

American Electric Power

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BOUNDLESS ENERGY™

October 11, 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. ER19-2589

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, Appalachian Power Company, Inc., Indiana Michigan Power Company, Inc., Kentucky Power Company, Inc., Kingsport Power Company, Inc., Ohio Power Company, Inc., and Wheeling Power Company, Inc., (together, "AEP East Operating Companies") and 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"), submits a compliance filing to reflect revisions to the formula rates of the AEP East Operating Companies, Attachment H-14, and AEP East Transmission Companies, Attachment H-20 of the PJM Interconnection, L.L.C. ("PJM") Open Access Transmission Tariff ("PJM Tariff") to update certain depreciation rate information as conditionally approved in the Commission's delegated letter order issued on September 16, 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.

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

See American Electric Power Service Corp., Docket No. ER19-2589-000, Letter Order (September 16, 2019) ("September 16 Order").

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 these revised Attachments H-14B and H-20B in the eTariff system as part of PJM's electronic Intra PJM Tariff.

I. Background and Description of Compliance Filing

On August 13, 2019, in this docket, AEP filed revisions to the formula rates contained in Attachment H-14 and Attachment H-20 of the PJM Tariff to update the stand alone and composite depreciation rates to reflect revisions to the depreciation assessed in the state of West Virginia⁴. That filing requested a March 6, 2019 effective date for the proposed changes.

In the September 16 Order, the Commission's conditional approval requires the Companies to reflect the depreciation rates for general plant accounts along with rates shown for transmission assets. Therefore, the change reflected in this application is to update Worksheet P for each AEP company in Attachments H-14B and H-20B of the PJM OATT⁵.

II. Effective Date and Waiver Request

As contemplated in the September 16 Order, AEP is requesting an effective date for this change of March 6, 2019. 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. Redline versions of Attachment H-14B-AEPOPCo-Part II Worksheets A-Q and Attachment H-20B-AEPTCo Worksheets A-R; and,
- c. Clean versions of Attachment H-14B-AEPOPCo-Part II Worksheets A-Q and Attachment H-20B-AEPTCo Worksheets A-R.

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, 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 email on the same date as this filing to all PJM Members in the PJM Region 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

⁴ Public Service Commission of West Virginia Case No. 18-0645-E-D *Appalachian Power Company and Wheeling Power Company, Application to Change Depreciation Rates.*

The requested information is already provided in Attachment H-14B, Worksheet P for Kingsport Power Company, Inc.

⁶ See 18C.F.R §§ 35.2(e) and 385.2010(f)(3).

⁷ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

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referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission's eLibrary website located 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:

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VI. Conclusion

Wherefore, AEP respectfully requests that the Commission accept these revised tariff sheets, effective March 6, 2019 for the AEP East Operating Companies and AEP East Transmission Companies and grant any applicable waivers.

Respectfully submitted,

/s/ Amanda Riggs Conner

Amanda Riggs Conner 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 11th day of October, 2019.

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/s/ Amanda Riggs Conner

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

Redline versions of Attachment H-14B AEPOPCo Part II Worksheets A-Q and Attachment H-20B AEPTCo Worksheets A-R

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet G Supporting - Development of Composite State Income Tax Rate COMPANY NAME HERE

State #1 Tax Rate Apportionment Factor - Note 1 Effective State Tax Rate	0.00%
State #2 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.00%
State #3 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.000/
Effective State Tax Rate	0.00%
State #4 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.00%
Total Effective State Income Tax Rate	0.00%

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

COM	IPANY NAME HERE					
	(\mathbf{A})	(B)	(C)	(D)	(E)	(F)
Line		Total				
No.	Account	Company	Property	Labor	Other	Non-Allocable
		NOTE 1				
1	Revenue Taxes					
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	Production Taxes					
13	List Individual Taxes Here	_				_
14	List individual Taxes Here	_				_
15	Miscellaneous Taxes					
16	List Individual Taxes Here	_				_
17	List individual Taxes Here	_			_	
18		_			_	
19		_			_	
20		_			_	
21		_				_
22		_				_
23						
23 24	Total Taxes by Allocable Basis					-
24	•		-	-	-	-
	(Total Company Amount Ties to FFI p.114, Ln 14,(c))	: 4 FEDGE	4 1 1 1 117	Q 11 1		
	NOTE 1: The detail of each total company number and its source	in the FERC Form	1 I is shown on W	S H-1.		
	Functional Property Tax Allocation					
25	F ' ' I' IN M (TOOG I ALL I AC)	<u>Production</u>	<u>Transmsission</u>	<u>Distribution</u>	<u>General</u>	<u>Total</u>
25	Functionalized Net Plant (TCOS, Lns 41 thru 46)	-	-	-	-	-
	STATE JURISDICTION #1					
26	Percentage of Plant in STATE JURISDICTION #1					
27	Net Plant in STATE JURISDICTION #1 (Ln 25 * Ln 26)	-		-	-	-
28	Less: Net Value of Exempted Generation Plant					
29	Taxable Property Basis (Ln 27 - Ln 28)	-	-	-	-	-
30	Relative Valuation Factor					
31	Weighted Net Plant (Ln 29 * Ln 30)	-	-	-	-	
32	General Plant Allocator (Ln 31 / (Total - General Plant))	0.00%	0.00%	0.00%	-100.00%	
33	Functionalized General Plant (Ln 32 * General Plant)	-	-	-	-	-
34	Weighted STATE JURISDICTION #1 Plant (Ln 31 + 33)	-	-	-	-	-
35	Functional Percentage (Ln 34/Total Ln 34)	0.00%	0.00%	0.00%		
	STATE JURISDICTION #2					
36	Percentage of Plant in STATE JURISDICTION #2					
37	Net Plant in STATE JURISDICTION #2 (Ln 25 * Ln 36)	-		-	-	-
38	Less: Net Value of Exempted Generation Plant					
39	Taxable Property Basis (Ln 37 - Ln 38)	-	-	-	-	-
40	Relative Valuation Factor					
41	Weighted Net Plant (Ln 39 * Ln 40)	-	-	-	-	
42	General Plant Allocator (Ln 41 / (Total - General Plant))	0.00%	0.00%	0.00%	-100.00%	
43	Functionalized General Plant (Ln 42 * General Plant)	-	-	-	-	-
44	Weighted STATE JURISDICTION #2 Plant (Ln 41 + 43)	-	-	-	-	-
45	Functional Percentage (Ln 44/Total Ln 44)	0.00%	0.00%	0.00%		
	STATE JURISDICTION #3					
46	Net Plant in STATE JURISDICTION #3 (Ln 25 - Ln 27 - Ln 37)	-	-	-	-	-
47	Less: Net Value Exempted Generation Plant					
48	Taxable Property Basis	-	-	-	-	-
49	Relative Valuation Factor					
50	Weighted Net Plant (Ln 48 * Ln 49)	-	-	-	-	
51	General Plant Allocator (Ln 50 / (Total - General Plant)	0.00%	0.00%	0.00%	-100.00%	
52	Functionalized General Plant (Ln 52 * General Plant)	-	-	-	-	
	· · · · · · · · · · · · · · · · · · ·					
53	Weighted STATE JURISDICTION #3 Plant (Ln 50 + 52)	-	-		-	-
54	Functional Percentage (Ln 53/Total Ln 53)	0.00%	0.00%	0.00%		

Cost of Service Formula Rate Using 2008 FF1 Balances

Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H

(A)

Li ne Total FERC FORM 1 FERC FORM 1 No **Annual Tax Expenses by Type (Note 1)** Company Tie-Back Reference **Revenue Taxes** 1 Revenue Tax 1 2 <u>(A)</u> (B) (C) (D) (E) (F) (G) Tax Transmis Year Real Estate and Personal Propety Tax Detail FERC FORM 1 FERC FORM 1 Tax Total sion Factor Annual Tax Expenses by Type (Note 1) Year Company Tie-Back Reference Function (Note (Note 2) 2) **Real Estate and Personal Property Taxes Total** 3 (Ln 4 + Ln 5 + Ln 6 + Ln 7)Real and Personal Property - Jurisdiction 1 4 Real and Personal Property – Jurisdiction 2 5 6 Real and Personal Property – Jurisdiction 3 7 Real and Personal Property - Other Jurisdictions (A) (B) **(C)** (D) Li ne Total FERC FORM 1 FERC Form 1 No **Annual Tax Expense by Type (Note 1)** Company Tie-Back Reference 8 **Payroll Taxes** 9 Federal Insurance Contribution (FICA) 10 Federal Unemployment Tax 11 State Unemployment Insurance 12 **Production Taxes** Production Tax 1 15 **Miscellaneous Taxes** Miscellaneous Tax 1 16 17 Miscellaneous Tax 2 18 Miscellaneous Tax 3 19 Miscellaneous Tax 4 20 Miscellaneous Tax 5

(B)

(C)

(D)



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

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.

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 assesed. Real and Personal Property - Other Jurisdictions will be allocated using the Gross Plant Allocator from the applicable year.

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet I RESERVED FOR FUTURE USE

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 COMPANY NAME HERE

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

۱.	Determine 'R	L' with hypothetical	basis point increase in ROE for Identified Projects
----	---------------------	-----------------------------	---

ROE w/o incentives (TCOS, ln 156)	0.00%
Project ROE Incentive Adder	
ROE with additional basis point incentive	0.00%

Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156)

	<u>%</u>	<u>Cost</u>	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%	0.000%
		R :	= 0.000%

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

	0	v 1	-	9	
Rate Base (TCOS, ln 6	8)			-	-
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.

c. Determine income taxes using xeturn with hypothetical basis point KOE increase for identified 1 tojects.		
Return (from B. above)		-
Effective Tax Rate (TCOS, ln 114)		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, 95)

Return (TCOS, ln 126)	
Income Taxes (TCOS, ln 125)	=
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 (TCOS, ln 100)	Ξ.
Annual Rev. Reg. w/ Basis Point ROE increase less Depreciation	_

Depreciation (1005, in 100)	<u> </u>
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation	-
C. Determine FCR with hypothetical basis point ROE increase.	
Net Transmission Plant (TCOS, ln 42)	=
Annual Revenue Requirement, with Basis Point ROE increase	-
FCR with Basis Point increase in ROE	
Annual Rev. Req, w / Basis Point ROE increase, less Dep.	-
FCR with Basis Point ROE increase, less Depreciation	
FCR less Depreciation (TCOS, ln 10)	
Incremental FCR with Basis Point ROE increase, less Depreciation	

III Calculation of Composite Depreciation Rate

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

0.00%

0.00% 0.00%

0.00%

Page 6

Average Transmission Plant Balance for Rate Year (TCOS, ln 21)

Annual Depreciation and Amortization Expense (TCOS, ln 100)

Composite Depreciation Rate

Depreciable Life for Composite Depreciation Rate

Round to nearest whole year

- 4

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

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

A. Base Plan Facilities (e.g. ER05-925-000) **Current Projected Year ARR** Facilities receiving incentives accepted by FERC in Docket No. **Current Projected Year ARR w/ Incentive Project Description: Current Projected Year Incentive ARR** Details **CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:** Current Year **Projected Year** Investment CUMULATIVE HISTORY OF PROJECTED ANNUAL ROE increase accepted by FERC (Basis Points) REVENUE REQUIREMENTS: Service Year (yyyy) INPUT PROJECTED ARR (WITH & WITHOUT INCENTIVES) Service Month (1-12) FCR w/o incentives, less depreciation 0.00% FROM EACH PRIOR YEAR TEMPLATE BELOW TO MAINTAIN Useful life 0.00% FCR w/incentives approved for these facilities, less dep. HISTORY OF PROJECTED ARRS OVER THE LIFE OF THE CIAC (Yes or No) PROJECT. Annual Depreciation Expense RTEP **Projected** Rev. Reg't.From **Prior Year** RTEP Rev. Req't. Beginning **Depreciation Ending** RTEP Rev. Req't. **Incentive Rev.** Investment **Template** w/o **Balance** Balance w/o Incentives with Incentives ** Requirement ## Year **Expense Incentives**

Project Totals

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.

RTEP

Projected

Rev.

Reg't.From **Prior Year**

Template

with **Incentives**

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

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones

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

COMPANY NAME HERE A. Determine 'R' with hypothetical basis point increase in ROE for Identified Projects ROE w/o incentives (TCOS, ln 156) 0.00% Project ROE Incentive Adder ROE with additional basis point incentive 0.00% Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156) Cost Long Term Debt 0.00% 0.00% 0.00% 0.00% Preferred Stock Common Stock 0.00% 0.00% B. Determine Return using 'R' with hypothetical basis point ROE increase for Identified Projects. Rate Base (TCOS, ln 68) R (from A. above) 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 114) Income Tax Calculation (Return x CIT) ITC Adjustment

Excess Deferred Income Tax Tax Affect of Permanent Differences Income Taxes

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 95) Return (TCOS, ln 126)

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)

Income Taxes (TCOS, ln 125)

Annual Revenue Requirement, with Basis Point ROE increase

Depreciation (TCOS, ln 100)

Annual Rev. Reg. w/ Basis Point ROE increase, less Depreciation

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (TCOS, ln 42)

Annual Revenue Requirement, with Basis Point ROE increase

FCR with Basis Point increase in ROE

Annual Rev. Req, w / Basis Point ROE increase, less Dep.

FCR with Basis Point ROE increase, less Depreciation

FCR less Depreciation (TCOS, ln 10)

Incremental FCR with Basis Point ROE increase, less Depreciation

Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for Rate Year (TCOS, ln 21)

Annual Depreciation and Amortization Expense (TCOS, ln 100)

Composite Depreciation Rate

Depreciable Life for Composite Depreciation Rate

Round to nearest whole year

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEP PROJECTS Rev Require W Incentives Incentive Amounts TRUE-UP YEAR Historic Year As Projected in Prior Year WS J Actual after True-up \$ -True-up of ARR For Historic Year 0.00% 0.00% 0.00% 0.00%

0.00%

Weighted cost

R =

0.000%

0.00%

0.000%

0.000%

0.000%

0.000%

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Page 1 of 2

COMPANY NAME HERE 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.
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(e.g. ER05-925-000)

Project Description:

Details							
Investment		Current Year					Historic Year
Service Year (yyyy)			epted by FERC (Bas	sis Points)			-
Service Month (1-12)		FCR w/o incentive depreciation					0.00%
Useful life	_	FCR w/incentives dep.	approved for these	facilities, less			0.00%
CIAC (Yes or No)	No	Annual Depreciati	on Expense		_		-
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 ##
1 ear	Dalance	Expense	Datance	Datance	w/o incentives	,,	\$
-	-	-	-	- -	-	-	- \$ -

Project Totals - - - - -

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.

Page 2 of 2

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

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.

AEP East Companies Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet L COMPANY NAME HERE

RESERVED FOR FUTURE USE

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital Company Name

			Average	e Balance of Commo	on Equity	
Lin e No	Month	Proprietary Capital	Less: Preferred Stock	Less Undistributed Sub Earnings (Acct 216.1)	Less AOCI (Acct 219.1)	Average Balance of Common Equity (f)=(b)-(c)-(d)-(
	(a)	(b)	(c)	(d)	(e)	e)
	(Note A) December Prior to Rate	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
1	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	-	-	-	-	-

					e of Long Term I	Debt	
Lin e No	Month	Acct 221 Bonds	Less: Acct 222 Reacquired Bonds	Acct 223 LT Advances from Assoc. Companies	Acct 224 Senior Unsecured Notes	Less: Fair Value Hedges	Gross Proceeds Outstanding Long- Term Debt (g)=(b)-(c)+(d)+(e)-
	(a)	(b)	(c)	(d)	(e)	(f)	(f)
	(Note A) December Prior to Rate	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15	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	-	-	<u>-</u>	-	-	-

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 (b) (d) (a) **(c) (e) (f) (g)** 29 **Annual Interest Expense for 2017** Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i) Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 31 and shown in 50 below. Plus: Allowed Hedge Recovery From Ln 55 below. Amort of Debt Discount & Expense -Acct 428 (117.63.c) Amort of Loss on Reacquired Debt -Acct 428.1 (117.64.c) Less: Amort of Premium on Debt -Acct 429 (117.65.c) Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)Total Interest Expense (Ln 30 - 31 + 37 33 + 34 - 35 - 36Average Cost of Debt for 2017 (Ln **#DIV/0!** 37/ ln 28 (g))

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

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.

Total

Less
Excludable Net
Amounts Includable Remaining

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	Hedge (Gain)/Loss for 2017	Amounts (See NOTE on Line 39)	Net Includable Hedge Amount	Remaining Unamortized Balance	Begin ning	Ending
40				-			
41				-			
42				-			
43				-			
44				-			
45				-			
46				-			
47				-			
48				-			
49					-		
50	Total Hedge Amortization	-	-				
51 52	Hedge Gain or Loss Prior to Application Limit (Sum of Lines 40 to 48) Total Average Capital Structure Balance for 2017 (TCOS, Ln 157)			-			
53	Financial Hedge Recovery Limit - Five of Total Capital	Basis Points		0.0005			
54	Limit of Recoverable Amount Recoverable Hedge Amountination (Leg	gan of I n 51	1	-	1		
55	Recoverable Hedge Amortization (Less or Ln 54)	SCI (II LII 31		-			

Development of Cost of Preferred Stock

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

60	0% Series - 0 - Dividend Amount (Ln 56 * Ln 59)		
61	0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%
62	0% Series - 0 - Par Value (p. 250-251)	\$ -	\$ -
63	0% Series - 0 - Shares O/S (p.250-251) 0% Series - 0 - Monetary Value (Ln 62	-	-
64	* Ln 63)	-	-
65	0% Series - 0 - Dividend Amount (Ln 61 * Ln 64)	-	-
66	0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%
67	0% Series - 0 - Par Value (p. 250-251)	\$ -	\$ -
68	0% Series - 0 - Shares O/S (p.250-251) 0% Series - 0 - Monetary Value (Ln 67	-	-
69	* Ln 68)	-	-
70	0% Series - 0 - Dividend Amount (Ln 66 * Ln 69)	-	-

0.00%

0.00%

0.00%

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

- 71 Balance of Preferred Stock (Lns 59, 64, 69)
- 72 Dividends on Preferred Stock (Lns 60, 65, 70)
- 73 Average Cost of Preferred Stock (Ln 72/71)

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use

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) Functional	(H) Functionalized	(I) FERC
Line	Date	Property Description	Function (T) or (G) T = Transmission	Basis	Proceeds	(Gain) / Loss	Allocator	Proceeds (Gain) / Loss	Account
			G = General						
1						-	0.000%	-	
2							0.000%		
2						-	0.000%	-	
3						-	0.000%	-	
									_
4				Net (Gain) or Loss for	or Rate Year	-		-	

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service

COMPANY NAME HERE

1 Total AEP East Operating Company PBOP Settlement Amount

Allocation of PBOP Settlement Amount for Rate Year:

Total Company Amount

Line#	Company	Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for Rate Year	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B)*1	(D)	(E)=(A)*(D)	(F)=(C)*(D)	(G)=(E)-(F)
2 APCo			0.00%	-		-	-	-
3 I&M			0.00%	-		-	-	-
4 KPCo			0.00%	-		-	-	-
5 KNGP			0.00%	-		-	-	-
6 OPCo			0.00%	-		-	-	-
7 WPCo			0.00%	-		-	-	-
8	Sum of Lines 2 to 7	-		-	-	-	-	-

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

	<u>APCo</u>	<u>I&M</u>	KPCo	KNGSPT	<u>OPCo</u>	<u>WPCo</u>	<u>Total</u>
9 Direct Charged PBOP Expense per Actuarial Report							-
Additional PBOP Ledger Entries							
10 (from Company Records)							
11 Medicare Subsidy							-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	-	-	-	-	-	-	-
13 PBOP Expenses From AEP Service Corporation (from Company							-
Records)							
14 Company PBOP Expense (Ln 12 + Ln 13)		-	-	-	-	-	

