



American Electric Power
801 Pennsylvania Ave. NW, Suite 735
Washington, DC 20004-2615
AEP.com

June 18, 2019

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426

Re: American Electric Power Service Corporation
Docket No. ER19-1496-001

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. Section 824(d), and Section 35.13 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, American Electric Power Service Corporation ("AEPSC"), on behalf of its affiliates, AEP Appalachian Transmission Company Inc., AEP Indiana Michigan Transmission Company, Inc., AEP Kentucky Transmission Company, Inc., AEP Ohio Transmission Company, Inc., and AEP West Virginia Transmission Company, Inc. (together, "AEP East Transmission Companies"),¹ submits a compliance filing to reflect a revision to the formula rate of the AEP East Transmission Companies, Attachment H-20 of the PJM Interconnection, L.L.C. ("PJM") Open Access Transmission Tariff ("PJM Tariff") to update the Post-employment Benefits Other than Pensions ("PBOP") allowance rate as conditionally approved in the Commission's delegated letter order issued on May 24, 2019 in this docket.²

Pursuant to Section 35.7 of the Commission's regulations,³ the contents of this filing are being submitted as part of an XML filing package that conforms to the Commission's eTariff instructions.

I. Background and Description of Compliance Filing

¹ AEPSC and the AEP East Transmission Companies are collectively referred to as "AEP."

² See *American Electric Power Service Corp.*, Docket No. ER19-1496-000, Letter Order (May 24, 2019) ("May 24 Order").

³ Pursuant to Order No. 714, this filing is submitted by PJM on behalf of AEPSC as part of an XML filing package that conforms to the Commission's regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, AEPSC has requested PJM submit this revised Attachment H-20B in the eTariff system as part of PJM's electronic Intra PJM Tariff.

On April 1, 2019, in this docket, AEP filed revisions to the formula rate contained in Attachment H-20 of the PJM Tariff to update the Post-employment Benefits Other than Pensions (“PBOP”) allowance rate. That filing requested a January 1, 2018 effective date for the proposed changes. However, in a separate docket, Docket No. ER18-2277, the Commission had earlier accepted revisions to the formula rate to update depreciation rates, effective October 22, 2018.⁴ Because the effective date in the instant docket was prior to that in ER18-2277, the Companies utilized the tariff as of the requested effective date, which did not reflect the changes approved in Docket ER18-2277.

In the May 24 Order, the Commission’s conditional approval requires the Companies to reflect the PBOB rate effective January 1, 2018 in the version of the formula that reflects the depreciation rates that went into effect on October 22, 2018. Therefore, the change reflected in this application is to update Worksheet O, Line 8, in Attachment H-20B of the PJM OATT from the prior rate of (\$.058) to the currently approved rate of (\$.043).

II. Effective Date and Waiver Request

As contemplated in the May 24 Order, AEP is requesting an effective date for this change of October 22, 2018. AEP respectfully requests that the Commission waive provisions of section 35.13 or any other applicable regulation to the extent necessary to permit this request.

III. Contents of this Filing

This filing consists of the following documents:

- a. This transmittal letter;
- b. A clean version of Attachment H-20B– AEPTCo-Part II Worksheets A-Q.

IV. Service

PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission’s regulations,⁵ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region⁶ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission’s eLibrary website located

⁴ See Delegated Order issued October 15, 2018 in Docket No. ER18-2277-000

⁵ See 18C.F.R §§ 35.2(e) and 385.2010(f)(3).

⁶ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

Honorable Kimberly D. Bose

June 18, 2019

Page 3 of 5

at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

Additionally, copies of this filing are also being made available on AEP's website at: <https://aep.com/requiredpostings/oatt>

V. Correspondence

Correspondence relating to this filing should be addressed to:

Amanda Riggs Conner
American Electric Power
Service Corporation
801 Pennsylvania Ave NW, Suite 735
Washington, DC 20004-2615
Telephone: (202) 383-3436
e-mail: arconner@aep.com

David Weiss
American Electric Power
Service Corporation
1 Riverside Plaza
Columbus, Ohio 43215
Telephone: (614) 716-2340
e-mail: dbweiss@aep.com

VI. Conclusion

Wherefore, AEP respectfully requests that the Commission accept these revised tariff sheets, effective October 22, 2018 for the AEP East Transmission Companies and grant any applicable waivers.

Respectfully submitted,

/s/ Amanda Riggs Conner

Amanda Riggs Conner
Senior Counsel
American Electric Power Service Corporation

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 18th day of June, 2019.

/s/ Amanda Riggs Conner

Amanda Riggs Conner

Senior Counsel

American Electric Power Service Corporation

801 Pennsylvania Ave NW, Suite 735

Washington, DC 20004-2615

Telephone: (202) 383-3436

e-mail: arconner@aep.com

ATTACHMENT A
PJM OATT Attachment H-20B
Formula Workpapers A-R
(Clean Format)

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet A Rate Base
 Company Name

		Gross Plant In Service				
Line No	Month (a)	Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5
1	December Prior to Rate Year					
2	January					
3	February					
4	March					
5	April					
6	May					
7	June					
8	July					
9	August					
10	September					
11	October					
12	November					
13	December of Rate Year					
14	Average of the 13 Monthly Balances	-	-	-	-	-

		Accumulated Depreciation				
Line No	Month (a)	Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 219, ln 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, ln 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, ln 21, Col. (b)
15	December Prior to Rate Year					
16	January					
17	February					
18	March					
19	April					
20	May					
21	June					
22	July					
23	August					

24	September					
25	October					
26	November					
27	December of Rate Year					
28	Average of the 13 Monthly Balances	-	-	-	-	-

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b) Company Records (included in total in column (d) of gross plant above)	OATT Ancillary Services (GSU) Accumulated Depreciation (c) Company Records (included in total in column (d) of accumulated depreciation above)	Excluded Plant - In Service (d) Company Records	Excluded Plant - Accumulated Depreciation (e) Company Records
			(Note A)		
29	December Prior to Rate Year				-
30	January				-
31	February				-
32	March				-
33	April				-
34	May				-
35	June				-
36	July				-
37	August				-
38	September				-
39	October				-
40	November				-
41	December of Rate Year				-
42	Average of the 13 Monthly Balances	-	-	-	-

43 Transmission Accumulated
Depreciation net of GSU -

<u>Plant Held For Future Use</u>	<u>Source of Data</u>	<u>Balance @ December 31, 2017</u>	<u>Balance @ December 31, 2016</u>	<u>Average Balance for 2017</u>
(a)	(b)	(c)	(d)	(e)
44 <u>Plant Held For Future Use</u>	FF1, page 214, ln 47, Col. (d)	-	-	-
45 <u>Transmission Plant Held For Future Use (Included in total on line 43)</u>	Company Records - Note 1	-	-	-

**Regulatory Assets and Liabilities
Approved for Recovery In
Ratebase**

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

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

**Unfunded Reserves Summary
(Company Records)**

	<u>Description</u>	<u>Account</u>			
52					
53a					-
53b					-
54		Total	-	-	-

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

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

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet B Supporting ADIT and ITC Balances
 AEP _____ TRANSMISSION COMPANY

