

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

Appalachian Power Company

Twelve Months Ended 2021

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 130)	Total			\$413,595,763
2	REVENUE CREDITS	(Worksheet E Ln 8) (Note A)	5,491,000	DA	1.00000	\$ 5,491,000
3	Facility Credits under PJM OATT Section 30.9	(Worksheet E Ln 9) (Note X)				\$ -
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)				\$ 408,104,763

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

5	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J/K)	27,060,777	DA	1.00000	\$ 27,060,777
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	((ln 1 - ln 95)/((ln 42) x 100))			13.02%
8	Monthly Rate	(ln 7 / 12)			1.08%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	((ln 1 - ln 95 - ln 100) /((ln 42) x 100))			10.34%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	((ln 1 - ln 95 - ln 100 - ln 125 - ln 126)/((ln 42) x 100))			3.06%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				
14	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below			13,717,000
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				7,872,000
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				2,058,000
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			3,787,000

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	(1)	(2)	(3)	(4)	(5)
	RATE BASE CALCULATION	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
Line No.					
19	GROSS PLANT IN SERVICE				
19	Production	(Worksheet A in 14.(b))	6,647,987,000	NA	0.00000
20	Less: Production ARO (Enter Negative)	(Worksheet A in 14.(c))	(93,501,000)	NA	0.00000
21	Transmission	(Worksheet A in 14.(d) & TCOS Ln 134)	4,012,710,000	DA	3,930,364,000
22	Less: Transmission ARO (Enter Negative)	(Worksheet A in 14.(e))	-	TP	0.97948
23	Distribution	(Worksheet A in 14.(f))	4,589,303,000	NA	0.00000
24	Less: Distribution ARO (Enter Negative)	(Worksheet A in 14.(g))	-	NA	0.00000
25	General Plant	(Worksheet A in 14.(h))	385,682,000	W/S	0.09241
26	Less: General Plant ARO (Enter Negative)	(Worksheet A in 14.(i))	-	W/S	0.09241
27	Intangible Plant	(Worksheet A in 14.(j))	269,886,000	W/S	0.09241
28	TOTAL GROSS PLANT	(sum Ins 19 to 27)	15,812,067,000	GP	0.252399
				GTD=	0.45691
29	ACCUMULATED DEPRECIATION AND AMORTIZATION				
30	Production	(Worksheet A in 28.(b))	2,972,901,000	NA	0.00000
31	Less: Production ARO (Enter Negative)	(Worksheet A in 28.(c))	(44,673,000)	NA	0.00000
32	Transmission	(Worksheet A in 28.(d) & In 43.(c))	776,200,000	TP1=	0.97020
33	Less: Transmission ARO (Enter Negative)	(Worksheet A in 28.(e))	-	TP1=	0.97020
34	Distribution	(Worksheet A in 28.(f))	1,562,002,000	NA	0.00000
35	Less: Distribution ARO (Enter Negative)	(Worksheet A in 28.(g))	-	NA	0.00000
36	General Plant	(Worksheet A in 28.(h))	107,406,000	W/S	0.09241
37	Less: General Plant ARO (Enter Negative)	(Worksheet A in 28.(i))	-	W/S	0.09241
38	Intangible Plant	(Worksheet A in 28.(j))	109,020,000	W/S	0.09241
39	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 30 to 38)	5,482,856,000		
40	NET PLANT IN SERVICE				
41	Production	(In 19 + In 20 - In 30 - In 31)	3,626,258,000		-
42	Transmission	(In 21 + In 22 - In 32 - In 33)	3,236,510,000		3,177,298,000
43	Distribution	(In 23 + In 24 - In 34 - In 35)	3,027,301,000		-
44	General Plant	(In 25 + In 26 - In 36 - In 37)	278,276,000		25,715,262
45	Intangible Plant	(In 27 - In 38)	160,866,000		14,865,498
46	TOTAL NET PLANT IN SERVICE	(sum Ins 41 to 45)	10,329,211,000	NP	0.311532
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
48	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	(251,901,500)	NA	-
49	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(2,097,876,500)	DA	(600,955,000)
50	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(111,702,000)	DA	(16,952,500)
51	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	241,987,000	DA	46,793,500
52	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(482,500)	DA	(15,000)
53	TOTAL ADJUSTMENTS	(sum Ins 48 to 52)	(2,219,975,500)		(571,129,000)
54	PLANT HELD FOR FUTURE USE	(Worksheet A in 44.(e) & In 45.(e))	3,736,000	DA	1,628,000
55	REGULATORY ASSETS	(Worksheet A in 51.(e))	-	DA	-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A in 54.(e))	(326,000)	W/S	0.09241
57	WORKING CAPITAL	(Note E)			
58	Cash Working Capital	(1/8 * In 78)	5,198,375		5,091,698
59	Transmission Materials & Supplies	(Worksheet C, In 2.(F))	52,000	TP	0.97948
60	A&G Materials & Supplies	(Worksheet C, In 3.(F))	268,000	W/S	0.09241
61	Stores Expense	(Worksheet C, In 4.(F))	-	GP	0.25240
62	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	262,211,000	W/S	0.09241
63	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	7,249,000	GP	0.25240
64	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	-	DA	1.00000
65	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	(257,909,000)	NA	0.00000
66	TOTAL WORKING CAPITAL	(sum Ins 58 to 65)	17,069,375		31,227,742
67	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8.B)	(3,116,500)	DA	1.00000
68	RATE BASE (sum Ins 46, 53, 54, 55, 56, 66, 67)		8,126,598,375		2,676,458,876

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	(1)	(2)	(3)	(4)	(5)	
	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allocator	Total Transmission	
Line No.	OPERATION & MAINTENANCE EXPENSE					
69	Production	321.80.b	1,061,649,000			
70	Distribution	322.156.b	167,401,000			
71	Customer Related Expense	322 & 323.164,171,178.b	53,287,000			
72	Regional Marketing Expenses	322.131.b	6,064,000			
73	Transmission	321.112.b	365,087,000			
74	TOTAL O&M EXPENSES	(sum Ins 69 to 73)	1,653,488,000			
75	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	13,717,000			
76	Less: Account 565	(Note H) 321.96.b	326,789,000			
77	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	(17,006,000)			
78	Total O&M Allocable to Transmission	(Ins 73 - 75 - 76 - 77)	41,587,000	TP	0.97948	40,733,581
79	Administrative and General	323.197.b (Notes J and M)	137,341,000			
80	Less: Acct. 924, Property Insurance	323.185.b	5,070,000			
81	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(12,455,000)			
82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-			
83	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(4,124,000)			
84	Acct. 928, Reg. Com. Exp.	323.189.b	180,000			
85	Acct. 930.1, Gen. Advert. Exp.	323.191.b	499,000			
86	Acct. 930.2, Misc. Gen. Exp.	323.192.b	13,475,000			
87	Balance of A & G	(In 79 - sum In 80 to In 86)	134,706,000	W/S	0.09241	12,448,073
88	Plus: Acct. 924, Property Insurance	(In 80)	5,070,000	GP	0.25240	1,279,661
89	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	5,000	TP	0.97948	4,897
90	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP	0.97948	-
91	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 43.(E) (Note L)	4,444,000	DA	1.00000	4,444,000
92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)	(46,416,231)	W/S	0.09241	(4,289,287)
93	A & G Subtotal	(sum Ins 87 to 92)	97,808,769			13,887,345
94	O & M EXPENSE SUBTOTAL	(In 78 + In 93)	139,395,769			54,620,926
95	Plus: Transmission Lease Payments To Affiliates In Acct 565 (Company Records) (Note H)		-	DA	1.00000	-
96	TOTAL O & M EXPENSE	(In 94 + In 95)	139,395,769			54,620,926
97	DEPRECIATION AND AMORTIZATION EXPENSE					
98	Production	336.2-6.f	232,326,000	NA	0.00000	-
99	Distribution	336.8.f	166,802,000	NA	0.00000	-
100	Transmission	336.7.f	87,764,000	TP1	0.97020	85,148,266
101	General	336.10.f	12,517,000	W/S	0.09241	1,156,686
102	Intangible	336.1.f	40,371,000	W/S	0.09241	3,730,652
103	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 98+99+ 100+101+102) (Note N)	539,780,000			90,035,604
104	TAXES OTHER THAN INCOME					
105	Labor Related					
106	Payroll	Worksheet H In 24.(D)	9,354,000	W/S	0.09241	864,396
107	Plant Related					
108	Property	Worksheet H In 24.(C)	84,796,000	DA		32,365,537
109	Gross Receipts/Sales & Use	Worksheet H In 24.(F)	47,616,000	NA	0.00000	-
110	Other	Worksheet H In 24.(E)	17,217,000	GP	0.25240	4,345,548
111	TOTAL OTHER TAXES	(sum Ins 106 to 110)	158,983,000			37,575,480
112	INCOME TAXES	(Note O)				
113	$T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =$		23.92%			
114	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		21.05%			
115	where WCLTD=(In 154) and WACC = (In 157)					
116	and FIT, SIT & p are as given in Note O.					
117	$GRCF=1 / (1 - T) =$ (from In 113)		1.3145			
118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	(13,000)			
119	Excess Deferred Income Tax	(Note U)	(59,478,000)	DA		(4,593,000)
120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	11,000,000	DA		1,061,000
121	Income Tax Calculation	(In 114 * In 126)	124,547,417			41,019,136
122	ITC adjustment	(In 117 * In 118)	(17,088)	GP	0.25240	(4,313)
123	Excess Deferred Income Tax	(In 117 * In 119)	(78,181,316)			(6,037,304)
124	Tax Effect of Permanent and Flow-Through Differences	(In 117 * In 120)	14,459,035			1,394,640
125	TOTAL INCOME TAXES	(sum Ins 121 to 124)	60,808,048			36,372,158
126	RETURN ON RATE BASE (Rate Base*WACC)	(In 68 * In 157)	591,550,742			194,824,595
127	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		167,000	DA	1.00000	167,000
128	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-			-
129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 128 * In114)		-			-
130	TOTAL REVENUE REQUIREMENT (sum Ins 96, 103, 111, 125, 126, 127, 128, 129)		1,490,684,559			413,595,763

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
131	Total transmission plant	(In 21)								4,012,710,000
132	Less transmission plant excluded from PJM Tariff (Worksheet A, In 42, Col. (d)) (Note P)									-
133	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 42, Col. (b)) (Note Q)									82,346,000
134	Transmission plant included in PJM Tariff	(In 131 - In 132 - In 133)								3,930,364,000
135	Percent of transmission plant in PJM Tariff	(In 134 / In 131)						TP=		0.97948
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total					
137	Production	354.20.b	57,308,000	31,069,000	88,377,000	NA	0.00000			-
138	Transmission	354.21.b	134,000	15,586,000	15,720,000	TP	0.97948		15,397,405	
139	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000			-
140	Distribution	354.23.b	37,094,000	4,699,000	41,793,000	NA	0.00000			-
141	Other (Excludes A&G)	354.24,25,26.b	11,133,000	9,599,000	20,732,000	NA	0.00000			-
142	Total	(sum Ins 137 to 141)	105,669,000	60,953,000	166,622,000				W/S=	0.09241
143	Transmission related amount									
144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)									\$
145	Long Term Interest	(Worksheet M, In. 37, col. (d))								228,365,000
146	Preferred Dividends	(Worksheet M, In. 71)								-
147	Development of Common Stock:									
148	Proprietary Capital	(Worksheet M, In. 14, col. (b))								4,464,576,000
149	Less: Preferred Stock	(Worksheet M, In. 14, col. (c))								-
150	Less: Account 216.1	(Worksheet M, In. 14, col. (d))								(3,463,000)
151	Less: Account 219	(Worksheet M, In. 14, col. (e))								(2,488,000)
152	Common Stock	(In 148 - In 149 - In 150 - In 151)								4,470,527,000
153										
154	Long Term Debt (Note T) Worksheet M, In 28, col. (g), In 38, col. (d))		\$	Capital Structure Percentages	Cost				Weighted	
155	Preferred Stock (In 149)		5,023,170,846	% 52.91%	Cap Limit 52.91%	4.55%			0.0241	
156	Common Stock (In 152)		-	0.00%	0.00%	-			0.0000	
157	Total (Sum Ins 154 to 156)		4,470,527,000	47.09%	47.09%	10.35%			0.0487	
158	Capital Structure Equity Limit (Note Z)	55%	9,493,697,846					WACC=		0.0728

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Letter	Notes
	General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X
A	Revenue credits include: 1) Forfeited Discounts. 2) Miscellaneous Service Revenues. 3) Rental revenues earned on assets included in the rate base. 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service. 5) Other electric revenues. 6) Revenues for grandfathered PTP contracts included in the load divisor. 7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based. See Worksheet E for details.
B	The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.
C	Transmission Plant Balances in this study are projected or actual average of 13-month balances.
D	The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flowthrough and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section 1.167(f)-1(h)(6)(i). RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B. The company will not include the ADIT portion of deferred hedge gains and losses in rate base. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.
E	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It excludes: 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75. 2) Costs of Transmission of Electricity by Others, as described in Note H. 3) The impact of state regulatory deferrals and amortizations, as shown on line 77 4) All A&G Expenses, as shown on line 93.
F	Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 is equal to the balance of IPP System Upgrade Credits owed to transmission customers that made contributions toward the construction of System upgrades, and includes accrued interest and unreturned balance of contributions. The annual interest expense is included on line 127.
G	Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
H	Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amounts on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12. The addbacks on line 95 of activity recorded in 565 represents inter-company sales or purchases of transmission capacity necessary to meet each AEP company's transmission load relative to their available transmission capacity. The company records referenced on line 95 is the Appalachian Power Company general ledger.
I	Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.
J	General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
K	These deductions on lines 81 through 83 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP expense.
L	Expenses recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneous General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
M	See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O.
N	Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
O	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) (In 118) multiplied by (1/(1-T)). If the applicable tax rates are zero enter 0. Inputs Required: FIT = 21.00% SIT = 3.70% (State Income Tax Rate or Composite SIT. Worksheet G) p = 0.00% (percent of federal income tax deductible for state purposes)
	The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable. If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.
P	Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
Q	Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
R	Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
S	Long Term Debt cost rate = Long-Term Interest (In 145) / Long-Term Debt (In 154). Preferred Stock cost rate = preferred dividends (In 146) / preferred outstanding (In 155). Common Stock cost rate (ROE) = 10.35%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO Membership. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are computed on Worksheet M. The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.
T	The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983. This total balance of \$265,249,280 at 12/31/12 is not included in the balance in line 154 above. The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or 429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.
U	Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.
V	Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.
W	The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
X	Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
Y	The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base.
Z	Per the settlement in EL17-13, equity is limited to 55% in of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

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

		Gross Plant In Service								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 46	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	Acct. 359.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	Acct. 399.1 FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
1	December Prior to Rate Year	6,632,857,000	93,501,000	3,904,451,000		4,511,420,000		380,805,000		248,593,000
2	January	6,635,851,000	93,501,000	3,918,915,000		4,520,230,000		382,110,000		248,065,000
3	February	6,637,855,000	93,501,000	3,923,463,000		4,529,946,000		383,068,000		253,834,000
4	March	6,645,097,000	93,501,000	3,939,347,000		4,541,214,000		383,673,000		257,355,000
5	April	6,647,383,000	93,501,000	3,951,113,000		4,556,365,000		384,273,000		262,232,000
6	May	6,650,322,000	93,501,000	3,966,865,000		4,568,341,000		384,886,000		267,086,000
7	June	6,651,722,000	93,501,000	3,983,569,000		4,587,559,000		386,028,000		269,542,000
8	July	6,652,945,000	93,501,000	4,008,505,000		4,599,594,000		386,656,000		274,418,000
9	August	6,653,313,000	93,501,000	4,021,741,000		4,613,804,000		387,271,000		279,289,000
10	September	6,653,285,000	93,501,000	4,035,514,000		4,625,804,000		387,873,000		281,210,000
11	October	6,653,470,000	93,501,000	4,065,252,000		4,639,528,000		388,474,000		286,067,000
12	November	6,654,300,000	93,501,000	4,194,097,000		4,656,395,000		389,075,000		290,932,000
13	December of Rate Year	6,655,431,000	93,501,000	4,252,402,000		4,710,741,000		389,669,000		289,892,000
14	Average of the 13 Monthly Balances	6,647,987,000	93,501,000	4,012,710,000	-	4,589,303,000	-	385,682,000	-	269,886,000

