

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

For Twelve Months Ended

2019

West Virginia Transmission Company

Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 113)				\$118,796,371
			Total		Allocator	
2	REVENUE CREDITS	(Worksheet E, ln 8) (Note A)	91,255	DA	1.00000	\$ 91,255
3	Facility Credits under PJM OATT Section 30.9	Worksheet E, ln 9) (Note X)				0
4	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2 plus ln 3)				\$ 118,705,117

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)	52,288,598	DA	1.00000	\$ 52,288,598
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))			12.55%
8	Monthly Rate	(ln 7 / 12)			1.05%
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))			10.42%
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))			2.78%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				-
14	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
15	Total Load Dispatch & Scheduling (Account 561)	Line 63 Below			1,213,344
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)			1,213,344

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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)	991,571,132	DA 1.00000	991,571,132
20	Less: Transmission ARO (Enter Negative)	(Worksheet A in 14.(e))	-	TP 1.00000	-
21	General Plant	(Worksheet A in 14.(h))	31,816	W/S 1.00000	31,816
22	Less: General Plant ARO (Enter Negative)	(Worksheet A in 14.(i))	-	W/S 1.00000	-
23	Intangible Plant	(Worksheet A in 14.(j))	10,091,087	W/S 1.00000	10,091,087
24	TOTAL GROSS PLANT	(Sum of Lines: 19 to 23)	1,001,694,034	GP= 1.000000 GTD= 1.00000	1,001,694,034
25	ACCUMULATED DEPRECIATION AND AMORTIZATION				
26	Transmission	(Worksheet A in 28.(d) & Ln 43.(b))	44,827,054	TP1= 1.00000	44,827,054
27	Less: Transmission ARO (Enter Negative)	(Worksheet A in 28.(e))	-	TP1= 1.00000	-
28	General Plant	(Worksheet A in 28.(h))	1,753	W/S 1.00000	1,753
29	Less: General Plant ARO (Enter Negative)	(Worksheet A in 28.(i))	-	W/S 1.00000	-
30	Intangible Plant	(Worksheet A in 28.(j))	3,357,702	W/S 1.00000	3,357,702.27
31	TOTAL ACCUMULATED DEPRECIATION	(Sum of Lines: 26 to 30)	48,186,509		48,186,509
32	NET PLANT IN SERVICE				
33	Transmission	(In 19 + In 20 - In 26 - In 27)	946,744,078		946,744,078
34	General Plant	(In 21 + In 22 - In 28 - In 29)	30,063		30,063
35	Intangible Plant	(In 23 - In 30)	6,733,384		6,733,384
36	TOTAL NET PLANT IN SERVICE	(Sum of Lines: 33 to 35)	953,507,525	NP= 1.000000	953,507,525
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)	(161,449,505)	DA	(161,449,505)
40	Account No. 283.1 (enter negative)	(Worksheet B, in 12 & in 15.E)	(31,459,884)	DA	(31,459,884)
41	Account No. 190.1	(Worksheet B, in 17 & in 20.E)	7,468,788	DA	7,468,788
42	Account No. 255 (enter negative)	(Worksheet B, in 24 & in 25.E)	-	DA	-
43	TOTAL ADJUSTMENTS	(sum Ins 38 to 42)	(185,440,601)		(185,440,601)
44	PLANT HELD FOR FUTURE USE	(Worksheet A in 44.(e)) in 45.(e))	-	DA	-
45	REGULATORY ASSETS	(Worksheet A in 51.(e))	-	DA	-
46	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y (Worksheet A in 54.(e))		-	W/S 1.00000	-
47	WORKING CAPITAL	(Note E)			
48	Cash Working Capital	(1/8 * In 66)	1,694,175		1,694,175
49	Transmission Materials & Supplies	(Worksheet C, in 2.(F))	1,397	TP 1.00000	1,397
50	A&G Materials & Supplies	(Worksheet C, in 3.(F))	-	W/S 1.00000	-
51	Stores Expense	(Worksheet C, in 4.(F))	-	GP 1.00000	-
52	Prepayments (Account 165) - Labor Allocated	(Worksheet C, in 8.(G))	-	W/S 1.00000	-
53	Prepayments (Account 165) - Gross Plant	(Worksheet C, in 8.(F))	140,229	GP 1.00000	140,229
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)	1,835,800		1,835,800
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)		769,902,724		769,902,724

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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.					
	59	OPERATION & MAINTENANCE EXPENSE				
	60	Customer Related Expense	322 & 323.164,171,178.b			
	61	Regional Marketing Expenses	322.131.b			
	62	Transmission	321.112.b			
	63	TOTAL O&M EXPENSES	(sum Ins 59 to 61)			
	64	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)			
	65	Less: Account 565	(Note H) 321.96.b			
	66	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)			
	67	Total O&M Allocable to Transmission	(Ins 61 - 63 - 64 - 65)	TP	1.00000	13,553.396
	68	Administrative and General	323.197.b (Notes J & M)			
	69	Less: Acct. 924, Property Insurance	323.185.b			
	70	Acct. 928, Reg. Com. Exp.	323.189.b			
	71	Acct. 930.1, Gen. Advert. Exp.	323.191.b			
	72	Acct. 930.2, Misc. Gen. Exp.	323.192.b			
	73	Balance of A & G	(In 67 - sum In 68 to In 71)	W/S	1.00000	2,597.987
	74	Plus: Acct. 924, Property Insurance	(In 68)	GP(h)	1.00000	222.607
	75	Acct. 928 - Transmission Specific	Worksheet F In 21.(E) (Note L)	TP	1.00000	43,419
	76	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 38.(E) (Note L)	TP	1.00000	-
	77	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 43.(E) (Note L)	DA	1.00000	697
	78	P&OP Adjustment	Worksheet O Ln 16.(B). (Note K & M)	W/S	1.00000	331,607
	79	A & G Subtotal	(sum Ins 72 to 77)			3,196.317
	80	O & M EXPENSE SUBTOTAL	(In 66 + In 78)			16,749.713
	81	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		DA	1.00000	-
	82	TOTAL O & M EXPENSE	(In 79 + In 80)			16,749.713
	83	DEPRECIATION AND AMORTIZATION EXPENSE				
	84	Transmission	336.7.f	TP1	1.00000	20,098.758
	85	General	336.10.f	W/S	1.00000	1,560
	86	Intangible	336.1.f	W/S	1.00000	1,846.254
	87	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 83+84+85)			21,946.572
	88	TAXES OTHER THAN INCOME	(Note N)			
	89	Labor Related				
	90	Payroll	Worksheet H In 23.(D)	W/S	1.00000	-
	91	Plant Related				
	92	Property	Worksheet H-p2 In 3.(C) & In 3.(G)	DA	1.00000	7,706.163
	93	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	NA	0.00000	-
	94	Other	Worksheet H In 23.(E)	GP	1.00000	-
	95	TOTAL OTHER TAXES	(sum Ins 89 to 93)			7,706.163
	96	INCOME TAXES	(Note O)			
	97	$T=1 - ((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =$				
	98	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$	26.14%			
	99	where WCLTD=(In 136) and WACC = (In 139)	26.59%			
	100	and FIT, SIT & p are as given in Note O.				
	101	$GRCF=1 / (1 - T) =$ (from In 96)	1.3538			
	102	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)			
	103	Excess Deferred Income Tax	(Note T)	NP(h)	1.00000	547.933
	104	Tax Effect of Permanent and Flow-Through Differences	(Note T)	NP(h)	1.00000	150,533
	105	Income Tax Calculation	(In 97 * In 109)			15,005.750
	106	ITC adjustment	(In 100 * In 101)	NP(h)	1.00000	-
	107	Excess Deferred Income Tax	(In 100 * In 102)			741.803
	108	Tax Effect of Permanent and Flow-Through Differences	(In 100 * In 103)			203,795
	109	TOTAL INCOME TAXES	(sum Ins 104 to 107)			15,951.348
	110	RETURN ON RATE BASE (Rate Base*WACC)	(In 58 * In 139)			56,442.575
	111	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))	-	DA	1.00000	-
	112	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))	-			-
	113	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 111 * In97)	-			-
	114	TOTAL REVENUE REQUIREMENT				118,796.371
	115	(sum Ins 81, 86, 94, 108, 109, 110, 111, 112)				