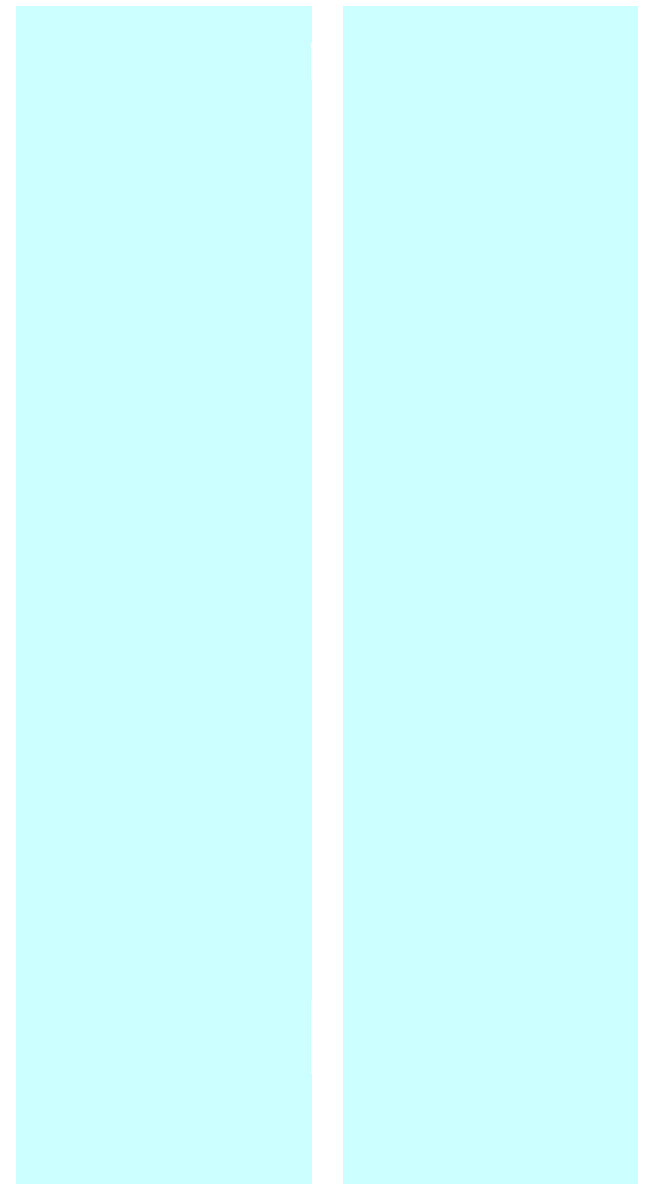
<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Description</u>	<u>(B)</u> <u>Source</u>	<u>(C)</u> <u>Balance @ December</u> <u>31,</u>	<u>(D)</u> <u>Balance @ December</u> <u>31,</u>	<u>(E)</u> <u>Average Balance</u> <u>for</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)			-
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)			-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)			-
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)			-
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)			-
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)			-
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	-	-	-
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)			-
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)			-
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)			-
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	-	-	-
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)			-
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)			-
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)			-
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	-	-	-
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)			-
23	Less: Balances Not Qualified for Ratebase	Company Records – Note 1			-
24	ITC Balances Includeable in Ratebase	Ln 22 - ln 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)			-
NOTE 1	On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PRTR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(l)-(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.				
NOTE 2	ADIT balances should exclude balances related to hedging activity.				

Company Name
**SPECIFIED DEFERRED
 CREDITS - Actual Cycle Only**
**PERIOD ENDED DECEMBER
 31, 2017**

(DEBIT)
 CREDIT

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2016	BALANCE AS OF 12-31-2017	BALANCE AS OF 12-31-2016	BALANCE AS OF 12-31-2017		GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1.00 ACCOUNT 281:														
2.01														
2.02	0	0			0	0	0	0						
2.03														
2.04	0	0	0	0	0									
2.05	0	0	0	0	0									
2.06	0	0	0	0	0									
3 TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 ACCOUNT 282:														
5.01	0	0			0	0	0	0						
5.02	0	0			0	0	0	0						
5.03	0	0			0	0	0	0						
5.04	0	0			0	0	0	0						
5.05	0	0			0	0	0	0						
5.06	0	0			0	0	0	0						

5.07	0	0	0	0	0	0	0
5.08	0	0	0	0	0	0	0
5.09	0	0	0	0	0	0	0
5.10	0	0	0	0	0	0	0
5.11	0	0	0	0	0	0	0
5.12	0	0	0	0	0	0	0
5.13	0	0	0	0	0	0	0
5.14	0	0	0	0	0	0	0
5.15	0	0	0	0	0	0	0
5.16	0	0	0	0	0	0	0
5.17	0	0	0	0	0	0	0
5.18	0	0	0	0	0	0	0
5.19	0	0	0	0	0	0	0
5.20	0	0	0	0	0	0	0
5.21	0	0	0	0	0	0	0
5.22	0	0	0	0	0	0	0
5.23	0	0	0	0	0	0	0
5.24	0	0	0	0	0	0	0
5.25	0	0	0	0	0	0	0
5.26	0	0	0	0	0	0	0
5.27	0	0	0	0	0	0	0
5.28	0	0	0	0	0	0	0
5.29	0	0	0	0	0	0	0
5.30	0	0	0	0	0	0	0
5.31	0	0	0	0	0	0	0
5.32	0	0	0	0	0	0	0
5.33	0	0	0	0	0	0	0
5.34	0	0	0	0	0	0	0
5.35	0	0	0	0	0	0	0
5.36	0	0	0	0	0	0	0
5.37	0	0	0	0	0	0	0
5.38	0	0	0	0	0	0	0
5.39	0	0	0	0	0	0	0

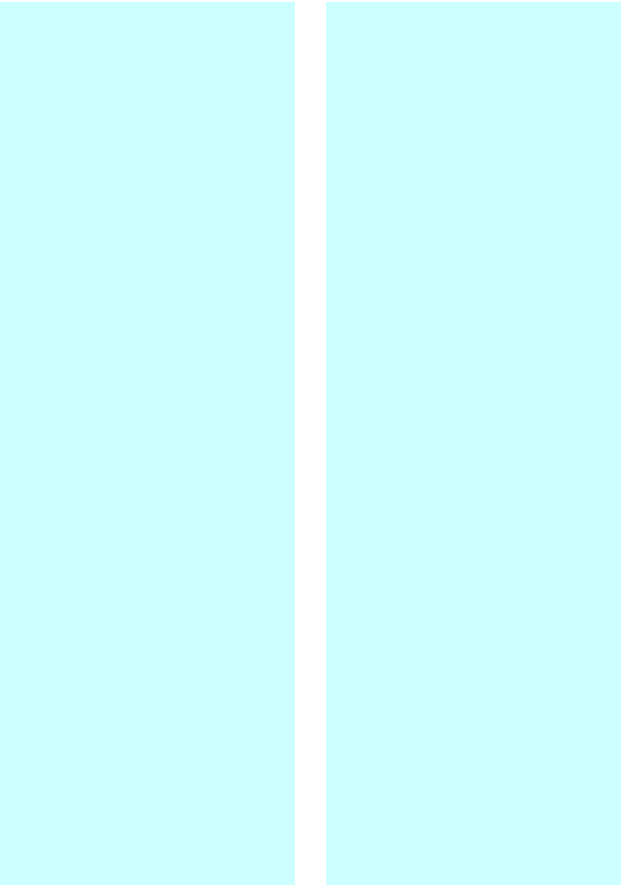


5.40	0	0	0
5.41	0	0	0

6	TOTAL ACCOUNT 282	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0

8 ACCOUNT 283:

9.01	0	0	0	0	0	0	0
9.02	0	0	0	0	0	0	0
9.03	0	0	0	0	0	0	0
9.04	0	0	0	0	0	0	0
9.05	0	0	0	0	0	0	0
9.06	0	0	0	0	0	0	0
9.07	0	0	0	0	0	0	0
9.08	0	0	0	0	0	0	0
9.09	0	0	0	0	0	0	0
9.10	0	0	0	0	0	0	0
9.11	0	0	0	0	0	0	0
9.12	0	0	0	0	0	0	0
9.13	0	0	0	0	0	0	0
9.14	0	0	0	0	0	0	0
9.15	0	0	0	0	0	0	0
9.16	0	0	0	0	0	0	0
9.17	0	0	0	0	0	0	0
9.18	0	0	0	0	0	0	0
9.19	0	0	0	0	0	0	0
9.20	0	0	0	0	0	0	0
9.21	0	0	0	0	0	0	0
9.22	0	0	0	0	0	0	0
9.23	0	0	0	0	0	0	0
9.24	0	0	0	0	0	0	0



9.25	0	0	0	0	0	0
9.26	0	0	0	0	0	0
9.27	0	0	0	0	0	0
9.28	0	0	0	0	0	0
9.29	0	0	0	0	0	0
9.30	0	0	0	0	0	0
9.31	0	0	0	0	0	0
9.32	0	0	0	0	0	0
9.33	0	0	0	0	0	0
9.34	0	0	0	0	0	0
9.35	0	0	0	0	0	0
9.36	0	0	0	0	0	0
9.37	0	0	0	0	0	0
9.38	0	0	0	0	0	0
9.39	0	0	0	0	0	0
9.40	0	0	0	0	0	0
9.41	0	0	0	0	0	0
9.42	0	0	0	0	0	0
9.43	0	0	0	0	0	0
9.44	0	0	0	0	0	0
9.45	0	0	0	0	0	0
9.46	0	0	0	0	0	0
9.47	0	0	0	0	0	0
9.48	0	0	0	0	0	0
9.49	0	0	0	0	0	0
9.50	0	0	0	0	0	0
9.51	0	0	0	0	0	0
9.52	0	0	0	0	0	0
9.53	0	0	0	0	0	0
9.54	0	0	0	0	0	0
9.55	0	0	0	0	0	0
9.56	0	0	0	0	0	0
9.57	0	0	0	0	0	0

