

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Historic Cost Data for 2016 with Year-End Rate Base Balances

WHEELING POWER COMPANY

Line No.						Transmission Amount
166	REVENUE REQUIREMENT (w/o incentives)	(In 303)				\$14,737,770
			Total		Allocator	
167	REVENUE CREDITS	(Note A) (Worksheet E)	2,713,724	DA	1.00000	\$ 2,713,724
168	REVENUE REQUIREMENT For All Company Facilities	(In 166 less In 167)				\$ 12,024,046

MEMO: The Carrying Charge Calculations on lines 171 to 176 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 169 is included in the total on line 168.

169	Not applicable on this template					
170	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)					
171	Annual Rate	((In 166 - In 270 - In 271)/ In 213 x 100)				13.91%
172	Monthly Rate	(In 171 / 12)				1.16%
173	NET PLANT CARRYING CHARGE ON LINE 171 , w/o depreciation or ROE incentives (Note B)					
174	Annual Rate	((In 166 - In 270 - In 271 - In 276) / In 213 x 100)				11.94%
175	NET PLANT CARRYING CHARGE ON LINE 174, w/o Return, income taxes or ROE incentives (Note B)					
176	Annual Rate	((In 166 - In 270 - In 271 - In 276 - In 298 - In 299) / In 213 x 100)				2.91%
177	Not applicable on this template					
178	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES					
179	Total Load Dispatch & Scheduling (Account 561)	Line 250 Below				965,009
180	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)					691,025
181	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)					179,308
182	Total 561 Internally Developed Costs	(Line 179 - Line 180 - Line 181)				94,676

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	(1)	(2)	(3)	(4)	(5)	
	<u>RATE BASE CALCULATION</u>	<u>Data Sources</u> <u>(See "General Notes")</u>	<u>TO Total</u> <u>NOTE C</u>	<u>Allocator</u>	<u>Total</u> <u>Transmission</u>	
Line No.	GROSS PLANT IN SERVICE					
183	Production	(Worksheet A In 1.C)	1,008,689,150	NA	0.00000	-
184	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	(5,673,637)	NA	0.00000	-
185	Transmission	(Worksheet A In 3.E & Ln 307)	143,223,066	DA		133,637,966
186	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 308)	-	TP	0.93308	-
187	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000	N/A
188	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000	N/A
189	Distribution	(Worksheet A In 5.C)	170,113,471	NA	0.00000	
190	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	-	NA	0.00000	
191	General Plant	(Worksheet A In 7.C)	5,680,451	W/S	0.02301	130,716
192	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(151,295)	W/S	0.02301	(3,482)
193	Intangible Plant	(Worksheet A In 9.C)	4,034,792	W/S	0.02301	92,847
194	TOTAL GROSS PLANT	(sum Ins 183 to 193)	1,325,915,998	GP(h)=	0.100955	133,858,048
				GTD=	0.42650	
195	ACCUMULATED DEPRECIATION AND AMORTIZATION					
196	Production	(Worksheet A In 12.C)	360,748,646	NA	0.00000	-
197	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	(2,281,153)	NA	0.00000	-
198	Transmission	(Worksheet A In 14.C & 28.C)	33,156,570	TP1=	0.83466	27,674,354
199	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	0.83466	-
200	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000	N/A
201	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000	N/A
202	Plus: Additional Transmission Depreciation for 2017 (In 276)		N/A	TP1	0.83466	N/A
203	Plus: Additional General & Intangible Depreciation for 2017 (In 275 + In 276)		N/A	W/S	0.02301	N/A
204	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000	N/A
205	Distribution	(Worksheet A In 16.C)	46,534,611	NA	0.00000	-
206	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	-	NA	0.00000	-
207	General Plant	(Worksheet A In 18.C)	2,786,505	W/S	0.02301	64,122
208	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(26,786)	W/S	0.02301	(616)
209	Intangible Plant	(Worksheet A In 20.C)	1,743,946	W/S	0.02301	40,131
210	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 196 to 209)	442,662,340			27,777,991
211	NET PLANT IN SERVICE					
212	Production	(In 183 + In 184 - In 196 - In 197)	644,548,020			-
213	Transmission	(In 185 + In 186 - In 198 - In 199)	110,066,496			105,963,612
214	Plus: Transmission Plant-in-Service Additions (In 187 - In 200)		N/A			N/A
215	Plus: Additional Trans Plant on Transferred Assets (In 188 - In 201)		N/A			N/A
216	Plus: Additional Transmission Depreciation for 2017 (-In 202)		N/A			N/A
217	Plus: Additional General & Intangible Depreciation for 2017 (-In 203)		N/A			N/A
218	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 204)		N/A			N/A
219	Distribution	(In 189 + In 190 - In 205 - In 206)	123,578,860			-
220	General Plant	(In 191 + In 192 - In 207 - In 208)	2,769,437			63,729
221	Intangible Plant	(In 193 - In 209)	2,290,846			52,716
222	TOTAL NET PLANT IN SERVICE	(sum Ins 212 to 221)	883,253,658	NP(h)=	0.120101	106,080,057
223	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
224	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	(57,180,224)	NA		
225	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(149,506,154)	DA		(25,074,643)
226	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(28,574,420)	DA		(484,653)
227	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	10,007,068	DA		855,010
228	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(91)	DA		(25)
229	TOTAL ADJUSTMENTS	(sum Ins 224 to 228)	(225,253,821)			(24,704,311)
230	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	-	DA		-
231	REGULATORY ASSETS	(Worksheet A In 36. (C))	-	DA		-
232	WORKING CAPITAL	(Note E)				
233	Cash Working Capital	(1/8 * In 253)	141,930			132,431
234	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	454	TP	0.93308	424
235	A&G Materials & Supplies	(Worksheet C, In 3.(D))	262	W/S	0.02301	6
236	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	0.10096	-
237	Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 6.G)	8,276,298	W/S	0.02301	190,451
238	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 6.F)	346,212	GP(h)	0.10096	34,952
239	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 6.E)	-	DA	1.00000	-
240	Prepayments (Account 165) - Unallocable	(Worksheet D, In 6.D)	(7,796,678)	NA	0.00000	-
241	TOTAL WORKING CAPITAL	(sum Ins 233 to 240)	968,478			358,264
242	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA	1.00000	-
243	RATE BASE (sum Ins 222, 229, 230, 231, 241, 242)		658,968,315			81,734,010

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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					
244	Production	321.80.b	163,784,134			
245	Distribution	322.156.b	7,756,041			
246	Customer Related Expense	322 & 323.164,171,178.b	3,180,484			
247	Regional Marketing Expenses	322.131.b	579,213			
248	Transmission	321.112.b	20,056,663			
249	TOTAL O&M EXPENSES	(sum Ins 244 to 248)	195,356,535			
250	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	965,009			
251	Less: Account 565	(Note H) 321.96.b	17,956,215			
252	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-			
253	Total O&M Allocable to Transmission	(Ins 248 - 250 - 251 - 252)	1,135,439	TP	0.93308	1,059,451
254	Administrative and General	323.197.b (Note J)	9,057,293			
255	Less: Acct. 924, Property Insurance	323.185.b	297,184			
256	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(513,072)			
257	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-			
258	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(31,721)			
259	Acct. 928, Reg. Com. Exp.	323.189.b	8,456			
260	Acct. 930.1, Gen. Advert. Exp.	323.191.b	4,166			
261	Acct. 930.2, Misc. Gen. Exp.	323.192.b	271,832			
262	Balance of A & G	(In 254 - sum In 255 to In 261)	9,020,448	W/S	0.02301	207,575
263	Plus: Acct. 924, Property Insurance	(In 255)	297,184	GP(h)	0.10096	30,002
264	Acct. 928 - Transmission Specific	Worksheet F In 19.(E) (Note L)	2,851	TP	0.93308	2,660
265	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 31.(E) (Note L)	-	TP	0.93308	-
266	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 37.(E) (Note L)	706	DA	1.00000	706
267	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 7, (Note M)	472,911	W/S	0.02301	10,882
268	A & G Subtotal	(sum Ins 262 to 267)	9,794,100			251,826
269	O & M EXPENSE SUBTOTAL	(In 253 + In 268)	10,929,539			1,311,276
270	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000	-
271	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA	1.00000	-
272	TOTAL O & M EXPENSE	(In 269 + In 270 + In 271)	10,929,539			1,311,276
273	DEPRECIATION AND AMORTIZATION EXPENSE					
274	Production	336.2-6.f	28,200,712	NA	0.00000	-
275	Distribution	336.8.f	6,164,300	NA	0.00000	-
276	Transmission	336.7.f	2,499,381	TP1	0.83466	2,086,125
277	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A			N/A
278	General	336.10.f	73,675	W/S	0.02301	1,695
279	Intangible	336.1.f	742,676	W/S	0.02301	17,090
280	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 274+275+ 276+277+278+279) (Note N)	37,680,744			2,104,911
281	TAXES OTHER THAN INCOME					
282	Labor Related					
283	Payroll	Worksheet H In 21.(D)	965,696	W/S	0.02301	22,222
284	Plant Related					
285	Property	Worksheet H In 21.(C) & In 35.(C)	6,087,150	DA		1,627,089
286	Gross Receipts/Sales & Use	Worksheet H In 21.(F)	6,255,106	NA	0.00000	-
287	Other	Worksheet H In 21.(E)	980,753	GP(h)	0.10096	99,012
288	TOTAL OTHER TAXES	(sum Ins 283 to 287)	14,288,705			1,748,323
289	INCOME TAXES	(Note O)				
290	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		39.23%			
291	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		52.14%			
292	where WCLTD=(In 327) and WACC = (In 330)					
293	and FIT, SIT & p are as given in Note O.					
294	GRCF=1 / (1 - T) = (from In 290)		1.6454			
295	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-			
296	Income Tax Calculation	(In 291 * In 299)	26,450,309			3,280,719
297	ITC adjustment	(In 294 * In 295)	-	NP(h)	0.12010	-
298	TOTAL INCOME TAXES	(sum Ins 296 to 297)	26,450,309			3,280,719
299	RETURN ON RATE BASE (Rate Base*WACC)	(In 243 * In 330)	50,732,676			6,292,541
300	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA	1.00000	-
301	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-			-
302	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 301 * In291)		-			-
303	TOTAL REVENUE REQUIREMENT (sum Ins 272, 280, 288, 298, 299, 300, 301, 302)		140,081,973			14,737,770

