

Twelve Months Ended 2021

AEP East Companies
Transmission Cost of Service Formula Rate
Utilizing Actual/Projected FERC Form 1 Data

Indiana Michigan Power Company

Line No.			Total	Allocator	Transmission Amount
1	REVENUE REQUIREMENT (w/o incentives)	(In 130)			\$181,497,927
2	REVENUE CREDITS	(Worksheet E Ln 8) (Note A)	5,845,909	DA 1.00000	\$ 5,845,909
3	Facility Credits under PJM OATT Section 30.9	(Worksheet E Ln 9) (Note X)			\$ 286,736
4	REVENUE REQUIREMENT For All Company Facilities	(In 1 less In 2 plus In 3)			\$ 175,938,753

MEMO: The Carrying Charge Calculations on lines 7 to 12 below are used in calculating project revenue requirements billed through PJM Schedule 12, Transmission Enhancement Charges. The total non-incentive revenue requirements for these projects shown on line 5 is included in the total on line 4.

5	Revenue Requirement for PJM Schedule 12 Facilities (w/o incentives) (Worksheet J/K)		6,034,830	DA 1.00000	\$ 6,034,830
6	NET PLANT CARRYING CHARGE w/o intra-AEP charges or credits or ROE incentives (Note B)				
7	Annual Rate	((In 1 - In 95)/((In 42) x 100))			14.94%
8	Monthly Rate	(In 7 / 12)			1.25%
9	NET PLANT CARRYING CHARGE ON LINE 7 , w/o depreciation or ROE incentives (Note B)				
10	Annual Rate	((In 1 - In 95 - In 100) /((In 42) x 100))			11.57%
11	NET PLANT CARRYING CHARGE ON LINE 10, w/o Return, income taxes or ROE incentives (Note B)				
12	Annual Rate	((In 1 - In 95 - In 100 - In 125 - In 126) /((In 42) x 100))			4.29%
13	ADDITIONAL REVENUE REQUIREMENT for projects w/ incentive ROE's (Note B) (Worksheet J/K)				-
14	REVENUE REQUIREMENT FOR SCHEDULE 1A CHARGES				
15	Total Load Dispatch & Scheduling (Account 561)	Line 75 Below			6,181,085
16	Less: Load Dispatch - Scheduling, System Control and Dispatch Services (321.88.b)				4,380,265
17	Less: Load Dispatch - Reliability, Planning & Standards Development Services (321.92.b)				1,275,988
18	Total 561 Internally Developed Costs	(Line 15 - Line 16 - Line 17)			524,832

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(1)	(2)	(3)	(4)	(5)
	Data Sources (See "General Notes")	TO Total NOTE C	Allocator	Total Transmission
RATE BASE CALCULATION				
Line No.				
	GROSS PLANT IN SERVICE			
19	Production (Worksheet A In 14.(b))	5,285,420,632	NA	-
20	Less: Production ARO (Enter Negative) (Worksheet A In 14.(c))	(453,938,509)	NA	-
21	Transmission (Worksheet A In 14.(d) & TCOS Ln 134)	1,726,659,348	DA	1,667,962,012
22	Less: Transmission ARO (Enter Negative) (Worksheet A In 14.(e))	-	TP	0.96601
23	Distribution (Worksheet A In 14.(f))	2,686,225,039	NA	-
24	Less: Distribution ARO (Enter Negative) (Worksheet A In 14.(g))	-	NA	-
25	General Plant (Worksheet A In 14.(h))	182,152,014	W/S	0.04922
26	Less: General Plant ARO (Enter Negative) (Worksheet A In 14.(i))	(901,072)	W/S	0.04922
27	Intangible Plant (Worksheet A In 14.(j))	278,050,720	W/S	0.04922
28	TOTAL GROSS PLANT (sum Ins 19 to 27)	9,703,668,172	GP	0.174220
			GTD=	0.37798
29	ACCUMULATED DEPRECIATION AND AMORTIZATION			
30	Production (Worksheet A In 28.(b))	2,212,831,620	NA	-
31	Less: Production ARO (Enter Negative) (Worksheet A In 28.(c))	(162,996,797)	NA	-
32	Transmission (Worksheet A In 28.(d) & In 43.(c))	465,093,190	TP1=	0.97470
33	Less: Transmission ARO (Enter Negative) (Worksheet A In 28.(e))	-	TP1=	0.97470
34	Distribution (Worksheet A In 28.(f))	738,674,240	NA	-
35	Less: Distribution ARO (Enter Negative) (Worksheet A In 28.(g))	-	NA	-
36	General Plant (Worksheet A In 28.(h))	35,437,567	W/S	0.04922
37	Less: General Plant ARO (Enter Negative) (Worksheet A In 28.(i))	(196,391)	W/S	0.04922
38	Intangible Plant (Worksheet A In 28.(j))	200,388,473	W/S	0.04922
39	TOTAL ACCUMULATED DEPRECIATION (sum Ins 30 to 38)	3,489,231,903		464,926,664
40	NET PLANT IN SERVICE			
41	Production (In 19 + In 20 - In 30 - In 31)	2,781,647,300		-
42	Transmission (In 21 + In 22 - In 32 - In 33)	1,261,566,157		1,214,633,608
43	Distribution (In 23 + In 24 - In 34 - In 35)	1,947,550,800		-
44	General Plant (In 25 + In 26 - In 36 - In 37)	146,009,765		7,186,953
45	Intangible Plant (In 27 - In 38)	77,662,246		3,822,723
46	TOTAL NET PLANT IN SERVICE (sum Ins 41 to 45)	6,214,436,269	NP	0.197225
47	DEFERRED TAX ADJUSTMENTS TO RATE BASE (Note D)			
48	Account No. 281.1 (enter negative) (Worksheet B, In 2 & In 5.E)	(27,296,703)	NA	-
49	Account No. 282.1 (enter negative) (Worksheet B, In 7 & In 10.E)	(1,439,513,794)	DA	(244,348,876)
50	Account No. 283.1 (enter negative) (Worksheet B, In 12 & In 15.E)	(664,255,436)	DA	8,849,973
51	Account No. 190.1 (Worksheet B, In 17 & In 20.E)	827,745,255	DA	30,613,262
52	Account No. 255 (enter negative) (Worksheet B, In 24 & In 25.E)	(5,024,922)	DA	(2,117,793)
53	TOTAL ADJUSTMENTS (sum Ins 48 to 52)	(1,308,345,600)		(207,003,434)
54	PLANT HELD FOR FUTURE USE (Worksheet A In 44.(e) & In 45.(e))	1,444,928	DA	208,360
55	REGULATORY ASSETS (Worksheet A In 51.(e))	-	DA	-
56	UNFUNDED RESERVES (ENTER NEGATIVE) (NOTE Y) (Worksheet A In 54.(e))	(516,248)	W/S	0.04922
57	WORKING CAPITAL (Note E)			
58	Cash Working Capital (1/8 * In 78)	3,998,731		3,862,796
59	Transmission Materials & Supplies (Worksheet C, In 2.(F))	796,836	TP	0.96601
60	A&G Materials & Supplies (Worksheet C, In 3.(F))	544,055	W/S	0.04922
61	Stores Expense (Worksheet C, In 4.(F))	-	GP	0.17422
62	Prepayments (Account 165) - Labor Allocated (Worksheet C, In 8.G)	166,015,168	W/S	0.04922
63	Prepayments (Account 165) - Gross Plant (Worksheet C, In 8.F)	4,966,414	GP	0.17422
64	Prepayments (Account 165) - Transmission Only (Worksheet C, In 8.E)	-	DA	1.00000
65	Prepayments (Account 165) - Unallocable (Worksheet C, In 8.D)	(161,105,809)	NA	0.00000
66	TOTAL WORKING CAPITAL (sum Ins 58 to 65)	15,215,394		13,696,237
67	IPP CONTRIBUTIONS FOR CONSTRUCTION (Note F) (Worksheet D, In 8.B)	(3,892,602)	DA	1.00000
68	RATE BASE (sum Ins 46, 53, 54, 55, 56, 66, 67)	4,918,342,141		1,028,626,434

