603,985	603,985	\$ -		
2040	2,498,164	118,960	2,379,204	580,889	580,889	\$ -		
2041	2,379,204	118,960	2,260,243	557,792	557,792	\$ -		
2042	2,260,243	118,960	2,141,283	534,696	534,696	\$ -		
2043	2,141,283	118,960	2,022,323	511,599	511,599	\$ -		
2044	2,022,323	118,960	1,903,363	488,503	488,503	\$ -		
2045	1,903,363	118,960	1,784,403	465,407	465,407	\$ -		
2046	1,784,403	118,960	1,665,442	442,310	442,310	\$ -		
2047	1,665,442	118,960	1,546,482	419,214	419,214	\$ -		
2048	1,546,482	118,960	1,427,522	396,117	396,117	\$ -		
2049	1,427,522	118,960	1,308,562	373,021	373,021	\$ -		
2050	1,308,562	118,960	1,189,602	349,924	349,924	\$ -		
2051	1,189,602	118,960	1,070,642	326,828	326,828	\$ -		
2052	1,070,642	118,960	951,681	303,732	303,732	\$ -		
2053	951,681	118,960	832,721	280,635	280,635	\$ -		
2054	832,721	118,960	713,761	257,539	257,539	\$ -		
2055	713,761	118,960	594,801	234,442	234,442	\$ -		
2056	594,801	118,960	475,841	211,346	211,346	\$ -		
2057	475,841	118,960	356,881	188,249	188,249	\$ -		
2058	356,881	118,960	237,920	165,153	165,153	\$ -		
2059	237,920	118,960	118,960	142,057	142,057	\$ -		
2060	118,960	118,960	-	118,960	118,960	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				29,258,013	29,258,013	-		

** 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.

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	805,154
Current Projected Year ARR w/ Incentive	805,154
Current Projected Year Incentive ARR	-

Details		Current Year	2015
Investment	3,964,199		
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	19.42%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.42%
CIAC (Yes or No)	No	Annual Depreciation Expense	88,093

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	3,964,199	44,047	3,920,152	805,154	805,154	\$ -		
2016	3,920,152	88,093	3,832,059	832,098	832,098	\$ -		
2017	3,832,059	88,093	3,743,966	814,994	814,994	\$ -		
2018	3,743,966	88,093	3,655,872	797,891	797,891	\$ -		
2019	3,655,872	88,093	3,567,779	780,787	780,787	\$ -		
2020	3,567,779	88,093	3,479,686	763,683	763,683	\$ -		
2021	3,479,686	88,093	3,391,592	746,580	746,580	\$ -		
2022	3,391,592	88,093	3,303,499	729,476	729,476	\$ -		
2023	3,303,499	88,093	3,215,406	712,373	712,373	\$ -		
2024	3,215,406	88,093	3,127,313	695,269	695,269	\$ -		
2025	3,127,313	88,093	3,039,219	678,166	678,166	\$ -		
2026	3,039,219	88,093	2,951,126	661,062	661,062	\$ -		
2027	2,951,126	88,093	2,863,033	643,959	643,959	\$ -		
2028	2,863,033	88,093	2,774,939	626,855	626,855	\$ -		
2029	2,774,939	88,093	2,686,846	609,751	609,751	\$ -		
2030	2,686,846	88,093	2,598,753	592,648	592,648	\$ -		
2031	2,598,753	88,093	2,510,659	575,544	575,544	\$ -		
2032	2,510,659	88,093	2,422,566	558,441	558,441	\$ -		
2033	2,422,566	88,093	2,334,473	541,337	541,337	\$ -		
2034	2,334,473	88,093	2,246,379	524,234	524,234	\$ -		
2035	2,246,379	88,093	2,158,286	507,130	507,130	\$ -		
2036	2,158,286	88,093	2,070,193	490,027	490,027	\$ -		
2037	2,070,193	88,093	1,982,100	472,923	472,923	\$ -		
2038	1,982,100	88,093	1,894,006	455,820	455,820	\$ -		
2039	1,894,006	88,093	1,805,913	438,716	438,716	\$ -		
2040	1,805,913	88,093	1,717,820	421,612	421,612	\$ -		
2041	1,717,820	88,093	1,629,726	404,509	404,509	\$ -		
2042	1,629,726	88,093	1,541,633	387,405	387,405	\$ -		
2043	1,541,633	88,093	1,453,540	370,302	370,302	\$ -		
2044	1,453,540	88,093	1,365,446	353,198	353,198	\$ -		
2045	1,365,446	88,093	1,277,353	336,095	336,095	\$ -		
2046	1,277,353	88,093	1,189,260	318,991	318,991	\$ -		
2047	1,189,260	88,093	1,101,166	301,888	301,888	\$ -		
2048	1,101,166	88,093	1,013,073	284,784	284,784	\$ -		
2049	1,013,073	88,093	924,980	267,681	267,681	\$ -		
2050	924,980	88,093	836,886	250,577	250,577	\$ -		
2051	836,886	88,093	748,793	233,473	233,473	\$ -		
2052	748,793	88,093	660,700	216,370	216,370	\$ -		
2053	660,700	88,093	572,607	199,266	199,266	\$ -		
2054	572,607	88,093	484,513	182,163	182,163	\$ -		
2055	484,513	88,093	396,420	165,059	165,059	\$ -		
2056	396,420	88,093	308,327	147,956	147,956	\$ -		
2057	308,327	88,093	220,233	130,852	130,852	\$ -		
2058	220,233	88,093	132,140	113,749	113,749	\$ -		
2059	132,140	88,093	44,047	96,645	96,645	\$ -		
2060	44,047	44,047	-	44,047	44,047	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
Project Totals				21,281,540	21,281,540	-		

** 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 2014 FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
OHIO POWER COMPANY

I. Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical 0 basis point increase in ROE for Identified Projects

ROE w/o incentives (True-Up TCOS, In 164)			11.49%
Project ROE Incentive Adder		0	<==ROE Adder Cannot Exceed 100 Basis Points
ROE with additional 0 basis point incentive			11.49% <== ROE Including Incentives Cannot Exceed 12.5% Until July 1, 2012
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the True-Up TCOS, Ins 162 through 164)			
	%	Cost	Weighted cost
Long Term Debt	55.91%	5.49%	3.069%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	44.09%	11.49%	5.066%
			R = 8.135%

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS				
TRUE-UP YEAR	2014	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J	\$ 12,202,516	\$ 12,202,516	\$ -	\$ -
Actual after True-up	\$ 4,475,451	\$ 4,475,451	\$ -	\$ -
True-up of ARR For 2014	(7,727,065)	(7,727,065)	\$ -	\$ -

B. Determine Return using 'R' with hypothetical 0 basis point ROE increase for Identified Projects.

Rate Base (True-Up TCOS, In 78)	1,047,951,572
R (from A. above)	8.135%
Return (Rate Base x R)	85,253,779

C. Determine Income Taxes using Return with hypothetical 0 basis point ROE increase for Identified Projects.

Return (from B. above)	85,253,779
Effective Tax Rate (True-Up TCOS, In 126)	34.47%
Income Tax Calculation (Return x CIT)	29,390,621
ITC Adjustment	(101,708)
Income Taxes	29,288,913

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical 0 basis point ROE increase.

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

Annual Revenue Requirement (True-Up TCOS, In 1)	291,949,125
T.E.A. & Lease Payments (True-Up TCOS, Lns 105 & 106)	1,411,788
Return (True-Up TCOS, In 134)	85,253,779
Income Taxes (True-Up TCOS, In 133)	29,288,913
Annual Revenue Requirement, Less TEA Charges, Return and Taxes	175,994,645

B. Determine Annual Revenue Requirement with hypothetical 0 basis point increase in ROE.

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	175,994,645
Return (from I.B. above)	85,253,779
Income Taxes (from I.C. above)	29,288,913
Annual Revenue Requirement, with 0 Basis Point ROE increase	290,537,337
Depreciation (True-Up TCOS, In 111)	45,479,779
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	245,057,558

C. Determine FCR with hypothetical 0 basis point ROE increase.

Net Transmission Plant (True-Up TCOS, In 48)	1,243,411,407
Annual Revenue Requirement, with 0 Basis Point ROE increase	290,537,337
FCR with 0 Basis Point increase in ROE	23.37%

Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	245,057,558
FCR with 0 Basis Point ROE increase, less Depreciation	19.71%
FCR less Depreciation (True-Up TCOS, In 9)	19.71%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period (P.206, In 58,(b)):	2,005,287,961
Transmission Plant @ End of Historic Period (P.207, In 58,(g)):	2,098,610,563
Subtotal	4,103,898,524
Average Transmission Plant Balance for	2,051,949,262
Annual Depreciation Rate (True-Up TCOS, In 111)	45,479,779
Composite Depreciation Rate	2.22%
Depreciable Life for Composite Depreciation Rate	45.12
Round to nearest whole year	45

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b504 (765 kV circuit breaker installations at Hanging Rock)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,005,359	1,005,359	-
Prior Yr True-Up	1,078,100	1,078,100	-
True-Up Adjustment	72,741	72,741	-

Details		Current Year	2014
Investment	5,491,719		
Service Year (yyyy)	2009	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	3	FCR w/o incentives, less depreciation	19.71%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.71%
CIAC (Yes or No)	No	Annual Depreciation Expense	122,038