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
304	Total transmission plant	(In 185)								143,223,066
305	Less transmission plant excluded from PJM Tariff	(Note P)								-
306	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 23, Col. (C))	(Note Q)								9,585,100
307	Transmission plant included in PJM Tariff	(In 304 - In 305 - In 306)								133,637,966
308	Percent of transmission plant in PJM Tariff	(In 307 / In 304)							TP=	0.93308
309	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total					
310	Production	354.20.b	11,037,049	6,306	11,043,355	NA	0.00000			-
311	Transmission	354.21.b	446	347,247	347,693	TP	0.93308			324,424
312	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000			-
313	Distribution	354.23.b	1,642,963	310,846	1,953,809	NA	0.00000			-
314	Other (Excludes A&G)	354.24,25,26.b	384,222	369,201	753,423	NA	0.00000			-
315	Total	(sum Ins 310 to 314)	13,064,680	1,033,600	14,098,280					324,424
316	Transmission related amount								W/S=	0.02301
317	WEIGHTED AVERAGE COST OF CAPITAL (WACC)									\$
318	Long Term Interest	(Worksheet L, In. 35, col. (D))								11,289,532
319	Preferred Dividends	(Worksheet L, In. 40, col. (D))								-
320	Development of Common Stock:									
321	Proprietary Capital	(FF1 p 112, Ln 16.c)								412,839,052
322	Less: Preferred Stock	(FF1 p 112, Ln 3.c)								-
323	Less: Account 216.1	(FF1 p 112, Ln 12 .c)								-
324	Less: Account 219	(FF1 p 112, Ln 15.c)								(125,061)
325	Common Stock	(In 321 - In 322 - In 323 - In 324)								412,964,113
326			\$	%		Cost (Note S)				
327	Long Term Debt (Note T) Worksheet L, In 35, col. (B))		350,000,000	45.87%		0.0323				0.0148
328	Preferred Stock (In 322)		-	0.00%		-				0.0000
329	Common Stock (In 325)		412,964,113	54.13%		11.49%				0.0622
330	Total (Sum Ins 327 to 329)		762,964,113						WACC=	0.0770

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Letter	Notes
	General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X
A	Revenue credits include: 1) Forfeited Discounts. 2) Miscellaneous Service Revenues. 3) Rental revenues earned on assets included in the rate base. 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service. 5) Other electric revenues. 6) Revenues for grandfathered PTP contracts included in the load divisor. 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.
C	Transmission Plant balances in this study are historic as of December 31, 2016.
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. 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 253. It excludes: 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 250. 2) AEP transmission equalization transfers, as shown on line 251 3) The impact of state regulatory deferrals and amortizations, as shown on line 252 4) All A&G Expenses, as shown on line 268.
F	Consistent with Paragraph 657 of Order 2003-A, the amount on line 242 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 300.
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 180 & 181 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 253. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 270 and 271 to determine the total O&M collected in the formula. The amounts on lines 270 and 271 are also excluded in the calculation of the FCR percentage calculated on lines 170 through 176. The addbacks on lines 270 and 271 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 lines 270 and 271 is the WHEELING POWER COMPANY general ledger.
I	Removes the impact of state regulatory deferrals or their amortization from 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	These deductions on lines 256 through 258 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP 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. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O, and the process for updating the annual total is documented on Attachment F, Allowable PBOP Expense Formula.
N	Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.
O	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) (In 295) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0. Inputs Required: FIT = 35.00% SIT= 6.50% (State Income Tax Rate or Composite SIT. Worksheet G)) p = 0.00% (percent of federal income tax deductible for state purposes)
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 (In 318) / long term debt (In 327). Preferred Stock cost rate = preferred dividends (In 319) / preferred outstanding (In 328). Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for remaining a member of the PJM RTO. In the Projected & Historic templates, the interest expense on long-term debt is the sum of a full year's interest expense at the coupon rate for each issuance outstanding as of December 31 of the historic year. The projected expense for variable rate debt will be based on the effective rate at December 31. These conventions ensure that the expense used in the projection will reflect a full year, similar to the actual expense that will appear in the subsequent true-up of the projection, and minimize the impact on the true-up of using a partial year interest expense. The projection will reflect the actual historic-year expense recorded for issuance expenses, discounts and premiums, and gains or losses on reacquired debt. Eligible hedging gains or losses will be limited to five basis points of the projected capital structure. Details and calculations are shown on Worksheet L.
T	This note only applies to Indiana Michigan Power Company.
U	This note only applies to the true-up template.

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Line No.						Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 138)				\$14,629,380
2	REVENUE CREDITS	(Note A) (Worksheet E)	Total	DA	Allocator 1.00000	\$ 2,713,724
			2,713,724			
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)				\$ 11,915,656

MEMO: The Carrying Charge Calculations on lines 6 to 11 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 4 is included in the total on line 3.

4	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet K)	146,987	DA	1.00000	\$ 146,987
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	((In 1 - In 105 - In 106) / In 48 x 100)			13.98%
7	Monthly Rate	(In 6 / 12)			1.16%
8	NET PLANT CARRYING CHARGE ON LINE 6 , w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	((In 1 - In 105 - In 106 - In 111) / In 48 x 100)			11.99%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	((In 1 - In 105 - In 106 - In 111 - In 133 - In 134) / In 48 x 100)			2.94%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet K)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			965,009
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				691,025
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				179,308
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			94,676

AEP East Companies
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Utilizing Actual Cost Data for 2016 with Average Ratebase Balances

