

AEPTCo subsidiaries in PJM
Transmission Cost of Service Formula Rate
Utilizing Actual/Projected FERC Form 1 Data

West Virginia Transmission Company

For Twelve Months Ended

2021

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 113)				\$198,705,664
2	REVENUE CREDITS	(Worksheet E, In 8) (Note A)	Total	-	DA 1.00000	\$ -
3	Facility Credits under PJM OATT Section 30.9	Worksheet E, In 9) (Note X)				0
4	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2 plus In 3)				\$ 198,705,664

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)	51,804,234	DA	1.00000	\$ 51,804,234
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	((In 1 - In 80)/((In 33) x 100))			13.24%
8	Monthly Rate	(In 7 / 12)			1.10%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	((In 1 - In 80 - In 83)/((In 33) x 100))			10.62%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	((In 1 - In 80 - In 83 - In 108 - In 109) /((In 33) x 100))			2.44%
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 63 Below			907,000
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				-
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			907,000

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	(1)	(2)	(3)	(4)	(5)
		Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
Line No.					
	RATE BASE CALCULATION				
19	GROSS PLANT IN SERVICE				
19	Transmission	(Worksheet A In 14.(d) & Ln 117)	1,601,229,000	DA 1.00000	1,601,229,000
20	Less: Transmission ARO (Enter Negative)	(Worksheet A In 14.(e))	-	TP 1.00000	-
21	General Plant	(Worksheet A In 14.(h))	2,356,000	W/S 1.00000	2,356,000
22	Less: General Plant ARO (Enter Negative)	(Worksheet A In 14.(i))	-	W/S 1.00000	-
23	Intangible Plant	(Worksheet A In 14.(j))	17,575,000	W/S 1.00000	17,575,000
24	TOTAL GROSS PLANT	(Sum of Lines: 19 to 23)	1,621,160,000	GP= 1.000000 GTD= 1.00000	1,621,160,000
25	ACCUMULATED DEPRECIATION AND AMORTIZATION				
26	Transmission	(Worksheet A In 28.(d) & Ln 43.(b))	100,233,000	TP1= 1.00000	100,233,000
27	Less: Transmission ARO (Enter Negative)	(Worksheet A In 28.(e))	-	TP1= 1.00000	-
28	General Plant	(Worksheet A In 28.(h))	123,000	W/S 1.00000	123,000
29	Less: General Plant ARO (Enter Negative)	(Worksheet A In 28.(i))	-	W/S 1.00000	-
30	Intangible Plant	(Worksheet A In 28.(j))	8,421,000	W/S 1.00000	8,421,000.00
31	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 26 to 30)	108,777,000		108,777,000
32	NET PLANT IN SERVICE				
33	Transmission	(In 19 + In 20 - In 26 - In 27)	1,500,996,000		1,500,996,000
34	General Plant	(In 21 + In 22 - In 28 - In 29)	2,233,000		2,233,000
35	Intangible Plant	(In 23 - In 30)	9,154,000		9,154,000
36	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 33 to 35)	1,512,383,000	NP= 1.000000	1,512,383,000
37	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
38	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	-	NA	-
39	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(180,015,500)	DA	(176,273,000)
40	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(38,480,000)	DA	(38,480,000)
41	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	8,490,500	DA	8,490,500
42	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	-	DA	-
43	TOTAL ADJUSTMENTS	(sum Ins 38 to 42)	(210,005,000)		(206,262,500)
44	PLANT HELD FOR FUTURE USE	(Worksheet A In 44.(e)) In 45.(e)	-	DA	-
45	REGULATORY ASSETS	(Worksheet A In 51.(e))	-	DA	-
46	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y)	(Worksheet A In 54.(e))	-	W/S 1.00000	-
47	WORKING CAPITAL	(Note E)			
48	Cash Working Capital	(1/8 * In 66)	2,109,625		2,109,625
49	Transmission Materials & Supplies	(Worksheet C, In 2.(F))	-	TP 1.00000	-
50	A&G Materials & Supplies	(Worksheet C, In 3.(F))	-	W/S 1.00000	-
51	Stores Expense	(Worksheet C, In 4.(F))	-	GP 1.00000	-
52	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.(G))	-	W/S 1.00000	-
53	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.(F))	368,000	GP 1.00000	368,000
54	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.(E))	-	DA 1.00000	-
55	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.(D))	-	NA 0.00000	-
56	TOTAL WORKING CAPITAL	(sum Ins 48 to 55)	2,477,625		2,477,625
57	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8.B)	-	DA 1.00000	-
58	RATE BASE (sum Ins 36, 43, 44, 45, 46, 56, 57)		1,304,855,625		1,308,598,125

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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					
59	Customer Related Expense	322 & 323.164,171,178.b	-			
60	Regional Marketing Expenses	322.131.b	-			
61	Transmission	321.112.b	17,784,000			
62	TOTAL O&M EXPENSES	(sum Ins 59 to 61)	17,784,000			
63	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	907,000			
64	Less: Account 565	(Note H) 321.96.b	-			
65	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-			
66	Total O&M Allocable to Transmission	(Ins 61 - 63 - 64 - 65)	16,877,000	TP 1.00000	16,877,000	
67	Administrative and General	323.197.b (Notes J & M)	5,764,000			
68	Less: Acct. 924, Property Insurance	323.185.b	269,000			
69	Acct. 928, Reg. Com. Exp.	323.189.b	-			
70	Acct. 930.1, Gen. Advert. Exp.	323.191.b	-			
71	Acct. 930.2, Misc. Gen. Exp.	323.192.b	17,000			
72	Balance of A & G	(In 67 - sum In 68 to In 71)	5,478,000	W/S 1.00000	5,478,000	
73	Plus: Acct. 924, Property Insurance	(In 68)	269,000	GP(h) 1.00000	269,000	
74	Acct. 928 - Transmission Specific	Worksheet F In 21.(E) (Note L)	-	TP 1.00000	-	
75	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 38.(E) (Note L)	-	TP 1.00000	-	
76	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 42.(E) (Note L)	(22,000)	DA 1.00000	(22,000)	
77	PBOP Adjustment	Worksheet O Ln 16.(B); (Note K & M)	332,000	W/S 1.00000	332,000	
78	A & G Subtotal	(sum Ins 72 to 77)	6,057,000		6,057,000	
79	O & M EXPENSE SUBTOTAL	(In 66 + In 78)	22,934,000		22,934,000	
80	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA 1.00000	-	
81	TOTAL O & M EXPENSE	(In 79 + In 80)	22,934,000		22,934,000	
82	DEPRECIATION AND AMORTIZATION EXPENSE					
83	Transmission	336.7.f	39,240,000	TP1 1.00000	39,240,000	
84	General	336.10.f	39,000	W/S 1.00000	39,000	
85	Intangible	336.1.f	3,058,000	W/S 1.00000	3,058,000	
86	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 83+84+85)	42,337,000		42,337,000	
87	TAXES OTHER THAN INCOME	(Note N)				
88	Labor Related					
89	Payroll	Worksheet H In 23.(D)	-	W/S 1.00000	-	
90	Plant Related					
91	Property	Worksheet H-p2 In 3.(C) & In 3.(G)	10,613,000	DA 1.00000	10,613,000	
92	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	-	NA 0.00000	-	
93	Other	Worksheet H In 23.(E)	-	GP 1.00000	-	
94	TOTAL OTHER TAXES	(sum Ins 89 to 93)	10,613,000		10,613,000	
95	INCOME TAXES	(Note O)				
96	$T = 1 - [(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)] =$		26.14%			
97	$EIT = [T / (1 - T)] * (1 - (WCLTD / WACC)) =$		27.33%			
98	where WCLTD=(In 136) and WACC = (In 139)					
99	and FIT, SIT & p are as given in Note O.					
100	$GRCF = 1 / (1 - T) =$ (from In 96)		1.3538			
101	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-			
102	Excess Deferred Income Tax	(Note T)	551,000	NP(h) 1.00000	551,000	
103	Tax Effect of Permanent and Flow-Through Differences	(Note T)	161,000	NP(h) 1.00000	161,000	
104	Income Tax Calculation	(In 97 * In 109)	26,083,301		26,158,111	
105	ITC adjustment	(In 100 * In 101)	-	NP(h) 1.00000	-	
106	Excess Deferred Income Tax	(In 100 * In 102)	745,955		745,955	
107	Tax Effect of Permanent and Flow-Through Differences	(In 100 * In 103)	217,965		217,965	
108	TOTAL INCOME TAXES	(sum Ins 104 to 107)	27,047,222		27,122,032	
109	RETURN ON RATE BASE (Rate Base*WACC)	(In 58 * In 139)	95,425,937		95,699,632	
110	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA 1.00000	-	
111	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-		-	
112	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 111 * In 97)		-		-	
113	TOTAL REVENUE REQUIREMENT		198,357,159		198,705,664	
	(sum Ins 81, 86, 94, 108, 109, 110, 111, 112)					

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
114	Total transmission plant	(In 19)								1,601,229,000
115	Less transmission plant excluded from PJM Tariff	(Worksheet A, In 42.(d)) (Note P)								-
116	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 42. Col. (b)) (Note Q)									-
117	Transmission plant included in PJM Tariff	(In 114 - In 115 - In 116)								1,601,229,000
118	Percent of transmission plant in PJM Tariff	(In 117 / In 114)							TP=	1.00000
119	WAGES & SALARY ALLOCATOR (W/S)	(Note R)								
120	Line <i>Deliberately Left Blank</i>									
121	Transmission	354.21.b	0	5,539,000	5,539,000	TP	1.00000			5,539,000
122	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000			-
123	Line <i>Deliberately Left Blank</i>									
124	Other (Excludes A&G)	354.24.25.26.b	0	0	-	NA	0.00000			-
125	Total	(sum Ins 121, 122, & 124)	-	5,539,000	5,539,000					5,539,000
126	Transmission related amount								W/S=	1.00000
	Actual (Uncapped) Capital Structure									
127	WEIGHTED AVERAGE COST OF CAPITAL (WACC)									\$
128	Long Term Interest	(Worksheet M, In.36, col.(d))								26,317,000
129	Preferred Dividends	(Worksheet M, In. 45, col.(d))								-
130	Development of Common Stock:									
131	Proprietary Capital	(Worksheet M, In. 14, col.(b))								863,523,000
132	Less: Preferred Stock	(Worksheet M, In. 14, col.(c))								-
133	Less: Account 216.1	(Worksheet M, In. 14, col.(d))								-
134	Less: Account 219	(Worksheet M, In. 14, col.(e))								-
135	Common Stock	(In 131 - In 132 - In 133 - In 134)								863,523,000
			Capital Structure Percentages				Cost			
			\$	%		Cap Limit	(Note S)		Weighted	
136	Long Term Debt (Note S) Worksheet M, In 28, col. (g), In 37, col. (d))		718,446,000	45.41%	45.41%		3.66%			0.0166
137	Preferred Stock (In 132)		-	0.00%	0.00%		0.00%			0.0000
138	Common Stock (In 135)		863,523,000	54.59%	54.59%		10.35%			0.0565
139	Total (Sum Ins 136 to 138)		1,581,969,000	100.00%					WACC=	0.0731
140	Capital Structure Equity Limit (Note Z)			55.00%						

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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 Transmission Companies have any directly assigned transmission facilities, the revenue credits in the 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 R 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 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 flow throughs and is completely excluded if the utility chose to utilize amortization of tax credits against FIT expense. An exception to this is pre-1971 ITC balances, which are required to be taken as an offset to rate base. Account 281 is not allocated. In compliance with FERC Rulemaking RM02-7-000, Asset Retirement Obligation deferrals have been removed from ratebase. Transmission ADIT allocations are shown on WS B.
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). Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the informational filing.
The company will not include the ADIT portion of deferred hedge gains and losses in rate base.
- E Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 66. It excludes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 63.
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 65
4) All A&G Expenses, as shown on line 78.
- F Consistent with Paragraph 657 of Order 2003-A, the amount on line 57 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 110.
- 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 66. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such costs are added back on line 80 to determine the total O&M collected in the formula. The amounts on line80 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12.

The addbacks on line80 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 line80 is the West Virginia Transmission 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 The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense.
- L Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M See note K above. Recoverable PBOP expense is based on a rate of \$(0.058) cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.
- N Includes only FICA, unemployment, highway, property and other assessments. 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 101) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.