SUPPORTING CALCULATIONS

In	TRANSMISSION PLANT INCLUDED IN PJM TARIFF			
114	Total transmission plant	(In 119)		991,571,132
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)		991,571,132
118	Percent of transmission plant in PJM Tariff	(In 117 / In 114)	TP=	1.00000

126	Transmission related amount	W/S=	1.00000
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127	WEIGHTED AVERAGE COST OF CAPITAL (WACC)		\$
128	Long Term Interest	(Worksheet M, ln.36, col.(d))	20,548,984
129	Preferred Dividends	(Worksheet M, ln. 45, col.(d))	-
130	Development of Common Stock:		
131	Proprietary Capital	(Worksheet M, ln. 14, col.(b))	600,072,331
132	Less: Preferred Stock	(Worksheet M, ln. 14, col.(c))	-
133	Less: Account 216.1	(Worksheet M, ln. 14, col.(d))	-
134	Less: Account 219	(Worksheet M, ln. 14, col.(e))	-
135	Common Stock	(ln 131 - ln 132 - ln 133 - ln 134)	600,072,331

140	Capital Structure Equity Limit (Note Z)	55.00%
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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 West Virginia Transmission Company general ledger.

I

Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.

J

General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.

K

The Post-employment Benefit Other than Pension (PBOP) expense is fixed based on an approved ratio of PBOP expense to direct labor expense.

L

Expenses reported for these A&G accounts will be included in the cost of service only to the extent they are directly assignable to transmission service. Worksheet F allocates these expense items. Acct 928 Includes Regulatory Commission expenses itemized in FERC Form-1 at page 351, column H. FERC Assessment Fees and Annual Charges shall not be allocated to transmission. Only safety-related and educational advertising costs in Account 930.1 are included in the TCOS. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.

M

See note K above. Recoverable PBOP expense is based on a rate of \$(0.058) cents per dollar of direct labor. This rate may be adjusted up or down every four years based on a comparison of the Allowable TransCo PBOP Expense and the Actual PBOP Expense for a four year Historic and four year Projected period. If the over or under collection is greater than plus or minus 20% of the recoverable amount, an adjustment will be proposed in a Section 205 rate filing.

N

Includes only FICA, unemployment, highway, property and other assessments. Gross receipts, sales & use and taxes related to income are excluded.

O

The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT.
A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax 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 =	6.50%	(State Income Tax Rate or Composite SIT, Worksheet G)
	p =	0.00%	(percent of federal income tax deductible for state purposes)

The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable. If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.

P

Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.

Q

Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.

R

Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.

S

Long Term Debt cost rate = long-term interest (Ln 128)/average long term debt (Ln 136). Preferred Stock cost rate = preferred dividends (Ln 129)/preferred outstanding (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% in of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.
Z

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

Line No	Month (a)	Gross Plant In Service				
		Transmission (d)	Transmission ARO (e)	General (h)	General ARO (i)	Intangible (j)
	(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	906,356,521	-	24,569	-	9,171,969
2	January	907,149,678	-	24,626	-	9,328,949
3	February	913,977,301	-	24,633	-	9,433,020
4	March	915,913,404	-	24,638	-	9,245,616
5	April	917,625,639	-	24,644	-	9,343,178
6	May	920,310,375	-	24,853	-	9,478,245
7	June	972,336,829	-	35,942	-	9,727,610
8	July	1,008,147,386	-	38,198	-	9,896,904
9	August	1,041,843,386	-	38,269	-	10,103,934
10	September	1,042,332,010	-	38,274	-	10,289,273
11	October	1,049,963,988	-	38,317	-	10,478,933
12	November	1,099,118,894	-	38,319	-	10,790,861
13	December of Rate Year	1,195,349,301	-	38,320	-	13,895,633
14	Average of the 13 Monthly Balances	991,571,132	-	31,816	-	10,091,087

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	35,425,167	-	1,050	-	2,467,010
16	January	36,687,438	-	1,153	-	2,612,863
17	February	37,926,890	-	1,257	-	2,761,332
18	March	39,570,001	-	1,359	-	2,887,143
19	April	41,193,494	-	1,461	-	3,034,223
20	May	42,818,253	-	1,564	-	3,182,930
21	June	44,468,541	-	1,667	-	3,333,887
22	July	46,181,566	-	1,816	-	3,489,000
23	August	47,968,090	-	1,974	-	3,646,935
24	September	49,821,748	-	2,133	-	3,808,320
25	October	51,673,060	-	2,292	-	3,972,794
26	November	53,532,231	-	2,451	-	4,140,430
27	December of Rate Year	55,485,221	-	2,610	-	4,313,264
28	Average of the 13 Monthly Balances	44,827,054	-	1,753	-	3,357,702

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

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b)	OATT Ancillary Services (GSU) Accumulated Depreciation (c)	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumulated Depreciation (e)
	(Note A)	Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (d) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year	-	-	-	-
30	January	-	-	-	-
31	February	-	-	-	-
32	March	-	-	-	-
33	April	-	-	-	-
34	May	-	-	-	-
35	June	-	-	-	-
36	July	-	-	-	-
37	August	-	-	-	-
38	September	-	-	-	-
39	October	-	-	-	-
40	November	-	-	-	-
41	December of Rate Year	-	-	-	-
42	Average of the 13 Monthly Balances	-	-	-	-

43 Transmission Accumulated Depreciation net of GSU 44,827,054

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

Regulatory Assets and Liabilities Approved for Recovery In Ratebase

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

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

Unfunded Reserves Summary (Company Records)

52	<u>Description</u>	<u>Account</u>
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AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet A Rate Base
West Virginia Transmission Company

53a					-
53b					-
54		Total	-	-	-

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

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

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 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)	166,591,836	156,307,173	161,449,505
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	166,591,836	156,307,173	161,449,505
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	35,466,170	27,453,598	31,459,884
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	35,466,170	27,453,598	31,459,884
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	7,842,974	7,094,601	7,468,788
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	7,842,974	7,094,601	7,468,788
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.