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2009	5,491,719	91,529	5,400,190	5,445,955	1,164,844	1,164,844	\$ -	\$ 894,796	\$ 270,048	\$ 894,796	\$ 270,048	\$ -
2010	5,400,190	122,038	5,278,152	5,339,171	1,174,308	1,174,308	\$ -	\$ 1,094,271	\$ 80,037	\$ 1,094,271	\$ 80,037	\$ -
2011	5,278,152	122,038	5,156,114	5,217,133	1,150,256	1,150,256	\$ -	\$ 1,210,680	\$ (60,424)	\$ 1,210,680	\$ (60,424)	\$ -
2012	5,156,114	122,038	5,034,076	5,095,095	1,126,204	1,126,204	\$ -	\$ 1,057,666	\$ 68,538	\$ 1,057,666	\$ 68,538	\$ -
2013	5,034,076	122,038	4,912,038	4,973,057	1,102,152	1,102,152	\$ -	\$ 1,051,933	\$ 50,219	\$ 1,051,933	\$ 50,219	\$ -
2014	4,912,038	122,038	4,789,999	4,851,018	1,078,100	1,078,100	\$ -	\$ 1,050,369	\$ 27,731	\$ 1,050,369	\$ 27,731	\$ -
2015	4,789,999	122,038	4,667,961	4,728,980	1,054,049	1,054,049	\$ -					\$ -
2016	4,667,961	122,038	4,545,923	4,606,942	1,029,997	1,029,997	\$ -					\$ -
2017	4,545,923	122,038	4,423,885	4,484,904	1,005,945	1,005,945	\$ -					\$ -
2018	4,423,885	122,038	4,301,847	4,362,866	981,893	981,893	\$ -					\$ -
2019	4,301,847	122,038	4,179,808	4,240,827	957,841	957,841	\$ -					\$ -
2020	4,179,808	122,038	4,057,770	4,118,789	933,789	933,789	\$ -					\$ -
2021	4,057,770	122,038	3,935,732	3,996,751	909,737	909,737	\$ -					\$ -
2022	3,935,732	122,038	3,813,694	3,874,713	885,685	885,685	\$ -					\$ -
2023	3,813,694	122,038	3,691,656	3,752,675	861,634	861,634	\$ -					\$ -
2024	3,691,656	122,038	3,569,617	3,630,636	837,582	837,582	\$ -					\$ -
2025	3,569,617	122,038	3,447,579	3,508,598	813,530	813,530	\$ -					\$ -
2026	3,447,579	122,038	3,325,541	3,386,560	789,478	789,478	\$ -					\$ -
2027	3,325,541	122,038	3,203,503	3,264,522	765,426	765,426	\$ -					\$ -
2028	3,203,503	122,038	3,081,465	3,142,484	741,374	741,374	\$ -					\$ -
2029	3,081,465	122,038	2,959,426	3,020,445	717,322	717,322	\$ -					\$ -
2030	2,959,426	122,038	2,837,388	2,898,407	693,270	693,270	\$ -					\$ -
2031	2,837,388	122,038	2,715,350	2,776,369	669,218	669,218	\$ -					\$ -
2032	2,715,350	122,038	2,593,312	2,654,331	645,167	645,167	\$ -					\$ -
2033	2,593,312	122,038	2,471,274	2,532,293	621,115	621,115	\$ -					\$ -
2034	2,471,274	122,038	2,349,235	2,410,254	597,063	597,063	\$ -					\$ -
2035	2,349,235	122,038	2,227,197	2,288,216	573,011	573,011	\$ -					\$ -
2036	2,227,197	122,038	2,105,159	2,166,178	548,959	548,959	\$ -					\$ -
2037	2,105,159	122,038	1,983,121	2,044,140	524,907	524,907	\$ -					\$ -
2038	1,983,121	122,038	1,861,083	1,922,102	500,855	500,855	\$ -					\$ -
2039	1,861,083	122,038	1,739,044	1,800,063	476,803	476,803	\$ -					\$ -
2040	1,739,044	122,038	1,617,006	1,678,025	452,752	452,752	\$ -					\$ -
2041	1,617,006	122,038	1,494,968	1,555,987	428,700	428,700	\$ -					\$ -
2042	1,494,968	122,038	1,372,930	1,433,949	404,648	404,648	\$ -					\$ -
2043	1,372,930	122,038	1,250,892	1,311,911	380,596	380,596	\$ -					\$ -
2044	1,250,892	122,038	1,128,853	1,189,872	356,544	356,544	\$ -					\$ -
2045	1,128,853	122,038	1,006,815	1,067,834	332,492	332,492	\$ -					\$ -
2046	1,006,815	122,038	884,777	945,796	308,440	308,440	\$ -					\$ -
2047	884,777	122,038	762,739	823,758	284,388	284,388	\$ -					\$ -
2048	762,739	122,038	640,701	701,720	260,337	260,337	\$ -					\$ -
2049	640,701	122,038	518,662	579,681	236,285	236,285	\$ -					\$ -
2050	518,662	122,038	396,624	457,643	212,233	212,233	\$ -					\$ -
2051	396,624	122,038	274,586	335,605	188,181	188,181	\$ -					\$ -
2052	274,586	122,038	152,548	213,567	164,129	164,129	\$ -					\$ -
2053	152,548	122,038	30,510	91,529	140,077	140,077	\$ -					\$ -
2054	30,510	30,510	-	15,255	33,516	33,516	\$ -					\$ -
2055	-	-	-	-	-	-	\$ -					\$ -
2056	-	-	-	-	-	-	\$ -					\$ -
2057	-	-	-	-	-	-	\$ -					\$ -
2058	-	-	-	-	-	-	\$ -					\$ -
2059	-	-	-	-	-	-	\$ -					\$ -
2060	-	-	-	-	-	-	\$ -					\$ -
2061	-	-	-	-	-	-	\$ -					\$ -
2062	-	-	-	-	-	-	\$ -					\$ -
2063	-	-	-	-	-	-	\$ -					\$ -
2064	-	-	-	-	-	-	\$ -					\$ -
2065	-	-	-	-	-	-	\$ -					\$ -
2066	-	-	-	-	-	-	\$ -					\$ -
2067	-	-	-	-	-	-	\$ -					\$ -
2068	-	-	-	-	-	-	\$ -					\$ -
Project Totals					30,114,832	30,114,832	-					

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description:

RTEP ID: B1231 (Replace the existing 138/69-12 kV transformer at West Moulton Station with a 138/69 kV transformer and a 69/12 kV transformer)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,247,628	1,247,628	-
Prior Yr True-Up	1,338,115	1,338,115	-
True-Up Adjustment	90,487	90,487	-

Details		2014
Investment	6,300,788	Current Year
Service Year (yyyy)	2012	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	11	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2012	6,300,788	11,668.13	6,289,120	6,294,954	1,252,308	1,252,308	\$ -	\$ 832,082	\$ 420,226	\$ 832,082	\$ 420,226	\$ -
2013	6,289,120	140,018	6,149,102	6,219,111	1,365,710	1,365,710	\$ -	\$ 1,210,587	\$ 155,123	\$ 1,210,587	\$ 155,123	\$ -
2014	6,149,102	140,018	6,009,085	6,079,094	1,338,115	1,338,115	\$ -	\$ 1,247,628	\$ 90,487	\$ 1,247,628	\$ 90,487	\$ -
2015	6,009,085	140,018	5,869,067	5,939,076	1,310,519	1,310,519	\$ -					\$ -
2016	5,869,067	140,018	5,729,050	5,799,059	1,282,924	1,282,924	\$ -					\$ -
2017	5,729,050	140,018	5,589,032	5,659,041	1,255,329	1,255,329	\$ -					\$ -
2018	5,589,032	140,018	5,449,015	5,519,024	1,227,733	1,227,733	\$ -					\$ -
2019	5,449,015	140,018	5,308,997	5,379,006	1,200,138	1,200,138	\$ -					\$ -
2020	5,308,997	140,018	5,168,980	5,238,989	1,172,543	1,172,543	\$ -					\$ -
2021	5,168,980	140,018	5,028,962	5,098,971	1,144,947	1,144,947	\$ -					\$ -
2022	5,028,962	140,018	4,888,945	4,958,954	1,117,352	1,117,352	\$ -					\$ -
2023	4,888,945	140,018	4,748,927	4,818,936	1,089,757	1,089,757	\$ -					\$ -
2024	4,748,927	140,018	4,608,910	4,678,918	1,062,161	1,062,161	\$ -					\$ -
2025	4,608,910	140,018	4,468,892	4,538,901	1,034,566	1,034,566	\$ -					\$ -
2026	4,468,892	140,018	4,328,875	4,398,883	1,006,971	1,006,971	\$ -					\$ -
2027	4,328,875	140,018	4,188,857	4,258,866	979,375	979,375	\$ -					\$ -
2028	4,188,857	140,018	4,048,840	4,118,848	951,780	951,780	\$ -					\$ -
2029	4,048,840	140,018	3,908,822	3,978,831	924,185	924,185	\$ -					\$ -
2030	3,908,822	140,018	3,768,805	3,838,813	896,590	896,590	\$ -					\$ -
2031	3,768,805	140,018	3,628,787	3,698,796	868,994	868,994	\$ -					\$ -
2032	3,628,787	140,018	3,488,770	3,558,778	841,399	841,399	\$ -					\$ -
2033	3,488,770	140,018	3,348,752	3,418,761	813,804	813,804	\$ -					\$ -
2034	3,348,752	140,018	3,208,735	3,278,743	786,208	786,208	\$ -					\$ -
2035	3,208,735	140,018	3,068,717	3,138,726	758,613	758,613	\$ -					\$ -
2036	3,068,717	140,018	2,928,700	2,998,708	731,018	731,018	\$ -					\$ -
2037	2,928,700	140,018	2,788,682	2,858,691	703,422	703,422	\$ -					\$ -
2038	2,788,682	140,018	2,648,665	2,718,673	675,827	675,827	\$ -					\$ -
2039	2,648,665	140,018	2,508,647	2,578,656	648,232	648,232	\$ -					\$ -
2040	2,508,647	140,018	2,368,630	2,438,638	620,636	620,636	\$ -					\$ -
2041	2,368,630	140,018	2,228,612	2,298,621	593,041	593,041	\$ -					\$ -
2042	2,228,612	140,018	2,088,595	2,158,603	565,446	565,446	\$ -					\$ -
2043	2,088,595	140,018	1,948,577	2,018,586	537,850	537,850	\$ -					\$ -
2044	1,948,577	140,018	1,808,560	1,878,568	510,255	510,255	\$ -					\$ -
2045	1,808,560	140,018	1,668,542	1,738,551	482,660	482,660	\$ -					\$ -
2046	1,668,542	140,018	1,528,524	1,598,533	455,064	455,064	\$ -					\$ -
2047	1,528,524	140,018	1,388,507	1,458,516	427,469	427,469	\$ -					\$ -
2048	1,388,507	140,018	1,248,489	1,318,498	399,874	399,874	\$ -					\$ -
2049	1,248,489	140,018	1,108,472	1,178,481	372,278	372,278	\$ -					\$ -
2050	1,108,472	140,018	968,454	1,038,463	344,683	344,683	\$ -					\$ -
2051	968,454	140,018	828,437	898,446	317,088	317,088	\$ -					\$ -
2052	828,437	140,018	688,419	758,428	289,492	289,492	\$ -					\$ -
2053	688,419	140,018	548,402	618,411	261,897	261,897	\$ -					\$ -
2054	548,402	140,018	408,384	478,393	234,302	234,302	\$ -					\$ -
2055	408,384	140,018	268,367	338,376	206,706	206,706	\$ -					\$ -
2056	268,367	140,018	128,349	198,358	179,111	179,111	\$ -					\$ -
2057	128,349	128,349	-	64,175	140,997	140,997	\$ -					\$ -
2058	-	-	-	-	-	-	\$ -					\$ -
2059	-	-	-	-	-	-	\$ -					\$ -
2060	-	-	-	-	-	-	\$ -					\$ -
2061	-	-	-	-	-	-	\$ -					\$ -
2062	-	-	-	-	-	-	\$ -					\$ -
2063	-	-	-	-	-	-	\$ -					\$ -
2064	-	-	-	-	-	-	\$ -					\$ -
2065	-	-	-	-	-	-	\$ -					\$ -
2066	-	-	-	-	-	-	\$ -					\$ -
2067	-	-	-	-	-	-	\$ -					\$ -
2068	-	-	-	-	-	-	\$ -					\$ -
2069	-	-	-	-	-	-	\$ -					\$ -
2070	-	-	-	-	-	-	\$ -					\$ -
2071	-	-	-	-	-	-	\$ -					\$ -
Project Totals					35,379,368	35,379,368	-					