		Accumulated Depreciation								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	FF1, page 219, Ins 20-24, Col. (b)	Company Records (Included in total in Column (b))	FF1, page 219, In 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, In 26, Col. (b)	Company Records (Included in total in Column (f))	FF1, page 219, In 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
15	December Prior to Rate Year	2,887,257,000	43,159,000	754,058,000		1,516,364,000		102,243,000		114,976,000
16	January	2,900,193,000	43,412,000	756,792,000		1,524,287,000		102,954,000		100,338,000
17	February	2,915,276,000	43,664,000	760,559,000		1,531,702,000		103,832,000		103,240,000
18	March	2,929,911,000	43,916,000	764,336,000		1,539,153,000		104,714,000		101,178,000
19	April	2,943,398,000	44,169,000	768,147,000		1,546,627,000		105,599,000		104,221,000
20	May	2,958,224,000	44,421,000	771,983,000		1,554,146,000		106,486,000		107,318,000
21	June	2,973,031,000	44,673,000	775,853,000		1,561,701,000		107,375,000		107,301,000
22	July	2,987,711,000	44,926,000	779,759,000		1,569,343,000		108,268,000		110,472,000
23	August	3,002,342,000	45,178,000	783,718,000		1,577,022,000		109,163,000		113,706,000
24	September	3,015,130,000	45,430,000	787,706,000		1,584,743,000		110,060,000		112,654,000
25	October	3,030,131,000	45,682,000	791,723,000		1,592,499,000		110,960,000		115,958,000
26	November	3,044,840,000	45,935,000	795,804,000		1,600,296,000		111,862,000		119,340,000
27	December of Rate Year	3,060,266,000	46,187,000	800,157,000		1,608,149,000		112,763,000		106,554,000
28	Average of the 13 Monthly Balances	2,972,901,000	44,673,000	776,200,000	-	1,562,002,000	-	107,406,000	-	109,020,000

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b)	OATT Ancillary Services (GSU) Accumulated Depreciation (c)	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumulated Depreciation (e)
	(Note A)	Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (b) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year	82,346,000	22,098,000		
30	January	82,346,000	22,248,000		
31	February	82,346,000	22,425,000		
32	March	82,346,000	22,602,000		
33	April	82,346,000	22,778,000		
34	May	82,346,000	22,955,000		
35	June	82,346,000	23,132,000		
36	July	82,346,000	23,309,000		
37	August	82,346,000	23,486,000		
38	September	82,346,000	23,662,000		
39	October	82,346,000	23,839,000		
40	November	82,346,000	24,016,000		
41	December of Rate Year	82,346,000	24,193,000		
42	Average of the 13 Monthly Balances	82,346,000	23,134,000	-	-

43 Transmission Accum Depreciation net of GSU 753,066,000

<u>Plant Held For Future Use</u>		<u>Source of Data</u>	<u>Balance @ December 31, 2021</u>	<u>Balance @ December 31, 2020</u>	<u>Average Balance for 2021</u>
(a)	(b)	(c)	(d)	(e)	
44 <u>Plant Held For Future Use</u>	FF1, page 214, In 47, Col. (d)	3,736,000	3,736,000		3,736,000
45 <u>Transmission Plant Held For Future Use</u> (Included in total on line 44)	Company Records - Note 1	1,628,000	1,628,000		1,628,000

Regulatory Assets and Liabilities Approved for Recovery in Ratebase

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

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

Unfunded Reserves Summary (Company Records)

	<u>Description</u>	<u>Account</u>			
52					
53a	Accum Prv I/D Worker's Com		326,000	326,000	326,000
53b					-
54	Total		326,000	326,000	326,000

NOTE 1: On this worksheet, "Company Records" refers to AEP's property accounting ledger.
NOTE 2: The ratebase should not include the unamortized balance of hedging gains or losses.

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

Line Number	(A) Description	(B) Source	(C) Balance @ December 31, 2021	(D) Balance @ December 31, 2020	(E) Average Balance for 2021
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)	252,084,000	251,719,000	251,901,500
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)	-	-	-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)	252,084,000	251,719,000	251,901,500
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)	2,099,393,000	2,096,360,000	2,097,876,500
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	11,954,000	11,954,000	11,954,000
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	1,486,284,000	1,483,651,000	1,484,967,500
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	601,155,000	600,755,000	600,955,000
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)	111,727,000	111,677,000	111,702,000
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	6,323,000	6,323,000	6,323,000
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	88,449,000	88,404,000	88,426,500
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	16,955,000	16,950,000	16,952,500
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)	245,299,000	238,675,000	241,987,000
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	23,303,000	23,303,000	23,303,000
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	174,562,000	169,219,000	171,890,500
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	47,434,000	46,153,000	46,793,500
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)	476,000	489,000	482,500
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	-	-	-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	476,000	489,000	482,500
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)	15,000	15,000	15,000

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

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

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
		PER BOOKS	NON-APPLICABLE/NON-UTILITY			AVERAGE	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2020			FUNCTIONALIZATION 12/31/2021		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2020	BALANCE AS OF 12-31-2021	BALANCE AS OF 12-31-2020	BALANCE AS OF 12-31-2021	AVERAGE ELECTRIC UTILITY (B+C+D+E)/2	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1.00	ACCOUNT 281:														
2.01															
2.02		0	0			0	0	0	0	-			-		
2.03		0	0	0	0	0									
2.04		0	0	0	0	0									
2.05		0	0	0	0	0									
2.06		0	0	0	0	0									
3	TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ACCOUNT 282:														
5.01		0	0			0	0	0	0	-					
5.02		0	0			0	0	0	0						
5.03		0	0			0	0	0	0						
5.04		0	0			0	0	0	0						
5.05		0	0			0	0	0	0						
5.06		0	0			0	0	0	0						
5.07		0	0			0	0	0	0						
5.08		0	0			0	0	0	0						
5.09		0	0			0	0	0	0						
5.10		0	0			0	0	0	0						
5.37		0	0			0	0	0	0						
5.38		0	0			0	0	0	0						
5.40				0	0	0	0	0	0						
5.41				0	0	0	0	0	0						
6	TOTAL ACCOUNT 282	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	ACCOUNT 282 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:														
9.01		0	0			0	0	0	0						
9.02		0	0			0	0	0	0						
9.03		0	0			0	0	0	0						
9.04		0	0			0	0	0	0						
9.05		0	0			0	0	0	0						
9.06		0	0			0	0	0	0						
9.07		0	0			0	0	0	0						
9.08		0	0			0	0	0	0						
9.09		0	0			0	0	0	0						
9.10		0	0			0	0	0	0						
9.93		0	0			0	0	0	0						
9.94				0	0	0									
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
13	ACCOUNT 283 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	JURISDICTIONAL AMOUNTS FUNCTIONALIZED														
15	TOTAL COMPANY AMOUNTS FUNCTIONALIZED														
16	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT														
17	NOTE: POST 1970 ACCUMULATED DEFERRED														
18	INV TAX CRED. (JDTIC) IN AC 255														
18.01		0	0			0	0	0	0						
18.02		0	0			0	0	0	0						
19															
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DEBIT (CREDIT)

[illegible]

APPALACHAIN POWER COMPANY, INC.

Worksheet B-3

Excess/ Deficient ADIT Worksheet for Total Company and Functional Balances

For Year Ended December 31, 2019

Debit/(Credit)

A	B	C	D	E
TOTAL COMPANY BALANCES				
Line No.	Account (NOTE A)	Description of Account	Unprotected	Change Act
Deferred Tax Account (NOTE B)				
1a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017
1b	2811001	ADFIT - Accel Amortization Property	Protected	TCJA 2017
1c	2814001	ADFIT - Accel Amort FAS 109 Excess	Protected	TCJA 2017
1d	2821001	ADFIT - Utility Property	Protected	TCJA 2017
1e	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017
1f	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017
1g	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017
1h	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017
1i	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017
1j	NOTE E			
Regulatory Deferral Accounts				
2a	182.3	Regulatory Asset		TCJA 2017
2b	254	Regulatory Liability		TCJA 2017
2c	NOTE E			
3	Total For Accounting Entires (Sum of Lines 1a through 2b)			

TRANSMISSION FUNCTION BALANCES

Deferred Tax Account (NOTE B)				
4a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017
4b	2821001	ADFIT - Utility Property	Protected	TCJA 2017
4c	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017
4d	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017
4e	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017
4f	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017
4g	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017
4h	NOTE E			
Regulatory Deferral Accounts				
5a	182.3	Regulatory Asset		TCJA 2017
5b	254	Regulatory Liability		TCJA 2017
5c	NOTE E			
6	Total For Accounting Entires (Sum of Lines 4a through 5b)			

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

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

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

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

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

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

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

F	G	H	1/1/2019 Beginning Balances	
Remeasurement	Methodology	Period	Regulatory Offset	Utility Deferrals
			224,231,194	
(115,991,956)	ARAM	Life of Asset		(106,710,020)
			106,710,020	
(568,878,716)	ARAM	Life of Asset		(528,458,152)
(230,625,401)	10 Years	1/2018 - 12/2027		(214,238,765)
			528,458,153	
			214,238,765	
(12,804,071)	10 Years	1/2018 - 12/2027		4,802,804
			37,916,500	
			(4,174,087)	
			(1,107,380,545)	
			0	(844,604,133)
			52,868,170	
(185,402,169)	ARAM	Life of Asset		(189,390,236)
(29,860,604)	10 Years	1/2018 - 12/2027		(27,868,577)
			189,390,236	
			27,868,578	
18,056,743	10 Years	1/2018 - 12/2027		18,373,794
			(6,574,531)	
			(2,030,710)	
			(261,521,743)	
			0	(198,885,019)

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

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

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

will remain static on this workpaper.

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

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

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

K	L	M	N	O	P
	Balance Sheet Entries		Tax Expense Entries		12/31/2019 Er
Account	182.3	254	Excess	Tax Expense/	Regulatory Offset
Sum of Cc					

		(1,468,118)			222,763,076
			9,787,771	(3,218,719)	
		(6,569,052)			100,140,968
			7,485,370	74,320,078	
			(6,886,136)	(105,400,912)	
		(81,805,447)			446,652,706
		112,287,047			326,525,812
			120,002,154	41,686,496	
		(200,233,867)			(162,317,367)

				(4,174,087)
		177,789,437		(929,591,108)

-	-	-	(130,389,159)	(7,386,943)	-
---	---	---	---------------	-------------	---

NOTE F

Sum of Cc					
		7,620,153			60,488,323
			1,722,941	18,537,843	
			8,776,389	(51,003,375)	
		(20,260,784)			169,129,452
		42,226,986			70,095,564
			(5,812,388)	34,668,036	
		(38,624,202)			(45,198,733)

				(2,030,710)
		9,037,847		(252,483,896)

-	-	-	(4,686,942)	(2,202,504)	-
---	---	---	-------------	-------------	---

NOTE F

Q	R
Ending Balance	
Deferrals	Reference
Cols (I) - (O)	
	WS B - 2 Col B/C, ADIT item 2.89
(100,140,968)	
	WS B - 1, Col B/C, ADIT Item 2.06
(446,652,704)	
(326,525,813)	WS B - 1 Cols M+N+O , ADIT Item 5.45
	WS B - 1 Col B/C, ADIT Item 5.48
166,491,454	WS B - 1 Col C, Items 9.96 and 9.97
	WS B - 1 Col C/D, Item 10.00

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

(706,828,031)

Cols (I) - (O)	
	Company Records
(169,129,452)	WS B-1, Col N, ADIT 5.45
(70,095,563)	
	Company Records
47,229,442	WS B-1, Col N, item 9.97
	Company Records

Company Records
Company Records

(191,995,573)

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

(A)

(B)

(C)

(D)

(E)

(F)

(G)

(H)

(I)

Materials & Supplies

Line Number	Source	Balance @ December 31, 2021	Balance @ December 31, 2020	Average Balance for 2021	
1					
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	52,000	52,000	52,000
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	268,000	268,000	268,000
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, In 16, Col. (c) & (b)			-

Prepayment Balance Summary (Note 1)

	Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	
5							
6	Totals as of December 31, 2021	11,551,000	(264,394,000)	0	7,249,000	268,696,000	275,945,000
7	Totals as of December 31, 2020	11,551,000	(251,424,000)		7,249,000	255,726,000	262,975,000
8	Average Balance	11,551,000	(257,909,000)	-	7,249,000	262,211,000	269,460,000

Prepayments Account 165 - Balance @ 12/31/2021									
9	Acc. No.	Description	2021 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
10	1650001	Prepaid Insurance	3,706,000	-		3,706,000		3,706,000	Plant Related Insurance Policies
11	165000218	Prepaid Taxes	0	-				-	
12	165000219	Prepaid Taxes	2,298,000	2,298,000		-		-	Prepayed Taxes - Dist
13	165000220	Prepaid Taxes	926,000	926,000				-	Prepayed Taxes
14	1650004	Prepaid Interest	32,000	32,000				-	Prepaid Interest
15	1650006	Other Prepayments	873,000	873,000				-	Other prepayments - Gen
16	1650009	Prepaid Carry Cost-Factored AR	158,000	158,000				-	AR Factoring
17	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
18	1650010	Prepaid Pension	162,757,000	-			162,757,000	162,757,000	Prefunded Pension Exp
19	1650014	FAS 158 Qual Contra Asset	(162,757,000)	(162,757,000)				-	SFAS 158 Offset
20	165001216	Prepaid Use Taxes	0	-				-	
21	165001218	Prepaid Use Taxes	0	-				-	Prepaid Use Taxes Gen
22	165001219	Prepaid Use Taxes	15,000	15,000				-	
23	1650016	FAS 112 ASSETS	0	-				-	
24	1650021	Prepaid Insurance - EIS	3,496,000	-		3,496,000		3,496,000	Prepaid Insurance EIS
25	1650023	Prepaid Lease	47,000	-		47,000		47,000	Prepaid Lease
26	1650031	Prepaid OCIP Work Comp	0	-				-	
27	1650032	Prepaid OCIP Work Comp LT	0	-				-	
28	1650033	Prepaid OCIP Work Comp - Aff	0	-				-	
29	1650034	PPD OCIP Work Comp LT - Aff	0	-				-	
30	1650035	PRW Without MED-D Benefits	105,939,000	-			105,939,000	105,939,000	Pension Benefits - All functions
31	1650036	PRW for Med-D Benefits	0	-				-	
32	1650037	FAS158 Contra-PRW Exclud Med-D	(105,939,000)	(105,939,000)				-	SFAS 158 Offset
33		Subtotal - Form 1, p 111.57.c	11,551,000	(264,394,000)	0	7,249,000	268,696,000	275,945,000	

Prepayments Account 165 - Balance @ 12/31/2020									
34	Acc. No.	Description	2020 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
35	1650001	Prepaid Insurance	3,706,000	-		3,706,000		3,706,000	Plant Related Insurance Policies
36	165000218	Prepaid Taxes	0	-				-	
37	165000219	Prepaid Taxes	2,298,000	2,298,000		-		-	Prepayed Taxes - Dist
38	165000220	Prepaid Taxes	926,000	926,000				-	Prepayed Taxes
39	1650004	Prepaid Interest	32,000	32,000				-	Prepaid Interest
40	1650006	Other Prepayments	873,000	873,000				-	Other prepayments - Gen
41	1650009	Prepaid Carry Cost-Factored AR	158,000	158,000				-	AR Factoring
42	1650017	Prepayment - Coal	0	-				-	Prepaid Coal
43	1650010	Prepaid Pension	162,757,000	-			162,757,000	162,757,000	Prefunded Pension Exp
44	1650014	FAS 158 Qual Contra Asset	(162,757,000)	(162,757,000)				-	SFAS 158 Offset
45	165001216	Prepaid Use Taxes	0	-				-	
46	165001218	Prepaid Use Taxes	0	-				-	
47	165001219	Prepaid Use Taxes	15,000	15,000				-	Prepaid Use Taxes Gen
48	1650016	FAS 112 ASSETS	0	-				-	
49	1650021	Prepaid Insurance - EIS	3,496,000	-		3,496,000		3,496,000	Prepaid Insurance EIS
50	1650023	Prepaid Lease	47,000	-		47,000		47,000	Prepaid Lease
51	1650031	Prepaid OCIP Work Comp	0	-				-	
52	1650032	Prepaid OCIP Work Comp LT	0	-				-	
53	1650033	Prepaid OCIP Work Comp - Aff	0	-				-	
54	1650034	PPD OCIP Work Comp LT - Aff	0	-				-	
55	1650035	PRW Without MED-D Benefits	92,969,000	-			92,969,000	92,969,000	Pension Benefits - All functions
56	1650036	PRW for Med-D Benefits	0	-				-	
57	1650037	FAS158 Contra-PRW Exclud Med-D	(92,969,000)	(92,969,000)				-	SFAS 158 Offset
58									
		Subtotal - Form 1, p 111.57.d	11,551,000	(251,424,000)		7,249,000	255,726,000	262,975,000	

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

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

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2021</u>
1	Net Funds from IPP Customers 12/31/2020 (2021 FORM 1, P269)	(3,033,000)
2	Interest Accrual (Company Records - Note 1)	(167,000)
3	Revenue Credits to Generators (Company Records - Note 1)	0
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	0
6		-
7	Net Funds from IPP Customers 12/31/2021 (2021 FORM 1, P269)	(3,200,000)
8	Average Balance for Year as Indicated in Column B ((ln 1 + ln 7)/2)	(3,116,500)

Note 1 On this worksheet Company Records refers to Appalachian Power Company's general ledger.