Note:

For the rate year 2017 and adjusted every four years thereafter, using the annual actuarial report produced for that year, filed as part of the informational filing, Worksheet O will be used to adjust PBOP costs for the next four years (i.e. 2017, 2018, 2019, 2020). If the annual actuarial report projects PBOP costs during the next four years, taken together with the then current cumulative PBOP cost/allowance position, will, absent a change in the PBOP allowance, cause the AEP Companies to over or under collect their cumulative PBOP costs by more than 20% of the projected next four year's total cost, the PBOP allowance shall be adjusted. Worksheet O will be used in the process of updating the PBOP allowance determining (a) the level of cumulative over or under collections during the period since the PBOP allowance was last set, including carrying costs based on the weighted average cost of capital ("WACC") each year from the formula actual rate; (b) the cumulative net present value of projected PBOP costs during the next four years, as estimated by the then current actuarial report, assuming a discount rate equal to the actual formula rate WACC for the prior calendar year; and (c) the cumulative net present value of continued collections over the next four years based on the then effective PBOP allowance, assuming a discount rate equal to the prior year WACC. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)+(c) to equal zero. If the projected over or under collection during the next four years will be less than 20% of (b), then the PBOP allowance will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP expense stated in the formula rat

AEP EAST COMPANIES

Worksheet - P CALCULATION OF

TOTAL WEIGHTED AVERAGE DEPRECIATION RATES

AEP East

FOR TRANSMISSION PLANT PROPERTY ACCOUNT

EFFECTIVE AS OF 3/6/2019

FOR MULTIPLE JURISDICTION COMPANIES

APPALACHIAN POWER COMPANY

	VIRGINIA				WEST VIRGINIA					FERC W	FERC KINGSPORT			COMPANY		
		(1)				(2)				(3)		(4)				
			WTD AVG	. PSC	OF WV		WTD AVG.			WTD AVO	G.	V	VTD AVO	J.	WTD AVG.	
PLANT	VA SCC	ALLOCATION	DEPREC.	APPF	ROVED	ALLOCATION	DEPREC.	FERC	ALLOCATION	DEPREC	. FERC	ALLOC	CATION	DEPREC.	DEPREC.	
ACCT.	RATES	FACTOR (5)	RATE	RA	ATES	FACTOR (5)	RATE	RATES	FACTOR (5)	RATE	RATES	FACTO	OR (5)	RATE	RATE	
TRANSMISSION PLAN	T															
	350.															
Land Rights - Va.	1 0.66	1.000000	0.66%												0.66%	
Energy Storage Equipment	t (6)	351.0)		_	14.22%	1.000000	14.22%							14.22%	
Ctanaturas & Immerciana	ata.	352.0	1.55%	0.492648	0. . 76%	1.62%	0.414603	0.67%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	1.63%	
Structures & Improvement	its															
Station Equipment		353.0		0.492648	0. 96%	2.37%	0.414603	0.98%	2.19%	0.033874	0.07%	2.19%	0.0588		2.14%	
Towers & Fixtures		354.0		0.492648	0.56%	1.59%	0.414603	.0.66%	2.19%	0.033874	0.07%	2.19%	0.0588		1.42%	
Poles & Fixtures		355.0	2.77%	0.492648 049264	1.36%	2.71%	0.414603	1.12%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	2.68%	
Overhead Conductor		356.0	1.01%	8	0.50%	1.53%	0.414603	.0.63%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	1.33%	
Underground Conduit		357.0	1.23%	0.492648	0.61%	3.71%	0.414603	1.54%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	2.35%	
Underground Conductors		358.0	3.18%	0.492648	1.57%	5.24%	0.414603	2.17%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	3.94%	
GENERAL PLANT																
Structures and Improveme	<u>ents</u>	<u>390.0</u>	1.50%	0.519557	0.78%	<u>1.91%</u>	0.425935	0.81%	<u>3.43%</u>	0.019780	0.07%	3.43%	0.0347	<u>28</u> <u>0.12%</u>	<u>1.78%</u>	
Office Furniture and Equip	<u>p.</u>	<u>391.0</u>	2.78%	0.519557	1.44%	<u>3.17%</u>	0.425935	1.35%	<u>3.43%</u>	0.019780	<u>0.07%</u>	3.43%	0.0347	<u>28</u> <u>0.12%</u>	<u>2.98%</u>	
Transportation Equipment	<u>t</u>	392.0	0.00%	0.519557	0.00%	<u>3.40%</u>	0.425935	1.45%	3.43%	0.019780	0.07%	3.43%	0.0347	<u>28</u> <u>0.12%</u>	<u>1.64%</u>	
Stores Equipment		<u>393.0</u>	1.60%	0.519557	0.83%	<u>1.80%</u>	0.425935	0.77%	3.43%	0.019780	0.07%	3.43%	0.0347	<u>28</u> <u>0.12%</u>	<u>1.79%</u>	
Tools, Shop and Garage																
<u>Equipment</u>		<u>394.0</u>		0.519557	1.08%	2.57%	0.425935	1.09%	3.43%	0.019780	0.07%	3.43%	0.0347		2.36%	
<u>Laboratory Equipment</u>		<u>395.0</u>		0.519557	0.79%	4.01%	0.425935	1.71%	3.43%	0.019780	0.07%	3.43%	0.0347		2.69%	
Power Operated Equipment		<u>396.0</u>		0.519557	0.00%	<u>3.90%</u>	0.425935	1.66%	3.43%	0.019780	0.07%	3.43%	0.0347		<u>1.85%</u>	
Communications Equipme	<u>ent</u>	<u>397.0</u>	<u> </u>	0.519557	1.70%	<u>4.98%</u>	0.425935	2.12%	<u>3.43%</u>	0.019780	0.07%	3.43%	0.0347		<u>4.01%</u>	
Micellaneous Equipment		<u>398.0</u>	2.51%	<u>0.519557</u>	1.30%	<u>2.70%</u>	<u>0.425935</u>	<u>1.15%</u>	<u>3.43%</u>	0.019780	<u>0.07%</u>	3.43%	0.0347	<u>28</u> <u>0.12%</u>	<u>2.64%</u>	

(1) As approved in VA Case No. PUE 2011-00037 on Nov. 30, 2011. Depreciation rates were made effective on February 1, 2012.

Approved by FERC March 2, 1990 in Docket ER90-

(3) 132

(2) Approved by PSC of WV Order dated February 27, 2019 in Case No. 18-0645-E-D effective March 6, 2019.

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

(5) The demand allocation factors are updated annually as of January 1, based on the 12 monthly CP's as of the previous September 30th.

(6) Energy Storage Equipment is a new account established per FERC Order 784.

GENERAL NOTES:

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

APCo falls under the authority of Virginia, West Virginia and the FERC. Therefore, APCo's rates are a composite of the jurisdictions under which it operates. Each jurisdictions to derive the composite rate for the company.

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

Worksheet - P CALCULATION OF

TOTAL WEIGHTED AVERAGE DEPRECIATION RATES

FOR TRANSMISSION PLANT PROPERTY ACCOUNT EFFECTIVE AS OF October 31, 2018

FOR MULTIPLE JURISDICTION COMPANIES

INDIANA MICHIGAN POWER COMPANY

				INDIAN	NA .			MICH	IGAN		FERC '	WHOLESALE		COMPANY
			(1)					(2)		((3)			
	PLAN					WTD AVG.	M APPROVE	MPSC	WTD AVG.			WTD AVG.	W	ΓD AVG.
	T	IURC	ALLOCA	ATION	DEPREC.		D	ALLOCATION	DEPREC.	FERC	ALLOCATION	DEPREC.	DEPREC.	
	ACCT.	RATES	FACTO	R (4)	RATE		RATES	FACTOR (4)	RATE	RATES	FACTOR (4)	RATE	RATE	
TRANSMISSION PLANT														
Land Improvements Structures &	350.1		1.48%	.6521029	.9651%		1.44%	.1442059	.2077%	1.44%	.2036912	.2933%	1.47%	
Improvements	352.0		1.55%	.6521029	1.0108%		1.50%	.1442059	.2163%	1.50%	.2036912	.3055%	1.53%	
Station Equipment	353.0		1.86%	.6521029	1.2129%		1.84%	.1442059	.2653%	1.84%	.2036912	.3748%	1.85%	
Towers & Fixtures	354.0		1.69%	.6521029	1.1021%		1.57%	.1442059	.2264%	1.57%	.2036912	.3198%	1.65%	
Poles & Fixtures	355.0		2.85%	.6521029	1.8585%		2.83%	.1442059	.4081%	2.83%	.2036912	.5764%	2.84%	
Overhead Conductors	356.0		1.97%	.6521029	1.2846%		1.89%	.1442059	.2725%	1.89%	.2036912	.3850%	1.94%	
Underground Conduit Underground	357.0		1.86%	.6521029	1.2129%		1.77%	.1442059	.2552%	1.77%	.2036912	.3605%	1.83%	
Conductors	358.0		1.70%	.6521029	1.1086%		1.66%	.1442059	.2394%	1.66%	.2036912	.3381%	1.69%	
Trails & Roads	359.0		1.50%	.6521029	.9782%		1.48%	.1442059	.2134%	1.48%	.2036912	.3015%	1.49%	
Structures and	200.0		2.020/	<u>.6765817</u>	1.07050		2.05%	1520000	0.21550	2.05%	1,50,500.4	0.24550/	2.040/	
Improvements Office Furniture and	<u>390.0</u>		2.03%	<u>.6765817</u>	1.3735%		2.05%	.1539089 .1539089	0.3155%	2.05%	<u>.1695094</u>	0.3475%	2.04%	
EquipTransportation	<u>391.0</u>		4.65%	<u>.6765817</u>	<u>3.1461%</u>		4.77%	.1539089	0.7341%	4.77%	.1695094	0.8086%	<u>4.69%</u>	
<u>Equipment</u>	<u>392.0</u>		<u>4.64%</u>		3.1393%		<u>4.68%</u>		<u>0.7203%</u>	4.68%	<u>.1695094</u>	0.7933%	<u>4.65%</u>	
Stores Equipment Tools, Shop and Garage	<u>393.0</u>		4.10%	<u>.6765817</u> <u>.6765817</u>	<u>2.7740%</u>		4.14%	.1539089 .1539089	0.6372%	4.14%	.1695094	0.7018%	4.11%	
Equipment	<u>394.0</u>		6.65%		4.4993%		6.79%		1.0450%	<u>6.79%</u>	.1695094	<u>1.1510%</u>	<u>6.70%</u>	
Laboratory Equipment Power Operated	<u>395.0</u>		<u>5.41%</u>	<u>.6765817</u> <u>.6765817</u>	3.6603%		<u>5.58%</u>	<u>.1539089</u> <u>.1539089</u>	0.8588%	5.58%	.1695094	0.9459%	<u>5.47%</u>	
Equipment Communications	<u>396.0</u>		4.31%	.6765817	<u>2.9161%</u>		4.43%	.1539089	0.6818%	4.43%	.1695094	0.7509%	4.35%	
Equipment Micellaneous	<u>397.0</u>		3.82%	.6765817	<u>2.5845%</u>		3.86%	.1539089	0.5941%	3.86%	.1695094	0.6543%	3.83%	
Equipment	<u>398.0</u>		3.14%		2.1245%		3.18%		0.4894%	3.18%	.1695094	0.5390%	<u>3.15%</u>	

⁽¹⁾ As approved in Indiana Cause No.44967.

⁽²⁾ As approved in Michigan Case No. U-18370.

- (3) FERC wholesale formula rate agreements specify that the depreciation rates in the formula rates change upon approval of MPSC rates in the Michigan jurisdiction.
- (4) The rates approved for each jurisdiction are updated when approved by that commission. These demand-based allocation factors for all jurisdictions are updated when new rates are approved in one of the jurisdictions. These allocation factors reflect I&M's 12 monthly Coincident Peaks during test year of the most recent rate case.

GENERAL NOTES:

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

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

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

AEP EAST COMPANIES PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 9/1/2016

FOR SINGLE JURISDICTION COMPANIES

KINGSPORT POWER COMPANY

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

Reference:

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

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

Total General Plant 3.25%

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

PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 7/1/2015

FOR SINGLE JURISDICTION COMPANIES KENTUCKY POWER COMPANY

PLANI	
ACCT	

	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 Conductors	356.0	2.91%	
Underground Conduit	357.0	2.99%	
Underground Conductors	358.0	2.62%	
GENERAL PLANT			
Land and Land Rights	<u>389.1</u>	<u>1.59%</u>	
Structures and Improvements	<u>390.0</u>	<u>3.97%</u>	
Office Furniture and Equip.	<u>391.0</u>	<u>3.20%</u>	
Transportation Equipment	<u>392.0</u>	<u>3.52%</u>	
Stores Equipment	<u>393.0</u>	<u>4.15%</u>	
Tools, Shop and Garage Equipment	<u>394.0</u>	<u>4.20%</u>	
Laboratory Equipment	<u>395.0</u>	<u>5.76%</u>	
Power Operated Equipment	<u>396.0</u>	<u>5.43%</u>	
Communications Equipment	<u>397.0</u>	<u>5.66%</u>	
Micellaneous Equipment	<u>398.0</u>	<u>6.73%</u>	

Reference:

Note 1: Rates Approved in Kentucky Public Service Commission Case No. 2014-00396.

General Note:

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

PJM FORMULA RATE

$\ \, WORKSHEET \, P \, \hbox{-} \, TRANSMISSION \, DEPRECIATION \, RATES \, \\$

EFFECTIVE AS OF 1/1/2012

FOR SINGLE JURISDICTION COMPANIES

OHIO POWER COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT (Note 1)		
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%
GENERAL PLANT (Note 2)		
Structures and Improvements	<u>390.0</u>	2.17%
Office Furniture and Equip.	<u>391.0</u>	<u>3.33%</u>
Transportation Equipment	<u>392.0</u>	2.00%
Stores Equipment	<u>393.0</u>	<u>2.94%</u>
Tools, Shop and Garage Equipment	<u>394.0</u>	<u>3.53%</u>
<u>Laboratory Equipment</u>	<u>395.0</u>	<u>3.57%</u>
Power Operated Equipment	<u>396.0</u>	3.85%
Communications Equipment	<u>397.0</u>	2.86%
AMI - Communications Equipment	<u>397.16</u>	<u>6.67%</u>
Micellaneous Equipment	<u>398.0</u>	4.00%

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

Note 2: General Plant depreciation rates were updated as a result of the order issued in Cases No 16-1852-EL-SSO and 16-1853-EL-SSO.

General Note:

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

PJM FORMULA RATE

$\ \, \textbf{WORKSHEET P-TRANSMISSION DEPRECIATION RATES} \\$

EFFECTIVE AS OF 3/6/2019

FOR SINGLE JURISDICTION COMPANIES

WHEELING POWER COMPANY

	PLANT	
	ACCT.	RATES
		Note 1
TRANSMISSION PLANT		
Structures & Improvements	352.0	1.15%
Station Equipment	353.0	2.22%
Towers & Fixtures	354.0	2.65%
Poles & Fixtures	355.0	2.41%
Overhead Conductors	356.0	1.32%
Underground Conduit	357.0	9.94%
Underground Conductors	358.0	13.98%
Trails & Roads	359.0	-
GENERAL PLANT		
Structures and Improvements	<u>390.0</u>	1.08%
Office Furniture and Equip.	<u>391.0</u>	2.13%
Stores Equipment	<u>393.0</u>	<u>1.78%</u>
Tools, Shop and Garage Equipment	<u>394.0</u>	1.65.%
Communications Equipment	<u>397.0</u>	<u>5.09%</u>
Micellaneous Equipment	<u>398.0</u>	<u>2.76%</u>

Note 1: Rates Approved in WV Public Service Commission Case No. 18-0645-E-D.

General Note:

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

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

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019

2018 Revenue Requirement Forecast by October 31, 2017

True-up Adjustment -Over (Under) Recovery

		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
nterest Rate on Amount of Refun	nds or Surcharges (Note 1))	0.2780%				
An over or under collection will b	e recovered prorata over 2	2018, held for 2019 and returned p	ororata over 2020				
Calculation of Interest					Monthly		
anuary	Year 2018	-	0.2780%		-		-
February	Year 2018	-	0.2780%		-		-
March April	Year 2018 Year 2018		0.2780% 0.2780%		-		-
Лау	Year 2018	-	0.2780%		_		_
une	Year 2018	-	0.2780%	7	-		-
uly	Year 2018	-	0.2780%	6	-		-
August	Year 2018 Year 2018	-	0.2780% 0.2780%	5	-		_
September October	Year 2018	-	0.2780%	3	_		_
November	Year 2018	-	0.2780%	2	-		-
December	Year 2018	-	0.2780%	1 _	-		-
					Annual		
anuary through December	Year 2019	-	0.2780%	12	-		-
anuary through December Over (Under) Recovery Plus Inter		- ered Over 12 Months	0.2780%	12	- Monthly		-
		ered Over 12 Months	0.2780% 0.2780%	12		-	-
Over (Under) Recovery Plus Inter	rest Amortized and Recove			12		-	-
Over (Under) Recovery Plus Inter anuary ⁵ ebruary	rest Amortized and Recovery		0.2780%	12		- - -	-
Over (Under) Recovery Plus Inter anuary February March April	Year 2020 Year 2020 Year 2020 Year 2020 Year 2020		0.2780% 0.2780% 0.2780% 0.2780%	12		- - - -	-
Over (Under) Recovery Plus Inter anuary Sebruary March April May	Year 2020 Year 2020 Year 2020 Year 2020 Year 2020 Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12		- - - -	-
Over (Under) Recovery Plus Inter anuary February March April May une	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12		- - - - -	
Dver (Under) Recovery Plus Inter anuary February March April May une	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12			
Over (Under) Recovery Plus Inter anuary February March April May une ully	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12			
Dver (Under) Recovery Plus Inter anuary February March April May une uly August September	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12			
Over (Under) Recovery Plus Inter anuary Sebruary March April May	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12			
Over (Under) Recovery Plus Inter anuary February March April May une uly August September October	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12	Monthly		
Over (Under) Recovery Plus Inter anuary February March April May une uly August Feptember October November	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12			
Over (Under) Recovery Plus Inter anuary Tebruary March April May une uly August Teptember October	Year 2020		0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780% 0.2780%	12	Monthly		

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.