Inputs Required:
- | | | |
|-------|--------|---|
| FIT = | 21.00% | |
| SIT = | 6.50% | (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 (Ln 128)/average long term debt (Ln 136). Preferred Stock cost rate = preferred dividends (Ln 129)/preferred outstanding (ln 137).
Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER10-355. It includes an additional 50 basis points for PJM RTO membership. All Transmission Companies other than AEP Appalachian Transmission Company utilize their own capital structure and costs as shown on Worksheet M. The calculations on Worksheet M will use the projected or actual 13 month average balances of long-term debt, common and preferred equity and calendar year long term debt interest expenses, preferred dividends and approved ROE. The long term debt balances and long term debt cost rate shall not include any amounts related to hedging activity. As shown on Worksheet Q, the AEP Appalachian Transmission Company capital structure and weighted cost of capital (WACC) shall be based on the weighted composite of the AEP East Operating Companies beginning and ending average outstanding LTD and PS issuances with the common equity portion in Docket No. ER08-1329, and (2) the weighted composite LTD and PS cost using projected or actual calendar year LTD expense and PS dividends of the AEP East Operating Companies excluding all interest rate hedging costs and/or gains, until the Company establishes its own actual capital structure.
- 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.
- T
- U 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
- V The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
- W AEP Transmission Companies will record depreciation expense using composites of the depreciation rates shown on Worksheet P which rates will not be changed absent a Section 205 or 206 filing at FERC to seek a change in depreciation rates. No other changes to the formula rate may be included in that filing.

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
Y 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,
Z shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
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.
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.

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

Line No	Month (a)	Gross Plant In Service				
		Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
		FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
	(Note A)					
1	December Prior to Rate Year	1,459,333,000	-	2,265,000	-	16,423,000
2	January	1,461,343,000	-	2,320,000	-	16,563,000
3	February	1,463,085,000	-	2,279,000	-	16,737,000
4	March	1,467,946,000	-	2,232,000	-	16,947,000
5	April	1,475,766,000	-	2,254,000	-	17,158,000
6	May	1,498,752,000	-	2,241,000	-	17,366,000
7	June	1,556,441,000	-	2,115,000	-	17,571,000
8	July	1,625,410,000	-	2,178,000	-	17,773,000
9	August	1,668,187,000	-	2,180,000	-	17,974,000
10	September	1,689,646,000	-	2,479,000	-	18,181,000
11	October	1,719,244,000	-	2,597,000	-	18,389,000
12	November	1,790,469,000	-	2,703,000	-	18,598,000
13	December of Rate Year	1,940,352,000	-	2,789,000	-	18,798,000
14	Average of the 13 Monthly Balances	1,601,229,000	-	2,356,000	-	17,575,000

Line No	Month (a)	Accumulated Depreciation				
		Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
		FF1, page 219, In 25, Col. (b)	Company Records (Included in total in Column (d))	FF1, page 219, In 28, Col. (b)	Company Records (Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
	(Note A)					
15	December Prior to Rate Year	81,765,000	-	105,000	-	6,928,000
16	January	84,374,000	-	107,000	-	7,166,000
17	February	87,393,000	-	111,000	-	7,405,000
18	March	90,416,000	-	114,000	-	7,648,000
19	April	93,450,000	-	117,000	-	7,894,000
20	May	96,501,000	-	120,000	-	8,144,000
21	June	99,605,000	-	123,000	-	8,397,000
22	July	102,839,000	-	125,000	-	8,653,000
23	August	106,230,000	-	128,000	-	8,913,000
24	September	109,717,000	-	130,000	-	9,176,000
25	October	113,254,000	-	134,000	-	9,443,000
26	November	116,857,000	-	139,000	-	9,713,000
27	December of Rate Year	120,622,000	-	144,000	-	9,987,000
28	Average of the 13 Monthly Balances	100,233,000	-	123,000	-	8,421,000

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

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 (d) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year	-	-	-	-
30	January	-	-	-	-
31	February	-	-	-	-
32	March	-	-	-	-
33	April	-	-	-	-
34	May	-	-	-	-
35	June	-	-	-	-
36	July	-	-	-	-
37	August	-	-	-	-
38	September	-	-	-	-
39	October	-	-	-	-
40	November	-	-	-	-
41	December of Rate Year	-	-	-	-
42	Average of the 13 Monthly Balances	-	-	-	-

43 Transmission Accumulated Depreciation net of GSU 100,233,000

<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, ln 47, Col. (d)	-	-	-
45 <u>Transmission Plant Held For Future Use (Included in total on line 4</u>	Company Records - Note 1	-	-	-

Regulatory Assets and Liabilities Approved for Recovery In Ratebase

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

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

Unfunded Reserves Summary (Company Records)

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

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
West Virginia Transmission Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 2021</u>	<u>(D) Balance @ December 31, 2020</u>	<u>(E) Average Balance for 2021</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, In 8, Col. (k)	-	-	-
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)	-	-	-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)	-	-	-
5	Transmission Related Deferrals	Ln 2 - In 3 - In 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, In 5, Col. (k)	186,953,000	173,078,000	180,015,500
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	-	-	-
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	7,485,000	-	3,742,500
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	179,468,000	173,078,000	176,273,000
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	38,292,000	38,668,000	38,480,000
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	-	-	-
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	-	-	-
15	Transmission Related Deferrals	Ln 12 - In 13 - In 14	38,292,000	38,668,000	38,480,000
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	8,663,000	8,318,000	8,490,500
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	-	-	-
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	-	-	-
20	Transmission Related Deferrals	Ln 17 - In 18 - In 19	8,663,000	8,318,000	8,490,500
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, In 8, Col. (h)	-	-	-
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	-	-	-
24	ITC Balances Includeable in Ratebase	Ln 22 - In 23	-	-	-
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 20 (Note 1)	-	-	-

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The 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 Worksheet B.

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 ELECTRIC	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	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															
2.04		0	0	0	0	0									
2.05		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:														
5.39				0	0	0									
5.40				0	0	0									
5.41				0	0	0									
6	TOTAL ACCOUNT 282	0	0	0	0	0	0	0	0	0	0	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:														
9.94				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 A/C 255						0	0	0						
18.01		0	0			0	0	0	0						
18.02		0	0			0	0	0	0						
19							0	0	0						
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DEBIT (CREDIT)

[illegible]

WEST VIRGINIA TRANSMISSION COMPANY, INC.
Worksheet B-3
Excess/ Deficient ADIT Worksheet
For Year Ended December 31, 2019
Debit/(Credit)

A B C D E

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

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 balance or entry. Accounts with the "1" in the fourth place of the account number indicates accounts used to track regulatory accounting requirements. This will ensure that in the formula rate the excess amount will be part of ratebase, but at the total FERC account in the "4" will be offset on a net basis in the regulatory asset or liability subaccount established for this purpose.

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

NOTE C: The 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 D: In the event of future tax rate changes, additional lines will be inserted as required to reflect any new ADIT or

NOTE E: The amount of excess amortization entries shown in lines 1a through 1h are shown as a debit or credit to the account charged to the 410/411 account.

F	G	H	I	J
			1/1/2019 Beginning Balances	

Excess Balance at Remeasurement	Amortization Methodology (NOTE C)	Amortization Period	Excess ADIT Regulatory Offset	Excess ADIT in Utility Deferrals
			13,767,171	
(57,557,598)	ARAM	Life of Asset		(56,728,915)
-	10 Years	1/2018 - 12/2027		(577,562)
			56,728,915	
			577,562	
4,719,901	10 Years	1/2018 - 12/2027		5,515,690
			(600,112)	
			(340,987)	
			(70,132,549)	
			0	(51,790,787)

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

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

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

for regulatory deferral accounts that may be necessary to track that tax rate change.

ADIT account from which it is being amortized. The total in line 3 is the offset as

K	L	M	N	O	P
	Balance Sheet Entries		Tax Expense Entries		12/31/2019 Er

Balance Sheet Account Reclassifications	182.3	254	410/411 Excess Amortization NOTE C	410/411 Deferred Tax Expense/ (Benefit)	Excess ADIT Regulatory Offset	Sum of Cc
		4,444,800				18,211,971
			2,842	(18,841)		
			62,592	14,271		
		15,999				56,744,914
		(76,863)				500,699
			(613,367)	871,042		
		(4,832,265)				(5,432,377)
						(340,987)
		448,329				(69,684,220)
-	-	-	547,933	(866,472)	-	

NOTE E

Q

Ending Balance

R

Excess ADIT in Utility
Deferrals

Cols (I) - (O)

Reference

	WS B - 2 Col B/C, ADIT Item 2.12
(56,744,914)	WS B - 1 Col N, ADIT Item 5.14
(500,699)	WS B - 1 Col N, ADIT Item 5.15
	WS B - 1 Col B/C, ADIT Item 5.18
5,773,365	WS B - 1 Col N, ADIT Item 9.04
	WS B - 1 Col B/C, ADIT Item 9.07

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

(51,472,248)

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
West Virginia Transmission 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, ln 8, Col. (c) & (b)	-	-	-				
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)			-				
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, ln 16, Col. (c) & (b)			-				
Prepayment Balance Summary (Note 1)									
5			Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	
6	Totals as of December 31, 2021		368,000	0	0	368,000	0	368,000	
7	Totals as of December 31, 2020		368,000	0	0	368,000	0	368,000	
8	Average Balance		368,000	-	-	368,000	-	368,000	
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	207,000	-	-	207,000	-	207,000	Plant related insurance policies
11	165000218	Prepaid Taxes	-	-	-	-	-	-	
12	1650003	Prepaid Rents	-	-	-	-	-	-	
13	1650004	Prepaid Interest	-	-	-	-	-	-	
14	1650005	Prepaid Employee Benefits	-	-	-	-	-	-	
15	1650006	Other Prepayments	-	-	-	-	-	-	
16	1650009	Prepaid Carry Cost-Factored AR	-	-	-	-	-	-	
17	1650010	Prepaid Pension Benefits	-	-	-	-	-	-	
18	1650014	FAS 158 Qual Contra Asset	-	-	-	-	-	-	
19	1650016	FAS 112 ASSETS	-	-	-	-	-	-	
20	1650021	Prepaid Insurance - EIS	161,000	-	-	161,000	-	161,000	Plant related insurance policies
21	1650023	Prepaid Lease	-	-	-	-	-	-	
22	1650031	Prepaid OCIP Work Comp	-	-	-	-	-	-	
23	1650032	Prepaid OCIP Work Comp LT	-	-	-	-	-	-	
24	1650033	Prepaid OCIP Work Comp - Aff	-	-	-	-	-	-	
25	1650034	Prepaid OCIP Work Comp LT- Aff	-	-	-	-	-	-	
	Subtotal - Form 1, p 111.57.c		368,000	0	0	368,000	0	368,000	
Prepayments Account 165 - Balance @ 12/31/ 2020									
26	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
27	1650001	Prepaid Insurance	207,000	-	-	207,000	-	207,000	Plant related insurance policies
28	165000218	Prepaid Taxes	-	-	-	-	-	-	
29	1650003	Prepaid Rents	-	-	-	-	-	-	
30	1650004	Prepaid Interest	-	-	-	-	-	-	
31	1650005	Prepaid Employee Benefits	-	-	-	-	-	-	
32	1650006	Other Prepayments	-	-	-	-	-	-	
33	1650009	Prepaid Carry Cost-Factored AR	-	-	-	-	-	-	
34	1650010	Prepaid Pension Benefits	-	-	-	-	-	-	
35	1650014	FAS 158 Qual Contra Asset	-	-	-	-	-	-	
36	1650016	FAS 112 ASSETS	-	-	-	-	-	-	
37	1650021	Prepaid Insurance - EIS	161,000	-	-	161,000	-	161,000	Plant related insurance policies
38	1650023	Prepaid Lease	-	-	-	-	-	-	
39	1650031	Prepaid OCIP Work Comp	-	-	-	-	-	-	
40	1650032	Prepaid OCIP Work Comp LT	-	-	-	-	-	-	
41	1650033	Prepaid OCIP Work Comp - Aff	-	-	-	-	-	-	
42	1650034	Prepaid OCIP Work Comp LT- Aff	-	-	-	-	-	-	
	Subtotal - Form 1, p 111.57.d		368,000	0	0	368,000	0	368,000	

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 [company] resulting (or expected to result) from prior federal or state audits or from the filing of one or more amended income tax returns; or (iii) prepayments of federal or state income taxes which are attributable to income earned during periods prior to January 1 of the year depicted in the Balance Sheet (as described in USofA Account 236).

