

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

AEP Ohio Transmission Company

For Twelve Months Ended

2019

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 113)				\$461,005,832
			Total		Allocator	
2	REVENUE CREDITS	(Worksheet E, ln 8) (Note A)	7,603,295	DA	1.00000	\$ 7,603,295
3	Facility Credits under PJM OATT Section 30.9	Worksheet E, ln 9) (Note X)				\$ 506,429
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)				\$ 453,908,966

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)	43,293,583	DA	1.00000	\$ 43,293,583
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	((ln 1 - ln 80)/(ln 33) x 100))			17.05%
8	Monthly Rate	(ln 7 / 12)			1.42%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	((ln 1 - ln 80 - ln 83)/(ln 33) x 100))			14.50%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	((ln 1 - ln 80 - ln 83 - ln 108 - ln 109) /(ln 33) x 100))			6.67%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				-

REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES

14						
15	Total Load Dispatch & Scheduling (Account 561)	Line 63 Below				1,181,865
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)				1,181,865

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(1)		(2)	(3)	(4)		(5)
RATE BASE CALCULATION		Data Sources (See "General Notes")	TO Total NOTE C	Allocator		Total Transmission
Line No.						
19	GROSS PLANT IN SERVICE					
19	Transmission	(Worksheet A in 14.(d) & Ln 117)	2,912,215,227	DA	1.00000	2,912,215,227
20	Less: Transmission ARO (Enter Negative)	(Worksheet A in 14.(e))	-	TP	1.00000	-
21	General Plant	(Worksheet A in 14.(h))	101,021,340	W/S	1.00000	101,021,340
22	Less: General Plant ARO (Enter Negative)	(Worksheet A in 14.(i))	-	W/S	1.00000	-
23	Intangible Plant	(Worksheet A in 14.(j))	26,516,789	W/S	1.00000	26,516,789
24	TOTAL GROSS PLANT	(Sum of Lines: 19 to 23)	3,039,753,355	GP=	1.000000	3,039,753,355
				GTD=	1.000000	
25	ACCUMULATED DEPRECIATION AND AMORTIZATION					
26	Transmission	(Worksheet A in 28.(d) & Ln 43.(b))	208,301,433	TP1=	1.00000	208,301,433
27	Less: Transmission ARO (Enter Negative)	(Worksheet A in 28.(e))	-	TP1=	1.00000	-
28	General Plant	(Worksheet A in 28.(h))	4,103,077	W/S	1.00000	4,103,077
29	Less: General Plant ARO (Enter Negative)	(Worksheet A in 28.(i))	-	W/S	1.00000	-
30	Intangible Plant	(Worksheet A in 28.(j))	9,817,307	W/S	1.00000	9,817,307.28
31	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 26 to 30)	222,221,817			222,221,817
32	NET PLANT IN SERVICE					
33	Transmission	(In 19 + In 20 - In 26 - In 27)	2,703,913,794			2,703,913,794
34	General Plant	(In 21 + In 22 - In 28 - In 29)	96,918,263			96,918,263
35	Intangible Plant	(In 23 - In 30)	16,699,481			16,699,481
36	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 33 to 35)	2,817,531,538	NP=	1.000000	2,817,531,538
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)	(487,935,160)	DA		(487,935,160)
40	Account No. 283.1 (enter negative)	(Worksheet B, in 12 & in 15.E)	(468,496)	DA		(468,496)
41	Account No. 190.1	(Worksheet B, in 17 & in 20.E)	1,974,069	DA		1,974,069
42	Account No. 255 (enter negative)	(Worksheet B, in 24 & in 25.E)	-	DA		-
43	TOTAL ADJUSTMENTS	(sum Ins 38 to 42)	(486,429,586)			(486,429,586)
44	PLANT HELD FOR FUTURE USE	(Worksheet A in 44.(e)) In 45.(e))	2,586,954	DA		2,586,954
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)	3,586,303			3,586,303
49	Transmission Materials & Supplies	(Worksheet C, in 2.(F))	10,110	TP	1.00000	10,110
50	A&G Materials & Supplies	(Worksheet C, in 3.(F))	35	W/S	1.00000	35
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))	2,276,295	GP	1.00000	2,276,295
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)	5,872,743			5,872,743
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)		2,339,561,649			2,339,561,649

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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	29,872,292		
62	TOTAL O&M EXPENSES	(sum Ins 59 to 61)	29,872,292		
63	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	1,181,865		
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)	28,690,427	TP 1.00000	28,690,427
67	Administrative and General	323.197.b (Notes J & M)	10,537,706		
68	Less: Acct. 924, Property Insurance	323.185.b	582,496		
69	Acct. 928, Reg. Com. Exp.	323.189.b	367,951		
70	Acct. 930.1, Gen. Advert. Exp.	323.191.b	2,405		
71	Acct. 930.2, Misc. Gen. Exp.	323.192.b	231,631		
72	Balance of A & G	(In 67 - sum In 68 to In 71)	9,353,223	W/S 1.00000	9,353,223
73	Plus: Acct. 924, Property Insurance	(In 68)	582,496	GP(h) 1.00000	582,496
74	Acct. 928 - Transmission Specific	Worksheet F In 21.(E) (Note L)	113,878	TP 1.00000	113,878
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 43.(E) (Note L)	3,101	DA 1.00000	3,101
77	PSOP Adjustment	Worksheet O Ln 16.(B). (Note K & M)	791,401	W/S 1.00000	791,401
78	A & G Subtotal	(sum Ins 72 to 77)	10,844,099		10,844,099
79	O & M EXPENSE SUBTOTAL	(In 66 + In 78)	39,534,526		39,534,526
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)	39,534,526		39,534,526
82	DEPRECIATION AND AMORTIZATION EXPENSE				
83	Transmission	336.7.f	68,926,073	TP1 1.00000	68,926,073
84	General	336.10.f	2,504,921	W/S 1.00000	2,504,921
85	Intangible	336.1.f	4,897,303	W/S 1.00000	4,897,303
86	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 83+84+85)	76,328,297		76,328,297
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)	132,859,453	DA 1.00000	132,859,453
92	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	15,024	NA 0.00000	-
93	Other	Worksheet H In 23.(E)	597,981	GP 1.00000	597,981
94	TOTAL OTHER TAXES	(sum Ins 89 to 93)	133,472,458		133,457,434
95	INCOME TAXES	(Note O)			
96	$T = 1 - ((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p) =$		21.14%		
97	$EIT = (T / (1 - T)) * (1 - (WCLTD / WACC)) =$		20.39%		
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)		1.2681		
101	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
102	Excess Deferred Income Tax	(Note T)	29,989	NP(h) 1.00000	29,989
103	Tax Effect of Permanent and Flow-Through Differences	(Note T)	642,585	NP(h) 1.00000	642,585
104	Income Tax Calculation	(In 97 * In 109)	35,706,152		35,706,152
105	ITC adjustment	(In 100 * In 101)	-	NP(h) 1.00000	-
106	Excess Deferred Income Tax	(In 100 * In 102)	38,029		38,029
107	Tax Effect of Permanent and Flow-Through Differences	(In 100 * In 103)	814,865		814,865
108	TOTAL INCOME TAXES	(sum Ins 104 to 107)	36,559,047		36,559,047
109	RETURN ON RATE BASE (Rate Base*WACC)	(In 58 * In 139)	175,126,528		175,126,528
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 * In97)		-		-
113	TOTAL REVENUE REQUIREMENT (sum Ins 81, 86, 94, 108, 109, 110, 111, 112)		461,020,856		461,005,832

110	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
114	Total transmission plant (In 19)									
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)									
118	Percent of transmission plant in PJM Tariff (In 117 / In 114)									
119	WAGES & SALARY ALLOCATOR (W/S) (Note R)									
120	Line Deliberately Left Blank									
121	Transmission 354.21.b									
122	Regional Market Expenses 354.22.b									
123	Line Deliberately Left Blank									
124	Other (Excludes A&G) 354.24.25.26.b									
125	Total (sum ins 121, 122, & 124)									
126	Transmission related amount									
127	Actual (Uncapped) Capital Structure									
128	WEIGHTED AVERAGE COST OF CAPITAL (WACC)									
129	Long Term Interest (Worksheet M, In.36, col.(d))									
130	Preferred Dividends (Worksheet M, In. 45, col.(d))									
131	Development of Common Stock: (Worksheet M, In. 14, col.(b))									
132	Proprietary Capital (Worksheet M, In. 14, col.(c))									
133	Less: Preferred Stock (Worksheet M, In. 14, col.(d))									
134	Less: Account 216.1 (Worksheet M, In. 14, col.(e))									
135	Less: Account 219 (Worksheet M, In. 14, col.(e))									
136	Common Stock (In 131 - In 132 - In 133 - In 134)									
137	Capital Structure Percentages									
138	Long Term Debt (Note S) Worksheet M, In 28, col. (a), In 37, col. (d))									
139	Preferred Stock (In 132)									
140	Common Stock (In 135)									
141	Total (Sum Ins 136 to 138)									
142	Capital Structure Equity Limit (Note Z)									

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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(l)-(h)(6)(ii). 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 AEP Ohio 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 expenses by the amount of the Amortized Investment Tax Credit (Form 1, 265.8.f) (in 101) multiplied by (1/(1-T)). If the applicable tax rates are zero enter 0.