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	(1)	(2)	(3)	(4)	(5)
	EXPENSE, TAXES, RETURN & REVENUE REQUIREMENTS CALCULATION	Data Sources (See "General Notes")	TO Total	Allocator	Total Transmission
Line No.	OPERATION & MAINTENANCE EXPENSE				
69	Production	321.80.b	940,933,175		
70	Distribution	322.156.b	76,665,236		
71	Customer Related Expense	322 & 323.164,171,178.b	24,066,578		
72	Regional Marketing Expenses	322.131.b	4,830,186		
73	Transmission	321.112.b	232,980,186		
74	TOTAL O&M EXPENSES	(sum Ins 69 to 73)	1,279,475,361		
75	Less: Total Account 561	(Note G) (Worksheet F, In 14.C)	6,181,085		
76	Less: Account 565	(Note H) 321.96.b	194,809,250		
77	Less: Regulatory Deferrals & Amortizations	(Note I) (Worksheet F, In 4.C)	-		
78	Total O&M Allocable to Transmission	(Ins 73 - 75 - 76 - 77)	31,989,851	TP	0.96601
79	Administrative and General	323.197.b (Notes J and M)	112,140,182		
80	Less: Acct. 924, Property Insurance	323.185.b	(6,038,182)		
81	Acct. 9260039 PBOP Expense	PBOP Worksheet O Line 9 & 10, (Note K)	(13,913,511)		
82	Acct. 9260057 PBOP Medicare Subsidy	PBOP Worksheet O Line 11, (Note K)	-		
83	PBOP Expense Billed From AEPSC	PBOP Worksheet O Line 13, (Note K)	(3,793,014)		
84	Acct. 928, Reg. Com. Exp.	323.189.b	20,994,470		
85	Acct. 930.1, Gen. Advert. Exp.	323.191.b	230,754		
86	Acct. 930.2, Misc. Gen. Exp.	323.192.b	5,443,944		
87	Balance of A & G	(In 79 - sum In 80 to In 86)	109,215,721	W/S	0.04922
88	Plus: Acct. 924, Property Insurance	(In 80)	(6,038,182)	GP	0.17422
89	Acct. 928 - Transmission Specific	Worksheet F In 20.(E) (Note L)	501,346	TP	0.96601
90	Acct. 930.1 - Only safety related ads -Direct	Worksheet F In 37.(E) (Note L)	-	TP	0.96601
91	Acct. 930.2 - Misc. Gen. Exp. - Trans	Worksheet F In 45.(E) (Note L)	232,611	DA	1.00000
92	Settlement Approved PBOP Recovery	PBOP Worksheet O, Col. C (Note M)	14,094,387	W/S	0.04922
93	A & G Subtotal	(sum Ins 87 to 92)	118,005,882		
94	O & M EXPENSE SUBTOTAL	(In 78 + In 93)	149,995,733		
95	Plus: Transmission Lease Payments To Affiliates in Acct. 565 (Company Records) (Note H)		-	DA	1.00000
96	TOTAL O & M EXPENSE	(In 94 + In 95)	149,995,733		
97	DEPRECIATION AND AMORTIZATION EXPENSE				
98	Production	336.2-6.f	253,816,553	NA	0.00000
99	Distribution	336.8.f	94,767,352	NA	0.00000
100	Transmission	336.7.f	42,023,720	TP1	0.97470
101	General	336.10.f	6,858,921	W/S	0.04922
102	Intangible	336.1.f	42,310,364	W/S	0.04922
103	TOTAL DEPRECIATION AND AMORTIZATION	(Ln 98+99+100+101+102)	439,776,910		
104	TAXES OTHER THAN INCOME	(Note N)			
105	Labor Related				
106	Payroll	Worksheet H In 23.(D)	12,249,914	W/S	0.04922
107	Plant Related				
108	Property	Worksheet H In 23.(C)	71,701,025	DA	
109	Gross Receipts/Sales & Use	Worksheet H In 23.(F)	21,633,729	NA	0.00000
110	Other	Worksheet H In 23.(E)	(3,683)	GP	0.17422
111	TOTAL OTHER TAXES	(sum Ins 106 to 110)	105,580,985		
112	INCOME TAXES	(Note O)			
113	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$		25.13%		
114	$EIT=(T/(1-T)) * (1-(WCLTD/WACC)) =$		23.93%		
115	where WCLTD=(In 154) and WACC = (In 157)				
116	and FIT, SIT & p are as given in Note O.				
117	$GRCF=1 / (1 - T) =$ (from In 113)		1.3357		
118	Amortized Investment Tax Credit (enter negative)	(FF1 p.114, In 19.c)	(1,123,636)		
119	Excess Deferred Income Tax	(Note U)	(42,001,476)	DA	
120	Tax Effect of Permanent and Flow-Through Differences	(Note U)	3,475,806	DA	
121	Income Tax Calculation	(In 114 * In 126)	85,561,658		
122	ITC adjustment	(In 117 * In 118)	(1,500,817)	GP	0.17422
123	Excess Deferred Income Tax	(In 117 * In 119)	(56,100,481)		
124	Tax Effect of Permanent and Flow-Through Differences	(In 117 * In 120)	4,642,560		
125	TOTAL INCOME TAXES	(sum Ins 121 to 124)	32,602,921		
126	RETURN ON RATE BASE (Rate Base*WACC)	(In 68 * In 157)	357,497,466		
127	INTEREST ON IPP CONTRIBUTION FOR CONST. (Note F) (Worksheet D, In 2.(B))		125,987	DA	1.00000
128	(Gains) / Losses on Sales of Plant Held for Future Use (Worksheet N, In 4, Cols. (F) & (H))		-		
129	Tax Impact on Net Loss / (Gain) on Sales of Plant Held for Future Use (In 128 * In 114)		-		
130	TOTAL REVENUE REQUIREMENT		1,085,580,002		181,497,927
	(sum Ins 96, 103, 111, 125, 126, 127, 128, 129)				

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SUPPORTING CALCULATIONS

In No.	TRANSMISSION PLANT INCLUDED IN PJM TARIFF								
131	Total transmission plant	(In 21)						1,726,659,348	
132	Less transmission plant excluded from PJM Tariff (Worksheet A, In 42, Col. (d)) (Note P)							190	
133	Less transmission plant included in OATT Ancillary Services (Worksheet A, In 42, Col. (b)) (Note Q)							58,697,146	
134	Transmission plant included in PJM Tariff	(In 131 - In 132 - In 133)						1,667,962,012	
135	Percent of transmission plant in PJM Tariff	(In 134 / In 131)						TP=	0.96601
136	WAGES & SALARY ALLOCATOR (W/S)	(Note R)							
137	Production	354.20.b	132,414,226	9,711,234	142,125,460	NA	0.00000	-	
138	Transmission	354.21.b	4,457,283	4,870,970	9,328,253	TP	0.96601	9,011,141	
139	Regional Market Expenses	354.22.b	0	0	-	NA	0.00000	-	
140	Distribution	354.23.b	17,702,324	1,894,127	19,596,451	NA	0.00000	-	
141	Other (Excludes A&G)	354.24,25,26.b	6,761,593	5,258,135	12,019,728	NA	0.00000	-	
142	Total	(sum Ins 137 to 141)	161,335,426	21,734,466	183,069,892			9,011,141	
143	Transmission related amount							W/S=	0.04922
144	WEIGHTED AVERAGE COST OF CAPITAL (WACC)							\$	
145	Long Term Interest	(Worksheet M, In. 37, col. (d))						116,467,227	
146	Preferred Dividends	(Worksheet M, In. 71)						-	
147	Development of Common Stock:								
148	Proprietary Capital	(Worksheet M, In. 14, col. (b))						2,784,478,964	
149	Less: Preferred Stock	(Worksheet M, In. 14, col. (c))						-	
150	Less: Account 216.1	(Worksheet M, In. 14, col. (d))						(5,065,488)	
151	Less: Account 219	(Worksheet M, In. 14, col. (e))						(5,868,246)	
152	Common Stock	(In 148 - In 149 - In 150 - In 151)						2,795,412,698	
153									
154	Long Term Debt (Note T) Worksheet M, In 28, col. (g), In 38, col. (d))		2,787,357,121	49.93%	49.93%	4.18%		0.0209	
155	Preferred Stock (In 149)		-	0.00%	0.00%	-		0.0000	
156	Common Stock (In 152)		2,795,412,698	50.07%	50.07%	10.35%		0.0518	
157	Total (Sum Ins 154 to 156)		5,582,769,819					WACC=	0.0727
158	Capital Structure Equity Limit (Note Z)	55%							