WHEELING POWER COMPANY

	(1)	(2)	(3)	(4)	(5)	
	<u>RATE BASE CALCULATION</u>	<u>Data Sources</u> <u>(See "General Notes")</u>	<u>TO Total</u> <u>NOTE C</u>	<u>Allocator</u>	<u>Total</u> <u>Transmission</u>	
Line No.	GROSS PLANT IN SERVICE					
18	Production	(Worksheet A In 1.E)	1,009,431,128	NA	0.00000	-
19	Less: Production ARO (Enter Negative)	(Worksheet A In 2.E)	(5,046,742)	NA	0.00000	-
20	Transmission	(Worksheet A In 3.E & Ln 142)	141,336,987	DA		131,751,887
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 143)	-	TP	0.93218	-
22	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000	N/A
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000	N/A
24	Distribution	(Worksheet A In 5.E)	165,040,078	NA	0.00000	-
25	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.E)	-	NA	0.00000	-
26	General Plant	(Worksheet A In 7.E)	5,484,385	W/S	0.02299	126,084
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	(93,057)	W/S	0.02299	(2,139)
28	Intangible Plant	(Worksheet A In 9.E)	3,691,743	W/S	0.02299	84,872
29	TOTAL GROSS PLANT	(sum Ins 18 to 28)	1,319,844,521	GP(h)= GTD=	0.09998 0.00000	131,960,703
30	ACCUMULATED DEPRECIATION AND AMORTIZATION					
31	Production	(Worksheet A In 12.E)	353,463,277	NA	0.00000	-
32	Less: Production ARO (Enter Negative)	(Worksheet A In 13.E)	(1,509,630)	NA	0.00000	-
33	Transmission	(Worksheet A In 14.E & 28.E)	32,475,400	TP1=	0.83369	27,074,293
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	-	TP1=	0.83369	-
35	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000	N/A
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000	N/A
37	Plus: Additional Transmission Depreciation for 2017 (In 111)		N/A	TP1	0.83369	N/A
38	Plus: Additional General & Intangible Depreciation for 2017 (In 110 + In 111)		N/A	W/S	0.02299	N/A
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000	N/A
40	Distribution	(Worksheet A In 16.E)	45,149,255	NA	0.00000	-
41	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.E)	-	NA	0.00000	-
42	General Plant	(Worksheet A In 18.E)	2,764,602	W/S	0.02299	63,557
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	(23,840)	W/S	0.02299	(548)
44	Intangible Plant	(Worksheet A In 20.E)	1,489,930	W/S	0.02299	34,253
45	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 31 to 44)	433,808,994			27,171,555
46	NET PLANT IN SERVICE					
47	Production	(In 18 + In 19 - In 31 - In 32)	652,430,738			-
48	Transmission	(In 20 + In 21 - In 33 - In 34)	108,861,587			104,677,594
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		N/A			N/A
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		N/A			N/A
51	Plus: Additional Transmission Depreciation for 2017 (-In 37)		N/A			N/A
52	Plus: Additional General & Intangible Depreciation for 2017 (-In 38)		N/A			N/A
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		N/A			N/A
54	Distribution	(In 24 + In 25 - In 40 - In 41)	119,890,823			-
55	General Plant	(In 26 + In 27 - In 42 - In 43)	2,650,566			60,935
56	Intangible Plant	(In 28 - In 44)	2,201,813			50,619
57	TOTAL NET PLANT IN SERVICE	(sum Ins 47 to 56)	886,035,526	NP(h)=	0.11827	104,789,148
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)				
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	(58,240,760)	NA		-
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(146,902,482)	DA		(24,532,365)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(29,399,371)	DA		(464,681)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	9,319,955	DA		877,414
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(331)	DA		(105)
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(225,222,989)			(24,119,737)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	-	DA		-
66	REGULATORY ASSETS	(Worksheet A In 36. (E))	-	DA		-
67	WORKING CAPITAL	(Note E)				
68	Cash Working Capital	(1/8 * In 88)	141,930			132,305
69	Transmission Materials & Supplies	(Worksheet C, In 2.F)	912	TP	0.93218	850
70	A&G Materials & Supplies	(Worksheet C, In 3.F)	236	W/S	0.02299	5
71	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	0.09998	-
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 8.G)	8,135,065	W/S	0.02299	187,022
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 8.F)	288,976	GP(h)	0.09998	28,892
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 8.E)	-	DA	1.00000	-
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 8.D)	(7,695,252)	NA	0.00000	-
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	871,865			349,074
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8 (B))	-	DA	1.00000	-
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		661,684,403			81,018,485

AEP East Companies
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WHEELING POWER COMPANY

	(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					
79	Production	321.80.b	163,784,134			
80	Distribution	322.156.b	7,756,041			
81	Customer Related Expense	322.164,171,178.b	3,180,484			
82	Regional Marketing Expenses	322.131.b	579,213			
83	Transmission	321.112.b	20,056,663			
84	TOTAL O&M EXPENSES	(sum Ins 79 to 83)	195,356,535			
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	965,009			
86	Less: Account 565	(Note H) 321.96.b	17,956,215			
87	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-			
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	1,135,439	TP	0.93218	1,058,437
89	Administrative and General	323.197.b (Note J)	9,057,293			
90	Less: Acct. 924, Property Insurance	323.185.b	297,184			
91	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(513,072)			
92	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-			
93	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(31,721)			
94	Acct. 928, Reg. Com. Exp.	323.189.b	8,456			
95	Acct. 930.1, Gen. Advert. Exp.	323.191.b	4,166			
96	Acct. 930.2, Misc. Gen. Exp.	323.192.b	271,832			
97	Balance of A & G	(In 89 - sum In 90 to In 96)	9,020,448	W/S	0.02299	207,376
98	Plus: Acct. 924, Property Insurance	(In 90)	297,184	GP(h)	0.09998	29,713
99	Acct. 928 - Transmission Specific	Worksheet F In 19.(E) (Note L)	2,851	TP	0.93308	2,660
100	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 31.(E) (Note L)	-	TP	0.93308	-
101	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 37.(E) (Note L)	706	DA	1.00000	706
102	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 7, (Note M)	472,911	W/S	0.02299	10,872
103	A & G Subtotal	(sum Ins 97 to 102)	9,794,100			251,327
104	O & M EXPENSE SUBTOTAL	(In 88 + In 103)	10,929,539			1,309,764
105	Plus: TEA Settlement in Account 565	Company Records (Note H)	-	DA	1.00000	-
106	Plus: Transmission Lease Payments To Affiliates in Acct 565 (Company Records) (Note H)		-	DA	1.00000	-
107	TOTAL O & M EXPENSE	(In 104 + In 105 + In 106)	10,929,539			1,309,764
108	DEPRECIATION AND AMORTIZATION EXPENSE					
109	Production	336.2-6.f	28,200,712	NA	0.00000	-
110	Distribution	336.8.f	6,164,300	NA	0.00000	-
111	Transmission	336.7.f	2,499,381	TP1	0.83369	2,083,699
112	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A			N/A
113	General	336.10.f	73,675	W/S	0.02299	1,694
114	Intangible	336.1.f	742,676	W/S	0.02299	17,074
115	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 109+110+ 111+112+113+114)	37,680,744			2,102,467
116	TAXES OTHER THAN INCOME	(Note N)				
117	Labor Related					
118	Payroll	Worksheet H In 21.(D)	965,696	W/S	0.02299	22,201
119	Plant Related					
120	Property	Worksheet H In 21.(C) & In 35.(C)	6,087,150	DA		1,627,089
121	Gross Receipts/Sales & Use	Worksheet H In 21.(F)	6,255,106	NA	0.00000	-
122	Other	Worksheet H In 21.(E)	980,753	GP(h)	0.09998	98,058
123	TOTAL OTHER TAXES	(sum Ins 118 to 122)	14,288,705			1,747,348
124	INCOME TAXES	(Note O)				
125	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		39.23%			
126	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		52.01%			
127	where WCLTD=(In 162) and WACC = (In 165)					
128	and FIT, SIT & p are as given in Note O.					
129	GRCF=1 / (1 - T) = (from In 125)		1.6454			
130	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-			
131	Income Tax Calculation	(In 126 * In 134)	26,462,072			3,240,090
132	ITC adjustment	(In 129 * In 130)	-	NP(h)	0.11827	-
133	TOTAL INCOME TAXES	(sum Ins 131 to 132)	26,462,072			3,240,090
134	RETURN ON RATE BASE (Rate Base*WACC)	(In 78 * In 165)	50,878,550			6,229,712
135	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		-	DA	1.00000	-
136	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. ((F) & (H))		-			-
137	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 136 * In126)		-			-
138	TOTAL REVENUE REQUIREMENT (sum Ins 107, 115, 123, 133, 134, 135)		140,239,610			14,629,380

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WHEELING POWER COMPANY

SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF									
139	Total transmission plant	(In 20)							141,336,987	
140	Less transmission plant excluded from PJM Tariff	(Note P)							-	
141	Less transmission plant included in OATT Ancillary Services	(Worksheet A, In 23, Col. (C))	(Note Q)						9,585,100	
142	Transmission plant included in PJM Tariff	(In 139 - In 140 - In 141)							131,751,887	
143	Percent of transmission plant in PJM Tariff	(In 142 / In 139)						TF	0.93218	
144	WAGES & SALARY ALLOCATOR (W/S)	(Note R)								
145	Production	354.20.b	Direct Payroll	11,037,049	Payroll Billed from AEP Service Corp.	6,306	11,043,355	NA	0.00000	-
146	Transmission	354.21.b	446		347,247		347,693	TP	0.93218	324,113
147	Regional Market Expenses	354.22.b	0		0		-	NA	0.00000	-
148	Distribution	354.23.b	1,642,963		310,846		1,953,809	NA	0.00000	-
149	Other (Excludes A&G)	354.24,25,26.b	384,222		369,201		753,423	NA	0.00000	-
150	Total	(sum Ins 145 to 149)	13,064,680		1,033,600		14,098,280			324,113
151	Transmission related amount							W/S=	0.02299	
152	WEIGHTED AVERAGE COST OF CAPITAL (WACC)								\$	
153	Long Term Interest	(Worksheet M, In. 21, col. (E))							11,341,374	
154	Preferred Dividends	(Worksheet M, In. 56, col. (E))							-	
155	Development of Common Stock:								Average	
156	Proprietary Capital	(Worksheet M, In. 1, col. (E))							409,650,214	
157	Less: Preferred Stock	(Worksheet M, In. 2, col. (E))							-	
158	Less: Account 216.1	(Worksheet M, In. 3, col. (E))							-	
159	Less: Account 219	(Worksheet M, In. 4, col. (E))							(31,570)	
160	Common Stock	(In 156 - In 157 - In 158 - In 159)							409,681,784	
161		Average \$			Capital Structure Weighting		Cost			
162	Long Term Debt (Note T) W/S M, In 11, In 22, col. (E))	350,000,000			Actual	Cap Limit	(Note S)		Weighted	
163	Preferred Stock (In 157)	-			46.07%	0.00%	0.0324		0.0149	
164	Commone Stock (In 160)	409,681,784			0.00%	0.00%	-		0.0000	
165	Total (Sum Ins 162 to 164)	759,681,784			53.93%	0.00%	11.49%		0.0620	
							WACC=		0.0769	
166	Capital Structure Equity Limit (Note U)	100.0%								