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b0570 (Reconductor EAST LIMA-STERLING 138 KV LINE)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	203,042	203,042	-
Prior Yr True-Up	238,523	238,523	-
True-Up Adjustment	35,481	35,481	-

Details		2014
Investment	1,109,782	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	6	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	1,109,782	12,331	1,097,451	1,103,617	229,837	229,837	\$ -	\$ 219,263	\$ 10,574	\$ 219,263	\$ 10,574	\$ -
2014	1,097,451	24,662	1,072,789	1,085,120	238,523	238,523	\$ -	\$ 203,042	\$ 35,481	\$ 203,042	\$ 35,481	\$ -
2015	1,072,789	24,662	1,048,127	1,060,458	233,662	233,662	\$ -					\$ -
2016	1,048,127	24,662	1,023,466	1,035,797	228,802	228,802	\$ -					\$ -
2017	1,023,466	24,662	998,804	1,011,135	223,941	223,941	\$ -					\$ -
2018	998,804	24,662	974,142	986,473	219,081	219,081	\$ -					\$ -
2019	974,142	24,662	949,480	961,811	214,220	214,220	\$ -					\$ -
2020	949,480	24,662	924,818	937,149	209,360	209,360	\$ -					\$ -
2021	924,818	24,662	900,157	912,487	204,499	204,499	\$ -					\$ -
2022	900,157	24,662	875,495	887,826	199,639	199,639	\$ -					\$ -
2023	875,495	24,662	850,833	863,164	194,778	194,778	\$ -					\$ -
2024	850,833	24,662	826,171	838,502	189,918	189,918	\$ -					\$ -
2025	826,171	24,662	801,509	813,840	185,057	185,057	\$ -					\$ -
2026	801,509	24,662	776,847	789,178	180,197	180,197	\$ -					\$ -
2027	776,847	24,662	752,186	764,516	175,336	175,336	\$ -					\$ -
2028	752,186	24,662	727,524	739,855	170,476	170,476	\$ -					\$ -
2029	727,524	24,662	702,862	715,193	165,616	165,616	\$ -					\$ -
2030	702,862	24,662	678,200	690,531	160,755	160,755	\$ -					\$ -
2031	678,200	24,662	653,538	665,869	155,895	155,895	\$ -					\$ -
2032	653,538	24,662	628,876	641,207	151,034	151,034	\$ -					\$ -
2033	628,876	24,662	604,215	616,546	146,174	146,174	\$ -					\$ -
2034	604,215	24,662	579,553	591,884	141,313	141,313	\$ -					\$ -
2035	579,553	24,662	554,891	567,222	136,453	136,453	\$ -					\$ -
2036	554,891	24,662	530,229	542,560	131,592	131,592	\$ -					\$ -
2037	530,229	24,662	505,567	517,898	126,732	126,732	\$ -					\$ -
2038	505,567	24,662	480,906	493,236	121,871	121,871	\$ -					\$ -
2039	480,906	24,662	456,244	468,575	117,011	117,011	\$ -					\$ -
2040	456,244	24,662	431,582	443,913	112,150	112,150	\$ -					\$ -
2041	431,582	24,662	406,920	419,251	107,290	107,290	\$ -					\$ -
2042	406,920	24,662	382,258	394,589	102,429	102,429	\$ -					\$ -
2043	382,258	24,662	357,596	369,927	97,569	97,569	\$ -					\$ -
2044	357,596	24,662	332,935	345,266	92,708	92,708	\$ -					\$ -
2045	332,935	24,662	308,273	320,604	87,848	87,848	\$ -					\$ -
2046	308,273	24,662	283,611	295,942	82,987	82,987	\$ -					\$ -
2047	283,611	24,662	258,949	271,280	78,127	78,127	\$ -					\$ -
2048	258,949	24,662	234,287	246,618	73,267	73,267	\$ -					\$ -
2049	234,287	24,662	209,625	221,956	68,406	68,406	\$ -					\$ -
2050	209,625	24,662	184,964	197,295	63,546	63,546	\$ -					\$ -
2051	184,964	24,662	160,302	172,633	58,685	58,685	\$ -					\$ -
2052	160,302	24,662	135,640	147,971	53,825	53,825	\$ -					\$ -
2053	135,640	24,662	110,978	123,309	48,964	48,964	\$ -					\$ -
2054	110,978	24,662	86,316	98,647	44,104	44,104	\$ -					\$ -
2055	86,316	24,662	61,655	73,985	39,243	39,243	\$ -					\$ -
2056	61,655	24,662	36,993	49,324	34,383	34,383	\$ -					\$ -
2057	36,993	24,662	12,331	24,662	29,522	29,522	\$ -					\$ -
2058	12,331	12,331	-	6,165	13,546	13,546	\$ -					\$ -
2059	-	-	-	-	-	-	\$ -					\$ -
2060	-	-	-	-	-	-	\$ -					\$ -
2061	-	-	-	-	-	-	\$ -					\$ -
2062	-	-	-	-	-	-	\$ -					\$ -
2063	-	-	-	-	-	-	\$ -					\$ -
2064	-	-	-	-	-	-	\$ -					\$ -
2065	-	-	-	-	-	-	\$ -					\$ -
2066	-	-	-	-	-	-	\$ -					\$ -
2067	-	-	-	-	-	-	\$ -					\$ -
2068	-	-	-	-	-	-	\$ -					\$ -
2069	-	-	-	-	-	-	\$ -					\$ -
2070	-	-	-	-	-	-	\$ -					\$ -
2071	-	-	-	-	-	-	\$ -					\$ -
2072	-	-	-	-	-	-	\$ -					\$ -
Project Totals					6,140,370	6,140,370	-					

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description:

RTEP ID: b1034.1 (South Canton - West Canton 138kV line (replacing Torrey - West Canton) and Wagenhals - Wayview 138kV)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,017,894	1,017,894	-
Prior Yr True-Up	996,645	996,645	-
True-Up Adjustment	(21,249)	(21,249)	-