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
		PER BOOKS	NON-APPLICABLE-NON-UTILITY			AVERAGE ELECTRIC	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2018			FUNCTIONALIZATION 12/31/2019		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2018	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2018	BALANCE AS OF 12-31-2019	UTILITY (BMC-HQ)E12	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1.00	ACCOUNT 281:														
2.01															
2.02		0	0			0	0	0	0						
2.03															
2.04		0	0	0	0	0									
2.05		0	0	0	0	0									
2.06		0	0	0	0	0									
3	TOTAL ACCOUNT 281	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	ACCOUNT 281 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ACCOUNT 282:														
5.01	BOOK VS. TAX DEPRECIATION	95,527,963	113,025,974			104,276,968	0	104,276,968	0	95,527,963				113,025,974	
5.02	481 + BONUS DEPRECIATION	0	2,799,383			1,359,692	0	1,359,692	0					2,799,383	
5.03	R & D DEDUCTION - SECTION 174	2	2			2	0	2	0	2				2	
5.04	TAX DEPRECIATION LOOKBOX	0	(4,113,970)			(2,056,985)	0	(2,056,985)	0	-				(4,113,970)	
5.05	GAIN/LOSS ON ACS/MACRS PROPERTY	1	16,828			8,415	0	8,415	0	1				16,828	
5.06	AFUDC	2,861,403	4,489,198			3,675,301	0	3,675,301	0	2,861,403				4,489,198	
5.07	INT EXP CAPITALIZED FOR TAX	(6,811,908)	(8,880,648)			(7,346,277)	0	(7,346,277)	0	(6,811,908)				(8,880,648)	
5.08	CIAC - BOOK RECEIPTS	(194,250)	(194,250)			(194,250)	0	(194,250)	0	(194,250)				(194,250)	
5.09	BOOK/TAX UNIT OF PROPERTY ADJ	5,003,703	0			2,501,852	0	2,501,852	0	5,003,703				0	
5.10	INTX UNIT OF PROPERTY ADJ SEC 481 ADJ	(855)	(855)			(855)	0	(855)	0	(855)				(855)	
5.11	TX ACCEL AMORT - CAPITALIZED SOFTWARE	102,293	90,928			96,611	0	96,611	0	102,293				90,928	
5.12	CAPITALIZED SOFTWARE COST-BOOK	1,509,822	2,109,063			1,809,437	0	1,809,437	0	1,509,822				2,109,063	
5.13	REMOVAL CST	2,520	4,581			3,550	0	3,550	0	2,520				4,581	
5.14	EXCESS ADIT - PROTECTED	56,728,915	56,744,914			56,736,915	0	56,736,915	0	56,728,915				56,744,914	
5.15	EXCESS ADIT - UNPROTECTED	577,662	500,699			539,130	0	539,130	0	577,662				500,699	
5.16	NON-UTILITY DEFERRED FIT	-	-		0	0	0	0	0	-				-	
5.17	SFAS 109 FLOW-THRU 282.3	9,439,786	13,850,775	(9,439,786)	(13,850,775)	0	0	0	0						
5.18	SFAS 109 EXCESS DFT 282.4	(57,306,477)	(57,245,613)	57,306,477	57,245,613	0	0	0	0						
6	TOTAL ACCOUNT 282	109,449,462	123,196,999	47,866,711	43,394,637	161,449,506	0	161,449,506	0				0	166,591,636	0
7	ACCOUNT 282 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	ACCOUNT 283:														
9.01	NOL & TAX CREDIT CF - DEF TAX ASSET		(154,143)			(77,072)	0	(77,072)	0					(154,143)	
9.02	PROPERTY TAX-NEW METHOD-BOOK	(71,001)	725,069			327,034	0	327,034	0				(71,001)	725,069	
9.03	CAPITALIZED SOFTWARE COST-BOOK	0	0			0	0	0	0				0	0	
9.04	EXCESS ADIT - UNPROTECTED	(5,515,690)	(5,773,365)			(5,644,528)	0	(5,644,528)	0				(5,515,690)	(5,773,365)	
9.05	NON-UTILITY DEFERRED FIT 283.2	-	-		0	0	0	0	0						
9.06	SFAS 109 FLOW-THRU 283.3	2,509,305	3,681,852	(2,509,305)	(3,681,852)	0	0	0	0						
9.07	SFAS 109 EXCESS DFT 283.4	600,111	5,432,377	(600,111)	(5,432,377)	0	0	0	0						
9.08	SFAS 131 FID FED - SFAS 131 NONAFFIL 2830008	-	-		0	0	0	0	0						
9.09	ADIT - FED-HDG-CF-INT RATE 2830015	-	-		0	0	0	0	0						
10		(2,477,275)	3,911,789	(3,109,416)	(9,114,228)	(5,394,565)	0	(5,394,565)	0				0	(5,202,440)	0
11	DEFD STATE INCOME TAXES	33,040,289	40,668,610	0	0	36,854,449	0	36,854,449	0	33,040,289				40,668,610	
12	TOTAL ACCOUNT 283	30,563,014	44,580,368	(3,109,416)	(9,114,228)	31,459,883	0	31,459,884	0				0	35,466,170	0
13	ACCOUNT 283 - ARO-Related Deferrals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	JURISDICTIONAL AMOUNTS FUNCTIONALIZED														
15	TOTAL COMPANY AMOUNTS FUNCTIONALIZED														
16	REFUNCTIONALIZED BASED ON JURISDICTIONAL PLANT														
17	NOTE: POST 1970 ACCUMULATED DEFERRED														
18	INV TAX CRED. (JIDTC) IN A/C 255														
18.01		0	0	0	0	0	0	0	0						
18.02		0	0	0	0	0	0	0	0						
19															
20	TOTAL ACCOUNT 255	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DEBIT (CREDIT)

