

AEP East Companies
 Transmission Cost of Service Formula Rate
 Utilizing Historic Cost Data for 2009 and Projected Net Plant at Year-End 2010

WHEELING POWER COMPANY

Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(ln 138)			\$3,453,663
2	REVENUE CREDITS	(Note A) (Worksheet E)	1,419,560	DA 1.00000	\$ 1,419,560
3	REVENUE REQUIREMENT For All Company Facilities	(ln 1 less ln 2)			<u>\$ 2,034,103</u>

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 J)		-	DA 1.00000	\$ -
5	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
6	Annual Rate	$((\ln 1 - \ln 105 - \ln 106) / ((\ln 48 + \ln 49 + \ln 50 + \ln 51 + \ln 53) \times 100))$			24.74%
7	Monthly Rate	(ln 6 / 12)			2.06%
8	NET PLANT CARRYING CHARGE ON LINE 6, w/o depreciation or ROE incentives (Note B)				
9	Annual Rate	$((\ln 1 - \ln 105 - \ln 106 - \ln 111 - \ln 112) / ((\ln 48 + \ln 49 + \ln 50 + \ln 51 + \ln 53) \times 100))$			19.31%
10	NET PLANT CARRYING CHARGE ON LINE 9, w/o Return, income taxes or ROE incentives (Note B)				
11	Annual Rate	$((\ln 1 - \ln 105 - \ln 106 - \ln 111 - \ln 112 - \ln 133 - \ln 134) / ((\ln 48 + \ln 49 + \ln 50 + \ln 51 + \ln 53) \times 100))$			5.12%
12	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J)				-
13	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
14	Total Load Dispatch & Scheduling (Account 561)	Line 85 Below			73,827
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				0
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				0
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			<u>73,827</u>

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Line No.	(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>
18	GROSS PLANT IN SERVICE				
18	Production	(Worksheet A In 1.C)	0	NA 0.00000	0
19	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	0	NA 0.00000	0
20	Transmission	(Worksheet A In 3.E & Ln 142)	29,740,179	DA	29,740,179
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 143)	0	TP 1.00000	0
22	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.D)		2,164,146	DA 1.00000	2,164,146
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I, In 22.D)		0	DA 1.00000	0
24	Distribution	(Worksheet A In 5.C)	113,642,201	NA 0.00000	0
25	Less: Distribution ARO (Enter Negative)	(Worksheet A In 6.C)	0	NA 0.00000	0
26	General Plant	(Worksheet A In 7.C)	4,908,181	W/S 0.04102	201,318
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	-34,819	W/S 0.04102	(1,428)
28	Intangible Plant	(Worksheet A In 9.C)	1,250,048	W/S 0.04102	51,273
29	TOTAL GROSS PLANT	(sum Ins 18 to 28)	151,669,936		32,155,488
30	ACCUMULATED DEPRECIATION AND AMORTIZATION				
31	Production	(Worksheet A In 12.C)	0	NA 0.00000	0
32	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	0	NA 0.00000	0
33	Transmission	(Worksheet A In 14.C & 28.C)	17,185,954	TP1= 1.00000	17,185,954
34	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	0	TP1= 1.00000	0
35	Plus: Transmission Plant-in-Service Additions (Worksheet I, In 21.I)		5,293	DA 1.00000	5,293
36	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I In 24.D)		0	DA 1.00000	0
37	Plus: Additional Transmission Depreciation for 2010 (In 111)		752,928	TP1 1.00000	752,928
38	Plus: Additional General & Intangible Depreciation for 2010 (In 113 + In 114)		368,193	W/S 0.04102	15,102
39	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I In 23.D)		0	DA 1.00000	0
40	Distribution	(Worksheet A In 16.C)	34,596,305	NA 0.00000	0
41	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.C)	0	NA 0.00000	0
42	General Plant	(Worksheet A In 18.C)	2,326,334	W/S 0.04102	95,419
43	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	-15,887	W/S 0.04102	(652)
44	Intangible Plant	(Worksheet A In 20.C)	1,206,234	W/S 0.04102	49,476
45	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 31 to 44)	56,425,354		18,103,520
46	NET PLANT IN SERVICE				
47	Production	(In 18 + In 19 - In 31 - In 32)	0		0
48	Transmission	(In 20 + In 21 - In 33 - In 34)	12,554,225		12,554,225
49	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		2,158,853		2,158,853
50	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		0		0
51	Plus: Additional Transmission Depreciation for 2010 (-In 37)		(752,928)		(752,928)
52	Plus: Additional General & Intangible Depreciation for 2010 (-In 38)		(368,193)		(15,102)
53	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		0		0
54	Distribution	(In 24 + In 25 - In 40 - In 41)	79,045,896		0
55	General Plant	(In 26 + In 27 - In 42 - In 43)	2,562,915		105,123
56	Intangible Plant	(In 28 - In 44)	43,814		1,797
57	TOTAL NET PLANT IN SERVICE	(sum Ins 47 to 56)	95,244,582		14,051,967
58	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
59	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	0	NA	0
60	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(11,312,939)	DA	(1,647,186)
61	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(2,397,452)	DA	(268,446)
62	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	3,199,981	DA	1,333,428
63	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(117,351)	DA	(38,433)
64	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(10,627,761)		(620,637)
65	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.C & In 30.C)	-	DA	0
66	REGULATORY ASSETS	(Worksheet A In 36. (C))	0	DA	0
67	WORKING CAPITAL	(Note E)			
68	Cash Working Capital	(1/8 * In 88)	52,844		52,844
69	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	152	TP 1.00000	152
70	A&G Materials & Supplies	(Worksheet C, In 3.(D))	1,433	W/S 0.04102	59
71	Stores Expense	(Worksheet C, In 4.(D))	0	GP(h) 0.20060	0
72	Prepayments (Account 165) - Labor Allocated	(Worksheet C, In 6.G)	6,674,930	W/S 0.04102	273,785
73	Prepayments (Account 165) - Gross Plant	(Worksheet C, In 6.F)	278,244	GP(h) 0.20060	55,817
74	Prepayments (Account 165) - Transmission Only	(Worksheet C, In 6.E)	0	DA 1.00000	0
75	Prepayments (Account 165) - Unallocable	(Worksheet C, In 6.D)	(6,674,930)	NA 0.00000	0
76	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	332,673		382,657
77	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 7.B)	-	DA 1.00000	-
78	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		84,949,494		13,813,987

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Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator	(5) Total Transmission
79	OPERATION & MAINTENANCE EXPENSE				
80	Production	321.80.b	55,072,748		
81	Distribution	322.156.b	4,850,776		
82	Customer Related Expense	322.164,171,178.b	1,963,704		
83	Regional Marketing Expenses	322.131.b	-		
84	Transmission	321.112.b	579,641		
85	TOTAL O&M EXPENSES	(sum Ins 79 to 83)	62,466,869		
86	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	73,827		
87	Less: Account 565	(Note H) 321.96.b	-		
88	Less: State Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	83,060		
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	422,754	TP 1.00000	422,754
89	Administrative and General	323.197.b (Note J)	2,608,297		
90	Less: Acct. 924, Property Insurance	323.185.b	28,768		
91	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	765,967		
92	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	(152,317)		
93	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	42,569		
94	Acct. 928, Reg. Com. Exp.	323.189.b	(215)		
95	Acct. 930.1, Gen. Advert. Exp.	323.191.b	28,010		
96	Acct. 930.2, Misc. Gen. Exp.	323.192.b	29,223		
97	Balance of A & G	(In 89 - sum In 90 to In 96)	1,866,292	W/S 0.04102	76,550
98	Plus: Acct. 924, Property Insurance	(In 90)	28,768	GP(h) 0.20060	5,771
99	Acct. 928 - Transmission Specific	Worksheet F In 18.(E) (Note L)	-	TP 1.00000	-
100	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 29.(E) (Note L)	-	TP 1.00000	-
101	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 34.(E) (Note L)	686	DA 1.00000	686
102	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 7, (Note M)	500,780	W/S 0.04102	20,540
103	A & G Subtotal	(sum Ins 97 to 102)	2,396,526		103,547
104	O & M EXPENSE SUBTOTAL	(In 88 + In 103)	2,819,280		526,301
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)	2,819,280		526,301
108	DEPRECIATION AND AMORTIZATION EXPENSE				
109	Production	336.2-6.f	-	NA 0.00000	-
110	Distribution	336.8.f	3,744,557	NA 0.00000	-
111	Transmission	336.7.f	752,928	TP1 1.00000	752,928
112	Plus: Transmission Plant-in-Service Additions (Worksheet I In 21.1)		5,293	DA 1.00000	5,293
113	General	336.10.f	156,129	W/S 0.04102	6,404
114	Intangible	336.1.f	212,064	W/S 0.04102	8,698
115	TOTAL DEPRECIATION AND AMORTIZATION	(Lns 109+110+111 +112+113+114) (Note N)	4,870,971		773,323
116	TAXES OTHER THAN INCOME				
117	Labor Related				
118	Payroll	Worksheet H In 21.(D)	137,951	W/S 0.04102	5,658
119	Plant Related				
120	Property	Worksheet H In 21.(C) & In 35.(C)	1,397,203	DA	191,488
121	Gross Receipts/Sales & Use	Worksheet H In 21.(F)	4,372,084	NA 0.00000	-
122	Other	Worksheet H In 21.(E)	(118,562)	GP(h) 0.20060	(23,784)
123	TOTAL OTHER TAXES	(sum Ins 118 to 122)	5,788,676		173,363
124	INCOME TAXES	(Note O)			
125	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		40.51%		
126	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		54.47%		
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)		1.6810		
130	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
131	Income Tax Calculation	(In 127 * In 135)	4,295,151		698,452
132	ITC adjustment	(In 129 * In 130)	-	NP(h) 0.13440	-
133	TOTAL INCOME TAXES	(sum Ins 131 to 132)	4,295,151		698,452
134	RETURN ON RATE BASE (Rate Base * WACC)	(In 78 * In 165)	7,885,070		1,282,224
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 (Gains) / Losses on Sales of Plant Held for Future Use (In 136 * In126)		-		-
138	TOTAL REVENUE REQUIREMENT		25,659,147		3,453,663
	(sum Ins 107, 115, 123, 133, 134, 135, 136, 137)				

