

AEPTCo subsidiaries in PJM - Transmission Formula Rate Revenue Requirement  
Including Costs through December 31, 2014  
For charges effective July 1, 2015

Revenue Requirements for Network and Point-to-Point Transmission Service

Line No.			AEPTCo subsidiaries in PJM Annual Revenue Requirement	APPALACHIAN TRANSMISSION COMPANY Annual Revenue Requirement	INDIANA MICHIGAN TRANSMISSION COMPANY Annual Revenue Requirement	KENTUCKY TRANSMISSION COMPANY Annual Revenue Requirement	OHIO TRANSMISSION COMPANY Annual Revenue Requirement	WEST VIRGINIA TRANSMISSION COMPANY Annual Revenue Requirement
<b>A. Network Service</b>								
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1)	\$272,990,870	\$219,165	\$43,818,510	\$3,317,708	\$191,068,558	\$34,566,928
2	LESS: REVENUE CREDITS	(TCOS Ln 2)	\$46,750	\$0	\$0	\$0	\$46,750	\$0
3	CURRENT YEAR AEPTCo ANNUAL TRANSMISSION REVENUE REQUIREMENT (ATRR)	(TCOS Ln 3)	\$272,944,120	\$219,165	\$43,818,510	\$3,317,708	\$191,021,808	\$34,566,928
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:							
5	RTEP UPGRADES ATRR (W/O INCENTIVES)	(TCOS Ln 4)	\$71,143,503	\$0	\$9,282,095	\$0	\$38,417,015	\$23,444,393
6	OTHER UPGRADES ATRR (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$71,143,503	\$0	\$9,282,095	\$0	\$38,417,015	\$23,444,393
8	EXISTING AEPTCo ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$201,800,618	\$219,165	\$34,536,416	\$3,317,708	\$152,604,793	\$11,122,535
9	INCREMENTAL APPROVED INCENTIVE ATRR	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0
10	EXISTING AEPTCo ZONAL ATRR (W/ INCENTIVES)	(Ln 8 + Ln 9)	\$201,800,618	\$219,165	\$34,536,416	\$3,317,708	\$152,604,793	\$11,122,535
11	BILLED HISTORICAL YEAR (2014) ACTUAL ATRR	Input from 2014 True-up	\$125,166,044	\$243,553	\$24,098,627	\$204,019	\$105,207,589	-\$4,587,744
12	BILLED PROJECTED (2014) ATRR FROM PRIOR YEAR	Input from Prior Year	\$100,911,474	\$162,562	\$18,547,913	\$198,685	\$80,554,048	\$1,448,266
13	PRIOR YEAR TRUE-UP	(Ln 11 - Ln 12)	\$24,254,570	\$80,990	\$5,550,715	\$5,334	\$24,653,541	-\$6,036,010
14	INTEREST ON PRIOR YEAR TRUE UP		\$1,522,691	\$5,085	\$348,471	\$335	\$1,547,738	-\$378,938
15	<b>EXISTING AEPTCo ATRR FOR AEP ZONE OF PJM OATT</b>	(Ln 10 + Ln 13 + Ln 14)	<b>\$227,577,878</b>	\$305,240	\$40,435,602	\$3,323,377	\$178,806,072	\$4,707,588
<b>B. Point-to-Point Service</b>								
16	2015 AEP East Zone Network Service Peak Load (1 CP)		24,408.1	MW				
<i>Line 16 is provided from PJM records</i>								
17	Annual Point-to-Point Rate in \$/MW - Year	(Ln 15 / Ln 16)	\$9,323.87					
18	Monthly Point-to-Point Rate in \$/MW - Month	(Ln 17 / 12)	\$776.99					
19	Weekly Point-to-Point Rate in \$/MW - Weekly	(Ln 17 / 52)	\$179.31					
20	Daily On-Peak Point-to-Point Rate in \$/MW - Day	(Ln 17 / 260)	\$35.86					
21	Daily Off-Peak Point-to-Point Rate in \$/MW - Day	(Ln 17 / 365)	\$25.54					
22	Hourly On-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 17 / 4160)	\$2.24					
23	Hourly Off-Peak Point-to-Point Rate in \$/MW - Hour	(Ln 17 / 8760)	\$1.06					
<b>C. PJM Regional Service</b>								
24	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	71,143,503	-	9,282,095	-	38,417,015	23,444,393
25	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-
26	TRUE-UP ADJUSTMENT INCLUDING INTEREST		16,116,116	-	2,040,834	-	4,228,363	9,846,919
27	<b>RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12</b>		<b>\$ 87,259,618</b>	-	<b>11,322,928</b>	-	<b>42,645,377</b>	<b>33,291,312</b>

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Annual Revenue Requirement for Scheduling, System Control and Dispatch Services - Schedule 1A

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<b>A. Schedule 1A ARR</b>							
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 14)	\$86,118	\$238	\$18,175	\$238	\$66,236	\$1,231
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$2,074	\$238	\$427	\$238	\$933	\$238
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	\$0	\$0	\$0	\$0	\$0	\$0
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$84,044	\$0	\$17,748	\$0	\$65,303	\$993
5	Less: PTP Service Credit	\$0	\$0	\$0	\$0	\$0	\$0
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$0	\$0	\$0	\$0	\$0	\$0
7	BILLED HISTORICAL YEAR (2014) ACTUAL ARR	\$0					
8	BILLED PROJECTED (2014) ARR FROM PRIOR YEAR	\$0					
9	PRIOR YEAR TRUE-UP (Ln 7 - Ln 8)	\$0	\$0	\$0	\$0	\$0	\$0
10	INTEREST ON PRIOR YEAR TRUE UP	\$0	\$0	\$0	\$0	\$0	\$0
11	<b>Net Schedule 1A Revenue Requirement for Zone</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>B. Schedule 1A Rate Calculations</b>							
12	Prior Calendar Year (2014 Est.) AEP East Zone Annual MWh <i>Line 12 is provided from PJM records</i>		133,111,623				
13	AEP Zone Rate for Schedule 1A Service. (Line 11 / Line 12)		\$0.0000				