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

			Gross Pla	ant In Servi	ce	
Line No	Month	Transmission	Transmission ARO	General	General ARO	Intangible
	(a)	(d)	(e)	(h) FF1, page 207	(i) FF1, page 207	(j) FF1, page 205
		FF1, page 207 Col.(g) & pg. 206 Col. (b),	FF1, page 207 Col.(g) & pg. 206 Col. (b),	Col.(g) & pg. 206 Col. (b),	Col.(g) & pg. 206 Col. (b), ln	Col.(g) & pg. 204 Col. (b), ln
	(Note A)	ln 58	ln 57	ln 99	98	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					
	Average of the 13 Monthly					
14	Balances	-	-	=	-	-

			Accumula	ted Deprecia	tion	
Line No	Month	Transmission	Transmissio n ARO	General	General ARO	Intangible
	(a)	(d)	(e)	(h)	(i)	(j)
			Company Records		Company Records (Included	
		FF1, page	(Included in	FF1, page	in total in	FF1, page
		219, ln 25,	total in	219, ln 28,	Column	200, ln 21,
	(Note A)	Col. (b)	Column (d))	Col. (b)	(h))	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						
	Average of the 13 Monthly						
28	Balances	-	-	-	-	-	

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b) Company Records (included in total in column (d) of gross plant	OATT Ancillary Services (GSU) Accumulate d Depreciation (c) Company Records (included in total in column (d) of accumulated depreciation	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumula ted Depreciat ion (e)
	(Note A)	above)	above)	Records	Records
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			-	-

Transmission Accumulated 43 Depreciation net of GSU

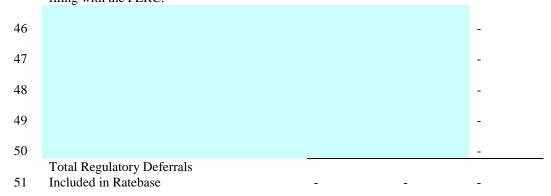
<u>Plant</u>	Held For Future Use	Source of Data	Balance @ December 31, 2017	<u>Balance</u> <u>@</u> <u>December</u> <u>31, 2016</u>	Average Balance for 2017
	(a)	(b)	(c)	(d)	(e)
		FF1, page			
		214, ln 47,			
44	Plant Held For Future Use	Col. (d)	-	-	-
	Transmission Plant Held	Company			
	For Future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

Regulatory Assets and Liabilities

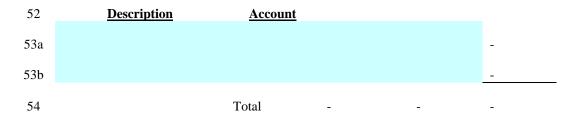
Approved for Recovery In

Ratebase

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



<u>Unfunded Reserves Summary</u> (Company Records)



NOTE 1: On this worksheet, "Company Records" refers to AEP's property accounting ledger.
NOTE 2: The ratebase should not include the unamoritzed 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

	AEF IKANOWISSIUN COWFANT										
	(A)	(B)	(C)	(D)	(E)						
<u>Line</u>			Balance @ December	Balance @ December	Average Balance						
Number	<u>Description</u>	<u>Source</u>	31.	<u>31.</u>	for						
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	Account 282										
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)			<u>=</u>						
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	-	-	-						
11	Account 283										
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	Account 190										
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)			<u>=</u>						
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	-	-	-						
21	Account 255										
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)			-						
	On this worksheet, "Company Records" refers to AEP's tax forecast and account										
NOTE 1	proration required by IRS Letter Rule Section 1.167(I)-I(h)(6)(ii). Line item d 2.	etani oi actual deferred tax items will be included on worksheets B-1 and B-									
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	COLUM N D	COLUM N E	COLUMN <u>F</u>	COLUM N G	COLUMN H	COLUMN <u>I</u>	COLUM N J	COLUMN <u>K</u>	COLUMN L	COLUM N M	COLUMN N	COLUMN O	
		PER BOOKS		<u>NON-</u> <u>APPLICABLE/NON-</u> <u>UTILITY</u>		AVERAGE	FUNCTIO	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2016			FUNCTIONALIZATION 12/31/2017		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS <u>OF 12-31-</u> 2016	BALANCE AS OF 12-31- 2017	BALANC E AS OF 12-31- 2016	BALANC E AS <u>OF 12-31-</u> <u>2017</u>	UTILITY (B+C+D+E)/2	GENER ATION	TRANSMI SSION	<u>DISTRIB</u> <u>UTION</u>	GENER ATION	TRANSMI SSION	DISTRIB UTION	GENER ATION	TRANSMI SSION	<u>DISTRIB</u> <u>UTION</u>	
1.00	ACCOUNT 281:															
2.01		0	0			0	0	0	0							
2.03																
2.04		0	0	0	0	0										
2.05		0	0	0	0	0										
3	TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	ACCOUNT 282:															
5.01		0	0			0	0	0	0							
5.02		0	0			0	0	0	0							
5.03		0	0			0	0	0	0							
5.04		0	0			0	0	0	0							
5.05		0	0			0	0	0	0							

5.06	0	0	0	0	0	0	
5.07	0	0	0	0	0	0	
5.08	0	0	0	0	0	0	
5.09	0	0	0	0	0	0	
5.10	0	0	0	0	0	0	
5.11	0	0	0	0	0	0	
5.12	0	0	0	0	0	0	
5.13	0	0	0	0	0	0	
5.14	0	0	0	0	0	0	
5.15	0	0	0	0	0	0	
5.16	0	0	0	0	0	0	
5.17	0	0	0	0	0	0	
5.18	0	0	0	0	0	0	
5.19	0	0	0	0	0	0	
5.20	0	0	0	0	0	0	
5.21	0	0	0	0	0	0	
5.22	0	0	0	0	0	0	
5.23	0	0	0	0	0	0	
5.24	0	0	0	0	0	0	
5.25	0	0	0	0	0	0	
5.26	0	0	0	0	0	0	
5.27	0	0	0	0	0	0	
5.28	0	0	0	0	0	0	
5.29	0	0	0	0	0	0	
5.30	0	0	0	0	0	0	
5.31	0	0	0	0	0	0	
5.32	0	0	0	0	0	0	
5.33	0	0	0	0	0	0	
5.34	0	0	0	0	0	0	
5.35	0	0	0	0	0	0	
5.36	0	0	0	0	0	0	
5.37	0	0	0	0	0	0	
5.38	0	0	0	0	0	0	

5.39				0	0	0									
5.40				0	0	0									
5.41				0	0	0									
6	TOTAL ACOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:														
9.01		0	0			0	0	0	0						
9.02		0	0			0	0	0	0						
9.03		0	0			0	0	0	0						
9.04		0	0			0	0	0	0						
9.05		0	0			0	0	0	0						
9.06		0	0			0	0	0	0						
9.07		0	0			0	0	0	0						
9.08		0	0			0	0	0	0						
9.09		0	0			0	0	0	0						
9.10		0	0			0	0	0	0						
9.11		0	0			0	0	0	0						
9.12		0	0			0	0	0	0						
9.13		0	0			0	0	0	0						
9.14		0	0			0	0	0	0						
9.15		0	0			0	0	0	0						
9.16		0	0			0	0	0	0						
9.17		0	0			0	0	0	0						
9.18		0	0			0	0	0	0						
9.19		0	0			0	0	0	0						
9.20		0	0			0	0	0	0						
9.21		0	0			0	0	0	0						
9.22		0	0			0	0	0	0						
9.23		0	0			0	0	0	0						

9.24	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		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	DEFD STATE INCOME TAXES	0	0			0	0	0	0						
11.01				0	0	0									
12	TOTAL ACCOUNT 283	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	TOTAL ACCOUNT 283 ACCOUNT 283 - ARO-Related	0	0	0	0	0	0	0	0	0	0	0		0	
12 13		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	ACCOUNT 283 - ARO-Related														
13	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED														
13	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS														
13	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED														
13	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS														
13 14 15	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT														
13 14 15	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT NOTE: POST 1970 ACCUMULATED DEFERRED														
13 14 15 16	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT NOTE: POST 1970														
13 14 15 16	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT NOTE: POST 1970 ACCUMULATED DEFERRED INV TAX CRED. (JDITC)														
13 14 15 16 17 18	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT NOTE: POST 1970 ACCUMULATED DEFERRED INV TAX CRED. (JDITC)	0	0			0	0	0	0						
13 14 15 16 17 18 18.01	ACCOUNT 283 - ARO-Related Deferals JURISDICTIONAL AMOUNTS FUNCTIONALIZED TOTAL COMPANY AMOUNTS FUNCTIONALIZED REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT NOTE: POST 1970 ACCUMULATED DEFERRED INV TAX CRED. (JDITC)	0	0			0	0	0	0						

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

DEBIT (CREDIT)

COLUMN A	COLUMN B	<u>COLUMN C</u>	COLUM N D	COLU MN E	COLUMN F	COLUM N G	COLUM N H	COLUM N I	COLUM N J	COLUM N K	COLUM N L	COLUM N M	COLUM N N	COLUM NO
	PER I	BOOKS BALANCE	NO APPLICAB UTIL BALAN	N- LE/NON- ITY BALA NCE	AVERAGE ELECTRIC	FUNCTIO:	<u>NALIZATION</u>	AVERAGE	FUNCTIO	NALIZATION	12/31/2016	FUNCTIO	NALIZATION	12/31/2017
	AS	AS	CE AS	AS OF 12-	UTILITY									
ACCUMULATED DEFERRED FIT ITEMS	OF 12-31- 2016	OF 12-31- 2017	OF 12- 31-2016	31- 2017	(B+C+D+E) /2	GENER ATION	TRANSM ISSION	<u>DISTRIB</u> <u>UTION</u>	GENER ATION	TRANSM ISSION	DISTRIB UTION	GENER ATION	TRANSM ISSION	<u>DISTRIB</u> <u>UTION</u>
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						
2.21	0	0	0	0	0	0
2.22	0	0	0	0	0	0
2.23	0	0	0	0	0	0
2.24	0	0	0	0	0	0
2.25	0	0	0	0	0	0
2.26	0	0	0	0	0	0
2.27	0	0	0	0	0	0
2.28	0	0	0	0	0	0
2.29	0	0	0	0	0	0
2.30	0	0	0	0	0	0
2.31	0	0	0	0	0	0
2.32	0	0	0	0	0	0
2.33	0	0	0	0	0	0
2.34	0	0	0	0	0	0
2.35	0	0	0	0	0	0
2.36	0	0	0	0	0	0
2.37	0	0	0	0	0	0
2.38	0	0	0	0	0	0
2.39	0	0	0	0	0	0
2.40	0	0	0	0	0	0
2.41	0	0	0	0	0	0
2.42	0	0	0	0	0	0
2.43	0	0	0	0	0	0
2.44	0	0	0	0	0	0
2.45	0	0	0	0	0	0
2.46	0	0	0	0	0	0
2.47	0	0	0	0	0	0
2.48	0	0	0	0	0	0
2.49	0	0	0	0	0	0
2.50	0	0	0	0	0	0
2.51	0	0	0	0	0	0
2.52	0	0	0	0	0	0
2.53	0	0	0	0	0	0

2.54	0	0			0	0	0	0		
2.55	0	0			0	0	0	0		
2.56	0	0			0	0	0	0		
2.57	0	0			0	0	0	0		
2.58	0	0			0	0	0	0		
2.59	0	0			0	0	0	0		
2.60	0	0			0	0	0	0		
2.61	0	0			0	0	0	0		
2.62	0	0			0	0	0	0		
2.63	0	0			0	0	0	0		
2.64	0	0			0	0	0	0		
2.65	0	0			0	0	0	0		
2.66	0	0			0	0	0	0		
2.67	0	0			0	0	0	0		
2.68	0	0			0	0	0	0		
2.69	0	0			0	0	0	0		
2.70	0	0			0	0	0	0		
2.71	0	0			0	0	0	0		
2.72	0	0			0	0	0	0		
2.73	0	0			0	0	0	0		
2.74	0	0			0	0	0	0		
2.75	0	0			0	0	0	0		
2.76	0	0			0	0	0	0		
2.77	0	0			0	0	0	0		
2.78	0	0			0	0	0	0		
2.79	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					

0

2.86

0

0

4	ACCOUNT 190 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	TOTAL ACCOUNT 190	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.91		0	0			0	0	0	0						
2.90				0	0	0	0	0	0						
2.89				0	0	0									
2.88				0	0	0									
2.87															

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

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

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 Note 1:

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet D Supporting IPP Credits AEP _____TRANSMISSION COMPANY

<u>Line</u>	(A)	(B)
<u>Number</u>	<u>Description</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	Other Adjustments	
5	Accounting Adjustment (Company Records – Note 1)	
6		
Ü		-
_		
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	
Note 1	COMPANY 's general ledger.	

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet E Supporting Revenue Credits

AEP _____TRANSMISSION COMPANY

		<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
Line		Total	Non-	
Number	<u>Description</u>	<u>Company</u>	Transmission	Transmission
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 (FF1p.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) 100% **(F)** <u>Line</u> Number 100% Non-Transmission Transmission Specific Expense Item No. <u>Description</u> <u>Regulatory O&M Deferrals & Amortizations</u> Explanation Total Detail of Account 561 Per FERC Form 1 FF1 p 321.85.b FF1 p 321.86.b FF1 p 321.87.b FF1 p 321.88.b FF1 p 321.89.b FF1 p 321.90.b FF1 p 321.91.b FF1 p 321.92.b 561.1 - Load Dispatch - Reliability 561.2 - Load Dispatch - Monitor & Operate Trans System 561.3 - Load Dispatch - Trans Service & Scheduling 561.4 - Scheduling, System Control & Dispatch 561.5 - Reliability, Planning and Standards Development 561.6 - Transmission Service Studies 10 11 561.7 - Generation Interconnection Studies 12 561.8 - Reliability, Planning and Standards Development Services 13 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)

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet G Supporting - Development of Composite State Income Tax Rate

	AEP	TRANSMISSION COMPANY	
Tax Rate			
Apportionment Factor - Note 1			
Effective State Tax Rate			
Tax Rate			
Apportionment Factor - Note 1			
Effective State Tax Rate			
Tax Rate			
Apportionment Factor - Note 1			
Effective State Tax Rate			
Tax Rate			
Apportionment Factor - Note 1			
Effective State Tax Rate			
Tax Rate			
Apportionment Factor - Note 1			
Effective State Tax Rate			
Total Effective State Income Tax Rate	e		
	Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate	Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1	Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate

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

		AEP TRANSMIS	SSION COMPANY			
	(A)	(B)	(C)	(D)	(E)	(F)
Line		Total				
No.	Account	Company	Property	Labor	Other	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	Eist individual Taxes Here				_	
17						_
18					_	
19					_	
20					_	
21						
22						
23	Total Taxes by Allocable Basis	-				
23						
	(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					
			rty Tax Allocation			
		Lines 24-58 Column (B)		Lines 24-58 Column (D)		
		Deliberately Left Blank	Transmission	Deliberately Left Blank	<u>General</u>	<u>Total</u>
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)					
	JURISDICTION					
25	Percentage of Plant in JURISDICTION					
26	Net Plant in JURISDICTION (Ln 24 * Ln 25)	·		<u> </u>	· ·	
27	Less: Net Value of Exempted Generation Plant					
28	Taxable Property Basis (Ln 26 - Ln 27)					
29	Relative Valuation Factor					
30	Weighted Net Plant (Ln 28 * Ln 29)					
31	General Plant Allocator (Ln 31 / (Total - General Plant))					
32	Functionalized General Plant (Ln 31 * General Plant)					
33	Weighted JURISDICTION Plant (Ln 30 + 32)					
34	Functional Percentage (Ln 33/Total Ln 33)					
35	Net Plant in JURISDICTION (Ln 24 - Ln 26)					
36	Less: Net Value of Exempted Generation Plant					
37	Taxable Property Basis (Ln 36 - Ln 37)					
38	Relative Valuation Factor					
39	Weighted Net Plant (Ln 37 * Ln 38)					
40	General Plant Allocator (Ln 39 / (Total - General Plant))					
41	Functionalized General Plant (Ln 41 * General Plant)					
42	Weighted JURISDICTION Plant (Ln 39 + 41)					
	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

	(A)		(B)	(C)	(D)		
Line No.	Annual Tax Expenses by Type (Note 1)		Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference		
1 2	Revenue Taxes Gross Receipts Tax				P.263.1 ln 7 (i)		
3 4	(A) "Real Estate and Personal Propety Tax Detail Annual Tax Expenses by Type (Note 1)" Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7) Real and Personal Property -	(B) Tax Year	(C) Total Comapny	(D) FERC FORM 1 Tie-Back	P.263.2 ln 3 (i) P.263.2 ln 4 (i) (E) FERC FORM 1 Reference	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
5	Real and Personal Property -						
6	Real and Personal Property -						
7	Real and Personal Property - Other Jurisdictions						
Line No. 8 9	(A) Annual Tax Expense by Type (Note 1) Payroll Taxes Federal Insurance Contribution (FICA) Federal Unemployment Tax			(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference P.263 ln 6 (i) P.263 ln 9 (i)		
11	State Unemployment Insurance				P.263.1 ln 23 (i) P.263.3 ln 16 (i)		
12 13	Line Left Deliberately Blank State Severance Taxes						
14 15	Miscellaneous Taxes 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)		



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 I RESERVED
AEP ______ TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

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

				AEP	I KANSMIS	SION	COMPANY					
· Calculate Return and Income Taxe	es with basis poi	nt ROE increase for	r Projects Qualified for									
Regional Billing.												
A. Determine 'R' with hypothetics		rease in ROE for I	dentified Projects									
ROE w/o incentives (TCOS, ln 13	8)			11.49%								
Project ROE Incentive Adder												
ROE with additional basis point in												
Determine R (cost of long term de	ebt, cost of preferr			, lns 164 through166)								
	<u>%</u>	Cost	Weighted cost									
Long Term Debt	0.00%	0.00%		0.000%								
Preferred Stock	0.00%	0.00%		0.000%								
Common Stock	0.00%	11.49%		0.000%					SUMMARY OF PROJECTED AT	NNUAL RTEP R	EVENUE REQUI	REMENTS
												Incentive
		R =		0.000%						Rev Require	W Incentives	Amounts
												\$
B. Determine Return using 'R' wi	th hypothetical 1	basis point ROE inc	crease for Identified Projec	ts.					PROJECTED YEAR	-	-	-
Rate Base (TCOS, ln 58)				-								
R (fom A. above)				0.000%								
Return (Rate Base x R)				-								
C. Determine Income Taxes using	Return with hyp	oothetical basis poi	int ROE increase for Identi	fied 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 Differenc	es			_								
Income Taxes				_								
I. Calculate Net Plant Carrying Char	rge Rate (Fixed (harge Rate or FCF	R) with hynothetical									
basis point ROE increase.	ge mile (meu e	marge rance or 1 or	a) with hypothetical									
A. Determine Annual Revenue Re	ognirement less r	eturn and Income	Γονος									
Annual Revenue Requirement (To		cturn and income	i dato.			_						
Lease Payments (TCOS, Ln 80)	COD, III 1)											
Return (TCOS, In 109)						-						
						-						
Income Taxes (TCOS, ln 108)	T D .	D . 177			-	=						
Annual Revenue Requirement, Les			L.I. L DOD			-						
B. Determine Annual Revenue Re	-		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		E increase				-						
Depreciation & Amortization (TC)						=						
Annual Rev. Req, w/ Basis Point R	OE increase, less	Depreciation				-						
C. Determine FCR with hypothetic		ROE increase.										
Net Transmission Plant (TCOS, la	n 33)					-						
Annual Revenue Requirement, with	h Basis Point RO	E increase				-						
FCR with Basis Point increase in I	ROE				0.	.00%						
Annual Rev. Req, w / Basis Point	ROE increase, les	s Dep.				-						
FCR with Basis Point ROE increase	se, less Depreciati	on			0.	.00%						
FCR less Depreciation (TCOS, ln	10)				0.	.00%						
Incremental FCR with Basis Point		ss Depreciation				.00%						
I		•										
. Calculation of Composite Deprecia	tion Rate											
Average Transmission Plant Balance		19			-	-						
Annual Depreciation and Amortization					-	-						
Composite Depreciation Rate		,			0.	.00% 1	Note 1: Until AEP	TD A	NSMISSION COMPANY establishe	se Transmission al	ant in carvice the	denraciation avecas
Depreciable Life for Composite Depr	reciation Rate				-	- 6	component of the carrying of		be calculated as in the Operating Co			
Average Life in Whole Years					-		The calculation for AEP		TRANSMISSION COMPANY is sh			1027.

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

I

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

A. Base Plan Facilities

racinues									
Facilities receiving ince	entives accepted by	y FERC in Docket N	No.		(e.g. ER10-925-00	00)	Current Projected Year ARR		
<u> </u>							Current Projected Year ARR w/ Incen	tive	
									-
Project Description: Details							Current Projected Year Incentive AR	R	
Investment		Current Year					CUMULATIVE HISTORY OF PRO	DJECTED ANNUAL REVENUE RI	EQUIREMENTS
Service Year (yyyy)	(ROE increase acce		C (Basis Points)		-	CUMMULATIVE HISTORY OF PROJ		
Service Month (1-12)		FCR w/o incentive depreciation	s, Iess			0.00%	YEAR	I & WITHOUT INCENTIVES) FRO!	A EACH PRIOR
		FCR w incentives a these facilities, less	approved for			0.00%			
Useful life		-	, цер.			0.0070		AIN HISTORY OF PROJECTED AF	RRS OVER THE
CIAC (Yes or No)		Annual Depreciation	on Evnanca				LIFE OF THE PROJECT.		
CIAC (Tes of 140)	,	Aimuai Bepreciati	on Expense			_	RTEP Projected	RTEP Projected Rev.	
Investment	Beginning	Depreciation	Ending	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Rev. Req't.From Prior Year Template	Req't.From Prior Year Template	
					with Incentives				
Year 0	Balance -	Expense -	Balance -	w/o Incentives	**	Requirement ##	w/o Incentives	with Incentives **	
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Project Totals	•	•	•						

Project Totals

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

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.