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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.
7) If AEP East companies have any directly assigned transmission facilities, the revenue credits in the AEP East formula rate shall include all revenues associated with those directly assigned transmission facilities, irrespective of whether the loads of the customer are included in the formula rate divisor; provided however, such addition to revenue credits shall not be reflected if the costs of such directly assigned transmission facilities are not included in the transmission plant balances on which the formula rate ATRR is based.
See Worksheet E for details.
- B** The annual and monthly net plant carrying charges on page 1 are used to compute the revenue requirement for RTEP sponsored upgrades or those projects receiving approved incentive-ROE's. Interest will be calculated based on Worksheet Q and any over under recovery will be filed and posted as part of the informational filing.
- C** Transmission Plant Balances in this study are projected or actual average of 13-month balances.
- D** The total-company balances shown for Accounts 281, 282, 283, 190 only reflect ADIT that relates to utility operations. The balance of Account 255 is reduced by prior flowthrough 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 the calculation of ADIT in the annual projection will be performed in accordance with IRS regulation Section 1.167(l)-(h)(6)(ii). 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. Detailed balances for the projected or actual period, distinguished between utility and non-utility balances, will be filed and posted as part of the information filing.
- E** Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission, as shown on line 78. It includes:
1) Load Scheduling & Dispatch Charges in account 561 that are collected in the OATT Ancillary Services Revenue, as shown on line 75.
2) Costs of Transmission of Electricity by Others, as described in Note H.
3) The impact of state regulatory deferrals and amortizations, as shown on line 77
4) All A&G Expenses, as shown on line 93.
- F** Consistent with Paragraph 657 of Order 2003-A, the amount on line 67 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 127.
- G** Removes from the cost of service the Load Scheduling and Dispatch expenses booked to accounts 561.1 through 561.8. Expenses recorded in these accounts, with the exception of 561.4 & 561.8 (lines 16 & 17 above) are recovered in Schedule 1A, OATT ancillary services rates. See Worksheet F, lines 5 through 14, for descriptions and the Form 1 Source of these accounts' balances.
- H** Removes cost of transmission service provided by others to determine the basis of cash working capital on line 78. To the extent such service is incurred to provide the PJM service at issue, e.g. lease payments to affiliates, such cost is added back on line 95 to determine the total O&M collected in the formula. The amounts on line 95 is also excluded in the calculation of the FCR percentage calculated on lines 6 through 12. The addbacks on line 95 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 line 95 is the Indiana Michigan Power Company general ledger.
- I** Removes the impact of state regulatory deferrals or their amortization from Transmission O&M expense.
- J** General Plant and Administrative & General expenses, other than in accounts 924, 928, and 930, will be functionalized based on the Wages & Salaries "W/S" allocator. The allocation basis for accounts 924, 928 and 930 are separately presented in the formula. A change in the allocation method for an account must be approved via a 205 filing with the FERC.
- K** These deductions on lines 81 through 83 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 recorded in FERC Accounts 928 (Regulatory Commission Expense), 930.1 (Safety Related Advertising) and 930.2 (Miscellaneous General Expenses) that are not directly related to or properly allocable to transmission service will be removed from the TCOS. If AEP includes any expenses booked to these accounts in future ATRR updates, AEP must provide supporting information demonstrating that the underlying activities are directly related to providing transmission service. Account 930.2 includes the expenses incurred by the transmission function for Associated Business Development revenues given as a credit to the TCOS on Worksheet E.
- M** See note K above. Per the settlement in Docket ER08-1329, recoverable PBOP expense is based on an annual total for the operating companies that is ratioed to them based on the total of actual annual PBOP costs, including charges from the AEP Service Corporation. The calculation of the recoverable amount for each company is shown on Worksheet O.
- 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 118) multiplied by (1/1-T). If the applicable tax rates are zero enter 0.
Inputs Required:
FIT = 21.00%
SIT = 5.23% (State Income Tax Rate or Composite SIT, Worksheet G)
p = 0.00% (percent of federal income tax deductible for state purposes)
- The formula rate shall reflect the applicable state and federal statutory tax rates in effect during the period the calculated estimated unit charges are applicable. If the statutory tax rates change during such period, the effective tax rates used in the formula shall be weighted by the number of days the pre-change rate and post-change rate each is in effect.
- P** Removes plant excluded from the OATT because it does not meet the PJM's definition of Transmission Facilities or is otherwise ineligible to be recovered under the OATT.
- Q** Removes transmission plant (e.g. step-up transformers) included in the development of OATT ancillary service rates and not already removed for reasons indicated in Note P.
- R** Includes functional wages & salaries billed by AEP Service Corporation for support of the operating company.
- S** Long Term Debt cost rate = long-term interest (In 145) /average long term debt (In 154). Preferred Stock cost rate = preferred dividends (In 146) /preferred outstanding (In 155). Common Stock cost rate (ROE) = 10.35%, per the settlement in FERC Docket No. EL17-13. It includes an additional 50 basis points for PJM RTO membership. The amount of eligible hedging gains or losses included in total interest expense is limited to five basis points of the capital structure. Details and calculations of the weighted average cost of capital are shown on Worksheet M. Eligible Hedging Gains and Losses are computed on Worksheet M. The unamortized balance of eligible hedge gains/losses and related ADIT amounts shall not flow through the formula rate.
- T** The Long Term Debt balance for I&M includes the accumulated balance of principle and related interest for Spent Nuclear Fuel Disposal Costs collected prior to April 7, 1983. This total balance of \$265,249,280 at 12/31/12 is not included in the balance in line 154 above. The cost rates for long-term debt shall include interest expense and related periodic expenses (such as remarketing and letter of credit fees) as recorded in FERC Account 427 or 430, amortization of issuance costs (including insurance) and discounts as recorded in FERC Account 428, issuance premiums as recorded in FERC Account 429 and losses or gains on reacquired debt as recorded in FERC Accounts 428.1 or 429.1, respectively. The cost rates for preferred stock (if applicable) shall include the dividends.
- U** Excess / (Deficit) Deferred Income Taxes will be amortized over the average remaining life of the assets to which it relates, unless the Commission requires a different amortization period. The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State tax calculations that are not the result of a timing difference, including but not limited to depreciation related to capitalized AFUDC equity and meals and entertainment deductions. The Tax Effect of Flow-Through differences captures current tax expense related to timing differences on items for which tax deductions were used to reduce customer rates through the use of flow-through accounting in a prior period. Transmission balances for the projected or actual period, will be filed and posted as part of the informational filing.
- V** Cash investment in prepaid pension and benefits recorded in FERC Account 165 is permitted to be included in the formula. A labor expense allocation factor will be used to allocate total company costs. All other prepayments recorded in FERC Account 165 are directly assigned to the transmission function, allocated or excludable balances detailed on Worksheet C.
- W** The formula rate shall allocate property tax expense based on the as filed net plant cost allocation method detailed on Worksheet H.
- X** Under Section 30.9 of the PJM OATT, a network customer that owns existing transmission facilities that are integrated with the Transmission Provider's Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. Calculation of any credit under this subsection, pursuant to approval by FERC for inclusion in this formula rate for collection on behalf of the network customer, shall be addressed in either the Network Customer's Service Agreement or any other agreement between the parties.
- Y** The cost of service will make a rate base adjustment to remove unfunded reserves associated with contingent liabilities recorded to Accounts 228.1-228.4 from rate base.
- Z** Per the settlement in EL17-13, equity is limited to 55% in of the Company's capital structure. If the percentage of actual equity exceeds the cap, the excess is included as long term debt in the capital structure.

AEP East Companies
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet A Rate Base
 Indiana Michigan Power Company

		Gross Plant In Service								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
		Acct. 359.1		Acct. 359.1						
		FF1, page 205 Col.(g) & pg. 204 Col. (b), In 46	FF1, page 205&204, Col.(g)&(b), Ins 15,24,34,44	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 58	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 57	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 75	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 74	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 99	FF1, page 207 Col.(g) & pg. 206 Col. (b), In 98	FF1, page 205 Col.(g) & pg. 204 Col. (b), In 5
	(Note A)									
1	December Prior to Rate Year	5,234,805,677	449,002,824	1,696,204,441	-	2,594,373,287	-	176,884,444	742,981	254,928,204
2	January	5,236,562,230	449,002,824	1,694,930,242	-	2,609,452,318	-	178,450,314	742,981	263,024,918
3	February	5,238,504,578	449,002,824	1,696,405,258	-	2,622,852,500	-	178,423,695	742,981	265,106,654
4	March	5,272,222,131	449,002,824	1,696,659,923	-	2,634,142,902	-	178,778,421	742,981	265,341,929
5	April	5,273,405,040	449,002,824	1,703,636,799	-	2,649,009,041	-	178,927,199	742,981	267,348,283
6	May	5,276,894,632	449,002,824	1,713,288,552	-	2,663,508,644	-	180,825,849	742,981	272,664,263
7	June	5,295,770,802	449,002,824	1,726,896,114	-	2,680,573,526	-	181,728,547	1,044,036	271,222,363
8	July	5,298,270,938	449,002,824	1,732,486,086	-	2,692,376,892	-	182,086,182	1,044,036	276,226,905
9	August	5,299,237,928	449,002,824	1,739,133,938	-	2,717,295,125	-	181,994,128	1,033,595	278,754,299
10	September	5,301,801,170	450,597,600	1,749,169,051	-	2,734,414,369	-	182,437,668	1,033,595	276,831,333
11	October	5,303,228,739	450,597,600	1,755,609,493	-	2,752,270,528	-	187,429,897	1,033,595	278,795,055
12	November	5,304,080,081	450,597,600	1,759,213,242	-	2,770,749,475	-	188,508,339	1,033,595	281,221,532
13	December of Rate Year	5,375,684,267	508,382,403	1,782,938,381	-	2,799,907,103	-	191,501,494	1,033,595	363,193,678
14	Average of the 13 Monthly Balances	5,285,420,632	453,938,509	1,726,659,348	-	2,686,225,039	-	182,152,014	901,072	278,050,720

