

AEP EAST Companies Transmission Formula Rate Revenue Requirement  
Utilizing FERC Form 1 Data  
True-up Included in rates effective January 1, 2018

AEP Zone Transmission Service Revenue Requirement and PJM Regional Service

Line No.			AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
<b>A. Network Service</b>									
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1 )	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	LESS: REVENUE CREDITS	(TCOS Ln 2 )	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Ln 3 )	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:								
5	RTEP UPGRADES (W/O INCENTIVES)	(TCOS Ln 4)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	OTHER ZONAL UPGRADES (W/O INCENTIVES)	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	SUBTOTAL		\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	INCENTIVE REVENUE REQUIREMENT FOR ZONAL PROJECTS	(Worksheet J)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	EXISTING ZONAL ATRR (W/ INCENTIVES)	(Ln 8 + Ln 9)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	BILLED HISTORICAL YEAR (2015) ACTUAL ATRR	Input from 2015 True-up	\$785,928,551	\$261,359,731	\$140,141,455	\$62,533,197	\$3,956,764	\$306,168,734	\$11,768,669
12	BILLED PROJECTED (2015) ATRR FROM PRIOR YEAR	Input from Prior Year	\$774,077,399	\$247,663,439	\$144,354,169	\$60,552,072	\$3,925,676	\$302,502,173	\$15,079,869
13	PRIOR YEAR TRUE-UP	(Ln 11 - Ln 12)	\$11,851,151	\$13,696,292	-\$4,212,714	\$1,981,124	\$31,089	\$3,666,561	-\$3,311,200
14	INTEREST ON PRIOR YEAR TRUE UP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
14a	Adjustment for Rock Creek Substation		-\$687,563		-\$687,563				
15	True Up of 2016 AEP Zone Transmission Revenue Requirement	(Ln 10 + Ln 13 + Ln 14 + Ln 14a)	\$11,163,588	\$13,696,292	-\$4,900,277	\$1,981,124	\$31,089	\$3,666,561	-\$3,311,200
<b>B. Point-to-Point Service</b>									
16	2016 AEP East Zone Network Service Peak Load (1 CP)			24,725.1 MW					
<b>C. PJM Regional Service</b>									
16	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	-	-	-	-	-	-	-
17	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-	-
18	TRUE-UP ADJUSTMENT Excluding INTEREST		(2,986,786)	(5,096,366)	(149,534)	-	-	2,195,024	64,090
19	ADJUSTMENT Schedule 12		-	-	-	-	-	-	-
20	True Up RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12		\$ (2,986,786)	(5,096,366)	(149,534)	-	-	2,195,024	64,090

AEP EAST Companies Transmission Formula Rate Revenue Requirement  
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True-up Included in Schedule 1A rates effective January 1, 2018

AEP Transmission Schedule 1A Revenue Requirements

Line No.			AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
<b>A. Schedule 1A ATRR</b>									
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line 14)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Less: PTP Service Credit		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	BILLED HISTORICAL YEAR (2016) ACTUAL ARR	Input from 2016 True-up	\$11,034,915	\$3,344,368	\$1,679,925	\$846,678	\$38,645	\$5,026,969	\$98,331
8	BILLED PROJECTED (2016) ARR FROM PRIOR YEAR	Input from Prior Year	\$12,220,385	\$3,704,225	\$1,860,856	\$937,518	\$42,751	\$5,566,123	\$108,913
9	PRIOR YEAR TRUE-UP (Ln 7 - Ln 8)		-\$1,185,470	-\$359,857	-\$180,931	-\$90,840	-\$4,106	-\$539,153	-\$10,582
10	INTEREST ON PRIOR YEAR TRUE UP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Net Schedule 1A Revenue Requirement for Zone		-\$1,185,470	-\$359,857	-\$180,931	-\$90,840	-\$4,106	-\$539,153	-\$10,582
<b>B. Schedule 1A Rate Calculations</b>									
12	2016 AEP East Zone Annual MWh		129,925,980	MWh					