Inputs Required:	FIT =	21.00%	
	SIT =	0.18%	(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 (In 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.

Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
X 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.
Y Per the settlement in EL17-13, equity is limited to 55% 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.
Z

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

Line No	Month (a)	Gross Plant In Service				
		Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	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
1	December Prior to Rate Year	2,727,078,647	-	72,608,969	-	24,721,160
2	January	2,744,339,787	-	72,617,866	-	25,109,127
3	February	2,753,738,347	-	72,617,463	-	25,401,644
4	March	2,762,870,249	-	72,619,202	-	24,703,823
5	April	2,774,415,574	-	72,652,920	-	24,978,965
6	May	2,841,959,248	-	72,779,175	-	25,320,496
7	June	2,872,703,940	-	117,665,565	-	25,519,312
8	July	2,951,429,034	-	118,958,865	-	25,937,716
9	August	2,966,558,060	-	119,426,842	-	26,489,390
10	September	2,987,354,520	-	119,880,908	-	26,457,390
11	October	3,010,786,299	-	120,095,216	-	26,930,830
12	November	3,058,719,940	-	140,631,265	-	27,721,061
13	December of Rate Year	3,406,844,302	-	140,723,161	-	35,427,338
14	Average of the 13 Monthly Balances	2,912,215,227	-	101,021,340	-	26,516,789

Line No	Month (a)	Accumulated Depreciation				
		Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(Note A)	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)
15	December Prior to Rate Year	171,193,045	-	3,029,203	-	8,186,561
16	January	175,919,111	-	3,170,246	-	8,581,467
17	February	186,577,937	-	3,311,313	-	8,982,839
18	March	192,129,793	-	3,464,379	-	8,935,759
19	April	197,618,695	-	3,617,450	-	9,330,376
20	May	202,860,515	-	3,770,656	-	9,729,579
21	June	208,606,391	-	3,925,882	-	9,686,271
22	July	213,972,532	-	4,182,303	-	10,094,479
23	August	219,622,660	-	4,441,733	-	10,509,661
24	September	225,928,983	-	4,702,499	-	10,432,335
25	October	231,893,959	-	4,964,078	-	10,856,178
26	November	237,680,701	-	5,226,132	-	11,287,911
27	December of Rate Year	243,914,306	-	5,534,124	-	11,011,580
28	Average of the 13 Monthly Balances	208,301,433	-	4,103,077	-	9,817,307

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
AEP Ohio 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 208,301,433

<u>Plant Held For Future Use</u>		<u>Source of Data</u>	<u>Balance @ December 31,</u> <u>2019</u>	<u>Balance @ December</u> <u>31, 2018</u>	<u>Average Balance for</u> <u>2019</u>
(a)	(b)		(c)	(d)	(e)
44	<u>Plant Held For Future Use</u>	FF1, page 214, ln 47, Col. (d)	-	5,173,908	2,586,954
45	<u>Transmission Plant Held For Future Use (Included in total on line 4</u> Company Records - Note 1		-	5,173,908	2,586,954

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	-

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

Unfunded Reserves Summary (Company Records)

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
AEP Ohio Transmission Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 2019</u>	<u>(D) Balance @ December 31, 2018</u>	<u>(E) Average Balance for 2019</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)	503,816,886	472,053,434	487,935,160
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)			-
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	503,816,886	472,053,434	487,935,160
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	641,986	295,005	468,496
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	641,986	295,005	468,496
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	1,887,020	2,061,118	1,974,069
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	1,887,020	2,061,118	1,974,069
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)-1(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.

18.01		0	0	0	0	0	0		
18.02		0	0	0	0	0	0		
19									
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0

AEP Ohio Transmission Company
ACCUMULATED DEFERRED INCOME TAX IN ACCOUNT 190 - Actual Cycle Only
PERIOD ENDED DECEMBER 31, 2019

DEBIT (CREDIT)

[illegible]

A		B		C		D		E		F		G		H		I		J		K		L		M		N		O		P		Q		R	
																1/1/2019 Beginning Balances		Balance Sheet Entries				Tax Expense Entries		12/31/2019 Ending Balance											
																				410411		410411 Deferred													
																Excess ADIT		Excess ADIT in		Balance Sheet		Excess		Amortization		Excess ADIT		Excess ADIT		Excess ADIT					
																Regulatory Offset		Utility Deferrals		Methodology		Tax Expense/ NOTE C		Regulatory Offset		Regulatory Offset		In Utility							
																				Reclassifications		182.3		254											
																</																			

NOTE A In order to ensure ratebase neutrality, AEP utilizes the fourth digit of its seven digit FERC Tax subaccount numbers to identify balances associated with utility operations vs regulatory reporting requirements. A "1" in the fourth digit of a FERC tax account refers to the utility operations balance or entry. Accounts with the "1" designation will be included in the determination of ratebase to be recovered in the formula rate. A "4" in the fourth place of the account number indicates accounts used to track regulatory accounting requirements. The excess ADIT amounts recorded in accounts with the "4" designation will be contra to the "1" balance, which will ensure that in the formula rate the excess amount will be part of ratebase, but at the total FERC account level the tax asset or liability will be recorded at the current Federal PT rate. The amounts recorded 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 recorded on regulatory assets and liabilities will be reported on the first line of ADIT accounts provided for each specific change in tax rates.

NOTE C: The ten year amortization period for unprotected excess ADIT is consistent with the period agreed upon by the Company and its customers and approved for the Company's PJM formula rates, *Appalachian Power 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 regulatory deferral accounts that may be necessary to track that tax rate change.

NOTE E: The amount of excess amortization entries shown in lines 1a through 1h are shown as a debit or credit to the ADIT account from which it is being amortized. The total in line 3 is the offset as charged to the 410411 account.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
AEP Ohio Transmission Company

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source	Balance @ December 31, 2019	Balance @ December 31, 2018	Average Balance for 2019				
1								
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	7,666	12,554	10,110			
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	0	70	35			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, In 16, Col. (c) & (b)			-			

Prepayment Balance Summary (Note 1)

		<u>Average of YE Balance</u>	<u>Excludable Balances</u>	<u>100% Transmission Related</u>	<u>Transmission Plant Related</u>	<u>Transmission Labor Related</u>	<u>Total Included in Ratebase (E)+(F)+(G)</u>
5							
6	Totals as of December 31, 2019	2,294,779	0	0	2,294,779	0	2,294,779
7	Totals as of December 31, 2018	<u>2,257,810</u>	<u>0</u>	<u>0</u>	<u>2,257,810</u>	<u>0</u>	<u>2,257,810</u>
8	Average Balance	<u>2,276,295</u>	<u>-</u>	<u>-</u>	<u>2,276,295</u>	<u>-</u>	<u>2,276,295</u>

Prepayments Account 165 - Balance @ 12/31/2019

9	Acc. No.	Description	2019 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	233,801	-	-	233,801	-	233,801	Plant Related Insurance Policies
11	165000214	Prepaid Taxes	0	-	-	-	-	-	
12	165000219	Prepaid Taxes	2	-	-	2	-	2	
13	1650006	Other Prepayments	1,600,000	-	-	1,600,000	-	1,600,000	Prepaid Transmission Projects
14	165001217	Prepaid Use Taxes	0	-	-	-	-	-	
15	165001219	Prepaid Use Taxes	41,334	-	-	41,334	-	41,334	Prepaid Use Taxes
16	1650021	Prepaid Insurance EIS	182,934	-	-	182,934	-	182,934	Plant Related Insurance Policies
17	1650023	Prepaid Lease	236,708	-	-	236,708	-	236,708	Prepaid Lease
18	1650003	Prepaid Rents	0	-	-	-	-	-	
19	1650004	Prepaid Interest	0	-	-	-	-	-	
20	1650010	Prepaid Pension Benefits	0	-	-	-	-	-	
21	1650014	FAS 158 Qual Contra Asset	0	-	-	-	-	-	
22	1650016	FAS 112 ASSETS	0	-	-	-	-	-	
23									
24									
25		Subtotal - Form 1, p 111.57.c	2,294,779	0	0	2,294,779	0	2,294,779	

Prepayments Account 165 - Balance @ 12/31/ 2018

26	Acc. No.	Description	2018 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	220,059	-	-	220,059	-	220,059	Plant Related Insurance Policies
28	165000214	Prepaid Taxes	0	-	-	-	-	-	
29	1650006	Other Prepayments	1,600,000	-	-	1,600,000	-	1,600,000	Prepaid Transmission Projects
30	165001217	Prepaid Use Taxes	0	-	-	-	-	-	
31	165001218	Prepaid Insurance EIS	23,607	-	-	23,607	-	23,607	Prepaid Use Taxes
32	1650021	Prepaid Insurance EIS	136,654	-	-	136,654	-	136,654	Plant Related Insurance Policies
33	1650023	Prepaid Lease	277,490	-	-	277,490	-	277,490	Prepaid Lease
34	1650003	Prepaid Rents	0	-	-	-	-	-	
35	1650004	Prepaid Interest	0	-	-	-	-	-	
34	1650010	Prepaid Pension Benefits	0	-	-	-	-	-	
35	1650014	FAS 158 Qual Contra Asset	0	-	-	-	-	-	
36	1650016	FAS 112 ASSETS	0	-	-	-	-	-	
37									
38									
39									
40		Subtotal - Form 1, p 111.57.d	2,257,810	0	0	2,257,810	0	2,257,810	

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
AEP Ohio Transmission Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2019</u>
1	Net Funds from IPP Customers 12/31/2018 (2019 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 12/31/2019 (2019 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 AEP Ohio Transmission Company's general ledger.