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

<u>Line Number</u>	<u>Description</u>	<u>Total Company</u>	<u>Non- Transmission</u>	<u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)	5,800,000	5,800,000	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	2,485,000	2,211,000	274,000
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	25,402,000	22,812,000	2,590,000
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)	9,163,000	6,550,000	2,613,000
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	176,193,000	176,179,000	14,000
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)		-	
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)		-	
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	219,043,000	213,552,000	5,491,000
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	219,043,000	213,552,000	5,491,000

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

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

9	Facility Credits under PJM OATT Section 30.9			-
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AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
Appalachian Power Company

<u>Line</u> <u>Number</u>	<u>(A)</u> <u>Item No.</u>	<u>(B)</u> <u>Description</u>	<u>(C)</u> <u>2021</u> <u>Expense</u>	<u>(D)</u> <u>100%</u> <u>Non-Transmission</u>	<u>(E)</u> <u>100%</u> <u>Transmission</u> <u>Specific</u>	<u>(F)</u> <u>Explanation</u>
<u>Regulatory O&M Deferrals & Amortizations</u>						
1	5660007	Virginia T-RAC UnderRecovery	(17,006,000)			
2						
3						
4		Total	(17,006,000)			
<u>Detail of Account 561 Per FERC Form 1</u>						
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	-			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	3,008,000			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	-			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	7,872,000			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	779,000			
11	FF1 p 321.90.b	561.6 - Transmission Service Studies	-			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	-			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Services	2,058,000			
14		Total of Account 561	13,717,000			
<u>Account 928</u>						
15	9280000	Regulatory Commission Exp	1,000	1,000	-	
16	9280001	Regulatory Commission Exp-Adm	90,000	90,000	-	
17	9280002	Regulatory Commission Exp-Case	76,000	76,000	-	
18	9280003	Rate Case Amort	8,000	8,000	-	
19	9280005	Reg Com Exp-FERC Trans Cases	5,000	-	5,000	
20		Total (FERC Form 1 p.323.189.b)	180,000	175,000	5,000	
<u>Account 930.1</u>						
21	9301000	General Advertising Expenses	202,000	202,000	-	
22	9301001	Newspaper Advertising Space	38,000	38,000	-	
23	9301002	Radio Station Advertising Time	2,000	2,000	-	
24	9301003	TV Station Advertising Time	14,000	14,000	-	
25	9301004	Newspaper Advertising Prod Exp	-	-	-	
26	9301005	Radio & TV Advertising Prod Exp	-	-	-	
27	9301006	Spec Corporate Comm Info Proj	11,000	11,000	-	
28	9301007	Special Adv Space & Prod Exp	46,000	46,000	-	
29	9301008	Direct Mail and Handouts	-	-	-	
30	9301009	Fairs, Shows, and Exhibits	2,000	2,000	-	
31	9301010	Publicity	2,000	2,000	-	
32	9301011	Dedications, Tours, & Openings	-	-	-	
33	9301012	Public Opinion Surveys	128,000	128,000	-	
34	9301013	Movies Slide Films & Speeches	-	-	-	
35	9301014	Video Communications	-	-	-	
36	9301015	Other Corporate Comm Exp	43,000	43,000	-	
37		Total (FERC Form 1 p.323.191.b)	488,000	488,000	-	
<u>Account 930.2</u>						
38	9302000	Misc General Expenses	981,000	981,000	-	
39	9302003	Corporate & Fiscal Expenses	78,000	78,000	-	
40	9302004	Research, Develop&Demonstr Exp	-	-	-	
41	9302006	Assoc Business Development Materials Sold	218,000	218,000	-	
42	9302007	Assoc Business Development Exp	12,198,000	7,754,000	4,444,000	
43		Total (FERC Form 1 p.323.192.b)	13,475,000	9,031,000	4,444,000	

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

Tennessee Income Tax Rate	6.50%	
Apportionment Factor - Note 2	2.59%	
Effective State Tax Rate		0.17%
West Virginia Net Income Tax Rate	6.50%	
Apportionment Factor - Note 2	53.44%	
Effective State Tax Rate		3.47%
Virginia Income Tax Rate	6.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Ohio Franchise Tax Rate	0.00%	
Phase-out Factor Note 1	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Michigan Business Income Tax Rate	6.00%	
Apportionment Factor - Note 2	0.02%	
Effective State Tax Rate		0.00%
Illinois Corporation Income Tax Rate	9.50%	
Apportionment Factor - Note 2	0.61%	
Effective State Tax Rate		0.06%
Total Effective State Income Tax Rate		<u>3.70%</u>

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

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

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
		NOTE 1				
1	Revenue Taxes					
2	Gross Receipts Tax	14,953,000				14,953,000
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	54,452,000	54,452,000			
5	Real and Personal Property - Virginia	26,295,000	26,295,000			
6	Real and Personal Property - Tennessee	1,487,000	1,487,000			
7	Real and Personal Property - Other Jurisdictions	2,562,000	2,562,000			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	9,126,000		9,126,000		
10	Federal Unemployment Tax	54,000		54,000		
11	State Unemployment Insurance	174,000		174,000		
12	Production Taxes					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	33,035,000				33,035,000
16	State Public Service Commission Fees	5,264,000			5,264,000	
17	State Franchise Taxes	11,950,000			11,950,000	
18	State Lic/Registration Fee	2,000			2,000	
19	Misc. State and Local Tax	1,000			1,000	
20	Sales & Use	-				-
21	Federal Excise Tax	4,000				4,000
22	CR Audit	(376,000)				(376,000)
23						
24	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	158,983,000	84,796,000	9,354,000	17,217,000	47,616,000

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

Functional Property Tax Allocation						
	Production	Transmission	Distribution	General	Total	
25	Functionalized Net Plant (TCOS, Lns 41 thru 46)	3,626,258,000	3,236,510,000	3,027,301,000	278,276,000	10,168,345,000
VIRGINIA JURISDICTION						
26	Percentage of Plant in VIRGINIA JURISDICTION	8.02%	56.80%	55.98%	55.74%	
27	Net Plant in VIRGINIA JURISDICTION (Ln 25 * Ln 26)	290,825,892	1,838,337,680	1,694,683,100	155,111,042	3,978,957,714
28	Less: Net Value of Exempted Generation Plant	42,267,753				
29	Taxable Property Basis (Ln 27 - Ln 28)	248,558,139	1,838,337,680	1,694,683,100	155,111,042	3,936,689,961
30	Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
31	Weighted Net Plant (Ln 29 * Ln 30)	248,558,139	1,838,337,680	1,694,683,100	155,111,042	
32	General Plant Allocator (Ln 31 / (Total - General Plant))	6.57%	48.61%	44.81%	-100.00%	
33	Functionalized General Plant (Ln 32 * General Plant)	10,195,242	75,404,079	69,511,722	(155,111,042)	-
34	Weighted VIRGINIA JURISDICTION Plant (Ln 31 + 33)	258,753,381	1,913,741,759	1,764,194,822	0	3,936,689,961
35	Functional Percentage (Ln 34/Total Ln 34)	6.57%	48.61%	44.81%		
WEST VA JURISDICTION						
36	Percentage of Plant in WEST VA JURISDICTION	90.37%	40.83%	44.02%	44.10%	
37	Net Plant in WEST VA JURISDICTION (Ln 25 * Ln 36)	3,277,049,355	1,321,467,033	1,332,617,900	122,719,716	6,053,854,004
38	Less: Net Value of Exempted Generation Plant	1,953,826,838				
39	Taxable Property Basis (Ln 37 - Ln 38)	1,323,222,517	1,321,467,033	1,332,617,900	122,719,716	4,100,027,166
40	Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
41	Weighted Net Plant (Ln 39 * Ln 40)	1,323,222,517	1,321,467,033	1,332,617,900	122,719,716	
42	General Plant Allocator (Ln 41 / (Total - General Plant))	33.27%	33.23%	33.51%	-100.00%	
43	Functionalized General Plant (Ln 42 * General Plant)	40,827,996	40,773,830	41,117,890	(122,719,716)	-
44	Weighted WEST VA JURISDICTION Plant (Ln 41 + 43)	1,364,050,513	1,362,240,863	1,373,735,790	-	4,100,027,166
45	Functional Percentage (Ln 44/Total Ln 44)	33.27%	33.23%	33.51%		
TENNESSEE JURISDICTION						
46	Net Plant in TENNESSEE JURISDICTION (Ln 25 - Ln 27 - Ln 37)	58,382,754	76,705,287	-	445,242	135,533,282
47	Less: Net Value Exempted Generation Plant					
48	Taxable Property Basis	58,382,754	76,705,287	-	445,242	135,533,282
49	Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
50	Weighted Net Plant (Ln 48 * Ln 49)	58,382,754	76,705,287	-	445,242	
51	General Plant Allocator (Ln 50 / (Total - General Plant))	43.22%	56.78%	0.00%	-100.00%	
52	Functionalized General Plant (Ln 52 * General Plant)	192,426	252,816	-	(445,242)	
53	Weighted TENNESSEE JURISDICTION Plant (Ln 50 + 52)	58,575,180	76,958,103	-	(0)	135,533,282
54	Functional Percentage (Ln 53/Total Ln 53)	43.22%	56.78%	0.00%		

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

(A)	(B)	(C)	(D)
Line No.	Annual Tax Expenses by Type (Note 1)	Total Company	FERC FORM 1 Tie-Back FERC FORM 1 Reference
1	Revenue Taxes		
2	Gross Receipts Tax	14,953,000	14,953,000
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)	84,796,000	32,365,537
4	Real and Personal Property - West Virginia	54,452,000	54,452,000 33.23%
5	Real and Personal Property - Virginia	26,295,000	26,295,000 48.61%
6	Real and Personal Property - Tennessee	1,487,000	1,487,000 56.78%
7	Real and Personal Property - Other Jurisdictions	2,562,000	2,562,000 25.24%

(A)	(B)	(C)	(D)
Line No.	Annual Tax Expenses by Type (Note 1)	Total Company	FERC FORM 1 Tie-Back FERC FORM 1 Reference
8	Payroll Taxes		
9	Federal Insurance Contribution (FICA)	9,126,000	9,126,000
10	Federal Unemployment Tax	54,000	54,000
11	State Unemployment Insurance	174,000	174,000
12	Production Taxes	-	
13	State Severance Taxes		
14	Miscellaneous Taxes		
15	State Business & Occupation Tax	33,035,000	33,035,000
16	State Public Service Commission Fees	5,264,000	5,264,000
17	State Franchise Taxes	11,950,000	11,950,000
18	State Lic/Registration Fee	2,000	2,000
19	Misc. State and Local Tax	1,000	1,000
20	Sales & Use	-	-
21	Federal Excise Tax	4,000	4,000
22	CR Audit	(376,000)	(376,000)
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	158,983,000	158,983,000

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

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

AEP East Companies
Cost of Service Formula Rate Using 2021 FF1 Balances
Worksheet I RESERVED FOR FUTURE USE
Appalachian Power Company

AEP East Companies
Cost of Service Formula Rate Using 2021 FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
Appalachian Power Company

Page 1 of 15

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

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

ROE w/o incentives (TCOS, ln 156)			10.35%
Project ROE Incentive Adder			
ROE with additional basis point incentive			10.35%
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156)			
	%	Cost	Weighted cost
Long Term Debt	52.91%	4.55%	2.405%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	47.09%	10.35%	4.874%
		R =	7.279%

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

Rate Base (TCOS, ln 68)	2,676,458,876
R (from A. above)	7.279%
Return (Rate Base x R)	194,824,595

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

Return (from B. above)	194,824,595
Effective Tax Rate (TCOS, ln 114)	21.05%
Income Tax Calculation (Return x CIT)	41,019,136
ITC Adjustment	(4,313)
Excess Deferred Income Tax	(6,037,304)
Tax Affect of Permanent Differences	1,394,640
Income Taxes	36,372,158

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)	413,595,763
Lease Payments (TCOS, Ln 95)	-
Return (TCOS, ln 128)	194,824,595
Income Taxes (TCOS, ln 125)	36,372,158
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	182,399,010

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	182,399,010
Return (from I.B. above)	194,824,595
Income Taxes (from I.C. above)	36,372,158
Annual Revenue Requirement, with Basis Point ROE increase	413,595,763
Depreciation (TCOS, ln 100)	85,148,266
Annual Rev. Req. w/ Basis Point ROE increase, less Depreciation	328,447,496

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (TCOS, ln 42)	3,177,298,000
Annual Revenue Requirement, with Basis Point ROE increase	413,595,763
FCR with Basis Point increase in ROE	13.02%
Annual Rev. Req. w / Basis Point ROE increase, less Dep.	328,447,496
FCR with Basis Point ROE increase, less Depreciation	10.34%
FCR less Depreciation (TCOS, ln 10)	10.34%
Incremental FCR with Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2021 (TCOS, ln 21)	3,930,364,000
Annual Depreciation and Amortization Expense (TCOS, ln 100)	85,148,266
Composite Depreciation Rate	2.17%
Depreciable Life for Composite Depreciation Rate	46.16
Round to nearest whole year	46

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
PROJECTED YEAR	2021	Rev Require	W Incentives
		27,060,777	27,060,777
			Incentive Amounts
			\$ -

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	1,322,366
Current Projected Year ARR w/ Incentive	1,322,366
Current Projected Year Incentive ARR	-

Details			
Investment	13,789,272	Current Year	2021
Service Year (vwy)	2008	ROE Increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	299,767

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2008	13,789,272	149,883	13,639,388	1,567,578	1,567,578	\$ -				
2009	13,639,388	299,767	13,339,621	1,694,220	1,694,220	\$ -	\$ 1,124,469	\$ 1,124,469		
2010	13,339,621	299,767	13,039,855	1,663,232	1,663,232	\$ -	\$ 2,027,403	\$ 2,027,403		
2011	13,039,855	299,767	12,740,088	1,632,244	1,632,244	\$ -	\$ 2,050,107	\$ 2,050,107		
2012	12,740,088	299,767	12,440,321	1,601,257	1,601,257	\$ -	\$ 1,906,118	\$ 1,906,118		
2013	12,440,321	299,767	12,140,554	1,570,269	1,570,269	\$ -	\$ 1,915,150	\$ 1,915,150		
2014	12,140,554	299,767	11,840,788	1,539,281	1,539,281	\$ -	\$ 1,778,172	\$ 1,778,172		
2015	11,840,788	299,767	11,541,021	1,508,293	1,508,293	\$ -	\$ 1,790,894	\$ 1,790,894		
2016	11,541,021	299,767	11,241,254	1,477,305	1,477,305	\$ -	\$ 1,719,834	\$ 1,719,834		
2017	11,241,254	299,767	10,941,487	1,446,317	1,446,317	\$ -	\$ 1,790,894	\$ 1,790,894		
2018	10,941,487	299,767	10,641,720	1,415,330	1,415,330	\$ -	\$ 1,501,804	\$ 1,501,804		
2019	10,641,720	299,767	10,341,954	1,384,342	1,384,342	\$ -	\$ 1,444,940	\$ 1,444,940		
2020	10,341,954	299,767	10,042,187	1,353,354	1,353,354	\$ -	\$ 1,375,796	\$ 1,375,796		
2021	10,042,187	299,767	9,742,420	1,322,366	1,322,366	\$ -				
2022	9,742,420	299,767	9,442,653	1,291,378	1,291,378	\$ -				
2023	9,442,653	299,767	9,142,887	1,260,390	1,260,390	\$ -				
2024	9,142,887	299,767	8,843,120	1,229,402	1,229,402	\$ -				
2025	8,843,120	299,767	8,543,353	1,198,415	1,198,415	\$ -				
2026	8,543,353	299,767	8,243,586	1,167,427	1,167,427	\$ -				
2027	8,243,586	299,767	7,943,819	1,136,439	1,136,439	\$ -				
2028	7,943,819	299,767	7,644,053	1,105,451	1,105,451	\$ -				
2029	7,644,053	299,767	7,344,286	1,074,463	1,074,463	\$ -				
2030	7,344,286	299,767	7,044,519	1,043,475	1,043,475	\$ -				
2031	7,044,519	299,767	6,744,752	1,012,487	1,012,487	\$ -				
2032	6,744,752	299,767	6,444,986	981,500	981,500	\$ -				
2033	6,444,986	299,767	6,145,219	950,512	950,512	\$ -				
2034	6,145,219	299,767	5,845,452	919,524	919,524	\$ -				
2035	5,845,452	299,767	5,545,685	888,536	888,536	\$ -				
2036	5,545,685	299,767	5,245,919	857,548	857,548	\$ -				
2037	5,245,919	299,767	4,946,152	826,560	826,560	\$ -				
2038	4,946,152	299,767	4,646,385	795,572	795,572	\$ -				
2039	4,646,385	299,767	4,346,618	764,585	764,585	\$ -				
2040	4,346,618	299,767	4,046,851	733,597	733,597	\$ -				
2041	4,046,851	299,767	3,747,085	702,609	702,609	\$ -				
2042	3,747,085	299,767	3,447,318	671,621	671,621	\$ -				
2043	3,447,318	299,767	3,147,551	640,633	640,633	\$ -				
2044	3,147,551	299,767	2,847,784	609,645	609,645	\$ -				
2045	2,847,784	299,767	2,548,018	578,657	578,657	\$ -				
2046	2,548,018	299,767	2,248,251	547,670	547,670	\$ -				
2047	2,248,251	299,767	1,948,484	516,682	516,682	\$ -				
2048	1,948,484	299,767	1,648,717	485,694	485,694	\$ -				
2049	1,648,717	299,767	1,348,950	454,706	454,706	\$ -				
2050	1,348,950	299,767	1,049,184	423,718	423,718	\$ -				
2051	1,049,184	299,767	749,417	392,730	392,730	\$ -				
2052	749,417	299,767	449,650	361,742	361,742	\$ -				
2053	449,650	299,767	149,883	330,755	330,755	\$ -				
2054	149,883	149,883	-	157,630	157,630	\$ -				
2055	-	-	-	-	-	\$ -				
2056	-	-	-	-	-	\$ -				
2057	-	-	-	-	-	\$ -				
2058	-	-	-	-	-	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
Project Totals	13,789,272			47,287,142	47,287,142	-				