		Accumulated Depreciation								
Line No	Month (a)	Production (b)	Production ARO (c)	Transmission (d)	Transmission ARO (e)	Distribution (f)	Distribution ARO (g)	General (h)	General ARO (i)	Intangible (j)
		Company Records		Company Records		Company Records		Company Records		
		FF1, page 219, Ins 20-24, Col. (b)	(Included in total in Column (b))	FF1, page 219, In 25, Col. (b)	(Included in total in Column (d))	FF1, page 219, In 26, Col. (b)	(Included in total in Column (f))	FF1, page 219, In 28, Col. (b)	(Included in total in Column (h))	FF1, page 200, In 21, Col. (b)
15	December Prior to Rate Year	2,081,850,918	152,779,172	463,720,218	-	714,188,513	-	32,363,323	185,815	180,746,445
16	January	2,104,226,201	154,480,754	464,264,977	-	720,123,288	-	32,849,835	187,906	184,412,341
17	February	2,126,620,915	156,182,336	466,406,867	-	724,820,190	-	33,329,809	189,997	188,163,459
18	March	2,148,335,138	157,883,917	467,565,822	-	729,314,371	-	33,829,760	192,088	190,443,510
19	April	2,170,909,600	159,585,500	461,532,198	-	730,385,347	-	34,335,451	194,180	194,800,891
20	May	2,193,001,570	161,287,081	469,210,836	-	734,956,050	-	34,652,407	196,271	199,091,466
21	June	2,213,266,034	162,988,664	464,939,598	-	738,315,125	-	35,161,272	198,362	200,643,009
22	July	2,233,027,692	164,690,246	466,075,292	-	742,920,949	-	35,661,069	201,450	205,022,716
23	August	2,254,565,951	166,391,827	464,118,308	-	744,137,455	-	35,709,033	198,277	209,468,518
24	September	2,278,451,333	168,093,410	465,252,079	-	748,283,184	-	36,210,742	198,339	209,838,048
25	October	2,300,004,017	169,812,614	464,902,618	-	754,065,924	-	36,960,897	201,402	213,003,794
26	November	2,321,669,647	171,531,818	465,873,940	-	758,311,635	-	39,568,117	204,465	215,466,884
27	December of Rate Year	2,340,882,040	173,251,021	462,348,721	-	762,943,085	-	40,056,658	207,528	213,949,072
28	Average of the 13 Monthly Balances	2,212,831,620	162,996,797	465,093,190	-	738,674,240	-	35,437,567	196,391	200,388,473

Line No	Month (a)	OATT Ancillary Services (GSU) Plant In Service (b)	OATT Ancillary Services (GSU) Accumulated Depreciation (c)	Excluded Plant - Plant In Service (d)	Excluded Plant - Accumulated Depreciation (e)
		Company Records (included in total in column (d) of gross plant above)	Company Records (included in total in column (b) of accumulated depreciation above)	Company Records	Company Records
29	December Prior to Rate Year	58,679,268	11,062,137	-	-
30	January	58,679,268	11,180,109	-	-
31	February	58,679,268	11,298,081	-	-
32	March	58,679,268	11,416,053	-	-
33	April	58,679,268	11,534,024	-	-
34	May	58,688,038	11,651,996	-	-
35	June	58,688,597	11,757,152	-	-
36	July	58,688,597	11,875,125	-	-
37	August	58,720,265	11,993,098	-	-
38	September	58,720,265	12,111,072	-	-
39	October	58,720,265	12,236,483	-	-
40	November	58,720,265	12,354,456	-	-
41	December of Rate Year	58,720,265	12,472,430	2,467	-
42	Average of the 13 Monthly Balances	58,697,146	11,764,786	190	-

43 Transmission Accum Depreciation net of GSU 453,328,405

Plant Held For Future Use

	Source of Data (b)	Balance @ December 31, 2021 (c)	Balance @ December 31, 2020 (d)	Average Balance for 2021 (e)
44	Plant Held For Future Use (a)	FF1, page 214, ln 47, Col. (d) 1,444,928	1,444,928	1,444,928
45	Transmission Plant Held For Future Use (Included in total on line 44)	Company Records - Note 1 208,360	208,360	208,360

Regulatory Assets and Liabilities Approved for Recovery in Ratebase

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

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

Unfunded Reserves Summary (Company Records)

	Description	Account			
52					
53a	Accum Prv I/D Worker's Com	2282003	59,360	21,427	40,394
53b	Accm Prv I/D - Asbestos - Curr	2282011	72,761	28,259	50,510
53c	Accm Prv I/D - Asbestos	2282012	573,087	277,603	425,345
54	Total		705,208	327,289	516,248

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

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet B Supporting ADIT and ITC Balances
Indiana Michigan Power Company

Line Number	(A) Description	(B) Source	(C) Balance @ December 31, 2021	(D) Balance @ December 31, 2020	(E) Average Balance for 2021
1	<u>Account 281</u>				
2	Year End Utility Deferrals	FF1, p. 272 - 273, In 8, Col. (k)	26,785,474	27,807,932	27,296,703
3	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 4 (Note 1)	-	-	-
4	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 3 (Note 1)	26,785,474	27,807,932	27,296,703
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)	1,421,322,468	1,457,705,120	1,439,513,794
8	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 7 (Note 1)	86,394,485	74,346,326	80,370,405
9	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 6 (Note 1)	1,079,785,221	1,149,803,804	1,114,794,512
10	Transmission Related Deferrals	Ln 7 - In 8 - In 9	255,142,762	233,554,990	244,348,876
11	<u>Account 283</u>				
12	Year End Utility Deferrals	FF1, p. 276 - 277, In 9, Col. (k)	717,593,845	610,917,027	664,255,436
13	Less: ARO Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 13 (Note 1)	737,296,043	620,695,734	678,995,888
14	Less: Other Excluded Deferrals	WS B-1 - Actual Stmt. AF Ln. 12 (Note 1)	165,103	(11,946,062)	(5,890,479)
15	Transmission Related Deferrals	Ln 12 - In 13 - In 14	(19,867,301)	2,167,355	(8,849,973)
16	<u>Account 190</u>				
17	Year End Utility Deferrals	FF1, p. 234, In 8, Col. (c)	880,772,493	774,718,017	827,745,255
18	Less: ARO Related Deferrals	WS B-2 - Actual Stmt. AG Ln. 4 (Note 1)	815,894,107	690,995,869	753,444,988
19	Less: Other Excluded Deferrals	WS B-2 - Actual Stmt. AG Ln. 3 (Note 1)	38,712,518	48,661,492	43,687,005
20	Transmission Related Deferrals	Ln 17 - In 18 - In 19	26,165,868	35,060,657	30,613,262
21	<u>Account 255</u>				
22	Year End ITC Balances	FF1, p. 266-267, In 8, Col. (h)	22,384,341	21,260,705	21,822,523
23	Less: Balances Not Qualified for Ratebase	Company Records - Note 1	18,101,824	15,493,378	16,797,601
24	ITC Balances Includeable Ratebase	Ln 22 - In 23	4,282,517	5,767,327	5,024,922
25	Transmission Related Deferrals	WS B-1 - Actual Stmt. AF Ln. 2 (Note 1)	1,915,002	2,320,584	2,117,793

NOTE 1 On this worksheet, "Company Records" refers to AEP's tax forecast and accounting ledger. The PTRR will use projected ending balances and reflect proration required by IRS Letter Rule Section 1.167(l)-(h)(6)(ii). Line item detail of actual deferred tax items will be included on Worksheets B-1 and B-2.