9.58	0	0	0	0	0	0
9.59	0	0	0	0	0	0
9.60	0	0	0	0	0	0
9.61	0	0	0	0	0	0
9.62	0	0	0	0	0	0
9.63	0	0	0	0	0	0
9.64	0	0	0	0	0	0
9.65	0	0	0	0	0	0
9.66	0	0	0	0	0	0
9.67	0	0	0	0	0	0
9.68	0	0	0	0	0	0
9.69	0	0	0	0	0	0
9.70	0	0	0	0	0	0
9.71	0	0	0	0	0	0
9.72	0	0	0	0	0	0
9.73	0	0	0	0	0	0
9.74	0	0	0	0	0	0
9.75	0	0	0	0	0	0
9.76	0	0	0	0	0	0
9.77	0	0	0	0	0	0
9.78	0	0	0	0	0	0
9.79	0	0	0	0	0	0
9.80	0	0	0	0	0	0
9.81	0	0	0	0	0	0
9.82	0	0	0	0	0	0
9.83	0	0	0	0	0	0
9.84	0	0	0	0	0	0
9.85	0	0	0	0	0	0
9.86	0	0	0	0	0	0
9.87	0	0	0	0	0	0
9.88	0	0	0	0	0	0
9.89	0	0	0	0	0	0
9.90	0	0	0	0	0	0

9.91		0	0		0	0	0	0		
9.92		0	0		0	0	0	0		
9.93		0	0		0	0	0	0		
9.94				0	0	0				
9.95				0	0	0				
9.96				0	0	0				
9.97				0	0	0				
9.98				0	0	0				
9.99				0	0	0				
10		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
11	DEFD STATE INCOME TAXES	0	0		0	0	0	0		
11.01				0	0	0				
12	TOTAL ACCOUNT 283	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
13	ACCOUNT 283 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0
14	JURISDICTIONAL AMOUNTS FUNCTIONALIZED									
15	TOTAL COMPANY AMOUNTS FUNCTIONALIZED									
16	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT									
17	NOTE: POST 1970 ACCUMULATED DEFERRED INV TAX CRED. (JDITC)									
18	IN A/C 255									
18.01		0	0		0	0	0	0		
18.02		0	0		0	0	0	0		
19										
20	TOTAL ACCOUNT 255	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Company Name
ACCUMULATED DEFERRED INCOME
TAX IN ACCOUNT 190 - Actual Cycle
Only
PERIOD ENDED DECEMBER 31, 2017

COLUMN A	PER BOOKS		NON- APPLICABLE/NON- UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E) /2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017		
	BALANCE AS OF 12-31- 2016	BALANCE AS OF 12-31- 2017	BALAN CE AS OF 12- 31- 2016	BALA NCE AS OF 12- 31- 2017		GENER ATION	TRANSM SSION	DISTRIB UTION	GENER ATION	TRANSM SSION	DISTRIB UTION	GENER ATION	TRANSM SSION	DISTRIB UTION
1 ACCOUNT 190:														
2.01	0	0			0	0	0	0						
2.02	0	0			0	0	0	0						
2.03	0	0			0	0	0	0						
2.04	0	0			0	0	0	0						
2.05	0	0			0	0	0	0						
2.06	0	0			0	0	0	0						
2.07	0	0			0	0	0	0						
2.08	0	0			0	0	0	0						
2.09	0	0			0	0	0	0						
2.10	0	0			0	0	0	0						
2.11	0	0			0	0	0	0						
2.12	0	0			0	0	0	0						
2.13	0	0			0	0	0	0						
2.14	0	0			0	0	0	0						
2.15	0	0			0	0	0	0						
2.16	0	0			0	0	0	0						
2.17	0	0			0	0	0	0						
2.18	0	0			0	0	0	0						
2.19	0	0			0	0	0	0						
2.20	0	0			0	0	0	0						
	0	0			0	0	0	0						

2.21							
2.22	0	0	0	0	0	0	0
2.23	0	0	0	0	0	0	0
2.24	0	0	0	0	0	0	0
2.25	0	0	0	0	0	0	0
2.26	0	0	0	0	0	0	0
2.27	0	0	0	0	0	0	0
2.28	0	0	0	0	0	0	0
2.29	0	0	0	0	0	0	0
2.30	0	0	0	0	0	0	0
2.31	0	0	0	0	0	0	0
2.32	0	0	0	0	0	0	0
2.33	0	0	0	0	0	0	0
2.34	0	0	0	0	0	0	0
2.35	0	0	0	0	0	0	0
2.36	0	0	0	0	0	0	0
2.37	0	0	0	0	0	0	0
2.38	0	0	0	0	0	0	0
2.39	0	0	0	0	0	0	0
2.40	0	0	0	0	0	0	0
2.41	0	0	0	0	0	0	0
2.42	0	0	0	0	0	0	0
2.43	0	0	0	0	0	0	0
2.44	0	0	0	0	0	0	0
2.45	0	0	0	0	0	0	0
2.46	0	0	0	0	0	0	0
2.47	0	0	0	0	0	0	0
2.48	0	0	0	0	0	0	0
2.49	0	0	0	0	0	0	0
2.50	0	0	0	0	0	0	0
2.51	0	0	0	0	0	0	0
2.52	0	0	0	0	0	0	0
2.53	0	0	0	0	0	0	0
2.54	0	0	0	0	0	0	0

2.55	0	0	0	0	0	0	0
2.56	0	0	0	0	0	0	0
2.57	0	0	0	0	0	0	0
2.58	0	0	0	0	0	0	0
2.59	0	0	0	0	0	0	0
2.60	0	0	0	0	0	0	0
2.61	0	0	0	0	0	0	0
2.62	0	0	0	0	0	0	0
2.63	0	0	0	0	0	0	0
2.64	0	0	0	0	0	0	0
2.65	0	0	0	0	0	0	0
2.66	0	0	0	0	0	0	0
2.67	0	0	0	0	0	0	0
2.68	0	0	0	0	0	0	0
2.69	0	0	0	0	0	0	0
2.70	0	0	0	0	0	0	0
2.71	0	0	0	0	0	0	0
2.72	0	0	0	0	0	0	0
2.73	0	0	0	0	0	0	0
2.74	0	0	0	0	0	0	0
2.75	0	0	0	0	0	0	0
2.76	0	0	0	0	0	0	0
2.77	0	0	0	0	0	0	0
2.78	0	0	0	0	0	0	0
2.79	0	0	0	0	0	0	0
2.80			0	0	0		
2.81			0	0	0		
2.82			0	0	0		
2.83			0	0	0		
2.84			0	0	0		
2.85			0	0	0		
2.86			0	0	0		
2.87			0	0	0		
			0	0	0		

2.88											
2.89			0	0	0						
2.90			0	0	0	0	0	0			
2.91		0	0		0	0	0	0			
3	TOTAL ACCOUNT 190	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4	ACCOUNT 190 - ARO-Related Deferrals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet C Supporting Working Capital Rate Base Adjustments
 AEP TRANSMISSION COMPANY

(A) <u>Line Number</u>	(B)	(C) <u>Source</u>	(D) <u>Materials & Supplies</u> <u>Balance @ December 31,</u>	(E) <u>Balance @ December 31,</u>	(F) <u>Average Balance for</u>	(G)	(H)	(I)	
1									
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)			-				
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)	0	0	-				
4	Stores Expense (Undistributed) – Account 163	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-				
Prepayment Balance Summary (Note 1)									
5		<u>Average of YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>		
6	Totals as of December 31,	0	0	0	0	0	0		
7	Totals as of December 31,								
8	Average Balance	-	-	-	-	-	-		
Prepayments Account 165 - Balance @ 12/31/									
9	<u>Acc. No.</u>	<u>Description</u>	<u>YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>	<u>Explanation</u>
10				-		-		-	
11				-				-	
12				-			-	-	
13				-			-	-	
14				-			-	-	
15				-			-	-	
16				-			-	-	
17				-			-	-	
18				-			-	-	
19				-			-	-	
		Subtotal - Form 1, p 111.57.c	0	0	0	0	0	0	
Prepayments Account 165 - Balance @ 12/31/									
20	<u>Acc. No.</u>	<u>Description</u>	<u>YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>	<u>Explanation</u>
21						0		-	
22						0		-	
23						0		-	
24								-	
25				0				-	
26				0				-	
27				0				-	
28				0				-	
29							0	-	
30				0				-	
31				0				-	
		Subtotal - Form 1, p 111.57.d		0				-	