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet E Supporting Revenue Credits
AEP Ohio 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)	7,603,295	-	7,603,295
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	474,382,635	474,382,635	
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))	481,985,930	474,382,635	7,603,295
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	481,985,930	474,382,635	7,603,295
9	Facility Credits under PJM OATT Section 30.9			506,429

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

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

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

Formula Rate
WS F Misc Exp
Page 16 of 54

(A)		(B)	(C)	(D)	(E)	(F)
<u>Line</u>	<u>Item No.</u>	<u>Description</u>	<u>2019</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	729,241			
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	452,624			
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	1,181,865			
<u>Account 928</u>						
15	9280000	Regulatory Commission Exp	621	621	-	
16	9280001	Regulatory Commission Exp-Adm	251,884	251,884	-	
17	9280002	Regulatory Commission Exp-Case	1,567	1,567	-	
18	9280005	Reg Com Exp-FERC Trans Cases	113,878	-	113,878	
19				-	-	
20				-	-	
21		Total (FERC Form 1 p.323.189.b)	367,951	254,072	113,878	
<u>Account 930.1</u>						
22	9301000	General Advertising Expenses	96	96	-	
23	9301001	Newspaper Advertising Space	749	749	-	
24	9301010	Publicity	483	483	-	
25	9301012	Public Opinion Surveys	42	42	-	
26	9301015	Other Corporate Comm Exp	1,036	1,036	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37				-	-	
38		Total (FERC Form 1 p.323.191.b)	2,406	2,406	-	
<u>Account 930.2</u>						
39	9302000	Misc General Expenses	206,811	206,811	-	
40	9302003	Corporate & Fiscal Expenses	21,719	21,719	-	
41	9302006	Assoc Bus Dev - Materials Sold	-	-	-	
42	9302007	Assoc Business Development Exp	3,101	-	3,101	
43		Total (FERC Form 1 p.323.192.b)	231,631	228,530	3,101	

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

1	Ohio State Tax Rate	1.49%	
	Apportionment Factor - Note 1	12.18%	
	Effective State Tax Rate		0.18%
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>0.18%</u>

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H page 1 Supporting Taxes Other than Income
AEP Ohio Transmission Company

Line No.	(A) Account	(B) Total Company NOTE 1	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
1	Revenue Taxes					
2	Gross Receipts Tax	867				867
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Ohio	132,859,453	132,859,453			
5	Real and Personal Property -	-	-			
6	Real and Personal Property -	-	-			
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	597,981			597,981	
17	State Franchise Taxes	-			-	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	-			-	
20	Sales & Use	14,157				14,157
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))	133,472,458	132,859,453	-	597,981	15,024

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)	-	2,703,913,794	-	96,918,263	2,800,832,057
OHIO JURISDICTION					
25 Percentage of Plant in OHIO JURISDICTION		100%		100.00%	
26 Net Plant in OHIO JURISDICTION (Ln 24 * Ln 25)	-	2,703,913,794	-	96,918,263	2,800,832,057
27 Less: Net Value of Exempted Generation Plant					
28 Taxable Property Basis (Ln 26 - Ln 27)	-	2,703,913,794	-	96,918,263	2,800,832,057
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 OHIO 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
8	<u>Payroll Taxes</u>		
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	<u>Miscellaneous Taxes</u>		
15	State Business & Occupation Tax	-	
16	State Public Service Commission Fees	597,981	597,981 P.263 In 15 (i)
17	State Franchise Taxes	-	
18	State Lic/Registration Fee	-	
19	Misc. State and Local Tax	-	
20	Sales & Use	14,157	14,157 P.263 In 18 (i)
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))	133,472,458	133,472,458

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

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

Reserved for Future Use

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

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 True-Up TCOS, lns 136 through 138)			
	%	Cost	Weighted cost
Long Term Debt	44.87%	3.98%	1.788%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	55.00%	10.35%	5.693%
		R =	7.480%

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

Rate Base (True-Up TCOS, ln 58)	2,339,561,649
R (from A. above)	7.480%
Return (Rate Base x R)	175,003,962

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

Return (from B. above)	175,003,962
Effective Tax Rate (TCOS, ln 97)	20.39%
Income Tax Calculation (Return x CIT)	35,681,163
ITC Adjustment	-
Excess Deferred Income Tax	38,029
Tax Affect of Permanent Differences	814,865
Income Taxes	36,534,057

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS				
TRUE-UP YEAR	Rev Require	W Incentives	Incentive Amounts	
As Projected in Prior Year WS J	\$ 42,643,711	\$ 42,643,711	\$	-
Actual After True-up	\$ 43,293,583	\$ 43,293,583	\$	-
True-up of ARR For 2019	649,872	649,872		-

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)	461,005,832
Lease Payments (TCOS, lns 80)	-
Return (TCOS, ln 109)	175,126,528
Income Taxes (TCOS, ln 108)	36,559,047
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	249,320,257

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	249,320,257
Return (from I.B. above)	175,003,962
Income Taxes (from I.C. above)	36,534,057
Annual Revenue Requirement, with 0 Basis Point ROE increase	460,858,276
Depreciation (TCOS, ln 83)	68,926,073
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	391,932,203

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

Net Transmission Plant (Projected TCOS, ln 33)	2,703,913,794
Annual Revenue Requirement, with 0 Basis Point ROE increase	460,858,276
FCR with 0 Basis Point increase in ROE	17.04%
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	391,932,203
FCR with 0 Basis Point ROE increase, less Depreciation	14.49%
FCR less Depreciation (TCOS, ln 10)	14.50%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	-0.01%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2019 TCOS, ln 19	2,912,215,227
Annual Depreciation and Amortization Expense (TCOS, ln 83)	68,926,073
Composite Depreciation Rate	2.37%
Depreciable Life for Composite Depreciation Rate	42.25
Average Life in Whole Years	42

Note 1: Until AEP Ohio 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. ER08-1329. The calculation for AEP Ohio Transmission Company is shown on Worksheet P.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,559,917	1,559,917	-
Prior Yr True-Up	1,522,581	1,522,581	-
True-Up Adjustment	(37,336)	(37,336)	-

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	509,431	509,431	-
Prior Yr True-Up	496,494	496,494	-
True-Up Adjustment	(12,936)	(12,936)	-

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,276,918	1,276,918	-
Prior Yr True-Up	1,247,993	1,247,993	-
True-Up Adjustment	(28,926)	(28,926)	-

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	659,891	659,891	-
Prior Yr True-Up	645,018	645,018	-
True-Up Adjustment	(14,873)	(14,873)	-

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected		164,398	164,398
Prior Yr True-Up		160,655	160,655
True-Up Adjustment		(3,743)	(3,743)

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,049,916	1,049,916	-
Prior Yr True-Up	1,026,252	1,026,252	-
True-Up Adjustment	(23,664)	(23,664)	-

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,878,388	1,878,388	-
Prior Yr True-Up	3,401,161	3,401,161	-
True-Up Adjustment	1,522,773	1,522,773	-

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

Details

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

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

RTEP ID: b1034.3 (Install a 345/138kV 450 MVA transformer at Canton Central)

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

[illegible]

** 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.

A. Base Plan Facilities

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	-	-	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	-	-	-

Project Description: RTEP ID: b1970 (Reconductor 13 miles of Kammer-West Bellaire 345 kV line)

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

RTEP ID: b2018 (Loop Conesville-Bixby 345 kV circuit into Ohio Central)

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

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)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	3,297,995	3,297,995	-
Prior Yr True-Up	3,227,841	3,227,841	-
True-Up Adjustment	(70,154)	(70,154)	-