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WHEELING POWER COMPANY

SUPPORTING CALCULATIONS

In							
<u>No.</u>	TRANSMISSION PLANT INCLUDED IN PJM TARIFF						
139	Total transmission plant	(In 20)					29,740,179
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)						-
142	Transmission plant included in PJM Tariff	(In 139 - In 140 - In 141)					<u>29,740,179</u>
143	Percent of transmission plant in PJM Tariff	(In 142 / In 139)				TP	1.00000
144	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total		
145	Production	354.20.b	0	0	-	NA	0.00000
146	Transmission	354.21.b	2,217	97,853	100,070	TP	1.00000
147	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000
148	Distribution	354.23.b	1,407,130	180,655	1,587,785	NA	0.00000
149	Other (Excludes A&G)	354.24,25,26.b	362,725	389,146	751,871	NA	0.00000
150	Total	(sum Ins 145 to 149)	<u>1,772,072</u>	<u>667,654</u>	<u>2,439,726</u>		<u>100,070</u>
151	Transmission related amount					W/S=	0.04102
152	WEIGHTED AVERAGE COST OF CAPITAL (WACC)						<u>\$</u>
153	Long Term Interest	(Worksheet L, In. 35, col. (D))					1,312,500
154	Preferred Dividends	(Worksheet L, In. 40, col. (D))					-
155	<u>Development of Common Stock:</u>						
156	Proprietary Capital	(FF1 p 112, Ln 16.c)					43,904,852
157	Less: Preferred Stock	(FF1 p 112, Ln 3.c)					-
158	Less: Account 216.1	(FF1 p 112, Ln 12.c)					-
159	Less: Account 219	(FF1 p 112, Ln 15.c)					<u>(1,749,500)</u>
160	Common Stock	(In 156 - In 157 - In 158 - In 159)					<u>45,654,352</u>
161			<u>\$</u>	<u>%</u>		<u>Cost</u> <u>(Note S)</u>	<u>Weighted</u>
162	Long Term Debt (Note T) Worksheet L, In 35, col. (B))		25,000,000	35.38%		0.0525	0.0186
163	Preferred Stock (In 157)		-	0.00%		-	0.0000
164	Common Stock (In 160)		<u>45,654,352</u>	<u>64.62%</u>		<u>11.49%</u>	<u>0.0742</u>
165	Total (Sum Ins 162 to 164)		<u>70,654,352</u>			WACC=	0.0928

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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 are projected as of December 31, 2010. Other ratebase amounts are as of December 31, 2009.
- 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.
- 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 seven 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 130) multiplied by (1/1-T) . If the applicable tax rates are zero enter 0.
 Inputs Required: FIT = 35.00%
 SIT= 8.48% (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 153) / long term debt (In 162). Preferred Stock cost rate = preferred dividends (In 154) / preferred outstanding (In 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. 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.

AEP East Companies
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WHEELING POWER COMPANY

Line No.			Total	Allocator	Transmission Amount
166	REVENUE REQUIREMENT (w/o incentives)	(In 303)			\$3,248,951
167	REVENUE CREDITS	(Note A) (Worksheet E)	1,419,560	DA 1.00000	\$ 1,419,560
168	REVENUE REQUIREMENT For All Company Facilities	(In 166 less In 167)			<u>\$ 1,829,391</u>

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)			25.88%
172	Monthly Rate	(In 171 / 12)			2.16%
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)			19.88%
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)			5.69%
177	Not applicable on this template				

178 REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES

179	Total Load Dispatch & Scheduling (Account 561)	Line 250 Below			73,827
180	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				-
181	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
182	Total 561 Internally Developed Costs	(Line 179 - Line 180 - Line 181)			<u>73,827</u>

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Line No.	(1) <u>RATE BASE CALCULATION</u>	(2) <u>Data Sources</u> <u>(See "General Notes")</u>	(3) <u>TO Total</u> <u>NOTE C</u>	(4) <u>Allocator</u>	(5) <u>Total</u> <u>Transmission</u>
183	GROSS PLANT IN SERVICE				
183	Production	(Worksheet A In 1.C)	-	NA	0.00000
184	Less: Production ARO (Enter Negative)	(Worksheet A In 2.C)	-	NA	0.00000
185	Transmission	(Worksheet A In 3.E & Ln 307)	29,740,179	DA	29,740,179
186	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 308)	-	TP	1.00000
187	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000
188	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000
189	Distribution	(Worksheet A In 5.C)	113,642,201	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)	4,908,181	W/S	0.04102
192	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.C)	(34,819)	W/S	0.04102
193	Intangible Plant	(Worksheet A In 9.C)	1,250,048	W/S	0.04102
194	TOTAL GROSS PLANT	(sum Ins 183 to 193)	149,505,790	GP(h)=	0.200603
				GTD=	0.20742
195	ACCUMULATED DEPRECIATION AND AMORTIZATION				
196	Production	(Worksheet A In 12.C)	-	NA	0.00000
197	Less: Production ARO (Enter Negative)	(Worksheet A In 13.C)	-	NA	0.00000
198	Transmission	(Worksheet A In 14.C & 28.C)	17,185,954	TP1=	1.00000
199	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.C)	-	TP1=	1.00000
200	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000
201	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
202	Plus: Additional Transmission Depreciation for 2010 (In 276)		N/A	TP1	1.00000
203	Plus: Additional General & Intangible Depreciation for 2010 (In 275 + In 276)		N/A	W/S	0.04102
204	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
205	Distribution	(Worksheet A In 16.C)	34,596,305	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)	2,326,334	W/S	0.04102
208	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.C)	(15,887)	W/S	0.04102
209	Intangible Plant	(Worksheet A In 20.C)	1,206,234	W/S	0.04102
210	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 196 to 209)	55,298,940		17,330,197
211	NET PLANT IN SERVICE				
212	Production	(In 183 + In 184 - In 196 - In 197)	-		-
213	Transmission	(In 185 + In 186 - In 198 - In 199)	12,554,225		12,554,225
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 2010 (-In 202)		N/A		N/A
217	Plus: Additional General & Intangible Depreciation for 2010 (-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)	79,045,896		-
220	General Plant	(In 191 + In 192 - In 207 - In 208)	2,562,915		105,123
221	Intangible Plant	(In 193 - In 209)	43,814		1,797
222	TOTAL NET PLANT IN SERVICE	(sum Ins 212 to 221)	94,206,850	NP(h)=	0.134397
223	DEFERRED TAX ADJUSTMENTS TO RATE BASE	(Note D)			
224	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.C)	-	NA	-
225	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.C)	(11,312,939)	DA	(1,647,186)
226	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.C)	(2,397,452)	DA	(268,446)
227	Account No. 190.1	(Worksheet B, In 17 & In 20.C)	3,199,981	DA	1,333,428
228	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.C)	(117,351)	DA	(38,433)
229	TOTAL ADJUSTMENTS	(sum Ins 224 to 228)	(10,627,761)		(620,637)
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)	52,844		52,844
234	Transmission Materials & Supplies	(Worksheet C, In 2.(D))	152	TP	1.00000
235	A&G Materials & Supplies	(Worksheet C, In 3.(D))	1,433	W/S	0.04102
236	Stores Expense	(Worksheet C, In 4.(D))	-	GP(h)	0.20060
237	Prepayments (Account 165) - Labor Allocated	(Worksheet D, In 6.G)	6,674,930	W/S	0.04102
238	Prepayments (Account 165) - Gross Plant	(Worksheet D, In 6.F)	278,244	GP(h)	0.20060
239	Prepayments (Account 165) - Transmission Only	(Worksheet D, In 6.E)	-	DA	1.00000
240	Prepayments (Account 165) - Unallocable	(Worksheet D, In 6.D)	(6,674,930)	NA	0.00000
241	TOTAL WORKING CAPITAL	(sum Ins 233 to 240)	332,673		382,657
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)		83,911,762		12,423,165