AEPTCo subsidiaries in PJM Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones AEP ______ TRANSMISSION COMPANY

Page 1 of 2

_										Page 1 of	2	
I.	Calculate Return and A. Determine 'R' wi				d Projects	gional Billing.						
	ROE w/o incentives Project ROE Incentives				11.49 %							
	ROE with additional		entive		U		SUMMARY OF TRUE	D-UP ANNUAL	REVENUE REO	UIREMENTS FOI	R RTEPPRO	DJECTS
		of long term debt,	cost of preferred stoc		e is from the TCOS	, lns 164 through 166)			Rev Require	W Incentives	Incent	tive
	Long Term Debt	0.00%	Cost 0.00%	Weighted cost 0.000%			TRUE-UP YEAR As Projected in	Prior Year WS J	S	S	\$	-
	Preferred Stock	0.00%	0.00%	0.000%			Act	ual after True-up	-	-	\$	
	Common Stock	0.00%	0.00% R =	11.490% 0.000%			True-up	of ARR For	-	-		-
	B. Determine Return Rate Base (TCOS,		hypothetical 0 basis	point ROE increase for	or Identified Projec	ets.						
	R (fom A. above)			0.000								
	Return (Rate Base x C. Determine Incom		eturn with hypotheti	cal 0 basis point ROF	increase for Ident	ified Projects.						
		_				•						
	Return (from B. abo Effective Tax Rate (0.00%								
	Income Tax Calculat ITC Adjustment	tion (Return x C	IT)	-								
	Excess Deferred Ir Tax Affect of Pern		tes	-								
	Income Taxes Calculate Net Plant (Carrying Charge	Rate (Fixed Charge	Rate or FCR) with								
II.	hypothetical 0											
	basis point ROE incr A. Determine Annua Annual Revenue Rec	al Revenue Requ		and Income Taxes.	-							
	Lease Payments (TO Return (TCOS, ln 1				-							
	Income Taxes (TCC	OS, ln 108)			=							
	Annual Revenue Rec	quirement, Less L	ease payments, Retur	n and Taxes	-							
	B. Determine Annua	al Revenue Requi	irement with hypoth	etical 0 basis point in	crease in ROE.							
	Annual Revenue Red Return (from I.B. a		ease payments, Retur	n and Taxes	-							
	Income Taxes (from Annual Revenue Rec	n I.C. above) quirement, with 0	Basis Point ROE incr	rease	=							
	Depreciation (TCOS Annual Rev. Reg, w		NE.		=							
	increase, less Deprecia C. Determine FCR	ation		nerease	-							
	Net Transmission Pla	ant (TCOS, ln 33))		-							
	Annual Revenue Rec FCR with 0 Basis Po			ease	0.00%							
	Annual Rev. Req, w	/ 0 Basis Point RO	DE increase, less Dep		-							
	FCR with 0 Basis Po FCR less Depreciation				0.00% 0.00%							
	Incremental FCR wi	th 0 Basis Point R	OE									
	increase, less Depreci				0.00%							
III.	Calculation of Compo	-										
	Average Transmission			2)		-						
	Annual Depreciation a Composite Depreciation		Expense (1COS, In 8.)		0.00%	Note 1: Until .			N COMPANY est ent of the carrying		
	Depreciable Life for C	Composite Depreci	ation Rate			-	calculated as ir calculation for	the Operating Co	ompany formula	approved in Docke ON COMPANY is	t No. ER08	-1329. The
	Average Life in Whole	e Years				-	P.	-				

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:

Details								
Investment	-	Current Year						
Service Year (yyyy)	0	ROE increase acco	E increase accepted by FERC (Basis Points)					
Service Month (1-								
12)			es, less depreciation			0.00%		
		FCR w/incentives	approved for these facilities, less dep).		0.00%		
Useful life	-							
CIAC (Yes or No)	0	Annual Depreciat	ion Expense			-		
			·					

Ciscian inc							
CIAC (Yes or No)	0	Annual Depreciati	on Expense				_
					RTEP Rev.	RTEP Rev.	Incentive
Investment	Beginning	Depreciation	Ending	Average	Req't. w/o	Req't. with	Rev. Requirement
Year	Balance	Expense	Balance	Balance	Incentives	Incentives **	##
0	-	-	-	-	-	-	\$ -
1	-	-	-	-	-	-	\$ -
2	-	-	-	-	-	-	\$ -
3 4	-	-	-	-	-	-	\$ - \$ -
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9	-	-	-	-	-	-	\$ -
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11 12	-	-	-	-	-	-	\$ - \$ -
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29	-	-	-	-		-	\$ -
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57	_	-	-	-		-	\$ -
58	-	-	-	-	-	-	\$ -
59	l .						s -

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

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 TE	IE PROJECT.			
RTEP		RTEP		
Projected Rev.		Projected Rev.		
Req't.From	RTEP Rev	Req't.From		
Prior Year WS	Req't True-	Prior Year WS	RTEP Rev	True-up of
J	up	J	Req't True-up	Incentive
•	w/o	with	with	with
w/o Incentives	Incentives	Incentives **	Incentives **	Incentives **
w/o incentives		incentives		
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^{**} 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

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 Undistribut ed Sub Earnings (Acct 216.1)	Less AOCI (Acct 219.1)	Average Balance of Common Equity (f)=(b)-(c)-					
	(a)	(b)	(c)	(d)	(e)	(d)-(e)					
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)						
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							
							Gross			
				Acct 223	Acct 224		Proceeds			
			Less:	LT Advances	Senior	Less: Fair	Outstandin			
Line			Reacquired	from Assoc.	Unsecured	Value	g Long-			
No	Month	Bonds	Bonds	Companies	Notes	Hedges	Term Debt			

(a)	(b)	(c)	(d)	(e)	(f)	(g)=(b)-(c)+(d)+(e)- (f)
(Note A)	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)		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						
	Interest on Long Term Debt - Accts						
30	221 - 224 (256-257.33.i)			-			
	Less: Total Hedge Gain/Expense Accu	ımulated					
	from p 256-257, col. (i) of FERC Form	n 1 included					
31	in Ln 30 and shown in 43 below.			-			
	Amort of Debt Discount & Expense -						
32	Acct 428 (117.63.c)			-			
	Amort of Loss on Reacquired Debt -						
33	Acct 428.1 (117.64.c)			-			
	Less: Amort of Premium on Debt -						
34	Acct 429 (117.65.c)			-			
35	Less: Amort of Gain on Reacquired						
				•	_		

	Debt - Acct 429.1 (117.66.c)				
	Total Interest Expense (Ln 30 - 31		_		
36	+ 32 + 33 - 34 - 35)		-		
			-		
2=	Average Cost of Debt for 2017 (Ln			// 	
37	36/ ln 28 (g))		L	#DIV/0!	
		NG/L OGGEG	TO DE EVOL	LIDED	
	CALCULATION OF HEDGE GAID FROM TCOS	NS/LOSSES	TO BE EXCL	<u>LUDED</u>	
38	AEP WEST VIRGINIA TRANSM	IISSION CO	MPANY ma	v not include	costs (or
50	gains) related to interest hedging a		AVII AIVI IIIa	y not merade	costs (or
	gams, related to interest neaging a	etivities.		Amortizatio	n Pariod
		(Amortizati		Amortizan	ni i ci iou
	HEDGE AMOUNTS BY	on of	Remaining		
	ISSUANCE (FROM p. 256-257 (i)	(Gain)/Loss	_		
	of the FERC Form 1)	for 2017	d Balance	Beginning	Ending
39					
40					
41					
42					
	Net (Gain)/Loss Hedge				
43	Amortization To Be Removed	-		-	•
De	velopment of Cost of Preferred				
Sto					
					
	Balance of Preferred Stock (Line 14				
44	(c))		-		
	Dividends on Preferred Stock (Acct				
45	437, FF1 118.29))				
	Average Cost of Preferred Stock (Ln				
46	45 / ln 44)			#DIV/0!	

menace	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Line	Date	Property Description	Function (T) or (G) T = Transmission	Basis	Proceeds	(Gain) / Loss	Functional Allocator	Functional Proceeds (Gain) /	FERC Account (Gain) / Loss
			G = General	11				Loss	(Gain) / Loss
1						-	0.000%		
2						-	0.000%		
3						_	0.000%		
3							0.00070		
									=
4				Net (Gain)	or Loss for				_

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	Calculation of PBOP Expenses		
2	AEP System PBOP Rate		
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	or	
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 Re	cords)	
13	Medicare Credit		
14	PBOP Expenses From AEP Affiliates (From Compa	ny 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-recoery 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.

Worksheet - P

DEPRECIATION RATES FOR TRANSMISSION PLANT PROPERTY ACCOUNTS EFFECTIVE AS OF 3/6/2019

AEP APPALACHIAN TRANSMISSION COMPANY

	PLANT	RATES
	ACCT.	Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures and Improvements	<u>390</u>	<u>1.91%</u>
Office Furniture and Equip.	<u>391</u>	3.17%
Stores Equipment	<u>393</u>	<u>1.80%</u>
Tools, Shop and Garage Equipment	<u>394</u>	<u>2.57%</u>
Laboratory Equipment	<u>395</u>	<u>4.01%</u>
Power Operated Equipment	<u>396</u>	<u>3.90%</u>
Communications Equipment	<u>397</u>	4.98%
Micellaneous Equipment	<u>398</u>	<u>2.70%</u>

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 pusuant to a Section 205 or 206 filing to change rates.

OpCo Company

OpCo Company

- 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)

Composite Depreciation Rate

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.

TOTAL

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

AEP INDIANA MICHIGAN TRANSMISSION COMPANY

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
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%
GENERAL PLANT		
Structures and Improvements	<u>390</u>	<u>2.03%</u>
Office Furniture and Equip.	<u>391</u>	4.65%
Stores Equipment	<u>393</u>	4.10%
Tools, Shop and Garage Equipment	<u>394</u>	6.65%
<u>Laboratory Equipment</u>	<u>395</u>	<u>5.41%</u>
Power Operated Equipment	<u>396</u>	<u>4.31%</u>
Communications Equipment	<u>397</u>	<u>3.82%</u>
Micellaneous Equipment	<u>398</u>	<u>3.14%</u>

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 pusuant to a Section 205 or 206 filing to change rates.

Composite Depreciation Rate	OpCo Company	OpCo Company	TOTAL

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%
GENERAL PLANT		
Land Rights	<u>389.1</u>	1.59%
Structures & Improvements	<u>390</u>	<u>3.97%</u>
Office Furniture & Equipment	<u>391</u>	<u>3.20%</u>
<u>Transportation Equipment</u>	<u>392</u>	<u>3.52%</u>
Stores Equipment	<u>393</u>	<u>4.15%</u>
Tools Shop & Garage Equipment	<u>394</u>	4.20%
<u>Laboratory Equipment</u>	<u>395</u>	<u>5.76%</u>
Power Operated Equipment	<u>396</u>	<u>5.43%</u>
Communication Equipment	<u>397</u>	<u>5.66%</u>
Miscellaneous Equipment	<u>398</u>	<u>6.73%</u>

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 pusuant to a Section 205 or 206 filing to change rates.

	Composite Depreciation Rate	OpCo Company	OpCo Company	<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 3/6/2019

AEP OHIO TRANSMISSION COMPANY

	PLANT ACCT.	RATES Note 1
TRANSMISSION PLANT		- 1,230
Land Rights	350.1	1.46%
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.75%
Station Equipment	353.0	2.13%
Towers & Fixtures	354.0	1.96%
Poles & Fixtures	355.0	3.17%
Overhead Conductor	356.0	2.14%
Underground Conduit	357.0	2.85%
Underground Conductors	358.0	3.19%
GENERAL PLANT		
Structures & Improvements	<u>390.0</u>	<u>2.64%</u>
Office Furniture & Equipment	<u>391.0</u>	<u>3.67%</u>
Stores Equipment	<u>393.0</u>	<u>3.35%</u>
Tools Shop & Garage Equipment	<u>394.0</u>	<u>4.48%</u>
<u>Laboratory Equipment</u>	<u>395.0</u>	<u>5.06%</u>
Power Operated Equipment	<u>396.0</u>	<u>4.55%</u>
Communication Equipment	<u>397.0</u>	<u>4.82%</u>
Miscellaneous Equipment	<u>398.0</u>	4.19%

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 pusuant to a Section 205 or 206 filing to change rates.

Composite Depreciation Rate	OpCo Company	OpCo Company	<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 3/6/2019

AEP WEST VIRGINIA TRANSMISSION COMPANY

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
Energy Storage Equipment Structures & Improvements	351.0 352.0	14.22% 1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures & Improvements	<u>390.0</u>	<u>1.91%</u>
Office Furniture & Equipment	<u>391.0</u>	<u>3.17%</u>
Stores Equipment	<u>393.0</u>	<u>1.80%</u>
Tools Shop & Garage Equipment	<u>394.0</u>	<u>2.57%</u>
<u>Laboratory Equipment</u>	<u>395.0</u>	4.01%
Power Operated Equipment	<u>396.0</u>	<u>3.90%</u>
Communication Equipment	<u>397.0</u>	<u>4.98%</u>
Miscellaneous Equipment	<u>398.0</u>	<u>2.70%</u>

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 pusuant to a Section 205 or 206 filing to change rates.

	Composite Depreciation Rate	OpCo Company	OpCo Company	<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 1

		Appalachian Power	Indiana Michigan Power	Kentucky Power	Kingsport Power	Ohio Power	Wheeling Power	Operating Companies' Consolidated Capital
Line		Company	Company	Company	Company	Company	Company	Structure
	pment of Long Term Debt Balances at Year End							
1 2	Bonds (112.18.c&d) Less: Reacquired Bonds (112.19.c&d)							
3	LT Advances from Assoc. Companies (112.20.c&d)							
	-							
4 5	Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund Less: Fair Value Hedges (See Note on Ln 7 below)							
6	Total Long Term Debt Balance							
Ü	NOTE: The balance of fair value hedges on outstanding long term debt are to	be excluded from the	balance of long t	erm debt include	ed in the formul	a's capital struc	ure. (page 257.	Column H of the
7	FF1)						4.6.	
	pment of Long Term Debt Interest Expense							
8 9	Interest on Long Term Debt (256-257.33.i) Amort of Debt Discount & Expense (117.63.c)							
10	Amort of Loss on Reacquired Debt (117.63.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							
Develo 15	pment of Cost of Preferred Stock and Preferred Dividends Dividend Rate (p. 250-251. 7.a)							
16	Par Value (p. 250-251. 7.a)							
17	Shares Outstanding (p.250-251. 8.e)							
18	Monetary Value (Ln 16 * Ln 17)							
19 20	Dividend Amount (Ln 15 * Ln 18) Dividend Rate (p. 250-251. 7.a)							
20	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 27	Par Value (p. 250-251. 8.c) 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 32	Par Value (p. 250-251. 8.c)							
33	Shares Outstanding (p.250-251. 8.e) 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)							
	pment of Common Equity							
37 38	Proprietary Capital (112.16.c) 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							
Calcula 42								
42	Long Term Debt (Ln 6 Above) 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 49	Common Equity Capital Shares (Ln 44 / Ln 45) RESERVED							
50	Reserved							
51	Reserved							
52	Reserved							
	Atton of Capital Cost Rate							
53 54	LTD Capital Cost Rate (Ln 14 / Ln 6) 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%
	ation of Weighted Capital Cost Rate		/	/0		/0	/0	/0
56	LTD Weighted Capital Cost Rate (Ln 46 * Ln 53)							
57	Preferred Stock Capital Cost Rate (Ln 47 * Ln 54)							
58 59	Common Equity Capital Cost Rate (Ln 48 * Ln 55)							
39	Total Company Structure							

AEP East

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

Worksheet Q Page 2									
									AEP East
									Operating Companie
				Indiana		Kingspo			s'
		Appalachi		Michigan	Kentucky	rt Power	Ohio	Wheeling	Consolidat
		an Power		Power	Power	Compan	Power	Power	ed Capital
Line		Company		Company	Company	y	Company	Company	Structure
	opment of Long Term Debt Balances at Year End								
60 61	Bonds (112.18.c&d) Less: Reacquired Bonds (112.19.c&d)								
62	LT Advances from Assoc. Companies (112.20.c&d)								
	Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp								
63	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 ar	e to be excluded fro	m the balance of	long term debt	included in the	formula's cap	ital structure. (p	. 257, Column F	of the FF1)
	opment 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 72	Less: Amort of Gain on Reacquired Debt (117.66.c) Less: Hedge Interest on pp 256-257(i)								
73	LTD Interest Expense								
	opment 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 78	Monetary Value (Ln 75 * Ln 76) 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 85	Dividend Rate (p. 250-251. 7.a) 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 92	Shares Outstanding (p.250-251. 8.e) 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)								
	opment of Common Equity								
96									
97 98									
99									
100	· · · · · · · · · · · · · · · · · · ·								
	lation of Capital Shares								
101									
102									
103									
104 105									
106									
107									
108	RESERVED								
109									
110									
111 Colen	RESERVED lation of Capital Cost Rate								
<u>Caicu</u> 112									
113									
114	Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
	lation of Weighted Capital Cost Rate								
115									
116 117									
118	1 2 1								

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

		Worksheet Q I	Page 3					
Line Develop	ment of Average Long Term Debt	Appalachi an Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Compan y	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
119	Average Bonds (Ln 1 + Ln 60) / 2							
120	Less: Average Reacquired Bonds (Ln 2 + Ln 61) / 2							
120	Average LT Advances from Assoc. Companies (Ln 3 + Ln 62)							
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							
	NOTE: The balance of fair value hedges on outstanding long term	debt are to be excluded from the	e balance of long ter	m debt included	in the formula's	capital structu	ire. (p. 257, Co	lumn H of the
125	FF1)					•	•	
Develop	ment 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							
133	Preferred Stock and Preferred Dividends Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2							
134	Preferred Dividends (Ln 36)							
	ment 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							
	tion 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) Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln							
145	143)							
143	Average Balance of Common Equity Capital Shares (Ln 142 /							
146	Ln 143)							
147	Reserved							
148	Reserved							
149	Reserved							
150	Reserved							
	tion of Capital Cost Rate							
151	LTD Capital Cost Rate (Ln 132 / Ln 124)							
152	Preferred Stock Capital Cost Rate (Ln 134 / Ln 133)	11.400/	11 400/	11 400/	11 100/	11 400/	11 400/	11 400/
153	Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
Calculat 154	tion of Weighted Capital Cost Rate LTD Weighted Capital Cost Rate (Ln 144 * Ln 151)							
154	Preferred Stock Capital Cost Rate (Ln 144 * Ln 151)							
156	Common Equity Capital Cost Rate (Lii 145 * Lii 152)							
157	ACTUAL WEIGHTED AVG COST OF CAPITAL							-
107	note							

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

2018 Revenue Requirement Forecast by October 31, 2017 True-up Adjustment -Over (Under) Recovery

Over (Under) Recovery Plus Interest Rate on Amount of Refunds or Surcharges (Note 1)

Average Monthly Interest Rate
Monthly Interest Rate
Months

Calculated Amortizatio Surcharge (Refund) Owed

10.2780%

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

Calculation of Interest					Monthly		
	Year	-		-			-
January	2018		0.2780%	12			
	Year	-		-			-
February	2018		0.2780%	11			
•	Year	-		-			-
March	2018		0.2780%	10			
	Year	-		-			-
April	2018		0.2780%	9			
	Year	_		· -			_
May	2018		0.2780%	8			
1114	Year	_	0.270070	_			_
June	2018		0.2780%	7			
June	Year	_	0.270070	,			
July	2018		0.2780%	6			
July	Year	_	0.278070	U			
August	2018	-	0.2780%	5	•		-
August	Year		0.2780%	3			
G 1		-	0.27000/	4			-
September	2018		0.2780%	4			
0.1	Year	-	0.07000/	-			-
October	2018		0.2780%	3			
	Year	-		-			-
November	2018		0.2780%	2			
	Year	-		-			-
December	2018		0.2780%	1		_	
					-		-
					Annual		
	Year						
January through December	2019	-	0.2780%	12	-		-
Over (Under) Recovery Plu	- T44 A						
Over 12 Months	s mierest A	mortizeu and Recovered			Monthly		
Over 12 Months	37				Monthly		
T	Year	-	0.27900/	-		-	-
January	2020		0.2780%				
F.1	Year	-	0.27000/	-		-	-
February	2020		0.2780%				
	Year	-		-		-	-
March	2020		0.2780%				
	Year	-		-		-	-
April	2020		0.2780%				
	Year	-		-		-	-
May	2020		0.2780%				
	Year	-		-		-	-
June	2020		0.2780%				

	Year	-		-	-	-
July	2020		0.2780%			
-	Year	-		-	-	-
August	2020		0.2780%			
	Year	-		-	-	-
September	2020		0.2780%			
	Year	-		-	-	-
October	2020		0.2780%			
	Year	-		-	-	-
November	2020		0.2780%			
	Year	-		-	-	-
December	2020		0.2780%			
				-		
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.