Details									
Investment	21,058,754	Current Year						2019	
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)						-	
Service Month (1-12)	12	FCR w/o incentives, less depreciation						14.50%	
Useful life	42	FCR w/incentives approved for these facilities, less dep.						14.50%	
CIAC (Yes or No)	No	Annual Depreciation Expense						501,399	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #		
2014	21,058,754		21,058,754	21,058,754	3,053,615	3,053,615	\$ -		
2015	21,058,754	501,399	20,557,355	20,806,055	3,518,661	3,518,661	\$ -		
2016	20,557,355	501,399	20,055,956	20,306,656	3,445,956	3,445,956	\$ -		
2017	20,055,956	501,399	19,554,557	19,806,257	3,373,251	3,373,251	\$ -		
2018	19,554,557	501,399	19,053,158	19,303,858	3,300,546	3,300,546	\$ -		
2019	19,053,158	501,399	18,551,759	18,802,459	3,227,841	3,227,841	\$ -		
2020	18,551,759	501,399	18,050,361	18,301,060	3,155,136	3,155,136	\$ -		
2021	18,050,361	501,399	17,548,962	17,799,661	3,082,430	3,082,430	\$ -		
2022	17,548,962	501,399	17,047,563	17,298,264	3,009,725	3,009,725	\$ -		
2023	17,047,563	501,399	16,546,164	16,796,863	2,937,020	2,937,020	\$ -		
2024	16,546,164	501,399	16,044,765	16,295,464	2,864,315	2,864,315	\$ -		
2025	16,044,765	501,399	15,543,366	15,794,066	2,791,610	2,791,610	\$ -		
2026	15,543,366	501,399	15,041,967	15,292,667	2,718,905	2,718,905	\$ -		
2027	15,041,967	501,399	14,540,568	14,791,268	2,646,200	2,646,200	\$ -		
2028	14,540,568	501,399	14,039,169	14,289,869	2,573,495	2,573,495	\$ -		
2029	14,039,169	501,399	13,537,770	13,788,470	2,500,790	2,500,790	\$ -		
2030	13,537,770	501,399	13,036,372	13,287,071	2,428,084	2,428,084	\$ -		
2031	13,036,372	501,399	12,534,973	12,785,672	2,355,379	2,355,379	\$ -		
2032	12,534,973	501,399	12,033,574	12,284,273	2,282,674	2,282,674	\$ -		
2033	12,033,574	501,399	11,532,175	11,782,874	2,209,969	2,209,969	\$ -		
2034	11,532,175	501,399	11,030,776	11,281,475	2,137,264	2,137,264	\$ -		
2035	11,030,776	501,399	10,529,377	10,780,076	2,064,559	2,064,559	\$ -		
2036	10,529,377	501,399	10,027,978	10,278,676	1,991,854	1,991,854	\$ -		
2037	10,027,978	501,399	9,526,579	9,777,279	1,919,149	1,919,149	\$ -		
2038	9,526,579	501,399	9,025,180	9,275,880	1,846,444	1,846,444	\$ -		
2039	9,025,180	501,399	8,523,781	8,774,481	1,773,738	1,773,738	\$ -		
2040	8,523,781	501,399	8,022,382	8,273,082	1,701,033	1,701,033	\$ -		
2041	8,022,382	501,399	7,520,984	7,771,683	1,628,328	1,628,328	\$ -		
2042	7,520,984	501,399	7,019,585	7,270,284	1,555,623	1,555,623	\$ -		
2043	7,019,585	501,399	6,518,186	6,768,885	1,482,918	1,482,918	\$ -		
2044	6,518,186	501,399	6,016,787	6,267,486	1,410,213	1,410,213	\$ -		
2045	6,016,787	501,399	5,515,388	5,766,087	1,337,508	1,337,508	\$ -		
2046	5,515,388	501,399	5,013,989	5,264,688	1,264,803	1,264,803	\$ -		
2047	5,013,989	501,399	4,512,590	4,763,289	1,192,097	1,192,097	\$ -		
2048	4,512,590	501,399	4,011,191	4,261,891	1,119,392	1,119,392	\$ -		
2049	4,011,191	501,399	3,509,792	3,760,492	1,046,687	1,046,687	\$ -		
2050	3,509,792	501,399	3,008,393	3,259,093	973,982	973,982	\$ -		
2051	3,008,393	501,399	2,506,995	2,757,694	901,277	901,277	\$ -		
2052	2,506,995	501,399	2,005,596	2,256,295	828,572	828,572	\$ -		
2053	2,005,596	501,399	1,504,197	1,754,896	755,867	755,867	\$ -		
2054	1,504,197	501,399	1,002,798	1,253,497	683,162	683,162	\$ -		
2055	1,002,798	501,399	501,399	752,098	610,457	610,457	\$ -		
2056	501,399	501,399	0	250,699	537,751	537,751	\$ -		
2057	0	0		0	0	0	\$ -		
2058	-	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	-	\$ -		
2068	-	-	-	-	-	-	\$ -		
2069	-	-	-	-	-	-	\$ -		
2070	-	-	-	-	-	-	\$ -		
2071	-	-	-	-	-	-	\$ -		
2072	-	-	-	-	-	-	\$ -		
2073	-	-	-	-	-	-	\$ -		
Project Totals		21,058,754			88,238,280	88,238,280	-		

** 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.

[illegible]

A. Base Plan Facilities

(e.g. ER05-925-000)

RTEP ID: b2032 (Rebuild 138 kV Elliott Tap-Poston line)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	589,081	589,081	-
Prior Yr True-Up	576,398	576,398	-
True-Up Adjustment	(12,683)	(12,683)	-

Details							
Investment	3,781,771	Current Year					2019
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)					
Service Month (1-12)	9	FCR w/o incentives, less depreciation					14.50%
Useful life	42	FCR w/incentives approved for these facilities, less dep.					14.50%
CIAC (Yes or No)	No	Annual Depreciation Expense					50.042
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req'd. w/o Incentives	RTEP Rev. Req'd. with Incentives **	Incentive Rev. Requirement #
2014	3,781,771	22,511	3,759,260	3,770,516	569,252	569,252	\$ -
2015	3,759,260	90,042	3,669,218	3,714,239	628,624	628,624	\$ -
2016	3,669,218	90,042	3,579,176	3,624,197	615,567	615,567	\$ -
2017	3,579,176	90,042	3,489,134	3,534,155	602,511	602,511	\$ -
2018	3,489,134	90,042	3,399,092	3,444,113	589,454	589,454	\$ -
2019	3,399,092	90,042	3,309,050	3,354,071	576,398	576,398	\$ -
2020	3,309,050	90,042	3,219,007	3,264,029	563,341	563,341	\$ -
2021	3,219,007	90,042	3,129,965	3,173,986	550,285	550,285	\$ -
2022	3,129,965	90,042	3,039,923	3,083,944	537,228	537,228	\$ -
2023	3,039,923	90,042	2,949,881	2,993,902	524,172	524,172	\$ -
2024	2,949,881	90,042	2,859,839	2,903,860	511,115	511,115	\$ -
2025	2,859,839	90,042	2,769,797	2,813,818	498,058	498,058	\$ -
2026	2,769,797	90,042	2,679,754	2,723,776	485,002	485,002	\$ -
2027	2,679,754	90,042	2,589,712	2,633,733	471,945	471,945	\$ -
2028	2,589,712	90,042	2,499,670	2,543,691	458,889	458,889	\$ -
2029	2,499,670	90,042	2,409,628	2,453,649	445,832	445,832	\$ -
2030	2,409,628	90,042	2,319,586	2,363,607	432,776	432,776	\$ -
2031	2,319,586	90,042	2,229,544	2,273,565	419,719	419,719	\$ -
2032	2,229,544	90,042	2,139,501	2,183,523	406,663	406,663	\$ -
2033	2,139,501	90,042	2,049,459	2,093,480	393,606	393,606	\$ -
2034	2,049,459	90,042	1,959,417	2,003,438	380,550	380,550	\$ -
2035	1,959,417	90,042	1,869,375	1,913,396	367,493	367,493	\$ -
2036	1,869,375	90,042	1,779,333	1,823,354	354,437	354,437	\$ -
2037	1,779,333	90,042	1,689,291	1,733,312	341,380	341,380	\$ -
2038	1,689,291	90,042	1,599,248	1,643,270	328,324	328,324	\$ -
2039	1,599,248	90,042	1,509,206	1,553,227	315,267	315,267	\$ -
2040	1,509,206	90,042	1,419,164	1,463,185	302,211	302,211	\$ -
2041	1,419,164	90,042	1,329,122	1,373,143	289,154	289,154	\$ -
2042	1,329,122	90,042	1,239,080	1,283,101	276,098	276,098	\$ -
2043	1,239,080	90,042	1,149,038	1,193,059	263,041	263,041	\$ -
2044	1,149,038	90,042	1,059,995	1,103,017	249,985	249,985	\$ -
2045	1,059,995	90,042	969,953	1,012,974	236,928	236,928	\$ -
2046	969,953	90,042	879,911	922,932	223,872	223,872	\$ -
2047	879,911	90,042	789,869	832,890	210,815	210,815	\$ -
2048	789,869	90,042	699,827	742,848	197,758	197,758	\$ -
2049	699,827	90,042	609,785	652,806	184,702	184,702	\$ -
2050	609,785	90,042	519,742	562,764	171,645	171,645	\$ -
2051	519,742	90,042	429,700	472,721	158,589	158,589	\$ -
2052	429,700	90,042	339,658	382,679	145,532	145,532	\$ -
2053	339,658	90,042	249,616	292,637	132,476	132,476	\$ -
2054	249,616	90,042	159,574	202,595	119,419	119,419	\$ -
2055	159,574	90,042	69,532	112,553	106,363	106,363	\$ -
2056	69,532	67,532	-	33,766	72,428	72,428	\$ -
2057	-	-	-	-	-	-	\$ -
2058	-	-	-	-	-	-	\$ -
2059	-	-	-	-	-	-	\$ -
2060	-	-	-	-	-	-	\$ -
2061	-	-	-	-	-	-	\$ -
2062	-	-	-	-	-	-	\$ -
2063	-	-	-	-	-	-	\$ -
2064	-	-	-	-	-	-	\$ -
2065	-	-	-	-	-	-	\$ -
2066	-	-	-	-	-	-	\$ -
2067	-	-	-	-	-	-	\$ -
2068	-	-	-	-	-	-	\$ -
2069	-	-	-	-	-	-	\$ -
2070	-	-	-	-	-	-	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
2073	-	-	-	-	-	-	\$ -
Project Totals		3,781,771			15,708,904	15,708,904	

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.