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

Note 1:

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet D Supporting IPP Credits
 AEP _____ TRANSMISSION COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B)</u>
1	Net Funds from IPP Customers 12/31/ ____ (____ FORM 1, P269)	-
2	Interest Expense (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/ (____ FORM 1, P269)	-
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	-
Note 1	On this worksheet Company Records refers to AEP ____ TRANSMISSION COMPANY 's general ledger.	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet E Supporting Revenue Credits
 AEP _____ TRANSMISSION COMPANY

<u>Line</u> <u>Number</u>	<u>Description</u>	<u>(a)</u> <u>Total</u> <u>Company</u>	<u>(b)</u> <u>Non-</u> <u>Transmission</u>	<u>(c)</u> <u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)		-	
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)		-	
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)		-	
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1, 2)		-	
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)			
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)			
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))		-	
7	Accounts 4470004 & 4470005, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)	-		-
8	Total Other Operating Revenues To Reduce Revenue Requirement			
9	Facility Credits under PJM OATT Section 30.9			-
Note 1	The total company data on this worksheet comes from the indicated FF1 source, or AEP _____ TRANSMISSION COMPANY 's general ledger. The functional amounts identified as transmission revenue also come from the general ledger.			
Note 2	The total of line 4 and line 5 will equal total Account 456 as listed on FF1 p.300.21-22.(b)			

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
 AEP _____ TRANSMISSION COMPANY

(A)	(B)	(C)	(D)	(E)	(F)	
<u>Line Number</u>	<u>Item No.</u>	<u>Description</u>	<u>Expense</u>	<u>100% Non-Transmission</u>	<u>100% Transmission Specific</u>	<u>Explanation</u>
1		Regulatory O&M Deferrals & Amortizations	-			
2			-			
3			-			
4		Total	0			
		Detail of Account 561 Per FERC Form 1				
5		561.1 - Load Dispatch - Reliability				
6	FF1 p 321.85.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
7	FF1 p 321.86.b	561.3 - Load Dispatch - Trans Service & Scheduling				
8	FF1 p 321.87.b	561.4 - Scheduling, System Control & Dispatch				
9	FF1 p 321.88.b	561.5 - Reliability, Planning and Standards Development				
10	FF1 p 321.89.b	561.6 - Transmission Service Studies				
11	FF1 p 321.90.b	561.7 - Generation Interconnection Studies				
12	FF1 p 321.91.b	561.8 - Reliability, Planning and Standards Development Services				
13	FF1 p 321.92.b					
14		Total of Account 561				
		Account 928			-	
15					-	
16					-	
17					-	
18					-	
19					-	
20					-	
21		Total (FERC Form 1 p.323.189.b)	-	-	-	
		Account 930.1				
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37				-	-	
38		Total (FERC Form 1 p.323.191.b)	-	-	-	
		Account 930.2				
39						
40						
41						
42						
43		Total (FERC Form 1 p.323.192.b)	-	-	-	

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet G Supporting - Development of Composite State Income Tax Rate
 AEP _____ TRANSMISSION COMPANY

1	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
2	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
3	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
4	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
5	_____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate		
	Total Effective State Income Tax Rate		<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>

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

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet H Supporting Taxes Other than Income
 AEP _____ TRANSMISSION COMPANY

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes	NOTE 1				
2	List Individual Taxes Here					
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Jurisdiction #1		-			
5	Real and Personal Property - Jurisdiction #2		-			
6	Real and Personal Property - Jurisdiction #3		-			
7	Real and Personal Property - Other Jurisdictions		-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)			-		
10	Federal Unemployment Tax			-		
11	State Unemployment Insurance			-		
12	Line Deliberately Left Blank					
13	State Severance Taxes					-
14	Miscellaneous Taxes					
15	List Individual Taxes Here					-
16					-	-
17					-	-
18					-	-
19					-	-
20					-	-
21					-	-
22					-	-
23	Total Taxes by Allocable Basis	-	-	-	-	-

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

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

Functional Property Tax Allocation

	Lines 24-58 Column (B) Deliberately Left Blank	Transmission	Lines 24-58 Column (D) Deliberately Left Blank	General	Total
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)				
25	JURISDICTION				
26	Percentage of Plant in _____ JURISDICTION				
27	Net Plant in _____ JURISDICTION (Ln 24 * Ln 25)				
28	Less: Net Value of Exempted Generation Plant				
29	Taxable Property Basis (Ln 26 - Ln 27)				
30	Relative Valuation Factor				
31	Weighted Net Plant (Ln 28 * Ln 29)				
32	General Plant Allocator (Ln 31 / (Total - General Plant))				
33	Functionalized General Plant (Ln 31 * General Plant)				
34	Weighted _____ JURISDICTION Plant (Ln 30 + 32)				
35	Functional Percentage (Ln 33/Total Ln 33)				
36	Net Plant in _____ JURISDICTION (Ln 24 - Ln 26)				
37	Less: Net Value of Exempted Generation Plant				
38	Taxable Property Basis (Ln 36 - Ln 37)				
39	Relative Valuation Factor				
40	Weighted Net Plant (Ln 37 * Ln 38)				
41	General Plant Allocator (Ln 39 / (Total - General Plant))				
42	Functionalized General Plant (Ln 41 * General Plant)				
43	Weighted _____ JURISDICTION Plant (Ln 39 + 41)				
	Functional Percentage (Ln 42/Total Ln 42)				

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet H page 2 Form 1 Source Reference of Company Amounts on WS H
 AEP _____ TRANSMISSION 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	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
1	Revenue Taxes					
2	Gross Receipts Tax			P.263.1 ln 7 (i) P.263.2 ln 3 (i) P.263.2 ln 4 (i)		
	(A) "Real Estate and Personal Property Tax Detail Annual Tax Expenses by Type (Note 1)"	(B) Tax Year	(C) Total Company	(D) FERC FORM 1 Tie-Back	(E) FERC FORM 1 Reference	
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)					
4	Real and Personal Property -					
5	Real and Personal Property -					
6	Real and Personal Property -					
7	Real and Personal Property - Other Jurisdictions					
Line No.	(A) Annual Tax Expense by Type (Note 1)		(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference		
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)			P.263 ln 6 (i)		
10	Federal Unemployment Tax			P.263 ln 9 (i)		
11	State Unemployment Insurance			P.263.1 ln 23 (i) P.263.3 ln 16 (i)		
12	Line Left Deliberately Blank					
13	State Severance Taxes					
14	Miscellaneous Taxes					
15	State Business & Occupation Tax			P.263 ln 21 (i) P.263 ln 22 (i)		
16	State Public Service Commission Fees			P.263 ln 26 (i) P.263.3 ln 20 (i)		
17	State Franchise Taxes			P.263.1 ln 18 (i) P.263.4 ln 27 (i)		
18	State Lic/Registration Fee			P.263.1 ln 15 (i) P.263.4 ln 21 (i)		
19	Misc. State and Local Tax			P.263.1 ln 12 (i)		
20	Sales & Use			P.263 ln 30 (i)		

21	Federal Excise Tax	[Redacted]	P.263.3 ln 21 (i)
22	Michigan Single Business Tax	[Redacted]	P.263 ln 13 (i) P.263 ln 14 (i)
23	Total Taxes by Allocable Basis	[Redacted]	
		=====	
		=====	

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

Note 1: The taxes assessed on each transmission company can differ from year to year and between transmission 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 transmission companies' current year templates. For each update, this sheet will be revised to ensure that the total activity recorded hereon equals the total reported in account 408.1 on P. 114, Ln 14.(c) of the Ferc Form 1.