Details		2014
Investment	4,598,084	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	11	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	4,598,084	8,515	4,589,569	4,593,827	913,889	913,889	\$ -	\$ 528,784	\$ 385,105	\$ 528,784	\$ 385,105	\$ -
2014	4,589,569	102,180	4,487,389	4,538,479	996,645	996,645	\$ -	\$ 1,017,894	\$ (21,249)	\$ 1,017,894	\$ (21,249)	\$ -
2015	4,487,389	102,180	4,385,210	4,436,300	976,507	976,507	\$ -					\$ -
2016	4,385,210	102,180	4,283,030	4,334,120	956,369	956,369	\$ -					\$ -
2017	4,283,030	102,180	4,180,850	4,231,940	936,231	936,231	\$ -					\$ -
2018	4,180,850	102,180	4,078,671	4,129,761	916,093	916,093	\$ -					\$ -
2019	4,078,671	102,180	3,976,491	4,027,581	895,955	895,955	\$ -					\$ -
2020	3,976,491	102,180	3,874,312	3,925,401	875,817	875,817	\$ -					\$ -
2021	3,874,312	102,180	3,772,132	3,823,222	855,679	855,679	\$ -					\$ -
2022	3,772,132	102,180	3,669,952	3,721,042	835,541	835,541	\$ -					\$ -
2023	3,669,952	102,180	3,567,773	3,618,862	815,403	815,403	\$ -					\$ -
2024	3,567,773	102,180	3,465,593	3,516,683	795,265	795,265	\$ -					\$ -
2025	3,465,593	102,180	3,363,413	3,414,503	775,126	775,126	\$ -					\$ -
2026	3,363,413	102,180	3,261,234	3,312,323	754,988	754,988	\$ -					\$ -
2027	3,261,234	102,180	3,159,054	3,210,144	734,850	734,850	\$ -					\$ -
2028	3,159,054	102,180	3,056,874	3,107,964	714,712	714,712	\$ -					\$ -
2029	3,056,874	102,180	2,954,695	3,005,785	694,574	694,574	\$ -					\$ -
2030	2,954,695	102,180	2,852,515	2,903,605	674,436	674,436	\$ -					\$ -
2031	2,852,515	102,180	2,750,335	2,750,335	654,298	654,298	\$ -					\$ -
2032	2,750,335	102,180	2,648,156	2,699,246	634,160	634,160	\$ -					\$ -
2033	2,648,156	102,180	2,545,976	2,597,066	614,022	614,022	\$ -					\$ -
2034	2,545,976	102,180	2,443,796	2,494,886	593,884	593,884	\$ -					\$ -
2035	2,443,796	102,180	2,341,617	2,392,707	573,746	573,746	\$ -					\$ -
2036	2,341,617	102,180	2,239,437	2,290,527	553,608	553,608	\$ -					\$ -
2037	2,239,437	102,180	2,137,258	2,188,347	533,470	533,470	\$ -					\$ -
2038	2,137,258	102,180	2,035,078	2,086,168	513,332	513,332	\$ -					\$ -
2039	2,035,078	102,180	1,932,898	1,983,988	493,194	493,194	\$ -					\$ -
2040	1,932,898	102,180	1,830,719	1,881,808	473,056	473,056	\$ -					\$ -
2041	1,830,719	102,180	1,728,539	1,779,629	452,918	452,918	\$ -					\$ -
2042	1,728,539	102,180	1,626,359	1,677,449	432,779	432,779	\$ -					\$ -
2043	1,626,359	102,180	1,524,180	1,575,270	412,641	412,641	\$ -					\$ -
2044	1,524,180	102,180	1,422,000	1,473,090	392,503	392,503	\$ -					\$ -
2045	1,422,000	102,180	1,319,820	1,370,910	372,365	372,365	\$ -					\$ -
2046	1,319,820	102,180	1,217,641	1,268,731	352,227	352,227	\$ -					\$ -
2047	1,217,641	102,180	1,115,461	1,166,551	332,089	332,089	\$ -					\$ -
2048	1,115,461	102,180	1,013,281	1,064,371	311,951	311,951	\$ -					\$ -
2049	1,013,281	102,180	911,102	962,192	291,813	291,813	\$ -					\$ -
2050	911,102	102,180	808,922	860,012	271,675	271,675	\$ -					\$ -
2051	808,922	102,180	706,743	757,832	251,537	251,537	\$ -					\$ -
2052	706,743	102,180	604,563	655,653	231,399	231,399	\$ -					\$ -
2053	604,563	102,180	502,383	553,473	211,261	211,261	\$ -					\$ -
2054	502,383	102,180	400,204	451,293	191,123	191,123	\$ -					\$ -
2055	400,204	102,180	298,024	349,114	170,985	170,985	\$ -					\$ -
2056	298,024	102,180	195,844	246,934	150,847	150,847	\$ -					\$ -
2057	195,844	102,180	93,665	144,754	130,709	130,709	\$ -					\$ -
2058	93,665	93,665	-	46,832	102,895	102,895	\$ -					\$ -
2059	-	-	-	-	-	-	\$ -					\$ -
2060	-	-	-	-	-	-	\$ -					\$ -
2061	-	-	-	-	-	-	\$ -					\$ -
2062	-	-	-	-	-	-	\$ -					\$ -
2063	-	-	-	-	-	-	\$ -					\$ -
2064	-	-	-	-	-	-	\$ -					\$ -
2065	-	-	-	-	-	-	\$ -					\$ -
2066	-	-	-	-	-	-	\$ -					\$ -
2067	-	-	-	-	-	-	\$ -					\$ -
2068	-	-	-	-	-	-	\$ -					\$ -
2069	-	-	-	-	-	-	\$ -					\$ -
2070	-	-	-	-	-	-	\$ -					\$ -
2071	-	-	-	-	-	-	\$ -					\$ -
2072	-	-	-	-	-	-	\$ -					\$ -
Project Totals					25,818,565	25,818,565	-					

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.6 (138kV circuit breakers at South Canton Station)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	372,954	372,954	-
Prior Yr True-Up	396,073	396,073	-
True-Up Adjustment	23,119	23,119	-

Details		2014
Investment	1,824,236	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	1,824,236	-	1,824,236	1,824,236	359,529	359,529	\$ -	\$ 424,916	\$ (65,387)	\$ 424,916	\$ (65,387)	\$ -
2014	1,824,236	40,539	1,783,697	1,803,967	396,073	396,073	\$ -	\$ 372,954	\$ 23,119	\$ 372,954	\$ 23,119	\$ -
2015	1,783,697	40,539	1,743,159	1,763,428	388,084	388,084	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	1,743,159	40,539	1,702,620	1,722,890	380,094	380,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	1,702,620	40,539	1,662,082	1,682,351	372,104	372,104	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	1,662,082	40,539	1,621,543	1,641,812	364,115	364,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	1,621,543	40,539	1,581,005	1,601,274	356,125	356,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	1,581,005	40,539	1,540,466	1,560,735	348,136	348,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	1,540,466	40,539	1,499,927	1,520,197	340,146	340,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	1,499,927	40,539	1,459,389	1,479,658	332,157	332,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	1,459,389	40,539	1,418,850	1,439,120	324,167	324,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	1,418,850	40,539	1,378,312	1,398,581	316,178	316,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	1,378,312	40,539	1,337,773	1,358,042	308,188	308,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	1,337,773	40,539	1,297,234	1,317,504	300,199	300,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	1,297,234	40,539	1,256,696	1,276,965	292,209	292,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	1,256,696	40,539	1,216,157	1,236,427	284,220	284,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	1,216,157	40,539	1,175,619	1,195,888	276,230	276,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	1,175,619	40,539	1,135,080	1,155,349	268,240	268,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	1,135,080	40,539	1,094,542	1,114,811	260,251	260,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	1,094,542	40,539	1,054,003	1,074,272	252,261	252,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	1,054,003	40,539	1,013,464	1,033,734	244,272	244,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	1,013,464	40,539	972,926	993,195	236,282	236,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	972,926	40,539	932,387	952,657	228,293	228,293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	932,387	40,539	891,849	912,118	220,303	220,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	891,849	40,539	851,310	871,579	212,314	212,314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	851,310	40,539	810,772	831,041	204,324	204,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	810,772	40,539	770,233	790,502	196,335	196,335	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	770,233	40,539	729,694	749,964	188,345	188,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	729,694	40,539	689,156	709,425	180,356	180,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	689,156	40,539	648,617	668,887	172,366	172,366	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	648,617	40,539	608,079	628,348	164,376	164,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	608,079	40,539	567,540	587,809	156,387	156,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	567,540	40,539	527,002	547,271	148,397	148,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	527,002	40,539	486,463	506,732	140,408	140,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	486,463	40,539	445,924	466,194	132,418	132,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	445,924	40,539	405,386	425,655	124,429	124,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	405,386	40,539	364,847	385,116	116,439	116,439	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	364,847	40,539	324,309	344,578	108,450	108,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	324,309	40,539	283,770	304,039	100,460	100,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	283,770	40,539	243,231	263,501	92,471	92,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	243,231	40,539	202,693	222,962	84,481	84,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	202,693	40,539	162,154	182,424	76,492	76,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	162,154	40,539	121,616	141,885	68,502	68,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	121,616	40,539	81,077	101,346	60,512	60,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	81,077	40,539	40,539	60,808	52,523	52,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	40,539	40,539	-	20,269	44,533	44,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals					10,273,174	10,273,174	-					

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1864.1 (Add two additional 345/138 kV transformers at Kammer)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	-	-	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	-	-	-

Details		Current Year	2014
Investment	-		
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.71%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.71%
CIAC (Yes or No)	No	Annual Depreciation Expense	-

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	-	-	-	-	-	-	\$ -	\$ 333,178	\$ (333,178)	\$ 333,178	\$ (333,178)	\$ -
2014	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals												

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b2021 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	7,389,952	7,389,952	-
Prior Yr True-Up	170,399	170,399	-
True-Up Adjustment	(7,219,553)	(7,219,553)	-