Clean versions of Attachment H-14B AEPOPCo Part II Worksheets A-Q and Attachment H-20B AEPTCo Worksheets A-R

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet G Supporting - Development of Composite State Income Tax Rate COMPANY NAME HERE

State #1 Tax Rate Apportionment Factor - Note 1 Effective State Tax Rate	0.00%
State #2 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.00%
State #3 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.000/
Effective State Tax Rate	0.00%
State #4 Tax Rate	
Apportionment Factor - Note 1	
Effective State Tax Rate	0.00%
Total Effective State Income Tax Rate	0.00%

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

COM	IPANY NAME HERE					
Line	(A)	(B) Total	(C)	(D)	(E)	(F)
No.	Account	Company	Property	Labor	Other	Non-Allocable
110.	Account	NOTE 1	Froperty	Labor	Other	Non-Anocable
1	Revenue Taxes	NOTE				
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	Production Taxes					
13	List Individual Taxes Here	-				-
14		-				-
15	Miscellaneous Taxes					
16	List Individual Taxes Here	-				-
17		-			-	
18		-			-	
19		-			-	
20		-			-	
21		-				-
22		-				=
23						
24	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 EEDC Form	n 1 is shown on W	С Ц 1		
	Functional Property Tax Allocation	III the PERC Poin	II 1 IS SHOWN ON W	5 11-1.		
	Functional Property Tax Anocation	Production	Transmsission	Distribution	General	Total
25	Functionalized Net Plant (TCOS, Lns 41 thru 46)	- I Toduction	-	Distribution	General	<u>10tai</u>
23	STATE JURISDICTION #1	-	•		-	
26	Percentage of Plant in STATE JURISDICTION #1					
27	Net Plant in STATE JURISDICTION #1 (Ln 25 * Ln 26)	_	_	-	_	
28	Less: Net Value of Exempted Generation Plant					l
29	Taxable Property Basis (Ln 27 - Ln 28)	-	-	-	-	-

	Functional Property Tax Allocation					
		Production	Transmsission	Distribution	General	To
25	Functionalized Net Plant (TCOS, Lns 41 thru 46)	-	-	-		
	STATE JURISDICTION #1					
26	Percentage of Plant in STATE JURISDICTION #1					
27	Net Plant in STATE JURISDICTION #1 (Ln 25 * Ln 26)	-	-	-		
28	Less: Net Value of Exempted Generation Plant					
29	Taxable Property Basis (Ln 27 - Ln 28)	-	-	-		
30	Relative Valuation Factor					
31	Weighted Net Plant (Ln 29 * Ln 30)	-	-	-	-	
32	General Plant Allocator (Ln 31 / (Total - General Plant))	0.00%	0.00%	0.00%	-100.00%	
33	Functionalized General Plant (Ln 32 * General Plant)	-	-	-		
34	Weighted STATE JURISDICTION #1 Plant (Ln 31 + 33)	-	-	- 0.00-:		
35	Functional Percentage (Ln 34/Total Ln 34)	0.00%	0.00%	0.00%		
2.5	STATE JURISDICTION #2					
36	Percentage of Plant in STATE JURISDICTION #2					
37	Net Plant in STATE JURISDICTION #2 (Ln 25 * Ln 36)	-	_	-		
38	Less: Net Value of Exempted Generation Plant					
39	Taxable Property Basis (Ln 37 - Ln 38)	-	-	-		
40	Relative Valuation Factor					
41	Weighted Net Plant (Ln 39 * Ln 40)	-	-	-	-	
42	General Plant Allocator (Ln 41 / (Total - General Plant))	0.00%	0.00%	0.00%	-100.00%	
43	Functionalized General Plant (Ln 42 * General Plant)	-	-	-		
44	Weighted STATE JURISDICTION #2 Plant (Ln 41 + 43)	- 0.000/	- 0.000/	- 0.000/		
45	Functional Percentage (Ln 44/Total Ln 44)	0.00%	0.00%	0.00%		
10	STATE JURISDICTION #3					
46 47	Net Plant in STATE JURISDICTION #3 (Ln 25 - Ln 27 - Ln 37)	-	-	-		
47	Less: Net Value Exempted Generation Plant Taxable Property Basis					
48 49	Relative Valuation Factor	-	-	-		
50	Weighted Net Plant (Ln 48 * Ln 49)	- 0.000/	- 0.000/	0.000/	100.000/	
51	General Plant Allocator (Ln 50 / (Total - General Plant)	0.00%	0.00%	0.00%	-100.00%	
52	Functionalized General Plant (Ln 52 * General Plant)	-	-	-	-	
53	Weighted STATE JURISDICTION #3 Plant (Ln 50 + 52)	-	-	_		
54	Functional Percentage (Ln 53/Total Ln 53)	0.00%	0.00%	0.00%		
	5 (

Cost of Service Formula Rate Using 2008 FF1 Balances

Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H

(A)

	(A)		(B)	(C)	(D)		
Li ne No				FERC FORM 1	FERC FORM 1		
•	Annual Tax Expenses by Type (Note 1)		Company	Tie-Back	Reference		
1	Revenue Taxes						
2	Revenue Tax 1	-					
	<u>(A)</u>	(B)	(C)	(D)	(E)	(F) Tax	(G)
	Real Estate and Personal Propety Tax Detail Annual Tax Expenses by Type (Note 1)	Tax Year	Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference	Year Factor (Note 2)	Transmis sion Function (Note 2)
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)			_			-
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		ľ				-
Li ne No	(<u>A</u>)		(B)	(C) FERC FORM 1	(D) FERC Form 1		
	Annual Tax Expense by Type (Note 1)		Company	Tie-Back	Reference		
8	Payroll Taxes						
9	Federal Insurance Contribution (FICA)		-				
10	Federal Unemployment Tax		-				
11	State Unemployment Insurance		-				
12	Production Taxes						
13	Production Tax 1		-				
15	Miscellaneous Taxes						
16	Miscellaneous Tax 1		-				
17	Miscellaneous Tax 2		-				
18	Miscellaneous Tax 3		-				
19	Miscellaneous Tax 4		-				
20	Miscellaneous Tax 5		-				
21	Miscellaneous Tax 6		-				

(B)

(C)

(D)

22 Miscellaneous Tax 7
23 Total Taxes by Allocable Basis - -

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

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.

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 assesed. Real and Personal Property - Other Jurisdictions will be allocated using the Gross Plant Allocator from the applicable year.

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet I RESERVED FOR FUTURE USE

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 COMPANY NAME HERE

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

A. D	etermine 'R'	with hypothetical	basis point increase in	n ROE for Identified Projects
------	--------------	-------------------	-------------------------	-------------------------------

ROE w/o incentives (TCOS, ln 156)	0.00%
Project ROE Incentive Adder	
ROE with additional basis point incentive	0.00%

Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156)

	<u>%</u>	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%	0.000%
		R	= 0.000%

В.	Determine Return using 'I	R' with hypothetical	basis point ROE increase for	or Identified Projects.
D	oto Poso (TCOS In 69)			

Rate Base (1COs, III 66)	-
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.

C. Determine income taxes using Keturn with hypothetical basis point KOE increase for identified Projects.	•
Return (from B. above)	-
Effective Tax Rate (TCOS, ln 114)	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, 95)

Return (TCOS, ln 126)	
Income Taxes (TCOS, ln 125)	<u>=</u>
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)	<u>=</u>
Annual Revenue Requirement, with Basis Point ROE increase	-
Depreciation (TCOS, ln 100)	_
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation	-

$C. \ \ Determine \ FCR \ with \ hypothetical \ \ basis \ point \ ROE \ increase.$

Net Transmission Plant (TCOS, ln 42)	-
Annual Revenue Requirement, with Basis Point ROE increase	-
FCR with Basis Point increase in ROE	
Annual Rev. Req, w / Basis Point ROE increase, less Dep.	-
FCR with Basis Point ROE increase, less Depreciation	
FCR less Depreciation (TCOS, ln 10)	

Incremental FCR with Basis Point ROE increase, less Depreciation III Calculation of Composite Depreciation Rate

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

0.00%

0.00% 0.00%

0.00%

Page 6

Average Transmission Plant Balance for Rate Year (TCOS, ln 21)

Annual Depreciation and Amortization Expense (TCOS, ln 100)

Composite Depreciation Rate

Depreciable Life for Composite Depreciation Rate

Round to nearest whole year

- 4

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

A. Base Plan Facilities

Project Totals

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

(e.g. ER05-925-000) Facilities receiving incentives accepted by FERC in Docket No. **Project Description:** Details Current Year **Projected Year** Investment Service Year (yyyy) ROE increase accepted by FERC (Basis Points) FCR w/o incentives, less depreciation Service Month (1-12) 0.00% Useful life FCR w/incentives approved for these facilities, less dep. 0.00% CIAC (Yes or No) Annual Depreciation Expense RTEP Rev. Req't. RTEP Rev. Req't. **Incentive Rev.** Investment **Beginning Depreciation Ending** Year **Balance** Balance w/o Incentives with Incentives ** Requirement ## **Expense** \$

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

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

PROJECT.		
RTEP	RTEP	
Projected	Projected	
Rev.	Rev.	
Req't.From	Req't.From	
Prior Year	Prior Year	
Template	Template	
	with	
w/o	Incentives	
Incentives	**	

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.

\$

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

II.

III.

Round to nearest whole year

Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones

COMPANY NAME HERE

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 Pr		an Dining.							1 0	.gc 1 01 2	
ROE w/o incentives (TCOS, ln 156)	Tojecis	0.00%									
Project ROE Incentive Adder		0.0070									
ROE with additional basis point incentive		0.00%									
Determine R (cost of long term debt, cost of p	rafarrad stook and as		is from the TCO	2 lnc 15/	1 through 156)						
Determine K (cost of long term deot, cost of p	referred stock and eq		_		•						
	T	<u>%</u>	Cost	<u>w eigr</u>	hted 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>0.000%</u>						
			R	=	0.000%						
B. Determine Return using 'R' with hypothetical basis point ROE increase for I	dentified Projects.										
Rate Base (TCOS, ln 68)			-								
R (from A. above)			0.000	%							
Return (Rate Base x R)			-								
C. Determine Income Taxes using Return with hypothetical basis point ROE inc	rease for Identified	Projects.									
Return (from B. above)				-							
Effective Tax Rate (TCOS, ln 114)			0.00	%							
Income Tax Calculation (Return x CIT)			-								
ITC Adjustment			-								
Excess Deferred Income Tax			-								
Tax Affect of Permanent Differences			-								
Income Taxes	- 41 42 1 1 2 2	DOE:	-								
. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hyp	otneticai basis poin	ROE increase	2.								
A. Determine Annual Revenue Requirement less return and Income Taxes. Annual Revenue Requirement (TCOS, ln 1)											
Lease Payments (TCOS, Ln 95)				-							
Return (TCOS, ln 126)				_	_						
Income Taxes (TCOS, In 125)				_							
Annual Revenue Requirement, Less Lease Payments, Return and Taxes				-	_						
B. Determine Annual Revenue Requirement with hypothetical basis point increase	se in ROE.										
Annual Revenue Requirement, Less Lease Payments, Return and Taxes				_							
Return (from I.B. above)				-							
Income Taxes (from I.C. above)				=	SUMMARY OF T	RUED-UP ANNUAL R	EVENUE REQ	UIREMENTS	FOR RT	EP PROJEC	ΓS
Annual Revenue Requirement, with Basis Point ROE increase				-]	Rev Require	W Ince	entives	Incentive A	mounts
Depreciation (TCOS, ln 100)				-	TRUE-UP YEAD	R Histori	c Year				
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation				-	As Projec	cted in Prior Year WS J					-
C. Determine FCR with hypothetical basis point ROE increase.						Actual	after True-up	\$ -	\$	-	-
Net Transmission Plant (TCOS, ln 42)						True-up of ARR For	Historic Year	-	-		-
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%						
I. Calculation of Composite Depreciation Rate											
Average Transmission Plant Balance for Rate Year (TCOS, ln 21)					-						
Annual Depreciation and Amortization Expense (TCOS, ln 100)					-						
Composite Depreciation Rate						0.00%					
Depreciable Life for Composite Depreciation Rate					-						
Down data reconstructual construction											

Page 9

Page 1 of 2

COMPANY NAME HERE 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	accented by	FFRC in	Docket No.
r acmues receiving	mcenuves	accepted by	y fekt iii	Docket No.

(e.g. ER05-925-000)

Project Description:

Details								
Investment		Current Year					Historic Year	
Service Year (yyyy)		ROE increase acce	epted by FERC (Ba	sis Points)				
Service Month (1-12)			w/o incentives, less					
Useful life	_	FCR w/incentives dep.	FCR w/incentives approved for these facilities, less dep.					
CIAC (Yes or No)	No	Annual Depreciation	nnual Depreciation Expense					
Investment	Beginning	Depreciation	Ending	Average	RTEP Rev. Req't.	RTEP Rev. Req't. with Incentives	Incentive Rev. Requirement	

CITIC (Tes of 110)	110	7 minuai Depreciati	он Ехренье				
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 ##
-	-	-	-	-	-	-	\$ - \$

Project Totals - - - -

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return.

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.

Page 2 of 2

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

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.

AEP East Companies Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet L COMPANY NAME HERE

RESERVED FOR FUTURE USE

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital Company Name

		Average Balance of Common Equity						
Lin e No	Month	Proprietary Capital	Less: Preferred Stock	Less Undistributed Sub Earnings (Acct 216.1)	Less AOCI (Acct 219.1)	Average Balance of Common Equity (f)=(b)-(c)-(d)-(
	(a)	(b)	(c)	(d)	(e)	e)		
	(Note A) December Prior to Rate	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)			
1	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	-	-	-	-	-		

					of Long Term De	ebt	
Lin e No	Month	Acct 221 Bonds	Less: Acct 222 Reacquired Bonds	Acct 223 LT Advances from Assoc. Companies	Acct 224 Senior Unsecured Notes	Less: Fair Value Hedges	Gross Proceeds Outstanding Long- Term Debt (g)=(b)-(c)+(d)+(
	(a)	(b)	(c)	(d)	(e)	(f)	e)-(f)
	(Note A) December Prior to Rate	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15	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) 29 Annual Interest Expense for 2017 Interest on Long Term Debt - Accts 221 30 - 224 (256-257.33.i)

Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30

31 and shown in 50 below.

Plus: Allowed Hedge Recovery From 32 Ln 55 below.

Amort of Debt Discount & Expense -

33 Acct 428 (117.63.c) Amort of Loss on Reacquired Debt -

34 Acct 428.1 (117.64.c)

Less: Amort of Premium on Debt - Acct 35 429 (117.65.c)

Less: Amort of Gain on Reacquired Debt - Acct 429.1

36 (117.66.c)

Total Interest Expense (Ln 30 - 31 +

37 33 + 34 - 35 - 36)

Average Cost of Debt for 2017 (Ln 37/

38 ln 28 (g))

#DIV/0!

(g)

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

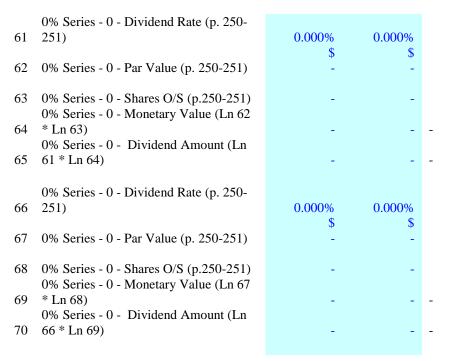
39 NOTE: The net amount of hedging gains or losses recorded in account 427 to be recovered in this formula rate should be limited to the effective portion of pre-issuance cash flow hedges that are amortized over the life of the underlying debt issuances. The recovery of a net loss or passback of a net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

Amortization Period Less **Total Excludable** Net Hedge Remaining HEDGE AMOUNTS BY ISSUANCE **Amounts** Includable (FROM p. 256-257 (i) of the FERC (Gain)/Los (See NOTE Hedge Unamortized **Begin** Form 1) s for 2017 on Line 39) Amount **Balance** ning **Ending** 40 41 42 43 44 45 46 47 48 49 **Total Hedge Amortization** Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48) Total Average Capital Structure 52 Balance for 2017 (TCOS, Ln 157) Financial Hedge Recovery Limit - Five Basis Points 53 of Total Capital 0.0005 Limit of Recoverable Amount Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)

Development of Cost of Preferred Stock

	Preferred Stock				Average
	0% Series - 0 - Dividend Rate (p. 250-				
56	251)	0.000	4	0.000%	
			\$	\$	
57	0% Series - 0 - Par Value (p. 250-251)		-	-	
58	0% Series - 0 - Shares O/S (p.250-251)	-	_		
	0% Series - 0 - Monetary Value (Ln 57				
59	* Ln 58)	-	-		-
60	0% Series - 0 - Dividend Amount (Ln				

56 * Ln 59) - -



71 Balance of Preferred Stock (Lns 59, 64, 69)

72 Dividends on Preferred Stock (Lns 60, 65, 70)

73 Average Cost of Preferred Stock (Ln 72/71)



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

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use

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) FERC
Line	Date	Property Description	Function (T) or (G) T = Transmission	Basis	Proceeds	(Gain) / Loss	Functional Allocator	Functionalized Proceeds (Gain) / Loss	Account
1			G = General			-	0.000%	-	
2						<u>-</u>	0.000%	-	
3						-	0.000%	-	
4				Net (Gain) or Loss	for Rate Year	-		-	

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service

COMPANY NAME HERE

1 Total AEP East Operating Company PBOP Settlement Amount

Allocation of PBOP Settlement Amount for Rate Year:

Total Company Amount

Line #	Company	Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for Rate Year	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under	
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B)*1	(D)	$(\mathbf{E})=(\mathbf{A})*(\mathbf{D})$	(F)=(C)*(D)	(G)=(E)-(F)	
2	APCo		0.00%	-		-	-	-	
3 1	%M		0.00%	-		-	-	-	
4]	KPCo		0.00%	-		-	-	-	
5 1	KNGP		0.00%	-		-	-	-	
6 (OPCo		0.00%	-		-	-	-	
7	WPCo		0.00%	-		-	-	-	_
8	Sum of Lines 2 to 7	-		-		-	-	-	
]	Detail of Actual PBOP Expenses to be	Removed in Cost of Service							
			<u>APCo</u>	<u>I&M</u>	<u>KPCo</u>	<u>KNGSPT</u>	<u>OPCo</u>	<u>WPCo</u>	<u>AEP East</u> <u>Total</u>
	Direct Charged PBOP Expense per Actua Additional PBOP Ledger Entries (from	arial Report							-
10	Company Records) Medicare Subsidy								_