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	(1)	(2)	(3)	(4)	(5)
Line	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allocator	Total Transmission
No.	OPERATION & MAINTENANCE EXPENSE				
244	Production	321.80.b	55,072,748		
245	Distribution	322.156.b	4,850,776		
246	Customer Related Expense	322 & 323.164,171,178.b	1,963,704		
247	Regional Marketing Expenses	322.131.b	-		
248	Transmission	321.112.b	579,641		
249	TOTAL O&M EXPENSES	(sum Ins 244 to 248)	62,466,869		
250	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	73,827		
251	Less: Account 565	(Note H) 321.96.b	-		
252	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	83,060		
253	Total O&M Allocable to Transmission	(Ins 248 - 250 - 251 - 252)	422,754	TP	1.00000
254	Administrative and General	323.197.b (Note J)	2,608,297		
255	Less: Acct. 924, Property Insurance	323.185.b	28,768		
256	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	765,967		
257	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	(152,317)		
258	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	42,569		
259	Acct. 928, Reg. Com. Exp.	323.189.b	(215)		
260	Acct. 930.1, Gen. Advert. Exp.	323.191.b	28,010		
261	Acct. 930.2, Misc. Gen. Exp.	323.192.b	29,223		
262	Balance of A & G	(In 254 - sum In 255 to In 261)	1,866,292	W/S	0.04102
263	Plus: Acct. 924, Property Insurance	(In 255)	28,768	GP(h)	0.20060
264	Acct. 928 - Transmission Specific	Worksheet F In 18.(E) (Note L)	-	TP	1.00000
265	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 29.(E) (Note L)	-	TP	1.00000
266	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 34.(E) (Note L)	686	DA	1.00000
267	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 7, (Note M)	500,780	W/S	0.04102
268	A & G Subtotal	(sum Ins 262 to 267)	2,396,526		
269	O & M EXPENSE SUBTOTAL	(In 253 + In 268)	2,819,280		
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)	2,819,280		
273	DEPRECIATION AND AMORTIZATION EXPENSE				
274	Production	336.2-6.f	-	NA	0.00000
275	Distribution	336.8.f	3,744,557	NA	0.00000
276	Transmission	336.7.f	752,928	TP1	1.00000
277	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		N/A
278	General	336.10.f	156,129	W/S	0.04102
279	Intangible	336.1.f	212,064	W/S	0.04102
280	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 274+275+276+277+278+279)	4,865,678		
281	TAXES OTHER THAN INCOME	(Note N)			
282	Labor Related				
283	Payroll	Worksheet H In 21.(D)	137,951	W/S	0.04102
284	Plant Related				
285	Property	Worksheet H In 21.(C) & In 35.(C)	1,397,203	DA	NA
286	Gross Receipts/Sales & Use	Worksheet H In 21.(F)	4,372,084	NA	0.00000
287	Other	Worksheet H In 21.(E)	(118,562)	GP(h)	0.20060
288	TOTAL OTHER TAXES	(sum Ins 283 to 287)	5,788,676		
289	INCOME TAXES	(Note O)			
290	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		40.51%		
291	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		54.47%		
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)		1.6810		
295	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
296	Income Tax Calculation	(In 291 * In 299)	4,242,682		
297	ITC adjustment	(In 294 * In 295)	-	NP(h)	0.13440
298	TOTAL INCOME TAXES	(sum Ins 296 to 297)	4,242,682		
299	RETURN ON RATE BASE (Rate Base*WACC)	(In 243 * In 330)	7,788,747		
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)	25,505,062		
					3,248,951

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF							
304	Total transmission plant	(In 185)						29,740,179
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)							-
307	Transmission plant included in PJM Tariff	(In 304 - In 305 - In 306)						29,740,179
308	Percent of transmission plant in PJM Tariff	(In 307 / In 304)						TP= 1.0000
309	WAGES & SALARY ALLOCATOR (W/S)	(Note R)						
			Direct Payroll	Payroll Billed from AEP Service Corp.	Total			
310	Production	354.20.b	0	0	-	NA	0.00000	-
311	Transmission	354.21.b	2,217	97,853	100,070	TP	1.00000	100,070
312	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-
313	Distribution	354.23.b	1,407,130	180,655	1,587,785	NA	0.00000	-
314	Other (Excludes A&G)	354.24,25,26.b	362,725	389,146	751,871	NA	0.00000	-
315	Total	(sum Ins 310 to 314)	1,772,072	667,654	2,439,726			100,070
316	Transmission related amount							W/S= 0.04102
317	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$
318	Long Term Interest	(Worksheet L, In. 35, col. (D))						1,312,500
319	Preferred Dividends	(Worksheet L, In. 40, col. (D))						-
320	Development of Common Stock:							
321	Proprietary Capital	(FF1 p 112, Ln 16.c)						43,904,852
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)						(1,749,500)
325	Common Stock	(In 321 - In 322 - In 323 - In 324)						45,654,352
326			\$	%		Cost (Note S)		Weighted
327	Long Term Debt (Note T) Worksheet L, In 35, col. (B))		25,000,000	35.38%		0.0525		0.0186
328	Preferred Stock (In 322)		-	0.00%		-		0.0000
329	Common Stock (In 325)		45,654,352	64.62%		11.49%		0.0742
330	Total (Sum Ins 327 to 329)		70,654,352					WACC= 0.0928

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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, 2009.
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 seven 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 = 8.48% (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.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 138)			\$2,928,110
2	REVENUE CREDITS	(Note A) (Worksheet E)	1,419,560	DA 1.00000	\$ 1,419,560
3	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2)			<u>\$ 1,508,550</u>

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)		-	DA 1.00000	\$ -
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)			27.90%
7	Monthly Rate	(In 6 / 12)			2.33%
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)			20.73%
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)			6.82%
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			73,827
15	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				-
16	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				-
17	Total 561 Internally Developed Costs	(Line 14 - Line 15 - Line 16)			<u>73,827</u>