Details		2014
Investment	787,473	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	10	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2013	787,473	2,917	784,556	786,015	157,828	157,828	\$ -	\$ 0	\$ 157,828	\$ 0	\$ 157,828
2014	784,556	17,499	767,057	775,807	170,399	170,399	\$ -	\$ 7,389,952	\$ (7,219,553)	\$ 7,389,952	\$ (7,219,553)
2015	767,057	17,499	749,558	758,307	166,950	166,950	\$ -	\$ -	\$ -	\$ -	\$ -
2016	749,558	17,499	732,058	740,808	163,501	163,501	\$ -	\$ -	\$ -	\$ -	\$ -
2017	732,058	17,499	714,559	723,309	160,053	160,053	\$ -	\$ -	\$ -	\$ -	\$ -
2018	714,559	17,499	697,059	705,809	156,604	156,604	\$ -	\$ -	\$ -	\$ -	\$ -
2019	697,059	17,499	679,560	688,310	153,155	153,155	\$ -	\$ -	\$ -	\$ -	\$ -
2020	679,560	17,499	662,061	670,810	149,706	149,706	\$ -	\$ -	\$ -	\$ -	\$ -
2021	662,061	17,499	644,561	653,311	146,257	146,257	\$ -	\$ -	\$ -	\$ -	\$ -
2022	644,561	17,499	627,062	635,812	142,808	142,808	\$ -	\$ -	\$ -	\$ -	\$ -
2023	627,062	17,499	609,562	618,312	139,359	139,359	\$ -	\$ -	\$ -	\$ -	\$ -
2024	609,562	17,499	592,063	600,813	135,910	135,910	\$ -	\$ -	\$ -	\$ -	\$ -
2025	592,063	17,499	574,564	583,313	132,462	132,462	\$ -	\$ -	\$ -	\$ -	\$ -
2026	574,564	17,499	557,064	565,814	129,013	129,013	\$ -	\$ -	\$ -	\$ -	\$ -
2027	557,064	17,499	539,565	548,315	125,564	125,564	\$ -	\$ -	\$ -	\$ -	\$ -
2028	539,565	17,499	522,065	530,815	122,115	122,115	\$ -	\$ -	\$ -	\$ -	\$ -
2029	522,065	17,499	504,566	513,316	118,666	118,666	\$ -	\$ -	\$ -	\$ -	\$ -
2030	504,566	17,499	487,067	495,816	115,217	115,217	\$ -	\$ -	\$ -	\$ -	\$ -
2031	487,067	17,499	469,567	478,317	111,768	111,768	\$ -	\$ -	\$ -	\$ -	\$ -
2032	469,567	17,499	452,068	460,818	108,320	108,320	\$ -	\$ -	\$ -	\$ -	\$ -
2033	452,068	17,499	434,568	443,318	104,871	104,871	\$ -	\$ -	\$ -	\$ -	\$ -
2034	434,568	17,499	417,069	425,819	101,422	101,422	\$ -	\$ -	\$ -	\$ -	\$ -
2035	417,069	17,499	399,570	408,319	97,973	97,973	\$ -	\$ -	\$ -	\$ -	\$ -
2036	399,570	17,499	382,070	390,820	94,524	94,524	\$ -	\$ -	\$ -	\$ -	\$ -
2037	382,070	17,499	364,571	373,321	91,075	91,075	\$ -	\$ -	\$ -	\$ -	\$ -
2038	364,571	17,499	347,071	355,821	87,626	87,626	\$ -	\$ -	\$ -	\$ -	\$ -
2039	347,071	17,499	329,572	338,322	84,177	84,177	\$ -	\$ -	\$ -	\$ -	\$ -
2040	329,572	17,499	312,073	320,822	80,728	80,728	\$ -	\$ -	\$ -	\$ -	\$ -
2041	312,073	17,499	294,573	303,323	77,280	77,280	\$ -	\$ -	\$ -	\$ -	\$ -
2042	294,573	17,499	277,074	285,824	73,831	73,831	\$ -	\$ -	\$ -	\$ -	\$ -
2043	277,074	17,499	259,574	268,324	70,382	70,382	\$ -	\$ -	\$ -	\$ -	\$ -
2044	259,574	17,499	242,075	250,825	66,933	66,933	\$ -	\$ -	\$ -	\$ -	\$ -
2045	242,075	17,499	224,576	233,325	63,484	63,484	\$ -	\$ -	\$ -	\$ -	\$ -
2046	224,576	17,499	207,076	215,826	60,035	60,035	\$ -	\$ -	\$ -	\$ -	\$ -
2047	207,076	17,499	189,577	198,327	56,587	56,587	\$ -	\$ -	\$ -	\$ -	\$ -
2048	189,577	17,499	172,077	180,827	53,138	53,138	\$ -	\$ -	\$ -	\$ -	\$ -
2049	172,077	17,499	154,578	163,328	49,689	49,689	\$ -	\$ -	\$ -	\$ -	\$ -
2050	154,578	17,499	137,079	145,828	46,240	46,240	\$ -	\$ -	\$ -	\$ -	\$ -
2051	137,079	17,499	119,579	128,329	42,791	42,791	\$ -	\$ -	\$ -	\$ -	\$ -
2052	119,579	17,499	102,080	110,830	39,342	39,342	\$ -	\$ -	\$ -	\$ -	\$ -
2053	102,080	17,499	84,580	93,330	35,893	35,893	\$ -	\$ -	\$ -	\$ -	\$ -
2054	84,580	17,499	67,081	75,831	32,444	32,444	\$ -	\$ -	\$ -	\$ -	\$ -
2055	67,081	17,499	49,582	58,331	28,996	28,996	\$ -	\$ -	\$ -	\$ -	\$ -
2056	49,582	17,499	32,082	40,832	25,547	25,547	\$ -	\$ -	\$ -	\$ -	\$ -
2057	32,082	17,499	14,583	23,333	22,098	22,098	\$ -	\$ -	\$ -	\$ -	\$ -
2058	14,583	14,583	-	7,291	16,020	16,020	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals					4,408,783	4,408,783	-				

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	25,862	25,862	-
Prior Yr True-Up	18,762	18,762	-
True-Up Adjustment	(7,100)	(7,100)	-

Details		2014
Investment	88,041	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	1	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2013	88,041	1,793	86,248	87,144	18,968	18,968	\$ -	\$ 0	\$ 18,968	\$ 0	\$ 18,968
2014	86,248	1,956	84,291	85,269	18,762	18,762	\$ -	\$ 25,862	\$ (7,100)	\$ 25,862	\$ (7,100)
2015	84,291	1,956	82,335	83,313	18,376	18,376	\$ -				
2016	82,335	1,956	80,378	81,356	17,991	17,991	\$ -				
2017	80,378	1,956	78,422	79,400	17,605	17,605	\$ -				
2018	78,422	1,956	76,465	77,443	17,219	17,219	\$ -				
2019	76,465	1,956	74,509	75,487	16,834	16,834	\$ -				
2020	74,509	1,956	72,552	73,531	16,448	16,448	\$ -				
2021	72,552	1,956	70,596	71,574	16,063	16,063	\$ -				
2022	70,596	1,956	68,639	69,618	15,677	15,677	\$ -				
2023	68,639	1,956	66,683	67,661	15,291	15,291	\$ -				
2024	66,683	1,956	64,726	65,705	14,906	14,906	\$ -				
2025	64,726	1,956	62,770	63,748	14,520	14,520	\$ -				
2026	62,770	1,956	60,814	61,792	14,135	14,135	\$ -				
2027	60,814	1,956	58,857	59,835	13,749	13,749	\$ -				
2028	58,857	1,956	56,901	57,879	13,364	13,364	\$ -				
2029	56,901	1,956	54,944	55,922	12,978	12,978	\$ -				
2030	54,944	1,956	52,988	53,966	12,592	12,592	\$ -				
2031	52,988	1,956	51,031	52,009	12,207	12,207	\$ -				
2032	51,031	1,956	49,075	50,053	11,821	11,821	\$ -				
2033	49,075	1,956	47,118	48,096	11,436	11,436	\$ -				
2034	47,118	1,956	45,162	46,140	11,050	11,050	\$ -				
2035	45,162	1,956	43,205	44,184	10,664	10,664	\$ -				
2036	43,205	1,956	41,249	42,227	10,279	10,279	\$ -				
2037	41,249	1,956	39,292	40,271	9,893	9,893	\$ -				
2038	39,292	1,956	37,336	38,314	9,508	9,508	\$ -				
2039	37,336	1,956	35,379	36,358	9,122	9,122	\$ -				
2040	35,379	1,956	33,423	34,401	8,736	8,736	\$ -				
2041	33,423	1,956	31,467	32,445	8,351	8,351	\$ -				
2042	31,467	1,956	29,510	30,488	7,965	7,965	\$ -				
2043	29,510	1,956	27,554	28,532	7,580	7,580	\$ -				
2044	27,554	1,956	25,597	26,575	7,194	7,194	\$ -				
2045	25,597	1,956	23,641	24,619	6,808	6,808	\$ -				
2046	23,641	1,956	21,684	22,662	6,423	6,423	\$ -				
2047	21,684	1,956	19,728	20,706	6,037	6,037	\$ -				
2048	19,728	1,956	17,771	18,749	5,652	5,652	\$ -				
2049	17,771	1,956	15,815	16,793	5,266	5,266	\$ -				
2050	15,815	1,956	13,858	14,837	4,881	4,881	\$ -				
2051	13,858	1,956	11,902	12,880	4,495	4,495	\$ -				
2052	11,902	1,956	9,945	10,924	4,109	4,109	\$ -				
2053	9,945	1,956	7,989	8,967	3,724	3,724	\$ -				
2054	7,989	1,956	6,032	7,011	3,338	3,338	\$ -				
2055	6,032	1,956	4,076	5,054	2,953	2,953	\$ -				
2056	4,076	1,956	2,120	3,098	2,567	2,567	\$ -				
2057	2,120	1,956	163	1,141	2,181	2,181	\$ -				
2058	163	163	-	82	179	179	\$ -				
2059	-	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	-	\$ -				
Project Totals					479,897	479,897	-				

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b1034.2 (Loop the existing South Canton - Wayview 138kV circuit in-and-out of West Canton)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	646,572	646,572	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	(646,572)	(646,572)	-

Details		Current Year	2014
Investment	-		
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	19.71%
Useful life	45	FCR w/incentives approved for these facilities, less dep.	19.71%
CIAC (Yes or No)	No	Annual Depreciation Expense	-

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2014	-	-	-	-	-	-	\$ 646,572	\$ (646,572)	\$ 646,572	\$ (646,572)	
2015	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2016	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2017	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2018	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2019	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2020	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2021	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2022	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2023	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2024	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2025	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2026	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2027	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2028	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2029	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2030	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2031	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2032	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2033	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2034	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2035	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2036	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2037	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2038	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2039	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2040	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2041	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2042	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2043	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2044	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2045	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2046	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2047	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2048	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2049	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2050	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2051	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2052	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2053	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2054	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2055	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2056	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2057	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
Project Totals											