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

7	TOTAL ACCOUNT 282	1,298,807,583	1,298,830,816	207,400,126	176,678,211	1,300,158,309	1,648,170	244,341,189	330,760,390	134,719,070	699,831,726	233,663,206	341,003,010	0	98,183,741	414,360,814	264,141,069	338,433,762
7	ACCOUNT 282 - ARO-Related Deferrals	74,345,036	86,994,485	0	0	80,370,405	9,031,144	11,694	(6,013)	9,138,272	65,212,608	(1,694)	(2,861)	0	8,924,017	77,479,327	(1,694)	(7,165)
8	ACCOUNT 283:																	
9.01	NOL-STATE CF-DEF TAX ASSET	(24,409)	196,398		85,994	51,518	0	(6,569)	(58,687)	40,646	-	(6,569)	-		162,322	40,646	-	(6,570)
9.02	MI CARRY-COST-DRY-CASK STORAGE	93	206		150	0	0	0	0	93	-	0	-		206	-	-	0
9.03	MI UNREC'D FUEL COSTS (CUR MO)	(4,308,876)			(2,179,438)	(2,179,438)	0	0	(4,308,876)		-	-	-			-	-	-
9.04	MI UNREC'D FUEL COSTS	1,154,447	1,339,402		1,246,924	1,246,924	0	0	1,154,447		-	-	-		1,339,402	-	-	0
9.05	UNREC'D FUEL 3 RIVERS-PR-EMERGE	0	0		0	0	0	0	0	0	-	-	-		0	-	-	0
9.06	UNREC'D FUEL INTEREST	0	0		0	0	0	0	0	0	-	-	-		0	-	-	0
9.07	PROF TX-RPT SPARE-SW-LA-TAX	(2,899)	(0)		(1,449)	(1,449)	0	0	(2,899)		-	-	-			-	-	0
9.08	PROF TAX-RPT US-GD-METHOD TX	(0)	(0)		(468,851)	(468,851)	0	0	(468,851)		-	-	-			-	-	0
9.09	DEFERRED INTERCOMPANY TAX-GL	20,326	20,326		20,326	20,326	0	0	20,326		-	-	-		20,326	-	-	0
9.10	MTM BK-GAIN - AL - TAX DEF	750,180	(2,349,077)		(799,448)	(799,448)	0	0	750,180		-	-	-		(2,349,077)	-	-	0
9.11	MARK & SPREAD - DEF - 293 AL	336,040	800,763		564,602	564,602	0	0	336,040		-	-	-		800,763	-	-	0
9.12	DEFD EXPS (AC 186)	3,282	5,647		4,464	4,467	28	0	3,227		55	-	-		5,647	-	-	0
9.13	REG ASSET - UNREAL LOSS-VOI-CMNT	0	0		0	0	0	0	0	0	-	-	-		0	-	-	0
9.14	DEFD ENVIRON COMP COSTS & CARRYING CHARGES	0	0		0	0	0	0	0	0	-	-	-		0	-	-	0
9.15	DEFD BK CONTRACT REVENUE	(83,716)	1,522,500		729,392	729,392	0	0	(83,716)		-	-	-		1,522,500	-	-	0
9.16	FRT WAYNE CITY LGTS RIGHT TO SERVE SETTLE	835,859	643,795		739,827	739,827	0	0	835,859		-	-	-		643,795	-	-	0
9.17	REG ASSET - DEFERRED RTO COSTS	(0)	(0)		(0)	(0)	0	0	(0)		0	0	0		(0)	-	-	0
9.18	DEFD STORM DAMAGE	62,697	2,639,344		1,350,970	1,350,970	0	0	62,697		-	-	-		2,639,344	-	-	0
9.19	RATE CASE DEFERRED CHARGES	349,199	291,168		320,183	320,183	0	0	349,199		-	-	-		291,168	-	-	0
9.20	MI Mt-Cost-Rover Under-Recovery	35,846	0		17,523	17,523	0	0	35,846		-	-	-		0	-	-	0
9.21	MI PLUGGED IN	315	1,470		893	893	0	0	315		-	-	-		1,470	-	-	0
9.22	Accrued UNREC'D Incremental Costs - non-TX	787,839	368,198		573,018	573,018	0	0	787,839		-	-	-		368,198	-	-	0
9.23	BOOK - TAX - EMA - AC - 293	5,444,623	5,444,623		5,395,634	5,395,634	0	0	5,444,623		-	-	-		5,444,623	-	-	0
9.24	DEFD TX GAIN - INTERCO SALE - EMA	2,749	0		1,374	1,374	0	0	2,749		-	-	-		0	-	-	0
9.25	DEFD TAX GAIN - EMA AUCTION	107,980	0		53,990	53,990	0	0	107,980		-	-	-		0	-	-	0
9.26	REG ASSET-SFAS 143 - ARO	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.27	REG ASSET-DEFD CARRY-COST ON STRANDED COST	(5,026)	(5,026)		(5,026)	(5,026)	0	0	(5,026)		-	-	-		(5,026)	-	-	0
9.28	REG ASSET-DEFERRED PJM FEES	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.29	REG ASSET-SFAS 158 - PENSIONS	8,191,488	0		4,095,744	4,095,744	779,572	2,617,768	(8,191,488)	2,333,117	1,859,144	5,238,257						
9.30	REG ASSET-SFAS 158 - OPEB	273,000	0		136,500	136,500	0	0	273,000	0	0	0	0		0	0	0	0
9.31	REG ASSET-SFAS 158 - OPEB	(3,076,202)	(0)		(1,538,101)	(1,538,101)	(17,228)	(84,625)	(3,076,202)	(184,573)	(1,604,531)	(189,250)	(937,848)	(0)				
9.32	REG ASSET-DEFD EISE PROGRAM COSTS	13,076	1,691		7,383	7,383	0	0	13,076		-	-	-		1,691	-	-	0
9.33	REG ASSET-DSM-LOST REVENUE	(0)	(0)		(0)	(0)	0	0	(0)		0	0	0		(0)	-	-	0
9.34	REG ASSET-DSM MARGIN SHARING	(0)	(0)		(0)	(0)	0	0	(0)		-	-	-		(0)	-	-	0
9.35	REG ASSET-UNRECOVERED PJM EXPENSES	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.36	REG ASSET-NR CONSENT DECREE	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.37	REG ASSET-UNREC'D CCT ROVER CAR CHGS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.38	REG ASSET-UNRECOVERED DSM ENERGY OPT	(0)	(0)		(0)	(0)	0	0	(0)		0	0	0		(0)	-	-	0
9.39	REG ASSET-UNREC'D CCT PEST APP ADD CAR CHGS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.40	REG ASSET-UNREC'D DEFN NUC DECOM STUDY COSTS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.41	REG ASSET-ENHNC'D COOK FLY SECURITY COSTS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.42	REG ASSET-DEFD REVENUE COSTS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.43	REG ASSET-ED FINANCIAL INCENTIVES-MI	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.44	REG ASSET-MI CARRYING CHARGE-ECCO	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.45	REG ASSET-MI CC-ECCO UNREC EQUITY	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.46	REG ASSET-MI DSM-ECCO	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.47	REG ASSET-IN-ECCO EQUITY CC-RES	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.48	REG ASSET-IN-ECCO EQUITY CC-CM	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.49	REG ASSET-IN-ECCO TOTAL CC-RES	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.50	REG ASSET-IN-ECCO TOTAL CC-CM	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.51	REG ASSET-IN DSM UNDER RECOV CCM	0	(921,865)		(460,932)	(460,932)	0	0	0		-	-	-		0	-	-	(921,865)
9.52	REG ASSET-IN DSM UNDER RECOV NON CCM	0	1,515,506		757,753	757,753	0	0	0		-	-	-		1,515,506	-	-	0
9.53	REG ASSET-CARRY CHARGES-LOST REVENUES	(0)	(0)		(0)	(0)	0	0	(0)		0	0	0		(0)	-	-	0
9.54	REG ASSET-MI NET LOST REVENUES-CONTRA	(0)	(0)		(0)	(0)	0	0	(0)		-	-	-		(0)	-	-	0
9.55	REG ASSET-DEFD COOK TURBINE REPL-COSTS-MI	87,572	(0)		43,786	43,786	0	0	87,572		-	-	-		(0)	-	-	0
9.56	REG ASSET-TURBINE REPL-UNREC'D EQ CC	(48,650)	0		(24,325)	(24,325)	0	0	(48,650)		-	-	-		0	-	-	0
9.57	REG ASSET-DEFD TURBINE REPLACE EXP CC	138,744	0		69,372	69,372	0	0	138,744		-	-	-		0	-	-	0
9.58	TAX DEF - DEBT ISSUE COSTS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.59	REG ASSET-NET CCS FEED STUDY COSTS	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.60	REG ASSET-UNRECOVERED RES-MI	0	(0)		(0)	(0)	0	0	(0)		-	-	-		(0)	-	-	0
9.61	REG ASSET-RES CARRYING COSTS-MI	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.62	REG ASSET-RES UNRECOVERED EQUITY CCM	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.63	REG ASSET-BATFILL BOLS	1,081,270	1,018,283		1,048,771	1,048,771	0	0	1,081,270		-	-	-		1,018,283	-	-	0
9.64	REG ASSET-MI DEFERRED DEPR-COOK LCM	469,835	434,755		452,295	452,295	0	0	469,835		-	-	-		434,755	-	-	0
9.65	REG ASSET-MI CARRYING CHARGE-COOK LCM	3,340,502	3,286,414		3,246,002	3,246,002	0	0	3,340,502		-	-	-		3,286,414	-	-	0
9.66	REG ASSET-MI CC-COOK LCM UNREC EQUITY	(1,296,633)	(1,200,101)		(1,246,807)	(1,246,807)	0	0	(1,296,633)		-	-	-		(1,200,101)	-	-	0
9.67	REG ASSET-IN COOK TURBINE CC	(1,125,418)	(1,059,345)		(1,092,381)	(1,092,381)	0	0	(1,125,418)		-	-	-		(1,059,345)	-	-	0
9.68	REG ASSET-IN COOK TURBINE CC	2,276,210	3,083,867		3,160,038	3,160,038	0	0	2,276,210		-	-	-		3,083,867	-	-	0
9.69	REG ASSET-IN DEF OMA-DS-20% NON-FMR	47,586	37,592		42,589	42,589	0	0	47,586		-	-	-		37,592	-	-	0
9.70	REG ASSET-IN DEF CONSUM-DS-20% NON-FMR	744,403	628,586		666,494	666,494	0	0	744,403		-	-	-		628,586	-	-	0
9.71	REG ASSET-IN DEF PROP TX-DS-20%	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.72	REG ASSET-IN CARRY CHGS-CESSP	0	0		0	0	0	0	0		-	-	-		0	-	-	0
9.73	REG ASSET-IN CAR CHGS-UNREC EQUITY-CESSP	0	0		0	0	0	0	0</									