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Line No.	(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>
	GROSS PLANT IN SERVICE				
18	Production	(Worksheet A In 1.E)	-	NA	0.00000
19	Less: Production ARO (Enter Negative)	(Worksheet A In 2.E)	-	NA	0.00000
20	Transmission	(Worksheet A In 3.E & Ln 142)	27,813,691	DA	27,813,691
21	Less: Transmission ARO (Enter Negative)	(Worksheet A In 4.E & Ln 143)	-	TP	1.00000
22	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	NA	0.00000
23	Plus: Additional Trans Plant on Transferred Assets (Worksheet I)		N/A	NA	0.00000
24	Distribution	(Worksheet A In 5.E)	110,990,488	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)	4,867,862	W/S	0.04102
27	Less: General Plant ARO (Enter Negative)	(Worksheet A In 8.E)	(34,819)	W/S	0.04102
28	Intangible Plant	(Worksheet A In 9.E)	2,037,944	W/S	0.04102
29	TOTAL GROSS PLANT	(sum Ins 18 to 28)	145,675,165	GP(h)=	0.19286
				GTD=	0.00000
	ACCUMULATED DEPRECIATION AND AMORTIZATION				
30	Production	(Worksheet A In 12.E)	-	NA	0.00000
31	Less: Production ARO (Enter Negative)	(Worksheet A In 13.E)	-	NA	0.00000
32	Transmission	(Worksheet A In 14.E & 28.E)	17,319,323	TP1=	1.00000
33	Less: Transmission ARO (Enter Negative)	(Worksheet A In 15.E)	-	TP1=	1.00000
34	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A	DA	1.00000
35	Plus: Additional Projected Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
36	Plus: Additional Transmission Depreciation for 2010 (In 111)		N/A	TP1	1.00000
37	Plus: Additional General & Intangible Depreciation for 2010 (In 110 + In 111)		N/A	W/S	0.04102
38	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I)		N/A	DA	1.00000
39	Distribution	(Worksheet A In 16.E)	34,187,620	NA	0.00000
40	Less: Distribution ARO (Enter Negative)	(Worksheet A In 17.E)	-	NA	0.00000
41	General Plant	(Worksheet A In 18.E)	2,267,190	W/S	0.04102
42	Less: General Plant ARO (Enter Negative)	(Worksheet A In 19.E)	(15,470)	W/S	0.04102
43	Intangible Plant	(Worksheet A In 20.E)	1,883,282	W/S	0.04102
44	TOTAL ACCUMULATED DEPRECIATION	(sum Ins 31 to 44)	55,641,944		17,488,927
	NET PLANT IN SERVICE				
45	Production	(In 18 + In 19 - In 31 - In 32)	-		-
46	Transmission	(In 20 + In 21 - In 33 - In 34)	10,494,368		10,494,368
47	Plus: Transmission Plant-in-Service Additions (In 22 - In 35)		N/A		N/A
48	Plus: Additional Trans Plant on Transferred Assets (In 23 - In 36)		N/A		N/A
49	Plus: Additional Transmission Depreciation for 2010 (-In 37)		N/A		N/A
50	Plus: Additional General & Intangible Depreciation for 2010 (-In 38)		N/A		N/A
51	Plus: Additional Accum Deprec on Transferred Assets (Worksheet I) (-In 39)		N/A		N/A
52	Distribution	(In 24 + In 25 - In 40 - In 41)	76,802,868		-
53	General Plant	(In 26 + In 27 - In 42 - In 43)	2,581,323		105,878
54	Intangible Plant	(In 28 - In 44)	154,663		6,344
55	TOTAL NET PLANT IN SERVICE	(sum Ins 47 to 56)	90,033,221	NP(h)=	0.11781
					10,606,590
	DEFERRED TAX ADJUSTMENTS TO RATE BASE				
56	Account No. 281.1 (enter negative)	(Worksheet B, In 2 & In 5.E)	-	NA	-
57	Account No. 282.1 (enter negative)	(Worksheet B, In 7 & In 10.E)	(11,254,408)	DA	(1,656,327)
58	Account No. 283.1 (enter negative)	(Worksheet B, In 12 & In 15.E)	(2,366,449)	DA	(265,311)
59	Account No. 190.1	(Worksheet B, In 17 & In 20.E)	3,652,800	DA	1,295,251
60	Account No. 255 (enter negative)	(Worksheet B, In 24 & In 25.E)	(132,399)	DA	(43,356)
61	TOTAL ADJUSTMENTS	(sum Ins 59 to 63)	(10,100,456)		(669,743)
62	PLANT HELD FOR FUTURE USE	(Worksheet A In 29.E & In 30.E)	-	DA	-
63	REGULATORY ASSETS	(Worksheet A In 36. (E))	-	DA	-
	WORKING CAPITAL				
64	Cash Working Capital	(Note E)	52,844		52,844
65	Transmission Materials & Supplies	(1/B - In 88)	2,147	TP	1.00000
66	A&G Materials & Supplies	(Worksheet C, In 2.F)	1,936	W/S	0.04102
67	Stores Expense	(Worksheet C, In 3.F)	-	GP(h)	0.19286
68	Prepayments (Account 185) - Labor Allocated	(Worksheet C, In 4.(D))	-	GP(h)	0.19286
69	Prepayments (Account 185) - Labor Allocated	(Worksheet C, In 8.G)	6,744,649	W/S	0.04102
70	Prepayments (Account 185) - Gross Plant	(Worksheet C, In 8.F)	259,215	GP(h)	0.19286
71	Prepayments (Account 185) - Transmission Only	(Worksheet C, In 8.E)	-	DA	1.00000
72	Prepayments (Account 185) - Unallocable	(Worksheet C, In 8.D)	(6,734,451)	NA	0.00000
73	TOTAL WORKING CAPITAL	(sum Ins 68 to 75)	326,340		381,708
74	IPP CONTRIBUTIONS FOR CONSTRUCTION	(Note F) (Worksheet D, In 8 (B))	-	DA	1.00000
75	RATE BASE (sum Ins 57, 64, 65, 66, 76, 77)		80,259,105		10,318,555

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2009 with Average Ratebase Balances

WHEELING POWER COMPANY

Line No.	(1) EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	(2) Data Sources (See "General Notes")	(3) TO Total	(4) Allocator	(5) Total Transmission
	OPERATION & MAINTENANCE EXPENSE				
79	Production	321.80.b	55,072,748		
80	Distribution	322.156.b	4,850,776		
81	Customer Related Expense	322.164,171,178.b	1,963,704		
82	Regional Marketing Expenses	322.131.b	-		
83	Transmission	321.112.b	579,641		
84	TOTAL O&M EXPENSES	(sum Ins 79 to 83)	62,466,869		
85	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	73,827		
86	Less: Account 565	(Note H) 321.96.b	-		
87	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	83,060		
88	Total O&M Allocable to Transmission	(Ins 83 - 85 - 86 - 87)	422,754	TP 1.00000	422,754
89	Administrative and General	323.197.b (Note J)	2,608,297		
90	Less: Acct. 924, Property Insurance	323.185.b	28,768		
91	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	765,967		
92	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	(152,317)		
93	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	42,569		
94	Acct. 928, Reg. Com. Exp.	323.189.b	(215)		
95	Acct. 930.1, Gen. Advert. Exp.	323.191.b	28,010		
96	Acct. 930.2, Misc. Gen. Exp.	323.192.b	29,223		
97	Balance of A & G	(In 89 - sum In 90 to In 96)	1,866,292	W/S 0.04102	76,550
98	Plus: Acct. 924, Property Insurance	(In 90)	28,768	GP(h) 0.19286	5,548
99	Acct. 928 - Transmission Specific	Worksheet F In 18.(E) (Note L)	-	TP 1.00000	-
100	Acct 930.1 - Only safety related ads -Direct	Worksheet F In 29.(E) (Note L)	-	TP 1.00000	-
101	Acct 930.2 - Misc Gen. Exp. - Trans	Worksheet F In 34.(E) (Note L)	686	DA 1.00000	686
102	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C, Line 7, (Note M)	500,780	W/S 0.04102	20,540
103	A & G Subtotal	(sum Ins 97 to 102)	2,396,526		103,324
104	O & M EXPENSE SUBTOTAL	(In 88 + In 103)	2,819,280		526,078
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)	2,819,280		526,078
108	DEPRECIATION AND AMORTIZATION EXPENSE				
109	Production	336.2-6.f	-	NA 0.00000	-
110	Distribution	336.8.f	3,744,557	NA 0.00000	-
111	Transmission	336.7.f	752,928	TP1 1.00000	752,928
112	Plus: Transmission Plant-in-Service Additions (Worksheet I)		N/A		N/A
113	General	336.10.f	156,129	W/S 0.04102	6,404
114	Intangible	336.1.f	212,064	W/S 0.04102	8,698
115	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 109+110+ 111+112+113+114) (Note N)	4,865,678		768,030
116	TAXES OTHER THAN INCOME				
117	Labor Related				
118	Payroll	Worksheet H In 21.(D)	137,951	W/S 0.04102	5,658
119	Plant Related				
120	Property	Worksheet H In 21.(C) & In 35.(C)	1,397,203	DA	191,488
121	Gross Receipts/Sales & Use	Worksheet H In 21.(F)	4,372,084	NA	-
122	Other	Worksheet H In 21.(E)	(118,562)	GP(h) 0.19286	(22,866)
123	TOTAL OTHER TAXES	(sum Ins 118 to 122)	5,788,676		174,280
124	INCOME TAXES				
125	T=1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =	(Note O)	40.51%		
126	EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =		53.82%		
127	where WCLTD=(In 162) and WACC = (In 165) and FIT, SIT & p are as given in Note O.				
129	GRCF=1 / (1 - T) = (from In 125)		1,6810		
130	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	-		
131	Income Tax Calculation	(In 126 * In 134)	3,972,437		510,718
132	ITC adjustment	(In 129 * In 130)	-	NP(h) 0.11781	-
133	TOTAL INCOME TAXES	(sum Ins 131 to 132)	3,972,437		510,718
134	RETURN ON RATE BASE (Rate Base*WACC)	(In 78 * In 165)	7,381,472		949,003
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)		24,827,542		2,928,110

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2009 with Average Ratebase Balances