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L	COLUMN M	COLUMN N	COLUMN O
		PER BOOKS		NON-APPLICABLE/NON-UTILITY		AVERAGE ELECTRIC UTILITY (B+C+D+E)/2	FUNCTIONALIZATION AVERAGE			FUNCTIONALIZATION 12/31/2018			FUNCTIONALIZATION 12/31/2019		
	ACCUMULATED DEFERRED FIT ITEMS	BALANCE AS OF 12-31-2018	BALANCE AS OF 12-31-2019	BALANCE AS OF 12-31-2018	BALANCE AS OF 12-31-2019		GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION	GENERATION	TRANSMISSION	DISTRIBUTION
1	ACCOUNT 190:														
2.01	NOL & TAX CREDIT C/F - DEF TAX ASSET	0	4,533			2,266	0	2,266	0		-			4,533	
2.02	INT EXP CAPITALIZED FOR TAX	0	0			0	0	0	0		-			-	
2.03	PROV POSS REV REFDS	0	0			0	0	0	0		-			-	
2.04	ACCRD COMPANY-WIDE INCENTY PLAN	156,143	31,690			93,917	0	93,917	0		156,143			31,690	
2.05	ACCURED INTEREST-LONG TERM - FVN 48	(3)	0			(2)	0	(2)	0		(3)			0	
2.06	AFIO STATE INCOME TAXES	6,938,461	8,540,408			7,739,435	0	7,739,435	0		6,938,461			8,540,408	
2.07	AMT CREDIT - DEFERRED	0	358			179	0	179	0		-			358	
2.08	NOL-STATE C/F-DEF TAX ASSET-UT - WV	0	(734,015)			(367,008)	0	(367,008)	0		-			(734,015)	
2.09	DEFERRED SFT 1801002	0	0			0	0	0	0		-			0	
2.10	NON-UTILITY DEFERRED FIT	-	-			0	0	0	0		-			-	
2.11	SFAS 106 FLOW-THRU 190.3					0	0	0	0						
2.12	SFAS 108 EXCESS DFT 180.4	13,767,171	18,211,571	(13,767,171)		(18,211,571)	0								
2.13	SFAS 133 ADIT FED - SFAS NONAFFIL 1900008	-	-	0		0	0	0	0						
2.14	ADIT FED - PENSION CO NAF 1900009	-	-	0		0	0	0	0						
2.15	ADIT FED HDG-CF-INT RATE1900015	-	-	0		0	0	0	0						
3	TOTAL ACCOUNT 190	20,861,772	26,055,144	(13,767,171)	(18,212,170)	7,468,787	0	7,468,788	0		7,094,601	0	0	7,842,974	0
4	ACCOUNT 190 - ARO-Related Deferrals	0	0	0	0	0	0	0	0		0	0	0	0	0

	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		
Line No.	Account (NOTE A)	Description of Account	Protected Unprotected	Tax Rate Change Act	Excess Balance at Remeasurement	Amortization Methodology (NOTE C)	Amotization Period	Excess ADIT Regulatory Offset	Excess ADIT in Utility Deferrals	Balance Sheet Account Reclassifications	182.3	254	410/411 Excess Amortization NOTE C	410/411 Deferred Tax Expense/ (Benefit)	Excess ADIT Regulatory Offset	Excess ADIT in Utility Deferrals	Reference
Sum of Cols (I) - (O)																	
Deferred Tax Account (NOTE B)																	
1a	190/001	ADFIT - FAS 109 Excess	N/A	TCJA 2017				13,767,171				4,444,800			18,211,971		WS B - 2 Col B/C, ADIT Item 2.12
1b	282/001	ADFIT - Utility Property	Protected	TCJA 2017	(57,557,598)	ARAM	Life of Asset		(56,728,915)				2,842	(18,841)		(56,744,914)	WS B - 1 Col N, ADIT Item 5.14
1c	282/001	ADFIT - Utility Property	Unprotected	TCJA 2017	-	10 Years	1/2018 - 12/2027		(577,562)				62,592	14,271		(500,699)	WS B - 1 Col N, ADIT Item 5.15
1d	282/001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017				56,728,915					15,999		56,744,914		WS B - 1 Col B/C, ADIT Item 5.18
1e	282/001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017				577,562					(76,863)			500,699	
1f	283/001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017	4,719,901	10 Years	1/2018 - 12/2027		5,515,690				(613,367)	871,042		5,773,365	WS B - 1 Col N, ADIT Item 9.04
1g	283/001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017				(600,112)				(4,832,265)			(5,432,377)		WS B - 1 Col B/C, ADIT Item 9.07
1h																	
NOTE D																	
Regulatory Deferral Accounts																	
2a	182.3	Regulatory Asset		TCJA 2017				(340,987)							(340,987)		Company Records FERC Form 1 p. 278 Ln. 3 Cols. (b) / (f)
2b	254	Regulatory Liability		TCJA 2017				(70,132,549)				448,329			(69,684,220)		
2c																	
NOTE D																	
3	Total For Accounting Entries (Sum of Lines 1a through 2b)							0	(51,790,787)	-	-	-	547,933	(866,472)	-	(51,472,248)	
NOTE E																	

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 FIT rate. The amounts recored in the "4" will be offset on a net basis in the regulatory asset or liability subaccount established for this purpose.

NOTE B: The amount of the FIT gross up to be recorded on regulatory assets and liabilities will be reported on the first line 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 410/411 account.

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

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source		Balance @ December 31, 2019	Balance @ December 31, 2018	Average Balance for 2019			
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)	-	2,794	1,397			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)			-			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, ln 16, Col. (c) & (b)			-			

Prepayment Balance Summary (Note 1)

		<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	144,733	0	0	144,733	0	144,733
7	Totals as of December 31, 2018	<u>135,724</u>	<u>0</u>	<u>0</u>	<u>135,724</u>	<u>0</u>	<u>135,724</u>
8	Average Balance	<u>140,229</u>	-	-	<u>140,229</u>	-	<u>140,229</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	81,393	-	-	81,393	-	81,393	Plant related insurance policies
11	165000218	Prepaid Taxes	-	-	-	-	-	-	
12	1650003	Prepaid Rents	-	-	-	-	-	-	
13	1650004	Prepaid Interest	-	-	-	-	-	-	
14	1650005	Prepaid Employee Benefits	-	-	-	-	-	-	
15	1650006	Other Prepayments	-	-	-	-	-	-	
16	1650009	Prepaid Carry Cost-Factored AR	-	-	-	-	-	-	
17	1650010	Prepaid Pension Benefits	-	-	-	-	-	-	
18	1650014	FAS 158 Qual Contra Asset	-	-	-	-	-	-	
19	1650016	FAS 112 ASSETS	-	-	-	-	-	-	
20	1650021	Prepaid Insurance - EIS	63,339	-	-	63,339	-	63,339	Plant related insurance policies
21	1650023	Prepaid Lease	-	-	-	-	-	-	
22	1650031	Prepaid OCIP Work Comp	-	-	-	-	-	-	
23	1650032	Prepaid OCIP Work Comp LT	-	-	-	-	-	-	
24	1650033	Prepaid OCIP Work Comp - Aff	-	-	-	-	-	-	
25	1650034	Prepaid OCIP Work Comp LT- Aff	-	-	-	-	-	-	
	Subtotal - Form 1, p 111.57.c		144,733	0	0	144,733	0	144,733	

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	78,991	-	-	78,991	-	78,991	Plant related insurance policies
28	165000218	Prepaid Taxes	-	-	-	-	-	-	
29	1650003	Prepaid Rents	-	-	-	-	-	-	
30	1650004	Prepaid Interest	-	-	-	-	-	-	
31	1650005	Prepaid Employee Benefits	-	-	-	-	-	-	
32	1650006	Other Prepayments	-	-	-	-	-	-	
33	1650009	Prepaid Carry Cost-Factored AR	-	-	-	-	-	-	
34	1650010	Prepaid Pension Benefits	-	-	-	-	-	-	
35	1650014	FAS 158 Qual Contra Asset	-	-	-	-	-	-	
36	1650016	FAS 112 ASSETS	-	-	-	-	-	-	
37	1650021	Prepaid Insurance - EIS	51,281	-	-	51,281	-	51,281	Plant related insurance policies
38	1650023	Prepaid Lease	5,452	-	-	5,452	-	5,452	Prepaid lease
39	1650031	Prepaid OCIP Work Comp	-	-	-	-	-	-	
40	1650032	Prepaid OCIP Work Comp LT	-	-	-	-	-	-	
41	1650033	Prepaid OCIP Work Comp - Aff	-	-	-	-	-	-	
42	1650034	Prepaid OCIP Work Comp LT- Aff	-	-	-	-	-	-	
	Subtotal - Form 1, p 111.57.d		135,724	0	0	135,724	0	135,724	

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

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet D Supporting IPP Credits
West Virginia Transmission Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 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 West Virginia Transmission Company's general ledger.	