[illegible]

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: RTE ID: b1032.1 (Construct a new 345/138kV station on the Marquis-Bixby 345kV line near the intersection with Ross - Highland 69kV)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	4,209,863	4,209,863	-
Prior Yr True-Up	4,332,589	4,332,589	-
True-Up Adjustment	122,726	122,726	-

Details									
Investment	27,342,437	Current Year	2019						
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)							-
Service Month (1-12)	6	FCR w/o incentives, less depreciation							14.50%
Useful life	42	FCR w/incentives approved for these facilities, less dep.							14.50%
CIAC (Yes or No)	No	Annual Depreciation Expense							651,010
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement - #		
2016	27,342,437	325,505	27,016,932	27,179,685	4,266,683	4,266,683	\$	-	
2017	27,016,932	651,010	26,365,922	26,691,427	4,521,388	4,521,388	\$	-	
2018	26,365,922	651,010	25,714,911	26,040,417	4,426,989	4,426,989	\$	-	
2019	25,714,911	651,010	25,063,901	25,389,406	4,332,589	4,332,589	\$	-	
2020	25,063,901	651,010	24,412,891	24,738,396	4,238,190	4,238,190	\$	-	
2021	24,412,891	651,010	23,761,880	24,087,385	4,143,791	4,143,791	\$	-	
2022	23,761,880	651,010	23,110,870	23,436,375	4,049,391	4,049,391	\$	-	
2023	23,110,870	651,010	22,459,859	22,785,365	3,954,992	3,954,992	\$	-	
2024	22,459,859	651,010	21,808,849	22,134,354	3,860,592	3,860,592	\$	-	
2025	21,808,849	651,010	21,157,839	21,483,344	3,766,193	3,766,193	\$	-	
2026	21,157,839	651,010	20,506,828	20,832,333	3,671,793	3,671,793	\$	-	
2027	20,506,828	651,010	19,855,818	20,181,323	3,577,394	3,577,394	\$	-	
2028	19,855,818	651,010	19,204,807	19,530,312	3,482,994	3,482,994	\$	-	
2029	19,204,807	651,010	18,553,797	18,879,302	3,388,595	3,388,595	\$	-	
2030	18,553,797	651,010	17,902,786	18,228,292	3,294,195	3,294,195	\$	-	
2031	17,902,786	651,010	17,251,776	17,577,281	3,198,796	3,198,796	\$	-	
2032	17,251,776	651,010	16,600,766	16,926,271	3,105,396	3,105,396	\$	-	
2033	16,600,766	651,010	15,949,755	16,275,260	3,010,997	3,010,997	\$	-	
2034	15,949,755	651,010	15,298,745	15,624,250	2,916,597	2,916,597	\$	-	
2035	15,298,745	651,010	14,647,734	14,973,240	2,822,198	2,822,198	\$	-	
2036	14,647,734	651,010	13,996,724	14,322,229	2,727,799	2,727,799	\$	-	
2037	13,996,724	651,010	13,345,714	13,671,219	2,633,399	2,633,399	\$	-	
2038	13,345,714	651,010	12,694,703	13,020,208	2,539,000	2,539,000	\$	-	
2039	12,694,703	651,010	12,043,693	12,369,198	2,444,600	2,444,600	\$	-	
2040	12,043,693	651,010	11,392,682	11,718,187	2,350,201	2,350,201	\$	-	
2041	11,392,682	651,010	10,741,672	11,067,177	2,255,801	2,255,801	\$	-	
2042	10,741,672	651,010	10,090,661	10,416,167	2,161,402	2,161,402	\$	-	
2043	10,090,661	651,010	9,439,651	9,785,156	2,067,002	2,067,002	\$	-	
2044	9,439,651	651,010	8,788,641	9,114,146	1,972,603	1,972,603	\$	-	
2045	8,788,641	651,010	8,137,630	8,463,135	1,878,203	1,878,203	\$	-	
2046	8,137,630	651,010	7,486,620	7,812,125	1,783,804	1,783,804	\$	-	
2047	7,486,620	651,010	6,835,609	7,161,115	1,689,404	1,689,404	\$	-	
2048	6,835,609	651,010	6,184,599	6,510,104	1,595,005	1,595,005	\$	-	
2049	6,184,599	651,010	5,533,589	5,859,094	1,500,606	1,500,606	\$	-	
2050	5,533,589	651,010	4,882,578	5,208,083	1,406,206	1,406,206	\$	-	
2051	4,882,578	651,010	4,231,568	4,557,073	1,311,807	1,311,807	\$	-	
2052	4,231,568	651,010	3,580,557	3,906,062	1,217,407	1,217,407	\$	-	
2053	3,580,557	651,010	2,929,547	3,255,052	1,123,008	1,123,008	\$	-	
2054	2,929,547	651,010	2,278,536	2,604,042	1,028,608	1,028,608	\$	-	
2055	2,278,536	651,010	1,627,526	1,953,031	934,209	934,209	\$	-	
2056	1,627,526	651,010	976,516	1,302,021	839,809	839,809	\$	-	
2057	976,516	651,010	325,505	651,010	745,410	745,410	\$	-	
2058	325,505	325,505	-	162,753	349,105	349,105	\$	-	
2059	-	-	-	-	-	-	\$	-	
2060	-	-	-	-	-	-	\$	-	
2061	-	-	-	-	-	-	\$	-	
2062	-	-	-	-	-	-	\$	-	
2063	-	-	-	-	-	-	\$	-	
2064	-	-	-	-	-	-	\$	-	
2065	-	-	-	-	-	-	\$	-	
2066	-	-	-	-	-	-	\$	-	
2067	-	-	-	-	-	-	\$	-	
2068	-	-	-	-	-	-	\$	-	
2069	-	-	-	-	-	-	\$	-	
2070	-	-	-	-	-	-	\$	-	
2071	-	-	-	-	-	-	\$	-	
2072	-	-	-	-	-	-	\$	-	
2073	-	-	-	-	-	-	\$	-	
2074	-	-	-	-	-	-	\$	-	
2075	-	-	-	-	-	-	\$	-	
Project Totals		27,342,437			112,585,152	112,585,152		-	

** 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.

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:

INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUE-UP ARRS OVER THE

TEMPLATE BELOW TO MAINTAIN HISTORY OF TROUPE-UP ARRAYS OVER THE
LIFE OF THE PROJECT

RTEP Projected	
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[illegible]

A. Base Plan Facilities

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

Project Description: RTEP ID: b1032.4 (Install 138/69kV transformer at new station and connect in the Ross - Highland 69kV line)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	983,630	983,630	-
Prior Yr True-Up	963,412	963,412	-
True-Up Adjustment	(20,218)	(20,218)	-