WHEELING POWER COMPANY

SUPPORTING CALCULATIONS

In									
No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF								
139	Total transmission plant	(In 20)						27,813,691	
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)							-	
142	Transmission plant included in PJM Tariff	(In 139 - In 140 - In 141)						27,813,691	
143	Percent of transmission plant in PJM Tariff	(In 142 / In 139)					TP	1.00000	
144	WAGES & SALARY ALLOCATOR (W/S)	(Note R)	Direct Payroll	Payroll Billed from AEP Service Corp.	Total				
145	Production	354.20.b	0	0	-	NA	0.00000	-	
146	Transmission	354.21.b	2,217	97,853	100,070	TP	1.00000	100,070	
147	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-	
148	Distribution	354.23.b	1,407,130	180,655	1,587,785	NA	0.00000	-	
149	Other (Excludes A&G)	354.24,25,26.b	362,725	389,146	751,871	NA	0.00000	-	
150	Total	(sum Ins 145 to 149)	1,772,072	667,654	2,439,726			100,070	
151	Transmission related amount						W/S=	0.04102	
152	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$	
153	Long Term Interest	(Worksheet M, In. 21, col. (E))						1,312,500	
154	Preferred Dividends	(Worksheet M, In. 56, col. (E))						-	
155	Development of Common Stock:							Average	
156	Proprietary Capital	(Worksheet M, In. 1, col. (E))						40,927,862	
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))						(2,106,841)	
160	Common Stock	(In 156 - In 157 - In 158 - In 159)						43,034,703	
161		Average \$							
162	Long Term Debt (Note T) W/S M, In 11, In 22, col. (E))	25,000,000						0.0525	
163	Preferred Stock (In 157)	-						0.0000	
164	Common Stock (In 160)	43,034,703						11.49%	
165	Total (Sum Ins 162 to 164)	68,034,703						WACC= 0.0920	
166	Capital Structure Equity Limit (Note U)	100.0%							

Capital Structure Weighting

	Actual	Cap Limit	Cost (Note S)	Weighted
Long Term Debt (Note T) W/S M, In 11, In 22, col. (E))	36.75%	0.00%	0.0525	0.0193
Preferred Stock (In 157)	0.00%	0.00%	-	0.0000
Common Stock (In 160)	63.25%	0.00%	11.49%	0.0727
Total (Sum Ins 162 to 164)			WACC=	0.0920

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual Cost Data for 2009 with Average Ratebase Balances

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, 2008 and December 31, 2009.						
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 seven 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 130) multiplied by (1/(1-T)) . If the applicable tax rates are zero enter 0. Inputs Required: <table border="0" style="margin-left: 40px;"> <tr> <td>FIT =</td> <td>35.00%</td> </tr> <tr> <td>SIT =</td> <td>8.48% (State Income Tax Rate or Composite SIT. Worksheet G))</td> </tr> <tr> <td>p =</td> <td>0.00% (percent of federal income tax deductible for state purposes)</td> </tr> </table>	FIT =	35.00%	SIT =	8.48% (State Income Tax Rate or Composite SIT. Worksheet G))	p =	0.00% (percent of federal income tax deductible for state purposes)
FIT =	35.00%						
SIT =	8.48% (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 153) / long term debt (In 162). Preferred Stock cost rate = preferred dividends (In 154) / preferred outstanding (In 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 2009 FF1 Balances
Worksheet A Supporting Plant Balances
WHEELING POWER COMPANY

Line	(A)	(B)	(C)	(D)	(E)
Number	Rate Base Item & Supporting Balance	Source of Data	Balance @ December 31, 2009	Balance @ December 31, 2008	Average Balance for 2009
NOTE: Functional ARO investment and accumulated depreciation balances shown below are included in the total functional balances shown here.					
Plant Investment Balances					
1	Production Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 46	-	-	-
2	Production Asset Retirement Obligation (ARO)	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	-	-	-
3	Transmission Plant In Service	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 58	29,740,179	25,887,202	27,813,691
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	113,642,201	108,338,774	110,990,488
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	4,908,181	4,827,543	4,867,862
8	General Asset Retirement Obligation	FF1, page 207 Col.(g) & pg. 206 Col. (b), ln 98	34,819	34,819	34,819
9	Intangible Plant In Service	FF1, page 205 Col.(g) & pg. 204 Col. (b), ln 5	1,250,048	2,825,840	2,037,944
10	Total Property Investment Balance	(Sum of Lines: 3, 1, 5, 7, 9)	149,540,609	141,879,359	145,709,984
11	Total ARO Balance (included in total on line 10)	(Sum of Lines: 4, 2, 6, 8)	34,819	34,819	34,819
Accumulated Depreciation & Amortization Balances					
12	Production Accumulated Depreciation	FF1, page 219, Ins 20-24, Col. (b)	-	-	-
13	Production ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
14	Transmission Accumulated Depreciation	FF1, page 219, ln 25, Col. (b)	17,185,954	17,452,691	17,319,323
15	Transmission ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
16	Distribution Accumulated Depreciation	FF1, page 219, ln 26, Col. (b)	34,596,305	33,778,935	34,187,620
17	Distribution ARO Accumulated Depreciation	Company Records - Note 1	-	-	-
18	General Accumulated Depreciation	FF1, page 219, ln 28, Col. (b)	2,326,334	2,208,046	2,267,190
19	General ARO Accumulated Depreciation	Company Records - Note 1	15,887	15,053	15,470
20	Intangible Accumulated Amortization	FF1, page 200, ln 21, Col. (b)	1,206,234	2,560,329	1,883,282
21	Total Accumulated Depreciation or Amortization	(Sum of Lines: 14, 12, 16, 18, 20)	55,314,827	56,000,001	55,657,414
22	Total ARO Balance (included in total on line 21)	(Sum of Lines: 15, 13, 17, 19)	15,887	15,053	15,470
Generation Step-Up Units					
23	GSU Investment Amount	Company Records - Note 1	-	-	-
24	GSU Accumulated Depreciation	Company Records - Note 1	-	-	-
25	GSU Net Balance	(Line 23 - Line 24)	-	-	-
Transmission Accumulated Depreciation Net of GSU Accumulated Depreciation					
26	Transmission Accumulated Depreciation	(Line 14 Above)	17,185,954	17,452,691	17,319,323
27	Less: GSU Accumulated Depreciation	(Line 24 Above)	-	-	-
28	Subtotal of Transmission Net of GSU	(Line 26 - Line 27)	17,185,954	17,452,691	17,319,323
Plant Held For Future Use					
29	Plant Held For Future Use	FF1, page 214, ln 47, Col. (d)	-	-	-
30	Transmission Plant Held For Future	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.					
31					-
32					-
33					-
34					-
35					-
36	Total Regulatory Deferrals Included in Ratebase		-	-	-

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 2009 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, 2009</u>	<u>(D) Balance @ December 31, 2008</u>	<u>(E) Average Balance for 2009</u>
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, In 8, Col. (k)	-	-	-
3	Less: ARO Related Deferrals	Company Records - Note 1	-	-	-
4	Less: Other Excluded Deferrals	Company Records - 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)	11,312,939	11,195,877	11,254,408
8	Less: ARO Related Deferrals	Company Records - Note 1	(117)	175	29
9	Less: Other Excluded Deferrals	Company Records - Note 1	9,665,870	9,530,234	9,598,052
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	1,647,186	1,665,467	1,656,327
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	2,397,452	2,335,446	2,366,449
13	Less: ARO Related Deferrals	Company Records - Note 1	(23,185)	(23,185)	(23,185)
14	Less: Other Excluded Deferrals	Company Records - Note 1	2,152,191	2,096,455	2,124,323
15	Transmission Related Deferrals	Ln 12 - In 13 - In 14	268,446	262,176	265,311
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	3,199,981	4,105,618	3,652,800
18	Less: ARO Related Deferrals	Company Records - Note 1	8,692	6,313	7,503
19	Less: Other Excluded Deferrals	Company Records - Note 1	1,857,861	2,842,231	2,350,046
20	Transmission Related Deferrals	Ln 17 - In 18 - In 19	1,333,428	1,257,075	1,295,251
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, In 8, Col. (h)	117,351	147,446	132,399
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	0	0	-
24	ITC Balances Includeable Ratebase	Ln 22 - In 23	117,351	147,446	132,399
25	Transmission Related Deferrals	Company Records - Note 1	38,433	48,279	43,356

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 2009 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, 2009	Balance @ December 31, 2008	Average Balance for 2009				
1								
2	Transmission Materials & Supplies	FF1, p. 227, ln 8, Col. (c) & (b)	152	4,142	2,147			
3	General Materials & Supplies	FF1, p. 227, ln 11, Col. (c) & (b)	1,433	2,439	1,936			
4	Stores Expense (Undistributed)	FF1, p. 227, ln 16, Col. (c) & (b)	0	0	-			

Prepayment Balance Summary

	Average of YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	
5							
6	Totals as of December 31, 2009	278,244	(6,674,930)	0	278,244	6,674,930	6,953,174
7	Totals as of December 31, 2008	260,581	(6,793,972)		240,185	6,814,368	7,054,553
8	Average Balance	269,413	(6,734,451)	-	259,215	6,744,649	7,003,864