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1034.7 (Replace all obsolete 138kV circuit breakers at the Torrey and Wagenhals stations)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	95,797	95,797	-
Prior Yr True-Up	71,791	71,791	-
True-Up Adjustment	(24,006)	(24,006)	-

Details		2014
Investment	332,331	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	9	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2013	332,331	1,846	330,485	331,408	67,162	67,162	\$ -	\$ 0	\$ 67,162	\$ 0	\$ 67,162
2014	330,485	7,385	323,100	326,792	71,791	71,791	\$ -	\$ 95,797	\$ (24,006)	\$ 95,797	\$ (24,006)
2015	323,100	7,385	315,714	319,407	70,335	70,335	\$ -	\$ -	\$ -	\$ -	\$ -
2016	315,714	7,385	308,329	312,022	68,880	68,880	\$ -	\$ -	\$ -	\$ -	\$ -
2017	308,329	7,385	300,944	304,637	67,424	67,424	\$ -	\$ -	\$ -	\$ -	\$ -
2018	300,944	7,385	293,559	297,252	65,969	65,969	\$ -	\$ -	\$ -	\$ -	\$ -
2019	293,559	7,385	286,174	289,866	64,513	64,513	\$ -	\$ -	\$ -	\$ -	\$ -
2020	286,174	7,385	278,789	282,481	63,058	63,058	\$ -	\$ -	\$ -	\$ -	\$ -
2021	278,789	7,385	271,404	275,096	61,602	61,602	\$ -	\$ -	\$ -	\$ -	\$ -
2022	271,404	7,385	264,019	267,711	60,147	60,147	\$ -	\$ -	\$ -	\$ -	\$ -
2023	264,019	7,385	256,633	260,326	58,691	58,691	\$ -	\$ -	\$ -	\$ -	\$ -
2024	256,633	7,385	249,248	252,941	57,236	57,236	\$ -	\$ -	\$ -	\$ -	\$ -
2025	249,248	7,385	241,863	245,556	55,780	55,780	\$ -	\$ -	\$ -	\$ -	\$ -
2026	241,863	7,385	234,478	238,171	54,325	54,325	\$ -	\$ -	\$ -	\$ -	\$ -
2027	234,478	7,385	227,093	230,785	52,869	52,869	\$ -	\$ -	\$ -	\$ -	\$ -
2028	227,093	7,385	219,708	223,400	51,414	51,414	\$ -	\$ -	\$ -	\$ -	\$ -
2029	219,708	7,385	212,323	216,015	49,958	49,958	\$ -	\$ -	\$ -	\$ -	\$ -
2030	212,323	7,385	204,937	208,630	48,503	48,503	\$ -	\$ -	\$ -	\$ -	\$ -
2031	204,937	7,385	197,552	201,245	47,047	47,047	\$ -	\$ -	\$ -	\$ -	\$ -
2032	197,552	7,385	190,167	193,860	45,592	45,592	\$ -	\$ -	\$ -	\$ -	\$ -
2033	190,167	7,385	182,782	186,475	44,136	44,136	\$ -	\$ -	\$ -	\$ -	\$ -
2034	182,782	7,385	175,397	179,089	42,681	42,681	\$ -	\$ -	\$ -	\$ -	\$ -
2035	175,397	7,385	168,012	171,704	41,225	41,225	\$ -	\$ -	\$ -	\$ -	\$ -
2036	168,012	7,385	160,627	164,319	39,770	39,770	\$ -	\$ -	\$ -	\$ -	\$ -
2037	160,627	7,385	153,242	156,934	38,314	38,314	\$ -	\$ -	\$ -	\$ -	\$ -
2038	153,242	7,385	145,856	149,549	36,859	36,859	\$ -	\$ -	\$ -	\$ -	\$ -
2039	145,856	7,385	138,471	142,164	35,403	35,403	\$ -	\$ -	\$ -	\$ -	\$ -
2040	138,471	7,385	131,086	134,779	33,948	33,948	\$ -	\$ -	\$ -	\$ -	\$ -
2041	131,086	7,385	123,701	127,394	32,492	32,492	\$ -	\$ -	\$ -	\$ -	\$ -
2042	123,701	7,385	116,316	120,008	31,037	31,037	\$ -	\$ -	\$ -	\$ -	\$ -
2043	116,316	7,385	108,931	112,623	29,581	29,581	\$ -	\$ -	\$ -	\$ -	\$ -
2044	108,931	7,385	101,546	105,238	28,126	28,126	\$ -	\$ -	\$ -	\$ -	\$ -
2045	101,546	7,385	94,160	97,853	26,670	26,670	\$ -	\$ -	\$ -	\$ -	\$ -
2046	94,160	7,385	86,775	90,468	25,215	25,215	\$ -	\$ -	\$ -	\$ -	\$ -
2047	86,775	7,385	79,390	83,083	23,759	23,759	\$ -	\$ -	\$ -	\$ -	\$ -
2048	79,390	7,385	72,005	75,698	22,304	22,304	\$ -	\$ -	\$ -	\$ -	\$ -
2049	72,005	7,385	64,620	68,312	20,848	20,848	\$ -	\$ -	\$ -	\$ -	\$ -
2050	64,620	7,385	57,235	60,927	19,393	19,393	\$ -	\$ -	\$ -	\$ -	\$ -
2051	57,235	7,385	49,850	53,542	17,937	17,937	\$ -	\$ -	\$ -	\$ -	\$ -
2052	49,850	7,385	42,465	46,157	16,482	16,482	\$ -	\$ -	\$ -	\$ -	\$ -
2053	42,465	7,385	35,079	38,772	15,026	15,026	\$ -	\$ -	\$ -	\$ -	\$ -
2054	35,079	7,385	27,694	31,387	13,571	13,571	\$ -	\$ -	\$ -	\$ -	\$ -
2055	27,694	7,385	20,309	24,002	12,116	12,116	\$ -	\$ -	\$ -	\$ -	\$ -
2056	20,309	7,385	12,924	16,617	10,660	10,660	\$ -	\$ -	\$ -	\$ -	\$ -
2057	12,924	7,385	5,539	9,231	9,205	9,205	\$ -	\$ -	\$ -	\$ -	\$ -
2058	5,539	5,539	-	2,769	6,085	6,085	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals					1,855,146	1,855,146	-				

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED]

(e.g. ER05-925-000)

Project Description: RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 kV line)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	99,055	99,055	-
Prior Yr True-Up	167,043	167,043	-
True-Up Adjustment	67,988	67,988	-

Details		2014
Investment	847,567	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	45	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2014	847,567	-	847,567	847,567	167,043	167,043	\$ -	\$ 99,055	\$ 67,988	\$ 99,055	\$ 67,988
2015	847,567	18,835	828,732	838,150	184,021	184,021	\$ -	\$ -	\$ -	\$ -	\$ -
2016	828,732	18,835	809,897	819,315	180,309	180,309	\$ -	\$ -	\$ -	\$ -	\$ -
2017	809,897	18,835	791,063	800,480	176,597	176,597	\$ -	\$ -	\$ -	\$ -	\$ -
2018	791,063	18,835	772,228	781,645	172,885	172,885	\$ -	\$ -	\$ -	\$ -	\$ -
2019	772,228	18,835	753,393	762,810	169,173	169,173	\$ -	\$ -	\$ -	\$ -	\$ -
2020	753,393	18,835	734,558	743,975	165,461	165,461	\$ -	\$ -	\$ -	\$ -	\$ -
2021	734,558	18,835	715,723	725,141	161,749	161,749	\$ -	\$ -	\$ -	\$ -	\$ -
2022	715,723	18,835	696,888	706,306	158,037	158,037	\$ -	\$ -	\$ -	\$ -	\$ -
2023	696,888	18,835	678,054	687,471	154,325	154,325	\$ -	\$ -	\$ -	\$ -	\$ -
2024	678,054	18,835	659,219	668,636	150,613	150,613	\$ -	\$ -	\$ -	\$ -	\$ -
2025	659,219	18,835	640,384	649,801	146,901	146,901	\$ -	\$ -	\$ -	\$ -	\$ -
2026	640,384	18,835	621,549	630,967	143,189	143,189	\$ -	\$ -	\$ -	\$ -	\$ -
2027	621,549	18,835	602,714	612,132	139,477	139,477	\$ -	\$ -	\$ -	\$ -	\$ -
2028	602,714	18,835	583,879	593,297	135,765	135,765	\$ -	\$ -	\$ -	\$ -	\$ -
2029	583,879	18,835	565,045	574,462	132,053	132,053	\$ -	\$ -	\$ -	\$ -	\$ -
2030	565,045	18,835	546,210	555,627	128,341	128,341	\$ -	\$ -	\$ -	\$ -	\$ -
2031	546,210	18,835	527,375	536,792	124,628	124,628	\$ -	\$ -	\$ -	\$ -	\$ -
2032	527,375	18,835	508,540	517,958	120,916	120,916	\$ -	\$ -	\$ -	\$ -	\$ -
2033	508,540	18,835	489,705	499,123	117,204	117,204	\$ -	\$ -	\$ -	\$ -	\$ -
2034	489,705	18,835	470,871	480,288	113,492	113,492	\$ -	\$ -	\$ -	\$ -	\$ -
2035	470,871	18,835	452,036	461,453	109,780	109,780	\$ -	\$ -	\$ -	\$ -	\$ -
2036	452,036	18,835	433,201	442,618	106,068	106,068	\$ -	\$ -	\$ -	\$ -	\$ -
2037	433,201	18,835	414,366	423,784	102,356	102,356	\$ -	\$ -	\$ -	\$ -	\$ -
2038	414,366	18,835	395,531	404,949	98,644	98,644	\$ -	\$ -	\$ -	\$ -	\$ -
2039	395,531	18,835	376,696	386,114	94,932	94,932	\$ -	\$ -	\$ -	\$ -	\$ -
2040	376,696	18,835	357,862	367,279	91,220	91,220	\$ -	\$ -	\$ -	\$ -	\$ -
2041	357,862	18,835	339,027	348,444	87,508	87,508	\$ -	\$ -	\$ -	\$ -	\$ -
2042	339,027	18,835	320,192	329,609	83,796	83,796	\$ -	\$ -	\$ -	\$ -	\$ -
2043	320,192	18,835	301,357	310,775	80,084	80,084	\$ -	\$ -	\$ -	\$ -	\$ -
2044	301,357	18,835	282,522	291,940	76,372	76,372	\$ -	\$ -	\$ -	\$ -	\$ -
2045	282,522	18,835	263,688	273,105	72,660	72,660	\$ -	\$ -	\$ -	\$ -	\$ -
2046	263,688	18,835	244,853	254,270	68,948	68,948	\$ -	\$ -	\$ -	\$ -	\$ -
2047	244,853	18,835	226,018	235,435	65,236	65,236	\$ -	\$ -	\$ -	\$ -	\$ -
2048	226,018	18,835	207,183	216,600	61,523	61,523	\$ -	\$ -	\$ -	\$ -	\$ -
2049	207,183	18,835	188,348	197,766	57,811	57,811	\$ -	\$ -	\$ -	\$ -	\$ -
2050	188,348	18,835	169,513	178,931	54,099	54,099	\$ -	\$ -	\$ -	\$ -	\$ -
2051	169,513	18,835	150,679	160,096	50,387	50,387	\$ -	\$ -	\$ -	\$ -	\$ -
2052	150,679	18,835	131,844	141,261	46,675	46,675	\$ -	\$ -	\$ -	\$ -	\$ -
2053	131,844	18,835	113,009	122,426	42,963	42,963	\$ -	\$ -	\$ -	\$ -	\$ -
2054	113,009	18,835	94,174	103,592	39,251	39,251	\$ -	\$ -	\$ -	\$ -	\$ -
2055	94,174	18,835	75,339	84,757	35,539	35,539	\$ -	\$ -	\$ -	\$ -	\$ -
2056	75,339	18,835	56,504	65,922	31,827	31,827	\$ -	\$ -	\$ -	\$ -	\$ -
2057	56,504	18,835	37,670	47,087	28,115	28,115	\$ -	\$ -	\$ -	\$ -	\$ -
2058	37,670	18,835	18,835	28,252	24,403	24,403	\$ -	\$ -	\$ -	\$ -	\$ -
2059	18,835	18,835	-	9,417	20,691	20,691	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals					4,773,069	4,773,069	-				