		<u>APCo</u>	<u>I&M</u>	<u>KPCo</u>	<u>KNGSPT</u>	<u>OPCo</u>	$\underline{\text{WPCo}}$	<u>Total</u>
9	Direct Charged PBOP Expense per Actuarial Report							-
	Additional PBOP Ledger Entries (from							
10	Company Records)							
11	Medicare Subsidy							-
12	Net Company Expense (Ln 9 + Ln 10 + Ln 11)	_	-	=	-	=	<u>-</u>	=
13								-
	PBOP Expenses From AEP Service Corporation (from Company Records)							
14	Company PBOP Expense (Ln 12 + Ln 13)	-	-	-	-	-	-	
14	Company POOP Expense (Lii 12 + Lii 13)	<u> </u>	<u>-</u>	-	-	-	-	

Note:

For the rate year 2017 and adjusted every four years thereafter, using the annual actuarial report produced for that year, filed as part of the informational filing, Worksheet O will be used to adjust PBOP costs for the next four years (i.e. 2017, 2018, 2019, 2020). If the annual actuarial report projects PBOP costs during the next four years, taken together with the then current cumulative PBOP cost/allowance position, will, absent a change in the PBOP allowance, cause the AEP Companies to over or under collect their cumulative PBOP costs by more than 20% of the projected next four year's total cost, the PBOP allowance shall be adjusted. Worksheet O will be used in the process of updating the PBOP allowance determining (a) the level of cumulative over or under collections during the period since the PBOP allowance was last set, including carrying costs based on the weighted average cost of capital ("WACC") each year from the formula actual rate; (b) the cumulative net present value of projected PBOP costs during the next four years, as estimated by the then current actuarial report, assuming a discount rate equal to the actual formula rate WACC for the prior calendar year; and (c) the cumulative net present value of continued collections over the next four years based on the then effective PBOP allowance, assuming a discount rate equal to the prior year WACC. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance used in the formula rate calculation shall be changed to the value that will cause the projected result of (a)+(b)+(c) to equal zero. If the projected over or under collection during the next four years will be less than 20% of (b), then the PBOP allowance will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP expense stated in the formula rat

Worksheet - P CALCULATION OF

TOTAL WEIGHTED AVERAGE DEPRECIATION RATES

FOR TRANSMISSION PLANT PROPERTY ACCOUNT

EFFECTIVE AS OF 3/6/2019

FOR MULTIPLE JURISDICTION COMPANIES

APPALACHIAN POWER COMPANY

		VIRO	GINIA			WES	ST VIRGINIA			FERC W	HOLESALE	FE	ERC KING	GSPORT		COMPANY
		(1)				(2)				(3)		(4)			_	
			WTD AVG	. PSC	OF WV		WTD AVG.			WTD AV	G.	V	VTD AVG	γ.	WTD AVG.	
PLANT	VA SCC	ALLOCATION	DEPREC.	APPI	ROVED	ALLOCATION	DEPREC.	FERC	ALLOCATION	DEPREC	. FERC	ALLOC	CATION	DEPREC.	DEPREC.	
ACCT.	RATES	FACTOR (5)	RATE	R.A	TES	FACTOR (5)	RATE	RATES	FACTOR (5)	RATE	RATES	FACTO	OR (5)	RATE	RATE	
TRANSMISSION PLAN	T															
I 1 D'.14. W.	350.	0/ 1.000000 /	0.660/												0.660	
Land Rights - Va.	1 0.66		0.66%			1.4.220/	1 000000	1.4.220/							0.66%	
Energy Storage Equipment		351.0		0.402640	0.760/	14.22%	1.000000	14.22%	2.100/	0.022074	0.070/	2 100/	0.0500	74 0 120/	14.22%	
Structures & Improvemen	ts	352.0		0.492648	0. 76%	1.62%	0.414603	0.67%	2.19%	0.033874	0.07%	2.19%	0.0588		1.63%	
Station Equipment		353.0		0.492648	0. 96%	2.37%	0.414603	0.98%	2.19%	0.033874	0.07%	2.19%	0.0588		2.14%	
Towers & Fixtures		354.0	1.14%	0.492648	0.56%	1.59%	0.414603	.0.66%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	1.42%	
Poles & Fixtures		355.0	2.77%	0.492648 049264	1.36%	2.71%	0.414603	1.12%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	2.68%	
Overhead Conductor		356.0	1.01%	8	0.50%	1.53%	0.414603	.0.63%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	1.33%	
Underground Conduit		357.0	1.23%	0.492648	0.61%	3.71%	0.414603	1.54%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	2.35%	
Underground Conductors		358.0	3.18%	0.492648	1.57%	5.24%	0.414603	2.17%	2.19%	0.033874	0.07%	2.19%	0.0588	74 0.13%	3.94%	
GENERAL PLANT																
Structures and Improvement	ents	390.0	1.50%	0.519557	0.78%	1.91%	0.425935	0.81%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	1.78%	
Office Furniture and Equi	p.	391.0	2.78%	0.519557	1.44%	3.17%	0.425935	1.35%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	2.98%	
Transportation Equipment	t	392.0	0.00%	0.519557	0.00%	3.40%	0.425935	1.45%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	1.64%	
Stores Equipment Tools, Shop and Garage		393.0	1.60%	0.519557	0.83%	1.80%	0.425935	0.77%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	1.79%	
Equipment		394.0	2.07%	0.519557	1.08%	2.57%	0.425935	1.09%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	2.36%	
Laboratory Equipment		395.0	1.53%	0.519557	0.79%	4.01%	0.425935	1.71%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	2.69%	
Power Operated Equipmen	nt	396.0	0.00%	0.519557	0.00%	3.90%	0.425935	1.66%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	1.85%	
Communications Equipme	ent	397.0	3.27%	0.519557	1.70%	4.98%	0.425935	2.12%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	4.01%	
Micellaneous Equipment		398.0	2.51%	0.519557	1.30%	2.70%	0.425935	1.15%	3.43%	0.019780	0.07%	3.43%	0.03472	28 0.12%	2.64%	

⁽¹⁾ As approved in VA Case No. PUE 2011-00037 on Nov. 30, 2011. Depreciation rates were made effective on February 1, 2012.

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

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

⁽²⁾ Approved by PSC of WV Order dated February 27, 2019 in

Case No. 18-0645-E-D effective March 6, 2019.

- (5) The demand allocation factors are updated annually as of January 1, based on the 12 monthly CP's as of the previous September 30th.
 - (6) Energy Storage Equipment is a new account established per FERC Order 784.

GENERAL NOTES:

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

APCo falls under the authority of Virginia, West Virginia and the FERC. Therefore, APCo's rates are a composite of the jurisdictions under which it operates. Each jurisdictions to derive the composite rate for the company.

Worksheet - P CALCULATION OF

TOTAL WEIGHTED AVERAGE DEPRECIATION RATES

FOR TRANSMISSION PLANT PROPERTY ACCOUNT

EFFECTIVE AS OF October 31, 2018

FOR MULTIPLE JURISDICTION COMPANIES

INDIANA MICHIGAN POWER COMPANY

				INDIAN	T A			МІСН	IIGAN		FERC	WHOLESALE		COMPANY
			(1)					(2)		1	(3)			
	PLAN					WTD AVG.	M APPROVE	MPSC	WTD AVG.			WTD AVG.	W	TD AVG.
	T	IURC	ALLOCA	ATION	DEPREC.		D	ALLOCATION	DEPREC.	FERC	ALLOCATION	DEPREC.	DEPREC.	
	ACCT.	RATES	FACTO	OR (4)	RATE		RATES	FACTOR (4)	RATE	RATES	FACTOR (4)	RATE	RATE	
TRANSMISSION PLANT														
Land Improvements Structures &	350.1		1.48%	.6521029	.9651%		1.44%	.1442059	.2077%	1.44%	.2036912	.2933%	1.47%	
Improvements	352.0		1.55%	.6521029	1.0108%		1.50%	.1442059	.2163%	1.50%	.2036912	.3055%	1.53%	
Station Equipment	353.0		1.86%	.6521029	1.2129%		1.84%	.1442059	.2653%	1.84%	.2036912	.3748%	1.85%	
Towers & Fixtures	354.0		1.69%	.6521029	1.1021%		1.57%	.1442059	.2264%	1.57%	.2036912	.3198%	1.65%	
Poles & Fixtures	355.0		2.85%	.6521029	1.8585%		2.83%	.1442059	.4081%	2.83%	.2036912	.5764%	2.84%	
Overhead Conductors	356.0		1.97%	.6521029	1.2846%		1.89%	.1442059	.2725%	1.89%	.2036912	.3850%	1.94%	
Underground Conduit Underground	357.0		1.86%	.6521029	1.2129%		1.77%	.1442059	.2552%	1.77%	.2036912	.3605%	1.83%	
Conductors	358.0		1.70%	.6521029	1.1086%		1.66%	.1442059	.2394%	1.66%	.2036912	.3381%	1.69%	
Trails & Roads	359.0		1.50%	.6521029	.9782%		1.48%	.1442059	.2134%	1.48%	.2036912	.3015%	1.49%	
GENERAL PLANT Structures and				.6765817										
Improvements Office Furniture and	390.0		2.03%	.6765817	1.3735%		2.05%	.1539089 .1539089	0.3155%	2.05%	.1695094	0.3475%	2.04%	
Equip. Transportation	391.0		4.65%	.6765817	3.1461%		4.77%	.1539089	0.7341%	4.77%	.1695094	0.8086%	4.69%	
Equipment	392.0		4.64%	57 5 7 9 1 7	3.1393%		4.68%	4.500.000	0.7203%	4.68%	.1695094	0.7933%	4.65%	
Stores Equipment Tools, Shop and Garage	393.0		4.10%	.6765817 .6765817	2.7740%		4.14%	.1539089 .1539089	0.6372%	4.14%	.1695094	0.7018%	4.11%	
Equipment	394.0		6.65%		4.4993%		6.79%		1.0450%	6.79%	.1695094	1.1510%	6.70%	
Laboratory Equipment Power Operated	395.0		5.41%	.6765817 .6765817	3.6603%		5.58%	.1539089 .1539089	0.8588%	5.58%	.1695094	0.9459%	5.47%	
Equipment Communications	396.0		4.31%	.6765817	2.9161%		4.43%	.1539089	0.6818%	4.43%	.1695094	0.7509%	4.35%	
Equipment Micellaneous	397.0		3.82%	.6765817	2.5845%		3.86%	.1539089	0.5941%	3.86%	.1695094	0.6543%	3.83%	
Equipment	398.0		3.14%		2.1245%		3.18%		0.4894%	3.18%	.1695094	0.5390%	3.15%	

⁽¹⁾ As approved in Indiana Cause No.44967.

⁽²⁾ As approved in Michigan Case No. U-18370.

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

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

GENERAL NOTES:

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

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

AEP EAST COMPANIES PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 9/1/2016

FOR SINGLE JURISDICTION COMPANIES

KINGSPORT POWER COMPANY

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

Reference:

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

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

Total General Plant 3.25%

PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 7/1/2015

FOR SINGLE JURISDICTION COMPANIES KENTUCKY POWER 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 Conductors	356.0	2.91%	
Underground Conduit	357.0	2.99%	
Underground Conductors	358.0	2.62%	
GENERAL PLANT			
Land and Land Rights	389.1	1.59%	
Structures and Improvements	390.0	3.97%	
Office Furniture and Equip.	391.0	3.20%	
Transportation Equipment	392.0	3.52%	
Stores Equipment	393.0	4.15%	
Tools, Shop and Garage Equipment	394.0	4.20%	
Laboratory Equipment	395.0	5.76%	
Power Operated Equipment	396.0	5.43%	
Communications Equipment	397.0	5.66%	

398.0

6.73%

Reference:

Micellaneous Equipment

Note 1: Rates Approved in Kentucky Public Service Commission Case No. 2014-00396.

General Note:

PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 1/1/2012

FOR SINGLE JURISDICTION COMPANIES

OHIO POWER COMPANY

	DI ANTO	RATES
	PLANT	Note 1
	ACCT.	
TRANSMISSION PLANT (Note 1)		
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%
GENERAL PLANT (Note 2)		
Structures and Improvements	390.0	2.17%
Office Furniture and Equip.	391.0	3.33%
Transportation Equipment	392.0	2.00%
Stores Equipment	393.0	2.94%
Tools, Shop and Garage Equipment	394.0	3.53%
Laboratory Equipment	395.0	3.57%
Power Operated Equipment	396.0	3.85%
Communications Equipment	397.0	2.86%
AMI - Communications Equipment	397.16	6.67%
Micellaneous Equipment	398.0	4.00%

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.

Note 2: General Plant depreciation rates were updated as a result of the order issued in Cases No 16-1852-EL-SSO and 16-1853-EL-SSO.

General Note:

PJM FORMULA RATE

WORKSHEET P - TRANSMISSION DEPRECIATION RATES

EFFECTIVE AS OF 3/6/2019

FOR SINGLE JURISDICTION COMPANIES

WHEELING POWER COMPANY

PLANT	
ACCT.	RATES
	Note 1
352.0	1.15%
353.0	2.22%
354.0	2.65%
355.0	2.41%
356.0	1.32%
357.0	9.94%
358.0	13.98%
359.0	-
390.0	1.08%
391.0	2.13%
393.0	1.78%
394.0	1.65.%
397.0	5.09%
398.0	2.76%
	398.0

Note 1: Rates Approved in WV Public Service Commission Case No. 18-0645-E-D.

General Note:

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

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 2018 Revenue Requirement Forecast by October 31, 2017 True-up Adjustment -Over (Under) Recovery

		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharg (Refund) Owed
nterest Rate on Amount of Refun	ds or Surcharges (Note 1))	0.2780%				
n over or under collection will be	e recovered prorata over 2	2018, held for 2019 and returned p	prorata over 2020				
<u>Calculation of Interest</u>					Monthly		
anuary	Year 2018	-	0.2780%	12	-		-
ebruary	Year 2018	-	0.2780%		-		-
March	Year 2018	-	0.2780%		-		-
pril	Year 2018	-	0.2780%		-		-
Iay nne	Year 2018 Year 2018	-	0.2780% 0.2780%	8 7	-		-
ıly	Year 2018	-	0.2780%	6	-		-
ugust	Year 2018	-	0.2780%	-	-		_
eptember	Year 2018	-	0.2780%	4	-		-
October	Year 2018	-	0.2780%	3	-		-
lovember	Year 2018	-	0.2780%	2	-		-
ecember	Year 2018	-	0.2780%	1 _	-		_
					-		-
					Annual		
nuary through December	Year 2019	-	0.2780%	12	-		_
Over (Under) Recovery Plus Inter		ered Over 12 Months	0.25000		Monthly -	-	-
anuary	Year 2020	-	0.2780%		-	-	_
ebruary	Year 2020	-	0.2780%		_	_	_
March	Year 2020		0.2780%		_	_	_
pril	Year 2020		0.2780%				
Лау	Year 2020	-	0.2780%		-	-	-
une	Year 2020	-	0.2780%		-	-	-
uly	Year 2020	-	0.2780%		-	-	-
ugust	Year 2020	-	0.2780%		-	-	-
eptember	Year 2020	-	0.2780%		-	-	-
October	Year 2020	-	0.2780%		-	-	-
ovember	Year 2020	-	0.2780%		-	-	-
ecember	Year 2020	-	0.2780%	_	-	-	-
					-		
rue-Up Adjustment with Interest						-	
ess 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.

Page 25

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

			Gross Pla	ant In Servi	ce	
Line No	Month	Transmission	Transmission ARO	General	General ARO	Intangible
	(a)	(d)	(e)	(h) FF1, page 207	(i) FF1, page 207	(j) FF1, page 205
		FF1, page 207 Col.(g) & pg. 206 Col. (b),	FF1, page 207 Col.(g) & pg. 206 Col. (b),	Col. (b),	Col.(g) & pg. 206 Col. (b), ln	Col.(g) & pg. 204 Col. (b), ln
	(Note A)	ln 58	ln 57	ln 99	98	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					
	Average of the 13 Monthly		_		_	
14	Balances	-		_	_	-

			Accumula	ted Deprecia	tion	
Line No	Month	Transmission	Transmissio n ARO	General	General ARO	Intangible
	(a)	(d)	(e)	(h)	(i)	(j)
			Company Records		Company Records (Included	
		FF1, page	(Included in	FF1, page	in total in	FF1, page
		219, ln 25,	total in	219, ln 28,	Column	200, ln 21,
	(Note A)	Col. (b)	Column (d))	Col. (b)	(h))	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					
	Average of the 13 Monthly					
28	Balances	-	-	-	-	

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b) Company Records (included in total in column (d) of gross plant	OATT Ancillary Services (GSU) Accumulate d Depreciation (c) Company Records (included in total in column (d) of accumulated depreciation	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumula ted Depreciat ion (e)
	(Note A)	above)	above)	Records	Records
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		-	-	-

Transmission Accumulated 43 Depreciation net of GSU

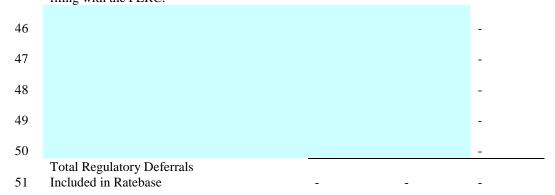
<u>Plant</u>	Held For Future Use	Source of Data	Balance @ December 31, 2017	<u>Balance</u> <u>@</u> <u>December</u> <u>31, 2016</u>	Average Balance for 2017
	(a)	(b)	(c)	(d)	(e)
		FF1, page			
		214, ln 47,			
44	Plant Held For Future Use	Col. (d)	-	-	-
	Transmission Plant Held	Company			
	For Future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

Regulatory Assets and Liabilities

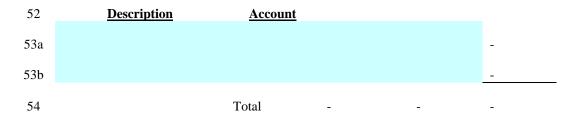
Approved for Recovery In

Ratebase

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



<u>Unfunded Reserves Summary</u> (Company Records)



NOTE 1: On this worksheet, "Company Records" refers to AEP's property accounting ledger.
NOTE 2: The ratebase should not include the unamoritzed 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

		AEFIKANSWIISSION	COMPANI		
	(A)	(B)	(C)	(D)	(E)
<u>Line</u>			Balance @ December	Balance @ December	Average Balance
Number	<u>Description</u>	<u>Source</u>	<u>31.</u>	<u>31.</u>	for
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)			<u>=</u>
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	Account 282				
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)			<u>=</u>
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	-	-	-
11	Account 283				
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	Account 190				
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	Account 255				
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)			-
	On this worksheet, "Company Records" refers to AEP's tax forecast and accou-	nting ledger. The PRTR will use projected ending balances and reflect			
NOTE 1	proration required by IRS Letter Rule Section 1.167(I)-I(h)(6)(ii). Line item d. 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