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet D Supporting IPP Credits
West Virginia Transmission 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)	-
2	Interest Expense (Company Records - Note 1)	-
3	Revenue Credits to Generators (Company Records - Note 1)	-
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	-
6		-
7	Net Funds from IPP Customers 12/31/2021 (2021 FORM 1, P269)	-
8	Average Balance for Year as Indicated in Column $((\text{Ln } 1 + \text{Ln } 7)/2)$	-

Note 1 On this worksheet Company Records refers to West Virginia Transmission Company's general ledger.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet E Supporting Revenue Credits
West Virginia Transmission 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)		-	
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)		-	
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	-	-	-
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	184,779,000	184,779,000	
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))	184,779,000	184,779,000	-
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	184,779,000	184,779,000	-
9	Facility Credits under PJM OATT Section 30.9			

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
West Virginia Transmission Company

Formula Rate
WS F Misc Exp
Page 20 of 48

	(A)	(B)	(C)	(D)	(E)	(F)
<u>Line</u>	<u>Item No.</u>	<u>Description</u>	<u>2021</u>	<u>100%</u>	<u>100%</u>	
<u>Number</u>			<u>Expense</u>	<u>Non-Transmission</u>	<u>Transmission</u>	<u>Explanation</u>
					<u>Specific</u>	
<u>Regulatory O&M Deferrals & Amortizations</u>						
1						
2						
3						
4		Total	-			
<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	781,000			
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	-			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	126,000			
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	-			
14		Total of Account 561	907,000			
<u>Account 928</u>						
15				-	-	
16				-	-	
17				-	-	
18				-	-	
19				-	-	
20				-	-	
21		Total (FERC Form 1 p.323.189.b)	-	-	-	
<u>Account 930.1</u>						
22				-	-	
23				-	-	
24				-	-	
25				-	-	
26				-	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37				-	-	
38		Total (FERC Form 1 p.323.191.b)	-	-	-	
<u>Account 930.2</u>						
39	9302000	Misc General Expenses	35,000	35,000	-	
40	9302003	Corporate & Fiscal Expenses	4,000	4,000	-	
41	9302007	Assoc Business Development Exp	(22,000)	-	(22,000)	
42		Total (FERC Form 1 p.323.192.b)	17,000	39,000	(22,000)	

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet G Supporting - Development of Composite State Income Tax Rate
West Virginia Transmission Company

1	West Virginia Excise Tax Rate	6.50%	
	Apportionment Factor - Note 1	100.00%	
	Effective State Tax Rate		6.50%
2	_____ Tax Rate		
	Apportionment Factor - Note 1		
	Effective State Tax Rate		0.00%
3	_____ Tax Rate		
	Apportionment Factor - Note 1		
	Effective State Tax Rate		0.00%
4	_____ Tax Rate		
	Apportionment Factor - Note 1		
	Effective State Tax Rate		0.00%
5	_____ Tax Rate		
	Apportionment Factor - Note 1		
	Effective State Tax Rate		0.00%
	Total Effective State Income Tax Rate		<u>6.50%</u>

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

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	-				-
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	10,613,000	10,613,000			
5	Real and Personal Property - Virginia	-	-			
6	Real and Personal Property - Tennessee	-	-			
7	Real and Personal Property - Other Jurisdictions	-	-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	-		-		
10	Federal Unemployment Tax	-		-		
11	State Unemployment Insurance	-		-		
12	<i>Line Deliberately Left Blank</i>					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	-				-
16	State Public Service Commission Fees	-			-	
17	State Franchise Taxes	-			-	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	-			-	
20	Sales & Use	-				-
21	Federal Excise Tax	-				-
22	Michigan Single Business Tax	-				-
23	Total Taxes by Allocable Basis	10,613,000	10,613,000	-	-	-
	(Total Company Amount Ties to FFI p.114, Ln 14,(c))					

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

Functional Property Tax Allocation

	Lines 24-58 Column (B) Deliberately Left Blank	Transmission	Lines 24-58 Column (D) Deliberately Left Blank	General	Total
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)	1,500,996,000	-	2,233,000	1,503,229,000
	WEST VIRGINIA JURISDICTION				
25	Percentage of Plant in WEST VIRGINIA JURISDICTION	100.00%		100.00%	
26	Net Plant in WEST VIRGINIA JURISDICTION (Ln 24 * Ln 25)	1,500,996,000	-	2,233,000	1,503,229,000
27	Less: Net Value of Exempted Generation Plant				
28	Taxable Property Basis (Ln 26 - Ln 27)	1,500,996,000	-	2,233,000	1,503,229,000
29	Relative Valuation Factor				-
30	Weighted Net Plant (Ln 28 * Ln 29)	-	-	-	-
31	General Plant Allocator (Ln 30 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%
32	Functionalized General Plant (Ln 31 * General Plant)	-	-	-	-
33	Weighted WEST VIRGINIA JURISDICTION Plant (Ln 30 + 32)	-	-	-	-
34	Functional Percentage (Ln 33/Total Ln 33)	0.00%	100.00%	0.00%	
	JURISDICTION				
35	Net Plant in JURISDICTION (Ln 24 - Ln 26)	-	-	-	-
36	Less: Net Value Exempted Generation Plant				
37	Taxable Property Basis	-	-	-	-
38	Relative Valuation Factor				-
39	Weighted Net Plant (Ln 37 * Ln 38)	-	-	-	-
40	General Plant Allocator (Ln 39 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%
41	Functionalized General Plant (Ln 41 * General Plant)	-	-	-	-
42	Weighted JURISDICTION Plant (Ln 39 + 41)	-	-	-	-
43	Functional Percentage (Ln 42/Total Ln 42)	0.00%	100.00%	0.00%	

	(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	-	-				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	"Real Estate and Personal Property Tax Detail Annual Tax Expenses by Type (Note 1)"	Tax Year	Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference	Tax Year Factor (Note 2)	Transmission Function (Note 2)
	<u>Real Estate and Personal Property Taxes Total</u>						
3	<u>(Ln 4 + Ln 5 + Ln 6 + Ln 7)</u>		10,613,000				10,613,000
4	Real and Personal Property - West Virginia		10,613,000	10,613,000		100%	10,613,000
							-
							-
							-
5	Real and Personal Property - Virginia		-	-			-
							-
							-
							-
6	Real and Personal Property - Tennessee		-	-			-
							-
							-
7	Real and Personal Property - Other Jurisdictions		-	-			-
							-

(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)	-	-	
10	Federal Unemployment Tax	-	-	
11	State Unemployment Insurance	-	-	
12	<i>Line Left Deliberately Blank</i>			
13	State Severance Taxes	-	-	
14	Miscellaneous Taxes			
15	State Business & Occupation Tax	-	-	
16	State Public Service Commission Fees	-	-	
17	State Franchise Taxes	-	-	
18	State Lic/Registration Fee	-	-	
19	Misc. State and Local Tax	-	-	
20	Sales & Use	-	-	
21	Federal Excise Tax	-	-	
22	Michigan Single Business Tax	-	-	
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14.(c))	10,613,000	10,613,000	

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

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet I RESERVED
West Virginia Transmission Company

Reserved for Future Use

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
West Virginia Transmission Company

Page 1 of 12

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

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

ROE w/o incentives (TCOS, ln 138)	10.35%
Project ROE Incentive Adder	0
ROE with additional 0 basis point incentive	10.35%
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 136 through 138)	
	% Cost Weighted cost
Long Term Debt	45.41% 3.66% 1.664%
Preferred Stock	0.00% 0.00% 0.000%
Common Stock	54.59% 10.35% 5.650%
R =	7.313%

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

Rate Base (TCOS, ln 58)	1,308,598,125
R (from A. above)	7.313%
Return (Rate Base x R)	95,699,632

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

Return (from B. above)	95,699,632
Effective Tax Rate (TCOS, ln 97)	27.33%
Income Tax Calculation (Return x CIT)	26,158,111
ITC Adjustment	-
Excess Deferred Income Tax	745,955
Tax Affect of Permanent Differences	217,965
Income Taxes	27,122,032

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS				
	Rev Require	W Incentives	Incentive Amounts	
PROJECTED YEAR	2021	51,804,234	51,804,234	\$ -

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

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

Annual Revenue Requirement (TCOS, ln 1)	198,705,664
Lease Payments (TCOS, Ln 80)	-
Return (TCOS, ln 109)	95,699,632
Income Taxes (TCOS, ln 108)	27,122,032
Annual Revenue Requirement, Less Return and Taxes	75,884,000

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

Annual Revenue Requirement, Less Return and Taxes	75,884,000
Return (from I.B. above)	95,699,632
Income Taxes (from I.C. above)	27,122,032
Annual Revenue Requirement, with 0 Basis Point ROE increase	198,705,664
Depreciation & Amortization (TCOS, ln 83)	39,240,000
Annual Rev. Req. w/0 Basis Point ROE increase, less Depreciation	159,465,664

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

Net Transmission Plant (Projected TCOS, ln 33)	1,500,996,000
Annual Revenue Requirement, with 0 Basis Point ROE increase	198,705,664
FCR with 0 Basis Point increase in ROE	13.24%
Annual Rev. Req. w / 0 Basis Point ROE increase, less Dep.	159,465,664
FCR with 0 Basis Point ROE increase, less Depreciation	10.62%
FCR less Depreciation (TCOS, ln 10)	10.62%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2021 TCOS, ln 19	1,601,229,000
Annual Depreciation and Amortization Expense (TCOS, ln 83)	39,240,000
Composite Depreciation Rate	2.45%
Depreciable Life for Composite Depreciation Rate	40.81
Average Life in Whole Years	41

Note 1: Until West Virginia Transmission Company establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER06-1329. The calculation for West Virginia Transmission Company is shown on Worksheet P.

West Virginia Transmission Company 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: b1661 (Install a 765 kV circuit breaker at Wyoming station)

Current Projected Year ARR	248,896
Current Projected Year ARR w/ Incentive	248,896
Current Projected Year Incentive ARR	-

Details					
Investment	2,191,536	Current Year	2021		
Service Year (yyy)	2014	ROE increase accepted by FERC (Basis Points)	-		
Service Month (1-12)	11	FCR w/o incentives, less depreciation	10.62%		
Useful life	41	FCR w/incentives approved for these facilities, less dep.	10.62%		
CIAC (Yes or No)	No	Annual Depreciation Expense	53,452		
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **
2014	2,191,536	4,454	2,187,082	237,046	237,046
2015	2,187,082	53,452	2,133,630	282,968	282,968
2016	2,133,630	53,452	2,080,177	277,289	277,289
2017	2,080,177	53,452	2,026,725	271,611	271,611
2018	2,026,725	53,452	1,973,273	265,932	265,932
2019	1,973,273	53,452	1,919,821	260,253	260,253
2020	1,919,821	53,452	1,866,369	254,574	254,574
2021	1,866,369	53,452	1,812,917	248,896	248,896
2022	1,812,917	53,452	1,759,465	243,217	243,217
2023	1,759,465	53,452	1,706,013	237,538	237,538
2024	1,706,013	53,452	1,652,561	231,859	231,859
2025	1,652,561	53,452	1,599,109	226,181	226,181
2026	1,599,109	53,452	1,545,656	220,502	220,502
2027	1,545,656	53,452	1,492,204	214,823	214,823
2028	1,492,204	53,452	1,438,752	209,144	209,144
2029	1,438,752	53,452	1,385,300	203,466	203,466
2030	1,385,300	53,452	1,331,848	197,787	197,787
2031	1,331,848	53,452	1,278,396	192,108	192,108
2032	1,278,396	53,452	1,224,944	186,429	186,429
2033	1,224,944	53,452	1,171,492	180,751	180,751
2034	1,171,492	53,452	1,118,040	175,072	175,072
2035	1,118,040	53,452	1,064,588	169,393	169,393
2036	1,064,588	53,452	1,011,136	163,714	163,714
2037	1,011,136	53,452	957,683	158,036	158,036
2038	957,683	53,452	904,231	152,357	152,357
2039	904,231	53,452	850,779	146,678	146,678
2040	850,779	53,452	797,327	140,999	140,999
2041	797,327	53,452	743,875	135,321	135,321
2042	743,875	53,452	690,423	129,642	129,642
2043	690,423	53,452	636,971	123,963	123,963
2044	636,971	53,452	583,519	118,284	118,284
2045	583,519	53,452	530,067	112,606	112,606
2046	530,067	53,452	476,615	106,927	106,927
2047	476,615	53,452	423,162	101,248	101,248
2048	423,162	53,452	369,710	95,569	95,569
2049	369,710	53,452	316,258	89,891	89,891
2050	316,258	53,452	262,806	84,212	84,212
2051	262,806	53,452	209,354	78,533	78,533
2052	209,354	53,452	155,902	72,854	72,854
2053	155,902	53,452	102,450	67,176	67,176
2054	102,450	53,452	48,998	61,497	61,497
2055	48,998	48,998	-	51,601	51,601
2056	-	-	-	-	-
2057	-	-	-	-	-
2058	-	-	-	-	-
2059	-	-	-	-	-
2060	-	-	-	-	-
2061	-	-	-	-	-
2062	-	-	-	-	-
2063	-	-	-	-	-
2064	-	-	-	-	-
2065	-	-	-	-	-
2066	-	-	-	-	-
2067	-	-	-	-	-
2068	-	-	-	-	-
2069	-	-	-	-	-
2070	-	-	-	-	-
2071	-	-	-	-	-
2072	-	-	-	-	-
2073	-	-	-	-	-
Project Totals		2,191,536		7,177,948	7,177,948