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet E Supporting Revenue Credits
West Virginia Transmission Company

<u>Line Number</u>	<u>Description</u>	<u>Total Company</u>	<u>Non- Transmission</u>	<u>Transmission</u>
1	Account 450, Forfeited Discounts (FF1 p.300.16.(b); Company Records - Note 1)		-	
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)		-	
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	91,255	-	91,255
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)		-	
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	131,973,994	131,973,994	
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))	132,065,249	131,973,994	91,255
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	132,065,249	131,973,994	91,255
9	Facility Credits under PJM OATT Section 30.9			

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

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

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

Formula Rate
WS F Misc Exp
Page 16 of 43

(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	1,045,366			
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	167,977			
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	1,213,344			
<u>Account 928</u>						
15	9280000	Regulatory Commission Exp	227	227	-	
16	9280001	Regulatory Commission Exp-Adm	10	10	-	
17	9280002	Regulatory Commission Exp-Case	(1,344)	(1,344)	-	
18	9280005	Reg Com Exp-FERC Trans Cases	43,419		43,419	
19					-	
20					-	
21		Total (FERC Form 1 p.323.189.b)	42,312	(1,107)	43,419	
<u>Account 930.1</u>						
22	9301000	General Advertising Expenses	37	37	-	
23	9301001	Newspaper Advertising Space	275	275	-	
24	9301010	Publicity	184	184	-	
25	9301012	Public Opinion Surveys	16	16	-	
26	9301015	Other Corporate Comm Exp	399	399	-	
27				-	-	
28				-	-	
29				-	-	
30				-	-	
31				-	-	
32				-	-	
33				-	-	
34				-	-	
35				-	-	
36				-	-	
37				-	-	
38		Total (FERC Form 1 p.323.191.b)	911	911	-	
<u>Account 930.2</u>						
39	9302000	Misc General Expenses	79,647	79,647	-	
40	9302003	Corporate & Fiscal Expenses	8,826	8,826	-	
41	9302006	Assoc Bus Dev - Materials Sold	-	-	-	
42	9302007	Assoc Business Development Exp	697	-	697	
43		Total (FERC Form 1 p.323.192.b)	89,170	88,473	697	

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

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

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

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
NOTE 1						
1	Revenue Taxes					
2	Gross Receipts Tax	4				4
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	7,706,163	7,706,163			
5	Real and Personal Property - Virginia	-	-			
6	Real and Personal Property - Tennessee	-	-			
7	Real and Personal Property - Other Jurisdictions	-	-			
8	Payroll Taxes					
9	Federal Insurance Contribution (FICA)	-		-		
10	Federal Unemployment Tax	-		-		
11	State Unemployment Insurance	-		-		
12	<i>Line Deliberately Left Blank</i>					
13	State Severance Taxes	-				-
14	Miscellaneous Taxes					
15	State Business & Occupation Tax	-				-
16	State Public Service Commission Fees	-			-	
17	State Franchise Taxes	-			-	
18	State Lic/Registration Fee	-			-	
19	Misc. State and Local Tax	-			-	
20	Sales & Use	27				27
21	Federal Excise Tax	-				-
22	Michigan Single Business Tax	-				-
23	Total Taxes by Allocable Basis	7,706,194	7,706,163	-	-	31
(Total Company Amount Ties to FFI p.114, Ln 14,(c))						

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

Functional Property Tax Allocation						
	Lines 24-58 Column (B) Deliberately Left Blank	Transmission	Lines 24-58 Column (D) Deliberately Left Blank	General	Total	
24	Functionalized Net Plant (TCOS, Lns 33 thru 36)	946,744,078	-	30,063	946,774,141	
WEST VIRGINIA JURISDICTION						
25	Percentage of Plant in WEST VIRGINIA JURISDICTION	100.00%		100.00%		
26	Net Plant in WEST VIRGINIA JURISDICTION (Ln 24 * Ln 25)	946,744,078	-	30,063	946,774,141	
27	Less: Net Value of Exempted Generation Plant					
28	Taxable Property Basis (Ln 26 - Ln 27)	946,744,078	-	30,063	946,774,141	
29	Relative Valuation Factor					
30	Weighted Net Plant (Ln 28 * Ln 29)	-	-	-	-	
31	General Plant Allocator (Ln 30 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
32	Functionalized General Plant (Ln 31 * General Plant)	-	-	-	-	
33	Weighted WEST VIRGINIA JURISDICTION Plant (Ln 30 + 32)	-	-	-	-	
34	Functional Percentage (Ln 33/Total Ln 33)	0.00%	100.00%	0.00%		
JURISDICTION						
35	Net Plant in JURISDICTION (Ln 24 - Ln 26)	-	-	-	-	
36	Less: Net Value Exempted Generation Plant					
37	Taxable Property Basis	-	-	-	-	
38	Relative Valuation Factor					
39	Weighted Net Plant (Ln 37 * Ln 38)	-	-	-	-	
40	General Plant Allocator (Ln 39 / (Total - General Plant))	0.00%	100.00%	0.00%	-100.00%	
41	Functionalized General Plant (Ln 41 * General Plant)	-	-	-	-	
42	Weighted JURISDICTION Plant (Ln 39 + 41)	-	-	-	-	
43	Functional Percentage (Ln 42/Total Ln 42)	0.00%	100.00%	0.00%		

(A)	(B)	(C)	(D)
Line No.	Annual Tax Expenses by Type (Note 1)	Total Company	FERC FORM 1 Tie-Back
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	-	
17	State Franchise Taxes	-	
18	State Lic/Registration Fee	-	
19	Misc. State and Local Tax	-	
20	Sales & Use	27	27
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))	7,706,194	7,706,194

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

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

Reserved for Future Use

AEPTCo subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
West Virginia 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, In 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, Ins 136 through 138)		
	%	Cost
Long Term Debt	46.78%	3.90%
Preferred Stock	0.00%	0.00%
Common Stock	53.22%	10.35%
		Weighted cost
		1.823%
		0.000%
		5.509%
	R =	7.331%

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

Rate Base (True-Up TCOS, In 58)	769,902,724
R (from A. above)	7.331%
Return (Rate Base x R)	56,442,575

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

Return (from B. above)	56,442,575
Effective Tax Rate (TCOS, In 97)	26.59%
Income Tax Calculation (Return x CIT)	15,005,750
ITC Adjustment	-
Excess Deferred Income Tax	741,803
Tax Affect of Permanent Differences	203,795
Income Taxes	15,951,348