Prepayments Account 165 - Balance @ 12/31/2009

9	Acc. No.	Description	2009 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	38,170	-		38,170		38,170	Plant Related Insurance Policies
11	165000208	Prepaid Taxes	219,200	-		219,200		219,200	Prepaid PSC Fees
12	1650010	Prepaid Pension Benefits	6,674,930				6,674,930	6,674,930	Prefunded Pension Expense
13	1650014	FAS 158 Qual Contra Asset	(6,674,930)	(6,674,930)				-	SFAS 158 Offset
14	1650016	FAS 112 ASSETS	0	-				-	SFAS 112 Overfunding Asset
15	1650021	Prepaid Insurance - EIS	20,874	-		20,874		20,874	
Subtotal - Form 1, p 111.57.c			278,244	(6,674,930)	0	278,244	6,674,930	6,953,174	

Prepayments Account 165 - Balance @ 12/31/2008

16	Acc. No.	Description	2008 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
17	1650001	Prepaid Insurance	48,858			48,858		48,858	Plant Related Insurance Policies
18	165000208	Prepaid Taxes	191,327			191,327		191,327	Prepaid PSC Fees
19	1650010	Prepaid Pension Benefits	6,814,368				6,814,368	6,814,368	Prefunded Pension Expense
20	1650014	FAS 158 Qual Contra Asset	(6,814,368)	(6,814,368)				-	SFAS 158 Offset
21	1650016	FAS 112 ASSETS	20,396	20,396				-	SFAS 112 Overfunding Asset
Subtotal - Form 1, p 111.57.d			260,581	(6,793,972)		240,185	6,814,368	7,054,553	

AEP East Companies
Cost of Service Formula Rate Using 2009 FF1 Balances
Worksheet D Supporting IPP Credits
WHEELING POWER COMPANY

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2009</u>
1	Net Funds from IPP Customers 12/31/2008 (2009 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 12/31/2009 (2009 FORM 1, P269, line 24.f)	-
8	Average Balance for Year as Indicated in Column $((\text{In } 1 + \text{In } 7)/2)$	-

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

AEP East Companies
Cost of Service Formula Rate Using 2009 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)	120,008	120,008	-
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Record	2,871	2,871	-
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	1,137,897	1,077,503	60,394
4	Account 4560015, Associated Business Development - (Company Records - Note 1)	12,252	12,252	-
5	Account 456 - Other Electric Revenues - (Company Records - Note 1)	1,359,166	-	1,359,166
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b))	2,632,194	1,212,634	1,419,560
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)	-	-	-
8	Total Other Operating Revenues To Reduce Revenue Requirement	2,632,194	1,212,634	1,419,560

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 2009 FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
WHEELING POWER COMPANY

<u>Line Number</u>	<u>(A) Item No.</u>	<u>(B) Description</u>	<u>(C) 2009 Expense</u>	<u>(D) 100% Non-Transmission</u>	<u>(E) 100% Transmission Specific</u>	<u>(F) Explanation</u>
Regulatory O&M Deferrals & Amortizations						
1	5700005	Maint Station-Reliability-Df	83,060			
2						
3						
4		Total	83,060			
Detail of Account 561 Per FERC Form 1						
5	FF1 p 321.84.b	561 - Load Dispatching	243			
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	1,601			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	67,368			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	187			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	0			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	4,428			
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 Servi	0			
14		Total of Account 561	73,827			
Account 928						
15	9280000	Regulatory Commission Exp	(5)	(5)		-
16	9280001	Regulatory Commission Exp-Adm	(7)	(7)		- Regulatory Commission Exp-Case
17	9280002	Regulatory Commission Exp-Case	(203)	(203)		- Regulatory Commission Exp-Case
18		Total	(215)	(215)		-
Account 930.1						
19	9301000	General Advertising Expenses	-	-		-
20	9301006	Spec Corporate Comm Info Proj	25	25		-
21	9301007	Special Adv Space & Prod Exp	3	3		-
22	9301008	Direct Mail and Handouts	51	51		-
23	9301009	Fairs, Shows, and Exhibits	5	5		-
24	9301010	Publicity	154	154		-
25	9301012	Public Opinion Surveys	7,719	7,719		-
26	9301013	Movies Slide Films & Speeches	7,749	7,749		-
27	9301014	Video Communications	5	5		-
28	9301015	Other Corporate Comm Exp	12,300	12,300		-
29		Total	28,011	28,011		-
Account 930.2						
30	9302000	Misc General Expenses	17,918	17,918		
31	9302003	Corporate & Fiscal Expenses	1,462	1,462		
32	9302004	Research, Develop&Demonstr Exp	987	987		
33	9302007	Assoc Business Development Exp	8,856	8,170	686	
34		Total	29,223	28,537	686	

AEP East Companies
Cost of Service Formula Rate Using 2009 FF1 Balances
Worksheet G Supporting - Development of Composite State Income Tax Rate
WHEELING POWER COMPANY

West Virginia Corporate Income Tax	8.50%	
Apportionment Factor - Note 2	99.76%	
Effective State Tax Rate		8.48%
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>8.48%</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 0% 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 Activites 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 2009 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	4,371,412				4,371,412
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - West Virginia	1,395,390	1,395,390			
5	Real and Personal Property - Other	1,813	1,813			
6	Payroll Taxes					
7	Federal Insurance Contribution (FICA)	133,607		133,607		
8	Federal Unemployment Tax	195		195		
9	State Unemployment Insurance	4,149		4,149		
10	Production Taxes					
11	State Severance Taxes	-				-
12	Miscellaneous Taxes					
13	State Business & Occupation Tax	-				-
14	State Public Service Commission Fees	454,909			454,909	
15	State Franchise Taxes	(573,566)			(573,566)	
16	State Lic/Registration Fee	65			65	
17	Misc. State and Local Tax	30			30	
18	Sales & Use	672				672
19	Federal Excise Tax	-				-
20	Michigan Single Business Tax	-				-
21	Total Taxes by Allocable Basis	<u>5,788,676</u>	<u>1,397,203</u>	<u>137,951</u>	<u>(118,562)</u>	<u>4,372,084</u>

(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						
	Production	Transmission	Distribution	General	Total	
22	Functionalized Net Plant (Hist. TCOS, Lns 212 thru 222)	-	12,554,225	79,045,896	2,562,915	94,163,036
WEST VIRGINIA JURISDICTION						
23	Percentage of Plant in WEST VIRGINIA JURISDICTION		100.00%	100.00%	100.00%	
24	Net Plant in WEST VIRGINIA JURISDICTION (Ln 22 * Ln 23)	-	12,554,225	79,045,896	2,562,915	94,163,036
25	Less: Net Value of Exempted Generation Plant	-	-	-	-	-
26	Taxable Property Basis (Ln 24 - Ln 25)	-	12,554,225	79,045,896	2,562,915	94,163,036
27	Relative Valuation Factor		100%	100%	100%	
28	Weighted Net Plant (Ln 26 * Ln 27)	-	12,554,225	79,045,896	2,562,915	
29	General Plant Allocator (Ln 28 / (Total - General Plant))	0.00%	13.71%	86.29%	-100.00%	
30	Functionalized General Plant (Ln 29 * General Plant)	-	351,259	2,211,656	(2,562,915)	-
31	Weighted WEST VIRGINIA JURISDICTION Plant (Ln 28 + 30)	-	12,905,484	81,257,552	-	94,163,036
32	Functional Percentage (Ln 31/Total Ln 31)	0.00%	13.71%	86.29%		
33	Functionalized Expense in WEST VIRGINIA JURISDICTION	-	191,245	1,204,145		1,395,390
34	Total Other Jurisdictions: (Line 5 * Net Plant Allocator)		244			1,813
35	Total Func. Property Taxes (Sum Lns 33, 34)	-	191,488	1,204,145		1,397,203

AEP East Companies
Cost of Service Formula Rate Using 2008 FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
WHEELING POWER COMPANY

Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference
1	Revenue Taxes			
2	Gross Receipts Tax	4,371,412	2,813,093 1,558,319	P.263 ln 39 (i) P.263.1 ln 10 (i)
3	Real Estate and Personal Property Taxes			
4	Real and Personal Property - West Virginia	1,395,390	626,445 747,942 10,023 10,980	P.263 ln 30 (i) P.263 ln 31 (i) P.263 ln 34 (i) P.263 ln 35 (i)
5	Real and Personal Property - Ohio	1,813	33 1,066 714	P.263 ln 20 (i) P.263 ln 21 (i) P.263 ln 22 (i)
6	Payroll Taxes			
7	Federal Insurance Contribution (FICA)	133,607	133,607	P.263 ln 4 (i)
8	Federal Unemployment Tax	195	195	P.263 ln 5 (i)
9	State Unemployment Insurance	4,149	4,149	P.263 ln 40 (i)
10	Production Taxes			
11	State Severance Taxes	-	-	
12	Miscellaneous Taxes			
13	State Business & Occupation Tax	-	-	
14	State Public Service Commission Fees	454,909	185,706 257,203 6,000 6,000	P.263.1 ln 1 (i) P.263.1 ln 2 (i) P.263.1 ln 11 (i) P.263.1 ln 12 (i)
15	State Franchise Taxes	(573,566)	1,000 (577,266) 2,700	P.263 ln 18 (i) P.263 ln 27 (i) P.263 ln 28 (i)
16	State Lic/Registration Fee	65	40 25	P.263.1 ln 4 (i) P.263 ln 14 (i)
17	Misc. State and Local Tax	30	30	P.263.1 ln 13 (i)
18	Sales & Use	672	8 664	P.263 ln 36 (i) P.263 ln 37 (i)
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))	5,788,676	5,788,676	