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet 1 RESERVED
AEP _____ TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
 AEP _____ TRANSMISSION 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 (TCOS, ln 138) 11.49%
 Project ROE Incentive Adder
 ROE with additional basis point incentive
 Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)

	<u>%</u>	<u>Cost</u>	<u>Weighted cost</u>	
Long Term Debt	0.00%	0.00%		0.000%
Preferred Stock	0.00%	0.00%		0.000%
Common Stock	0.00%	11.49%		<u>0.000%</u>
R =				0.000%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
	Rev Require	W Incentives	Incentive Amounts
PROJECTED YEAR	-	-	\$ -

- B. Determine Return using 'R' with hypothetical basis point ROE increase for Identified Projects.**
 Rate Base (TCOS, ln 58) -
 R (from A. above) 0.000%
 Return (Rate Base x R) -
C. Determine Income Taxes using Return with hypothetical basis point ROE increase for Identified Projects.
 Return (from B. above) -
 Effective Tax Rate (TCOS, ln 97) 0.00%
 Income Tax Calculation (Return x CIT) -
 ITC Adjustment -
 Excess Deferred Income Tax -
 Tax Affect of Permanent Differences -
 Income Taxes -

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

- A. Determine Annual Revenue Requirement less return and Income Taxes.**
 Annual Revenue Requirement (TCOS, ln 1) -
 Lease Payments (TCOS, ln 80) -
 Return (TCOS, ln 109) -
 Income Taxes (TCOS, ln 108) -
 Annual Revenue Requirement, Less Lease Payments, Return and Taxes -
B. Determine Annual Revenue Requirement with hypothetical basis point increase in ROE.
 Annual Revenue Requirement, Less Lease payments, Return and Taxes -
 Return (from I.B. above) -
 Income Taxes (from I.C. above) -
 Annual Revenue Requirement, with Basis Point ROE increase -
 Depreciation & Amortization (TCOS, ln 83) -
 Annual Rev. Req. w/ Basis Point ROE increase, less Depreciation -
C. Determine FCR with hypothetical basis point ROE increase.
 Net Transmission Plant (TCOS, ln 33) -
 Annual Revenue Requirement, with Basis Point ROE increase -
 FCR with Basis Point increase in ROE 0.00%
 Annual Rev. Req. w/ Basis Point ROE increase, less Dep. -
 FCR with Basis Point ROE increase, less Depreciation 0.00%
 FCR less Depreciation (TCOS, ln 10) 0.00%
 Incremental FCR with Basis Point ROE increase, less Depreciation 0.00%

II

I. Calculation of Composite Depreciation Rate

- Average Transmission Plant Balance for ____ TCOS, ln 19 -
 Annual Depreciation and Amortization Expense(TCOS, ln 83) -
 Composite Depreciation Rate 0.00%
 Depreciable Life for Composite Depreciation Rate -
 Average Life in Whole Years -

Note 1: Until AEP _____ TRANSMISSION COMPANY establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP _____ TRANSMISSION COMPANY is shown on Worksheet P.

TransCo 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. ER10-925-000)

Current Projected Year ARR	-
Current Projected Year ARR w/ Incentive	-
Current Projected Year Incentive ARR	-

Project Description:

Details	
Investment	Current Year
Service Year (yyyy)	0 ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	FCR w/o incentives, less depreciation 0.00%
Useful life	FCR w incentives approved for these facilities, less dep. 0.00%
CIAC (Yes or No)	0 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 **		
0	-	-	-	-	-	\$ -				
1	-	-	-	-	-	\$ -				
2	-	-	-	-	-	\$ -				
3	-	-	-	-	-	\$ -				
4	-	-	-	-	-	\$ -				
5	-	-	-	-	-	\$ -				
6	-	-	-	-	-	\$ -				
7	-	-	-	-	-	\$ -				
8	-	-	-	-	-	\$ -				
9	-	-	-	-	-	\$ -				
10	-	-	-	-	-	\$ -				
11	-	-	-	-	-	\$ -				
12	-	-	-	-	-	\$ -				
13	-	-	-	-	-	\$ -				
14	-	-	-	-	-	\$ -				
15	-	-	-	-	-	\$ -				
16	-	-	-	-	-	\$ -				
17	-	-	-	-	-	\$ -				
18	-	-	-	-	-	\$ -				
19	-	-	-	-	-	\$ -				
20	-	-	-	-	-	\$ -				
21	-	-	-	-	-	\$ -				
22	-	-	-	-	-	\$ -				
23	-	-	-	-	-	\$ -				
24	-	-	-	-	-	\$ -				
25	-	-	-	-	-	\$ -				
26	-	-	-	-	-	\$ -				
27	-	-	-	-	-	\$ -				
28	-	-	-	-	-	\$ -				
29	-	-	-	-	-	\$ -				
30	-	-	-	-	-	\$ -				
31	-	-	-	-	-	\$ -				
32	-	-	-	-	-	\$ -				
33	-	-	-	-	-	\$ -				
34	-	-	-	-	-	\$ -				
35	-	-	-	-	-	\$ -				
36	-	-	-	-	-	\$ -				
37	-	-	-	-	-	\$ -				
38	-	-	-	-	-	\$ -				
39	-	-	-	-	-	\$ -				
40	-	-	-	-	-	\$ -				
41	-	-	-	-	-	\$ -				
42	-	-	-	-	-	\$ -				
43	-	-	-	-	-	\$ -				
44	-	-	-	-	-	\$ -				
45	-	-	-	-	-	\$ -				
46	-	-	-	-	-	\$ -				
47	-	-	-	-	-	\$ -				
48	-	-	-	-	-	\$ -				
49	-	-	-	-	-	\$ -				
50	-	-	-	-	-	\$ -				
51	-	-	-	-	-	\$ -				
52	-	-	-	-	-	\$ -				
53	-	-	-	-	-	\$ -				
54	-	-	-	-	-	\$ -				
55	-	-	-	-	-	\$ -				
56	-	-	-	-	-	\$ -				
57	-	-	-	-	-	\$ -				
58	-	-	-	-	-	\$ -				
59	-	-	-	-	-	\$ -				

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.

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.

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 (TCOS, ln 138)			11.49
Project ROE Incentive Adder			0
ROE with additional 0 basis point incentive			
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166)			
	%	Cost	Weighted cost
Long Term Debt	0.00%	0.00%	0.000%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	0.00%	0.00%	<u>11.490%</u>
		R =	0.000%

TRUE-UP YEAR	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J		\$	-
Actual after True-up	\$ -	\$ -	\$ -
True-up of ARR For ____	-	-	-

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

Rate Base (TCOS, ln 58)	0.000
R (from A. above)	%
Return (Rate Base x R)	-

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

Return (from B. above)	-
Effective Tax Rate (TCOS, ln 97)	0.00%
Income Tax Calculation (Return x CIT)	-
ITC Adjustment	-
Excess Deferred Income Tax	-
Tax Affect of Permanent Differences	-
Income Taxes	-

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 (TCOS, ln 1)	-
Lease Payments (TCOS, Ln 80)	-
Return (TCOS, ln 109)	-
Income Taxes (TCOS, ln 108)	-
Annual Revenue Requirement, Less Lease payments, Return and Taxes	-

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

Annual Revenue Requirement, Less Lease payments, Return and Taxes	-
Return (from I.B. above)	-
Income Taxes (from I.C. above)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
Depreciation (TCOS, ln 83)	-
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	-

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

Net Transmission Plant (TCOS, ln 33)	-
Annual Revenue Requirement, with 0 Basis Point ROE increase	-
FCR with 0 Basis Point increase in ROE	0.00%
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	-
FCR with 0 Basis Point ROE increase, less Depreciation	0.00%
FCR less Depreciation (TCOS, ln 10)	<u>0.00%</u>
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III.

Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for ____ TCOS, ln 19	-
Annual Depreciation and Amortization Expense (TCOS, ln 83)	-
Composite Depreciation Rate	0.00%
Depreciable Life for Composite Depreciation Rate	-
Average Life in Whole Years	-

Note 1: Until AEP _____ TRANSMISSION COMPANY establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP _____ TRANSMISSION COMPANY is shown on Worksheet P.