Details							
Investment	6,215,398	Current Year	2019				
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)					-
Service Month (1-12)	6	FCR w/o incentives, less depreciation					14.50%
Useful life	42	FCR w/incentives approved for these facilities, less dep.					14.50%
CIAC (Yes or No)	No	Annual Depreciation Expense					147,996
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req.' w/o Incentives	RTEP Rev. Req.' with Incentives **	Incentive Rev. Requirement #
2015	6,215,398	73,993	6,141,405	6,178,420	969,889	969,889	\$ -
2016	6,141,405	147,986	5,993,420	6,007,412	1,027,786	1,027,786	\$ -
2017	5,993,420	147,986	5,845,434	5,918,427	1,006,329	1,006,329	\$ -
2018	5,845,434	147,986	5,697,448	5,771,441	984,871	984,871	\$ -
2019	5,697,448	147,986	5,549,463	5,623,455	963,412	963,412	\$ -
2020	5,549,463	147,986	5,401,477	5,475,470	941,954	941,954	\$ -
2021	5,401,477	147,986	5,253,491	5,327,484	920,495	920,495	\$ -
2022	5,253,491	147,986	5,105,506	5,179,498	899,036	899,036	\$ -
2023	5,105,506	147,986	4,957,520	5,031,513	877,578	877,578	\$ -
2024	4,957,520	147,986	4,809,534	4,883,527	856,119	856,119	\$ -
2025	4,809,534	147,986	4,661,549	4,735,541	834,661	834,661	\$ -
2026	4,661,549	147,986	4,513,563	4,587,556	813,202	813,202	\$ -
2027	4,513,563	147,986	4,365,577	4,439,570	791,743	791,743	\$ -
2028	4,365,577	147,986	4,217,592	4,291,584	770,285	770,285	\$ -
2029	4,217,592	147,986	4,069,606	4,143,599	748,826	748,826	\$ -
2030	4,069,606	147,986	3,921,620	3,995,613	727,368	727,368	\$ -
2031	3,921,620	147,986	3,773,635	3,847,627	705,909	705,909	\$ -
2032	3,773,635	147,986	3,625,649	3,699,642	684,450	684,450	\$ -
2033	3,625,649	147,986	3,477,663	3,551,656	662,992	662,992	\$ -
2034	3,477,663	147,986	3,329,678	3,403,670	641,533	641,533	\$ -
2035	3,329,678	147,986	3,181,692	3,255,685	620,075	620,075	\$ -
2036	3,181,692	147,986	3,033,706	3,107,699	598,616	598,616	\$ -
2037	3,033,706	147,986	2,885,721	2,959,713	577,158	577,158	\$ -
2038	2,885,721	147,986	2,737,735	2,811,728	555,699	555,699	\$ -
2039	2,737,735	147,986	2,589,749	2,663,742	534,240	534,240	\$ -
2040	2,589,749	147,986	2,441,764	2,515,756	512,782	512,782	\$ -
2041	2,441,764	147,986	2,293,778	2,367,771	491,323	491,323	\$ -
2042	2,293,778	147,986	2,145,792	2,219,785	469,865	469,865	\$ -
2043	2,145,792	147,986	1,997,807	2,071,799	448,406	448,406	\$ -
2044	1,997,807	147,986	1,849,821	1,923,814	426,947	426,947	\$ -
2045	1,849,821	147,986	1,701,835	1,775,828	405,489	405,489	\$ -
2046	1,701,835	147,986	1,553,850	1,627,842	384,030	384,030	\$ -
2047	1,553,850	147,986	1,405,864	1,479,835	362,572	362,572	\$ -
2048	1,405,864	147,986	1,257,878	1,331,871	341,113	341,113	\$ -
2049	1,257,878	147,986	1,109,893	1,183,885	319,654	319,654	\$ -
2050	1,109,893	147,986	961,907	1,035,900	298,196	298,196	\$ -
2051	961,907	147,986	813,921	887,914	276,737	276,737	\$ -
2052	813,921	147,986	665,935	739,928	255,279	255,279	\$ -
2053	665,935	147,986	517,950	591,943	233,820	233,820	\$ -
2054	517,950	147,986	369,964	443,957	212,361	212,361	\$ -
2055	369,964	147,986	221,978	295,971	190,903	190,903	\$ -
2056	221,978	147,986	73,993	147,986	169,444	169,444	\$ -
2057	73,993	73,993	-	36,996	79,357	79,357	\$ -
2058	-	-	-	-	-	-	\$ -
2059	-	-	-	-	-	-	\$ -
2060	-	-	-	-	-	-	\$ -
2061	-	-	-	-	-	-	\$ -
2062	-	-	-	-	-	-	\$ -
2063	-	-	-	-	-	-	\$ -
2064	-	-	-	-	-	-	\$ -
2065	-	-	-	-	-	-	\$ -
2066	-	-	-	-	-	-	\$ -
2067	-	-	-	-	-	-	\$ -
2068	-	-	-	-	-	-	\$ -
2069	-	-	-	-	-	-	\$ -
2070	-	-	-	-	-	-	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
2073	-	-	-	-	-	-	\$ -
2074	-	-	-	-	-	-	\$ -
Project Totals		6,215,398			25,592,507	25,592,507	-

[illegible]

** 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.

A. Base Plan Facilities

(e.g. ER05-925-000)

RTEP ID: b1666 (Build an 8 breaker 138 kV station tapping both circuits of the Fostoria-East Lima 138 kV line)

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

Formula Rate
WS K TRUE-UP RTEP RR
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A. Base Plan Facilities

(e.g. ER05-925-000)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	-	-	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	-	-	-

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

** 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.

A. Base Plan Facilities

(e.g. ER05-925-000)

RTEP ID: b1957 (Terminate Transformer #2 at SW Lima in new bay position)

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

A. Base Plan Facilities

(e.g. ER05-925-000)

Details				
Investment	50,970,497	Current Year		2019
Service Year (yyyy)	2015	ROE increase accepted by FERC (Basis Points)		-
Service Month (1-12)	6	FCR w/o incentives, less depreciation		14.50%
Useful life	42	FCR w/incentives approved for these facilities, less dep.		14.50%
CIAC (Yes or No)		Annual Depreciation Expense		1,213,583

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	8,066,438	8,066,438	-
Prior Yr True-Up	7,900,636	7,900,636	-
True-Up Adjustment	(165,801)	(165,801)	-

Investment	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req'd, w/o Incentives	RTEP Rev. Req'd, with Incentives **	Incentive Rev. Requirement #
2015	50,970,497	606,792	50,363,706	50,667,101	7,953,751	7,953,751	\$ -
2016	50,363,706	1,213,583	49,150,122	49,756,914	8,428,561	8,428,561	\$ -
2017	49,150,122	1,213,583	47,936,539	48,543,331	8,252,586	8,252,586	\$ -
2018	47,936,539	1,213,583	46,722,956	47,329,748	8,076,611	8,076,611	\$ -
2019	46,722,956	1,213,583	45,509,373	46,116,164	7,900,636	7,900,636	\$ -
2020	45,509,373	1,213,583	44,295,789	44,902,581	7,724,661	7,724,661	\$ -
2021	44,295,789	1,213,583	43,082,206	43,688,998	7,548,686	7,548,686	\$ -
2022	43,082,206	1,213,583	41,868,623	42,475,414	7,372,711	7,372,711	\$ -
2023	41,868,623	1,213,583	40,655,040	41,261,831	7,196,736	7,196,736	\$ -
2024	40,655,040	1,213,583	39,441,456	40,048,248	7,020,761	7,020,761	\$ -
2025	39,441,456	1,213,583	38,227,873	38,834,665	6,844,786	6,844,786	\$ -
2026	38,227,873	1,213,583	37,014,290	37,621,081	6,668,811	6,668,811	\$ -
2027	37,014,290	1,213,583	35,800,706	36,407,498	6,492,836	6,492,836	\$ -
2028	35,800,706	1,213,583	34,587,123	35,193,915	6,316,860	6,316,860	\$ -
2029	34,587,123	1,213,583	33,373,540	33,980,332	6,140,885	6,140,885	\$ -
2030	33,373,540	1,213,583	32,159,957	32,766,748	5,964,910	5,964,910	\$ -
2031	32,159,957	1,213,583	30,946,373	31,553,165	5,788,935	5,788,935	\$ -
2032	30,946,373	1,213,583	29,732,790	30,339,582	5,612,960	5,612,960	\$ -
2033	29,732,790	1,213,583	28,519,207	29,125,998	5,436,985	5,436,985	\$ -
2034	28,519,207	1,213,583	27,305,624	27,912,415	5,261,010	5,261,010	\$ -
2035	27,305,624	1,213,583	26,092,040	26,698,832	5,085,035	5,085,035	\$ -
2036	26,092,040	1,213,583	24,878,457	25,485,249	4,909,060	4,909,060	\$ -
2037	24,878,457	1,213,583	23,664,874	24,271,665	4,733,085	4,733,085	\$ -
2038	23,664,874	1,213,583	22,451,290	23,058,082	4,557,110	4,557,110	\$ -
2039	22,451,290	1,213,583	21,237,707	21,844,499	4,381,135	4,381,135	\$ -
2040	21,237,707	1,213,583	20,024,124	20,630,916	4,205,160	4,205,160	\$ -
2041	20,024,124	1,213,583	18,810,541	19,417,332	4,029,184	4,029,184	\$ -
2042	18,810,541	1,213,583	17,596,957	18,203,749	3,853,209	3,853,209	\$ -
2043	17,596,957	1,213,583	16,383,374	16,990,166	3,677,234	3,677,234	\$ -
2044	16,383,374	1,213,583	15,169,791	15,776,583	3,501,259	3,501,259	\$ -
2045	15,169,791	1,213,583	13,956,208	14,562,999	3,325,284	3,325,284	\$ -
2046	13,956,208	1,213,583	12,742,624	13,349,416	3,149,309	3,149,309	\$ -
2047	12,742,624	1,213,583	11,529,041	12,135,833	2,973,334	2,973,334	\$ -
2048	11,529,041	1,213,583	10,315,458	10,922,249	2,797,359	2,797,359	\$ -
2049	10,315,458	1,213,583	9,101,875	9,708,666	2,621,384	2,621,384	\$ -
2050	9,101,875	1,213,583	7,888,291	8,495,083	2,445,409	2,445,409	\$ -
2051	7,888,291	1,213,583	6,674,708	7,281,500	2,269,434	2,269,434	\$ -
2052	6,674,708	1,213,583	5,461,125	6,067,916	2,093,459	2,093,459	\$ -
2053	5,461,125	1,213,583	4,247,541	4,854,333	1,917,484	1,917,484	\$ -
2054	4,247,541	1,213,583	3,033,958	3,640,750	1,741,508	1,741,508	\$ -
2055	3,033,958	1,213,583	1,820,375	2,427,167	1,565,533	1,565,533	\$ -
2056	1,820,375	1,213,583	606,792	1,213,583	1,389,558	1,389,558	\$ -
2057	606,792	606,792	-	303,396	650,785	650,785	\$ -
2058	-	-	-	-	-	-	\$ -
2059	-	-	-	-	-	-	\$ -
2060	-	-	-	-	-	-	\$ -
2061	-	-	-	-	-	-	\$ -
2062	-	-	-	-	-	-	\$ -
2063	-	-	-	-	-	-	\$ -
2064	-	-	-	-	-	-	\$ -
2065	-	-	-	-	-	-	\$ -
2066	-	-	-	-	-	-	\$ -
2067	-	-	-	-	-	-	\$ -
2068	-	-	-	-	-	-	\$ -
2069	-	-	-	-	-	-	\$ -
2070	-	-	-	-	-	-	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
2073	-	-	-	-	-	-	\$ -
2074	-	-	-	-	-	-	\$ -
Project Totals		50,970,497			209,875,991	209,875,991	

[illegible]

** 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.

A. Base Plan Facilities

(e.g. ER05-925-000)

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

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

[illegible]

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.