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 2009 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 (2009) (P.206, ln 58,(b)):	25,887,202
2	Transmission Plant @ End of Historic Period (2009) (P.207, ln 58,(g)):	29,740,179
3		<hr/> 55,627,381
4	Average Balance of Transmission Investment	27,813,691
5	Annual Depreciation Expense, Historic TCOS, ln 276	752,928
6	Composite Depreciation Rate	2.71%
7	Round to 2.71% to Reflect a Composite Life of 37 Years	2.71%

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	\$ 36,378	2.71%	\$ 986	\$ 82	11	\$ 902
10	February	\$ 35,245	2.71%	\$ 955	\$ 80	10	\$ 800
11	March	\$ 35,706	2.71%	\$ 968	\$ 81	9	\$ 729
12	April	\$ 35,186	2.71%	\$ 954	\$ 79	8	\$ 632
13	May	\$ 34,833	2.71%	\$ 944	\$ 79	7	\$ 553
14	June	\$ 35,572	2.71%	\$ 964	\$ 80	6	\$ 480
15	July	\$ 35,342	2.71%	\$ 958	\$ 80	5	\$ 400
16	August	\$ 35,250	2.71%	\$ 955	\$ 80	4	\$ 320
17	September	\$ 35,560	2.71%	\$ 964	\$ 80	3	\$ 240
18	October	\$ 35,192	2.71%	\$ 954	\$ 79	2	\$ 158
19	November	\$ 34,865	2.71%	\$ 945	\$ 79	1	\$ 79
20	December	\$ 1,775,016	2.71%	\$ 48,103	\$ 4,009	0	\$ -
21	Investment	<hr/> \$ 2,164,146				Depreciation Expense	<hr/> \$ 5,293

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 2010

	<u>Estimated Cost</u> <u>(000's)</u>	<u>Month in Service</u>
25 Major Zonal Projects		
26 N/A	\$0	Multiple
27	<hr/> Subtotal \$0	
28 PJM Socialized/Beneficiary Allocated Regional Projects		
29 N/A	\$0	
30	<hr/> Subtotal \$0	

AEP East Companies
Cost of Service Formula Rate Using 2009 FF1 Balances
Worksheet J Supporting Calculation of PROJECTED PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
WHEELING POWER COMPANY

I. Calculate Return and Income Taxes with basis point ROE increase for Projects Qualified for Regional Billing.

A. Determine 'R' with hypothetical basis point increase in ROE for Identified Projects

ROE w/o incentives (Projected TCOS, In 164)	11.49%		
Project ROE Incentive Adder			<=ROE Adder Cannot Exceed 125 Basis Points
ROE with additional basis point incentive	11.49%		<= ROE Including Incentives Cannot Exceed 12.74% Until July 1, 2012
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the Projected TCOS, Ins 162 through 164)			
	%	Cost	Weighted cost
Long Term Debt	35.38%	5.25%	1.858%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	64.62%	11.49%	7.424%
		R =	9.282%

SUMMARY OF PROJECTED ANNUAL RTEP REVENUE REQUIREMENTS			
PROJECTED YEAR	2010	Rev Require	W Incentives
		-	-
			Incentive Amounts
			\$ -

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

Rate Base (Projected TCOS, In 78)	13,813,987
R (from A. above)	9.282%
Return (Rate Base x R)	1,282,224

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

Return (from B. above)	1,282,224
Effective Tax Rate (Projected TCOS, In 126)	54.47%
Income Tax Calculation (Return x CIT)	698,452
ITC Adjustment	-
Income Taxes	698,452

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical basis point ROE increase.

A. Determine Annual Revenue Requirement less return and Income Taxes.

Annual Revenue Requirement (Projected TCOS, In 1)	3,453,663
T.E.A. & Lease Payments (Projected TCOS, Lns 105 & 106)	-
Return (Projected TCOS, In 134)	1,282,224
Income Taxes (Projected TCOS, In 133)	698,452
Annual Revenue Requirement, Less TEA Charges, Return and Taxes	1,472,987

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

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	1,472,987
Return (from I.B. above)	1,282,224
Income Taxes (from I.C. above)	698,452
Annual Revenue Requirement, with Basis Point ROE increase	3,453,663
Depreciation (Projected TCOS, In 111)	752,928
Annual Rev. Req, w/ Basis Point ROE increase, less Depreciation	2,700,735

C. Determine FCR with hypothetical basis point ROE increase.

Net Transmission Plant (Projected TCOS, In 48)	12,554,225
Annual Revenue Requirement, with Basis Point ROE increase	3,453,663
FCR with Basis Point increase in ROE	27.51%
Annual Rev. Req, w / Basis Point ROE increase, less Dep.	2,700,735
FCR with Basis Point ROE increase, less Depreciation	21.51%
FCR less Depreciation (Projected TCOS, In 9)	19.31%
Incremental FCR with Basis Point ROE increase, less Depreciation	2.20%

III. Calculation of Composite Depreciation Rate

Transmission Plant @ Beginning of Historic Period (2009) (P.206, In 58,(b)):	25,887,202
Transmission Plant @ End of Historic Period (2009) (P.207, In 58,(g)):	29,740,179
Subtotal	55,627,381
Average Transmission Plant Balance for 2009	27,813,691
Annual Depreciation Rate (Projected TCOS, In 111)	752,928
Composite Depreciation Rate	2.71%
Depreciable Life for Composite Depreciation Rate	36.94
Round to nearest whole year	37

WPCo Worksheet J - ATRR PROJECTED 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. [redacted] (e.g. ER05-925-000)

Project Description: [redacted]

Current Projected Year ARR	-
Current Projected Year ARR w/ Incentive	-
Current Projected Year Incentive ARR	-

Details	
Investment	Current Year 2008
Service Year (yyyy)	2008 ROE increase accepted by FERC (Basis Points) -
Service Month (1-12)	1 FCR w/o incentives, less depreciation 19.31%
Useful life	37 FCR w/incentives approved for these facilities, less dep. 19.31%
CIAC (Yes or No)	No Annual Depreciation Expense -

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year Template w/o Incentives	RTEP Projected Rev. Req't. From Prior Year Template with Incentives **
2008	-	-	-	-	-	\$ -		
2009	-	-	-	-	-	\$ -		
2010	-	-	-	-	-	\$ -		
2011	-	-	-	-	-	\$ -		
2012	-	-	-	-	-	\$ -		
2013	-	-	-	-	-	\$ -		
2014	-	-	-	-	-	\$ -		
2015	-	-	-	-	-	\$ -		
2016	-	-	-	-	-	\$ -		
2017	-	-	-	-	-	\$ -		
2018	-	-	-	-	-	\$ -		
2019	-	-	-	-	-	\$ -		
2020	-	-	-	-	-	\$ -		
2021	-	-	-	-	-	\$ -		
2022	-	-	-	-	-	\$ -		
2023	-	-	-	-	-	\$ -		
2024	-	-	-	-	-	\$ -		
2025	-	-	-	-	-	\$ -		
2026	-	-	-	-	-	\$ -		
2027	-	-	-	-	-	\$ -		
2028	-	-	-	-	-	\$ -		
2029	-	-	-	-	-	\$ -		
2030	-	-	-	-	-	\$ -		
2031	-	-	-	-	-	\$ -		
2032	-	-	-	-	-	\$ -		
2033	-	-	-	-	-	\$ -		
2034	-	-	-	-	-	\$ -		
2035	-	-	-	-	-	\$ -		
2036	-	-	-	-	-	\$ -		
2037	-	-	-	-	-	\$ -		
2038	-	-	-	-	-	\$ -		
2039	-	-	-	-	-	\$ -		
2040	-	-	-	-	-	\$ -		
2041	-	-	-	-	-	\$ -		
2042	-	-	-	-	-	\$ -		
2043	-	-	-	-	-	\$ -		
2044	-	-	-	-	-	\$ -		
2045	-	-	-	-	-	\$ -		
2046	-	-	-	-	-	\$ -		
2047	-	-	-	-	-	\$ -		
2048	-	-	-	-	-	\$ -		
2049	-	-	-	-	-	\$ -		
2050	-	-	-	-	-	\$ -		
2051	-	-	-	-	-	\$ -		
2052	-	-	-	-	-	\$ -		
2053	-	-	-	-	-	\$ -		
2054	-	-	-	-	-	\$ -		
2055	-	-	-	-	-	\$ -		
2056	-	-	-	-	-	\$ -		
2057	-	-	-	-	-	\$ -		
2058	-	-	-	-	-	\$ -		
2059	-	-	-	-	-	\$ -		
2060	-	-	-	-	-	\$ -		
2061	-	-	-	-	-	\$ -		
2062	-	-	-	-	-	\$ -		
2063	-	-	-	-	-	\$ -		
2064	-	-	-	-	-	\$ -		
2065	-	-	-	-	-	\$ -		
2066	-	-	-	-	-	\$ -		
2067	-	-	-	-	-	\$ -		
Project Totals	-	-	-	-	-	\$ -		

** 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. TI 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.

In order to calculate the proper monthly RTEP billing amount, PJM requires a 12 month revenue requirement for each RTEP project. As a result, notwithstanding the fact that the project was in service for a partial year, the project revenue requirement in the year that the project goes into service has been annualized (shown at the full-year level) so that PJM will collect the correct monthly billings.