AEP East Companies
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WHEELING POWER COMPANY

Letter	Notes									
	General Notes: a) References to data from Worksheets are indicated as: Worksheet X, Line#.Column.X									
A	Revenue credits include: 1) Forfeited Discounts. 2) Miscellaneous Service Revenues. 3) Rental revenues earned on assets included in the rate base. 4) Revenues for associated business projects provided by employees whose labor and overhead costs are in the transmission cost of service. 5) Other electric revenues. 6) Revenues for grandfathered PTP contracts included in the load divisor. 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.									
C	Transmission Plant balances in this study reflect the average of the balances at December 31, -2 and December 31, 2016.									
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. 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 88. It excludes: 1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 85. 2) AEP transmission equalization transfers, as shown on line 86 3) The impact of state regulatory deferrals and amortizations, as shown on line 87 4) All A&G Expenses, as shown on line 103.									
F	Consistent with Paragraph 657 of Order 2003-A, the amount on line 77 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 135.									
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 15 & 16 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 88. To the extent such service is incurred to provide the PJM service at issue, e.g. transmission equalization agreement, such costs are added back on lines 105 and 106 to determine the total O&M collected in the formula. The amounts on lines 105 and 106 are also excluded in the calculation of the FCR percentage calculated on lines 5 through 11. The addbacks on lines 105 and 106 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 lines 105 and 106 is the WHEELING POWER COMPANY general ledger.									
I	Removes the impact of state regulatory deferrals or their amortization from O&M expense. applicable only for state regulatory purposes.									
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	These deductions on lines 91 through 93 are to remove from the cost of service the expenses recorded by the company for Postemployment Benefits Other than Pensions (PBOP). See Note M below for the recoverable PBOP 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. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O, and the process for updating the annual total is documented on Attachment F, Allowable PBOP Expense Formula.									
N	Includes only FICA, unemployment, highway, property and other assessments charged in the current year. Gross receipts, sales & use and taxes related to income are excluded.									
O	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. See Worksheet G for the development of the Company's composite SIT. A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) (ln 130) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0. <table><tr><td>Inputs Required:</td><td>FIT =</td><td>35.00%</td></tr><tr><td></td><td>SIT=</td><td>6.50% (State Income Tax Rate or Composite SIT. Worksheet G))</td></tr><tr><td></td><td>p =</td><td>0.00% (percent of federal income tax deductible for state purposes)</td></tr></table>	Inputs Required:	FIT =	35.00%		SIT=	6.50% (State Income Tax Rate or Composite SIT. Worksheet G))		p =	0.00% (percent of federal income tax deductible for state purposes)
Inputs Required:	FIT =	35.00%								
	SIT=	6.50% (State Income Tax Rate or Composite SIT. Worksheet G))								
	p =	0.00% (percent of federal income tax deductible for state purposes)								
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 153) / long term debt (ln 162). Preferred Stock cost rate = preferred dividends (ln 154) / preferred outstanding (ln 163). Common Stock cost rate (ROE) = 11.49%, the rate accepted by FERC in Docket No. ER08-1329. It includes an additional 50 basis points for PJM RTO membership. Interest expense for the true-up WACC is based on actual expenses for the true-up year. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the true-up capital structure. Details and calculations of the true-up weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are defined in the Formula Protocols in the tariff, and on Worksheet M.									
T	This note only applies to Indiana Michigan Power Company.									
U	Per Settlement, equity for WHEELING POWER COMPANY is limited to 100% of Capital Structure. If the percentage of equity exceeds the cap, the excess is included in weighted percentage of long term debt in the capital structure. During the period ended December 31, 2011 the equity cap is in effect. During this period, a change in the cap percentage must be approved via a 205 filing with the FERC.									

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet A Supporting Plant Balances
WHEELING POWER COMPANY

<u>Line</u>	(A)	(B)	(C)	(D)	(E)
<u>Number</u>	<u>Rate Base Item & Supporting Balance</u>	<u>Source of Data</u>	<u>Balance @ December</u> <u>31, 2016</u>	<u>Balance @ December</u> <u>31, 2015</u>	<u>Average Balance</u> <u>for 2016</u>
NOTE: Functional ARO investment and accumulated depreciation balances shown below are included in the total functional balances shown here.					
<u>Plant Investment Balances</u>					
1	Production Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	1,008,689,150	1,010,173,105	1,009,431,128
2	Production Asset Retirement Obligation (ARO)	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	5,673,637	4,419,847	5,046,742
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	143,223,066	139,450,908	141,336,987
4	Transmission Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 57	-	-	-
5	Distribution Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 75	170,113,471	159,966,684	165,040,078
6	Distribution Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 74	-	-	-
7	General Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 99	5,680,451	5,288,319	5,484,385
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	151,295	34,819	93,057
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	4,034,792	3,348,693	3,691,743
10	Total Property Investment Balance	(Sum of Lines: 3, 1, 5, 7, 9)	1,331,740,930	1,318,227,709	1,324,984,320
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 4, 2, 6, 8)	5,824,932	4,454,666	5,139,799
<u>Accumulated Depreciation & Amortization Balances</u>					
12	Production Accumulated Depreciation	FF1, page 219, Ins 20-24, Col. (b)	360,748,646	346,177,908	353,463,277
13	Production ARO Accumulated Depreciation	Company Records - Note 1	2,281,153	738,107	1,509,630
14	Transmission Accumulated Depreciation	FF1, page 219, ln 25, Col. (b)	33,156,570	31,794,230	32,475,400
15	Transmission ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
16	Distribution Accumulated Depreciation	FF1, page 219, ln 26, Col. (b)	46,534,611	43,763,899	45,149,255
17	Distribution ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
18	General Accumulated Depreciation	FF1, page 219, ln 28, Col. (b)	2,786,505	2,742,699	2,764,602
19	General ARO Accumulated Depreciation	Company Records - Note 1	26,786	20,894	23,840
20	Intangible Accumulated Amortization	FF1, page 200, ln 21, Col. (b)	1,743,946	1,235,914	1,489,930
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 14, 12, 16, 18, 20)	444,970,278	425,714,650	435,342,464
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 15, 13, 17, 19)	2,307,938	759,001	1,533,470
<u>Generation Step-Up Units</u>					
23	GSU Investment Amount	Company Records - Note 1	9,585,100	9,585,100	9,585,100
24	GSU Accumulated Depreciation	Company Records - Note 1	5,482,216	5,319,997	5,401,107
25	GSU Net Balance	(Line 23 - Line 24)	4,102,884	4,265,103	4,183,993
<u>Transmission Accumulated Depreciation Net of GSU Accumulated Depreciation</u>					
26	Transmission Accumulated Depreciation	(Line 14 Above)	33,156,570	31,794,230	32,475,400
27	Less: GSU Accumulated Depreciation	(Line 24 Above)	5,482,216	5,319,997	5,401,107
28	Subtotal of Transmission Net of GSU	(Line 26 - Line 27)	27,674,354	26,474,233	27,074,293
<u>Plant Held For Future Use</u>					
29	Plant Held For Future Use	FF1, page 214, ln 47, Col. (d)	-	-	-
30	Transmission Plant Held For Future	Company Records - Note 1	-	-	-
<u>Regulatory Assets and Liabilities Approved for Recovery In Ratebase</u>					
Note: Regulatory Assets & Liabilities can only be included in ratebase pursuant to a 205 filing with the FERC.					
31	Total Regulatory Deferrals Included in Ratebase				-
32					-
33					-
34					-
35					-
36					-

NOTE 1 On this worksheet, "Company Records" refers to AEP's property accounting ledger.

NOTE: The ratebase should not include the unamortized balance of hedging gains or losses.

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
WHEELING POWER COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) Source</u>	<u>(C) Balance @ December 31, 2016</u>	<u>(D) Balance @ December 31, 2015</u>	<u>(E) Average Balance for 2016</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, ln 8, Col. (k)	57,180,224	59,301,295	58,240,760
3	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
4	Less: Other Excluded Deferrals	Company Records - Note 1	57,180,224	59,301,295	58,240,760
5	Transmission Related Deferrals	Ln 2 - ln 3 - ln 4	-	-	-
6	<u>Account 282</u>				
7	Year End Utility Deferrals	FF1, p. 274 - 275, ln 5, Col. (k)	149,506,154	144,298,809	146,902,482
8	Less: ARO Related Deferrals	Company Records - Note 1	1,702,077	554,645	1,128,361
9	Less: Other Excluded Deferrals	Company Records - Note 1	122,729,434	119,754,077	121,241,756
10	Transmission Related Deferrals	Ln 7 - ln 8 - ln 9	25,074,643	23,990,087	24,532,365
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, ln 9, Col. (k)	28,574,420	30,224,322	29,399,371
13	Less: ARO Related Deferrals	Company Records - Note 1	0	0	-
14	Less: Other Excluded Deferrals	Company Records - Note 1	28,089,767	29,779,613	28,934,690
15	Transmission Related Deferrals	Ln 12 - ln 13 - ln 14	484,653	444,709	464,681
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, ln 8, Col. (c)	10,007,068	8,632,841	9,319,955
18	Less: ARO Related Deferrals	Company Records - Note 1	2,396,781	1,149,134	1,772,958
19	Less: Other Excluded Deferrals	Company Records - Note 1	6,755,277	6,583,889	6,669,583
20	Transmission Related Deferrals	Ln 17 - ln 18 - ln 19	855,010	899,818	877,414
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, ln 8, Col. (h)	91	571	331
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	0	0	-
24	ITC Balances Includeable Ratebase	Ln 22 - ln 23	91	571	331
25	Transmission Related Deferrals	Company Records - Note 1	25	184	105

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax accounting ledger.