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. ER10-925-000)

Project Description:

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

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 ##
0	-	-	-	-	-	-	\$ -
1	-	-	-	-	-	-	\$ -
2	-	-	-	-	-	-	\$ -
3	-	-	-	-	-	-	\$ -
4	-	-	-	-	-	-	\$ -
5	-	-	-	-	-	-	\$ -
6	-	-	-	-	-	-	\$ -
7	-	-	-	-	-	-	\$ -
8	-	-	-	-	-	-	\$ -
9	-	-	-	-	-	-	\$ -
10	-	-	-	-	-	-	\$ -
11	-	-	-	-	-	-	\$ -
12	-	-	-	-	-	-	\$ -
13	-	-	-	-	-	-	\$ -
14	-	-	-	-	-	-	\$ -
15	-	-	-	-	-	-	\$ -
16	-	-	-	-	-	-	\$ -
17	-	-	-	-	-	-	\$ -
18	-	-	-	-	-	-	\$ -
19	-	-	-	-	-	-	\$ -
20	-	-	-	-	-	-	\$ -
21	-	-	-	-	-	-	\$ -
22	-	-	-	-	-	-	\$ -
23	-	-	-	-	-	-	\$ -
24	-	-	-	-	-	-	\$ -
25	-	-	-	-	-	-	\$ -
26	-	-	-	-	-	-	\$ -
27	-	-	-	-	-	-	\$ -
28	-	-	-	-	-	-	\$ -
29	-	-	-	-	-	-	\$ -
30	-	-	-	-	-	-	\$ -
31	-	-	-	-	-	-	\$ -
32	-	-	-	-	-	-	\$ -
33	-	-	-	-	-	-	\$ -
34	-	-	-	-	-	-	\$ -
35	-	-	-	-	-	-	\$ -
36	-	-	-	-	-	-	\$ -
37	-	-	-	-	-	-	\$ -
38	-	-	-	-	-	-	\$ -
39	-	-	-	-	-	-	\$ -
40	-	-	-	-	-	-	\$ -
41	-	-	-	-	-	-	\$ -
42	-	-	-	-	-	-	\$ -
43	-	-	-	-	-	-	\$ -
44	-	-	-	-	-	-	\$ -
45	-	-	-	-	-	-	\$ -
46	-	-	-	-	-	-	\$ -
47	-	-	-	-	-	-	\$ -
48	-	-	-	-	-	-	\$ -
49	-	-	-	-	-	-	\$ -
50	-	-	-	-	-	-	\$ -
51	-	-	-	-	-	-	\$ -
52	-	-	-	-	-	-	\$ -
53	-	-	-	-	-	-	\$ -
54	-	-	-	-	-	-	\$ -
55	-	-	-	-	-	-	\$ -
56	-	-	-	-	-	-	\$ -
57	-	-	-	-	-	-	\$ -
58	-	-	-	-	-	-	\$ -
59	-	-	-	-	-	-	\$ -
Project Totals	-	-	-	-	-	-	-

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.

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 **
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -
\$ -	-	\$ -	-	\$ -

** 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.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet L RESERVED
AEP _____ TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet M Supporting Calculation of Capital Structure and Weighted Average
 Cost of Capital
 AEP WEST VIRGINIA TRANSMISSION COMPANY

		Average Balance of Common Equity				
Line No	Month	Proprietary Capital	Less: Preferred Stock	Less	Less AOCI	Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
				Undistrib	(Acct	
		(b)	(c)	uted Sub Earnings (Acct 216.1)	(Acct 219.1)	
		(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
		(Note A)				
1	December Prior to Rate Year	-	-	-	-	-
2	January	-	-	-	-	-
3	February	-	-	-	-	-
4	March	-	-	-	-	-
5	April	-	-	-	-	-
6	May	-	-	-	-	-
7	June	-	-	-	-	-
8	July	-	-	-	-	-
9	August	-	-	-	-	-
10	September	-	-	-	-	-
11	October	-	-	-	-	-
12	November	-	-	-	-	-
13	December of Rate Year	-	-	-	-	-
14	Average of the 13 Monthly Balances	-	-	-	-	-

		Average Balance of Long Term Debt					
Line No	Month	Bonds	Less:	Acct 223	Acct 224	Less: Fair	Gross Proceeds Outstandi
			Reacquire	LT	Senior	Value	
			d Bonds	Advances	Unsecure	Hedges	

(a)	from Assoc. d Notes Companies					ng Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
	(b)	(c)	(d)	(e)	(f)	
(Note A)	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15 December Prior to Rate Year	-	-	-	-	-	-
16 January	-	-	-	-	-	-
17 February	-	-	-	-	-	-
18 March	-	-	-	-	-	-
19 April	-	-	-	-	-	-
20 May	-	-	-	-	-	-
21 June	-	-	-	-	-	-
22 July	-	-	-	-	-	-
23 August	-	-	-	-	-	-
24 September	-	-	-	-	-	-
25 October	-	-	-	-	-	-
26 November	-	-	-	-	-	-
27 December of Rate Year	-	-	-	-	-	-
28 Average of the 13 Monthly Balances	-	-	-	-	-	-

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

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29 Annual Interest Expense for 2017							
30 Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)				-			
31 Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 43 below.				-			

32	Amort of Debt Discount & Expense - Acct 428 (117.63.c)	-
33	Amort of Loss on Recquired Debt - Acct 428.1 (117.64.c)	-
34	Less: Amort of Premium on Debt - Acct 429 (117.65.c)	-
35	Less: Amort of Gain on Recquired Debt - Acct 429.1 (117.66.c)	-
36	Total Interest Expense (Ln 30 - 31 + 32 + 33 - 34 - 35)	-

37 **Average Cost of Debt for 2017 (Ln 36/ In 28 (g))** #DIV/0!

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

38 AEP WEST VIRGINIA TRANSMISSION COMPANY may not include costs (or gains) related to interest hedging activities.

Amortization Period

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	(Amortizati on of (Gain)/Los s for 2017	Remaining Unamortiz ed Balance	Beginning	Ending
39					
40					
41					
42					
43	Net (Gain)/Loss Hedge Amortization To Be Removed	-	-	-	-

Development of Cost of Preferred Stock

44	Balance of Preferred Stock (Line 14 (c))	-
45	Dividends on Preferred Stock (Acct 437, FF1 118.29))	
46	Average Cost of Preferred Stock (Ln 45 / In 44)	#DIV/0!

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
 AEP _____ TRANSMISSION COMPANY

Note: Gain or loss on plant held for future are recorded in accounts 411.6 or 411.7 respectively. Sales will be functionalized 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.

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

AEPTCo subsidiaries in PJM
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Calculation of Post-employment Benefits Other than Pensions Expenses Allocable to Transmission Service
 Worksheet O - PBOP Support
 AEP _____ TRANSMISSION COMPANY

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	
4	Base Year relating to retired personnel	
5	Amount allocated on Labor	
6	Total AEP System Direct Labor Expense	
	AEP System PBOP expense per dollar of direct labor	
7	(PBOP Rate)	
8	Currently Approved PBOP Rate	(0.043)
9	Base PBOP TransCo labor expensed in current year	
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	
11	Direct PBOP Expense per Actuarial Report	
12	Additional PBOP Ledger Entry (From Company Records)	
13	Medicare Credit	
14	PBOP Expenses From AEP Affiliates (From Company Records)	
15	Actual PBOP Expense	(Sum Lines 11-14)
16	PBOP Adjustment	Line 10 less Line 15

Note: PBOP Expense will be calculated in accordance with the settlement in Docket ER10-355.