10.39 ADIT FED HDG CF INT RATE - 2830015

- - 0 0 0

10	<u>699,932,992</u>	<u>805,487,622</u>	<u>(89,019,876)</u>	<u>(87,893,771)</u>	<u>664,255,437</u>	<u>14,203,026</u>	<u>(8,849,979)</u>	<u>847,403</u>	<u>8,987,961</u>	<u>599,736,034</u>	<u>2,107,355</u>	<u>26,136</u>	<u>0</u>	<u>19,418,528</u>	<u>716,373,968</u>	<u>(19,867,201)</u>	<u>1,668,670</u>	<u>0</u>
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TOTAL COMPANY BALANCES														1/1/2021 Beginning Balances		Balance Sheet Entries		Tax Expense Entries		12/31/2021 Ending Balance							
Line No.	Utility Account (NOTE A)	Description of Account	Protected Unprotected	Tax Rate Change Act	Excess / Deficient Balance at Remeasurement	Amortization Methodology (NOTE C)	Amortization Period	Excess / Deficient ADIT Regulatory Offset	Excess / Deficient ADIT in Utility Deferrals	Balance Sheet Account Reclassifications	182.3	254	410/411 Excess / Deficient Amortization NOTE C/NOTE F	410/411 Deferred Tax Expense/ (Benefit)	Excess/ Deficient ADIT Regulatory Offset	Excess / Deficient ADIT in Utility Deferrals	Sum of Cols (I) - (O)	Reference									
Deferred Tax Account (NOTE B)																											
1a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017				147,920,787	(10,794,208)				(15,905,311)			132,015,476		WS B - 2 Col B/C, ADIT item 3.213									
1b	2811001	ADFIT - Accel Amortization Property	Protected	TCJA 2017	(11,772,442)	ARAM	Life of Asset						821,723	(52,905)		(10,025,391)											
1c	2814001	ADFIT - Accel Amort FAS 109 Excess	Protected	TCJA 2017				10,794,208	(328,214,900)			(768,817)			10,025,391	(314,196,401)		WS B - 1, Col B/C, ADIT Item 2.06									
1d	2821001	ADFIT - Utility Property	Protected	TCJA 2017	(410,365,997)	ARAM	Life of Asset						12,230,011	(212,322)		(87,970,534)		WS B - 1 Cols O+P+Q+R+S, ADIT Item 5.33									
1e	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017	(148,924,633)	10 Years	1/2018 - 12/2027		(121,423,293)				33,452,759														
1f	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017									(12,017,689)			314,196,401		WS B - 1 Col B/C, ADIT Item 5.38									
1g	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017									(33,452,759)			87,970,534		WS B - 1 Col B/C, Items 10.31									
1h	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017	(5,353,470)	10 Years	1/2018 - 12/2027		19,559,983				950,793			20,510,765		WS B - 1 Col B/C, Item 10.36									
1i	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017				(10,559,982)				(950,793)				(20,510,765)											
1j	NOTE D																										
Regulatory Deferral Accounts																											
2a	182.3	Regulatory Asset		TCJA 2017															Company Records								
2b	254	Regulatory Liability		TCJA 2017				(586,762,395)				63,095,359				(523,697,036)			Company Records								
2c	NOTE D																										
3	Total For Accounting Entries (Sum of Lines 1a through 2b)																		1	(438,871,608)	-	-	(47,455,276)	285,228	1.0	(391,681,560)	
TRANSMISSION FUNCTION BALANCES																											
Deferred Tax Account (NOTE B)																											
4a	1904001	ADFIT - FAS 109 Excess	N/A	TCJA 2017				26,907,850	(62,751,636)				(1,446,393)			25,461,457			Company Records								
4b	2821001	ADFIT - Utility Property	Protected	TCJA 2017	(82,304,124)	ARAM	Life of Asset		(26,243,344)				1,951,629	(100,593)		(60,900,600)			WS B - 1 Col Q, ADIT 5.33								
4c	2821001	ADFIT - Utility Property	Unprotected	TCJA 2017	(14,907,164)	10 Years	1/2018 - 12/2027						3,749,076			(22,494,265)											
4d	2824001	ADFIT - Utility Property FAS 109 Excess	Protected	TCJA 2017				62,751,636								60,900,600			Company Records								
4e	2824001	ADFIT - Utility Property FAS 109 Excess	Unprotected	TCJA 2017									(3,749,076)			22,494,268			Company Records								
4f	2831001	ADFIT - Other Utility Deferrals	Unprotected	TCJA 2017	5,174,807	10 Years	1/2018 - 12/2027		9,161,100				(1,308,756)			7,852,344			WS B - 1 Col Q, Item 10.31								
4g	2834001	ADFIT - Other FAS 109 Excess	Unprotected	TCJA 2017				(9,161,100)				1,308,756				(7,852,344)			Company Records								
4h	NOTE D																										
Regulatory Deferral Accounts																											
5a	182.3	Regulatory Asset		TCJA 2017															Company Records								
5b	254	Regulatory Liability		TCJA 2017				(106,741,730)				5,737,749				(101,003,981)			Company Records								
5c	NOTE D																										
6	Total For Accounting Entries (Sum of Lines 4a through 5b)																		0	(79,833,880)	-	-	(4,391,949)	100,593	-	(75,542,524)	

GENERAL NOTE: ADIT Tax balances provided in the formula presented in Attachment H-14B are maintained on both a total company and transmission functional basis. Because both sets of numbers are presented in the formula, the information for excess and deficient ADIT is also presented for both total company and the transmission function on this worksheet. Account 281 only applies to the generation function, so is not presented in the transmission functional summary.

TAX CUT and JOBS ACT of 2017

A	B	C	D	E	F=E/C	G	H = E +G	I	J = C - H
Line No.	Utility Account	12/31/17 Pre-remeasurement Balance	Reference	Remeasurement Amount (NOTE 1)	Remeasurement Percentage (NOTE 2)	Adjustments (NOTE 3)	Total Excess/Deficiency by Account (NOTE 4)	Protected / Unprotected	ADIT Deferral After Remeasurement
TOTAL COMPANY									
1	190 - Utility	\$891,603,052	2018 FF1 P. 234 Col (b) Line 8						
2		<u>1,334,608</u>	Less: Deferred State Taxes						
3	1901001	890,268,444		351,937,081	39.53%	(351,937,081)	-		890,268,444
4	2811001	(29,431,106)	2018 FF1 P. 272 Col (b) Line 8	(11,772,442)	40.00%	-	(11,772,442)	Protected	(17,658,664)
5	2821001	(1,379,310,545)	2018 FF1 P. 274 Col (b) Line 5	(550,083,931)	39.88%	(9,206,700)	(417,308,441) (141,982,189)	Protected Unprotected	(820,019,915)
6	2831001	(916,243,904)	2018 FF1 P. 276 Col (b) Line 9	(366,497,251)	40.00%	361,143,781	(5,353,470)	Unprotected	(910,890,434)
7	Total	<u>(1,434,717,111)</u>	(Sum of Lns. 3+4+5+6)	<u>(576,416,543)</u>		<u>-</u>	<u>(576,416,543)</u>		<u>(858,300,568)</u>
TRANSMISSION FUNCTION									
8	1901001	13,963,210	Company Records	5,574,048	39.92%	(5,574,048)	-		13,963,210
9	2821001	(236,519,561)	Company Records	(94,888,048)	40.12%	(2,323,240)	(82,304,124) (14,907,164)	Protected Unprotected	(154,215,437)
10	2831001	(6,806,204)	Company Records	(2,722,482)	40.00%	7,897,288	5,174,807	Unprotected	(11,981,011)
11	Total	<u>(229,362,555)</u>	(Sum of Lns. 7+8+9)	<u>(92,036,482)</u>		<u>-</u>	<u>(92,036,482)</u>		<u>(152,233,238)</u>

GENERAL NOTE: This worksheet will summarize remeasurement adjustments in ADIT Accounts for both the total company and transmission function required by changes in either Federal or State Income Tax Rates. A new sheet will be included in the working formula for each change to tax rates that may occur while this formula rate is in effect. New pages will be designated by incrementing the suffix letter in the workpaper name (i.e. B-3-A, B-3-B, etc.)