NOTE 2 ADIT balances should exclude balances related to hedging activity.

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
WHEELING POWER COMPANY

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number		Source	Balance @ December 31, 2016	Balance @ December 31, 2015	Average Balance for 2016			
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)	454	1,369	912			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)	262	210	236			
4	Stores Expense (Undistributed)	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-			

<u>Prepayment Balance Summary</u>							
	<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, 2016	825,832	(7,796,678)	0	346,212	8,276,298	8,622,510
7	Totals as of December 31, 2015	631,744	(7,593,826)		231,739	7,993,831	8,225,570
8	Average Balance	728,788	(7,695,252)	-	288,976	8,135,065	8,424,040

Prepayments Account 165 - Balance @ 12/31/2016									
9	Acc. No.	Description	2016 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	220,672	-		220,672		220,672	Plant Related Insurance Policies
11	165000216	Prepaid Taxes	470,020	470,020		-		-	Property Related Taxes
12	165000217	Prepaid Taxes	64,564			64,564		64,564	Property Related Taxes
13	1650005	Prepaid Employee Benefits	9,250	9,250			-	-	Health Savings
14	1650006	Other Prepayments	350	350					
15	1650010	Prepayed Pension Benefits	7,192,321				7,192,321	7,192,321	Prepaid Pension
16	1650014	FAS 158 Qual Contra Asset	(7,192,321)	(7,192,321)				-	SFAS 158 Offset
17	1650016	FAS 112 ASSETS	0	-			-	-	
18	1650021	Prepaid Insurance - EIS	60,976	-		60,976		60,976	EIS Insurance
19	1650035	PRW without Med-D Benefits	1,083,977				1,083,977	1,083,977	Medical Benefits
20	1650036	PRW for Med-D Benefits	0				-	-	
21	1650037	FAS 158 Contra-PRW Exc Med	(1,083,977)	(1,083,977)				-	SFAS 158 Offset
Subtotal - Form 1, p 111.57.c			825,832	(7,796,678)	0	346,212	8,276,298	8,622,510	

Prepayments Account 165 - Balance @ 12/31/ 2015									
22	Acc. No.	Description	2015 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
23	1650001	Prepaid Insurance	155,991			155,991		155,991	Plant Related Insurance Policies
24	165000215	Prepaid Taxes	390,155	390,155		0		-	Prepaid Taxes-Distribution
25	1650005	Prepaid Employee Benefits	9,500	9,500			0	-	Health Savings
26	1650006	Other Prepayments	350	350				-	
27	1650010	Prepayed Pension Benefits	7,222,071	0			7,222,071	7,222,071	Prepaid Pension
28	1650014	FAS 158 Qual Contra Asset	(7,222,071)	(7,222,071)		0		-	SFAS 158 Offset
29	1650016	FAS 112 ASSETS	0					-	
30	1650021	Prepaid Insurance - EIS	75,748			75,748	0	75,748	EIS Insurance
31	1650035	PRW without Med-D Benefits	771,760	0			771,760	771,760	Medical Benefits
32	1650036	PRW for Med-D Benefits	0						
33	1650037	FAS 158 Contra-PRW Exc Med	(771,760)	(771,760)					SFAS 158 Offset
Subtotal - Form 1, p 111.57.d			631,744	(7,593,826)		231,739	7,993,831	8,225,570	

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet D Supporting IPP Credits
WHEELING POWER COMPANY

Formula Rate
WPCo WS D IPP Credits
Page 14 of 27

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2016</u>
1	Net Funds from IPP Customers 12/31/2015 (2016 FORM 1, P269, line 24.b)	-
2	Interest Accrual (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 12/31/2016 (2016 FORM 1, P269, line 24.f)	-
8	Average Balance for Year as Indicated in Column ((ln 1 + ln 7)/2)	-

Note 1 On this worksheet Company Records refers to WHEELING POWER COMPANY's general ledger.

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet E Supporting Revenue Credits
WHEELING POWER 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)	162,637	162,637	-
2	Account 451,Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	16,833	16,833	-
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	748,543	685,301	63,242
4	Account 4560015, Associated Business Development - (Company Records - Note 1)	53,775	53,775	-
5	Account 456 - Other Electric Revenues - (Company Records - Note 1)	4,825,351	2,174,869	2,650,482
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	5,807,139	3,093,416	2,713,724
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)	-	-	-
8	Total Other Operating Revenues To Reduce Revenue Requirement	5,807,139	3,093,416	2,713,724

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

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
WHEELING POWER COMPANY

(A)		(B)	(C)	(D)	(E)	(F)
<u>Line</u> <u>Number</u>	<u>Item No.</u>	<u>Description</u>	<u>2016</u> <u>Expense</u>	<u>100%</u> <u>Non-Transmission</u>	<u>100%</u> <u>Transmission</u> <u>Specific</u>	<u>Explanation</u>
Regulatory O&M Deferrals & Amortizations						
1	5700005	Maint Station-Reliability-Df	-			
2						
3						
4		Total	0			
Detail of Account 561 Per FERC Form 1						
5	FF1 p 321.84.b	561 - Load Dispatching	0			
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	1,359			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	76,393			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	0			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	691,025			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	16,924			
11	FF1 p 321.90.b	561.6 - Transmission Service Studies	0			
12	FF1 p 321.91.b	561.7 - Generation Interconnection Studies	0			
13	FF1 p 321.92.b	561.8 - Reliability, Planning and Standards Development Service	179,308			
14		Total of Account 561	965,009			
Account 928						
15	9280000	Regulatory Commission Exp	(10)	(10)	-	
16	9280001	Regulatory Commission Exp-Adm	43	43	-	
17	9280002	Regulatory Commission Exp-Case	5,572	5,572	-	
18	9280005	Regulatory Commission Exp-FERC Case	2,851	-	2,851	
19		Total	8,456	5,605	2,851	
Account 930.1						
20	9301000	General Advertising Expenses	3	3	-	
21	9301001	Newspaper Advertising Space	11	11	-	
22	9301002	Radio Station Advertising Time	-	-	-	
23	9301007	Special Adv Space & Prod Exp	-	-	-	
24	9301008	Direct Mail and Handouts	-	-	-	
25	9301009	Fairs, Shows, and Exhibits	-	-	-	
26	9301010	Publicity	234	234	-	
27	9301011	Dedications, Tours, & Openings	-	-	-	
28	9301012	Public Opinion Surveys	2,511	2,511	-	
29	9301014	Video Communications	-	-	-	
30	9301015	Other Corporate Comm Exp	1,407	1,407	-	
31		Total	4,166	4,166	-	
Account 930.2						
32	9302000	Misc General Expenses	252,916	252,916		
33	9302003	Corporate & Fiscal Expenses	6,804	6,804		
34	9302004	Research, Develop&Demonstr Exp	222	222		
35	9302006	Assoc Bus Dev-Materials Sold	0	0		
36	9302007	Assoc Business Development Exp	11,890	11,184	706	
37		Total	271,832	271,126	706	

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet G Supporting - Development of Composite State Income Tax Rate
WHEELING POWER COMPANY

West Virginia Corporate Income Tax	6.50%	
Apportionment Factor - Note 2	98.13%	
Effective State Tax Rate		6.38%
Illinois Corp Net Income Tax	7.75%	
Apportionment Factor - Note 2	1.44%	
Effective State Tax Rate		0.11%
Michigan Income Tax	6.00%	
Apportionment Factor - Note 2	0.06%	
Effective State Tax Rate		0.00%
State Income Tax Rate - Ohio	0.00%	
Phase-out Factor Note 1	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Total Effective State Income Tax Rate		<u>6.50%</u>

- Note 1 The Ohio State Income Tax is being phased-out prorata over a 5 year period from 2005 through 2009. The taxable portion of income is 20% in 2009. The phase-out factors can be found in the Ohio Revised Code at 5733.01(G)2(a)(v). This tax has been replaced with a Commercial Activities Tax that is included in Schedule H and H-1.
- Note 2 Apportionment Factors are determined as part of the Company's annual tax return for that jurisdiction.