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No.

(e.g. ER05-925-000)

Project Description: RTEP ID: b1818 (Expand Allen w/second xfmr. And cut-in 138 kV double circuit tower line)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	448,563	448,563	-
Prior Yr True-Up	433,341	433,341	-
True-Up Adjustment	(15,222)	(15,222)	-

Details							
Investment	2,648,210	Current Year				2019	
Service Year (yyyy)	2017	ROE increase accepted by FERC (Basis Points)				-	
Service Month (1-12)	12	FCR w/o incentives, less depreciation				14.50%	
Useful life	42	FCR w/incentives approved for these facilities, less dep.				14.50%	
CIAC (Yes or No)	No	Annual Depreciation Expense				63,053	
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #
2017	2,648,210	-	2,648,210	2,648,210	384,002	384,002	\$ -
2018	2,648,210	63,053	2,585,157	2,616,684	442,484	442,484	\$ -
2019	2,585,157	63,053	2,522,105	2,553,631	433,341	433,341	\$ -
2020	2,522,105	63,053	2,459,052	2,490,579	424,198	424,198	\$ -
2021	2,459,052	63,053	2,396,000	2,427,526	415,055	415,055	\$ -
2022	2,396,000	63,053	2,332,947	2,364,473	405,912	405,912	\$ -
2023	2,332,947	63,053	2,269,894	2,301,421	396,769	396,769	\$ -
2024	2,269,894	63,053	2,206,842	2,238,368	387,626	387,626	\$ -
2025	2,206,842	63,053	2,143,789	2,175,315	378,483	378,483	\$ -
2026	2,143,789	63,053	2,080,736	2,112,263	369,340	369,340	\$ -
2027	2,080,736	63,053	2,017,684	2,049,210	360,197	360,197	\$ -
2028	2,017,684	63,053	1,954,631	1,986,158	351,054	351,054	\$ -
2029	1,954,631	63,053	1,891,579	1,923,105	341,912	341,912	\$ -
2030	1,891,579	63,053	1,828,526	1,860,052	332,769	332,769	\$ -
2031	1,828,526	63,053	1,765,473	1,797,000	323,626	323,626	\$ -
2032	1,765,473	63,053	1,702,421	1,733,947	314,483	314,483	\$ -
2033	1,702,421	63,053	1,639,368	1,670,894	305,340	305,340	\$ -
2034	1,639,368	63,053	1,576,316	1,607,842	296,197	296,197	\$ -
2035	1,576,316	63,053	1,513,263	1,544,789	287,054	287,054	\$ -
2036	1,513,263	63,053	1,450,210	1,481,737	277,911	277,911	\$ -
2037	1,450,210	63,053	1,387,158	1,418,684	268,768	268,768	\$ -
2038	1,387,158	63,053	1,324,105	1,355,631	259,625	259,625	\$ -
2039	1,324,105	63,053	1,261,052	1,292,579	250,482	250,482	\$ -
2040	1,261,052	63,053	1,198,000	1,229,526	241,339	241,339	\$ -
2041	1,198,000	63,053	1,134,947	1,166,473	232,197	232,197	\$ -
2042	1,134,947	63,053	1,071,895	1,103,421	223,054	223,054	\$ -
2043	1,071,895	63,053	1,008,842	1,040,368	213,911	213,911	\$ -
2044	1,008,842	63,053	945,789	977,316	204,768	204,768	\$ -
2045	945,789	63,053	882,737	914,263	195,625	195,625	\$ -
2046	882,737	63,053	819,684	851,210	186,482	186,482	\$ -
2047	819,684	63,053	756,631	788,158	177,339	177,339	\$ -
2048	756,631	63,053	693,579	725,105	168,196	168,196	\$ -
2049	693,579	63,053	630,526	662,052	159,053	159,053	\$ -
2050	630,526	63,053	567,474	599,000	149,910	149,910	\$ -
2051	567,474	63,053	504,421	535,947	140,767	140,767	\$ -
2052	504,421	63,053	441,368	472,895	131,624	131,624	\$ -
2053	441,368	63,053	378,316	409,842	122,482	122,482	\$ -
2054	378,316	63,053	315,263	346,789	113,339	113,339	\$ -
2055	315,263	63,053	252,210	283,737	104,196	104,196	\$ -
2056	252,210	63,053	189,158	220,684	95,053	95,053	\$ -
2057	189,158	63,053	126,105	157,632	85,910	85,910	\$ -
2058	126,105	63,053	63,053	94,579	76,767	76,767	\$ -
2059	63,053	63,053	-	31,526	67,624	67,624	\$ -
2060	-	-	-	-	-	-	\$ -
2061	-	-	-	-	-	-	\$ -
2062	-	-	-	-	-	-	\$ -
2063	-	-	-	-	-	-	\$ -
2064	-	-	-	-	-	-	\$ -
2065	-	-	-	-	-	-	\$ -
2066	-	-	-	-	-	-	\$ -
2067	-	-	-	-	-	-	\$ -
2068	-	-	-	-	-	-	\$ -
2069	-	-	-	-	-	-	\$ -
2070	-	-	-	-	-	-	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
2073	-	-	-	-	-	-	\$ -
2074	-	-	-	-	-	-	\$ -
2075	-	-	-	-	-	-	\$ -
2076	-	-	-	-	-	-	\$ -
Project Totals		2,648,210			11,096,264	11,096,264	-

[illegible]

** 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.

A. Base Plan Facilities

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

Project Description: RTEP ID: b2833 (Reconductor Maddox Creed-East Lima 345kV circuit w 2-954 ACSS Cardinal cond)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	355,700	355,700	-
Prior Yr True-Up	133,501	133,501	-
True-Up Adjustment	(222,199)	(222,199)	-

Details							
Investment	855,522	Current Year			2019		
Service Year (vvvv)	2019	ROE increase accepted by FERC (Basis Points)		-			
Service Month (1-12)	6	FCR w/o incentives, less depreciation		14.50%			
Useful life	42	FCR w/incentives approved for these facilities, less dep.		14.50%			
CIAC (Yes or No)	No	Annual Depreciation Expense		20,370			
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement #
2019	855,522	10,185	845,337	850,429	133,501	133,501	\$ -
2020	845,337	20,370	824,967	835,152	141,470	141,470	\$ -
2021	824,967	20,370	804,598	814,783	138,517	138,517	\$ -
2022	804,598	20,370	784,228	794,413	135,563	135,563	\$ -
2023	784,228	20,370	763,859	774,043	132,609	132,609	\$ -
2024	763,859	20,370	743,489	753,674	129,656	129,656	\$ -
2025	743,489	20,370	723,120	733,304	126,702	126,702	\$ -
2026	723,120	20,370	702,750	712,935	123,748	123,748	\$ -
2027	702,750	20,370	682,380	692,565	120,795	120,795	\$ -
2028	682,380	20,370	662,011	672,196	117,841	117,841	\$ -
2029	662,011	20,370	641,641	651,826	114,887	114,887	\$ -
2030	641,641	20,370	621,272	631,457	111,934	111,934	\$ -
2031	621,272	20,370	600,902	611,087	108,980	108,980	\$ -
2032	600,902	20,370	580,533	590,717	106,026	106,026	\$ -
2033	580,533	20,370	560,163	570,348	103,073	103,073	\$ -
2034	560,163	20,370	539,793	549,978	100,119	100,119	\$ -
2035	539,793	20,370	519,424	529,609	97,165	97,165	\$ -
2036	519,424	20,370	499,054	509,239	94,212	94,212	\$ -
2037	499,054	20,370	478,685	488,870	91,258	91,258	\$ -
2038	478,685	20,370	458,315	468,500	88,304	88,304	\$ -
2039	458,315	20,370	437,946	448,130	85,351	85,351	\$ -
2040	437,946	20,370	417,576	427,761	82,397	82,397	\$ -
2041	417,576	20,370	397,207	407,391	79,443	79,443	\$ -
2042	397,207	20,370	376,837	387,022	76,489	76,489	\$ -
2043	376,837	20,370	356,467	366,652	73,536	73,536	\$ -
2044	356,467	20,370	336,098	346,283	70,582	70,582	\$ -
2045	336,098	20,370	315,728	325,913	67,628	67,628	\$ -
2046	315,728	20,370	295,359	305,543	64,675	64,675	\$ -
2047	295,359	20,370	274,989	285,174	61,721	61,721	\$ -
2048	274,989	20,370	254,620	264,804	58,767	58,767	\$ -
2049	254,620	20,370	234,250	244,435	55,814	55,814	\$ -
2050	234,250	20,370	213,880	224,065	52,860	52,860	\$ -
2051	213,880	20,370	193,511	203,696	49,906	49,906	\$ -
2052	193,511	20,370	173,141	183,286	46,953	46,953	\$ -
2053	173,141	20,370	152,772	162,957	43,999	43,999	\$ -
2054	152,772	20,370	132,402	142,587	41,045	41,045	\$ -
2055	132,402	20,370	112,033	122,217	38,092	38,092	\$ -
2056	112,033	20,370	91,663	101,848	35,138	35,138	\$ -
2057	91,663	20,370	71,293	81,478	32,184	32,184	\$ -
2058	71,293	20,370	50,924	61,109	29,231	29,231	\$ -
2059	50,924	20,370	30,554	40,739	26,277	26,277	\$ -
2060	30,554	20,370	10,185	20,370	23,323	23,323	\$ -
2061	10,185	10,185	-	5,092	10,923	10,923	\$ -
2062	-	-	-	-	-	-	\$ -
2063	-	-	-	-	-	-	\$ -
2064	-	-	-	-	-	-	\$ -
2065	-	-	-	-	-	-	\$ -
2066	-	-	-	-	-	-	\$ -
2067	-	-	-	-	-	-	\$ -
2068	-	-	-	-	-	-	\$ -
2069	-	-	-	-	-	-	\$ -
2070	-	-	-	-	-	-	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
2073	-	-	-	-	-	-	\$ -
2074	-	-	-	-	-	-	\$ -
2075	-	-	-	-	-	-	\$ -
2076	-	-	-	-	-	-	\$ -
2077	-	-	-	-	-	-	\$ -
2078	-	-	-	-	-	-	\$ -
Project Totals		855,522			3,522,694	3,522,694	-