NOTE 1: Amount of remeasurement in Column E will be based on supporting workpapers showing the remeasurement of individual ADIT items in each tax deferral account, and will indicate whether each remeasured ADIT item will be treated as protected or unprotected. The resulting totals will be shown on this worksheet for each ADIT account.

NOTE 2: Remeasurement calculation may not equal 40% of the December 31, 2017 deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 3: As part of the remeasurement calculation, the remeasurement ADIT balances in account 1901001 were reclassified to account 2831001 to group nonproperty utility deferrals together as one timing difference.

NOTE 4: Ties to each Operating Company's Workpaper B-3, Column F, showing the initial remeasurement value determined as a result of the Tax Cut and Jobs Act of 2017.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet C Supporting Working Capital Rate Base Adjustments
Indiana Michigan Power Company

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Materials & Supplies								
Line Number	Source	Balance @ December 31, 2021	Balance @ December 31, 2020	Average Balance for 2021				
1								
2	Transmission Materials & Supplies	FF1, p. 227, In 8, Col. (c) & (b)	1,124,908	468,764	796,836			
3	General Materials & Supplies	FF1, p. 227, In 11, Col. (c) & (b)	596,193	491,916	544,055			
4	Stores Expense (Undistributed) - Account 163	FF1, p. 227, In 16, Col. (c) & (b)	0	0	-			

Prepayment Balance Summary (Note 1)

	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, 2021	11,602,570	(159,297,415)	0	5,044,935	165,855,050	170,899,985
7	Totals as of December 31, 2020	8,148,974	(162,914,204)	-	4,887,892	166,175,286	171,063,178
8	Average Balance	9,875,772	(161,105,809)	-	4,966,414	166,015,166	170,981,582

Prepayments Account 165 - Balance @ 12/31/2021

Acc. No.	Description	2021 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	3,552,230	-	-	3,552,230	-	3,552,230	Plant Related Insurance Policies
11	165000220 Prepaid Taxes	-	-	-	-	-	-	-
12	165000221 Prepaid Taxes	721,023	721,023	-	-	-	-	Prepaid Taxes-Distribution
13	1650003 Prepaid Rents	5,655	5,655	-	-	-	-	River Transport
14	1650005 Prepaid Employee Benefits	-	-	-	-	-	-	-
15	1650006 Other Prepayments	1,977,870	1,977,870	-	-	-	-	Relates to EPRI dues
16	1650009 Prepaid Carry Cost-Factored AR	56,987	56,987	-	-	-	-	AR Factoring
17	1650010 Prepaid Pension Benefits	68,466,548	-	-	-	68,466,548	68,466,548	Prefunded Pension Expense
18	1650014 FAS 158 Qual Contra Asset	(68,466,548)	(68,466,548)	-	-	-	-	SFAS 158 Offset
19	165001121 Prepaid Sales Taxes	675,074	-	-	675,074	-	675,074	Prepaid Sales Tax - Distribution
20	165001221 Prepaid Use Taxes	49,331	-	-	-	-	49,331	Prepaid Use Tax - Distribution
21	1650017 Prepayment - Coal	2,257,230	2,257,230	-	-	-	-	Prepaid Coal
21	1650021 Prepaid Insurance - EIS	1,492,705	-	-	1,492,705	-	1,492,705	Energy INS Services
22	1650022 Prepaid SNF Container Costs	-	-	-	-	-	-	-
23	1650023 Prepaid Lease	180,981	180,981	-	-	-	-	Prepaid Leases-All Functions
24	1650026 Prepaid SNF Costs	-	-	-	-	-	-	-
25	1650030 Other Payments - Long Term	633,485	633,485	-	-	-	-	Other - Dist
26	1650035 PRW without MED-D Benefits	97,388,502	-	-	-	97,388,502	97,388,502	Med-D Benefits
27	1650037 FAS 158 Contra-PRW Exc Med-D	(97,388,502)	(97,388,502)	-	-	-	-	SFAS 158 Offset
28								
29								
30								
31	Subtotal - Form 1, p 111.57.c	11,602,570	(159,297,415)	0	5,044,935	165,855,050	170,899,985	

Prepayments Account 165 - Balance @ 12/31/ 2020

Acc. No.	Description	2020 YE Balance	Excludable Balances	100% Transmission Related	Transmission Plant Related	Transmission Labor Related	Total Included in Ratebase (E)+(F)+(G)	Explanation
33	1650001 Prepaid Insurance	3,217,878	-	-	3,217,878	-	3,217,878	Plant Related Insurance Policies
34	165000219 Prepaid Taxes	-	-	-	-	-	-	-
35	165000220 Prepaid Taxes	724,027	724,027	-	-	-	-	Prepaid Taxes-Distribution
36	1650003 Prepaid Rents	5,655	5,655	-	-	-	-	River Transport
37	1650005 Prepaid Employee Benefits	-	-	-	-	-	-	-
38	1650006 Other Prepayments	1,278,910	1,278,910	-	-	-	-	Relates to EPRI dues
39	1650009 Prepaid Carry Cost-Factored AR	93,322	93,322	-	-	-	-	AR Factoring
40	1650010 Prepaid Pension Benefits	84,726,982	-	-	-	84,726,982	84,726,982	Prefunded Pension Expense
41	1650014 FAS 158 Qual Contra Asset	(84,726,982)	(84,726,982)	-	-	-	-	SFAS 158 Offset
42	165001120 Prepaid Sales Taxes	627,174	-	-	627,174	-	627,174	Prepaid Sales Tax - Distribution
43	165001220 Prepaid Use Taxes	69,632	-	-	-	-	69,632	Prepaid Use Tax - Distribution
44	1650021 Prepaid Insurance - EIS	1,517,714	-	-	1,517,714	-	1,517,714	Energy INS Services
45	1650022 Prepaid SNF Container Costs	-	-	-	-	-	-	-
46	1650023 Prepaid Lease	152,300	-	-	152,300	-	152,300	Prepaid Leases-All Functions
47	1650026 Prepaid SNF Costs	-	-	-	-	-	-	-
48	1650030 Other Payments - Long Term	462,361	462,361	-	-	-	-	Other - Dist
49	1650035 PRW without MED-D Benefits	81,448,304	-	-	-	81,448,304	81,448,304	Med-D Benefits
50	1650037 FAS 158 Contra-PRW Exc Med-D	(81,448,304)	(81,448,304)	-	-	-	-	SFAS 158 Offset
51								
52								
53	Subtotal - Form 1, p 111.57.d	8,148,974	(162,914,204)	-	4,887,892	166,175,286	171,063,178	

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

AEP East Companies
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet D Supporting IPP Credits
 Indiana Michigan Power Company

<u>Line Number</u>	<u>(A) Description</u>	<u>(B) 2021</u>
1	Net Funds from IPP Customers 12/31/2020 (2021 FORM 1, P269)	(3,829,608)
2	Interest Accrual (Company Records - Note 1)	(125,987)
3	Revenue Credits to Generators (Company Records - Note 1)	0
4	<u>Other Adjustments</u>	
5	Accounting Adjustment (Company Records - Note 1)	0
6		-
7	Net Funds from IPP Customers 12/31/2021 (2021 FORM 1, P269)	(3,955,595)
8	Average Balance for Year as Indicated in Column B ((ln 1 + ln 7)/2)	(3,892,602)

Note 1 On this worksheet Company Records refers to Indiana Michigan Power Company 's general ledger.