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet H Supporting Taxes Other than Income
WHEELING POWER COMPANY

Line No.	(A) Account	(B) Total Company	(C) Property	(D) Labor	(E) Other	(F) Non-Allocable
		NOTE 1				
1	Revenue Taxes					
2	Gross Receipts Tax	3,969,795				3,969,795
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	6,087,150	6,087,150			
5	Real and Personal Property - Other	0	-			
6	Payroll Taxes					
7	Federal Insurance Contribution (FICA)	933,962		933,962		
8	Federal Unemployment Tax	6,004		6,004		
9	State Unemployment Insurance	25,730		25,730		
10	Production Taxes					
11	State Severance Taxes	-				-
12	Miscellaneous Taxes					
13	State Business & Occupation Tax	2,285,311				2,285,311
14	State Public Service Commission Fees	980,331			980,331	
15	State Franchise Taxes	-			-	
16	State Lic/Registration Fee	407			407	
17	Misc. State and Local Tax	15			15	
18	Sales & Use	-				-
19	Federal Excise Tax	-				-
20	Michigan Single Business Tax	-				-
21	Total Taxes by Allocable Basis (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.	14,288,705	6,087,150	965,696	980,753	6,255,106
Functional Property Tax Allocation						
		Production	Transmission	Distribution	General	Total
22	Functionalized Net Plant (Hist. TCOS, Lns 212 thru 222)	644,548,020	110,066,496	123,578,860	2,769,437	880,962,812
	WEST VIRGINIA JURISDICTION					
23	Percentage of Plant in WEST VIRGINA JURISDICTION	100.00%	100.00%	99.96%	96.42%	
24	Net Plant in WEST VIRGINA JURISDICTION (Ln 22 * Ln 23)	644,548,020	110,066,496	123,529,428	2,670,291	880,814,235
25	Less: Net Value of Exempted Generation Plant	466,370,981				
26	Taxable Property Basis (Ln 24 - Ln 25)	178,177,039	110,066,496	123,529,428	2,670,291	414,443,254
27	Relative Valuation Factor	100%	100%	100%	100%	
28	Weighted Net Plant (Ln 26 * Ln 27)	178,177,039	110,066,496	123,529,428	2,670,291	
29	General Plant Allocator (Ln 28 / (Total - General Plant))	43.27%	26.73%	30.00%	-100.00%	
30	Functionalized General Plant (Ln 29 * General Plant)	1,155,453	713,766	801,071	(2,670,291)	-
31	Weighted WEST VIRGINA JURISDICTION Plant (Ln 28 + 30)	179,332,492	110,780,262	124,330,499	(0)	414,443,254
32	Functional Percentage (Ln 31/Total Ln 31)	43.27%	26.73%	30.00%		
33	Functionalized Expense in WEST VIRGINA JURISDICTION	2,633,952	1,627,089	1,826,109		6,087,150
34	Total Other Jurisdictions: (Line 5 * Net Plant Allocator)		-			-
35	Total Func. Property Taxes (Sum Lns 33, 34)	2,633,952	1,627,089	1,826,109		6,087,150

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
WHEELING POWER COMPANY

(A)		(B)	(C)	(D)
Line No.	Annual Tax Expenses by Type (Note 1)	Total Company	FERC FORM 1 Tie-Back	FERC FORM 1 Reference
1	<u>Revenue Taxes</u>			
2	Gross Receipts Tax	3,969,795		
			3,961,843	P.263 ln 33 (i)
			(139)	P.263.1 ln 8 (i)
			8,091	P.263.1 ln 9 (i)
3	<u>Real Estate and Personal Property Taxes</u>			
4	Real and Personal Property - West Virginia	6,087,150		
			2,665,953	P.263 ln 22 (i)
			3,402,672	P.263 ln 23 (i)
			8,722	P.263 ln 26 (i)
			9,803	P.263 ln 27 (i)
			-	
5	Real and Personal Property - Ohio	-		
6	<u>Payroll Taxes</u>			
7	Federal Insurance Contribution (FICA)	933,962		
			933,962	P.263 ln 5 (i)
8	Federal Unemployment Tax	6,004		
			6,004	P.263 ln 6 (i)
9	State Unemployment Insurance	25,730		
			25,730	P.263 ln 35 (i)
10	<u>Production Taxes</u>			
11	State Severance Taxes	-		
12	<u>Miscellaneous Taxes</u>			
13	Muni Business & Occupation Tax	2,285,311		
			2,285,311	P.263.1 ln 5 (i)
14	State Public Service Commission Fees	980,331		
			392,951	P.263 ln 37 (i)
			587,380	P.263 ln 38 (i)
15	State Franchise Taxes	-		
			-	
			-	
			-	
			-	
16	State Lic/Registration Fee	407		
			25	P.263 ln 14 (i)
			25	P.263.1 ln 1 (i)
			155	P.263.1 ln 11 (i)
			100	P.263.1 ln 12 (i)
			102	P.263.1 ln 13 (i)
17	Misc. State and Local Tax	15		
			15	P.263.1 ln 6 (i)
18	Sales & Use	-		
			-	
19	Federal Excise Tax	-		
20	Michigan Single Business Tax	-		
21	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	14,288,705	14,288,705	

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

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet I Supporting Transmission Plant in Service Additions
WHEELING POWER COMPANY

(A) (B) (C) (D) (E) (F) (G) (H) (I)

I. Calculation of Composite Depreciation Rate

1	Transmission Plant @ Beginning of Historic Period (2016) (P.206, In 58,(b)):	139,450,908
2	Transmission Plant @ End of Historic Period (2016) (P.207, In 58,(g)):	143,223,066
3		282,673,974
4	Average Balance of Transmission Investment	141,336,987
5	Annual Depreciation Expense, Historic TCOS, In 276	2,499,381
6	Composite Depreciation Rate	1.77%
7	Round to 1.77% to Reflect a Composite Life of 56 Years	1.77%

II. Calculation of Property Placed in Service by Month and the Related Depreciation Expense

8	Month in Service	Capitalized Balance	Composite Annual Depreciation Rate	Annual Depreciation	Monthly Depreciation	No. Months Depreciation	First Year Depreciation Expense
9	January	\$ -	1.77%	\$ -	\$ -	11	\$ -
10	February	\$ -	1.77%	\$ -	\$ -	10	\$ -
11	March	\$ -	1.77%	\$ -	\$ -	9	\$ -
12	April	\$ -	1.77%	\$ -	\$ -	8	\$ -
13	May	\$ -	1.77%	\$ -	\$ -	7	\$ -
14	June	\$ -	1.77%	\$ -	\$ -	6	\$ -
15	July	\$ -	1.77%	\$ -	\$ -	5	\$ -
16	August	\$ -	1.77%	\$ -	\$ -	4	\$ -
17	September	\$ -	1.77%	\$ -	\$ -	3	\$ -
18	October	\$ -	1.77%	\$ -	\$ -	2	\$ -
19	November	\$ -	1.77%	\$ -	\$ -	1	\$ -
20	December	\$ -	1.77%	\$ -	\$ -	0	\$ -
21	Investment	\$ -				Depreciation Expense	\$ -

III. Plant Transferred

22	\$ -	<== This input area is for original cost plant
23	\$ -	<== This input area is for accumulated depreciation that may be associated with capital expenditures. It would have an impact if a company had assets transferred from a subsidiary.
24 (Ln 7 * Ln 22)	\$ -	<== This input area is for additional Depreciation Expense

IV. List of Major Projects Expected to be In-Service in 0

25	Major Zonal Projects	Estimated Cost (000's)	Month in Service
26		\$ -	Jul-15
26		\$ -	Apr-15
27		Subtotal \$ -	
28	PJM Socialized/Beneficiary Allocated Regional Projects		
29	West Bellaire Brues 138 kV Line	\$0	
30		Subtotal \$0	

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
WHEELING POWER 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 (True-Up TCOS, In 164)				11.49%
Project ROE Incentive Adder				0 <==ROE Adder Cannot Exceed 100 Basis Points
ROE with additional 0 basis point incentive				11.49% <== ROE Including Incentives Cannot Exceed 12.5% Until July 1, 2012
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the True-Up TCOS, Ins 162 through164)				
	%	Cost	Weighted cost	
Long Term Debt	46.07%	3.24%	1.493%	
Preferred Stock	0.00%	0.00%	0.000%	
Common Stock	53.93%	11.49%	6.196%	
R =			7.689%	

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS				
TRUE-UP YEAR	2016	Rev Require	W Incentives	Incentive Amounts
As Projected in Prior Year WS J	\$	107,095	\$	107,095 \$ -
Actual after True-up	\$	146,987	\$	146,987 \$ -
True-up of ARR For 2016		39,892		39,892 -

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

Rate Base (True-Up TCOS, In 78)	81,018,485
R (from A. above)	7.689%
Return (Rate Base x R)	6,229,712

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

Return (from B. above)	6,229,712
Effective Tax Rate (True-Up TCOS, In 126)	52.01%
Income Tax Calculation (Return x CIT)	3,240,090
ITC Adjustment	-
Income Taxes	3,240,090