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	256,948
Current Projected Year ARR w/ Incentive	256,948
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	2,476,289	-
Service Year (vwy)	2011	ROE Increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	46	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2011	2,476,289	-	2,476,289	255,982	255,982	\$ -				
2012	2,476,289	53,832	2,422,456	307,032	307,032	\$ -				
2013	2,422,456	53,832	2,368,624	301,467	301,467	\$ -	\$ 41,778	\$ 41,778		
2014	2,368,624	53,832	2,314,792	295,902	295,902	\$ -	\$ 36,470	\$ 36,470		
2015	2,314,792	53,832	2,260,959	290,337	290,337	\$ -	\$ 36,769	\$ 36,769		
2016	2,260,959	53,832	2,207,127	284,773	284,773	\$ -	\$ 35,303	\$ 35,303		
2017	2,207,127	53,832	2,153,295	279,208	279,208	\$ -	\$ 36,769	\$ 36,769		
2018	2,153,295	53,832	2,099,462	273,643	273,643	\$ -	\$ 279,967	\$ 279,967		
2019	2,099,462	53,832	2,045,630	268,078	268,078	\$ -	\$ 289,107	\$ 289,107		
2020	2,045,630	53,832	1,991,798	262,513	262,513	\$ -	\$ 263,834	\$ 263,834		
2021	1,991,798	53,832	1,937,965	256,948	256,948	\$ -				
2022	1,937,965	53,832	1,884,133	251,384	251,384	\$ -				
2023	1,884,133	53,832	1,830,300	245,819	245,819	\$ -				
2024	1,830,300	53,832	1,776,468	240,254	240,254	\$ -				
2025	1,776,468	53,832	1,722,636	234,689	234,689	\$ -				
2026	1,722,636	53,832	1,668,803	229,124	229,124	\$ -				
2027	1,668,803	53,832	1,614,971	223,560	223,560	\$ -				
2028	1,614,971	53,832	1,561,139	217,995	217,995	\$ -				
2029	1,561,139	53,832	1,507,306	212,430	212,430	\$ -				
2030	1,507,306	53,832	1,453,474	206,865	206,865	\$ -				
2031	1,453,474	53,832	1,399,642	201,300	201,300	\$ -				
2032	1,399,642	53,832	1,345,809	195,735	195,735	\$ -				
2033	1,345,809	53,832	1,291,977	190,171	190,171	\$ -				
2034	1,291,977	53,832	1,238,144	184,606	184,606	\$ -				
2035	1,238,144	53,832	1,184,312	179,041	179,041	\$ -				
2036	1,184,312	53,832	1,130,480	173,476	173,476	\$ -				
2037	1,130,480	53,832	1,076,647	167,911	167,911	\$ -				
2038	1,076,647	53,832	1,022,815	162,346	162,346	\$ -				
2039	1,022,815	53,832	968,983	156,782	156,782	\$ -				
2040	968,983	53,832	915,150	151,217	151,217	\$ -				
2041	915,150	53,832	861,318	145,652	145,652	\$ -				
2042	861,318	53,832	807,485	140,087	140,087	\$ -				
2043	807,485	53,832	753,653	134,522	134,522	\$ -				
2044	753,653	53,832	699,821	128,957	128,957	\$ -				
2045	699,821	53,832	645,988	123,393	123,393	\$ -				
2046	645,988	53,832	592,156	117,828	117,828	\$ -				
2047	592,156	53,832	538,324	112,263	112,263	\$ -				
2048	538,324	53,832	484,491	106,698	106,698	\$ -				
2049	484,491	53,832	430,659	101,133	101,133	\$ -				
2050	430,659	53,832	376,827	95,569	95,569	\$ -				
2051	376,827	53,832	322,994	90,004	90,004	\$ -				
2052	322,994	53,832	269,162	84,439	84,439	\$ -				
2053	269,162	53,832	215,329	78,874	78,874	\$ -				
2054	215,329	53,832	161,497	73,309	73,309	\$ -				
2055	161,497	53,832	107,665	67,744	67,744	\$ -				
2056	107,665	53,832	53,832	62,180	62,180	\$ -				
2057	53,832	53,832	0	56,615	56,615	\$ -				
2058	0	0	-	0	0	\$ -				
2059	-	-	-	-	-	\$ -				
2060	-	-	-	-	-	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
Project Totals	2,476,289			8,619,855	8,619,855	-				

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	3,141,410
Current Projected Year ARR w/ Incentive	3,141,410
Current Projected Year Incentive ARR	-

Details		Current Year	2021
Investment	28,572,967		
Service Year (vwy)	9	ROE Increase accepted by FERC (Basis Points)	
Service Month (1-12)		FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	621,151

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2014	28,572,967	155,288	28,417,679	3,100,941	3,100,941	\$ -	\$ 184,681	\$ 184,681		
2015	28,417,679	621,151	27,796,528	3,526,673	3,526,673	\$ -	\$ 1,644,963	\$ 1,644,963		
2016	27,796,528	621,151	27,175,376	3,462,463	3,462,463	\$ -	\$ 1,563,801	\$ 1,563,801		
2017	27,175,376	621,151	26,554,225	3,398,252	3,398,252	\$ -	\$ 1,644,963	\$ 1,644,963		
2018	26,554,225	621,151	25,933,074	3,334,042	3,334,042	\$ -	\$ 1,909,994	\$ 1,909,994		
2019	25,933,074	621,151	25,311,922	3,269,831	3,269,831	\$ -	\$ 1,902,584	\$ 1,902,584		
2020	25,311,922	621,151	24,690,771	3,205,621	3,205,621	\$ -	\$ 2,304,571	\$ 2,304,571		
2021	24,690,771	621,151	24,069,619	3,141,410	3,141,410	\$ -				
2022	24,069,619	621,151	23,448,468	3,077,200	3,077,200	\$ -				
2023	23,448,468	621,151	22,827,316	3,012,990	3,012,990	\$ -				
2024	22,827,316	621,151	22,206,165	2,948,779	2,948,779	\$ -				
2025	22,206,165	621,151	21,585,013	2,884,569	2,884,569	\$ -				
2026	21,585,013	621,151	20,963,862	2,820,358	2,820,358	\$ -				
2027	20,963,862	621,151	20,342,710	2,756,148	2,756,148	\$ -				
2028	20,342,710	621,151	19,721,559	2,691,938	2,691,938	\$ -				
2029	19,721,559	621,151	19,100,407	2,627,727	2,627,727	\$ -				
2030	19,100,407	621,151	18,479,256	2,563,517	2,563,517	\$ -				
2031	18,479,256	621,151	17,858,105	2,499,306	2,499,306	\$ -				
2032	17,858,105	621,151	17,236,953	2,435,096	2,435,096	\$ -				
2033	17,236,953	621,151	16,615,802	2,370,885	2,370,885	\$ -				
2034	16,615,802	621,151	15,994,650	2,306,675	2,306,675	\$ -				
2035	15,994,650	621,151	15,373,499	2,242,465	2,242,465	\$ -				
2036	15,373,499	621,151	14,752,347	2,178,254	2,178,254	\$ -				
2037	14,752,347	621,151	14,131,196	2,114,044	2,114,044	\$ -				
2038	14,131,196	621,151	13,510,044	2,049,833	2,049,833	\$ -				
2039	13,510,044	621,151	12,888,893	1,985,623	1,985,623	\$ -				
2040	12,888,893	621,151	12,267,741	1,921,412	1,921,412	\$ -				
2041	12,267,741	621,151	11,646,590	1,857,202	1,857,202	\$ -				
2042	11,646,590	621,151	11,025,438	1,792,992	1,792,992	\$ -				
2043	11,025,438	621,151	10,404,287	1,728,781	1,728,781	\$ -				
2044	10,404,287	621,151	9,783,136	1,664,571	1,664,571	\$ -				
2045	9,783,136	621,151	9,161,984	1,600,360	1,600,360	\$ -				
2046	9,161,984	621,151	8,540,833	1,536,150	1,536,150	\$ -				
2047	8,540,833	621,151	7,919,681	1,471,940	1,471,940	\$ -				
2048	7,919,681	621,151	7,298,530	1,407,729	1,407,729	\$ -				
2049	7,298,530	621,151	6,677,378	1,343,519	1,343,519	\$ -				
2050	6,677,378	621,151	6,056,227	1,279,308	1,279,308	\$ -				
2051	6,056,227	621,151	5,435,075	1,215,098	1,215,098	\$ -				
2052	5,435,075	621,151	4,813,924	1,150,887	1,150,887	\$ -				
2053	4,813,924	621,151	4,192,772	1,086,677	1,086,677	\$ -				
2054	4,192,772	621,151	3,571,621	1,022,467	1,022,467	\$ -				
2055	3,571,621	621,151	2,950,469	958,256	958,256	\$ -				
2056	2,950,469	621,151	2,329,318	894,046	894,046	\$ -				
2057	2,329,318	621,151	1,708,167	829,835	829,835	\$ -				
2058	1,708,167	621,151	1,087,015	765,625	765,625	\$ -				
2059	1,087,015	621,151	465,864	701,414	701,414	\$ -				
2060	465,864	465,864	-	489,943	489,943	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
Project Totals	28,572,967			98,722,852	98,722,852	-				

** 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.

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	267,413
Current Projected Year ARR w/ Incentive	267,413
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	2,419,910	-
Service Year (vwy)	2014	ROE Increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	46	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	2,419,910	-	2,419,910	250,154	250,154	\$ -	\$ 222,712	\$ 222,712
2015	2,419,910	52,607	2,367,303	300,042	300,042	\$ -	\$ 317,491	\$ 317,491
2016	2,367,303	52,607	2,314,697	294,603	294,603	\$ -	\$ 303,455	\$ 303,455
2017	2,314,697	52,607	2,262,090	289,165	289,165	\$ -	\$ 317,491	\$ 317,491
2018	2,262,090	52,607	2,209,483	283,727	283,727	\$ -	\$ 292,574	\$ 292,574
2019	2,209,483	52,607	2,156,876	278,289	278,289	\$ -	\$ 285,753	\$ 285,753
2020	2,156,876	52,607	2,104,270	272,851	272,851	\$ -	\$ 271,872	\$ 271,872
2021	2,104,270	52,607	2,051,663	267,413	267,413	\$ -		
2022	2,051,663	52,607	1,999,056	261,975	261,975	\$ -		
2023	1,999,056	52,607	1,946,449	256,537	256,537	\$ -		
2024	1,946,449	52,607	1,893,843	251,098	251,098	\$ -		
2025	1,893,843	52,607	1,841,236	245,660	245,660	\$ -		
2026	1,841,236	52,607	1,788,629	240,222	240,222	\$ -		
2027	1,788,629	52,607	1,736,022	234,784	234,784	\$ -		
2028	1,736,022	52,607	1,683,416	229,346	229,346	\$ -		
2029	1,683,416	52,607	1,630,809	223,908	223,908	\$ -		
2030	1,630,809	52,607	1,578,202	218,470	218,470	\$ -		
2031	1,578,202	52,607	1,525,595	213,031	213,031	\$ -		
2032	1,525,595	52,607	1,472,989	207,593	207,593	\$ -		
2033	1,472,989	52,607	1,420,382	202,155	202,155	\$ -		
2034	1,420,382	52,607	1,367,775	196,717	196,717	\$ -		
2035	1,367,775	52,607	1,315,168	191,279	191,279	\$ -		
2036	1,315,168	52,607	1,262,562	185,841	185,841	\$ -		
2037	1,262,562	52,607	1,209,955	180,403	180,403	\$ -		
2038	1,209,955	52,607	1,157,348	174,965	174,965	\$ -		
2039	1,157,348	52,607	1,104,742	169,526	169,526	\$ -		
2040	1,104,742	52,607	1,052,135	164,088	164,088	\$ -		
2041	1,052,135	52,607	999,528	158,650	158,650	\$ -		
2042	999,528	52,607	946,921	153,212	153,212	\$ -		
2043	946,921	52,607	894,315	147,774	147,774	\$ -		
2044	894,315	52,607	841,708	142,336	142,336	\$ -		
2045	841,708	52,607	789,101	136,898	136,898	\$ -		
2046	789,101	52,607	736,494	131,460	131,460	\$ -		
2047	736,494	52,607	683,888	126,021	126,021	\$ -		
2048	683,888	52,607	631,281	120,583	120,583	\$ -		
2049	631,281	52,607	578,674	115,145	115,145	\$ -		
2050	578,674	52,607	526,067	109,707	109,707	\$ -		
2051	526,067	52,607	473,461	104,269	104,269	\$ -		
2052	473,461	52,607	420,854	98,831	98,831	\$ -		
2053	420,854	52,607	368,247	93,393	93,393	\$ -		
2054	368,247	52,607	315,640	87,955	87,955	\$ -		
2055	315,640	52,607	263,034	82,516	82,516	\$ -		
2056	263,034	52,607	210,427	77,078	77,078	\$ -		
2057	210,427	52,607	157,820	71,640	71,640	\$ -		
2058	157,820	52,607	105,213	66,202	66,202	\$ -		
2059	105,213	52,607	52,607	60,764	60,764	\$ -		
2060	52,607	52,607	-	55,326	55,326	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	2,419,910			8,423,603	8,423,603	-		

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	1,689,922
Current Projected Year ARR w/ Incentive	1,689,922
Current Projected Year Incentive ARR	-

Details				2021	
Investment	15,164,191	Current Year			-
Service Year (vwy)	2015	ROE Increase accepted by FERC (Basis Points)			10.34%
Service Month (1-12)	5	FCR w/o incentives, less depreciation			10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.			10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense		329,656	

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2015	15,164,191	192,300	14,971,891	1,749,931	1,749,931	\$ -	\$ 2,647,738	\$ 2,647,738		
2016	14,971,891	329,656	14,642,235	1,860,310	1,860,310	\$ -	\$ 2,089,493	\$ 2,089,493		
2017	14,642,235	329,656	14,312,579	1,826,232	1,826,232	\$ -	\$ 2,647,738	\$ 2,647,738		
2018	14,312,579	329,656	13,982,922	1,792,155	1,792,155	\$ -	\$ 1,845,050	\$ 1,845,050		
2019	13,982,922	329,656	13,653,266	1,758,077	1,758,077	\$ -	\$ 1,803,579	\$ 1,803,579		
2020	13,653,266	329,656	13,323,610	1,723,999	1,723,999	\$ -	\$ 1,715,891	\$ 1,715,891		
2021	13,323,610	329,656	12,993,953	1,689,922	1,689,922	\$ -				
2022	12,993,953	329,656	12,664,297	1,655,844	1,655,844	\$ -				
2023	12,664,297	329,656	12,334,641	1,621,767	1,621,767	\$ -				
2024	12,334,641	329,656	12,004,984	1,587,689	1,587,689	\$ -				
2025	12,004,984	329,656	11,675,328	1,553,611	1,553,611	\$ -				
2026	11,675,328	329,656	11,345,672	1,519,534	1,519,534	\$ -				
2027	11,345,672	329,656	11,016,015	1,485,456	1,485,456	\$ -				
2028	11,016,015	329,656	10,686,359	1,451,378	1,451,378	\$ -				
2029	10,686,359	329,656	10,356,703	1,417,301	1,417,301	\$ -				
2030	10,356,703	329,656	10,027,046	1,383,223	1,383,223	\$ -				
2031	10,027,046	329,656	9,697,390	1,349,145	1,349,145	\$ -				
2032	9,697,390	329,656	9,367,734	1,315,068	1,315,068	\$ -				
2033	9,367,734	329,656	9,038,077	1,280,990	1,280,990	\$ -				
2034	9,038,077	329,656	8,708,421	1,246,913	1,246,913	\$ -				
2035	8,708,421	329,656	8,378,765	1,212,835	1,212,835	\$ -				
2036	8,378,765	329,656	8,049,109	1,178,757	1,178,757	\$ -				
2037	8,049,109	329,656	7,719,452	1,144,680	1,144,680	\$ -				
2038	7,719,452	329,656	7,389,796	1,110,602	1,110,602	\$ -				
2039	7,389,796	329,656	7,060,140	1,076,524	1,076,524	\$ -				
2040	7,060,140	329,656	6,730,483	1,042,447	1,042,447	\$ -				
2041	6,730,483	329,656	6,400,827	1,008,369	1,008,369	\$ -				
2042	6,400,827	329,656	6,071,171	974,292	974,292	\$ -				
2043	6,071,171	329,656	5,741,514	940,214	940,214	\$ -				
2044	5,741,514	329,656	5,411,858	906,136	906,136	\$ -				
2045	5,411,858	329,656	5,082,202	872,059	872,059	\$ -				
2046	5,082,202	329,656	4,752,545	837,981	837,981	\$ -				
2047	4,752,545	329,656	4,422,889	803,903	803,903	\$ -				
2048	4,422,889	329,656	4,093,233	769,826	769,826	\$ -				
2049	4,093,233	329,656	3,763,576	735,748	735,748	\$ -				
2050	3,763,576	329,656	3,433,920	701,670	701,670	\$ -				
2051	3,433,920	329,656	3,104,264	667,593	667,593	\$ -				
2052	3,104,264	329,656	2,774,607	633,515	633,515	\$ -				
2053	2,774,607	329,656	2,444,951	599,438	599,438	\$ -				
2054	2,444,951	329,656	2,115,295	565,360	565,360	\$ -				
2055	2,115,295	329,656	1,785,638	531,282	531,282	\$ -				
2056	1,785,638	329,656	1,455,982	497,205	497,205	\$ -				
2057	1,455,982	329,656	1,126,326	463,127	463,127	\$ -				
2058	1,126,326	329,656	796,669	429,049	429,049	\$ -				
2059	796,669	329,656	467,013	394,972	394,972	\$ -				
2060	467,013	329,656	137,357	360,894	360,894	\$ -				
2061	137,357	137,357	-	144,456	144,456	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
Project Totals	15,164,191			51,871,480	51,871,480	-				