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEP PROJECTS				
TRUE-UP YEAR	Rev Require	W Incentives	Incentive Amounts	
As Projected in Prior Year WS J	\$ 43,798,279	\$ 43,798,279	\$	-
Actual After True-up	\$ 52,288,598	\$ 52,288,598	\$	-
True-up of ARR For 2019	8,490,319	8,490,319		-

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, In 1)	118,796,371
Lease Payments (TCOS, Lns 80)	-
Return (TCOS, In 109)	56,442,575
Income Taxes (TCOS, In 108)	15,951,348
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	46,402,448

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	46,402,448
Return (from I.B. above)	56,442,575
Income Taxes (from I.C. above)	15,951,348
Annual Revenue Requirement, with 0 Basis Point ROE increase	118,796,371
Depreciation (TCOS, In 83)	20,098,758
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	98,697,613

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

Net Transmission Plant (Projected TCOS, In 33)	946,744,078
Annual Revenue Requirement, with 0 Basis Point ROE increase	118,796,371
FCR with 0 Basis Point increase in ROE	12.55%
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	98,697,613
FCR with 0 Basis Point ROE increase, less Depreciation	10.42%
FCR less Depreciation (TCOS, In 10)	10.42%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2019 TCOS, In 19	991,571,132
Annual Depreciation and Amortization Expense (TCOS, In 83)	20,098,758
Composite Depreciation Rate	2.03%
Depreciable Life for Composite Depreciation Rate	49.33
Average Life in Whole Years	49

Note 1: Until West Virginia Transmission Company establishes Transmission plant in service the depreciation expense component of the carrying charge will be calculated as in the Operating Company formula approved in Docket No. ER08-1329. The calculation for West Virginia 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	252,229	252,229	-
Prior Yr True-Up	251,822	251,822	-
True-Up Adjustment	(408)	(408)	-

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

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	2,258,478	2,258,478	-
Prior Yr True-Up	2,255,406	2,255,406	-
True-Up Adjustment	(3,072)	(3,072)	-

[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	6,583,556	6,583,556	-
Prior Yr True-Up	6,584,631	6,584,631	-
True-Up Adjustment	1,075	1,075	-

[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	2,545,928	2,545,928	-
Prior Yr True-Up	2,550,164	2,550,164	-
True-Up Adjustment	4,236	4,236	-

[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	170,220	170,220	-
Prior Yr True-Up	170,248	170,248	-
True-Up Adjustment	28	28	-

[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: b2020 (Rebuild Amos-Kanawha River 138 kV corridor)

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)

Rev Require	W Incentives	Incentive Amounts
508,709	508,709	-
509,302	509,302	-
593	593	-

[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: b1875 (138 kV Bradley to McClung upgrades)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	252,907	252,907	-
Prior Yr True-Up	8,669,034	8,669,034	-
True-Up Adjustment	8,416,127	8,416,127	-

Details							
Investment	75,677,808	Current Year	2019				
Service Year (vvvv)	2014	ROE increase accepted by FERC (Basis Points)					-
Service Month (1-12)	9	FCR w/o incentives, less depreciation					10.42%
Useful life	49	FCR w/incentives approved for these facilities, less dep.					10.42%
CIAC (Yes or No)	Yes	Annual Depreciation Expense					1,544,445
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	75,677,808	386,111	75,291,697	75,484,753	8,255,360	8,255,360	-
2015	75,291,697	1,544,445	73,747,252	74,519,474	8,931,064	8,931,064	-
2016	73,747,252	1,544,445	72,202,807	72,975,020	9,152,057	9,152,057	-
2017	72,202,807	1,544,445	70,658,362	71,430,584	8,991,049	8,991,049	-
2018	70,658,362	1,544,445	69,113,917	69,886,139	8,830,041	8,830,041	-
2019	69,113,917	1,544,445	67,569,472	68,341,694	8,669,034	8,669,034	-
2020	67,569,472	1,544,445	66,025,027	66,797,249	8,508,026	8,508,026	-
2021	66,025,027	1,544,445	64,480,581	65,252,804	8,347,018	8,347,018	-
2022	64,480,581	1,544,445	62,936,136	63,708,359	8,186,011	8,186,011	-
2023	62,936,136	1,544,445	61,391,691	62,163,914	8,025,003	8,025,003	-
2024	61,391,691	1,544,445	59,847,246	60,619,469	7,863,995	7,863,995	-
2025	59,847,246	1,544,445	58,302,801	59,075,024	7,702,988	7,702,988	-
2026	58,302,801	1,544,445	56,758,356	57,530,579	7,541,980	7,541,980	-
2027	56,758,356	1,544,445	55,213,911	55,986,134	7,380,972	7,380,972	-
2028	55,213,911	1,544,445	53,669,466	54,441,689	7,219,965	7,219,965	-
2029	53,669,466	1,544,445	52,125,021	52,897,243	7,058,957	7,058,957	-
2030	52,125,021	1,544,445	50,580,576	51,352,798	6,897,950	6,897,950	-
2031	50,580,576	1,544,445	49,036,131	49,808,353	6,736,942	6,736,942	-
2032	49,036,131	1,544,445	47,491,686	48,263,908	6,575,934	6,575,934	-
2033	47,491,686	1,544,445	45,947,241	46,719,463	6,414,927	6,414,927	-
2034	45,947,241	1,544,445	44,402,796	45,175,018	6,253,919	6,253,919	-
2035	44,402,796	1,544,445	42,858,351	43,630,573	6,092,911	6,092,911	-
2036	42,858,351	1,544,445	41,313,906	42,086,128	5,931,904	5,931,904	-
2037	41,313,906	1,544,445	39,769,460	40,541,683	5,770,896	5,770,896	-
2038	39,769,460	1,544,445	38,225,015	38,997,238	5,609,888	5,609,888	-
2039	38,225,015	1,544,445	36,680,570	37,452,793	5,448,881	5,448,881	-
2040	36,680,570	1,544,445	35,136,125	35,908,348	5,287,873	5,287,873	-
2041	35,136,125	1,544,445	33,591,680	34,363,903	5,126,865	5,126,865	-
2042	33,591,680	1,544,445	32,047,235	32,819,458	4,965,858	4,965,858	-
2043	32,047,235	1,544,445	30,502,790	31,275,013	4,804,850	4,804,850	-
2044	30,502,790	1,544,445	28,958,345	29,730,568	4,643,842	4,643,842	-
2045	28,958,345	1,544,445	27,413,900	28,186,122	4,482,835	4,482,835	-
2046	27,413,900	1,544,445	25,869,455	26,641,677	4,321,827	4,321,827	-
2047	25,869,455	1,544,445	24,325,010	25,097,232	4,160,819	4,160,819	-
2048	24,325,010	1,544,445	22,780,565	23,552,787	3,999,812	3,999,812	-
2049	22,780,565	1,544,445	21,236,120	22,008,342	3,838,804	3,838,804	-
2050	21,236,120	1,544,445	19,691,675	20,463,897	3,677,796	3,677,796	-
2051	19,691,675	1,544,445	18,147,230	19,019,452	3,516,789	3,516,789	-
2052	18,147,230	1,544,445	16,602,784	17,375,007	3,355,781	3,355,781	-
2053	16,602,784	1,544,445	15,058,339	15,830,562	3,194,774	3,194,774	-
2054	15,058,339	1,544,445	13,513,894	14,286,117	3,033,766	3,033,766	-
2055	13,513,894	1,544,445	11,969,449	12,741,672	2,872,758	2,872,758	-
2056	11,969,449	1,544,445	10,425,004	11,197,227	2,711,751	2,711,751	-
2057	10,425,004	1,544,445	8,880,559	9,652,782	2,550,743	2,550,743	-
2058	8,880,559	1,544,445	7,336,114	8,106,337	2,389,735	2,389,735	-
2059	7,336,114	1,544,445	5,791,669	6,565,892	2,228,728	2,228,728	-
2060	5,791,669	1,544,445	4,247,224	5,019,446	2,067,720	2,067,720	-
2061	4,247,224	1,544,445	2,702,779	3,475,001	1,906,712	1,906,712	-
2062	2,702,779	1,544,445	1,158,334	1,930,556	1,745,705	1,745,705	-
2063	1,158,334	1,158,334	-	579,167	1,218,712	1,218,712	-
2064	-	-	-	-	-	-	-
2065	-	-	-	-	-	-	-
2066	-	-	-	-	-	-	-
2067	-	-	-	-	-	-	-
2068	-	-	-	-	-	-	-
2069	-	-	-	-	-	-	-
2070	-	-	-	-	-	-	-
2071	-	-	-	-	-	-	-
2072	-	-	-	-	-	-	-
2073	-	-	-	-	-	-	-
Project Totals		75,677,808			274,884,527	274,884,527	-