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

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description:

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

Current Projected Year ARR	9,610,029
Current Projected Year ARR w/ Incentive	9,610,029
Current Projected Year Incentive ARR	-

Details				
Investment	85,102,120	Current Year		2021
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)		
Service Month (1-12)	8	FCR w/o incentives, less depreciation		
Useful life	41	FCR w/incentives approved for these facilities, less dep.		
CIAC (Yes or No)	No	Annual Depreciation Expense		
				2,075,661

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	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	85,102,120	2,075,661	84,410,233	9,696,375	9,696,375	\$ -	\$ 2,795,819	\$ 2,795,819
2015	84,410,233	2,075,661	82,334,571	10,933,137	10,933,137	\$ -	\$ 9,963,550	\$ 9,963,550
2016	82,334,571	2,075,661	80,258,910	10,712,619	10,712,619	\$ -	\$ 9,645,772	\$ 9,645,772
2017	80,258,910	2,075,661	78,183,248	10,492,101	10,492,101	\$ -	\$ 10,531,029	\$ 10,531,029
2018	78,183,248	2,075,661	76,107,587	10,271,583	10,271,583	\$ -	\$ 9,156,379	\$ 9,156,379
2019	76,107,587	2,075,661	74,031,926	10,051,065	10,051,065	\$ -	\$ 9,756,827	\$ 9,756,827
2020	74,031,926	2,075,661	71,956,264	9,830,547	9,830,547	\$ -	\$ 9,597,403	\$ 9,597,403
2021	71,956,264	2,075,661	69,880,603	9,610,029	9,610,029	\$ -		
2022	69,880,603	2,075,661	67,804,941	9,389,511	9,389,511	\$ -		
2023	67,804,941	2,075,661	65,729,280	9,168,993	9,168,993	\$ -		
2024	65,729,280	2,075,661	63,653,618	8,948,474	8,948,474	\$ -		
2025	63,653,618	2,075,661	61,577,957	8,727,956	8,727,956	\$ -		
2026	61,577,957	2,075,661	59,502,295	8,507,438	8,507,438	\$ -		
2027	59,502,295	2,075,661	57,426,634	8,286,920	8,286,920	\$ -		
2028	57,426,634	2,075,661	55,350,972	8,066,402	8,066,402	\$ -		
2029	55,350,972	2,075,661	53,275,311	7,845,884	7,845,884	\$ -		
2030	53,275,311	2,075,661	51,199,649	7,625,366	7,625,366	\$ -		
2031	51,199,649	2,075,661	49,123,988	7,404,848	7,404,848	\$ -		
2032	49,123,988	2,075,661	47,048,327	7,184,330	7,184,330	\$ -		
2033	47,048,327	2,075,661	44,972,665	6,963,812	6,963,812	\$ -		
2034	44,972,665	2,075,661	42,897,004	6,743,294	6,743,294	\$ -		
2035	42,897,004	2,075,661	40,821,342	6,522,776	6,522,776	\$ -		
2036	40,821,342	2,075,661	38,745,681	6,302,258	6,302,258	\$ -		
2037	38,745,681	2,075,661	36,670,019	6,081,740	6,081,740	\$ -		
2038	36,670,019	2,075,661	34,594,358	5,861,222	5,861,222	\$ -		
2039	34,594,358	2,075,661	32,518,696	5,640,704	5,640,704	\$ -		
2040	32,518,696	2,075,661	30,443,035	5,420,185	5,420,185	\$ -		
2041	30,443,035	2,075,661	28,367,373	5,199,667	5,199,667	\$ -		
2042	28,367,373	2,075,661	26,291,712	4,979,149	4,979,149	\$ -		
2043	26,291,712	2,075,661	24,216,050	4,758,631	4,758,631	\$ -		
2044	24,216,050	2,075,661	22,140,389	4,538,113	4,538,113	\$ -		
2045	22,140,389	2,075,661	20,064,727	4,317,595	4,317,595	\$ -		
2046	20,064,727	2,075,661	17,989,066	4,097,077	4,097,077	\$ -		
2047	17,989,066	2,075,661	15,913,405	3,876,559	3,876,559	\$ -		
2048	15,913,405	2,075,661	13,837,743	3,656,041	3,656,041	\$ -		
2049	13,837,743	2,075,661	11,762,082	3,435,523	3,435,523	\$ -		
2050	11,762,082	2,075,661	9,686,420	3,215,005	3,215,005	\$ -		
2051	9,686,420	2,075,661	7,610,759	2,994,487	2,994,487	\$ -		
2052	7,610,759	2,075,661	5,535,097	2,773,969	2,773,969	\$ -		
2053	5,535,097	2,075,661	3,459,436	2,553,451	2,553,451	\$ -		
2054	3,459,436	2,075,661	1,383,774	2,332,933	2,332,933	\$ -		
2055	1,383,774	1,383,774	-	1,457,280	1,457,280	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	\$ -		

** This is the total amount that needs to be reported to P.I.M 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.

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 (Add 345/138 kV Transformers at Sporn, Kanawha River, and Muskingum River stations)

Current Projected Year ARR	2,229,997
Current Projected Year ARR w/ Incentive	2,229,997
Current Projected Year Incentive ARR	-

Details					
Investment	19,597,955	Current Year	2021		
Service Year (vvy)	2014	ROE increase accepted by FERC (Basis Points)	-		
Service Month (1-12)	12	FCR w/o incentives, less depreciation	10.62%		
Useful life	41	FCR w/incentives approved for these facilities, less dep.	10.62%		
CIAC (Yes or No)	No	Annual Depreciation Expense	477,999		

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2014	19,597,955	-	19,597,955	2,082,085	2,082,085	\$ -
2015	19,597,955	477,999	19,119,956	2,534,692	2,534,692	\$ -
2016	19,119,956	477,999	18,641,957	2,483,910	2,483,910	\$ -
2017	18,641,957	477,999	18,163,958	2,433,127	2,433,127	\$ -
2018	18,163,958	477,999	17,685,959	2,382,345	2,382,345	\$ -
2019	17,685,959	477,999	17,207,960	2,331,562	2,331,562	\$ -
2020	17,207,960	477,999	16,729,962	2,280,780	2,280,780	\$ -
2021	16,729,962	477,999	16,251,963	2,229,997	2,229,997	\$ -
2022	16,251,963	477,999	15,773,964	2,179,215	2,179,215	\$ -
2023	15,773,964	477,999	15,295,965	2,128,432	2,128,432	\$ -
2024	15,295,965	477,999	14,817,966	2,077,649	2,077,649	\$ -
2025	14,817,966	477,999	14,339,967	2,026,867	2,026,867	\$ -
2026	14,339,967	477,999	13,861,968	1,976,084	1,976,084	\$ -
2027	13,861,968	477,999	13,383,969	1,925,302	1,925,302	\$ -
2028	13,383,969	477,999	12,905,970	1,874,519	1,874,519	\$ -
2029	12,905,970	477,999	12,427,971	1,823,737	1,823,737	\$ -
2030	12,427,971	477,999	11,949,973	1,772,954	1,772,954	\$ -
2031	11,949,973	477,999	11,471,974	1,722,172	1,722,172	\$ -
2032	11,471,974	477,999	10,993,975	1,671,389	1,671,389	\$ -
2033	10,993,975	477,999	10,515,976	1,620,606	1,620,606	\$ -
2034	10,515,976	477,999	10,037,977	1,569,824	1,569,824	\$ -
2035	10,037,977	477,999	9,559,978	1,519,041	1,519,041	\$ -
2036	9,559,978	477,999	9,081,979	1,468,259	1,468,259	\$ -
2037	9,081,979	477,999	8,603,980	1,417,476	1,417,476	\$ -
2038	8,603,980	477,999	8,125,981	1,366,694	1,366,694	\$ -
2039	8,125,981	477,999	7,647,982	1,315,911	1,315,911	\$ -
2040	7,647,982	477,999	7,169,984	1,265,129	1,265,129	\$ -
2041	7,169,984	477,999	6,691,985	1,214,346	1,214,346	\$ -
2042	6,691,985	477,999	6,213,986	1,163,563	1,163,563	\$ -
2043	6,213,986	477,999	5,735,987	1,112,781	1,112,781	\$ -
2044	5,735,987	477,999	5,257,988	1,061,998	1,061,998	\$ -
2045	5,257,988	477,999	4,779,989	1,011,216	1,011,216	\$ -
2046	4,779,989	477,999	4,301,990	960,433	960,433	\$ -
2047	4,301,990	477,999	3,823,991	909,651	909,651	\$ -
2048	3,823,991	477,999	3,345,992	858,868	858,868	\$ -
2049	3,345,992	477,999	2,867,993	808,086	808,086	\$ -
2050	2,867,993	477,999	2,389,995	757,303	757,303	\$ -
2051	2,389,995	477,999	1,911,996	706,520	706,520	\$ -
2052	1,911,996	477,999	1,433,997	655,738	655,738	\$ -
2053	1,433,997	477,999	955,998	604,955	604,955	\$ -
2054	955,998	477,999	477,999	554,173	554,173	\$ -
2055	477,999	477,999	0	503,390	503,390	\$ -
2056	0	0	-	0	0	\$ -
2057	-	-	-	-	-	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
Project Totals		19,597,955		64,362,777	64,362,777	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
\$ 2,093,479	\$ 2,093,479
\$ 2,304,583	\$ 2,304,583
\$ 2,231,859	\$ 2,231,859
\$ 2,437,179	\$ 2,437,179
\$ 2,120,264	\$ 2,120,264
\$ 2,258,478	\$ 2,258,478
\$ 2,224,968	\$ 2,224,968

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: b1948 (Establish a new 765/345 interconnection at Sporn. Install a 765/345 kV transformer at Mountaineer and build ¼ mile of 345 kV to Sporn)

Current Projected Year ARR	6,524,273
Current Projected Year ARR w/ Incentive	6,524,273
Current Projected Year Incentive ARR	-

Details				2021		
Investment	56,691,968	Current Year				
Service Year (vwy)	2015	ROE increase accepted by FERC (Basis Points)		-		
Service Month (1-12)	6	FCR w/o incentives, less depreciation		10.62%		
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%		
CIAC (Yes or No)	No	Annual Depreciation Expense		1,382,731		

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2015	56,691,968	691,365	56,000,603	6,677,589	6,677,589	\$ -
2016	56,000,603	1,382,731	54,617,872	7,258,779	7,258,779	\$ -
2017	54,617,872	1,382,731	53,235,141	7,111,878	7,111,878	\$ -
2018	53,235,141	1,382,731	51,852,410	6,964,976	6,964,976	\$ -
2019	51,852,410	1,382,731	50,469,679	6,818,075	6,818,075	\$ -
2020	50,469,679	1,382,731	49,086,948	6,671,174	6,671,174	\$ -
2021	49,086,948	1,382,731	47,704,217	6,524,273	6,524,273	\$ -
2022	47,704,217	1,382,731	46,321,486	6,377,372	6,377,372	\$ -
2023	46,321,486	1,382,731	44,938,755	6,230,470	6,230,470	\$ -
2024	44,938,755	1,382,731	43,556,024	6,083,569	6,083,569	\$ -
2025	43,556,024	1,382,731	42,173,293	5,936,668	5,936,668	\$ -
2026	42,173,293	1,382,731	40,790,562	5,789,767	5,789,767	\$ -
2027	40,790,562	1,382,731	39,407,831	5,642,866	5,642,866	\$ -
2028	39,407,831	1,382,731	38,025,100	5,495,964	5,495,964	\$ -
2029	38,025,100	1,382,731	36,642,370	5,349,063	5,349,063	\$ -
2030	36,642,370	1,382,731	35,259,639	5,202,162	5,202,162	\$ -
2031	35,259,639	1,382,731	33,876,908	5,055,261	5,055,261	\$ -
2032	33,876,908	1,382,731	32,494,177	4,908,360	4,908,360	\$ -
2033	32,494,177	1,382,731	31,111,446	4,761,458	4,761,458	\$ -
2034	31,111,446	1,382,731	29,728,715	4,614,557	4,614,557	\$ -
2035	29,728,715	1,382,731	28,345,984	4,467,656	4,467,656	\$ -
2036	28,345,984	1,382,731	26,963,253	4,320,755	4,320,755	\$ -
2037	26,963,253	1,382,731	25,580,522	4,173,854	4,173,854	\$ -
2038	25,580,522	1,382,731	24,197,791	4,026,952	4,026,952	\$ -
2039	24,197,791	1,382,731	22,815,060	3,880,051	3,880,051	\$ -
2040	22,815,060	1,382,731	21,432,329	3,733,150	3,733,150	\$ -
2041	21,432,329	1,382,731	20,049,598	3,586,249	3,586,249	\$ -
2042	20,049,598	1,382,731	18,666,868	3,439,348	3,439,348	\$ -
2043	18,666,868	1,382,731	17,284,137	3,292,446	3,292,446	\$ -
2044	17,284,137	1,382,731	15,901,406	3,145,545	3,145,545	\$ -
2045	15,901,406	1,382,731	14,518,675	2,998,644	2,998,644	\$ -
2046	14,518,675	1,382,731	13,135,944	2,851,743	2,851,743	\$ -
2047	13,135,944	1,382,731	11,753,213	2,704,842	2,704,842	\$ -
2048	11,753,213	1,382,731	10,370,482	2,557,940	2,557,940	\$ -
2049	10,370,482	1,382,731	8,987,751	2,411,039	2,411,039	\$ -
2050	8,987,751	1,382,731	7,605,020	2,264,138	2,264,138	\$ -
2051	7,605,020	1,382,731	6,222,289	2,117,237	2,117,237	\$ -
2052	6,222,289	1,382,731	4,839,558	1,970,336	1,970,336	\$ -
2053	4,839,558	1,382,731	3,456,827	1,823,435	1,823,435	\$ -
2054	3,456,827	1,382,731	2,074,096	1,676,533	1,676,533	\$ -
2055	2,074,096	1,382,731	691,365	1,529,632	1,529,632	\$ -
2056	691,365	691,365	-	728,091	728,091	\$ -
2057	-	-	-	-	-	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
Project Totals				56,691,968	183,173,896	183,173,896