** 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.

[illegible]

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

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
AEP Ohio 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	1,496,674,334	-	-	-	1,496,674,334
2	January	1,517,335,257				1,517,335,257
3	February	1,533,527,462				1,533,527,462
4	March	1,542,925,885				1,542,925,885
5	April	1,558,187,889				1,558,187,889
6	May	1,577,911,606				1,577,911,606
7	June	1,603,930,983				1,603,930,983
8	July	1,617,234,108				1,617,234,108
9	August	1,631,894,429				1,631,894,429
10	September	1,645,108,211				1,645,108,211
11	October	1,659,379,265				1,659,379,265
12	November	1,674,488,957				1,674,488,957
13	December of Rate Year	1,684,896,427				1,684,896,427
14	Average of the 13 Monthly Balances	1,595,653,447	-	-	-	1,595,653,447

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: Recquired Bonds (c)	LT Advances from Assoc. Companies (d)	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	-	-	-	1,177,600,000	-	1,177,600,000
16	January				1,177,600,000		1,177,600,000
17	February				1,177,600,000		1,177,600,000
18	March				1,177,600,000		1,177,600,000
19	April				1,177,600,000		1,177,600,000
20	May				1,177,600,000		1,177,600,000
21	June				1,304,600,000		1,304,600,000
22	July				1,304,600,000		1,304,600,000
23	August				1,304,600,000		1,304,600,000
24	September				1,492,600,000		1,492,600,000
25	October				1,492,600,000		1,492,600,000
26	November				1,458,700,000		1,458,700,000
27	December of Rate Year				1,458,700,000		1,458,700,000
28	Average of the 13 Monthly Balances	-	-	-	1,298,615,385	-	1,298,615,385

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
AEP Ohio 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 2019						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			51,078,703			
31	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 43 below.			-			
32	Amort of Debt Discount & Expense - Acct 428 (117.63.c)			704,888			
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)			42,659			
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)			51,740,932			
37	Average Cost of Debt for 2019 (Ln 36/ Ln 28 (g))			3.98%			

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

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

	Amortization Period				
	HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)	(Amortization of (Gain)/Loss for 2019	Remaining Unamortized Balance	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
AEP Ohio 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.

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

AEP/Co 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
AEP Ohio 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	-\$80,135,777
4	Base Year relating to retired personnel	\$0
5	Amount allocated on Labor	-\$80,135,777
6	Total AEP System Direct Labor Expense	\$1,454,108,109
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	11,897,743
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	-\$511,603
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)	-\$1,303,004
15	Actual PBOP Expense (Sum Lines 11-14)	-\$1,303,004
16	PBOP Adjustment Line 10 less Line 15	\$791,401

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 3/6/2019

AEP Ohio Transmission Company

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

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

	<u>CSP</u>	<u>OPCo</u>	<u>TOTAL</u>
1 T-Plant (FF1 206.58.g)	619,883,849	1,164,351,684	1,784,235,533
2 T-Plant (FF1 206.58.b)	570,478,232	1,109,431,387	1,679,909,619
3 Average (Ln 1+ Ln 2)/2	595,181,041	1,136,891,536	1,732,072,576
4 Depreciation (FF1 336.7.f)	12,769,913	25,505,773	38,275,686
5 Composite Depreciation (Ln 3 / Ln 4)			2.21%

Note: AEP Ohio Transmission Company shall initially use the composite depreciation rate for APCo, I&M and KPCo shown above to estimate depreciation expense for transmission projects in worksheets J and K until a composite depreciation rate based on transmission plant in service and depreciation expenses recorded by AEP Ohio Transmission Company for its own transmission facilities can be calculated in AEP Ohio Transmission Company's the first Annual Update including a True-up TCOS.

[illegible]

[illegible]

[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 2017 Available May 25, 2018		2017 Forecasted Revenue Requirement For Year 2017		True-up Adjustment - Over (Under) Recovery
\$0	-	\$0	=	\$0

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
		0.3420%				
An over or under collection will be recovered prorata over 2017, held for 2018 and returned prorata over 2019						
<u>Calculation of Interest</u>				Monthly		
January	Year 2017	-	0.3420%	12	-	-
February	Year 2017	-	0.3420%	11	-	-
March	Year 2017	-	0.3420%	10	-	-
April	Year 2017	-	0.3420%	9	-	-
May	Year 2017	-	0.3420%	8	-	-
June	Year 2017	-	0.3420%	7	-	-
July	Year 2017	-	0.3420%	6	-	-
August	Year 2017	-	0.3420%	5	-	-
September	Year 2017	-	0.3420%	4	-	-
October	Year 2017	-	0.3420%	3	-	-
November	Year 2017	-	0.3420%	2	-	-
December	Year 2017	-	0.3420%	1	-	-
					-	-
				Annual		
January through December	Year 2018	-	0.3420%	12	-	-
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>				Monthly		
January	Year 2019	-	0.3420%		-	-
February	Year 2019	-	0.3420%		-	-
March	Year 2019	-	0.3420%		-	-
April	Year 2019	-	0.3420%		-	-
May	Year 2019	-	0.3420%		-	-
June	Year 2019	-	0.3420%		-	-
July	Year 2019	-	0.3420%		-	-
August	Year 2019	-	0.3420%		-	-
September	Year 2019	-	0.3420%		-	-
October	Year 2019	-	0.3420%		-	-
November	Year 2019	-	0.3420%		-	-
December	Year 2019	-	0.3420%		-	-
					-	-
True-Up Adjustment with Interest					-	
Less Over (Under) Recovery					-	
Total Interest					-	

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

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 2017 Available May 25, 2018	2017 Forecasted Revenue Requirement For Year 2017	True-up Adjustment - Over (Under) Recovery
\$0	\$0	\$0

Interest Rate on Amount of Refunds or Surcharges (Note 1)	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate 0.3420%	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
An over or under collection will be recovered prorata over 2017, held for 2018 and returned prorata over 2019						
<u>Calculation of Interest</u>				Monthly		
January	Year 2017	-	0.3420%	12	-	-
February	Year 2017	-	0.3420%	11	-	-
March	Year 2017	-	0.3420%	10	-	-
April	Year 2017	-	0.3420%	9	-	-
May	Year 2017	-	0.3420%	8	-	-
June	Year 2017	-	0.3420%	7	-	-
July	Year 2017	-	0.3420%	6	-	-
August	Year 2017	-	0.3420%	5	-	-
September	Year 2017	-	0.3420%	4	-	-
October	Year 2017	-	0.3420%	3	-	-
November	Year 2017	-	0.3420%	2	-	-
December	Year 2017	-	0.3420%	1	-	-
					-	-
				Annual		
January through December	Year 2018	-	0.3420%	12	-	-
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>				Monthly		
January	Year 2019	-	0.3420%		-	-
February	Year 2019	-	0.3420%		-	-
March	Year 2019	-	0.3420%		-	-
April	Year 2019	-	0.3420%		-	-
May	Year 2019	-	0.3420%		-	-
June	Year 2019	-	0.3420%		-	-
July	Year 2019	-	0.3420%		-	-
August	Year 2019	-	0.3420%		-	-
September	Year 2019	-	0.3420%		-	-
October	Year 2019	-	0.3420%		-	-
November	Year 2019	-	0.3420%		-	-
December	Year 2019	-	0.3420%		-	-
					-	-
True-Up Adjustment with Interest					-	-
Less Over (Under) Recovery					-	-
Total Interest					-	-

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