** 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.

OPCo Worksheet K - ATRR TRUE-UP 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. [REDACTED] (e.g. ER05-925-000)

Project Description: RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

2014	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	98,401	98,401	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	(98,401)	(98,401)	-

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

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average 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 WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **
2014	-	-	-	-	-	-	\$ -	\$ 98,401	\$ (98,401)	\$ 98,401	\$ (98,401)
2015	-	-	-	-	-	-	\$ -	-	-	-	-
2016	-	-	-	-	-	-	\$ -	-	-	-	-
2017	-	-	-	-	-	-	\$ -	-	-	-	-
2018	-	-	-	-	-	-	\$ -	-	-	-	-
2019	-	-	-	-	-	-	\$ -	-	-	-	-
2020	-	-	-	-	-	-	\$ -	-	-	-	-
2021	-	-	-	-	-	-	\$ -	-	-	-	-
2022	-	-	-	-	-	-	\$ -	-	-	-	-
2023	-	-	-	-	-	-	\$ -	-	-	-	-
2024	-	-	-	-	-	-	\$ -	-	-	-	-
2025	-	-	-	-	-	-	\$ -	-	-	-	-
2026	-	-	-	-	-	-	\$ -	-	-	-	-
2027	-	-	-	-	-	-	\$ -	-	-	-	-
2028	-	-	-	-	-	-	\$ -	-	-	-	-
2029	-	-	-	-	-	-	\$ -	-	-	-	-
2030	-	-	-	-	-	-	\$ -	-	-	-	-
2031	-	-	-	-	-	-	\$ -	-	-	-	-
2032	-	-	-	-	-	-	\$ -	-	-	-	-
2033	-	-	-	-	-	-	\$ -	-	-	-	-
2034	-	-	-	-	-	-	\$ -	-	-	-	-
2035	-	-	-	-	-	-	\$ -	-	-	-	-
2036	-	-	-	-	-	-	\$ -	-	-	-	-
2037	-	-	-	-	-	-	\$ -	-	-	-	-
2038	-	-	-	-	-	-	\$ -	-	-	-	-
2039	-	-	-	-	-	-	\$ -	-	-	-	-
2040	-	-	-	-	-	-	\$ -	-	-	-	-
2041	-	-	-	-	-	-	\$ -	-	-	-	-
2042	-	-	-	-	-	-	\$ -	-	-	-	-
2043	-	-	-	-	-	-	\$ -	-	-	-	-
2044	-	-	-	-	-	-	\$ -	-	-	-	-
2045	-	-	-	-	-	-	\$ -	-	-	-	-
2046	-	-	-	-	-	-	\$ -	-	-	-	-
2047	-	-	-	-	-	-	\$ -	-	-	-	-
2048	-	-	-	-	-	-	\$ -	-	-	-	-
2049	-	-	-	-	-	-	\$ -	-	-	-	-
2050	-	-	-	-	-	-	\$ -	-	-	-	-
2051	-	-	-	-	-	-	\$ -	-	-	-	-
2052	-	-	-	-	-	-	\$ -	-	-	-	-
2053	-	-	-	-	-	-	\$ -	-	-	-	-
2054	-	-	-	-	-	-	\$ -	-	-	-	-
2055	-	-	-	-	-	-	\$ -	-	-	-	-
2056	-	-	-	-	-	-	\$ -	-	-	-	-
2057	-	-	-	-	-	-	\$ -	-	-	-	-
2058	-	-	-	-	-	-	\$ -	-	-	-	-
2059	-	-	-	-	-	-	\$ -	-	-	-	-
2060	-	-	-	-	-	-	\$ -	-	-	-	-
2061	-	-	-	-	-	-	\$ -	-	-	-	-
2062	-	-	-	-	-	-	\$ -	-	-	-	-
2063	-	-	-	-	-	-	\$ -	-	-	-	-
2064	-	-	-	-	-	-	\$ -	-	-	-	-
2065	-	-	-	-	-	-	\$ -	-	-	-	-
2066	-	-	-	-	-	-	\$ -	-	-	-	-
2067	-	-	-	-	-	-	\$ -	-	-	-	-
2068	-	-	-	-	-	-	\$ -	-	-	-	-
2069	-	-	-	-	-	-	\$ -	-	-	-	-
2070	-	-	-	-	-	-	\$ -	-	-	-	-
2071	-	-	-	-	-	-	\$ -	-	-	-	-
2072	-	-	-	-	-	-	\$ -	-	-	-	-
2073	-	-	-	-	-	-	\$ -	-	-	-	-
Project Totals											

** 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.

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet L Supporting Projected Cost of Debt
OHIO POWER COMPANY

Calculation of Projected Interest Expense Based on Outstanding Debt at Year End

<u>Line Number</u>	<u>(A) Issuance</u>	<u>(B) Principle Outstanding</u>	<u>(C) Interest Rate</u>	<u>(D) Annual Expense (See Note S on Projected Template)</u>	<u>(E) Notes</u>
1	<u>Long Term Debt (FF1.p. 256-257.h)</u>				
2	<u>Installment Purchase Contracts (FF1.p. 256-257.h, a)</u>				
3	Reacquired Bonds Marshall County Series F	(35,000,000)	0.210%	(73,500)	
4	Reacquired Bonds:Marshall County Series E	-	0.890%	-	
5	Reacquired Bonds:Ohio Air Quality Series 2005A	(54,500,000)	0.260%	(141,700)	
6	Reacquired Bonds:Ohio Air Quality Series 2005B	(50,450,000)	0.260%	(131,170)	
7	Reacquired Bonds: Air Quality Series 2005C	(50,450,000)	0.260%	(131,170)	
8	Reacquired Bonds: Air Quality Series 2005D	(54,500,000)	0.260%	(141,700)	
9	WV Economic Development Mitchell Series 2008A	-	0.020%	-	
10	Ohio Air Quality Revenue Bonds Series 2007A	(44,500,000)	0.190%	(84,550)	
11	Ohio Air Quality Revenue Bonds Series 2007B	(56,000,000)	0.040%	(22,400)	
12	Ohio Air Quality Revenue Bonds Series 2009A	-	5.800%	-	
13	Ohio Air Quality Revenue Bonds Series 2009B	32,245,000	5.800%	1,870,210	
14	Marshall County Series F	35,000,000	0.210%	73,500	
15	Marshall County Series E	-	0.890%	-	
16	Reacquired Bonds:Ohio Air Quality Series 2005A	54,500,000	0.260%	141,700	
17	Reacquired Bonds:Ohio Air Quality Series 2005B	50,450,000	0.260%	131,170	
18	Reacquired Bonds: Air Quality Series 2005C	50,450,000	0.260%	131,170	
19	Reacquired Bonds: Air Quality Series 2005D	54,500,000	0.260%	141,700	
20	WV Economic Development Amos Series 2010A	86,000,000	3.125%	2,687,500	
21	Ohio Air Quality Cardinal Series 2010A	-	3.250%	-	
22	Ohio Air Quality Gavin Series 2010A	-	2.875%	-	
23	WV Economic Development Mitchell Series 2008A	-	0.020%	-	
24	Ohio Air Quality Revenue Bonds Series 2007A	44,500,000	0.190%	84,550	
25	Ohio Air Quality Revenue Bonds Series 2007B	56,000,000	0.040%	22,400	
26	Unsecured Medium Series B - Due 2033	250,000,000	6.600%	16,500,000	
27	Unsecured Medium Series F - Due 2035	250,000,000	5.850%	14,625,000	
28	Unsecured Medium Series G - Due 2018	350,000,000	6.050%	21,175,000	
29	Unsecured Medium Term Notes Series G due 02/2033	250,000,000	6.600%	16,500,000	
30	Unsecured Medium Term Notes Series H due 01/2014	-	4.850%	-	
31	Unsecured Medium Term Notes Series K due 06/2016	350,000,000	6.000%	21,000,000	
32	Senior Unsecured Note Series M due 10/2021	500,000,000	5.375%	26,875,000	
33	Groveport Facility Lease - Long Term	1,304,292	1.150%	14,999	
34	Groveport Facility Lease - Current	70,702	1.150%	813	
35	<u>Issuance Discount, Premium, & Expenses:</u>				
36	Auction Fees	FF1.p. 256 & 257.Lines Described as Fees		-	
37	Allowable Hedge Amortization (See Ln 54 Below)			(2,019,656)	
38	Amort of Debt Discount and Expenses	FF1.p. 117.63.c		1,580,870	
39	Amort of Debt Premimums (Enter Negative)	FF1.p. 117.65.c		-	
40	<u>Reacquired Debt:</u>				
41	Amortization of Loss	FF1.p. 117.64.c		1,338,683	
42	Amortization of Gain	FF1.p. 117.66.c		-	
43	Total Interest on Long Term Debt	2,069,619,994	5.90%	122,148,420	
44	Preferred Stock (FF1.p. 250-251)	Preferred Shares Outstanding			
45		-	0.00%	-	
46		-	0.00%	-	
47		-	0.00%	-	
48		-	0.00%	-	
49	Dividends on Preferred Stock	-	0.00%	-	
50	Net Total Hedge Gains and Losses (WS M, Ln 30, (E))			(2,097,663)	
51	Total Projected Capital Structure Balance for 2015 (Projected TCOS, Ln 165)			4,039,312,292	
52	Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005	
53	Limit of Recoverable Amount			(2,019,656)	
54	Recoverable Hedge Amortization (Lesser of Ln 50 or Ln 53)			(2,019,656)	