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
\$ 6,946,099	\$	\$ 6,946,099		
\$ 6,500,748	\$	\$ 6,500,748		
\$ 7,102,318	\$	\$ 7,102,318		
\$ 6,128,227	\$	\$ 6,128,227		
\$ 6,583,556	\$	\$ 6,583,556		
\$ 6,500,519	\$	\$ 6,500,519		

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: b1962 (Add four 765 kV breakers at Kammer)

Current Projected Year ARR	2,532,044
Current Projected Year ARR w/ Incentive	2,532,044
Current Projected Year Incentive ARR	-

Details						
Investment	21,756,984	Current Year				2021
Service Year (vwy)	2015	ROE increase accepted by FERC (Basis Points)				-
Service Month (1-12)	12	FCR w/o incentives, less depreciation				10.62%
Useful life	41	FCR w/incentives approved for these facilities, less dep.				10.62%
CIAC (Yes or No)	No	Annual Depreciation Expense				530,658
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2015	21,756,984	-	21,756,984	2,311,460	2,311,460	\$ -
2016	21,756,984	530,658	21,226,326	2,813,929	2,813,929	\$ -
2017	21,226,326	530,658	20,695,668	2,757,552	2,757,552	\$ -
2018	20,695,668	530,658	20,165,010	2,701,175	2,701,175	\$ -
2019	20,165,010	530,658	19,634,351	2,644,798	2,644,798	\$ -
2020	19,634,351	530,658	19,103,693	2,588,421	2,588,421	\$ -
2021	19,103,693	530,658	18,573,035	2,532,044	2,532,044	\$ -
2022	18,573,035	530,658	18,042,377	2,475,667	2,475,667	\$ -
2023	18,042,377	530,658	17,511,719	2,419,290	2,419,290	\$ -
2024	17,511,719	530,658	16,981,061	2,362,913	2,362,913	\$ -
2025	16,981,061	530,658	16,450,403	2,306,536	2,306,536	\$ -
2026	16,450,403	530,658	15,919,744	2,250,159	2,250,159	\$ -
2027	15,919,744	530,658	15,389,086	2,193,782	2,193,782	\$ -
2028	15,389,086	530,658	14,858,428	2,137,405	2,137,405	\$ -
2029	14,858,428	530,658	14,327,770	2,081,028	2,081,028	\$ -
2030	14,327,770	530,658	13,797,112	2,024,650	2,024,650	\$ -
2031	13,797,112	530,658	13,266,454	1,968,273	1,968,273	\$ -
2032	13,266,454	530,658	12,735,796	1,911,896	1,911,896	\$ -
2033	12,735,796	530,658	12,205,137	1,855,519	1,855,519	\$ -
2034	12,205,137	530,658	11,674,479	1,799,142	1,799,142	\$ -
2035	11,674,479	530,658	11,143,821	1,742,765	1,742,765	\$ -
2036	11,143,821	530,658	10,613,163	1,686,388	1,686,388	\$ -
2037	10,613,163	530,658	10,082,505	1,630,011	1,630,011	\$ -
2038	10,082,505	530,658	9,551,847	1,573,634	1,573,634	\$ -
2039	9,551,847	530,658	9,021,188	1,517,257	1,517,257	\$ -
2040	9,021,188	530,658	8,490,530	1,460,880	1,460,880	\$ -
2041	8,490,530	530,658	7,959,872	1,404,503	1,404,503	\$ -
2042	7,959,872	530,658	7,429,214	1,348,126	1,348,126	\$ -
2043	7,429,214	530,658	6,898,556	1,291,749	1,291,749	\$ -
2044	6,898,556	530,658	6,367,898	1,235,371	1,235,371	\$ -
2045	6,367,898	530,658	5,837,240	1,178,994	1,178,994	\$ -
2046	5,837,240	530,658	5,306,581	1,122,617	1,122,617	\$ -
2047	5,306,581	530,658	4,775,923	1,066,240	1,066,240	\$ -
2048	4,775,923	530,658	4,245,265	1,009,863	1,009,863	\$ -
2049	4,245,265	530,658	3,714,607	953,486	953,486	\$ -
2050	3,714,607	530,658	3,183,949	897,109	897,109	\$ -
2051	3,183,949	530,658	2,653,291	840,732	840,732	\$ -
2052	2,653,291	530,658	2,122,633	784,355	784,355	\$ -
2053	2,122,633	530,658	1,591,974	727,978	727,978	\$ -
2054	1,591,974	530,658	1,061,316	671,601	671,601	\$ -
2055	1,061,316	530,658	530,658	615,224	615,224	\$ -
2056	530,658	530,658	0	558,847	558,847	\$ -
2057	0	0	-	0	0	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
Project Totals		21,756,984		71,453,369	71,453,369	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
\$ 2,348,715	\$	\$ 2,348,715		
\$ 2,575,052	\$	\$ 2,575,052		
\$ 2,745,014	\$	\$ 2,745,014		
\$ 2,387,052	\$	\$ 2,387,052		
\$ 2,545,928	\$	\$ 2,545,928		
\$ 2,519,395	\$	\$ 2,519,395		

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

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

A. Base Plan Facilities

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

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

Current Projected Year ARR	168,688
Current Projected Year ARR w/ Incentive	168,688
Current Projected Year Incentive ARR	-

Details						
Investment	1,465,792	Current Year	2021			
Service Year (vwy)	2015	ROE increase accepted by FERC (Basis Points)	-			
Service Month (1-12)	6	FCR w/o incentives, less depreciation	10.62%			
Useful life	41	FCR w/incentives approved for these facilities, less dep.	10.62%			
CIAC (Yes or No)	No	Annual Depreciation Expense	35,751			
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2015	1,465,792	17,876	1,447,916	172,652	\$ -	-
2016	1,447,916	35,751	1,412,165	187,678	\$ -	-
2017	1,412,165	35,751	1,376,414	183,880	\$ -	-
2018	1,376,414	35,751	1,340,663	180,082	\$ -	-
2019	1,340,663	35,751	1,304,912	176,284	\$ -	-
2020	1,304,912	35,751	1,269,161	172,486	\$ -	-
2021	1,269,161	35,751	1,233,410	168,688	\$ -	-
2022	1,233,410	35,751	1,197,659	164,889	\$ -	-
2023	1,197,659	35,751	1,161,908	161,091	\$ -	-
2024	1,161,908	35,751	1,126,157	157,293	\$ -	-
2025	1,126,157	35,751	1,090,406	153,495	\$ -	-
2026	1,090,406	35,751	1,054,655	149,697	\$ -	-
2027	1,054,655	35,751	1,018,904	145,898	\$ -	-
2028	1,018,904	35,751	983,153	142,100	\$ -	-
2029	983,153	35,751	947,402	138,302	\$ -	-
2030	947,402	35,751	911,651	134,504	\$ -	-
2031	911,651	35,751	875,900	130,706	\$ -	-
2032	875,900	35,751	840,149	126,907	\$ -	-
2033	840,149	35,751	804,398	123,109	\$ -	-
2034	804,398	35,751	768,647	119,311	\$ -	-
2035	768,647	35,751	732,896	115,513	\$ -	-
2036	732,896	35,751	697,145	111,715	\$ -	-
2037	697,145	35,751	661,394	107,917	\$ -	-
2038	661,394	35,751	625,643	104,118	\$ -	-
2039	625,643	35,751	589,892	100,320	\$ -	-
2040	589,892	35,751	554,141	96,522	\$ -	-
2041	554,141	35,751	518,390	92,724	\$ -	-
2042	518,390	35,751	482,639	88,926	\$ -	-
2043	482,639	35,751	446,888	85,127	\$ -	-
2044	446,888	35,751	411,137	81,329	\$ -	-
2045	411,137	35,751	375,386	77,531	\$ -	-
2046	375,386	35,751	339,635	73,733	\$ -	-
2047	339,635	35,751	303,884	69,935	\$ -	-
2048	303,884	35,751	268,133	66,137	\$ -	-
2049	268,133	35,751	232,382	62,338	\$ -	-
2050	232,382	35,751	196,631	58,540	\$ -	-
2051	196,631	35,751	160,880	54,742	\$ -	-
2052	160,880	35,751	125,129	50,944	\$ -	-
2053	125,129	35,751	89,378	47,146	\$ -	-
2054	89,378	35,751	53,627	43,347	\$ -	-
2055	53,627	35,751	17,876	39,549	\$ -	-
2056	17,876	17,876	-	18,825	\$ -	-
2057	-	-	-	-	\$ -	-
2058	-	-	-	-	\$ -	-
2059	-	-	-	-	\$ -	-
2060	-	-	-	-	\$ -	-
2061	-	-	-	-	\$ -	-
2062	-	-	-	-	\$ -	-
2063	-	-	-	-	\$ -	-
2064	-	-	-	-	\$ -	-
2065	-	-	-	-	\$ -	-
2066	-	-	-	-	\$ -	-
2067	-	-	-	-	\$ -	-
2068	-	-	-	-	\$ -	-
2069	-	-	-	-	\$ -	-
2070	-	-	-	-	\$ -	-
2071	-	-	-	-	\$ -	-
2072	-	-	-	-	\$ -	-
2073	-	-	-	-	\$ -	-
2074	-	-	-	-	\$ -	-
Project Totals	1,465,792			4,736,029	4,736,029	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't From Prior Year Template with Incentives **		
\$ 231,097	\$	\$ 231,097		
\$ 145,269	\$	\$ 145,269		
\$ 174,707	\$	\$ 174,707		
\$ 159,518	\$	\$ 159,518		
\$ 170,220	\$	\$ 170,220		
\$ 168,073	\$	\$ 168,073		

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	17,522,701
Current Projected Year ARR w/ Incentive	17,522,701
Current Projected Year Incentive ARR	-