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

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

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	393.735
Current Projected Year ARR w/ Incentive	393.735
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	3,429,372	-
Service Year (vwy)	2016	-
Service Month (1-12)	11	-
Useful life	46	10.34%
CIAC (Yes or No)	No	74.552

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	3,429,372	6,213	3,423,159	360,397	360,397	\$ -	\$ 8,871,247	\$ 8,871,247
2017	3,423,159	74,552	3,348,608	424,561	424,561	\$ -	\$ 8,889,735	\$ 8,889,735
2018	3,348,608	74,552	3,274,056	416,855	416,855	\$ -	\$ 1,820,478	\$ 1,820,478
2019	3,274,056	74,552	3,199,505	409,148	409,148	\$ -	\$ 396,848	\$ 396,848
2020	3,199,505	74,552	3,124,953	401,441	401,441	\$ -	\$ 387,035	\$ 387,035
2021	3,124,953	74,552	3,050,402	393,735	393,735	\$ -		
2022	3,050,402	74,552	2,975,850	386,028	386,028	\$ -		
2023	2,975,850	74,552	2,901,298	378,321	378,321	\$ -		
2024	2,901,298	74,552	2,826,747	370,615	370,615	\$ -		
2025	2,826,747	74,552	2,752,195	362,908	362,908	\$ -		
2026	2,752,195	74,552	2,677,644	355,202	355,202	\$ -		
2027	2,677,644	74,552	2,603,092	347,495	347,495	\$ -		
2028	2,603,092	74,552	2,528,541	339,788	339,788	\$ -		
2029	2,528,541	74,552	2,453,989	332,082	332,082	\$ -		
2030	2,453,989	74,552	2,379,437	324,375	324,375	\$ -		
2031	2,379,437	74,552	2,304,886	316,668	316,668	\$ -		
2032	2,304,886	74,552	2,230,334	308,962	308,962	\$ -		
2033	2,230,334	74,552	2,155,783	301,255	301,255	\$ -		
2034	2,155,783	74,552	2,081,231	293,548	293,548	\$ -		
2035	2,081,231	74,552	2,006,680	285,842	285,842	\$ -		
2036	2,006,680	74,552	1,932,128	278,135	278,135	\$ -		
2037	1,932,128	74,552	1,857,577	270,429	270,429	\$ -		
2038	1,857,577	74,552	1,783,025	262,722	262,722	\$ -		
2039	1,783,025	74,552	1,708,473	255,015	255,015	\$ -		
2040	1,708,473	74,552	1,633,922	247,309	247,309	\$ -		
2041	1,633,922	74,552	1,559,370	239,602	239,602	\$ -		
2042	1,559,370	74,552	1,484,819	231,895	231,895	\$ -		
2043	1,484,819	74,552	1,410,267	224,189	224,189	\$ -		
2044	1,410,267	74,552	1,335,716	216,482	216,482	\$ -		
2045	1,335,716	74,552	1,261,164	208,775	208,775	\$ -		
2046	1,261,164	74,552	1,186,612	201,069	201,069	\$ -		
2047	1,186,612	74,552	1,112,061	193,362	193,362	\$ -		
2048	1,112,061	74,552	1,037,509	185,656	185,656	\$ -		
2049	1,037,509	74,552	962,958	177,949	177,949	\$ -		
2050	962,958	74,552	888,406	170,242	170,242	\$ -		
2051	888,406	74,552	813,855	162,536	162,536	\$ -		
2052	813,855	74,552	739,303	154,829	154,829	\$ -		
2053	739,303	74,552	664,751	147,122	147,122	\$ -		
2054	664,751	74,552	590,200	139,416	139,416	\$ -		
2055	590,200	74,552	515,648	131,709	131,709	\$ -		
2056	515,648	74,552	441,097	124,002	124,002	\$ -		
2057	441,097	74,552	366,545	116,296	116,296	\$ -		
2058	366,545	74,552	291,994	108,589	108,589	\$ -		
2059	291,994	74,552	217,442	100,883	100,883	\$ -		
2060	217,442	74,552	142,891	93,176	93,176	\$ -		
2061	142,891	74,552	68,339	85,469	85,469	\$ -		
2062	68,339	68,339	-	71,871	71,871	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	3,429,372			11,907,955	11,907,955	-		

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	3,452,843
Current Projected Year ARR w/ Incentive	3,452,843
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	30,073,762	-
Service Year (vwy)	2016	-
Service Month (1-12)	11	10.34%
Useful life	46	10.34%
CIAC (Yes or No)	No	653,777

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2016	30,073,762	54,481	30,019,281	3,160,487	3,160,487	\$ -	\$ 13,022,465	\$ 13,022,465		
2017	30,019,281	653,777	29,365,503	3,723,175	3,723,175	\$ -	\$ 3,514,742	\$ 3,514,742		
2018	29,365,503	653,777	28,711,726	3,655,592	3,655,592	\$ -	\$ 3,974,755	\$ 3,974,755		
2019	28,711,726	653,777	28,057,948	3,588,009	3,588,009	\$ -	\$ 3,572,369	\$ 3,572,369		
2020	28,057,948	653,777	27,404,171	3,520,426	3,520,426	\$ -	\$ 3,435,593	\$ 3,435,593		
2021	27,404,171	653,777	26,750,393	3,452,843	3,452,843	\$ -				
2022	26,750,393	653,777	26,096,616	3,385,260	3,385,260	\$ -				
2023	26,096,616	653,777	25,442,839	3,317,677	3,317,677	\$ -				
2024	25,442,839	653,777	24,789,061	3,250,094	3,250,094	\$ -				
2025	24,789,061	653,777	24,135,284	3,182,511	3,182,511	\$ -				
2026	24,135,284	653,777	23,481,506	3,114,928	3,114,928	\$ -				
2027	23,481,506	653,777	22,827,729	3,047,345	3,047,345	\$ -				
2028	22,827,729	653,777	22,173,951	2,979,762	2,979,762	\$ -				
2029	22,173,951	653,777	21,520,174	2,912,178	2,912,178	\$ -				
2030	21,520,174	653,777	20,866,397	2,844,595	2,844,595	\$ -				
2031	20,866,397	653,777	20,212,619	2,777,012	2,777,012	\$ -				
2032	20,212,619	653,777	19,558,842	2,709,429	2,709,429	\$ -				
2033	19,558,842	653,777	18,905,064	2,641,846	2,641,846	\$ -				
2034	18,905,064	653,777	18,251,287	2,574,263	2,574,263	\$ -				
2035	18,251,287	653,777	17,597,509	2,506,680	2,506,680	\$ -				
2036	17,597,509	653,777	16,943,732	2,439,097	2,439,097	\$ -				
2037	16,943,732	653,777	16,289,954	2,371,514	2,371,514	\$ -				
2038	16,289,954	653,777	15,636,177	2,303,931	2,303,931	\$ -				
2039	15,636,177	653,777	14,982,400	2,236,348	2,236,348	\$ -				
2040	14,982,400	653,777	14,328,622	2,168,765	2,168,765	\$ -				
2041	14,328,622	653,777	13,674,845	2,101,182	2,101,182	\$ -				
2042	13,674,845	653,777	13,021,067	2,033,599	2,033,599	\$ -				
2043	13,021,067	653,777	12,367,290	1,966,015	1,966,015	\$ -				
2044	12,367,290	653,777	11,713,512	1,898,432	1,898,432	\$ -				
2045	11,713,512	653,777	11,059,735	1,830,849	1,830,849	\$ -				
2046	11,059,735	653,777	10,405,958	1,763,266	1,763,266	\$ -				
2047	10,405,958	653,777	9,752,180	1,695,683	1,695,683	\$ -				
2048	9,752,180	653,777	9,098,403	1,628,100	1,628,100	\$ -				
2049	9,098,403	653,777	8,444,625	1,560,517	1,560,517	\$ -				
2050	8,444,625	653,777	7,790,848	1,492,934	1,492,934	\$ -				
2051	7,790,848	653,777	7,137,070	1,425,351	1,425,351	\$ -				
2052	7,137,070	653,777	6,483,293	1,357,768	1,357,768	\$ -				
2053	6,483,293	653,777	5,829,515	1,290,185	1,290,185	\$ -				
2054	5,829,515	653,777	5,175,738	1,222,602	1,222,602	\$ -				
2055	5,175,738	653,777	4,521,961	1,155,019	1,155,019	\$ -				
2056	4,521,961	653,777	3,868,183	1,087,435	1,087,435	\$ -				
2057	3,868,183	653,777	3,214,406	1,019,852	1,019,852	\$ -				
2058	3,214,406	653,777	2,560,629	952,269	952,269	\$ -				
2059	2,560,629	653,777	1,906,851	884,686	884,686	\$ -				
2060	1,906,851	653,777	1,253,073	817,103	817,103	\$ -				
2061	1,253,073	653,777	599,296	749,520	749,520	\$ -				
2062	599,296	599,296	-	630,272	630,272	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
2075	-	-	-	-	-	\$ -				
Project Totals	30,073,762			104,426,406	104,426,406	-				

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

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

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	618,333
Current Projected Year ARR w/ Incentive	618,333
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	5,483,986	-
Service Year (vwy)	2015	ROE Increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	46	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2015	5,483,986	-	5,483,986	566,897	566,897	\$ -	\$ -	\$ -		
2016	5,483,986	119,217	5,364,769	567,629	567,629	\$ -	\$ 780,577	\$ 780,577		
2017	5,364,769	119,217	5,245,552	667,629	667,629	\$ -	\$ 779,062	\$ 779,062		
2018	5,245,552	119,217	5,126,335	655,305	655,305	\$ -	\$ 672,821	\$ 672,821		
2019	5,126,335	119,217	5,007,118	642,981	642,981	\$ -	\$ 658,791	\$ 658,791		
2020	5,007,118	119,217	4,887,900	630,657	630,657	\$ -	\$ 626,724	\$ 626,724		
2021	4,887,900	119,217	4,768,683	618,333	618,333	\$ -				
2022	4,768,683	119,217	4,649,466	606,009	606,009	\$ -				
2023	4,649,466	119,217	4,530,249	593,685	593,685	\$ -				
2024	4,530,249	119,217	4,411,032	581,362	581,362	\$ -				
2025	4,411,032	119,217	4,291,815	569,038	569,038	\$ -				
2026	4,291,815	119,217	4,172,598	556,714	556,714	\$ -				
2027	4,172,598	119,217	4,053,381	544,390	544,390	\$ -				
2028	4,053,381	119,217	3,934,164	532,066	532,066	\$ -				
2029	3,934,164	119,217	3,814,947	519,742	519,742	\$ -				
2030	3,814,947	119,217	3,695,730	507,418	507,418	\$ -				
2031	3,695,730	119,217	3,576,513	495,095	495,095	\$ -				
2032	3,576,513	119,217	3,457,296	482,771	482,771	\$ -				
2033	3,457,296	119,217	3,338,078	470,447	470,447	\$ -				
2034	3,338,078	119,217	3,218,861	458,123	458,123	\$ -				
2035	3,218,861	119,217	3,099,644	445,799	445,799	\$ -				
2036	3,099,644	119,217	2,980,427	433,475	433,475	\$ -				
2037	2,980,427	119,217	2,861,210	421,151	421,151	\$ -				
2038	2,861,210	119,217	2,741,993	408,828	408,828	\$ -				
2039	2,741,993	119,217	2,622,776	396,504	396,504	\$ -				
2040	2,622,776	119,217	2,503,559	384,180	384,180	\$ -				
2041	2,503,559	119,217	2,384,342	371,856	371,856	\$ -				
2042	2,384,342	119,217	2,265,125	359,532	359,532	\$ -				
2043	2,265,125	119,217	2,145,908	347,208	347,208	\$ -				
2044	2,145,908	119,217	2,026,690	334,885	334,885	\$ -				
2045	2,026,690	119,217	1,907,473	322,561	322,561	\$ -				
2046	1,907,473	119,217	1,788,256	310,237	310,237	\$ -				
2047	1,788,256	119,217	1,669,039	297,913	297,913	\$ -				
2048	1,669,039	119,217	1,549,822	285,589	285,589	\$ -				
2049	1,549,822	119,217	1,430,605	273,265	273,265	\$ -				
2050	1,430,605	119,217	1,311,388	260,941	260,941	\$ -				
2051	1,311,388	119,217	1,192,171	248,618	248,618	\$ -				
2052	1,192,171	119,217	1,072,954	236,294	236,294	\$ -				
2053	1,072,954	119,217	953,737	223,970	223,970	\$ -				
2054	953,737	119,217	834,520	211,646	211,646	\$ -				
2055	834,520	119,217	715,303	199,322	199,322	\$ -				
2056	715,303	119,217	596,085	186,998	186,998	\$ -				
2057	596,085	119,217	476,868	174,674	174,674	\$ -				
2058	476,868	119,217	357,651	162,351	162,351	\$ -				
2059	357,651	119,217	238,434	150,027	150,027	\$ -				
2060	238,434	119,217	119,217	137,703	137,703	\$ -				
2061	119,217	119,217	-	125,379	125,379	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
Project Totals	5,483,986			19,089,519	19,089,519	-				

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	715,550
Current Projected Year ARR w/ Incentive	715,550
Current Projected Year Incentive ARR	-

Details			
Investment	6,508,347	Current Year	2021
Service Year (vwy)	2014	ROE Increase accepted by FERC (Basis Points)	-
Service Month (1-12)	9	FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	141,486

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2014	6,508,347	35,371	6,472,975	706,332	706,332	\$ -	\$ -	\$ -		
2015	6,472,975	141,486	6,331,489	803,305	803,305	\$ -	\$ -	\$ -		
2016	6,331,489	141,486	6,190,004	788,679	788,679	\$ -	\$ 1,117	\$ 1,117		
2017	6,190,004	141,486	6,048,518	774,053	774,053	\$ -	\$ 57,580	\$ 57,580		
2018	6,048,518	141,486	5,907,032	759,428	759,428	\$ -	\$ 54,331	\$ 54,331		
2019	5,907,032	141,486	5,765,546	744,802	744,802	\$ -	\$ 52,092	\$ 52,092		
2020	5,765,546	141,486	5,624,060	730,176	730,176	\$ -	\$ 82,533	\$ 82,533		
2021	5,624,060	141,486	5,482,575	715,550	715,550	\$ -				
2022	5,482,575	141,486	5,341,089	700,924	700,924	\$ -				
2023	5,341,089	141,486	5,199,603	686,298	686,298	\$ -				
2024	5,199,603	141,486	5,058,117	671,673	671,673	\$ -				
2025	5,058,117	141,486	4,916,631	657,047	657,047	\$ -				
2026	4,916,631	141,486	4,775,146	642,421	642,421	\$ -				
2027	4,775,146	141,486	4,633,660	627,795	627,795	\$ -				
2028	4,633,660	141,486	4,492,174	613,169	613,169	\$ -				
2029	4,492,174	141,486	4,350,688	598,543	598,543	\$ -				
2030	4,350,688	141,486	4,209,202	583,917	583,917	\$ -				
2031	4,209,202	141,486	4,067,717	569,292	569,292	\$ -				
2032	4,067,717	141,486	3,926,231	554,666	554,666	\$ -				
2033	3,926,231	141,486	3,784,745	540,040	540,040	\$ -				
2034	3,784,745	141,486	3,643,259	525,414	525,414	\$ -				
2035	3,643,259	141,486	3,501,773	510,788	510,788	\$ -				
2036	3,501,773	141,486	3,360,288	496,162	496,162	\$ -				
2037	3,360,288	141,486	3,218,802	481,537	481,537	\$ -				
2038	3,218,802	141,486	3,077,316	466,911	466,911	\$ -				
2039	3,077,316	141,486	2,935,830	452,285	452,285	\$ -				
2040	2,935,830	141,486	2,794,344	437,659	437,659	\$ -				
2041	2,794,344	141,486	2,652,859	423,033	423,033	\$ -				
2042	2,652,859	141,486	2,511,373	408,407	408,407	\$ -				
2043	2,511,373	141,486	2,369,887	393,782	393,782	\$ -				
2044	2,369,887	141,486	2,228,401	379,156	379,156	\$ -				
2045	2,228,401	141,486	2,086,916	364,530	364,530	\$ -				
2046	2,086,916	141,486	1,945,430	349,904	349,904	\$ -				
2047	1,945,430	141,486	1,803,944	335,278	335,278	\$ -				
2048	1,803,944	141,486	1,662,458	320,652	320,652	\$ -				
2049	1,662,458	141,486	1,520,972	306,027	306,027	\$ -				
2050	1,520,972	141,486	1,379,487	291,401	291,401	\$ -				
2051	1,379,487	141,486	1,238,001	276,775	276,775	\$ -				
2052	1,238,001	141,486	1,096,515	262,149	262,149	\$ -				
2053	1,096,515	141,486	955,029	247,523	247,523	\$ -				
2054	955,029	141,486	813,543	232,897	232,897	\$ -				
2055	813,543	141,486	672,058	218,271	218,271	\$ -				
2056	672,058	141,486	530,572	203,646	203,646	\$ -				
2057	530,572	141,486	389,086	189,020	189,020	\$ -				
2058	389,086	141,486	247,600	174,394	174,394	\$ -				
2059	247,600	141,486	106,114	159,768	159,768	\$ -				
2060	106,114	106,114	-	111,599	111,599	\$ -				
2061	-	-	-	-	-	\$ -				
2062	-	-	-	-	-	\$ -				
2063	-	-	-	-	-	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
Project Totals	6,508,347			22,487,078	22,487,078	-				