[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: b2230 (Replace existing 150 MVAR reactor at Amos 765 kV)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,472,315	1,472,315	-
Prior Yr True-Up	1,478,729	1,478,729	-
True-Up Adjustment	6,414	6,414	-

Details									
Investment	12,409,450	Current Year							2019
Service Year (vvvv)	2016	ROE increase accepted by FERC (Basis Points)							-
Service Month (1-12)	11	FCR w/o incentives, less depreciation							10.42%
Useful life	49	FCR w/incentives approved for these facilities, less dep.							10.42%
CIAC (Yes or No)	No	Annual Depreciation Expense							253,254
Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req.' w/o Incentives	RTEP Rev. Req.' with Incentives **	Incentive Rev. Requirement #		
2016	12,409,450	21,105	12,388,345	12,398,998	1,313,684	1,313,684	\$	-	
2017	12,388,345	253,254	12,135,091	12,151,718	1,531,532	1,531,532	\$	-	
2018	12,135,091	1,981,837	10,153,254	12,008,464	1,505,131	1,505,131	\$	-	
2019	11,981,837	253,254	11,628,583	11,755,210	1,478,729	1,478,729	\$	-	
2020	11,628,583	253,254	11,375,329	11,501,956	1,452,327	1,452,327	\$	-	
2021	11,375,329	253,254	11,122,075	11,248,702	1,425,926	1,425,926	\$	-	
2022	11,122,075	253,254	10,868,821	10,995,448	1,399,524	1,399,524	\$	-	
2023	10,868,821	253,254	10,615,567	10,742,194	1,373,123	1,373,123	\$	-	
2024	10,615,567	253,254	10,362,313	10,488,940	1,346,721	1,346,721	\$	-	
2025	10,362,313	253,254	10,109,059	10,235,686	1,320,319	1,320,319	\$	-	
2026	10,109,059	253,254	9,855,805	9,982,432	1,293,918	1,293,918	\$	-	
2027	9,855,805	253,254	9,602,551	9,729,178	1,267,516	1,267,516	\$	-	
2028	9,602,551	253,254	9,349,297	9,475,924	1,241,115	1,241,115	\$	-	
2029	9,349,297	253,254	9,096,042	9,222,669	1,214,713	1,214,713	\$	-	
2030	9,096,042	253,254	8,842,788	8,969,415	1,188,311	1,188,311	\$	-	
2031	8,842,788	253,254	8,589,534	8,716,161	1,161,910	1,161,910	\$	-	
2032	8,589,534	253,254	8,336,280	8,462,907	1,135,508	1,135,508	\$	-	
2033	8,336,280	253,254	8,083,026	8,209,653	1,109,106	1,109,106	\$	-	
2034	8,083,026	253,254	7,829,772	7,956,399	1,082,705	1,082,705	\$	-	
2035	7,829,772	253,254	7,576,518	7,703,145	1,056,303	1,056,303	\$	-	
2036	7,576,518	253,254	7,323,264	7,449,891	1,029,902	1,029,902	\$	-	
2037	7,323,264	253,254	7,070,010	7,196,637	1,003,500	1,003,500	\$	-	
2038	7,070,010	253,254	6,816,756	6,943,383	977,098	977,098	\$	-	
2039	6,816,756	253,254	6,563,502	6,690,129	950,697	950,697	\$	-	
2040	6,563,502	253,254	6,310,248	6,436,875	924,295	924,295	\$	-	
2041	6,310,248	253,254	6,056,993	6,183,620	897,894	897,894	\$	-	
2042	6,056,993	253,254	5,803,739	5,930,366	871,492	871,492	\$	-	
2043	5,803,739	253,254	5,550,485	5,677,112	845,090	845,090	\$	-	
2044	5,550,485	253,254	5,297,231	5,423,858	818,689	818,689	\$	-	
2045	5,297,231	253,254	5,043,977	5,170,604	792,287	792,287	\$	-	
2046	5,043,977	253,254	4,790,723	4,917,350	765,885	765,885	\$	-	
2047	4,790,723	253,254	4,537,469	4,664,096	739,484	739,484	\$	-	
2048	4,537,469	253,254	4,284,215	4,410,842	713,082	713,082	\$	-	

[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)

2019	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	2,374,315	2,374,315	-
Prior Yr True-Up	2,397,014	2,397,014	-
True-Up Adjustment	22,699	22,699	-

[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.

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

RESERVED FOR FUTURE USE

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

Line No	Month (a)	Average Balance of Common Equity				Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
1	December Prior to Rate Year	561,659,575	-	-	-	561,659,575
2	January	570,690,806				570,690,806
3	February	578,150,778				578,150,778
4	March	580,818,498				580,818,498
5	April	586,901,744				586,901,744
6	May	593,949,301				593,949,301
7	June	602,796,507				602,796,507
8	July	607,968,903				607,968,903
9	August	613,522,009				613,522,009
10	September	618,705,532				618,705,532
11	October	624,548,984				624,548,984
12	November	630,091,460				630,091,460
13	December of Rate Year	631,136,203				631,136,203
14	Average of the 13 Monthly Balances	600,072,331	-	-	-	600,072,331