Details						
Investment	152,547,865	Current Year		2021		
Service Year (vvy)	2015	ROE increase accepted by FERC (Basis Points)		-		
Service Month (1-12)	5	FCR w/o incentives, less depreciation		10.62%		
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%		
CIAC (Yes or No)	No	Annual Depreciation Expense		3,720,680		
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2015	152,547,865	2,170,396	150,377,469	18,261,775	18,261,775	\$ -
2016	150,377,469	3,720,680	146,656,789	19,499,124	19,499,124	\$ -
2017	146,656,789	3,720,680	142,936,109	19,103,840	19,103,840	\$ -
2018	142,936,110	3,720,680	139,215,430	18,708,555	18,708,555	\$ -
2019	139,215,430	3,720,680	135,494,750	18,313,271	18,313,271	\$ -
2020	135,494,750	3,720,680	131,774,071	17,917,986	17,917,986	\$ -
2021	131,774,071	3,720,680	128,053,391	17,522,701	17,522,701	\$ -
2022	128,053,391	3,720,680	124,332,711	17,127,417	17,127,417	\$ -
2023	124,332,711	3,720,680	120,612,032	16,732,132	16,732,132	\$ -
2024	120,612,032	3,720,680	116,891,352	16,336,847	16,336,847	\$ -
2025	116,891,352	3,720,680	113,170,672	15,941,563	15,941,563	\$ -
2026	113,170,672	3,720,680	109,449,993	15,546,278	15,546,278	\$ -
2027	109,449,993	3,720,680	105,729,313	15,150,994	15,150,994	\$ -
2028	105,729,313	3,720,680	102,008,633	14,755,709	14,755,709	\$ -
2029	102,008,633	3,720,680	98,287,954	14,360,424	14,360,424	\$ -
2030	98,287,954	3,720,680	94,567,274	13,965,140	13,965,140	\$ -
2031	94,567,274	3,720,680	90,846,595	13,569,855	13,569,855	\$ -
2032	90,846,595	3,720,680	87,125,915	13,174,570	13,174,570	\$ -
2033	87,125,915	3,720,680	83,405,235	12,779,286	12,779,286	\$ -
2034	83,405,235	3,720,680	79,684,556	12,384,001	12,384,001	\$ -
2035	79,684,556	3,720,680	75,963,876	11,988,716	11,988,716	\$ -
2036	75,963,876	3,720,680	72,243,196	11,593,432	11,593,432	\$ -
2037	72,243,196	3,720,680	68,522,517	11,198,147	11,198,147	\$ -
2038	68,522,517	3,720,680	64,801,837	10,802,863	10,802,863	\$ -
2039	64,801,837	3,720,680	61,081,157	10,407,578	10,407,578	\$ -
2040	61,081,157	3,720,680	57,360,478	10,012,293	10,012,293	\$ -
2041	57,360,478	3,720,680	53,639,798	9,617,009	9,617,009	\$ -
2042	53,639,798	3,720,680	49,919,119	9,221,724	9,221,724	\$ -
2043	49,919,119	3,720,680	46,198,439	8,826,439	8,826,439	\$ -
2044	46,198,439	3,720,680	42,477,759	8,431,155	8,431,155	\$ -
2045	42,477,759	3,720,680	38,757,080	8,035,870	8,035,870	\$ -
2046	38,757,080	3,720,680	35,036,400	7,640,586	7,640,586	\$ -
2047	35,036,400	3,720,680	31,315,720	7,245,301	7,245,301	\$ -
2048	31,315,720	3,720,680	27,595,041	6,850,016	6,850,016	\$ -
2049	27,595,041	3,720,680	23,874,361	6,454,732	6,454,732	\$ -
2050	23,874,361	3,720,680	20,153,681	6,059,447	6,059,447	\$ -
2051	20,153,681	3,720,680	16,433,002	5,664,162	5,664,162	\$ -
2052	16,433,002	3,720,680	12,712,322	5,268,878	5,268,878	\$ -
2053	12,712,322	3,720,680	8,991,642	4,873,593	4,873,593	\$ -
2054	8,991,642	3,720,680	5,270,963	4,478,309	4,478,309	\$ -
2055	5,270,963	3,720,680	1,550,283	4,083,024	4,083,024	\$ -
2056	1,550,283	1,550,283	-	1,632,634	1,632,634	\$ -
2057	-	-	-	-	-	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
Project Totals	152,547,865			491,537,376	491,537,376	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **			
\$ 772,367	\$ 772,367			
\$ 15,720,783	\$ 15,720,783			
\$ 19,038,423	\$ 19,038,423			
\$ 16,446,267	\$ 16,446,267			
\$ 17,622,795	\$ 17,622,795			
\$ 17,629,472	\$ 17,629,472			

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: b2022 (Terminate Tristate-Kyger Creek 345 kV line at Sporn)

Current Projected Year ARR	505,335
Current Projected Year ARR w/ Incentive	505,335
Current Projected Year Incentive ARR	-

Details					
Investment	4,358,345	Current Year		2021	
Service Year (vwy)	2015	ROE increase accepted by FERC (Basis Points)		-	
Service Month (1-12)	10	FCR w/o incentives, less depreciation		10.62%	
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%	
CIAC (Yes or No)	No	Annual Depreciation Expense		106,301	

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2015	4,358,345	17,717	4,340,628	479,806	479,806	\$ -
2016	4,340,628	106,301	4,234,327	561,802	561,802	\$ -
2017	4,234,327	106,301	4,128,026	550,509	550,509	\$ -
2018	4,128,026	106,301	4,021,725	539,215	539,215	\$ -
2019	4,021,725	106,301	3,915,424	527,922	527,922	\$ -
2020	3,915,424	106,301	3,809,123	516,629	516,629	\$ -
2021	3,809,123	106,301	3,702,822	505,335	505,335	\$ -
2022	3,702,822	106,301	3,596,520	494,042	494,042	\$ -
2023	3,596,520	106,301	3,490,219	482,748	482,748	\$ -
2024	3,490,219	106,301	3,383,918	471,455	471,455	\$ -
2025	3,383,918	106,301	3,277,617	460,162	460,162	\$ -
2026	3,277,617	106,301	3,171,316	448,868	448,868	\$ -
2027	3,171,316	106,301	3,065,015	437,575	437,575	\$ -
2028	3,065,015	106,301	2,958,714	426,281	426,281	\$ -
2029	2,958,714	106,301	2,852,413	414,988	414,988	\$ -
2030	2,852,413	106,301	2,746,112	403,694	403,694	\$ -
2031	2,746,112	106,301	2,639,811	392,401	392,401	\$ -
2032	2,639,811	106,301	2,533,509	381,108	381,108	\$ -
2033	2,533,509	106,301	2,427,208	369,814	369,814	\$ -
2034	2,427,208	106,301	2,320,907	358,521	358,521	\$ -
2035	2,320,907	106,301	2,214,606	347,227	347,227	\$ -
2036	2,214,606	106,301	2,108,305	335,934	335,934	\$ -
2037	2,108,305	106,301	2,002,004	324,641	324,641	\$ -
2038	2,002,004	106,301	1,895,703	313,347	313,347	\$ -
2039	1,895,703	106,301	1,789,402	302,054	302,054	\$ -
2040	1,789,402	106,301	1,683,101	290,760	290,760	\$ -
2041	1,683,101	106,301	1,576,800	279,467	279,467	\$ -
2042	1,576,800	106,301	1,470,499	268,173	268,173	\$ -
2043	1,470,499	106,301	1,364,197	256,880	256,880	\$ -
2044	1,364,197	106,301	1,257,896	245,587	245,587	\$ -
2045	1,257,896	106,301	1,151,595	234,293	234,293	\$ -
2046	1,151,595	106,301	1,045,294	223,000	223,000	\$ -
2047	1,045,294	106,301	938,993	211,706	211,706	\$ -
2048	938,993	106,301	832,692	200,413	200,413	\$ -
2049	832,692	106,301	726,391	189,119	189,119	\$ -
2050	726,391	106,301	620,090	177,826	177,826	\$ -
2051	620,090	106,301	513,789	166,533	166,533	\$ -
2052	513,789	106,301	407,488	155,239	155,239	\$ -
2053	407,488	106,301	301,186	143,946	143,946	\$ -
2054	301,186	106,301	194,885	132,652	132,652	\$ -
2055	194,885	106,301	88,584	121,359	121,359	\$ -
2056	88,584	-	-	93,290	93,290	\$ -
2057	-	-	-	-	-	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
2074	-	-	-	-	-	\$ -
Project Totals		4,358,345		14,236,321	14,236,321	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't From Prior Year Template with Incentives **		
\$ 366,645	\$	\$ 366,645		
\$ 552,054	\$	\$ 552,054		
\$ 493,365	\$	\$ 493,365		
\$ 490,393	\$	\$ 490,393		
\$ 508,709	\$	\$ 508,709		
\$ 503,037	\$	\$ 503,037		

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	8,589,502
Current Projected Year ARR w/ Incentive	8,589,502
Current Projected Year Incentive ARR	-

Details					
Investment	75,919,619	Current Year		2021	
Service Year (vvy)	2014	ROE increase accepted by FERC (Basis Points)		-	
Service Month (1-12)	9	FCR w/o incentives, less depreciation		10.62%	
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%	
CIAC (Yes or No)	No	Annual Depreciation Expense		1,851,698	

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##
2014	75,919,619	462,925	75,456,695	8,504,027	8,504,027	\$ -
2015	75,456,695	1,851,698	73,604,997	9,769,848	9,769,848	\$ -
2016	73,604,997	1,851,698	71,753,299	9,573,123	9,573,123	\$ -
2017	71,753,299	1,851,698	69,901,601	9,376,399	9,376,399	\$ -
2018	69,901,601	1,851,698	68,049,903	9,179,675	9,179,675	\$ -
2019	68,049,903	1,851,698	66,198,205	8,982,951	8,982,951	\$ -
2020	66,198,205	1,851,698	64,346,507	8,786,227	8,786,227	\$ -
2021	64,346,507	1,851,698	62,494,809	8,589,502	8,589,502	\$ -
2022	62,494,809	1,851,698	60,643,111	8,392,778	8,392,778	\$ -
2023	60,643,111	1,851,698	58,791,413	8,196,054	8,196,054	\$ -
2024	58,791,413	1,851,698	56,939,715	7,999,330	7,999,330	\$ -
2025	56,939,715	1,851,698	55,088,017	7,802,605	7,802,605	\$ -
2026	55,088,017	1,851,698	53,236,319	7,605,881	7,605,881	\$ -
2027	53,236,319	1,851,698	51,384,620	7,409,157	7,409,157	\$ -
2028	51,384,620	1,851,698	49,532,922	7,212,433	7,212,433	\$ -
2029	49,532,922	1,851,698	47,681,224	7,015,709	7,015,709	\$ -
2030	47,681,224	1,851,698	45,829,526	6,818,984	6,818,984	\$ -
2031	45,829,526	1,851,698	43,977,828	6,622,260	6,622,260	\$ -
2032	43,977,828	1,851,698	42,126,130	6,425,536	6,425,536	\$ -
2033	42,126,130	1,851,698	40,274,432	6,228,812	6,228,812	\$ -
2034	40,274,432	1,851,698	38,422,734	6,032,088	6,032,088	\$ -
2035	38,422,734	1,851,698	36,571,036	5,835,363	5,835,363	\$ -
2036	36,571,036	1,851,698	34,719,338	5,638,639	5,638,639	\$ -
2037	34,719,338	1,851,698	32,867,640	5,441,915	5,441,915	\$ -
2038	32,867,640	1,851,698	31,015,942	5,245,191	5,245,191	\$ -
2039	31,015,942	1,851,698	29,164,244	5,048,466	5,048,466	\$ -
2040	29,164,244	1,851,698	27,312,546	4,851,742	4,851,742	\$ -
2041	27,312,546	1,851,698	25,460,848	4,655,018	4,655,018	\$ -
2042	25,460,848	1,851,698	23,609,150	4,458,294	4,458,294	\$ -
2043	23,609,150	1,851,698	21,757,452	4,261,570	4,261,570	\$ -
2044	21,757,452	1,851,698	19,905,754	4,064,845	4,064,845	\$ -
2045	19,905,754	1,851,698	18,054,056	3,868,121	3,868,121	\$ -
2046	18,054,056	1,851,698	16,202,358	3,671,397	3,671,397	\$ -
2047	16,202,358	1,851,698	14,350,660	3,474,673	3,474,673	\$ -
2048	14,350,660	1,851,698	12,498,962	3,277,949	3,277,949	\$ -
2049	12,498,962	1,851,698	10,647,264	3,081,224	3,081,224	\$ -
2050	10,647,264	1,851,698	8,795,566	2,884,500	2,884,500	\$ -
2051	8,795,566	1,851,698	6,943,868	2,687,776	2,687,776	\$ -
2052	6,943,868	1,851,698	5,092,170	2,491,052	2,491,052	\$ -
2053	5,092,170	1,851,698	3,240,472	2,294,328	2,294,328	\$ -
2054	3,240,472	1,851,698	1,388,774	2,097,603	2,097,603	\$ -
2055	1,388,774	1,388,774	-	1,462,545	1,462,545	\$ -
2056	-	-	-	-	-	\$ -
2057	-	-	-	-	-	\$ -
2058	-	-	-	-	-	\$ -
2059	-	-	-	-	-	\$ -
2060	-	-	-	-	-	\$ -
2061	-	-	-	-	-	\$ -
2062	-	-	-	-	-	\$ -
2063	-	-	-	-	-	\$ -
2064	-	-	-	-	-	\$ -
2065	-	-	-	-	-	\$ -
2066	-	-	-	-	-	\$ -
2067	-	-	-	-	-	\$ -
2068	-	-	-	-	-	\$ -
2069	-	-	-	-	-	\$ -
2070	-	-	-	-	-	\$ -
2071	-	-	-	-	-	\$ -
2072	-	-	-	-	-	\$ -
2073	-	-	-	-	-	\$ -
Project Totals		75,919,619		247,315,590	247,315,590	-

