



Legal Department

American Electric Power  
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Washington, DC 20004-2615  
AEP.com

May 25, 2018

Honorable Kimberly D Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First St., N.E.  
Washington D.C. 20426

Amanda Riggs Conner  
Senior Counsel -  
Regulatory Services  
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Re: **American Electric Power Service Corporation**  
**Docket No. ER13-539**

Dear Secretary Bose:

American Electric Power Service Corporation, on behalf of its affiliate, Appalachian Power Company (“Appalachian Power,” together, “AEP”), hereby submits for filing for informational purposes an Annual Update to Appalachian Power’s Capacity Compensation Formula Rate, which applies to the upcoming Rate Year. Consistent with the Capacity Compensation Formula Rate Implementation Protocols, Schedule 8.1 – Appendix 2A of the PJM Interconnection, L.L.C. (“PJM”) Reliability Assurance Agreement Among Load Serving Entities in the PJM Region (“RAA”), the Annual Update includes both PDF and working Excel spreadsheet versions, which are being included in this filing and were sent to PJM for posting on May 25, 2018 at the following location:

<http://pjm.com/markets-and-operations/billing-settlements-and-credit/frr-lse-capacity-rates.aspx>

In addition, the Annual Update has been posted on Appalachian Power’s website at the following location:

<https://www.appalachianpower.com/account/service/choice/>

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Thank you for your attention to this informational filing. Please contact the undersigned if you have any questions concerning this filing.

Respectfully submitted,

*/s/ Amanda Riggs Conner*

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