	<u>COLUMN A</u>	COLUMN B	COLUMN C	COLUM N D	COLUM N E	COLUMN <u>F</u>	COLUM N G	COLUMN <u>H</u>	COLUMN I	COLUM N J	COLUMN <u>K</u>	COLUMN L	COLUM N M	COLUMN <u>N</u>	COLUMN O
		PER BO	OOKS	APPLICA	<u>ON-</u> BLE/NON- LITY	AVERAGE	FUNCTIO)NALIZATION	AVERAGE	FUNCTIO	ONALIZATION	12/31/2016	FUNCTIO	ONALIZATION	12/31/2017
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS <u>OF 12-31-</u> 2016	BALANCE AS OF 12-31- 2017	BALANC E AS OF 12-31- 2016	BALANC E AS OF 12-31- 2017	ELECTRIC UTILITY (B+C+D+E)/2	GENER ATION	TRANSMI SSION	<u>DISTRIB</u> <u>UTION</u>	GENER ATION	TRANSMI SSION	DISTRIB UTION	GENER ATION	TRANSMI SSION	DISTRIB UTION
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 ACCOUNT 281 - ARO-Related	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ACCOUNT 282:														
5.01		0	0			0	0	0	0						
5.02		0	0			0	0	0	0						
5.03		0	0			0	0	0	0						
5.04		0	0			0	0	0	0						
5.05		0	0			0	0	0	0						
5.06		0	0			0	0	0	0						

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

5.40	0	0	0
5.41	0	0	0

6	TOTAL ACOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:														
9.01		0	0			0	0	0	0						
9.02		0	0			0	0	0	0						
9.03		0	0			0	0	0	0						
9.04		0	0			0	0	0	0						
9.05		0	0			0	0	0	0						
9.06		0	0			0	0	0	0						
9.07		0	0			0	0	0	0						
9.08		0	0			0	0	0	0						
9.09		0	0			0	0	0	0						
9.10		0	0			0	0	0	0						
9.11		0	0			0	0	0	0						
9.12		0	0			0	0	0	0						
9.13		0	0			0	0	0	0						
9.14		0	0			0	0	0	0						
9.15		0	0			0	0	0	0						
9.16		0	0			0	0	0	0						
9.17		0	0			0	0	0	0						
9.18		0	0			0	0	0	0						
9.19		0	0			0	0	0	0						
9.20		0	0			0	0	0	0						
9.21		0	0			0	0	0	0						
9.22		0	0			0	0	0	0						
9.23		0	0			0	0	0	0						
9.24		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		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	DEFD STATE INCOME TAXES	0	0			0	0	0	0						
11.01	DEPOSTATE INCOME TAXES	U	U	0	0	0	Ü	Ü	Ü						
11.01				Ü	O	U									
12	TOTAL ACCOUNT 283	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	ACCOUNT 283 - ARO-Related														
13	Deferals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	JURISDICTIONAL AMOUNTS														
14	FUNCTIONALIZED														
	TOTAL COMPANY AMOUNTS														
15	FUNCTIONALIZED														
	REFUNCTIONALIZED BASED														
16	ON JURISDICTIONAL PLANT														
	NOTE: POST 1970														
17	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															
										_					

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

DEBIT (CREDIT)

	<u>COLUMN A</u>	COLUMN B	COLUMN C	COLUM N D	COLU MN E	COLUMN F	COLUM N G	COLUM N H	COLUM N I	COLUM N J	COLUM NK	COLUM NL	COLUM N M	COLUM N N	COLUM NO
		PER I	BOOKS	NOI APPLICAB UTIL	LE/NON-	AVERAGE ELECTRIC	FUNCTIO	NALIZATION	AVERAGE	FUNCTIO	NALIZATION	J 12/31/2016	FUNCTI	ONALIZATION	V 12/31/2017
		BALANCE AS	BALANCE AS	BALAN CE AS	BALA NCE AS	UTILITY									
	ACCUMULATED DEFERRED FIT ITEMS	OF 12-31- 2016	OF 12-31- 2017	OF 12- 31-2016	OF 12- 31- 2017	(B+C+D+E) /2	GENER ATION	TRANSM ISSION	DISTRIB UTION	GENER ATION	TRANSM ISSION	DISTRIB UTION	GENER ATION	TRANSM ISSION	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						
		· ·	o o			,	•	•	,						

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

2.55	0	0			0	0	0	0	
2.56	0	0			0	0	0	0	
2.57	0	0			0	0	0	0	
2.58	0	0			0	0	0	0	
2.59	0	0			0	0	0	0	
2.60	0	0			0	0	0	0	
2.61	0	0			0	0	0	0	
2.62	0	0			0	0	0	0	
2.63	0	0			0	0	0	0	
2.64	0	0			0	0	0	0	
2.65	0	0			0	0	0	0	
2.66	0	0			0	0	0	0	
2.67	0	0			0	0	0	0	
2.68	0	0			0	0	0	0	
2.69	0	0			0	0	0	0	
2.70	0	0			0	0	0	0	
2.71	0	0			0	0	0	0	
2.72	0	0			0	0	0	0	
2.73	0	0			0	0	0	0	
2.74	0	0			0	0	0	0	
2.75	0	0			0	0	0	0	
2.76	0	0			0	0	0	0	
2.77	0	0			0	0	0	0	
2.78	0	0			0	0	0	0	
2.79	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				

0

2.87

0

0

4	ACCOUNT 190 - ARO-Related Deferals	0	0	0	0	0	0	0	0	0	0	0		0	0
3	TOTAL ACCOUNT 190	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.91		0	0			0	0	0	0						
2.90				0	0	0	0	0	0						
2.89				0	0	0									
2.88															

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

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

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 Note 1:

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet D Supporting IPP Credits _____ TRANSMISSION COMPANY

	AEP TRANSMISSION COMPANY	
Line	(\mathbf{A})	(B)
Number	Description	
		
1	Net Funds from IPP Customers 12/31/ (FORM 1, P269)	_
2	Interest Expense (Company Records – Note 1)	
2	Therest Expense (company records Trote 1)	
3	Revenue Credits to Generators (Company Records – Note 1)	_
4	Other Adjustments	
5	Accounting Adjustment (Company Records – Note 1)	
3	Accounting Augustinent (Company Records – Note 1)	
6		
U		_
		-
7	Net Funds from IPP Customers 12/31/ (FORM 1, P269)	
/	Net rulids from IFF Customers 12/31/ (FORM 1, F209)	-
O	Assessed Delegation of the Vennes Indicated in Column ((le 1 le 7)/2)	
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	
NT . 1	On this worksheet Company Records refers to AEP TRANSMISSION	
Note 1	COMPANY 's general ledger.	

Cost of Service Formula Rate Using Actual/Projected FF1 Balances

Worksheet E Supporting Revenue Credits

AEP _____TRANSMISSION COMPANY

		<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
Line		Total	Non-	
Number	<u>Description</u>	<u>Company</u>	Transmission	Transmission
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 (FF1p.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 (C)

(A) (B) (**D**) (E) 100% **(F)**

Line			_	<u>100%</u>	100% Transmission	
Number	Item No.	<u>Description</u> Regulatory O&M Deferrals & Amortizations	Expense	Non-Transmission	Specific	Explanation
1			-			
2 3			-			
4	-	Total	0			
_		Detail of Account 561 Per FERC Form 1				
5 6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability				
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System				
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling				
9 10	FF1 p 321.88.b FF1 p 321.89.b	561.4 - Scheduling, System Control & Dispatch 561.5 - Reliability, Planning and Standards Development				
11	FF1 p 321.90.b	561.6 - Transmission Service Studies				
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies				
13 14	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services Total of Account 561				
14		Account 928				
15					-	
16 17					=	
18					- -	
19					-	
20		T. (LOTED C.F. 1 222 100 L)				
21		Total (FERC Form 1 p.323.189.b) Account 930.1	-	-	<u> </u>	
22		iccount 750.1		_	-	
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)	=	-	-	

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet G Supporting - Development of Composite State Income Tax Rate

AEP _____TRANSMISSION COMPANY _____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate _____ Tax Rate Apportionment Factor - Note 1 Effective State Tax Rate _____ Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate Tax Rate Apportionment Factor – Note 1 Effective State Tax Rate ____ Tax Rate Apportionment Factor - Note 1 Effective State Tax Rate

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

Total Effective State Income Tax Rate

		AEPTRANSM	SSION COMPANY			
	(A)	(B)	(C)	(D)	(E)	(F)
Line		Total				
No.	Account	Company	Property	Labor	Other	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.				
	NOTE 1: The detail of each total company number and its source in the FERC Form 1	Functional Prop	erty Tax Allocation	Lines 24-58 Column (D)		
		Functional Prop Lines 24-58 Column (B)	-	Lines 24-58 Column (D) Deliberately Left Blank	General	Total
24	NOTE 1: The detail of each total company number and its source in the FERC Form 1	Functional Prop	erty Tax Allocation <u>Transmission</u>	Lines 24-58 Column (D) Deliberately Left Blank	<u>General</u>	Total
24	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36)	Functional Prop Lines 24-58 Column (B)	-		<u>General</u>	<u>Total</u>
	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION	Functional Prop Lines 24-58 Column (B)	-		General	<u>Total</u>
25	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant inJURISDICTION (Ln 24 * Ln 25)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant	Functional Prop Lines 24-58 Column (B)	-		General	<u>Total</u>
25 26 27 28	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant inJURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36)	Functional Prop Lines 24-58 Column (B)	-		General	<u>Total</u>
25 26 27 28 29 30 31 32	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant inJURISDICTION Net Plant inJURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) WeightedJURISDICTION Plant (Ln 30 + 32)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant inJURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) WeightedJURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 33/Total L 33)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36	NOTE 1: The detail of each total company number and its source in the FERC Form 1 Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 337/041 Ln 33) Net Plant in JURISDICTION (Ln 24 - Ln 26) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 * Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 33/Total Ln 33) Net Plant in JURISDICTION (Ln 24 - Ln 26) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37) Relative Valuation Factor	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 337/041 Ln 33) Net Plant in JURISDICTION (Ln 24 - Ln 26) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37) Relative Valuation Factor Weighted Net Plant (Ln 37 * Ln 38) General Plant Allocator (Ln 37 / (Total - General Plant))	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 33/Total Ln 33) Net Plant in JURISDICTION (Ln 24 - Ln 26) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37) Relative Valuation Factor Weighted Net Plant (Ln 37 * Ln 38) General Plant Allocator (Ln 39 / (Total - General Plant)) Functionalized General Plant (Ln 31 * Ln 38) General Plant Allocator (Ln 39 / (Total - General Plant)) Functionalized General Plant (Ln 41 * General Plant))	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 33/Total Ln 33) Net Plant in JURISDICTION Plant (Ln 30 + 32) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37) Relative Valuation Factor Weighted Net Plant (Ln 37 * Ln 38) General Plant Allocator (Ln 39 / (Total - General Plant)) Functionalized General Plant (Ln 41 * General Plant)) Functionalized General Plant (Ln 41 * General Plant) Weighted JURISDICTION Plant (Ln 49 + 41)	Functional Prop Lines 24-58 Column (B)	-		General	Total
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	Functionalized Net Plant (TCOS, Lns 33 thru 36) JURISDICTION Percentage of Plant in JURISDICTION Net Plant in JURISDICTION (Ln 24 * Ln 25) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 26 - Ln 27) Relative Valuation Factor Weighted Net Plant (Ln 28 * Ln 29) General Plant Allocator (Ln 31 / (Total - General Plant)) Functionalized General Plant (Ln 31 * General Plant) Weighted JURISDICTION Plant (Ln 30 + 32) Functional Percentage (Ln 33/Total Ln 33) Net Plant in JURISDICTION (Ln 24 - Ln 26) Less: Net Value of Exempted Generation Plant Taxable Property Basis (Ln 36 - Ln 37) Relative Valuation Factor Weighted Net Plant (Ln 37 * Ln 38) General Plant Allocator (Ln 39 / (Total - General Plant)) Functionalized General Plant (Ln 31 * Ln 38) General Plant Allocator (Ln 39 / (Total - General Plant)) Functionalized General Plant (Ln 41 * General Plant))	Functional Prop Lines 24-58 Column (B)	-		General	Total

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

	(A)		(B)	(C)	(D)		
Line No.	Annual Tax Expenses by Type (Note 1)		Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference		
1 2	Revenue Taxes 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 Propety Tax Detail Annual Tax Expenses by Type (Note 1)"	(B) Tax Year	(C) Total Comapny	(D) FERC FORM 1 Tie-Back	(E) FERC FORM 1 Reference	(F) Tax Year Factor	(G) Transmission Function
3 4	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7) Real and Personal Property -					(Note 2)	(Note 2)
5	Real and Personal Property -						
6	Real and Personal Property -						
7	Real and Personal Property - Other Jurisdictions						
Line No. 8	(A) Annual Tax Expense by Type (Note 1) Payroll Taxes Federal Insurance Contribution (FICA)			(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference		
10	Federal Unemployment Tax				P.263 ln 6 (i)		
11	State Unemployment Insurance				P.263 ln 9 (i) P.263.1 ln 23 (i)		
12 13	Line Left Deliberately Blank State Severance Taxes				P.263.3 ln 16 (i)		
14 15	Miscellaneous Taxes State Business & Occupation Tax				P.263 ln 21 (i)		
16	State Public Service Commission Fees				P.263 ln 22 (i) P.263 ln 26 (i)		
17	State Franchise Taxes				P.263.3 ln 20 (i)		
18	State Lic/Registration Fee				P.263.1 ln 18 (i) P.263.4 ln 27 (i)		
					P.263.1 ln 15 (i) P.263.4 ln 21 (i)		
19 20	Misc. State and Local Tax Sales & Use				P.263.1 ln 12 (i)		
20	Sales & Osc				P.263 ln 30 (i)		

21	Federal Excise Tax		P.263.3 ln 21 (i)
21	regerat excise 1 ax		P.263 ln 13 (i) P.263 ln 14 (i)
22	Michigan Single Business Tax		r.203 iii 14 (i)
23	Total Taxes by Allocable Basis		
Note 1: The taxes a	(Total Company Amount Ties to FFI p.114, Ln 14,(c)) ssessed on each transmission companies by both the type of tax	es and the states in which they were asses	sed. Therefore, for each company, the

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 I RESERVED
AEP ______TRANSMISSION COMPANY

RESERVED FOR FUTURE USE

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

_					AEP .		I KANSIMISSIOI	COMPANT						
		with basis poir	nt ROE increase	e for Projects Qualified for										
Regional Billi	ng. e 'R' with hypothetical	l basis point inc	manaa in DOF 6	on Identified Ducients										
	centives (TCOS, ln 138		rease iii KOE ii	or ruentineu r rojects	11.49%									
	Incentive Adder	,			11.4970									
	lditional basis point inc	antiva												
			ed stock and eau	ity percentage is from the TCO	OS Inc 164 through	h166)								
Determine it	. (cost of long term det	% eost of preferr	Cost	Weighted co		1100)								
	Long Term Debt	0.00%	0.00%	- Weighted Co	0.000%									
	Preferred Stock	0.00%	0.00%		0.000%									_
	Common Stock	0.00%	11.49%		0.000%					SUMMARY OF PROJECT	TED ANNITAL D	TED DEVENITE DI	EOUIDEMENTS	
	Common Stock	0.0070	11.49/0		0.00070					SUMMAKT OF TROJECT	I ED ANNOAL K	TEI KEVENOEK	Incentive	
				R =	0.000%						Rev	Require W Incen		
		h hypothetical b	oasis point ROE	E increase for Identified Proj	ects.					PROJECTED YEAR		-	- \$	
	TCOS, ln 58)				-									
R (fom A. a					0.000%									
Return (Rate					-									
		Return with hyp	oothetical basis	point ROE increase for Idea	tified Projects.									
Return (fro														
	x Rate (TCOS, ln 97)	arm.			0.00%									
	Calculation (Return x	CII)			-									
ITC Adjustn					-									
	rred Income Tax				-									
Income Taxe	of Permanent Difference	s			-									
		D.4. (Eined C	9 D-4 1	ECD) soith housethetical	-									
basis point R		ge Kate (Fixed C	narge Kate or i	FCR) with hypothetical										
	e Annual Revenue Rec	vuinoment less w	otuun and Incon	ma Tawaa										
	enue Requirement (TC		etui ii and Incoi	me raxes.										
	ents (TCOS, Ln 80)	OS, III 1)					-							
Return (TC							-							
	es (TCOS, ln 108)						-							
	enue Requirement, Less	I assa Daumants	Datuen and Tax	700			<u>-</u>							
				sis point increase in ROE.			-							
	nue Requirement, Less I													
	m I.B. above)	sease payments, i	return and raxe				_							
	es (from I.C. above)						_							
	enue Requirement, with	Basis Point ROI	E increase											
	& Amortization (TCO						_							
	Req, w/ Basis Point RC		Depreciation											
	<i>p</i>													
C. Determin	e FCR with hypothetic	cal basis point R	ROE increase.											
Net Transmi	ssion Plant (TCOS, ln	33)					-							
Annual Reve	enue Requirement, with	Basis Point ROI	E increase				-							
FCR with B	asis Point increase in R	OE					0.00%							
Annual Rev.	Req, w / Basis Point R	OE increase, less	s Dep.				-							
FCR with B	asis Point ROE increase	e, less Depreciation	on				0.00%							
FCR less De	preciation (TCOS, ln 1	10)					0.00%							
Incremental	FCR with Basis Point I	ROE increase, les	s Depreciation				0.00%							
II														
	f Composite Depreciat													
-	smission Plant Balance f						-							
	ciation and Amortization	n Expense(TCO	S, ln 83)				-							
	preciation Rate						0.00%	Note 1: Until AEP		NSMISSION COMPANY es				
	ife for Composite Depre	eciation Rate					-	component of the carry	ying charge will	be calculated as in the Opera	ating Company fo	rmula approved in D	Oocket No. ER08-1329	€.
Average Life i	n Whole Years						-	The calculation for AEI	SP	FRANSMISSION COMPAN	NY is shown on W	orksheet P.		

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

I

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

A. Base Plan Facilities

racinues									
Facilities receiving ince	entives accepted by	y FERC in Docket N	No.		(e.g. ER10-925-00	00)	Current Projected Year ARR		
<u> </u>							Current Projected Year ARR w/ Incen	tive	
									-
Project Description: Details							Current Projected Year Incentive AR	R	
Investment		Current Year					CUMULATIVE HISTORY OF PRO	DJECTED ANNUAL REVENUE RI	EQUIREMENTS
Service Year (yyyy)	(ROE increase acce		C (Basis Points)		-	CUMMULATIVE HISTORY OF PROJ		
Service Month (1-12)		FCR w/o incentive depreciation	s, Iess			0.00%	YEAR	I & WITHOUT INCENTIVES) FRO!	A EACH PRIOR
		FCR w incentives a these facilities, less	approved for			0.00%			
Useful life		-	, цер.			0.0070		AIN HISTORY OF PROJECTED AF	RRS OVER THE
CIAC (Yes or No)		Annual Depreciation	on Evnanca				LIFE OF THE PROJECT.		
CIAC (Tes of 140)	,	Aimuai Bepreciati	on Expense			_	RTEP Projected	RTEP Projected Rev.	
Investment	Beginning	Depreciation	Ending	RTEP Rev. Req't.	RTEP Rev. Req't.	Incentive Rev.	Rev. Req't.From Prior Year Template	Req't.From Prior Year Template	
					with Incentives				
Year 0	Balance -	Expense -	Balance -	w/o Incentives	**	Requirement ##	w/o Incentives	with Incentives **	
1	-	-	-	-	-	\$ -			
2 3	-	-	-	-	-	\$ - \$ -			
4	-		-	-	-	\$ -			
5	-	-	-	-	-	\$ -			
6 7	<u> </u>	1:	1	-	l:	\$ - \$ -			
8			-	-	 -	\$ - \$ -			
9	-	-	-	-	-	\$ -			
10 11	<u> </u>	1:	-	-	Ŀ	\$ - \$ -			
12	-	1:	[] -	Ī-	\$ - \$ -			
13	-	-	-	-	-	\$ -			
14	-	-	-	-	-	\$ -			
15 16	-	-	-	-	-	S -		l	
17	-	-	-	-	-	\$ -			
18	-	-	-	-	-	\$ -			
19 20	-	-	-	-	-	\$ - \$ -			
21	-	-	-	-	-	\$ -			
22	-	-	-	-	-	\$ -			1 1
23 24	-	-	-	-	-	\$ - \$ -			
25	-	1			-	\$ -			
26	-	-	-	-	-	\$ -			
27 28	-	-	-	-	-	\$ - \$ -			
29	-	-	-	-	-	\$ -			
30	-	-	-	-	-	\$ -			1 1
31	-	-	-	-	-	\$ - \$ -			
32 33] -	[-	s - s -			
34	-	-	-	-	 -	\$ -			
35	-	-	-	-	-	\$ -			
36 37			-	-	-	\$ - \$ -			
38	-	-	-	-	-	\$ -			
39	-	1 -	-	-	 -	\$ -			
40 41	-		-	-	-	\$ - \$ -			
42	-	-	-	-	-	\$ -			
43	-	-	-	-	-	\$ -			
44 45	<u> </u>	1:	1	-	l:	\$ - \$ -			
46			-	-	 -	\$ - \$ -			
47	-	-	-	-	-	\$ -			
48	-	l -	-	-	 -	\$ - \$			
49 50] -	[-	\$ - \$ -			
51	-	l -	-	-	-	\$ -			
52	-	1 -	-	-	 -	\$ -			
53 54	-	1:	-	-	Ī.	\$ - \$ -			
55			-	-	 -	\$ - \$ -			
56	-	-	-	-	-	\$ -			
57 58	<u> </u>	1:	-	-	Ŀ	\$ - \$ -			
58 59	I -	1		-	Ī-	\$ - \$ -			
Project Totals	•	•	•						

Project Totals

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

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.