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

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

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	5,781,911
Current Projected Year ARR w/ Incentive	5,781,911
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	50,773,686	-
Service Year (vwy)	2016	-
Service Month (1-12)	6	10.34%
Useful life	46	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense 1,103,776

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	50,773,686	551,888	50,221,798	5,772,002	5,772,002	\$ -	\$ 5,862,811	\$ 5,862,811
2017	50,221,798	1,103,776	49,118,022	6,238,314	6,238,314	\$ -	\$ 3,438,786	\$ 3,438,786
2018	49,118,022	1,103,776	48,014,247	6,124,213	6,124,213	\$ -	\$ 5,866,416	\$ 5,866,416
2019	48,014,247	1,103,776	46,910,471	6,010,112	6,010,112	\$ -	\$ 5,898,940	\$ 5,898,940
2020	46,910,471	1,103,776	45,806,695	5,896,011	5,896,011	\$ -	\$ 5,887,656	\$ 5,887,656
2021	45,806,695	1,103,776	44,702,919	5,781,911	5,781,911	\$ -		
2022	44,702,919	1,103,776	43,599,143	5,667,810	5,667,810	\$ -		
2023	43,599,143	1,103,776	42,495,368	5,553,709	5,553,709	\$ -		
2024	42,495,368	1,103,776	41,391,592	5,439,608	5,439,608	\$ -		
2025	41,391,592	1,103,776	40,287,816	5,325,507	5,325,507	\$ -		
2026	40,287,816	1,103,776	39,184,040	5,211,406	5,211,406	\$ -		
2027	39,184,040	1,103,776	38,080,265	5,097,305	5,097,305	\$ -		
2028	38,080,265	1,103,776	36,976,489	4,983,205	4,983,205	\$ -		
2029	36,976,489	1,103,776	35,872,713	4,869,104	4,869,104	\$ -		
2030	35,872,713	1,103,776	34,768,937	4,755,003	4,755,003	\$ -		
2031	34,768,937	1,103,776	33,665,161	4,640,902	4,640,902	\$ -		
2032	33,665,161	1,103,776	32,561,386	4,526,801	4,526,801	\$ -		
2033	32,561,386	1,103,776	31,457,610	4,412,700	4,412,700	\$ -		
2034	31,457,610	1,103,776	30,353,834	4,298,599	4,298,599	\$ -		
2035	30,353,834	1,103,776	29,250,058	4,184,499	4,184,499	\$ -		
2036	29,250,058	1,103,776	28,146,282	4,070,398	4,070,398	\$ -		
2037	28,146,282	1,103,776	27,042,507	3,956,297	3,956,297	\$ -		
2038	27,042,507	1,103,776	25,938,731	3,842,196	3,842,196	\$ -		
2039	25,938,731	1,103,776	24,834,955	3,728,095	3,728,095	\$ -		
2040	24,834,955	1,103,776	23,731,179	3,613,994	3,613,994	\$ -		
2041	23,731,179	1,103,776	22,627,404	3,499,894	3,499,894	\$ -		
2042	22,627,404	1,103,776	21,523,628	3,385,793	3,385,793	\$ -		
2043	21,523,628	1,103,776	20,419,852	3,271,692	3,271,692	\$ -		
2044	20,419,852	1,103,776	19,316,076	3,157,591	3,157,591	\$ -		
2045	19,316,076	1,103,776	18,212,300	3,043,490	3,043,490	\$ -		
2046	18,212,300	1,103,776	17,108,525	2,929,389	2,929,389	\$ -		
2047	17,108,525	1,103,776	16,004,749	2,815,288	2,815,288	\$ -		
2048	16,004,749	1,103,776	14,900,973	2,701,188	2,701,188	\$ -		
2049	14,900,973	1,103,776	13,797,197	2,587,087	2,587,087	\$ -		
2050	13,797,197	1,103,776	12,693,422	2,472,986	2,472,986	\$ -		
2051	12,693,422	1,103,776	11,589,646	2,358,885	2,358,885	\$ -		
2052	11,589,646	1,103,776	10,485,870	2,244,784	2,244,784	\$ -		
2053	10,485,870	1,103,776	9,382,094	2,130,683	2,130,683	\$ -		
2054	9,382,094	1,103,776	8,278,318	2,016,583	2,016,583	\$ -		
2055	8,278,318	1,103,776	7,174,543	1,902,482	1,902,482	\$ -		
2056	7,174,543	1,103,776	6,070,767	1,788,381	1,788,381	\$ -		
2057	6,070,767	1,103,776	4,966,991	1,674,280	1,674,280	\$ -		
2058	4,966,991	1,103,776	3,863,215	1,560,179	1,560,179	\$ -		
2059	3,863,215	1,103,776	2,759,439	1,446,078	1,446,078	\$ -		
2060	2,759,439	1,103,776	1,655,664	1,331,977	1,331,977	\$ -		
2061	1,655,664	1,103,776	551,888	1,217,877	1,217,877	\$ -		
2062	551,888	551,888	-	580,413	580,413	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	50,773,686			174,116,701	174,116,701	-		

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	29,062
Current Projected Year ARR w/ Incentive	29,062
Current Projected Year Incentive ARR	-

Details			
Investment	267,989	Current Year	2021
Service Year (vwy)	2014	ROE Increase accepted by FERC (Basis Points)	-
Service Month (1-12)	1	FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	5,826

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2014	267,989	5,340	262,649	32,767	32,767	\$ -		
2015	262,649	5,826	256,823	32,676	32,676	\$ -		
2016	256,823	5,826	250,997	32,073	32,073	\$ -		
2017	250,997	5,826	245,171	31,471	31,471	\$ -		
2018	245,171	5,826	239,345	30,869	30,869	\$ -		
2019	239,345	5,826	233,520	30,267	30,267	\$ -		
2020	233,520	5,826	227,694	29,664	29,664	\$ -	\$ 31,947	\$ 31,947
2021	227,694	5,826	221,868	29,062	29,062	\$ -	\$ 31,143	\$ 31,143
2022	221,868	5,826	216,042	28,460	28,460	\$ -	\$ 29,633	\$ 29,633
2023	216,042	5,826	210,216	27,858	27,858	\$ -		
2024	210,216	5,826	204,390	27,255	27,255	\$ -		
2025	204,390	5,826	198,564	26,653	26,653	\$ -		
2026	198,564	5,826	192,739	26,051	26,051	\$ -		
2027	192,739	5,826	186,913	25,449	25,449	\$ -		
2028	186,913	5,826	181,087	24,847	24,847	\$ -		
2029	181,087	5,826	175,261	24,244	24,244	\$ -		
2030	175,261	5,826	169,435	23,642	23,642	\$ -		
2031	169,435	5,826	163,609	23,040	23,040	\$ -		
2032	163,609	5,826	157,784	22,438	22,438	\$ -		
2033	157,784	5,826	151,958	21,835	21,835	\$ -		
2034	151,958	5,826	146,132	21,233	21,233	\$ -		
2035	146,132	5,826	140,306	20,631	20,631	\$ -		
2036	140,306	5,826	134,480	20,029	20,029	\$ -		
2037	134,480	5,826	128,654	19,426	19,426	\$ -		
2038	128,654	5,826	122,828	18,824	18,824	\$ -		
2039	122,828	5,826	117,003	18,222	18,222	\$ -		
2040	117,003	5,826	111,177	17,620	17,620	\$ -		
2041	111,177	5,826	105,351	17,017	17,017	\$ -		
2042	105,351	5,826	99,525	16,415	16,415	\$ -		
2043	99,525	5,826	93,699	15,813	15,813	\$ -		
2044	93,699	5,826	87,873	15,211	15,211	\$ -		
2045	87,873	5,826	82,047	14,608	14,608	\$ -		
2046	82,047	5,826	76,222	14,006	14,006	\$ -		
2047	76,222	5,826	70,396	13,404	13,404	\$ -		
2048	70,396	5,826	64,570	12,802	12,802	\$ -		
2049	64,570	5,826	58,744	12,200	12,200	\$ -		
2050	58,744	5,826	52,918	11,597	11,597	\$ -		
2051	52,918	5,826	47,092	10,995	10,995	\$ -		
2052	47,092	5,826	41,266	10,393	10,393	\$ -		
2053	41,266	5,826	35,441	9,791	9,791	\$ -		
2054	35,441	5,826	29,615	9,188	9,188	\$ -		
2055	29,615	5,826	23,789	8,586	8,586	\$ -		
2056	23,789	5,826	17,963	7,984	7,984	\$ -		
2057	17,963	5,826	12,137	7,382	7,382	\$ -		
2058	12,137	5,826	6,311	6,779	6,779	\$ -		
2059	6,311	5,826	485	6,177	6,177	\$ -		
2060	485	485	-	511	511	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
Project Totals	267,989			907,465	907,465	-		

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	1,123,491
Current Projected Year ARR w/ Incentive	1,123,491
Current Projected Year Incentive ARR	-

Details			
Investment	9,582,260	Current Year	2021
Service Year (vwy)	2017	ROE Increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	208,310

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2017	9,582,260	-	9,582,260	990,549	990,549	\$ -				
2018	9,582,260	208,310	9,373,950	1,188,092	1,188,092	\$ -	\$ 1,174,872	\$ 1,174,872		
2019	9,373,950	208,310	9,165,640	1,166,558	1,166,558	\$ -	\$ 1,181,870	\$ 1,181,870		
2020	9,165,640	208,310	8,957,330	1,145,025	1,145,025	\$ -	\$ 1,110,565	\$ 1,110,565		
2021	8,957,330	208,310	8,749,020	1,123,491	1,123,491	\$ -				
2022	8,749,020	208,310	8,540,710	1,101,957	1,101,957	\$ -				
2023	8,540,710	208,310	8,332,400	1,080,424	1,080,424	\$ -				
2024	8,332,400	208,310	8,124,090	1,058,890	1,058,890	\$ -				
2025	8,124,090	208,310	7,915,780	1,037,356	1,037,356	\$ -				
2026	7,915,780	208,310	7,707,470	1,015,823	1,015,823	\$ -				
2027	7,707,470	208,310	7,499,160	994,289	994,289	\$ -				
2028	7,499,160	208,310	7,290,850	972,755	972,755	\$ -				
2029	7,290,850	208,310	7,082,540	951,222	951,222	\$ -				
2030	7,082,540	208,310	6,874,230	929,688	929,688	\$ -				
2031	6,874,230	208,310	6,665,920	908,154	908,154	\$ -				
2032	6,665,920	208,310	6,457,610	886,621	886,621	\$ -				
2033	6,457,610	208,310	6,249,300	865,087	865,087	\$ -				
2034	6,249,300	208,310	6,040,990	843,553	843,553	\$ -				
2035	6,040,990	208,310	5,832,680	822,020	822,020	\$ -				
2036	5,832,680	208,310	5,624,370	800,486	800,486	\$ -				
2037	5,624,370	208,310	5,416,060	778,952	778,952	\$ -				
2038	5,416,060	208,310	5,207,750	757,419	757,419	\$ -				
2039	5,207,750	208,310	4,999,440	735,885	735,885	\$ -				
2040	4,999,440	208,310	4,791,130	714,351	714,351	\$ -				
2041	4,791,130	208,310	4,582,820	692,818	692,818	\$ -				
2042	4,582,820	208,310	4,374,510	671,284	671,284	\$ -				
2043	4,374,510	208,310	4,166,200	649,750	649,750	\$ -				
2044	4,166,200	208,310	3,957,890	628,217	628,217	\$ -				
2045	3,957,890	208,310	3,749,580	606,683	606,683	\$ -				
2046	3,749,580	208,310	3,541,270	585,149	585,149	\$ -				
2047	3,541,270	208,310	3,332,960	563,616	563,616	\$ -				
2048	3,332,960	208,310	3,124,650	542,082	542,082	\$ -				
2049	3,124,650	208,310	2,916,340	520,548	520,548	\$ -				
2050	2,916,340	208,310	2,708,030	499,015	499,015	\$ -				
2051	2,708,030	208,310	2,499,720	477,481	477,481	\$ -				
2052	2,499,720	208,310	2,291,410	455,947	455,947	\$ -				
2053	2,291,410	208,310	2,083,100	434,414	434,414	\$ -				
2054	2,083,100	208,310	1,874,790	412,880	412,880	\$ -				
2055	1,874,790	208,310	1,666,480	391,346	391,346	\$ -				
2056	1,666,480	208,310	1,458,170	369,813	369,813	\$ -				
2057	1,458,170	208,310	1,249,860	348,279	348,279	\$ -				
2058	1,249,860	208,310	1,041,550	326,745	326,745	\$ -				
2059	1,041,550	208,310	833,240	305,212	305,212	\$ -				
2060	833,240	208,310	624,930	283,678	283,678	\$ -				
2061	624,930	208,310	416,620	262,144	262,144	\$ -				
2062	416,620	208,310	208,310	240,610	240,610	\$ -				
2063	208,310	208,310	-	219,077	219,077	\$ -				
2064	-	-	-	-	-	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
2075	-	-	-	-	-	\$ -				
2076	-	-	-	-	-	\$ -				
Project Totals		9,582,260		33,355,434	33,355,434	-				

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

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

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	8,170,472
Current Projected Year ARR w/ Incentive	8,170,472
Current Projected Year Incentive ARR	-

Details			
Investment	68,590,436	Current Year	2021
Service Year (vwy)	2019	ROE Increase accepted by FERC (Basis Points)	-
Service Month (1-12)	10	FCR w/o incentives, less depreciation	10.34%
Useful life	46	FCR w/incentives approved for these facilities, less dep.	10.34%
CIAC (Yes or No)	No	Annual Depreciation Expense	1,491,096