** 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.

CUMULATIVE HISTORY OF PROJECTED ANNUAL REVENUE REQUIREMENTS:

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

RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives		RTEP Projected Rev. Req't. From Prior Year Template with Incentives **		
\$ -		\$ -		
\$ -		\$ -		
\$ 1,188		\$ 1,188		
\$ 281,554		\$ 281,554		
\$ 262,335		\$ 262,335		
\$ 252,907		\$ 252,907		
\$ 248,870		\$ 248,870		

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 (Replace existing 150 MVAR reactor at Amos 765 kV)

Current Projected Year ARR	1,473,668
Current Projected Year ARR w/ Incentive	1,473,668
Current Projected Year Incentive ARR	-

Details				
Investment	12,409,450	Current Year		2021
Service Year (yyy)	2016	ROE increase accepted by FERC (Basis Points)		
Service Month (1-12)	11	FCR w/o incentives, less depreciation		10.62%
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%
CIAC (Yes or No)	No	Annual Depreciation Expense		302.670

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 #
2016	12,409,450	25,222	12,384,228	1,342,261	1,342,261	\$
2017	12,384,228	302,670	12,081,558	1,602,291	1,602,291	\$
2018	12,081,558	302,670	11,778,889	1,570,135	1,570,135	\$
2019	11,778,889	302,670	11,476,219	1,537,980	1,537,980	\$
2020	11,476,219	302,670	11,173,549	1,505,824	1,505,824	\$
2021	11,173,549	302,670	10,870,880	1,473,668	1,473,668	\$
2022	10,870,880	302,670	10,568,210	1,441,513	1,441,513	\$
2023	10,568,210	302,670	10,265,541	1,409,357	1,409,357	\$
2024	10,265,541	302,670	9,962,871	1,377,202	1,377,202	\$
2025	9,962,871	302,670	9,660,202	1,345,046	1,345,046	\$
2026	9,660,202	302,670	9,357,532	1,312,891	1,312,891	\$
2027	9,357,532	302,670	9,054,863	1,280,735	1,280,735	\$
2028	9,054,863	302,670	8,752,193	1,248,579	1,248,579	\$
2029	8,752,193	302,670	8,449,524	1,216,424	1,216,424	\$
2030	8,449,524	302,670	8,146,854	1,184,268	1,184,268	\$
2031	8,146,854	302,670	7,844,185	1,152,113	1,152,113	\$
2032	7,844,185	302,670	7,541,515	1,119,957	1,119,957	\$
2033	7,541,515	302,670	7,238,846	1,087,802	1,087,802	\$
2034	7,238,846	302,670	6,936,176	1,055,646	1,055,646	\$
2035	6,936,176	302,670	6,633,507	1,023,490	1,023,490	\$
2036	6,633,507	302,670	6,330,837	991,335	991,335	\$
2037	6,330,837	302,670	6,028,168	959,179	959,179	\$
2038	6,028,168	302,670	5,725,498	927,024	927,024	\$
2039	5,725,498	302,670	5,422,829	894,868	894,868	\$
2040	5,422,829	302,670	5,120,159	862,713	862,713	\$
2041	5,120,159	302,670	4,817,490	830,557	830,557	\$
2042	4,817,490	302,670	4,514,820	798,401	798,401	\$
2043	4,514,820	302,670	4,212,151	766,246	766,246	\$
2044	4,212,151	302,670	3,909,481	734,090	734,090	\$
2045	3,909,481	302,670	3,606,812	701,935	701,935	\$
2046	3,606,812	302,670	3,304,142	669,779	669,779	\$
2047	3,304,142	302,670	3,001,473	637,623	637,623	\$
2048	3,001,473	302,670	2,698,803	605,468	605,468	\$
2049	2,698,803	302,670	2,396,134	573,312	573,312	\$
2050	2,396,134	302,670	2,093,464	541,157	541,157	\$
2051	2,093,464	302,670	1,790,795	509,001	509,001	\$
2052	1,790,795	302,670	1,488,125	476,846	476,846	\$
2053	1,488,125	302,670	1,185,456	444,690	444,690	\$
2054	1,185,456	302,670	882,786	412,534	412,534	\$
2055	882,786	302,670	580,117	380,379	380,379	\$
2056	580,117	277,447	277,447	348,223	348,223	\$
2057	277,447	277,447	-	292,185	292,185	\$
2058	-	-	-	-	-	\$
2059	-	-	-	-	-	\$
2060	-	-	-	-	-	\$
2061	-	-	-	-	-	\$
2062	-	-	-	-	-	\$
2063	-	-	-	-	-	\$
2064	-	-	-	-	-	\$
2065	-	-	-	-	-	\$
2066	-	-	-	-	-	\$
2067	-	-	-	-	-	\$
2068	-	-	-	-	-	\$
2069	-	-	-	-	-	\$
2070	-	-	-	-	-	\$
2071	-	-	-	-	-	\$
2072	-	-	-	-	-	\$
2073	-	-	-	-	-	\$
2074	-	-	-	-	-	\$
2075	-	-	-	-	-	\$

[illegible]

Project Totals	12,409,450	40,644,728	40,644,728
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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.

Project Description: RTEP ID: b2423 (Install a 300 MVAR shunt reactor at AEP's Wyoming 765 kV station)

Details				
Investment	19,770,917	Current Year		2021
Service Year (vvvv)	2017	ROE increase accepted by FERC (Basis Points)		-
Service Month (1-12)	11	FCR w/o incentives, less depreciation		10.62%
Useful life	41	FCR w/incentives approved for these facilities, less dep.		10.62%
CIAC (Yes or No)	No	Annual Depreciation Expense		482.21

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.

Project Totals	19,770,917	64,755,772	64,755,772
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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.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet L RESERVED
West Virginia Transmission Company

RESERVED FOR FUTURE USE

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
West Virginia Transmission 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	792,531,000	-	-	-	792,531,000
2	January	801,067,000	-	-	-	801,067,000
3	February	828,433,000	-	-	-	828,433,000
4	March	836,831,000	-	-	-	836,831,000
5	April	845,041,000	-	-	-	845,041,000
6	May	873,552,000	-	-	-	873,552,000
7	June	871,845,000	-	-	-	871,845,000
8	July	876,786,000	-	-	-	876,786,000
9	August	884,843,000	-	-	-	884,843,000
10	September	892,345,000	-	-	-	892,345,000
11	October	900,212,000	-	-	-	900,212,000
12	November	907,616,000	-	-	-	907,616,000
13	December of Rate Year	914,701,000	-	-	-	914,701,000
14	Average of the 13 Monthly Balances	863,523,000	-	-	-	863,523,000

Line No	Month (a)	Average Balance of Long Term Debt					Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
		Bonds (b)	Less: Reacquired 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	-	-	612,600,000	-	-	612,600,000
16	January	-	-	612,600,000	-	-	612,600,000
17	February	-	-	612,600,000	-	-	612,600,000
18	March	-	-	612,600,000	-	-	612,600,000
19	April	-	-	612,600,000	-	-	612,600,000
20	May	-	-	612,600,000	-	-	612,600,000
21	June	-	-	612,600,000	200,000,000	-	812,600,000
22	July	-	-	612,600,000	200,000,000	-	812,600,000
23	August	-	-	612,600,000	200,000,000	-	812,600,000
24	September	-	-	612,600,000	200,000,000	-	812,600,000
25	October	-	-	612,600,000	200,000,000	-	812,600,000
26	November	-	-	600,600,000	200,000,000	-	800,600,000
27	December of Rate Year	-	-	600,600,000	200,000,000	-	800,600,000
28	Average of the 13 Monthly Balances	-	-	610,753,846	107,692,308	-	718,446,000

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
West Virginia Transmission Company

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)			26,317,000			
	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1						
31	included in Ln 30 and shown in 43 below.			-			
32	Amort of Debt Discount & Expense - Acct 428 (117.63.c)						
33	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)						
34	Less: Amort of Premium on Debt - Acct 429 (117.65.c)						
35	Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)						
36	Total Interest Expense (Ln 30 - 31 + 32 + 33 - 34 - 35)			26,317,000			
37	Average Cost of Debt for 2021 (Ln 36/ Ln 28 (g))			3.66%			

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

38 West Virginia Transmission Company may not include costs (or gains) related to interest hedging activities.

	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	(Amortization of (Gain)/Loss for 2021	Remaining Unamortized Balance	Amortization Period	
				Beginning	Ending
39					
40					
41					
42					
43	Net (Gain)/Loss Hedge Amortization To Be Removed	-	-	-	-

Development of Cost of Preferred Stock

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

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

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

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	-\$80,136,000
4	Base Year relating to retired personnel	\$0
5	Amount allocated on Labor	-\$80,136,000
6	Total AEP System Direct Labor Expense	\$1,454,108,000
7	AEP System PBOP expense per dollar of direct labor (PBOP Rate)	-\$0.055
8	Currently Approved PBOP Rate	-\$0.043
9	Base PBOP TransCo labor expensed in current year	\$4,719,000
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	-\$203,000
11	Direct PBOP Expense per Actuarial Report	\$0
12	Additional PBOP Ledger Entry (From Company Records)	\$0
13	Medicare Credit	\$0
14	PBOP Expenses From AEP Affiliates (From Company Records)	-\$535,000
15	Actual PBOP Expense (Sum Lines 11-14)	-\$535,000
16	PBOP Adjustment Line 10 less Line 15	\$332,000

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

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

AEPTCo subsidiaries in PJM
Worksheet - P
DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNTS
EFFECTIVE AS OF MARCH 6, 2019

West Virginia Transmission Company

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

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

<u>Composite Depreciation Rate</u>	<u>APCo</u>	<u>WPCo</u>	<u>TOTAL</u>
T-Plant (FF1 206.58.g)	1,811,822,367	29,740,179	1,841,562,546
T-Plant (FF1 206.58.b)	1,752,450,105	25,887,202	1,778,337,307
Average (Ln 1+ Ln 2)/2	1,782,136,236	27,813,691	1,809,949,927
Depreciation (FF1 336.7.f)	29,597,240	752,928	30,350,168
Composite Depreciation (Ln 3 / Ln 4)			1.68%

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

	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Line							
<u>Development of Long Term Debt Balances at Year End</u>							
1 Bonds (112.18.c&d)							-
2 Less: Reacquired Bonds (112.19.c&d)							-
3 LT Advances from Assoc. Companies (112.20.c&d)							-
4 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund							-
5 Less: Fair Value Hedges (See Note on Ln 7 below)							-
6 Total Long Term Debt Balance	-	-	-	-	-	-	-
7 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (page 257, Column H of the FF1)							
<u>Development of Long Term Debt Interest Expense</u>							
8 Interest on Long Term Debt (256-257.33.i)							-
9 Amort of Debt Discount & Expense (117.63.c)							-
10 Amort of Loss on Reacquired Debt (117.64.c)							-
11 Less: Amort of Premium on Debt (117.65.c)							-
12 Less: Amort of Gain on Reacquired Debt (117.66.c)							-
13 Less: Hedge Interest on pp 256-257(i)							-
14 LTD Interest Expense	-	-	-	-	-	-	-
<u>Development of Cost of Preferred Stock and Preferred Dividends</u>							
15 Dividend Rate (p. 250-251. 7.a)							
16 Par Value (p. 250-251. 8.c)							
17 Shares Outstanding (p.250-251. 8.e)							
18 Monetary Value (Ln 16 * Ln 17)	-	-	-	-	-	-	-
19 Dividend Amount (Ln 15 * Ln 18)	-	-	-	-	-	-	-
20 Dividend Rate (p. 250-251. 7.a)							
21 Par Value (p. 250-251. 8.c)							
22 Shares Outstanding (p.250-251. 8.e)							
23 Monetary Value (Ln 21 * Ln 22)	-	-	-	-	-	-	-
24 Dividend Amount (Ln 20 * Ln 23)	-	-	-	-	-	-	-
25 Dividend Rate (p. 250-251. 7.a)							
26 Par Value (p. 250-251. 8.c)							
27 Shares Outstanding (p.250-251. 8.e)							
28 Monetary Value (Ln 26 * Ln 27)	-	-	-	-	-	-	-
29 Dividend Amount (Ln 25 * Ln 28)	-	-	-	-	-	-	-
30 Dividend Rate (p. 250-251. 7.a)							
31 Par Value (p. 250-251. 8.c)							
32 Shares Outstanding (p.250-251. 8.e)							
33 Monetary Value (Ln 31 * Ln 32)	-	-	-	-	-	-	-
34 Dividend Amount (Ln 30 * Ln 33)	-	-	-	-	-	-	-
35 Preferred Stock (Lns 18, 23, 28,33)	-	-	-	-	-	-	-
36 Preferred Dividends (Lns 19, 24, 29,34)	-	-	-	-	-	-	-
<u>Development of Common Equity</u>							
37 Proprietary Capital (112.16.c)							-
38 Less: Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
39 Less: Account 216.1 (112.12.c)							-
40 Less: Account 219.1 (112.15.c)							-
41 Balance of Common Equity	-	-	-	-	-	-	-
<u>Calculation of Capital Shares</u>							
42 Long Term Debt (Ln 6 Above)	-	-	-	-	-	-	-
43 Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
44 Common Equity (Ln 41 Above)	-	-	-	-	-	-	-
45 Total Company Structure	-	-	-	-	-	-	-
46 LTD Capital Shares (Ln 42 / Ln 45)	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!
47 Preferred Stock Capital Shares (Ln 43 / Ln 45)	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!
48 Common Equity Capital Shares (Ln 44 / Ln 45)	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!
49 Reserved							
50 Reserved							
51 Reserved							
52 Reserved							
<u>Calculation of Capital Cost Rate</u>							
53 LTD Capital Cost Rate (Ln 14 / Ln 6)	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!	#DIV/O!
54 Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
<u>Calculation of Weighted Capital Cost Rate</u>							