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)	Acct 223 LT Advances from Assoc. Companies (d)	Acct 224 Senior Unsecured Notes (e)	Less: Fair Value Hedges (f)	
	(Note A)	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15	December Prior to Rate Year	-	-	456,000,000	-	-	456,000,000
16	January			456,000,000			456,000,000
17	February			456,000,000			456,000,000
18	March			456,000,000			456,000,000
19	April			456,000,000			456,000,000
20	May			456,000,000			456,000,000
21	June			543,000,000			543,000,000
22	July			543,000,000			543,000,000
23	August			543,000,000			543,000,000
24	September			633,000,000			633,000,000
25	October			633,000,000			633,000,000
26	November			612,600,000			612,600,000
27	December of Rate Year			612,600,000			612,600,000
28	Average of the 13 Monthly Balances	-	-	527,400,000	-	-	527,400,000

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

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

Development of Cost of Long Term Debt Based on Average Outstanding Balance

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29	Annual Interest Expense for 2019						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)			20,259,156			
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)			314,334			
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)			24,506			
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)			20,548,984			
37	Average Cost of Debt for 2019 (Ln 36/ Ln 28 (g))			3.90%			

CALCULATION OF HEDGE GAINS/LOSSES TO BE EXCLUDED FROM TCOS

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

	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
West Virginia Transmission Company

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

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		<u>-</u>		<u>-</u>	

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
West Virginia Transmission Company

PBOP	(A)	(B)
1	<u>Calculation of PBOP Expenses</u>	
2	<u>AEP System PBOP Rate</u>	
3	Total AEP System PBOP expenses	-\$80,135,777
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	4,719,446
10	Allowable TransCo PBOP Expense for current year (Ln 8 * Ln 9)	-\$202,936
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)	-\$534,543
15	Actual PBOP Expense (Sum Lines 11-14)	-\$534,543
16	PBOP Adjustment Line 10 less Line 15	\$331,607

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

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

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

West Virginia Transmission Company

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Energy Storage Equipment	351.0	14.22%
Structures & Improvements	352.0	1.62%
Station Equipment	353.0	2.37%
Towers & Fixtures	354.0	1.59%
Poles & Fixtures	355.0	2.71%
Overhead Conductor	356.0	1.53%
Underground Conduit	357.0	3.71%
Underground Conductors	358.0	5.24%

GENERAL PLANT

Structures and Improvements	390.0	1.91%
Office Furniture and Equip.	391.0	3.17%
Stores Equipment	393.0	1.80%
Tools, Shop and Garage Equipment	394.0	2.57%
Laboratory Equipment	395.0	4.01%
Power Operated Equipment	396.0	3.90%
Communications Equipment	394.0	4.98%
Micellaneous Equipment	398.0	2.70%

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

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

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

Line	Appalachian Power Company	Indiana Michigan Power Company	Kentucky Power Company	Kingsport Power Company	Ohio Power Company	Wheeling Power Company	AEP East Operating Companies' Consolidated Capital Structure
<u>Development of Long Term Debt Balances at Year End</u>							
1 Bonds (112.18.c&d)							-
2 Less: Reacquired Bonds (112.19.c&d)							-
3 LT Advances from Assoc. Companies (112.20.c&d)							-
4 Senior Unsecured Notes (112.21.c&d) Excludes Spent Nuc Fuel Disp Fund							-
5 Less: Fair Value Hedges (See Note on Ln 7 below)							-
6 Total Long Term Debt Balance	-	-	-	-	-	-	-
7 NOTE: The balance of fair value hedges on outstanding long term debt are to be excluded from the balance of long term debt included in the formula's capital structure. (page 257, Column H of the FF1)							
<u>Development of Long Term Debt Interest Expense</u>							
8 Interest on Long Term Debt (256-257.33.i)							-
9 Amort of Debt Discount & Expense (117.63.c)							-
10 Amort of Loss on Reacquired Debt (117.64.c)							-
11 Less: Amort of Premium on Debt (117.65.c)							-
12 Less: Amort of Gain on Reacquired Debt (117.66.c)							-
13 Less: Hedge Interest on pp 256-257(i)							-
14 LTD Interest Expense	-	-	-	-	-	-	-
<u>Development of Cost of Preferred Stock and Preferred Dividends</u>							
15 Dividend Rate (p. 250-251. 7.a)							-
16 Par Value (p. 250-251. 8.c)							-
17 Shares Outstanding (p.250-251. 8.e)							-
18 Monetary Value (Ln 16 * Ln 17)	-	-	-	-	-	-	-
19 Dividend Amount (Ln 15 * Ln 18)	-	-	-	-	-	-	-
20 Dividend Rate (p. 250-251. 7.a)							-
21 Par Value (p. 250-251. 8.c)							-
22 Shares Outstanding (p.250-251. 8.e)							-
23 Monetary Value (Ln 21 * Ln 22)	-	-	-	-	-	-	-
24 Dividend Amount (Ln 20 * Ln 23)	-	-	-	-	-	-	-
25 Dividend Rate (p. 250-251. 7.a)							-
26 Par Value (p. 250-251. 8.c)							-
27 Shares Outstanding (p.250-251. 8.e)							-
28 Monetary Value (Ln 26 * Ln 27)	-	-	-	-	-	-	-
29 Dividend Amount (Ln 25 * Ln 28)	-	-	-	-	-	-	-
30 Dividend Rate (p. 250-251. 7.a)							-
31 Par Value (p. 250-251. 8.c)							-
32 Shares Outstanding (p.250-251. 8.e)							-
33 Monetary Value (Ln 31 * Ln 32)	-	-	-	-	-	-	-
34 Dividend Amount (Ln 30 * Ln 33)	-	-	-	-	-	-	-
35 Preferred Stock (Lns 18, 23, 28,33)	-	-	-	-	-	-	-
36 Preferred Dividends (Lns 19, 24, 29,34)	-	-	-	-	-	-	-
<u>Development of Common Equity</u>							
37 Proprietary Capital (112.16.c)							-
38 Less: Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
39 Less: Account 216.1 (112.12.c)							-
40 Less: Account 219.1 (112.15.c)							-
41 Balance of Common Equity	-	-	-	-	-	-	-
<u>Calculation of Capital Shares</u>							
42 Long Term Debt (Ln 6 Above)	-	-	-	-	-	-	-
43 Preferred Stock (Ln 35 Above)	-	-	-	-	-	-	-
44 Common Equity (Ln 41 Above)	-	-	-	-	-	-	-
45 Total Company Structure	-	-	-	-	-	-	-
46 LTD Capital Shares (Ln 42 / Ln 45)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
47 Preferred Stock Capital Shares (Ln 43 / Ln 45)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
48 Common Equity Capital Shares (Ln 44 / Ln 45)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
49 Reserved							
50 Reserved							
51 Reserved							
52 Reserved							
<u>Calculation of Capital Cost Rate</u>							
53 LTD Capital Cost Rate (Ln 14 / Ln 6)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
54 Preferred Stock Capital Cost Rate (Ln 36 / Ln 35)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55 Common Equity Capital Cost Rate	11.49%	11.49%	11.4				

[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 true-up through August 31 of the following year.

AEPTCo Subsidiaries in PJM
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet R - True-up With Interest

Reconciliation Revenue Requirement For Year 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
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An over or under collection will be recovered prorata over 2017, held for 2018 and returned prorata over 2019

Calculation of Interest

				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 Decen	Year 2018	-	0.3420%	12	-	-

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

				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.