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
2018	68,590,436	248,516	68,341,920	7,326,085	7,326,085	\$ -	\$ 8,045,448	\$ 8,045,448		
2019	68,341,920	1,491,096	66,850,824	8,478,750	8,478,750	\$ -	\$ 8,376,603	\$ 8,376,603		
2020	66,850,824	1,491,096	65,359,727	8,324,611	8,324,611	\$ -	\$ 4,444,449	\$ 4,444,449		
2021	65,359,727	1,491,096	63,868,631	8,170,472	8,170,472	\$ -				
2022	63,868,631	1,491,096	62,377,534	8,016,332	8,016,332	\$ -				
2023	62,377,534	1,491,096	60,886,438	7,862,193	7,862,193	\$ -				
2024	60,886,438	1,491,096	59,395,342	7,708,053	7,708,053	\$ -				
2025	59,395,342	1,491,096	57,904,245	7,553,914	7,553,914	\$ -				
2026	57,904,245	1,491,096	56,413,149	7,399,774	7,399,774	\$ -				
2027	56,413,149	1,491,096	54,922,052	7,245,635	7,245,635	\$ -				
2028	54,922,052	1,491,096	53,430,956	7,091,496	7,091,496	\$ -				
2029	53,430,956	1,491,096	51,939,859	6,937,356	6,937,356	\$ -				
2030	51,939,859	1,491,096	50,448,763	6,783,217	6,783,217	\$ -				
2031	50,448,763	1,491,096	48,957,666	6,629,077	6,629,077	\$ -				
2032	48,957,666	1,491,096	47,466,570	6,474,938	6,474,938	\$ -				
2033	47,466,570	1,491,096	45,975,474	6,320,798	6,320,798	\$ -				
2034	45,975,474	1,491,096	44,484,377	6,166,659	6,166,659	\$ -				
2035	44,484,377	1,491,096	42,993,281	6,012,520	6,012,520	\$ -				
2036	42,993,281	1,491,096	41,502,184	5,858,380	5,858,380	\$ -				
2037	41,502,184	1,491,096	40,011,088	5,704,241	5,704,241	\$ -				
2038	40,011,088	1,491,096	38,519,991	5,550,101	5,550,101	\$ -				
2039	38,519,991	1,491,096	37,028,895	5,395,962	5,395,962	\$ -				
2040	37,028,895	1,491,096	35,537,798	5,241,822	5,241,822	\$ -				
2041	35,537,798	1,491,096	34,046,702	5,087,683	5,087,683	\$ -				
2042	34,046,702	1,491,096	32,555,606	4,933,544	4,933,544	\$ -				
2043	32,555,606	1,491,096	31,064,509	4,779,404	4,779,404	\$ -				
2044	31,064,509	1,491,096	29,573,413	4,625,265	4,625,265	\$ -				
2045	29,573,413	1,491,096	28,082,316	4,471,125	4,471,125	\$ -				
2046	28,082,316	1,491,096	26,591,220	4,316,986	4,316,986	\$ -				
2047	26,591,220	1,491,096	25,100,123	4,162,847	4,162,847	\$ -				
2048	25,100,123	1,491,096	23,609,027	4,008,707	4,008,707	\$ -				
2049	23,609,027	1,491,096	22,117,931	3,854,568	3,854,568	\$ -				
2050	22,117,931	1,491,096	20,626,834	3,700,428	3,700,428	\$ -				
2051	20,626,834	1,491,096	19,135,738	3,546,289	3,546,289	\$ -				
2052	19,135,738	1,491,096	17,644,641	3,392,149	3,392,149	\$ -				
2053	17,644,641	1,491,096	16,153,545	3,238,010	3,238,010	\$ -				
2054	16,153,545	1,491,096	14,662,448	3,083,871	3,083,871	\$ -				
2055	14,662,448	1,491,096	13,171,352	2,929,731	2,929,731	\$ -				
2056	13,171,352	1,491,096	11,680,255	2,775,592	2,775,592	\$ -				
2057	11,680,255	1,491,096	10,189,159	2,621,452	2,621,452	\$ -				
2058	10,189,159	1,491,096	8,698,063	2,467,313	2,467,313	\$ -				
2059	8,698,063	1,491,096	7,206,966	2,313,173	2,313,173	\$ -				
2060	7,206,966	1,491,096	5,715,870	2,159,034	2,159,034	\$ -				
2061	5,715,870	1,491,096	4,224,773	2,004,895	2,004,895	\$ -				
2062	4,224,773	1,491,096	2,733,677	1,850,755	1,850,755	\$ -				
2063	2,733,677	1,491,096	1,242,580	1,696,616	1,696,616	\$ -				
2064	1,242,580	1,491,096	-	1,306,805	1,306,805	\$ -				
2065	-	-	-	-	-	\$ -				
2066	-	-	-	-	-	\$ -				
2067	-	-	-	-	-	\$ -				
2068	-	-	-	-	-	\$ -				
2069	-	-	-	-	-	\$ -				
2070	-	-	-	-	-	\$ -				
2071	-	-	-	-	-	\$ -				
2072	-	-	-	-	-	\$ -				
2073	-	-	-	-	-	\$ -				
2074	-	-	-	-	-	\$ -				
2075	-	-	-	-	-	\$ -				
2076	-	-	-	-	-	\$ -				
2077	-	-	-	-	-	\$ -				

Project Totals	68,590,436			237,578,628	237,578,628	-				
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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.

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

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	81,170
Current Projected Year ARR w/ Incentive	81,170
Current Projected Year Incentive ARR	-

Details	Current Year	2021
Investment	705,825	-
Service Year (vwy)	2016	-
Service Month (1-12)	12	-
Useful life	46	-
CIAC (Yes or No)	No	-

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2016	705,825	-	705,825	72,963	72,963	\$ -	\$ -	\$ -
2017	705,825	15,344	690,481	67,514	67,514	\$ -		
2018	690,481	15,344	675,137	85,929	85,929	\$ -		
2019	675,137	15,344	659,793	84,342	84,342	\$ -		
2020	659,793	15,344	644,449	82,756	82,756	\$ -	\$ 82,029	\$ 82,029
2021	644,449	15,344	629,105	81,170	81,170	\$ -		
2022	629,105	15,344	613,761	79,584	79,584	\$ -		
2023	613,761	15,344	598,417	77,997	77,997	\$ -		
2024	598,417	15,344	583,073	76,411	76,411	\$ -		
2025	583,073	15,344	567,729	74,825	74,825	\$ -		
2026	567,729	15,344	552,385	73,239	73,239	\$ -		
2027	552,385	15,344	537,041	71,653	71,653	\$ -		
2028	537,041	15,344	521,697	70,067	70,067	\$ -		
2029	521,697	15,344	506,353	68,480	68,480	\$ -		
2030	506,353	15,344	491,009	66,894	66,894	\$ -		
2031	491,009	15,344	475,665	65,308	65,308	\$ -		
2032	475,665	15,344	460,321	63,722	63,722	\$ -		
2033	460,321	15,344	444,977	62,136	62,136	\$ -		
2034	444,977	15,344	429,633	60,550	60,550	\$ -		
2035	429,633	15,344	414,289	58,963	58,963	\$ -		
2036	414,289	15,344	398,945	57,377	57,377	\$ -		
2037	398,945	15,344	383,601	55,791	55,791	\$ -		
2038	383,601	15,344	368,257	54,205	54,205	\$ -		
2039	368,257	15,344	352,912	52,619	52,619	\$ -		
2040	352,912	15,344	337,568	51,033	51,033	\$ -		
2041	337,568	15,344	322,224	49,446	49,446	\$ -		
2042	322,224	15,344	306,880	47,860	47,860	\$ -		
2043	306,880	15,344	291,536	46,274	46,274	\$ -		
2044	291,536	15,344	276,192	44,688	44,688	\$ -		
2045	276,192	15,344	260,848	43,102	43,102	\$ -		
2046	260,848	15,344	245,504	41,516	41,516	\$ -		
2047	245,504	15,344	230,160	39,930	39,930	\$ -		
2048	230,160	15,344	214,816	38,343	38,343	\$ -		
2049	214,816	15,344	199,472	36,757	36,757	\$ -		
2050	199,472	15,344	184,128	35,171	35,171	\$ -		
2051	184,128	15,344	168,784	33,585	33,585	\$ -		
2052	168,784	15,344	153,440	31,999	31,999	\$ -		
2053	153,440	15,344	138,096	30,413	30,413	\$ -		
2054	138,096	15,344	122,752	28,826	28,826	\$ -		
2055	122,752	15,344	107,408	27,240	27,240	\$ -		
2056	107,408	15,344	92,064	25,654	25,654	\$ -		
2057	92,064	15,344	76,720	24,068	24,068	\$ -		
2058	76,720	15,344	61,376	22,482	22,482	\$ -		
2059	61,376	15,344	46,032	20,896	20,896	\$ -		
2060	46,032	15,344	30,688	19,309	19,309	\$ -		
2061	30,688	15,344	15,344	17,723	17,723	\$ -		
2062	15,344	15,344	-	16,137	16,137	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		
2074	-	-	-	-	-	\$ -		
2075	-	-	-	-	-	\$ -		
Project Totals	705,825			2,456,947	2,456,947	-		

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

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	16,151
Current Projected Year ARR w/ Incentive	16,151
Current Projected Year Incentive ARR	-

Investment	Details		Current Year		2021	
Service Year (yyyy)		2019	ROE increase accepted by FERC (Basis Points)			-
Service Month (1-12)		2	FCR w/o incentives, less depreciation		16,454	10.34%
Useful life		46	FCR w/incentives approved for these facilities, less dep.		15,849	10.34%
CIAC (Yes or No)		No	Annual Depreciation Expense		2,929	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #
2019	134,743	2,441	132,302	16,244	16,244	\$ -
2020	132,302	2,929	129,373	16,454	16,454	\$ -
2021	129,373	2,929	126,444	16,651	16,651	\$ -
2022	126,444	2,929	123,514	15,849	15,849	\$ -
2023	123,514	2,929	120,585	15,546	15,546	\$ -
2024	120,585	2,929	117,656	15,243	15,243	\$ -
2025	117,656	2,929	114,727	14,940	14,940	\$ -
2026	114,727	2,929	111,798	14,637	14,637	\$ -
2027	111,798	2,929	108,868	14,335	14,335	\$ -
2028	108,868	2,929	105,939	14,032	14,032	\$ -
2029	105,939	2,929	103,010	13,729	13,729	\$ -
2030	103,010	2,929	100,081	13,426	13,426	\$ -
2031	100,081	2,929	97,152	13,123	13,123	\$ -
2032	97,152	2,929	94,222	12,821	12,821	\$ -
2033	94,222	2,929	91,293	12,518	12,518	\$ -
2034	91,293	2,929	88,364	12,215	12,215	\$ -
2035	88,364	2,929	85,435	11,912	11,912	\$ -
2036	85,435	2,929	82,506	11,609	11,609	\$ -
2037	82,506	2,929	79,576	11,307	11,307	\$ -
2038	79,576	2,929	76,647	11,004	11,004	\$ -
2039	76,647	2,929	73,718	10,701	10,701	\$ -
2040	73,718	2,929	70,789	10,398	10,398	\$ -
2041	70,789	2,929	67,860	10,095	10,095	\$ -
2042	67,860	2,929	64,931	9,793	9,793	\$ -
2043	64,931	2,929	62,001	9,490	9,490	\$ -
2044	62,001	2,929	59,072	9,187	9,187	\$ -
2045	59,072	2,929	56,143	8,884	8,884	\$ -
2046	56,143	2,929	53,214	8,581	8,581	\$ -
2047	53,214	2,929	50,285	8,278	8,278	\$ -
2048	50,285	2,929	47,355	7,976	7,976	\$ -
2049	47,355	2,929	44,426	7,673	7,673	\$ -
2050	44,426	2,929	41,497	7,370	7,370	\$ -
2051	41,497	2,929	38,568	7,067	7,067	\$ -
2052	38,568	2,929	35,639	6,765	6,765	\$ -
2053	35,639	2,929	32,709	6,462	6,462	\$ -
2054	32,709	2,929	29,780	6,159	6,159	\$ -
2055	29,780	2,929	26,851	5,856	5,856	\$ -
2056	26,851	2,929	23,922	5,553	5,553	\$ -
2057	23,922	2,929	20,993	5,251	5,251	\$ -
2058	20,993	2,929	18,063	4,948	4,948	\$ -
2059	18,063	2,929	15,134	4,645	4,645	\$ -
2060	15,134	2,929	12,205	4,342	4,342	\$ -
2061	12,205	2,929	9,276	4,039	4,039	\$ -
2062	9,276	2,929	6,347	3,737	3,737	\$ -
2063	6,347	2,929	3,417	3,434	3,434	\$ -
2064	3,417	2,929	488	3,131	3,131	\$ -
2065	488	488	-	513	513	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
2075	-	-	-	-	-	\$ -
2076	-	-	-	-	-	\$ -
2077	-	-	-	-	-	\$ -
2078	-	-	-	-	-	\$ -
Project Totals		134,743		457,427	457,427	

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.

City of the Valley		RTEP Projected with Incentives **	
RTEP Projected Rev. w/o Incentives		RTEP Projected with Incentives **	
\$ -		\$ -	

Project Totals

134,743

457,427

457,427

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

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

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

AEP East Companies
Cost of Service Formula Rate Using 2021 FF1 Balances
Worksheet L Reserved for Future Use
Appalachian Power Company

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

Line No	Month (a)	Average Balance of Common Equity				Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
1	December Prior to Rate Year	4,344,016,000		(3,463,000)	(2,308,000)	4,349,787,000
2	January	4,392,956,000		(3,463,000)	(2,373,000)	4,398,792,000
3	February	4,405,614,000		(3,463,000)	(2,438,000)	4,411,515,000
4	March	4,435,784,000		(3,463,000)	(2,504,000)	4,441,751,000
5	April	4,442,979,000		(3,463,000)	(2,508,000)	4,448,950,000
6	May	4,432,208,000		(3,463,000)	(2,512,000)	4,438,183,000
7	June	4,449,868,000		(3,463,000)	(2,516,000)	4,455,847,000
8	July	4,485,666,000		(3,463,000)	(2,520,000)	4,491,649,000
9	August	4,495,350,000		(3,463,000)	(2,524,000)	4,501,337,000
10	September	4,512,653,000		(3,463,000)	(2,528,000)	4,518,644,000
11	October	4,527,214,000		(3,463,000)	(2,532,000)	4,533,209,000
12	November	4,538,900,000		(3,463,000)	(2,537,000)	4,544,900,000
13	December of Rate Year	4,576,285,000		(3,463,000)	(2,541,000)	4,582,289,000
14	Average of the 13 Monthly Balances	4,464,576,000	-	(3,463,000)	(2,488,000)	4,470,527,154

Line No	Month (a)	Average Balance of Long Term Debt					Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
		Acct 221 Bonds (b)	Less: Acct 222 Recquired Bonds (c)	Acct 223 LT Advances from Assoc. Companies (d)	Acct 224 Senior Unsecured Notes (e)	Less: Fair Value Hedges (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	225,472,000			4,650,522,000		4,875,994,000
16	January	225,472,000			5,150,522,000		5,375,994,000
17	February	213,016,000			4,800,522,000		5,013,538,000
18	March	213,016,000			4,800,522,000		5,013,538,000
19	April	213,016,000			4,800,522,000		5,013,538,000
20	May	213,016,000			4,800,522,000		5,013,538,000
21	June	213,016,000			4,800,522,000		5,013,538,000
22	July	213,016,000			4,800,522,000		5,013,538,000
23	August	200,079,000			4,800,522,000		5,000,601,000
24	September	200,079,000			4,800,522,000		5,000,601,000
25	October	200,079,000			4,800,522,000		5,000,601,000
26	November	200,079,000			4,783,022,000		4,983,101,000
27	December of Rate Year	200,079,000			4,783,022,000		4,983,101,000
28	Average of the 13 Monthly Balances	209,957,000	-	-	4,813,214,000	-	5,023,170,846

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 2021						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			221,084,000			
31	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 50 below.			(1,128,000)			
32	Plus: Allowed Hedge Recovery From Ln 55 below.			(1,128,000)			
33	Amort of Debt Discount & Expense - Acct 428 (117.63.c)			3,381,000			
34	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)			3,900,000			
35	Less: Amort of Premium on Debt - Acct 429 (117.65.c)						
36	Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)						
37	Total Interest Expense (Ln 30 - 31 + 33 + 34 - 35 - 36)			228,365,000			
38	Average Cost of Debt for 2021 (Ln 37/ Ln 28 (g))			4.55%			

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

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

Amortization Period

HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	Total Hedge (Gain)/Loss for 2021	Less Excludable Amounts (See NOTE on Line 39)	Net Includable Hedge Amount	Remaining Unamortized Balance	Beginning	Ending
40 Senior Unsecured Notes - Series I	-	-	-	-	Jan-05	Jul-14
41 Senior Unsecured Notes - Series K	-	-	-	-	Jun-05	May-15
42 Senior Unsecured Notes - Series L	-	-	-	-	Sep-05	Sep-15
43 Senior Unsecured Notes - Series H	37,000	-	37,000	494,000	May-03	May-33
44 Senior Unsecured Notes - Series N	(194,000)	-	(194,000)	(3,156,000)	Apr-06	Apr-36
45 Senior Unsecured Notes - Series Q	160,000	-	160,000	2,907,000	Mar-08	Apr-38
46 Senior Unsecured Notes - Series S	-	-	-	-	May-10	May-15
47 Senior Unsecured Notes - Series T	(1,131,000)	-	(1,131,000)	(1,383,000)	Mar-11	Mar-21
48			-			
49				(1,138,000)		
50 Total Hedge Amortization	(1,128,000)	-				
51 Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48)			(1,128,000)			
52 Total Average Capital Structure Balance for 2021 (TCOS, Ln 157)			9,493,697,846			
53 Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
54 Limit of Recoverable Amount			4,746,849			
55 Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)			(1,128,000)			

Development of Cost of Preferred Stock

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

61 0% Series - 0 - Dividend Rate (p. 250-251)
62 0% Series - 0 - Par Value (p. 250-251)
63 0% Series - 0 - Shares O/S (p.250-251)
64 0% Series - 0 - Monetary Value (Ln 62 * Ln 63)
65 0% Series - 0 - Dividend Amount (Ln 61 * Ln 64)

	0.000%	0.000%	
\$	-	\$	-
	-		-
	-		-

66 0% Series - 0 - Dividend Rate (p. 250-251)
67 0% Series - 0 - Par Value (p. 250-251)
68 0% Series - 0 - Shares O/S (p.250-251)
69 0% Series - 0 - Monetary Value (Ln 67 * Ln 68)
70 0% Series - 0 - Dividend Amount (Ln 66 * Ln 69)

	0.000%	0.000%	
\$	-	\$	-
	-		-
	-		-

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)
0.00%	0.00%	0.00%	0.00%	

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

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

	(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	Functionalized Proceeds (Gain) / Loss	FERC Account
1						-	0.000%	-	
2						-	0.000%	-	
3						-	0.000%	-	
4				Net (Gain) or Loss for 2021		-		-	