Cost of Service Formula Rate Using Actual/Projected FF1 Balances Worksheet K Supporting Calculation of TRUE-UP PIM RTEP Project Revenue Requirement Billed to Benefiting Zones AEP _______ TRANSMISSION COMPANY

I. Calculate Return and Income Taxes with 0 basis point ROE increase for Frugers Quantum.

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

11.49 Calculate Return and Income Taxes with 0 basis point ROE increase for Projects Qualified for Regional Billing. ROE w/o incentives (TCOS, ln 138) Project ROE Incentive Adder % 0 SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS ROE with additional 0 basis point incentive Rev Require Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 164 through 166) TRUE-UP YEAR Cost 0.00% Weighted cost 0.000% 0.00% As Projected in Prior Year WS J \$ Long Term Debt Preferred Stock 0.00% 0.00% 0.000% Actual after True-up \$ True-up of ARR For ____ -Common Stock 0.00% 0.00% R = 11.490% B. Determine Return using 'R' with hypothetical 0 basis point ROE increase for Identified Projects. Rate Base (TCOS, ln 58) 0.000 R (fom 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) Income Tax Calculation (Return x CIT) Excess Deferred Income Tax Tax Affect of Permanent Differences Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with II. 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 FCR less Depreciation (TCOS, ln 10) 0.00% 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% Note 1: Until AEP_ _TRANSMISSION COMPANY establishes Transmission Note 1: Until AET INAUSTISSION COMPANY is shown on Worksheet Calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for AEP ______TRANSMISSION COMPANY is shown on Worksheet

calculation for AEP__

Depreciable Life for Composite Depreciation Rate

Average Life in Whole Years

Page 1 of 2

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		-	-	
True-Up				

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

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%				
		FCR w/incentives approved for these facilities, less dep. 0.00%				
Useful life	-					
CIAC (Yes or No)	0	Annual Depreciation Expense -				

Oscial Inc							
CIAC (Yes or No)	0	Annual Depreciati	ion Expense				-
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	-	-	-	-	-	-	\$ - \$ -
20	-	-	-	-	-	-	\$ - \$ -
22	1		-	-		-	\$ -
23	-	-	-		-	-	\$ -
24	_	_	_	_	_	_	\$ -
25	-	_	_	_	-	-	\$ -
26	-	-	-	-	-	-	\$ -
27	-	-	-	-	-	-	\$ -
28	-	-	-	-	-	-	\$ -
29	-	-	-	-	-	-	\$ -
30	-	-	-	-	-	-	\$ -
31 32	-	-	-	-	-	-	\$ - \$ -
33	-	-	-	-	-	-	\$ - \$ -
34		-	-	-	-	_	\$ -
35		-	-		-	-	\$ -
36	_	-	-	_		_	\$ -
37	-	-	-	_	-	-	\$ -
38	-	-	-	-	-	-	\$ -
39	-	-	-	-	-	-	\$ -
40	-	-	-	-	-	-	\$ -
41	-	-	-	-	-	-	\$ -
42	-	-	-	-	-	-	\$ -
43	-	-	-	-	-	-	\$ - \$ -
44 45	-	-	-	-	-	-	\$ - \$ -
46	1		-			-	\$ -
47	-	-	-	_	-	_	\$ -
48	_	-	-	-	-	-	\$ -
49	-	-	-	-	-	-	\$ -
50	-	-	-	-	-	-	\$ -
51	-	-	-	-	-	-	\$ -
52	-	-	-	-	-	-	\$ -
		-	-	-	-	-	\$ -
53	-						
54	-	-	-	-	-	-	\$ -
54 55		-	-	-	-	-	\$ -
54 55 56		-	-	-			\$ - \$ -
54 55		-	-	- - - -	-	-	\$ -

TEMPL	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	RTEP Rev Req't True- up w/o	RTEP Projected Rev. Req't.From Prior Year WS J with	RTEP Rev Req't True-up with	True-up of Incentive with					
w/o Incentives	Incentives	Incentives **	Incentives **	Incentives **					
	S - S - S - S - S - S - S - S - S - S -		S - S - S - S - S - S - S - S - S - S -	S					
	S - S - S - S - S - S - S - S - S - S -		\$	5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -					
	\$ - \$ - \$ - \$ -		\$ - \$ - \$ - \$ -	\$ - \$ - \$ - \$ -					

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.

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

RESERVED FOR FUTURE USE

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 Undistribut ed Sub Earnings (Acct 216.1)	Less AOCI (Acct	Average Balance of Common Equity (f)=(b)-(c)-			
	(a)	(b)	(c)	(d)	(e)	(d)-(e)			
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)				
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	3	-	-	-	-			

		Average Balance of Long Term Debt						
				Acct 223	Acct 224		Gross Proceeds	
			Less:	LT Advances		Less: Fair	Outstandin	
Line			Reacquired	from Assoc.	Unsecured	Value	g Long-	
No	Month	Bonds	Bonds	Companies	Notes	Hedges	Term Debt	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)=(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)

<u>Development of Cost of Long Term Debt Based on Average Outstanding Balance</u>

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29	Annual Interest Expense for 2017						
	Interest on Long Term Debt - Accts						
30	221 - 224 (256-257.33.i)			-			
	Less: Total Hedge Gain/Expense Accu	ımulated					
	from p 256-257, col. (i) of FERC Form	n 1 included					
31	in Ln 30 and shown in 43 below.			-			
	Amort of Debt Discount & Expense -						
32	Acet 428 (117.63.c)			-			
	Amort of Loss on Reacquired Debt -						
33	Acct 428.1 (117.64.c)			-			
	Less: Amort of Premium on Debt -						
34	Acct 429 (117.65.c)			-			
	Less: Amort of Gain on Reacquired						
35	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/ ln 28 (g))	#DIV/0!	
38	CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCEPTION TO BE TO BE EXCEPTION.	y not include c	
	(A	Amortization	n Period
	HEDGE AMOUNTS BY on of Remaining ISSUANCE (FROM p. 256-257 (i) (Gain)/Loss Unamortize of the FERC Form 1) for 2017 d Balance	Beginning	Ending
39			
40			
41			
42			
43	Net (Gain)/Loss Hedge Amortization To Be Removed		
<u>Dev</u> Sto	velopment of Cost of Preferred		
510	<u>CA</u>		
44	Balance of Preferred Stock (Line 14 (c)) Dividends on Preferred Stock (Acct 437, FF1 118.29))		
	Average Cost of Preferred Stock (Ln 45 / ln 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 respectiviely. 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.

(A)

(B)

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

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	(\mathbf{A})		(B)
1	Calculation of PBOP Expenses		
2	AEP System PBOP Rate		
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 direc	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 Compan	y Records)	
13	Medicare Credit		
14	PBOP Expenses From AEP Affiliates (From C	ompany 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-recoery 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.

Worksheet - P

DEPRECIATION RATES FOR TRANSMISSION PLANT PROPERTY ACCOUNTS EFFECTIVE AS OF 3/6/2019

AEP APPALACHIAN TRANSMISSION COMPANY

	PLANT	RATES
	ACCT.	Note 1
TRANSMISSION PLANT		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures and Improvements	390	1.91%
Office Furniture and Equip.	391	3.17%
Stores Equipment	393	1.80%
Tools, Shop and Garage Equipment	394	2.57%
Laboratory Equipment	395	4.01%
Power Operated Equipment	396	3.90%
Communications Equipment	397	4.98%
Micellaneous Equipment	398	2.70%

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 pusuant 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

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
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%
GENERAL PLANT		
Structures and Improvements	390	2.03%
Office Furniture and Equip.	391	4.65%
Stores Equipment	393	4.10%
Tools, Shop and Garage Equipment	394	6.65%
Laboratory Equipment	395	5.41%
Power Operated Equipment	396	4.31%
Communications Equipment	397	3.82%
Micellaneous Equipment	398	3.14%

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 pusuant to a Section 205 or 206 filing to change rates.

Composite Depreciation Rate	OpCo Company	OpCo Company	<u>TOTAL</u>
T-Plant (FF1 206.58.g)			

T-Plant (FF1 206.58.b)

Average (Ln 1+ Ln 2)/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%
GENERAL PLANT		
Land Rights	389.1	1.59%
Structures & Improvements	390	3.97%
Office Furniture & Equipment	391	3.20%
Transportation Equipment	392	3.52%
Stores Equipment	393	4.15%
Tools Shop & Garage Equipment	394	4.20%
Laboratory Equipment	395	5.76%
Power Operated Equipment	396	5.43%
Communication Equipment	397	5.66%
Miscellaneous Equipment	398	6.73%

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 pusuant to a Section 205 or 206 filing to change rates.

	Composite Depreciation Rate	OpCo Company	OpCo Company	<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 3/6/2019

AEP OHIO TRANSMISSION COMPANY

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
Land Rights	350.1	1.46%
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.75%
Station Equipment	353.0	2.13%
Towers & Fixtures	354.0	1.96%
Poles & Fixtures	355.0	3.17%
Overhead Conductor	356.0	2.14%
Underground Conduit	357.0	2.85%
Underground Conductors	358.0	3.19%
GENERAL PLANT		
Structures & Improvements	390.0	2.64%
Office Furniture & Equipment	391.0	3.67%
Stores Equipment	393.0	3.35%
Tools Shop & Garage Equipment	394.0	4.48%
Laboratory Equipment	395.0	5.06%
Power Operated Equipment	396.0	4.55%
Communication Equipment	397.0	4.82%
Miscellaneous Equipment	398.0	4.19%

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 pusuant to a Section 205 or 206 filing to change rates.

Composite Depreciation Rate	OpCo Company	OpCo Company	<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 3/6/2019

AEP WEST VIRGINIA TRANSMISSION COMPANY

TRANSMISSION PLANT	PLANT ACCT.	RATES Note 1
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%
GENERAL PLANT		
Structures & Improvements	390.0	1.91%
Office Furniture & Equipment	391.0	3.17%
Stores Equipment	393.0	1.80%
Tools Shop & Garage Equipment	394.0	2.57%
Laboratory Equipment	395.0	4.01%
Power Operated Equipment	396.0	3.90%
Communication Equipment	397.0	4.98%
Miscellaneous Equipment	398.0	2.70%

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 pusuant to a Section 205 or 206 filing to change rates.

	Composite Depreciation Rate	OpCo Company	OpCo Company	<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 1

•		Appalachian Power	Indiana Michigan Power	Kentucky Power	Kingsport Power	Ohio Power	Wheeling Power	Operating Companies' Consolidated Capital
ine evelor	pment of Long Term Debt Balances at Year End	Company	Company	Company	Company	Company	Company	Structure
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							
	NOTE: The balance of fair value hedges on outstanding long term debt are to	be excluded from th	e balance of long t	erm debt includ	ed in the formul	a's capital struct	ure. (page 257,	Column H of the
7	FF1)							
eveloj 8	pment of Long Term Debt Interest Expense 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							
e veio j 15	pment of Cost of Preferred Stock and Preferred Dividends 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 21	Dividend Rate (p. 250-251, 7.a)							
22	Par Value (p. 250-251. 8.c) 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 29	Monetary Value (Ln 26 * Ln 27) 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 36	Preferred Stock (Lns 18, 23, 28,33) Preferred Dividends (Lns 19, 24, 29,34)							
	pment 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)							
‡1 dents	Balance of Common Equity ation of Capital Shares							
12	Long Term Debt (Ln 6 Above)							
43	Preferred Stock (Ln 35 Above)							
14	Common Equity (Ln 41 Above)							
15	Total Company Structure							
16	LTD Capital Shares (Ln 42 / Ln 45)							
17 18	Preferred Stock Capital Shares (Ln 43 / Ln 45) Common Equity Capital Shares (Ln 44 / Ln 45)							
18 19	RESERVED							
50	Reserved							
1	Reserved							
52	Reserved							
	ation of Capital Cost Rate							
53 54	LTD Capital Cost Rate (Ln 14 / Ln 6) Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)							
55 55	Common Equity Capital Cost Rate (Ln 36 / Ln 35)	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49
	ation of Weighted Capital Cost Rate	11.77/0	11.77/0	11.77/0	11.77/0	//		11.47
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) Total Company Structure							
59								

AEP East

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

		Worksh	eet Q Page 2						
				Indiana		Kingspo			AEP East Operating Companie s'
		Appalachi an Power		Michigan Power	Kentucky Power	rt Power Compan	Ohio Power	Wheeling Power	Consolidat ed Capital
Line		Company		Company	Company	y	Company	Company	Structure
60	ppment of Long Term Debt Balances at Year End Bonds (112.18.c&d)								
61	Less: Reacquired Bonds (112.19.c&d)								
62	LT Advances from Assoc. Companies (112.20.c&d)								
	Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp								
63	Fund								
64	Less: Fair Value Hedges (See Note on Ln 66 below)								
65	Total Long Term Debt Balance NOTE: The balance of fair value hedges on outstanding long term debt a	ra ta ba avaludad fra	m the belones of	long torm dobt	included in the	formula's con	ital atmotura (n	257 Column E	(of the EE1)
66	NOTE. The balance of fair value nedges on outstanding long term debt a	ie to be excluded ifor	iii tile balance or	iong term deot	mended in the	Tormula s cap	itai structure. (p	. 257, Column 1	of the PP)
	opment 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 70	Amort of Loss on Reacquired Debt (117.64.c)								
71	Less: Amort of Premium on Debt (117.65.c) Less: Amort of Gain on Reacquired Debt (117.66.c)								
72	Less: Hedge Interest on pp 256-257(i)								
73	LTD Interest Expense								
	opment 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 78	Monetary Value (Ln 75 * Ln 76) Dividend Amount (Ln 74 * Ln 77)								
79	Dividend Amount (En 74 * En 77) 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 86	Par Value (p. 250-251. 8.c) 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 93	Monetary Value (Ln 90 * Ln 91)								
94	Dividend Amount (Ln 89 * Ln 92) Preferred Stock (Lns 77, 82, 87,92)								
95	Preferred Dividends (Lns 78, 83, 88,93)								
	opment of Common Equity								
96									
97									
98									
99	· · ·								
100	Balance of Common Equity lation of Capital Shares								
101									
102									
103									
104									
105									
106									
107	Common Equity Capital Shares (Ln 103 / Ln 104)								
108 109	RESERVED								
108 109 110	RESERVED RESERVED								
109	RESERVED RESERVED RESERVED								
109 110 111 Calcu l	RESERVED RESERVED RESERVED RESERVED lation of Capital Cost Rate								
109 110 111 Calcu 112	RESERVED RESERVED RESERVED RESERVED lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65)								
109 110 111 Calcu 112 113	RESERVED RESERVED RESERVED RESERVED lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65) Preferred Stock Capital Cost Rate (Ln 95 / Ln 94)	11.40%	11.40%	11 40%	11.40%	11 400	11 400	11.40%	11.40
109 110 111 Calcul 112 113 114	RESERVED RESERVED RESERVED RESERVED lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65) Preferred Stock Capital Cost Rate (Ln 95 / Ln 94) Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
109 110 111 Calcu 112 113 114 Calcu	RESERVED RESERVED RESERVED lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65) Preferred Stock Capital Cost Rate (Ln 95 / Ln 94) Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
109 110 111 Calcul 112 113 114	RESERVED RESERVED RESERVED RESERVED RESERVED Lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65) Preferred Stock Capital Cost Rate (Ln 95 / Ln 94) Common Equity Capital Cost Rate LTD Weighted Capital Cost Rate LTD Weighted Capital Cost Rate LTD Weighted Capital Cost Rate (Ln 105 * Ln 112)	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
109 110 111 Calcu 112 113 114 Calcu 115	RESERVED RESERVED RESERVED RESERVED RESERVED Lation of Capital Cost Rate LTD Capital Cost Rate (Ln 73 / Ln 65) Preferred Stock Capital Cost Rate (Ln 95 / Ln 94) Common Equity Capital Cost Rate LTD Weighted Capital Cost Rate LTD Weighted Capital Cost Rate LTD Weighted Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%

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

		Worksheet (Q Page 3					
Line Develop :	ment of Average Long Term Debt	Appalachi an Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Compan y	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
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) /							
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							
	NOTE: The balance of fair value hedges on outstanding long term	debt are to be excluded from	the balance of long terr	n debt included	in the formula's	capital structu	re. (p. 257, Col	umn H of the
125	FF1)						(Fe., e	
	ment 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							
	Preferred Stock and Preferred Dividends							
133	Average Balance of Preferred Stock (Ln 35 + Ln 94) / 2							
134	Preferred Dividends (Ln 36)							
	ment 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							
	ion 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)							
	Average Balance of Preferred Stock Capital Shares (Ln 141 / Ln							
145	143)							
	Average Balance of Common Equity Capital Shares (Ln 142 /							
146	Ln 143)							
147	Reserved							
148	Reserved							
149	Reserved							
150	Reserved							
Calculat	ion 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%
Calculat	ion 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

July

Year

2018 Revenue Requirement Forecast by October 31, 2017 True-up Adjustment -Over (Under) Recovery

Over (Under) Average **Recovery Plus** Monthly Calculated Amortizatio Surcharge **Interest Rate** (Refund) Owed Interest Months Interest n 0.2780% **Interest Rate on Amount of Refunds or Surcharges (Note 1)** An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020 **Calculation of Interest** Monthly Year 2018 0.2780% 12 January Year February 2018 0.2780% 11 Year March 2018 0.2780% 10 Year April 2018 0.2780% Year May 2018 0.2780% Year June 2018 0.2780% Year July 2018 0.2780% Year August 2018 0.2780% Year September 2018 0.2780% Year 0.2780% October 2018 3 Year 0.2780% November 2018 2 Year 0.2780% December 2018 **Annual** Year 0.2780% January through December 2019 12 Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months Monthly Year January 2020 0.2780% Year 0.2780% February 2020 Year March 2020 0.2780% Year April 2020 0.2780% Year May 2020 0.2780% Year 2020 0.2780% June

0.2780%

	2020				
	Year	-		-	
August	2020		0.2780%		
_	Year	-		-	
September	2020		0.2780%		
	Year	-		-	
October	2020		0.2780%		
	Year	-		-	
November	2020		0.2780%		
	Year	-		-	
December	2020		0.2780%		_
				-	
True-Up Adjustment with					-
Interest					
Less Over (Under)					-
Recovery					
T . 1 T					-
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.