	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
Line							
<u>Development of Long Term Debt Balances at Year End</u>							
60 Bonds (112.18.c&d)							-
61 Less: Reacquired Bonds (112.19.c&d)							-
62 LT Advances from Assoc. Companies (112.20.c&d)							-
63 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund							-
64 Less: Fair Value Hedges (See Note on Ln 66 below)							-
65 Total Long Term Debt Balance	-	-	-	-	-	-	-
66 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (p. 257, Column H of the FF1)							
<u>Development of Long Term Debt Interest Expense</u>							
67 Interest on Long Term Debt (256-257.33.i)							-
68 Amort of Debt Discount & Expense (117.63.c)							-
69 Amort of Loss on Reacquired Debt (117.64.c)							-
70 Less: Amort of Premium on Debt (117.65.c)							-
71 Less: Amort of Gain on Reacquired Debt (117.66.c)							-
72 Less: Hedge Interest on pp 256-257(i)							-
73 LTD Interest Expense	-	-	-	-	-	-	-
<u>Development of Cost of Preferred Stock and Preferred Dividends</u>							
74 Dividend Rate (p. 250-251. 7.a)							
75 Par Value (p. 250-251. 8.c)							
76 Shares Outstanding (p.250-251. 8.e)							
77 Monetary Value (Ln 75 * Ln 76)	-	-	-	-	-	-	-
78 Dividend Amount (Ln 74 * Ln 77)	-	-	-	-	-	-	-
79 Dividend Rate (p. 250-251. 7.a)							
80 Par Value (p. 250-251. 8.c)							
81 Shares Outstanding (p.250-251. 8.e)							
82 Monetary Value (Ln 80 * Ln 81)	-	-	-	-	-	-	-
83 Dividend Amount (Ln 79 * Ln 82)	-	-	-	-	-	-	-
84 Dividend Rate (p. 250-251. 7.a)							
85 Par Value (p. 250-251. 8.c)							
86 Shares Outstanding (p.250-251. 8.e)							
87 Monetary Value (Ln 85 * Ln 86)	-	-	-	-	-	-	-
88 Dividend Amount (Ln 84 * Ln 87)	-	-	-	-	-	-	-
89 Dividend Rate (p. 250-251. 7.a)							
90 Par Value (p. 250-251. 8.c)							
91 Shares Outstanding (p.250-251. 8.e)							
92 Monetary Value (Ln 90 * Ln 91)	-	-	-	-	-	-	-
93 Dividend Amount (Ln 89 * Ln 92)	-	-	-	-	-	-	-
94 Preferred Stock (Lns 77, 82, 87,92)	-	-	-	-	-	-	-
95 Preferred Dividends (Lns 78, 83, 88,93)	-	-	-	-	-	-	-
<u>Development of Common Equity</u>							
96 Proprietary Capital (112.16.c)							-
97 Less: Preferred Stock (Ln 94 Above)	-	-	-	-	-	-	-
98 Less: Account 216.1 (112.12.c)							-
99 Less: Account 219.1 (112.15.c)							-
100 Balance of Common Equity	-	-	-	-	-	-	-
<u>Calculation of Capital Shares</u>							
101 Long Term Debt (Ln 65 Above)	-	-	-	-	-	-	-
102 Preferred Stock (Ln 94 Above)	-	-	-	-	-	-	-
103 Common Equity (Ln 100 Above)	-	-	-	-	-	-	-
104 Total Company Structure	-	-	-	-	-	-	-
105 LTD Capital Shares (Ln 101 / Ln 104)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
106 Preferred Stock Capital Shares (Ln 102 / Ln 104)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
107 Common Equity Capital Shares (Ln 103 / Ln 104)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
108 Reserved							
109 Reserved							
110 Reserved							
111 Reserved							
<u>Calculation of Capital Cost Rate</u>							
112 LTD Capital Cost Rate (Ln 73 / Ln 65)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
113 Preferred Stock Capital Cost Rate (Ln 95 / Ln 94)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
114 Common Equity Capital Cost Rate	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%	11.49%
<u>Calculation of Weighted Capital Cost Rate</u>							
115 LTD Weighted Capital Cost Rate (Ln 105 * Ln 112)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
116 Preferred Stock Capital Cost Rate (Ln 106 * Ln 113)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
117 Common Equity Capital Cost Rate (Ln 107 * Ln 114)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
118 Total Company Structure	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

[illegible]

AEPTCo Subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R - 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
\$66,416,519		\$82,299,268		\$15,882,749

Interest Rate on Amount of Refunds or Surcharges (Note 1)		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	1,323,562	0.4195%	12	(66,628)		(1,390,191)
February	Year 2019	1,323,562	0.4195%	11	(61,076)		(1,384,638)
March	Year 2019	1,323,562	0.4195%	10	(55,523)		(1,379,086)
April	Year 2019	1,323,562	0.4195%	9	(49,971)		(1,373,534)
May	Year 2019	1,323,562	0.4195%	8	(44,419)		(1,367,981)
June	Year 2019	1,323,562	0.4195%	7	(38,866)		(1,362,429)
July	Year 2019	1,323,562	0.4195%	6	(33,314)		(1,356,876)
August	Year 2019	1,323,562	0.4195%	5	(27,762)		(1,351,324)
September	Year 2019	1,323,562	0.4195%	4	(22,209)		(1,345,772)
October	Year 2019	1,323,562	0.4195%	3	(16,657)		(1,340,219)
November	Year 2019	1,323,562	0.4195%	2	(11,105)		(1,334,667)
December	Year 2019	1,323,562	0.4195%	1	(5,552)		(1,329,115)
					<u>(433,083)</u>		<u>(16,315,832)</u>
					Annual		
January through December	Year 2019	(16,315,832)	0.4195%	12	(821,339)		(17,137,171)
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					Monthly		
January	Year 2021	17,137,171	0.4195%		(71,890)	1,467,337	(15,741,724)
February	Year 2021	15,741,724	0.4195%		(66,037)	1,467,337	(14,340,424)
March	Year 2021	14,340,424	0.4195%		(60,158)	1,467,337	(12,933,245)
April	Year 2021	12,933,245	0.4195%		(54,255)	1,467,337	(11,520,163)
May	Year 2021	11,520,163	0.4195%		(48,327)	1,467,337	(10,101,153)
June	Year 2021	10,101,153	0.4195%		(42,374)	1,467,337	(8,676,190)
July	Year 2021	8,676,190	0.4195%		(36,397)	1,467,337	(7,245,249)
August	Year 2021	7,245,249	0.4195%		(30,394)	1,467,337	(5,808,306)
September	Year 2021	5,808,306	0.4195%		(24,366)	1,467,337	(4,365,335)
October	Year 2021	4,365,335	0.4195%		(18,313)	1,467,337	(2,916,310)
November	Year 2021	2,916,310	0.4195%		(12,234)	1,467,337	(1,461,207)
December	Year 2021	1,461,207	0.4195%		(6,130)	1,467,337	0
					<u>(470,874)</u>		
True-Up Adjustment with Interest						(17,608,045)	
Less Over (Under) Recovery						15,882,749	
Total Interest						(1,725,296)	

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.

AEPTCo Subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R - 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
\$52,288,598		\$43,798,279		(\$8,490,319)

Interest Rate on Amount of Refunds or Surcharges (Note 1)	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	(707,527)	0.4195%	12	35,617	743,143
February	Year 2019	(707,527)	0.4195%	11	32,649	740,175
March	Year 2019	(707,527)	0.4195%	10	29,681	737,207
April	Year 2019	(707,527)	0.4195%	9	26,713	734,239
May	Year 2019	(707,527)	0.4195%	8	23,745	731,271
June	Year 2019	(707,527)	0.4195%	7	20,777	728,303
July	Year 2019	(707,527)	0.4195%	6	17,808	725,335
August	Year 2019	(707,527)	0.4195%	5	14,840	722,367
September	Year 2019	(707,527)	0.4195%	4	11,872	719,399
October	Year 2019	(707,527)	0.4195%	3	8,904	716,431
November	Year 2019	(707,527)	0.4195%	2	5,936	713,463
December	Year 2019	(707,527)	0.4195%	1	2,968	710,495
					231,510	8,721,828

January through Decen Year 2019	8,721,828	0.4195%	12	439,057		9,160,885
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Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months				Monthly			
January	Year 2021	(9,160,885)	0.4195%	38,430	(784,383)		8,414,932
February	Year 2021	(8,414,932)	0.4195%	35,301	(784,383)		7,665,850
March	Year 2021	(7,665,850)	0.4195%	32,158	(784,383)		6,913,625
April	Year 2021	(6,913,625)	0.4195%	29,003	(784,383)		6,158,244
May	Year 2021	(6,158,244)	0.4195%	25,834	(784,383)		5,399,695
June	Year 2021	(5,399,695)	0.4195%	22,652	(784,383)		4,637,964
July	Year 2021	(4,637,964)	0.4195%	19,456	(784,383)		3,873,037
August	Year 2021	(3,873,037)	0.4195%	16,247	(784,383)		3,104,901
September	Year 2021	(3,104,901)	0.4195%	13,025	(784,383)		2,333,543
October	Year 2021	(2,333,543)	0.4195%	9,789	(784,383)		1,558,950
November	Year 2021	(1,558,950)	0.4195%	6,540	(784,383)		781,106
December	Year 2021	(781,106)	0.4195%	3,277	(784,383)		0
				<hr/>			
				251,711			

True-Up Adjustment with Interest	9,412,597
Less Over (Under) Recovery	(8,490,319)
Total Interest	922,278

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

AEPTCo Subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R - 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
\$1,213,344		\$779,000		(\$434,344)

Interest Rate on Amount of Refunds or Surcharges (Note 1)	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	(36,195)	0.4195%	12	1,822	38,017
February	Year 2019	(36,195)	0.4195%	11	1,670	37,866
March	Year 2019	(36,195)	0.4195%	10	1,518	37,714
April	Year 2019	(36,195)	0.4195%	9	1,367	37,562
May	Year 2019	(36,195)	0.4195%	8	1,215	37,410
June	Year 2019	(36,195)	0.4195%	7	1,063	37,258
July	Year 2019	(36,195)	0.4195%	6	911	37,106
August	Year 2019	(36,195)	0.4195%	5	759	36,955
September	Year 2019	(36,195)	0.4195%	4	607	36,803
October	Year 2019	(36,195)	0.4195%	3	456	36,651
November	Year 2019	(36,195)	0.4195%	2	304	36,499
December	Year 2019	(36,195)	0.4195%	1	152	36,347
					11,843	446,187

January through Decen Year 2019	446,187	0.4195%	12	22,461		468,648
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Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

				Monthly		
January	Year 2021	(468,648)	0.4195%		1,966	430,487
February	Year 2021	(430,487)	0.4195%		1,806	392,166
March	Year 2021	(392,166)	0.4195%		1,645	353,684
April	Year 2021	(353,684)	0.4195%		1,484	315,041
May	Year 2021	(315,041)	0.4195%		1,322	276,235
June	Year 2021	(276,235)	0.4195%		1,159	237,267
July	Year 2021	(237,267)	0.4195%		995	198,135
August	Year 2021	(198,135)	0.4195%		831	158,839
September	Year 2021	(158,839)	0.4195%		666	119,378
October	Year 2021	(119,378)	0.4195%		501	79,752
November	Year 2021	(79,752)	0.4195%		335	39,959
December	Year 2021	(39,959)	0.4195%		168	(0)
					12,877	

True-Up Adjustment with Interest	481,525
Less Over (Under) Recovery	(434,344)
Total Interest	47,181

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