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 (True-Up TCOS, In 1)	14,629,380
T.E.A. & Lease Payments (True-Up TCOS, Lns 105 & 106)	-
Return (True-Up TCOS, In 134)	6,229,712
Income Taxes (True-Up TCOS, In 133)	3,240,090
Annual Revenue Requirement, Less TEA	5,159,579

Charges, Return and Taxes

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

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	5,159,579
Return (from I.B. above)	6,229,712
Income Taxes (from I.C. above)	3,240,090
Annual Revenue Requirement, with 0 Basis Point ROE increase	14,629,380
Depreciation (True-Up TCOS, In 111)	2,083,699
Annual Rev. Req, w/ 0 Basis Point ROE increase, less Depreciation	12,545,681

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

Net Transmission Plant (True-Up TCOS, In 48)	104,677,594
Annual Revenue Requirement, with 0 Basis Point ROE increase	14,629,380
FCR with 0 Basis Point increase in ROE	13.98%

Annual Rev. Req, w / 0 Basis Point ROE increase, less Dep.	12,545,681
FCR with 0 Basis Point ROE increase, less Depreciation	11.99%
FCR less Depreciation (True-Up TCOS, In 9)	11.99%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period () (P.206, In 58,(b)):	139,450,908
Transmission Plant @ End of Historic Period () (P.207, In 58,(g)):	143,223,066
Subtotal	282,673,974
Average Transmission Plant Balance for	141,336,987
Annual Depreciation Rate (True-Up TCOS, In 111)	2,499,381
Composite Depreciation Rate	1.77%
Depreciable Life for Composite Depreciation Rate	56.55
Round to nearest whole year	57

WPCo Worksheet K - ATRR TRUE-UP Calculation for PJM Projects Charged to Benefiting Zones

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b1864.2 (West Bellaire-Brues 138 kV Circuit)

2016	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	107,095	107,095	-
Prior Yr True-Up	146,987	146,987	-
True-Up Adjustment	39,892	39,892	-

[illegible]

Details							
Investment	1,115,334	Current Year				2016	
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)				-	
Service Month (1-12)	10	FCR w/o incentives, less depreciation				11.99%	
Useful life	57	FCR w/incentives approved for these facilities, less dep.				11.99%	
CIAC (Yes or No)	No	Annual Depreciation Expense				19,567	
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 ##
2013	1,115,334	3,261	1,112,073	1,113,703	136,739	136,739	\$ -
2014	1,112,073	19,567	1,092,506	1,102,289	151,677	151,677	\$ -
2015	1,092,506	19,567	1,072,938	1,082,722	149,332	149,332	\$ -
2016	1,072,938	19,567	1,053,371	1,063,155	146,987	146,987	\$ -
2017	1,053,371	19,567	1,033,804	1,043,587	144,642	144,642	\$ -
2018	1,033,804	19,567	1,014,236	1,024,020	142,297	142,297	\$ -
2019	1,014,236	19,567	994,669	1,004,453	139,952	139,952	\$ -
2020	994,669	19,567	975,102	984,886	137,606	137,606	\$ -
2021	975,102	19,567	955,535	965,318	135,261	135,261	\$ -
2022	955,535	19,567	935,967	945,751	132,916	132,916	\$ -
2023	935,967	19,567	916,400	926,184	130,571	130,571	\$ -
2024	916,400	19,567	896,833	906,617	128,226	128,226	\$ -
2025	896,833	19,567	877,266	887,049	125,881	125,881	\$ -
2026	877,266	19,567	857,698	867,482	123,536	123,536	\$ -
2027	857,698	19,567	838,131	847,915	121,190	121,190	\$ -
2028	838,131	19,567	818,564	828,347	118,845	118,845	\$ -
2029	818,564	19,567	798,997	808,780	116,500	116,500	\$ -
2030	798,997	19,567	779,429	789,213	114,155	114,155	\$ -
2031	779,429	19,567	759,862	769,646	111,810	111,810	\$ -
2032	759,862	19,567	740,295	750,078	109,465	109,465	\$ -
2033	740,295	19,567	720,728	730,511	107,120	107,120	\$ -
2034	720,728	19,567	701,160	710,944	104,774	104,774	\$ -
2035	701,160	19,567	681,593	691,377	102,429	102,429	\$ -
2036	681,593	19,567	662,026	671,809	100,084	100,084	\$ -
2037	662,026	19,567	642,458	652,242	97,739	97,739	\$ -
2038	642,458	19,567	622,891	632,675	95,394	95,394	\$ -
2039	622,891	19,567	603,324	613,108	93,049	93,049	\$ -
2040	603,324	19,567	583,757	593,540	90,703	90,703	\$ -
2041	583,757	19,567	564,189	573,973	88,358	88,358	\$ -
2042	564,189	19,567	544,622	554,406	86,013	86,013	\$ -
2043	544,622	19,567	525,055	534,839	83,668	83,668	\$ -
2044	525,055	19,567	505,488	515,271	81,323	81,323	\$ -
2045	505,488	19,567	485,920	495,704	78,978	78,978	\$ -
2046	485,920	19,567	466,353	476,137	76,633	76,633	\$ -
2047	466,353	19,567	446,786	456,569	74,287	74,287	\$ -
2048	446,786	19,567	427,219	437,002	71,942	71,942	\$ -
2049	427,219	19,567	407,651	417,435	69,597	69,597	\$ -
2050	407,651	19,567	388,084	397,868	67,252	67,252	\$ -
2051	388,084	19,567	368,517	378,300	64,907	64,907	\$ -
2052	368,517	19,567	348,950	358,733	62,562	62,562	\$ -
2053	348,950	19,567	329,382	339,166	60,217	60,217	\$ -
2054	329,382	19,567	309,815	319,599	57,871	57,871	\$ -
2055	309,815	19,567	290,248	300,031	55,526	55,526	\$ -
2056	290,248	19,567	270,680	280,464	53,181	53,181	\$ -
2057	270,680	19,567	251,113	260,897	50,836	50,836	\$ -
2058	251,113	19,567	231,546	241,330	48,491	48,491	\$ -
2059	231,546	19,567	211,979	221,762	46,146	46,146	\$ -
2060	211,979	19,567	192,411	202,195	43,800	43,800	\$ -
2061	192,411	19,567	172,844	182,628	41,455	41,455	\$ -
2062	172,844	19,567	153,277	163,061	39,110	39,110	\$ -
2063	153,277	19,567	133,710	143,493	36,765	36,765	\$ -
2064	133,710	19,567	114,142	123,926	34,420	34,420	\$ -
2065	114,142	19,567	94,575	104,359	32,075	32,075	\$ -
2066	94,575	19,567	75,008	84,791	29,730	29,730	\$ -
2067	75,008	19,567	55,441	65,224	27,384	27,384	\$ -
2068	55,441	19,567	35,873	45,657	25,039	25,039	\$ -
2069	35,873	19,567	16,306	26,090	22,694	22,694	\$ -
2070	16,306	16,306	-	8,153	17,283	17,283	\$ -
2071	-	-	-	-	-	-	\$ -
2072	-	-	-	-	-	-	\$ -
Project Totals		1,115,334			5,036,424	5,036,424	-

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.

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet L Supporting Projected Cost of Debt
WHEELING POWER COMPANY

Calculation of Projected Interest Expense Based on Outstanding Debt at Year End

<u>Line Number</u>	<u>(A) Issuance</u>	<u>(B) Principle Outstanding</u>	<u>(C) Interest Rate</u>	<u>(D) Annual Expense (See Note S on Projected Template)</u>	<u>(E) Notes</u>
1	<u>Long Term Debt (FF1.p. 256-257.h)</u>				
2		-		-	
3					
4	<u>Installment Purchase Contracts (FF1.p. 256-257.h, a)</u>				
5	Mitchell Project Series 2013A	65,000,000	0.974%	633,100	
6	Senior Unsecured Notes Series A	113,000,000	3.360%	3,796,800	
7	Senior Unsecured Notes Series B	122,000,000	3.700%	4,514,000	
8	Senior Unsecured Notes Series C	50,000,000	4.200%	2,100,000	
9				-	
10				-	
11				-	
12				-	
13				-	
14				-	
15				-	
16				-	
17				-	
18				-	
19				-	
20				-	
21				-	
22				-	
23				-	
24				-	
25				-	
26				-	
27	<u>Issuance Discount, Premium, & Expenses:</u>				
28	Auction Fees	FF1.p. 256 & 257.Lines Described as Fees		-	
29	Allowable Hedge Amortization (See Ln 45 Below)			-	
30	Amort of Debt Discount and Expenses	FF1.p. 117.63.c		245,632	
31	Amort of Debt Premiums (Enter Negative)	FF1.p. 117.65.c		-	
32	<u>Reacquired Debt:</u>				
33	Amortization of Loss	FF1.p. 117.64.c		-	
34	Amortization of Gain	FF1.p. 117.66.c		-	
35	Total Interest on Long Term Debt	350,000,000	3.23%	11,289,532	
36	<u>Preferred Stock (FF1.p. 250-251)</u>	<u>Preferred Shares Outstanding</u>			
37	None	-	0.00%	-	
38				-	
39				-	
40	Dividends on Preferred Stock	-		-	
41	Net Total Hedge Gains and Losses (WS M, Ln 35, (E))			-	
42	Total Projected Capital Structure Balance for 2017 (Projected TCOS, Ln 165)			762,964,113	
43	Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005	
44	Limit of Recoverable Amount			381,482	
45	Recoverable Hedge Amortization (Lesser of Ln 41 or Ln 44)			-	