As part of the annual update process, AEP will provide to transmission customers and include in its informational filing an independently prepared actuarial report that includes a ten (10) year forecast of PBOP expenses. During the annual update process conducted for rate year 2018 and every four years thereafter, Worksheet O will be used to determine whether the PBOP allowance rate (\$PBOP per \$Direct O&M Labor) should be adjusted going forward for the next four years. If the annual actuarial report issued during the year of any PBOP rate review projects PBOP costs during the next four years that, when allocated to the AEP Transmission Companies based on their projected direct labor expenses over that same projected four-year period, absent a change in the PBOP Rate, will likely cause the AEP East Transmission Companies to over or under collect their cumulative PBOP expenses by more than 20% of the projected next four year's total PBOP expense, taking into account the net over or under collection of such expenses during the previous four years, the PBOP rate shall be adjusted. In order to determine whether continued use of the then approved PBOP rate is likely to result in the AEP Companies' incurrence of a cumulative allowance of PBOP costs under the formula rate will result in a cumulative over or under-recovery of actual PBOP expenses exceeding 20% over the subsequent four year period, Worksheet O will be used to determine (a) the level of cumulative over or under collections of PBOP expense during the time since the PBOP allowance rate was last set, including carrying costs based on the weighted average cost of capital each year from the formula rate actual transmission cost-of-service (b) the cumulative net present value of projected PBOP costs during the next four years as estimated by the then current actuarial report, assuming a discount rate equal to the actual transmission cost of service average cost of capital for the immediately prior calendar year and (c) the cumulative net present value of continued collections over the next four years based on the projected AEP Transmission Companies direct labor expenses and the then effective PBOP allowance rate assuming a discount rate equal to the prior year weighted average cost of capital. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance rate used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years, (a)+(b)-(c), is less than 20% of (b), then the PBOP Rate will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover or under-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP Rate stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2015

AEP APPALACHIAN TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	
Structures & Improvements	352.0	1.52%
Station Equipment	353.0	1.68%
Towers & Fixtures	354.0	1.54%
Poles & Fixtures	355.0	2.64%
Overhead Conductor	356.0	1.19%
Underground Conduit	357.0	1.45%
Underground Conductors	358.0	7.23%

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP APPALACHIAN TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

Note: AEP APPALACHIAN TRANSMISSION COMPANY shall initially use the composite depreciation rate for Virginia and West Virginia shown above to estimate depreciation expense for transmission projects in Worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP APPALACHIAN TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP APPALACHIAN TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2018

AEP INDIANA MICHIGAN TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	1.48%
Structures & Improvements	352.0	1.55%
Station Equipment	353.0	1.86%
Towers & Fixtures	354.0	1.69%
Poles & Fixtures	355.0	2.85%
Overhead Conductor	356.0	1.97%
Underground Conduit	357.0	1.86%
Underground Conductors	358.0	1.70%

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP INDIANA MICHIGAN TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

Note: AEP INDIANA MICHIGAN TRANSMISSION COMPANY shall initially use the composite depreciation rate for INDIANA and MICHIGAN shown above to estimate depreciation expense for transmission projects in Worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP INDIANA MICHIGAN TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP INDIANA MICHIGAN TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2015

AEP KENTUCKY TRANSMISSION COMPANY

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

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP KENTUCKY TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

Note: AEP KENTUCKY TRANSMISSION COMPANY shall initially use the composite depreciation rate for KPCo shown above to estimate depreciation expense for transmission projects in Worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP KENTUCKY TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP KENTUCKY TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2018

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	0.97%
Structures & Improvements	352.0	1.72%
Station Equipment	353.0	1.89%
Towers & Fixtures	354.0	1.95%
Poles & Fixtures	355.0	3.15%
Overhead Conductor	356.0	2.03%
Underground Conduit	357.0	2.10%
Underground Conductors	358.0	3.85%

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP OHIO TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			
T-Plant (FF1 206.58.b)			
Average (Ln 1+ Ln 2)/2			
Depreciation (FF1 336.7.f)			
Composite Depreciation (Ln 3 / Ln 4)			

Note: AEP OHIO TRANSMISSION COMPANY shall initially use the composite depreciation rate for APCo, I&M and KPCo shown above to estimate depreciation expense for transmission projects in Worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP OHIO TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP OHIO TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF 7/1/2015

AEP WEST VIRGINIA TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		
Land Rights	350.1	
Structures & Improvements	352.0	1.52%
Station Equipment	353.0	1.68%
Towers & Fixtures	354.0	1.54%
Poles & Fixtures	355.0	2.64%
Overhead Conductor	356.0	1.19%
Underground Conduit	357.0	1.45%
Underground Conductors	358.0	7.23%

Note: Per the Settlement in Docket No. ER10-355, Appendix A.1.2, AEP WEST VIRGINIA TRANSMISSION COMPANY shall use the depreciation rates shown above by FERC Account until such time as the FERC approves new depreciation rates pursuant to a Section 205 or 206 filing to change rates.

	<u>Composite Depreciation Rate</u>	<u>OpCo Company</u>	<u>OpCo Company</u>	<u>TOTAL</u>
1	T-Plant (FF1 206.58.g)			
2	T-Plant (FF1 206.58.b)			
3	Average (Ln 1+ Ln 2)/2			
4	Depreciation (FF1 336.7.f)			
5	Composite Depreciation (Ln 3 / Ln 4)			

Note: AEP WEST VIRGINIA TRANSMISSION COMPANY shall initially use the composite depreciation rate for APCo and WPCo shown above to estimate depreciation expense for transmission projects in Worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP WEST VIRGINIA TRANSMISSION COMPANY for its own transmission facilities can be calculated in AEP WEST VIRGINIA TRANSMISSION COMPANY's the first Annual Update including a True-Up TCOS.

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-
Worksheet Q Page I

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Long Term Debt Balances at Year End							
1	Bonds (112.18.c&d)						
2	Less: Reacquired Bonds (112.19.c&d)						
3	LT Advances from Assoc. Companies (112.20.c&d)						
4	Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund						
5	Less: Fair Value Hedges (See Note on Ln 7 below)						
6	Total Long Term Debt Balance						
7	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. (page 257, Column H of the FF1)						
Development of Long Term Debt Interest Expense							
8	Interest on Long Term Debt (256-257.33.i)						
9	Amort of Debt Discount & Expense (117.63.c)						
10	Amort of Loss on Reacquired Debt (117.64.c)						
11	Less: Amort of Premium on Debt (117.65.c)						
12	Less: Amort of Gain on Reacquired Debt (117.66.c)						
13	Less: Hedge Interest on pp 256-257(i)						
14	LTD Interest Expense						
Development of Cost of Preferred Stock and Preferred Dividends							
15	Dividend Rate (p. 250-251. 7.a)						
16	Par Value (p. 250-251. 8.c)						
17	Shares Outstanding (p.250-251. 8.e)						
18	Monetary Value (Ln 16 * Ln 17)						
19	Dividend Amount (Ln 15 * Ln 18)						
20	Dividend Rate (p. 250-251. 7.a)						
21	Par Value (p. 250-251. 8.c)						
22	Shares Outstanding (p.250-251. 8.e)						
23	Monetary Value (Ln 21 * Ln 22)						
24	Dividend Amount (Ln 20 * Ln 23)						
25	Dividend Rate (p. 250-251. 7.a)						
26	Par Value (p. 250-251. 8.c)						
27	Shares Outstanding (p.250-251. 8.e)						
28	Monetary Value (Ln 26 * Ln 27)						
29	Dividend Amount (Ln 25 * Ln 28)						
30	Dividend Rate (p. 250-251. 7.a)						
31	Par Value (p. 250-251. 8.c)						
32	Shares Outstanding (p.250-251. 8.e)						
33	Monetary Value (Ln 31 * Ln 32)						
34	Dividend Amount (Ln 30 * Ln 33)						
35	Preferred Stock (Lns 18, 23, 28,33)						
36	Preferred Dividends (Lns 19, 24, 29,34)						
Development of Common Equity							
37	Proprietary Capital (112.16.c)						
38	Less: Preferred Stock (Ln 35 Above)						
39	Less: Account 216.1 (112.12.c)						
40	Less: Account 219.1 (112.15.c)						
41	Balance of Common Equity						
Calculation of Capital Shares							
42	Long Term Debt (Ln 6 Above)						
43	Preferred Stock (Ln 35 Above)						
44	Common Equity (Ln 41 Above)						
45	Total Company Structure						
46	LTD Capital Shares (Ln 42 / Ln 45)						
47	Preferred Stock Capital Shares (Ln 43 / Ln 45)						
48	Common Equity Capital Shares (Ln 44 / Ln 45)						
49	RESERVED						
50	Reserved						
51	Reserved						
52	Reserved						
Calculation of Capital Cost Rate							
53	LTD Capital Cost Rate (Ln 14 / Ln 6)						
54	Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)						
55	Common Equity Capital Cost Rate						
	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
56	LTD Weighted Capital Cost Rate (Ln 46 * Ln 53)						
57	Preferred Stock Capital Cost Rate (Ln 47 * Ln 54)						
58	Common Equity Capital Cost Rate (Ln 48 * Ln 55)						
59	Total Company Structure						