AEP East Companies
 Cost of Service Formula Rate Using 2009 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, ln 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, lns 162 through 164)			
	%	Cost	Weighted cost
Long Term Debt	36.75%	5.25%	1.929%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	63.25%	11.49%	7.268%
			R = 9.197%

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS			
TRUE-UP YEAR	2009	Rev Require	Incentive Amounts
As Projected in Prior Year WS J			\$ -
Actual after True-up	\$ -	\$ -	\$ -
True-up of ARR For 2009	-	-	-

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

Rate Base (True-Up TCOS, ln 78)	10,318,555
R (from A. above)	9.197%
Return (Rate Base x R)	949,003

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

Return (from B. above)	949,003
Effective Tax Rate (True-Up TCOS, ln 126)	53.82%
Income Tax Calculation (Return x CIT)	510,718
ITC Adjustment	-
Income Taxes	510,718

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, ln 1)	2,928,110
T.E.A. & Lease Payments (True-Up TCOS, lns 105 & 106)	-
Return (True-Up TCOS, ln 134)	949,003
Income Taxes (True-Up TCOS, ln 133)	510,718
Annual Revenue Requirement, Less TEA Charges, Return and Taxes	1,468,389

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

Annual Revenue Requirement, Less TEA Charges, Return and Taxes	1,468,389
Return (from I.B. above)	949,003
Income Taxes (from I.C. above)	510,718
Annual Revenue Requirement, with 0 Basis Point ROE increase	2,928,110
Depreciation (True-Up TCOS, ln 111)	752,928
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	2,175,182

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

Net Transmission Plant (True-Up TCOS, ln 48)	10,494,368
Annual Revenue Requirement, with 0 Basis Point ROE increase	2,928,110
FCR with 0 Basis Point increase in ROE	27.90%
Annual Rev. Req. w / 0 Basis Point ROE increase, less Dep.	2,175,182
FCR with 0 Basis Point ROE increase, less Depreciation	20.73%
FCR less Depreciation (True-Up TCOS, ln 9)	20.73%
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, ln 58,(b)):	25,887,202
Transmission Plant @ End of Historic Period (P.207, ln 58,(g)):	29,740,179
Subtotal	55,627,381
Average Transmission Plant Balance for	27,813,691
Annual Depreciation Rate (True-Up TCOS, ln 111)	752,928
Composite Depreciation Rate	2.71%
Depreciable Life for Composite Depreciation Rate	36.94
Round to nearest whole year	37

AEP East Companies
Cost of Service Formula Rate Using 2009 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	Long Term Debt (FF1.p. 256-257.h)				
2	Advances From Associated Co.	25,000,000	5.250%	1,312,500	
3					
4	Installment Purchase Contracts (FF1.p. 256-257.h, a)				
5	N/A for Wheeling Power Company				
6					-
7					-
8					-
9					-
10					-
11					-
12					-
13					-
14					-
15					-
16					-
17					-
18					-
19					-
20					-
21					-
22					-
23					-
24					-
25					-
26					-
27	Issuance Discount, Premium, & Expenses:				
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			-
31	Amort of Debt Premimums (Enter Negative)	FF1.p. 117.65.c			-
32	Reacquired Debt:				
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	25,000,000	5.25%	1,312,500	
36	Preferred Stock (FF1.p. 250-251)				
37	Preferred Shares Outstanding				
38	None	-	0.00%		-
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 2010 (Projected TCOS, Ln 165)				70,654,352
43	Financial Hedge Recovery Limit - Five Basis Points of Total Capital				0.0005
44	Limit of Recoverable Amount				35,327
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 12/31/2008 & 12/31/2009

(A)	(B)	(C)	(D)	(E)
Line		Balances @ 12/31/2009	Balances @ 12/31/2008	Average
Development of Average Balance of Common Equity				
1	Proprietary Capital (112.16.c&d)	43,904,852	37,950,872	40,927,862
2	Less Preferred Stock (Ln 55 Below)	0	-	-
3	Less Account 216.1 (112.12.c&d)	0	0	0
4	Less Account 219.1 (112.15.c&d)	-1,749,500	-2,464,181	-2,106,841
5	Average Balance of Common Equity	45,654,352	40,415,053	43,034,703

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)	25,000,000	25,000,000	25,000,000
9	Senior Unsecured Notes (112.21.c&d)	0	0	0
10	Less: Fair Value Hedges (See Note on Ln 12 below)	0	0	0
11	Total Average Debt	25,000,000	25,000,000	25,000,000

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 2009

14	Interest on Long Term Debt (256-257.33.i)			1,312,500
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)			-
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)			1,312,500

22 Average Cost of Debt for 2009 (Ln 21/Ln 11)

5.25%

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 2009	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 2009 (True-UP TCOS, Ln 165)			68,034,703			
37 Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
38 Limit of Recoverable Amount			34,017			
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 2009 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 use are recorded in accounts 411.6 or 411.7 respectively. Sales will be functionalized 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						- =====		- =====	

AEP East Companies
Cost of Service Formula Rate Using 2009 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 48,100,000

Allocation of PBOP Settlement Amount for 2009

Line#	Company	Total Company Amount						
		Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOP Recovery Allowance	Labor Allocator for 2008	Actual Expense	Allowable Expense	One Year Functional Expense (Over)/Under
		(A) (Line 14)	(B)=(A)/Total (A)	(C)=(B) * 48100000	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
1	APCo	18,441,517	29.26%	14,073,264	7.028%	1,296,063	989,064	306,999
2	CSP	10,281,860	16.31%	7,846,390	4.162%	427,913	326,553	101,360
3	I&M	12,473,804	19.79%	9,519,127	4.127%	514,802	392,861	121,941
4	KPCo	3,529,520	5.60%	2,693,481	8.595%	303,351	231,496	71,855
5	KNGP	544,295	0.86%	415,367	11.148%	60,678	46,305	14,373
6	OPCo	17,102,723	27.13%	13,051,591	7.326%	1,252,955	956,167	296,788
7	WPCo	656,219	1.04%	500,780	4.102%	26,916	20,540	6,376
8	Sum of Lines 1 to 7	63,029,939		48,100,000		3,882,678	2,962,986	919,692

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

	APCo	CSP	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9 Direct Charged PBOP Expense per Actuarial Report	25,117,708	11,854,216	19,543,777	4,099,566	620,366	20,108,946	765,967	82,110,546
10 Additional PBOP Ledger Entries (from Company Records)	(3,087,412)	24,390	(4,186,450)	(1)	-	(210,679)	-	
11 Medicare Subsidy	(5,206,873)	(2,393,921)	(4,008,620)	(867,380)	(123,297)	(4,175,705)	(152,317)	(16,928,113)
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	16,823,423	9,484,685	11,348,707	3,232,185	497,069	15,722,562	613,650	57,722,281
13 PBOP Expenses From AEP Service Corporation (from Company Records)	1,618,094	797,175	1,125,097	297,335	47,226	1,380,161	42,569	5,307,658
14 Company PBOP Expense (Ln 12 + Ln 13)	18,441,517	10,281,860	12,473,804	3,529,520	544,295	17,102,723	656,219	63,029,939

AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 1/1/2009
FOR SINGLE JURISDICTION COMPANIES
WHEELING POWER COMPANY

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	2.70%
Station Equipment	353.0	2.70%
Towers & Fixtures	354.0	2.70%
Poles & Fixtures	355.0	2.70%
Overhead Conductors	356.0	2.70%
Underground Conduit	357.0	2.70%
Underground Conductors	358.0	2.70%
Trails & Roads	359.0	2.70%

Note 1: Rates Approved in WV Public Service Commission Case No. PSC 90-243-E-42T.

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.