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

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

Allocation of PBOP Settlement Amount for 2021

Total Company Amount

Line#	Company	Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOP Recovery Allowance	Labor Allocator for 2021	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B) * -127042000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
2	APCo	(16,579,000)	36.54%	(46,416,231)	9.207%	(1,526,430)	(4,273,546)	2,747,116
3	I&M	(12,009,000)	26.46%	(33,621,601)	4.475%	(537,358)	(1,504,441)	967,083
4	KPCo	(3,821,000)	8.42%	(10,697,655)	7.824%	(298,953)	(836,980)	538,026
5	KNGP	(376,000)	0.83%	(1,052,687)	11.212%	(42,157)	(118,027)	75,870
6	OPCo	(11,910,000)	26.25%	(33,344,430)	11.570%	(1,377,956)	(3,857,865)	2,479,909
7	WPCo	(682,000)	1.50%	(1,909,396)	3.184%	(21,718)	(60,803)	39,085
8	Sum of Lines 2 to 7	(45,377,000)		(127,042,000)		(3,804,572)	(10,651,662)	6,847,090

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

	APCo	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9 Direct Charged PBOP Expense per Actuarial Report	(12,806,000)	(10,920,000)	(3,094,000)	(262,000)	(8,879,000)	(329,000)	(36,290,000)
10 Additional PBOP Ledger Entries (from Company Records)	351,000	1,340,000	306,000	-	-	(263,000)	
11 Medicare Subsidy							-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(12,455,000)	(9,580,000)	(2,788,000)	(262,000)	(8,879,000)	(592,000)	(34,556,000)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(4,124,000)	(2,429,000)	(1,033,000)	(114,000)	(3,031,000)	(89,000)	(10,820,000)
14 Company PBOP Expense (Ln 12 + Ln 13)	(16,579,000)	(12,009,000)	(3,821,000)	(376,000)	(11,910,000)	(681,000)	(45,376,000)

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

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF 3/6/2019
FOR MULTIPLE JURISDICTION COMPANIES
Appalachian Power Company

	VIRGINIA				WEST VIRGINIA			FERC WHOLESALE			FERC KINGSFORT			COMPANY
	(1)				(2)			(3)			(4)			
	PLANT	VA SCC	ALLOCATION	WTD AVG.	PSC OF WV	ALLOCATION	WTD AVG.	FERC	ALLOCATION	WTD AVG.	FERC	ALLOCATION	WTD AVG.	WTD AVG.
	ACCT.	RATES	FACTOR (5)	DEPREC.	APPROVED	FACTOR (5)	DEPREC.	RATES	FACTOR (5)	RATE	RATES	FACTOR (5)	RATE	DEPREC.
				RATE	RATES		RATE							RATE
TRANSMISSION PLANT														
Land Rights - Va.	350.1	0.66%	1.000000	0.66%										0.66%
Energy Storage Equip	351.0				14.22%	1.000000	14.22%							14.22%
Structures & Improvements	352.0	1.55%	0.492648	0.76%	1.62%	0.414603	0.67%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	1.63%
Station Equipment	353.0	1.95%	0.492648	0.96%	2.37%	0.414603	0.98%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	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%	0.058874	0.13%	1.42%
Poles & Fixtures	355.0	2.77%	0.492648	1.36%	2.71%	0.414603	1.12%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	2.68%
Overhead Conductor	356.0	1.01%	0.492648	0.50%	1.53%	0.414603	0.63%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	1.33%
Underground Conduit	351.0	1.23%	0.492648	0.61%	3.71%	0.414603	1.54%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	2.35%
Underground Conductors	351.0	3.18%	0.492648	1.57%	5.24%	0.414603	2.17%	2.19%	0.033874	0.07%	2.19%	0.058874	0.13%	3.94%
GENERAL PLANT														
Structures & Improvements	390.0	1.50%	0.519557	0.78%	1.91%	0.425935	0.81%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.78%
Office Furniture & Equipment	391.0	2.78%	0.519557	1.44%	3.17%	0.425935	1.35%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	2.98%
Transportation Equipment	392.0	0.00%	0.519557	0.00%	3.40%	0.425935	1.45%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.64%
Stores Equipment	393.0	1.60%	0.519557	0.83%	1.80%	0.425935	0.77%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.79%
Tools Shop & Garage Equipment	394.0	2.07%	0.519557	1.08%	2.57%	0.425935	1.09%	3.43%	0.019780	0.07%	3.43%	0.034728	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%	0.034728	0.12%	2.69%
Power Operated Equipment	396.0	0.00%	0.519557	0.00%	3.90%	0.425935	1.66%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	1.85%
Communication Equipment	397.0	3.27%	0.519557	1.70%	4.98%	0.425935	2.12%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	4.01%
Miscellaneous Equipment	398.0	2.51%	0.519557	1.30%	2.70%	0.425935	1.15%	3.43%	0.019780	0.07%	3.43%	0.034728	0.12%	2.64%

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

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

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

(2) Approved by PSC of WV Order dated May 26, 2015 in
Case No. 14-1151-E-D effective June 1, 2015.

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

(6) 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 jurisdiction's rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate for the company.

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

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF OCTOBER 1, 2018
FOR MULTIPLE JURISDICTION COMPANIES
INDIANA MICHIGAN POWER COMPANY

	INDIANA				MICHIGAN			FERC WHOLESALE			COMPANY
	(1)			WTD AVG.	(2)		WTD AVG.	(3)		WTD AVG.	
PLANT	IURC	ALLOCATION	DEPREC.		MPSC	ALLOCATION	DEPREC.	FERC	ALLOCATION	DEPREC.	WTD AVG.
ACCT.	RATES	FACTOR (4)	RATE		APPROVED	FACTOR (4)	RATE	RATES	FACTOR (4)	RATE	DEPREC.
TRANSMISSION PLANT											
Land Improvements	350.1	1.4800%	0.652103	0.9651%	1.4400%	0.144206	0.2077%	1.4400%	0.203691	0.2933%	1.47%
Structures & Improvements	352.0	1.5500%	0.652103	1.0108%	1.5000%	0.144206	0.2163%	1.5000%	0.203691	0.3055%	1.53%
Station Equipment	353.0	1.8600%	0.652103	1.2129%	1.8400%	0.144206	0.2653%	1.8400%	0.203691	0.3748%	1.85%
Towers & Fixtures	354.0	1.6900%	0.652103	1.1021%	1.5700%	0.144206	0.2264%	1.5700%	0.203691	0.3198%	1.65%
Poles & Fixtures	355.0	2.8500%	0.652103	1.8585%	2.8300%	0.144206	0.4081%	2.8300%	0.203691	0.5764%	2.84%
Overhead Conductors	356.0	1.9700%	0.652103	1.2846%	1.8900%	0.144206	0.2725%	1.8900%	0.203691	0.3850%	1.94%
Underground Conduit	357.0	1.8600%	0.652103	1.2129%	1.7700%	0.144206	0.2552%	1.7700%	0.203691	0.3605%	1.83%
Underground Conductors	358.0	1.7000%	0.652103	1.1086%	1.6600%	0.144206	0.2394%	1.6600%	0.203691	0.3381%	1.69%
Trails & Roads	359.0	1.5000%	0.652103	0.9782%	1.4800%	0.144206	0.2134%	1.4800%	0.203691	0.3015%	1.49%

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

(2) As approved in MICHIGAN Case No. U18370.

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

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

GENERAL NOTES:

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

I&M falls under the authority of Indiana, Michigan and the FERC. Therefore, I&M's rates are a composite of the jurisdictions under which it operates. Each jurisdiction's rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate 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 09/1/2016
FOR SINGLE JURISDICTION COMPANIES
KINGSPORT POWER COMPANY

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	1.04%
Station Equipment	353.0	1.49%
Towers & Fixtures	354.0	0.12%
Poles & Fixtures	355.0	2.14%
Overhead Conductors	356.0	0.77%
Underground Conduit	351.0	Note 2
Underground Conductors	351.0	Note 2
Composite Transmission Depreciation Rate		1.46%
GENERAL PLANT		
Structures & Improvements	390.0	1.71%
Office Furniture & Equipment	391.0	2.82%
Stores Equipment	393.0	2.22%
Tools Shop & Garage Equipmen	394.0	3.12%
Laboratory Equipment	395.0	3.17%
Communication Equipment	397.0	3.32%
Miscellaneous Equipment	398.0	4.92%
Total General Plant		3.25%

Reference:

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

Note 2: Kingsport Power Company does not have investment in plant
accounts 351 or 351. Therefore, there are no depreciation rates approved

General Note

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

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

	PLANT ACCT.	RATES Note 1
<hr/> <i>TRANSMISSION PLANT</i> <hr/>		
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	351.0	2.99%
Underground Conductors	351.0	2.62%

Reference:

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

General Note

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

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

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	2.02%
Station Equipment	353.0	2.29%
Twrs and Fixtures Above 69 KV	354.0	1.88%
Twrs and Fixtures Below 69 KV	354.0	1.88%
Poles and Fixtures Above 69 KV	355.0	3.52%
Poles and Fixtures Below 69 KV	355.0	3.52%
Overhead Conductor & Devices Above 69KV	356.0	1.91%
Overhead Conductor & Devices MSP	356.0	1.91%
Overhead Conductor & Devices 138KV	356.0	1.91%
Overhead Conductor & Devices 69KV	356.0	1.91%
Overhead Conductor & Devices CLR	356.0	1.91%
Underground Conduit	351.0	2.26%
Underground Conductors	351.0	3.27%

Reference:

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

General Note:

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

AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 3/6/2019
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	351.0	9.94%
Underground Conductors	351.0	13.98%
Trails & Roads	359.0	-
GENERAL PLANT		
Structures & Improvements	390.0	1.08%
Office Furniture & Equipment	391.0	2.13%
Stores Equipment	393.0	1.78%
Tools Shop & Garage Equipment	394.0	1.65%
Communication Equipment	397.0	5.09%
Miscellaneous Equipment	398.0	2.76%

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

General Note:

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

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

Reconciliation Revenue Requirement For Year 2019 Available May 25, 2020
\$300,853,027

2019 Forecasted Revenue Requirement For Year 2019
\$304,507,346

=

True-up Adjustment - Over (Under) Recovery
\$3,654,319

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.4195%				

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

<u>Calculation of Interest</u>					Monthly	
January	Year 2019	304,527	0.4195%	12	(15,330)	(319,856)
February	Year 2019	304,527	0.4195%	11	(14,052)	(318,579)
March	Year 2019	304,527	0.4195%	10	(12,775)	(317,301)
April	Year 2019	304,527	0.4195%	9	(11,497)	(316,024)
May	Year 2019	304,527	0.4195%	8	(10,220)	(314,747)
June	Year 2019	304,527	0.4195%	7	(8,942)	(313,469)
July	Year 2019	304,527	0.4195%	6	(7,665)	(312,192)
August	Year 2019	304,527	0.4195%	5	(6,387)	(310,914)
September	Year 2019	304,527	0.4195%	4	(5,110)	(309,637)
October	Year 2019	304,527	0.4195%	3	(3,832)	(308,359)
November	Year 2019	304,527	0.4195%	2	(2,555)	(307,082)
December	Year 2019	304,527	0.4195%	1	(1,277)	(305,804)
					(99,644)	(3,753,963)

					Annual	
January through December	Year 2019	(3,753,963)	0.4195%	12	(188,975)	(3,942,938)

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					Monthly	
January	Year 2021	3,942,938	0.4195%		(16,541)	(3,621,872)
February	Year 2021	3,621,872	0.4195%		(15,194)	(3,299,459)
March	Year 2021	3,299,459	0.4195%		(13,841)	(2,975,694)
April	Year 2021	2,975,694	0.4195%		(12,483)	(2,650,571)
May	Year 2021	2,650,571	0.4195%		(11,119)	(2,324,084)
June	Year 2021	2,324,084	0.4195%		(9,750)	(1,996,227)
July	Year 2021	1,996,227	0.4195%		(8,374)	(1,666,994)
August	Year 2021	1,666,994	0.4195%		(6,993)	(1,336,381)
September	Year 2021	1,336,381	0.4195%		(5,606)	(1,004,381)
October	Year 2021	1,004,381	0.4195%		(4,213)	(670,988)
November	Year 2021	670,988	0.4195%		(2,815)	(336,196)
December	Year 2021	336,196	0.4195%		(1,410)	0
					(108,339)	

True-Up Adjustment with Interest	(4,051,277)
Less Over (Under) Recovery	3,654,319
Total Interest	(396,958)

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

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

Reconciliation Revenue Requirement For Year 2019 Available May 25, 2020		2019 Forecasted Revenue Requirement For Year 2019		True-up Adjustment - Over (Under) Recovery
\$27,275,365	-	\$25,986,264	=	(\$1,289,101)

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Average Monthly Interest Rate 0.4195%	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020							
<u>Calculation of Interest</u>					Monthly		
January	Year 2019	(107,425)	0.4195%	12	5,408		112,833
February	Year 2019	(107,425)	0.4195%	11	4,957		112,382
March	Year 2019	(107,425)	0.4195%	10	4,506		111,932
April	Year 2019	(107,425)	0.4195%	9	4,056		111,481
May	Year 2019	(107,425)	0.4195%	8	3,605		111,030
June	Year 2019	(107,425)	0.4195%	7	3,155		110,580
July	Year 2019	(107,425)	0.4195%	6	2,704		110,129
August	Year 2019	(107,425)	0.4195%	5	2,253		109,678
September	Year 2019	(107,425)	0.4195%	4	1,803		109,228
October	Year 2019	(107,425)	0.4195%	3	1,352		108,777
November	Year 2019	(107,425)	0.4195%	2	901		108,326
December	Year 2019	(107,425)	0.4195%	1	451		107,876
					35,151		1,324,251
January through December		1,324,251	0.4195%	12	66,663		1,390,914
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					Monthly		
January	Year 2021	(1,390,914)	0.4195%		5,835	(119,094)	1,277,655
February	Year 2021	(1,277,655)	0.4195%		5,360	(119,094)	1,163,920
March	Year 2021	(1,163,920)	0.4195%		4,883	(119,094)	1,049,708
April	Year 2021	(1,049,708)	0.4195%		4,404	(119,094)	935,018
May	Year 2021	(935,018)	0.4195%		3,922	(119,094)	819,846
June	Year 2021	(819,846)	0.4195%		3,439	(119,094)	704,191
July	Year 2021	(704,191)	0.4195%		2,954	(119,094)	588,050
August	Year 2021	(588,050)	0.4195%		2,467	(119,094)	471,423
September	Year 2021	(471,423)	0.4195%		1,978	(119,094)	354,306
October	Year 2021	(354,306)	0.4195%		1,486	(119,094)	236,698
November	Year 2021	(236,698)	0.4195%		993	(119,094)	118,597
December	Year 2021	(118,597)	0.4195%		498	(119,094)	(0)
					38,218		
True-Up Adjustment with Interest						1,429,132	
Less Over (Under) Recovery						(1,289,101)	
Total Interest						140,031	

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

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

Reconciliation Revenue Requirement For Year 2019 Available May 25, 2020	-	2019 Forecasted Revenue Requirement For Year 2019	=	True-up Adjustment - Over (Under) Recovery
\$2,827,116		\$5,030,683		\$2,203,567

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.4195%				

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

Calculation of Interest				Monthly		
January	Year 2019	183,631	0.4195%	12	(9,244)	(192,875)
February	Year 2019	183,631	0.4195%	11	(8,474)	(192,104)
March	Year 2019	183,631	0.4195%	10	(7,703)	(191,334)
April	Year 2019	183,631	0.4195%	9	(6,933)	(190,564)
May	Year 2019	183,631	0.4195%	8	(6,163)	(189,793)
June	Year 2019	183,631	0.4195%	7	(5,392)	(189,023)
July	Year 2019	183,631	0.4195%	6	(4,622)	(188,253)
August	Year 2019	183,631	0.4195%	5	(3,852)	(187,482)
September	Year 2019	183,631	0.4195%	4	(3,081)	(186,712)
October	Year 2019	183,631	0.4195%	3	(2,311)	(185,942)
November	Year 2019	183,631	0.4195%	2	(1,541)	(185,171)
December	Year 2019	183,631	0.4195%	1	(770)	(184,401)
					(60,086)	(2,263,653)

January through December	Year 2019	(2,263,653)	0.4195%	12	(113,952)	(2,377,605)
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Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months				Monthly		
January	Year 2021	2,377,605	0.4195%		(9,974)	203,578
February	Year 2021	2,184,001	0.4195%		(9,162)	203,578
March	Year 2021	1,989,585	0.4195%		(8,346)	203,578
April	Year 2021	1,794,354	0.4195%		(7,527)	203,578
May	Year 2021	1,598,303	0.4195%		(6,705)	203,578
June	Year 2021	1,401,430	0.4195%		(5,879)	203,578
July	Year 2021	1,203,732	0.4195%		(5,050)	203,578
August	Year 2021	1,005,203	0.4195%		(4,217)	203,578
September	Year 2021	805,842	0.4195%		(3,381)	203,578
October	Year 2021	605,645	0.4195%		(2,541)	203,578
November	Year 2021	404,608	0.4195%		(1,697)	203,578
December	Year 2021	202,727	0.4195%		(850)	203,578
					(65,329)	

True-Up Adjustment with Interest	(2,442,934)
Less Over (Under) Recovery	2,203,567
Total Interest	(239,367)

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