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Capital Structure @ 12-31-____
Worksheet Q Page 2

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Long Term Debt Balances at Year End							
60	Bonds (112.18.c&d)						
61	Less: Reacquired Bonds (112.19.c&d)						
62	LT Advances from Assoc. Companies (112.20.c&d)						
63	Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund						
64	Less: Fair Value Hedges (See Note on Ln 66 below)						
65	Total Long Term Debt Balance						
66	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. (p. 257, Column H of the FF1)						
Development of Long Term Debt Interest Expense							
67	Interest on Long Term Debt (256-257.33.i)						
68	Amort of Debt Discount & Expense (117.63.c)						
69	Amort of Loss on Reacquired Debt (117.64.c)						
70	Less: Amort of Premium on Debt (117.65.c)						
71	Less: Amort of Gain on Reacquired Debt (117.66.c)						
72	Less: Hedge Interest on pp 256-257(i)						
73	LTD Interest Expense						
Development of Cost of Preferred Stock and Preferred Dividends							
74	Dividend Rate (p. 250-251. 7.a)						
75	Par Value (p. 250-251. 8.c)						
76	Shares Outstanding (p.250-251. 8.e)						
77	Monetary Value (Ln 75 * Ln 76)						
78	Dividend Amount (Ln 74 * Ln 77)						
79	Dividend Rate (p. 250-251. 7.a)						
80	Par Value (p. 250-251. 8.c)						
81	Shares Outstanding (p.250-251. 8.e)						
82	Monetary Value (Ln 80 * Ln 81)						
83	Dividend Amount (Ln 79 * Ln 82)						
84	Dividend Rate (p. 250-251. 7.a)						
85	Par Value (p. 250-251. 8.c)						
86	Shares Outstanding (p.250-251. 8.e)						
87	Monetary Value (Ln 85 * Ln 86)						
88	Dividend Amount (Ln 84 * Ln 87)						
89	Dividend Rate (p. 250-251. 7.a)						
90	Par Value (p. 250-251. 8.c)						
91	Shares Outstanding (p.250-251. 8.e)						
92	Monetary Value (Ln 90 * Ln 91)						
93	Dividend Amount (Ln 89 * Ln 92)						
94	Preferred Stock (Lns 77, 82, 87,92)						
95	Preferred Dividends (Lns 78, 83, 88,93)						
Development of Common Equity							
96	Proprietary Capital (112.16.c)						
97	Less: Preferred Stock (Ln 94 Above)						
98	Less: Account 216.1 (112.12.c)						
99	Less: Account 219.1 (112.15.c)						
100	Balance of Common Equity						
Calculation of Capital Shares							
101	Long Term Debt (Ln 65 Above)						
102	Preferred Stock (Ln 94 Above)						
103	Common Equity (Ln 100 Above)						
104	Total Company Structure						
105	LTD Capital Shares (Ln 101 / Ln 104)						
106	Preferred Stock Capital Shares (Ln 102 / Ln 104)						
107	Common Equity Capital Shares (Ln 103 / Ln 104)						
108	RESERVED						
109	RESERVED						
110	RESERVED						
111	RESERVED						
Calculation of Capital Cost Rate							
112	LTD Capital Cost Rate (Ln 73 / Ln 65)						
113	Preferred Stock Capital Cost Rate (Ln 95 / Ln 94)						
114	Common Equity Capital Cost Rate						
	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
115	LTD Weighted Capital Cost Rate (Ln 105 * Ln 112)						
116	Preferred Stock Capital Cost Rate (Ln 106 * Ln 113)						
117	Common Equity Capital Cost Rate (Ln 107 * Ln 114)						
118	Total Company Structure						

AEP East Consolidated Utility Capital Structure
Consolidation of Operating Companies' Average Capital Structure
Worksheet Q Page 3

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Development of Average Long Term Debt							
119	Average Bonds (Ln 1 + Ln 60) / 2						
120	Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2						
	Average LT Advances from Assoc. Companies (Ln 3 + Ln 62) / 2						
121	2						
122	Average Senior Unsecured Notes (Ln 4 + Ln 63) / 2						
123	Less: Average Fair Value Hedges (See Note on Ln 125 below)						
124	Average Balance of Long Term Debt						
125	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. (p. 257, Column H of the FF1)						
Development of Long Term Debt Interest Expense							
126	Interest on Long Term Debt (256-257.33.i)						
127	Amort of Debt Discount & Expense (117.63.c)						
128	Amort of Loss on Reacquired Debt (117.64.c)						
129	Less: Amort of Premium on Debt (117.65.c)						
130	Less: Amort of Gain on Reacquired Debt (117.66.c)						
131	Less: Hedge Interest on pp 256-257(i)						
132	LTD Interest Expense						
Cost of Preferred Stock and Preferred Dividends							
133	Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2						
134	Preferred Dividends (Ln 36)						
Development of Average Common Equity							
135	Average Proprietary Capital (Ln 37 + Ln 96) / 2						
136	Less: Average Preferred Stock (Ln 133 Above)						
137	Less: Average Account 216.1 (Ln 39 + Ln 98) / 2						
138	Less: Average Account 219.1 (Ln 40 + Ln 99) / 2						
139	Average Balance of Common Equity						
Calculation of Capital Shares							
140	Average Balance of Long Term Debt (Ln 124 Above)						
141	Average Balance of Preferred Stock (Ln 133 Above)						
142	Average Balance of Common Equity (Ln 139 Above)						
143	Average of Total Company Structure						
144	Average Balance of LTD Capital Shares (Ln 140 / Ln 143)						
145	Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln 143)						
146	Average Balance of Common Equity Capital Shares (Ln 142 / Ln 143)						
147	Reserved						
148	Reserved						
149	Reserved						
150	Reserved						
Calculation of Capital Cost Rate							
151	LTD Capital Cost Rate (Ln 132 / Ln 124)						
152	Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)						
153	Common Equity Capital Cost Rate						
	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculation of Weighted Capital Cost Rate							
154	LTD Weighted Capital Cost Rate (Ln 144 * Ln 151)						
155	Preferred Stock Capital Cost Rate (Ln 145 * Ln 152)						
156	Common Equity Capital Cost Rate (Ln 146 * Ln 153)						
157	ACTUAL WEIGHTED AVG COST OF CAPITAL						

**AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R – True-up With Interest
(Hypothetical Example)**

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <hr style="border: 1px solid green;"/> -	-	2018 Revenue Requirement Forecast by October 31, 2017 <hr style="border: 1px solid green;"/> -	=	True-up Adjustment - Over (Under) Recovery -
---	---	---	---	---

	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
Interest Rate on Amount of Refunds or Surcharges (Note 1)		0.2780%				

An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020

<u>Calculation of Interest</u>			Monthly			
January	Year 2018	-	0.2780%	12	-	-
February	Year 2018	-	0.2780%	11	-	-
March	Year 2018	-	0.2780%	10	-	-
April	Year 2018	-	0.2780%	9	-	-
May	Year 2018	-	0.2780%	8	-	-
June	Year 2018	-	0.2780%	7	-	-
July	Year 2018	-	0.2780%	6	-	-
August	Year 2018	-	0.2780%	5	-	-
September	Year 2018	-	0.2780%	4	-	-
October	Year 2018	-	0.2780%	3	-	-
November	Year 2018	-	0.2780%	2	-	-
December	Year 2018	-	0.2780%	1	-	-
					-	-
			Annual			
January through December	Year 2019	-	0.2780%	12	-	-

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>			Monthly			
January	Year 2020	-	0.2780%	-	-	-
February	Year 2020	-	0.2780%	-	-	-
March	Year 2020	-	0.2780%	-	-	-
April	Year 2020	-	0.2780%	-	-	-
May	Year 2020	-	0.2780%	-	-	-

June	Year	-		-	-	-
	2020		0.2780%			
July	Year	-		-	-	-
	2020		0.2780%			
August	Year	-		-	-	-
	2020		0.2780%			
September	Year	-		-	-	-
	2020		0.2780%			
October	Year	-		-	-	-
	2020		0.2780%			
November	Year	-		-	-	-
	2020		0.2780%			
December	Year	-		-	-	-
	2020		0.2780%			
				<hr/>		
				-		

True-Up Adjustment with Interest					-	
Less Over (Under) Recovery					-	
Total Interest					-	

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