AEP East Companies
Transmission Cost of Service Formula Rate
OHIO POWER COMPANY

**Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
Based on Average of Balances At 12/31/2013 & 12/31/2014**

(A) Line	(B)	(C) Balances @ 12/31/2014	(D) Balances @ 12/31/2013	(E) Average
Development of Average Balance of Common Equity				
1	Proprietary Capital (112.16.c&d)	1,980,209,844	1,625,265,129	1,802,737,486
2	Less Preferred Stock (Ln 55 Below)	0	0	-
3	Less Account 216.1 (112.12.c&d)	4,915,704	4,915,704	4,915,704
4	Less Account 219.1 (112.15.c&d)	5,601,842	7,079,463	6,340,652
5	Average Balance of Common Equity	1,969,692,298	1,613,269,962	1,791,481,130
Development of Cost of Long Term Debt Based on Average Outstanding Balance				
6	Bonds (112.18.c&d)	-	-	-
7	Less: Reacquired Bonds (112.19.c&d)	345,400,000	460,400,000	402,900,000
8	LT Advances from Assoc. Companies (112.20.c&d)	-	-	-
9	Senior Unsecured Notes (112.21.c&d)	2,415,019,994	2,933,684,996	2,674,352,495
10	Less: Fair Value Hedges (See Note on Ln 12 below)	-	-	-
11	Total Average Debt	2,069,619,994	2,473,284,996	2,271,452,495
12	NOTE: 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. (Column H of the FF1)			
13	Annual Interest Expense for 2014			
14	Interest on Long Term Debt (256-257.33.i)			121,704,036
15	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 14 and shown in Ln 29 below.			(2,097,663)
16	Plus: Allowed Hedge Recovery From Ln 34 below.			(2,031,467)
17	Amort of Debt Discount & Expense (117.63.c)			1,580,870
18	Amort of Loss on Reacquired Debt (117.64.c)			1,338,683
19	Less: Amort of Premium on Debt (117.65.c)			-
20	Less: Amort of Gain on Reacquired Debt (117.66.c)			-
21	Total Interest Expense (Ln 14 + Ln 17 + Ln 18 - Ln 19 - Ln 20)			124,689,785
22	Average Cost of Debt for 2014 (Ln 21/Ln 11)			5.49%

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

23 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.

HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	Total Hedge (Gain)/Loss for 2014	Less Excludable Amounts (See NOTE on Line 23)	Net Includable Hedge Amount	Remaining Unamortized Balance	Amortization Period	
					Beginning	Ending
24 SUN Cash Flow Hedge - 6.000%	(418,450)	-	(418,450)	(592,805)	Jun-06	Jun-16
25 SUN Cash Flow Hedge - 5.375%	(1,679,213)	-	(1,679,213)	(7,906,293)	Sep-09	Sep-19
26						
27						
28						
29 Total Hedge Amortization	(2,097,663)	-				
30 Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 24 to 25)			(2,097,663)			
31 Total Average Capital Structure Balance for 2014 (True-UP TCOS, Ln 165)			4,062,933,625			
32 Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
33 Limit of Recoverable Amount			(2,031,467)			
34 Recoverable Hedge Amortization (Lesser of Ln 30 or Ln 33)			(2,031,467)			

Development of Cost of Preferred Stock

Preferred Stock	Average	
35 0% Series - 0 - Dividend Rate (p. 250-251. 7 & 10.a)	0.00%	4.08%
36 0% Series - 0 - Par Value (p. 250-251. 8.c)	\$ -	\$ -
37 0% Series - 0 - Shares O/S (p.250-251. 8 & 11.e)	-	-
38 0% Series - 0 - Monetary Value (Ln 36 * Ln 37)	-	-
39 0% Series - 0 - Dividend Amount (Ln 35 * Ln 38)	-	-
40 0% Series - 0 - Dividend Rate (p. 250-251.a)	0.00%	4.20%
41 0% Series - 0 - Par Value (p. 250-251.c)	\$ -	\$ -
42 0% Series - 0 - Shares O/S (p.250-251. e)	-	-
43 0% Series - 0 - Monetary Value (Ln 41 * Ln 42)	-	-
44 0% Series - 0 - Dividend Amount (Ln 40 * Ln 43)	-	-
45 0% Series - 0 - Dividend Rate (p. 250-251.a)	0.00%	4.40%
46 0% Series - 0 - Par Value (p. 250-251.c)	\$ -	\$ -
47 0% Series - 0 - Shares O/S (p.250-251.e)	-	-
48 0% Series - 0 - Monetary Value (Ln 46 * Ln 47)	-	-
49 0% Series - 0 - Dividend Amount (Ln 45 * Ln 48)	-	-
50 0% Series - 0 - Dividend Rate (p. 250-251.a)	0.00%	4.50%
51 0% Series - 0 - Par Value (p. 250-251.c)	\$ -	\$ -
52 0% Series - 0 - Shares O/S (p.250-251.e)	-	-
53 0% Series - 0 - Monetary Value (Ln 51 * Ln 52)	-	-
54 0% Series - 0 - Dividend Amount (Ln 50 * Ln 53)	-	-
55 Balance of Preferred Stock (Lns 38, 43, 48, 54)	-	-
56 Dividends on Preferred Stock (Lns 39, 44, 49)	-	-
57 Average Cost of Preferred Stock (Ln 56/55)	0.00%	0.00%

- Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
OHIO 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 2014		-		-	

AEP East Companies
Cost of Service Formula Rate Using 2014 FF1 Balances
Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service
OHIO POWER COMPANY

Total AEP East Operating Company PBOP Settlement Amount 30,000,000

Allocation of PBOP Settlement Amount for 2014

Line#	Company	Total Company Amount						
		Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for 2014	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B) * 30000000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
1	APCo	(13,980,707)	36.87%	11,060,258	7.080%	(989,797)	783,037	(1,772,834)
2								
3	I&M	(9,910,530)	26.13%	7,840,305	4.555%	(451,452)	357,148	(808,600)
4	KPCo	(3,026,000)	7.98%	2,393,895	7.063%	(213,739)	169,090	(382,829)
5	KNGP	(304,086)	0.80%	240,565	11.505%	(34,986)	27,677	(62,663)
6	OPCo	(10,311,857)	27.19%	8,157,799	18.192%	(1,875,953)	1,484,083	(3,360,036)
7	WPCo	(388,288)	1.02%	307,178	12.660%	(49,156)	38,888	(88,044)
8	Sum of Lines 1 to 7	(37,921,469)		30,000,000		(3,615,083)	2,859,923	(6,475,006)

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	(13,415,837)	(10,057,152)	(3,040,335)	(285,159)	(9,435,001)	(361,523)	(36,595,007)
10 Additional PBOP Ledger Entries (from Company Records)	395,759	814,185	252,888	3,649	114,856	3,709	
11 Medicare Subsidy	-	-	-	-	-	-	-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(13,020,078)	(9,242,967)	(2,787,447)	(281,510)	(9,320,145)	(357,814)	(35,009,962)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(960,629)	(667,563)	(238,553)	(22,576)	(991,712)	(30,474)	(2,911,507)
14 Company PBOP Expense (Ln 12 + Ln 13)	(13,980,707)	(9,910,530)	(3,026,000)	(304,086)	(10,311,857)	(388,288)	(37,921,469)

AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 1/1/2012
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/Above	356.0	1.91%
Overhead Conductor & Devices 69KV/Below	356.0	1.91%
Overhead Conductor & Devices CLR 69KV/Below	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:

Per the terms of the settlement in this case, 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.