AEP East Companies
Transmission Cost of Service Formula Rate
WHEELING POWER COMPANY

Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of
Capital Based on Average of Balances At 12/31/2015 & 12/31/2016

(A)	(B)	(C)	(D)	(E)
Line		Balances @ 12/31/2016	Balances @ 12/31/2015	Average
<u>Development of Average Balance of Common Equity</u>				
1	Proprietary Capital (112.16.c&d)	412,839,052	406,461,375	409,650,214
2	Less Preferred Stock (Ln 55 Below)	0	0	-
3	Less Account 216.1 (112.12.c&d)	0	0	0
4	Less Account 219.1 (112.15.c&d)	-125,061	61,921	-31,570
5	Average Balance of Common Equity	412,964,113	406,399,454	409,681,784

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

6	Bonds (112.18.c&d)	0	0	0
7	Less: Reacquired Bonds (112.19.c&d)	0	0	0
8	LT Advances from Assoc. Companies (112.20.c&d)	-	-	-
9	Senior Unsecured Notes (112.21.c&d)	350,000,000	350,000,000	350,000,000
10	Less: Fair Value Hedges (See Note on Ln 12 below)	0	0	0
11	Total Average Debt	350,000,000	350,000,000	350,000,000

12 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. (Column H of the FF1)

13	Annual Interest Expense for 2016			
14	Interest on Long Term Debt (256-257.33.i)			11,095,742
15	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 14 and shown in Ln 34 below.			-
16	Plus: Allowed Hedge Recovery From Ln 39 below.			-
17	Amort of Debt Discount & Expense (117.63.c)			245,632
18	Amort of Loss on Reacquired Debt (117.64.c)			-
19	Less: Amort of Premium on Debt (117.65.c)			-
20	Less: Amort of Gain on Reacquired Debt (117.66.c)			-
21	Total Interest Expense (Ln 14 + Ln 17 + Ln 18 - Ln 19 - Ln 20)			11,341,374
22	Average Cost of Debt for 2016 (Ln 21/Ln 11)			3.24%

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

23 NOTE: The net amount of hedging gains or losses recorded in account 427 to be recovered in this formula rate should be limited to the effective portion of pre-issuance cash flow hedges that are amortized over the life of the underlying debt issuances. The recovery of a net loss or passback of a net gain will be limited to five basis points of the total Capital Structure. Amounts related to the ineffective portion of pre-issuance hedges, cash settlements of fair value hedges issued on Long Term Debt, post-issuance cash flow hedges, and cash flow hedges of variable rate debt issuances are not recoverable in this formula and are to be recorded in the "Excludable" column below.

HEDGE AMOUNTS BY ISSUANCE (FROM p. 256-257 (i) of the FERC Form 1)		Total Hedge (Gain)/Loss for 2016	Less Excludable Amounts (See NOTE on Line 23)	Net Includable Hedge Amount	Amortization Period	
					Remaining Unamortized Balance	Beginning Ending
24	Senior Unsecured Notes	0	-	-		
25	Senior Unsecured Notes	0		-		
26	Senior Unsecured Notes	0		-		
27	Senior Unsecured Notes	0		-		
28	Senior Unsecured Notes	0		-		
29	Senior Unsecured Notes	0		-		
30	Senior Unsecured Notes	0		-		
31	Senior Unsecured Notes	0		-		
32	Senior Unsecured Notes	0		-		
33	Senior Unsecured Notes	0	-	-		
34	Total Hedge Amortization	-	-			
35	Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 24 to 33)			-		
36	Total Average Capital Structure Balance for 2016 (True-UP TCOS, Ln 165)			759,681,784		
37	Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005		
38	Limit of Recoverable Amount			379,841		
39	Recoverable Hedge Amortization (Lesser of Ln 35 or Ln 38)			-		

Development of Cost of Preferred Stock

Preferred Stock			Average
40	0% Series - 0 - Dividend Rate (p. 250-251. 7 & 10.a)	0.00%	0.00%
41	0% Series - 0 - Par Value (p. 250-251. 8.c)	\$ -	\$ -
42	0% Series - 0 - Shares O/S (p.250-251. 8 & 11.e)	-	-
43	0% Series - 0 - Monetary Value (Ln 41 * Ln 42)	-	-
44	0% Series - 0 - Dividend Amount (Ln 40 * Ln 43)	-	-
45	0% Series - - Dividend Rate (p. 250-251.a)		
46	0% Series - - Par Value (p. 250-251.c)		
47	0% Series - - Shares O/S (p.250-251. e)		
48	0% Series - - Monetary Value (Ln 46 * Ln 47)	-	-
49	0% Series - - Dividend Amount (Ln 45 * Ln 48)	-	-
50	0% Series - - Dividend Rate (p. 250-251.a)		
51	0% Series - - Par Value (p. 250-251.c)		
52	0% Series - - Shares O/S (p.250-251.e)		
53	0% Series - - Monetary Value (Ln 51 * Ln 52)	-	-
54	0% Series - - Dividend Amount (Ln 50 * Ln 53)	-	-
55	Balance of Preferred Stock (Lns 43, 48, 53)	-	-
56	Dividends on Preferred Stock (Lns 44, 49, 54)	-	-
57	Average Cost of Preferred Stock (Ln 56/55)	0.00%	0.00%

- Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
WHEELING POWER COMPANY

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

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Line	Date	Property Description	Function (T) or (G) T = Transmission G = General	Basis	Proceeds	(Gain) / Loss	Functional Allocator	Functionalized Proceeds (Gain) / Loss	FERC Account
1						-	0.000%	-	
2						-	0.000%	-	
3						-	0.000%	-	
4				Net (Gain) or Loss for 2016		-		-	

AEP East Companies
Cost of Service Formula Rate Using 2016 FF1 Balances
Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service
WHEELING POWER COMPANY

Total AEP East Operating Company PBOP Settlement Amount 30,000,000

Allocation of PBOP Settlement Amount for 2016

		Total Company Amount						
Line#	Company	Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for 2016	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B) * 30000000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
1	APCo	(12,346,782)	35.73%	10,717,707	8.543%	(1,054,793)	915,620	(1,970,414)
2								
3	I&M	(9,563,753)	27.67%	8,301,881	5.073%	(485,163)	421,149	(906,312)
4	KPCo	(2,800,340)	8.10%	2,430,854	7.798%	(218,365)	189,553	(407,917)
5	KNGP	(285,815)	0.83%	248,104	9.707%	(27,744)	24,083	(51,827)
6	OPCo	(9,018,468)	26.10%	7,828,542	15.752%	(1,420,595)	1,233,157	(2,653,752)
7	WPCo	(544,793)	1.58%	472,911	2.301%	(12,537)	10,882	(23,419)
8	Sum of Lines 1 to 7	(34,559,952)		30,000,000		(3,219,196)	2,794,445	(6,013,641)

Detail of Actual PBOP Expenses to be Removed in Cost of Service

	APCo	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9 Direct Charged PBOP Expense per Actuarial Report	(11,929,531)	(9,236,604)	(2,795,013)	(250,357)	(8,261,373)	(314,716)	(32,787,594)
10	566,071	399,177	256,460	5,139	173,801	(198,356)	
Additional PBOP Ledger Entries (from Company Records)							
11 Medicare Subsidy	-	-	-	-	-	-	-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(11,363,460)	(8,837,427)	(2,538,553)	(245,218)	(8,087,572)	(513,072)	(31,585,303)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(983,322)	(726,326)	(261,787)	(40,597)	(930,896)	(31,721)	(2,974,649)
14 Company PBOP Expense (Ln 12 + Ln 13)	(12,346,782)	(9,563,753)	(2,800,340)	(285,815)	(9,018,468)	(544,793)	(34,559,952)

AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 06/01/2015
FOR SINGLE JURISDICTION COMPANIES
WHEELING POWER COMPANY

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	0.69%
Station Equipment	353.0	1.70%
Towers & Fixtures	354.0	0.04%
Poles & Fixtures	355.0	2.65%
Overhead Conductors	356.0	1.12%
Underground Conduit	357.0	2.00%
Underground Conductors	358.0	5.00%
Trails & Roads	359.0	-

Note 1: Rates Approved in WV Public Service Commission Case No. 14-1151-E-D.

General Note:

Per the terms of the settlement in this case, AEP will make a 205 filing whenever a company's rates are changed by their commission(s), or if the methodology to calculate the jurisdictional allocator in multiple-state companies changes. Changes in the allocation factors will not necessitate a 205 filing.