

AEP EAST Companies Transmission Formula Rate Revenue Requirement
Utilizing FERC Form 1 Data
For rates effective March 1, 2009

AEP Zone Transmission Service Revenue Requirement

Line No.			AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	CSP Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
A. Network Service										
1	REVENUE REQUIREMENT (w/o incentives)	(TCOS Ln 1)	606,660,130	\$169,811,081	\$132,533,491	\$87,006,625	\$51,721,957	\$2,729,719	\$159,991,331	\$2,865,926
2	LESS: REVENUE CREDITS	(TCOS Ln 2)	19,671,742	\$7,095,333	\$2,841,003	\$3,292,841	\$1,026,254	\$58,297	\$4,190,517	\$1,167,497
3	CURRENT YEAR ZONE 1 AEP NETWORK SERVICE REVENUE REQUIREMENT	(TCOS Ln 3)	\$586,988,388	\$162,715,748	\$129,692,488	\$83,713,784	\$50,695,703	\$2,671,422	\$155,800,814	\$1,698,429
4	LESS: REVENUE REQUIREMENTS INCLUDED IN LINE 1 FOR:									
5	RTEP UPGRADES (W/O INCENTIVES)	(TCOS Ln)	\$223,864	-	-	-	-	-	223,864	-
6	OTHER ZONAL UPGRADES (W/O INCENTIVES)	(Worksheet J)	\$0	-	-	-	-	-	-	-
7	SUBTOTAL		223,864	-	-	-	-	-	223,864	-
8	EXISTING ZONAL ATRR (W/O INCENTIVES)	(Ln 3- Ln 7)	\$586,764,524	162,715,748	129,692,488	83,713,784	50,695,703	2,671,422	155,576,950	1,698,429
9	INCENTIVE REVENUE REQUIREMENT FOR ZONAL PROJECTS	(Worksheet J)	-	-	-	-	-	-	-	-
10	EXISTING ZONAL ATRR (W/ INCENTIVES)	(Ln 8 + Ln 9)	586,764,524	162,715,748	129,692,488	83,713,784	50,695,703	2,671,422	155,576,950	1,698,429
11	BILLED HISTORICAL YEAR (2008) ACTUAL ATRR	Input from 2008 True-up	-	-	-	-	-	-	-	-
12	BILLED PROJECTED (2008) ATRR FROM PRIOR YEAR	Input from Prior Year	-	-	-	-	-	-	-	-
13	PRIOR YEAR TRUE-UP	(Ln 11 - Ln 12)	-	-	-	-	-	-	-	-
14	INTEREST ON PRIOR YEAR TRUE UP		-	-	-	-	-	-	-	-
15	EXISTING ZONAL ATRR FOR PJM OATT	(Ln 10 + Ln 13 + Ln 14)	\$586,764,524	\$162,715,748	\$129,692,488	\$83,713,784	\$50,695,703	\$2,671,422	\$155,576,950	\$1,698,429
B. Point-to-Point Service										
16	2008 AEP East Zone Network Service Peak Load			24,206.9	MW					
17	Annual Point-to-Point Rate in \$/kW - Year	(Ln 15 / Ln 16)	\$24,239.56							
18	Monthly Point-to-Point Rate in \$/kW - Month	(Ln 17 / 12)	\$2,019.96							
19	Weekly Point-to-Point Rate in \$/kW - Weekly	(Ln 18 / 52)	\$466.15							
20	Daily On-Peak Point-to-Point Rate in \$/kW - Day	(Ln 19 / 260)	\$93.23							
21	Daily Off-Peak Point-to-Point Rate in \$/kW - Day	(Ln 20 / 365)	\$66.41							
22	Hourly On-Peak Point-to-Point Rate in \$/kW - Hour	(Ln 21 / 4160)	\$5.83							
23	Hourly Off-Peak Point-to-Point Rate in \$/kW - Hour	(Ln 22 / 8760)	\$2.77							
C. PJM Regional Service										
24	RTEP UPGRADE ATRR W/O INCENTIVES	(Ln 7)	223,864	-	-	-	-	-	223,864	-
25	ADDITIONAL ATRR FOR FERC-APPROVED INCENTIVES ON RTEP	(Worksheet J)	-	-	-	-	-	-	-	-
26	RTEP ATRR FOR PJM COLLECTION UNDER SCHEDULE 12		\$ 223,864	-	-	-	-	-	223,864	-

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AEP Transmission Schedule 1A Revenue Requirements

Line No.		AEP Annual Revenue Requirement	APCo Annual Revenue Requirement	CSP Annual Revenue Requirement	I&M Annual Revenue Requirement	KPCo Annual Revenue Requirement	KNG Annual Revenue Requirement	OPCo Annual Revenue Requirement	WPCo Annual Revenue Requirement
A. Schedule 1A ARR									
1	Total Load Dispatch & Scheduling (Account 561) (TCOS Line)	\$37,647,245	\$12,931,633	\$6,243,530	\$5,867,560	\$2,778,561	\$42,164	\$9,740,814	\$42,983
2	Less: Load Disptach - Scheduling, System Control and Dispatch Services (321.88.b)	\$24,467,080	\$8,285,554	\$4,739,664	\$4,075,623	\$1,772,573	\$0	\$5,593,666	\$0
3	Less: Load Disptach - Reliability, Planning & Standards Development Services (321.92.6)	<u>\$3,332,619</u>	<u>\$1,128,482</u>	<u>\$644,039</u>	<u>\$556,831</u>	<u>\$242,204</u>	<u>\$0</u>	<u>\$761,063</u>	<u>\$0</u>
4	Total 561 Internally Developed Costs (Ln 1 - Ln 2 - Ln 3)	\$9,847,546	\$3,517,597	\$859,827	\$1,235,106	\$763,784	\$42,164	\$3,386,085	\$42,983
5	Less: PTP Service Credit	\$1,905,000	629,437	357,091	363,269	133,533		421,669	
6	EXISTING ZONAL ARR (Ln 4 - Ln 5)	\$7,942,546	2,888,160	502,736	871,837	630,251	42,164	2,964,416	42,983
7	BILLED HISTORICAL YEAR (2007) ACTUAL ARR	\$0							
8	BILLED PROJECTED (2007) ARR FROM PRIOR YEAR	\$0							
9	PRIOR YEAR TRUE-UP (Ln 7 - Ln 8)	\$0	-	-	-	-	-	-	-
10	INTEREST ON PRIOR YEAR TRUE UP	\$0	-	-	-	-	-	-	-
11	Net Schedule 1A Revenue Requirement for Zone	\$7,942,546	\$2,888,160	\$502,736	\$871,837	\$630,251	\$42,164	\$2,964,416	\$42,983
B. Schedule 1A Rate Calculations									
12	2007 AEP East Zone Annual MWh		144,517,170 MWh						
13	AEP Zone Rate for Schedule 1A Service. (Line 11 / Line 12)		\$0.0550						