AEP East Companies
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet E Supporting Revenue Credits
 Indiana Michigan 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)	4,885,318	4,885,318	
2	Account 451, Miscellaneous Service Revenues (FF1 p.300.17.(b); Company Records - Note 1)	3,925,715	3,868,629	57,087
3	Account 454, Rent from Electric Property (FF1 p.300.19.(b); Company Records - Note 1)	12,379,321	7,090,106	5,289,215
4	Account 4560015, Associated Business Development - (Company Records - Notes 1, 2)	2,964,051	2,464,445	499,607
5	Account 456 - Other Electric Revenues - (Company Records - Notes 1,2)	52,342,282	52,342,282	
5a	Account 457.1, Regional Control Service Revenues (FF1 p.300.23.(b); Company Records - Note 1)		-	
5b	Account 457.2, Miscellaneous Revenues (FF1 p.300.24.(b); Company Records - Note 1)		-	
6	Subtotal - Other Operating Revenues (Company Total equals (FF1 p. 300.26.(b)))	76,496,688	70,650,779	5,845,909
7	Accounts 4470004 & 5, Revenues from Grandfathered Transmission Contracts - (Company Records - Note 1)		-	
8	Total Other Operating Revenues To Reduce Revenue Requirement	76,496,688	70,650,779	5,845,909

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

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

9	Facility Credits under PJM OATT Section 30.9			286,736
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AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet F Supporting Allocation of Specific O&M or A&G Expenses
Indiana Michigan Power Company

<u>Line Number</u>	<u>(A) Item No.</u>	<u>(B) Description</u>	<u>(C) 2021 Expense</u>	<u>(D) 100% Non-Transmission</u>	<u>(E) 100% Transmission Specific</u>	<u>(F) Explanation</u>
Regulatory O&M Deferrals & Amortizations						
1						
2						
3						
4		Total	<u>0</u>			
Detail of Account 561 Per FERC Form 1						
5						
6	FF1 p 321.85.b	561.1 - Load Dispatch - Reliability	0			
7	FF1 p 321.86.b	561.2 - Load Dispatch - Monitor & Operate Trans System	220,980			
8	FF1 p 321.87.b	561.3 - Load Dispatch - Trans Service & Scheduling	0			
9	FF1 p 321.88.b	561.4 - Scheduling, System Control & Dispatch	4,380,265			
10	FF1 p 321.89.b	561.5 - Reliability, Planning and Standards Development	303,852			
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 Services	1,275,988			
14		Total of Account 561	<u>6,181,085</u>			
Account 928						
15	9280000	Regulatory Commission Exp	2,743,416	2,265,693	477,722	
16	9280001	Regulatory Commission Exp-Adm	12,063,725	12,063,725	-	
17	9280002	Regulatory Commission Exp-Case	6,153,797	6,153,797	-	
18	9280005	Reg Com Exp-FERC Trans Cases	33,533	9,909	23,623	
19						
20		Total (FERC Form 1 p.323.189.b)	<u>20,994,470</u>	<u>20,493,125</u>	<u>501,346</u>	
Account 930.1						
21	9301000	General Advertising Expenses	20,214	20,214	-	
22	9301001	Newspaper Advertising Space	19,514	19,514	-	
23	9301002	Radio Station Advertising Time	-	-	-	
24	9301006	Spec Corporate Comm Info Proj	16,458	16,458	-	
25	9301008	Direct Mail and Handouts	2,092	2,092	-	
26	9301010	Publicity	259	259	-	
27	9301011	Dedications, Tours, & Openings	14,409	14,409	-	
28	9301012	Public Opinion Surveys	110,460	110,460	-	
29	9301014	Video Communications	535	535	-	
30	9301015	Other Corporate Comm Exp	46,813	46,813	-	
31						
32						
33						
34						
35						
36						
37		Total (FERC Form 1 p.323.191.b)	<u>230,754</u>	<u>230,754</u>	<u>-</u>	
Account 930.2						
38	9302000	Misc General Expenses	3,930,162	3,930,162	-	
39	9302003	Corporate & Fiscal Expenses	364,421	364,421	-	
40	9302004	Research, Develop&Demonstr Exp	985	985	-	
41	9302005	Nucl Fac Ins - Replce Engy Cst	-	-	-	
42	9302006	Assoc Business Development Materials Sold	109,506	109,506	-	
43	9302007	Assoc Business Development Exp	1,038,870	806,259	232,611	
44	9302017	Selling Price Normalization Exp	(1)	(1)	-	
45		Total (FERC Form 1 p.323.192.b)	<u>5,443,944</u>	<u>5,211,333</u>	<u>232,611</u>	

AEP East Companies
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet G Supporting - Development of Composite State Income Tax Rate
 Indiana Michigan Power Company

Indiana Corporate Income Tax Rate	5.07%	
Apportionment Factor - Note 2	79.70%	
Effective State Tax Rate		4.04%
Michigan Single Business Tax Rate	6.00%	
Apportionment Factor - Note 2	16.10%	
Effective State Tax Rate		0.97%
West Virginia Corporation Income Tax Rate	6.50%	
Apportionment Factor - Note 2	2.30%	
Effective State Tax Rate		0.15%
Ohio Franchise Tax Rate	0.00%	
Phase-out Factor Note 1	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Kentucky Corporation Income Tax Rate	5.00%	
Apportionment Factor - Note 2	0.80%	
Effective State Tax Rate		0.04%
Missouri Corporation Income Tax Rate	0.00%	
Apportionment Factor - Note 2	0.00%	
Effective State Tax Rate		0.00%
Illinois Corporation Income Tax Rate	9.50%	
Apportionment Factor - Note 2	0.30%	
Effective State Tax Rate		0.03%
Total Effective State Income Tax Rate		<u>5.23%</u>

Note 1 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 Actual/Projected FF1 Balances
Worksheet H Supporting Taxes Other than Income
Indiana Michigan 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	21,568,143				21,568,143
3	Real Estate and Personal Property Taxes					
4	Real and Personal Property - Michigan	48,388,379	48,388,379			
5	Real and Personal Property - Indiana	23,308,282	23,308,282			
6	Real and Personal Property - Other Jurisdictions	4,364	4,364			
7	Payroll Taxes					
8	Federal Insurance Contribution (FICA)	11,972,247		11,972,247		
9	Federal Unemployment Tax	67,802		67,802		
10	State Unemployment Insurance	209,865		209,865		
11	Production Taxes					
12	State Severance Taxes	-				-
13	Miscellaneous Taxes					
14	State Business & Occupation Tax	-				-
15	State Public Service Commission Fees	-			-	
16	State Franchise Taxes	(3,683)			(3,683)	
17	State Lic/Registration Fee	-			-	
18	Misc. State and Local Tax	-			-	
19	Sales & Use	53,848				53,848
20	Federal Excise Tax	11,738				11,738
21	Gross Receipts Audit	-				-
22						
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	<u>105,580,985</u>	<u>71,701,025</u>	<u>12,249,914</u>	<u>(3,683)</u>	<u>21,633,729</u>

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
24 Functionalized Net Plant (TCOS, Lns 41 thru 46)	2,781,647,300	1,261,566,157	1,947,550,800	146,009,765	6,136,774,023
MICHIGAN JURISDICTION					
25 Percentage of Plant in MICHIGAN JURISDICTION	81.52%	15.97%	19.14%	14.40%	
26 Net Plant in MICHIGAN JURISDICTION (Ln 24 * Ln 25)	2,267,523,628	201,523,660	372,846,629	21,025,167	2,862,919,084
27 Less: Net Value of Exempted Generation Plant	484,827,125				
28 Taxable Property Basis (Ln 26 - Ln 27)	1,782,696,503	201,523,660	372,846,629	21,025,167	2,378,091,959
29 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
30 Weighted Net Plant (Ln 28 * Ln 29)	1,782,696,503	201,523,660	372,846,629	21,025,167	
31 General Plant Allocator (Ln 30 / (Total - General Plant))	75.63%	8.55%	15.82%	-100.00%	
32 Functionalized General Plant (Ln 31 * General Plant)	15,901,752	1,797,602	3,325,813	(21,025,167)	-
33 Weighted MICHIGAN JURISDICTION Plant (Ln 30 + 32)	1,798,598,255	203,321,262	376,172,442	(0)	2,378,091,959
34 Functional Percentage (Ln 33/Total Ln 33)	75.63%	8.55%	15.82%		
INDIANA JURISDICTION					
35 Percentage of Plant in INDIANA JURISDICTION	18.48%	84.03%	80.86%	85.41%	
36 Net Plant in INDIANA JURISDICTION (Ln 24 * Ln 35)	514,123,672	1,060,042,497	1,574,704,170	124,708,790	3,273,579,130
37 Less: Net Value of Exempted Generation Plant	207,556,840				
38 Taxable Property Basis (Ln 36 - Ln 37)	306,566,832	1,060,042,497	1,574,704,170	124,708,790	3,066,022,290
39 Relative Valuation Factor	100.00%	100.00%	100.00%	100.00%	
40 Weighted Net Plant (Ln 38 * Ln 39)	306,566,832	1,060,042,497	1,574,704,170	124,708,790	
41 General Plant Allocator (Ln 40 / (Total - General Plant))	10.42%	36.04%	53.54%	-100.00%	
42 Functionalized General Plant (Ln 41 * General Plant)	12,998,131	44,944,756	66,765,903	(124,708,790)	-
43 Weighted INDIANA JURISDICTION Plant (Ln 40 + 42)	319,564,963	1,104,987,253	1,641,470,073	(0)	3,066,022,290
44 Functional Percentage (Ln 43/Total Ln 43)	10.42%	36.04%	53.54%		

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet H-1 Form 1 Source Reference of Company Amounts on WS H
Indiana Michigan 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	21,568,143	21,568,143	pg. 263, ln. 106 (i)			
<hr/>							
Line No.	(A) Real Estate and Personal Property Tax Detail Annual Tax Expenses by Type (Note 1)	(B) Tax Year	(C) Total Company	(D) FERC FORM 1 Tie-Back	(E) FERC FORM 1 Reference	(F) Tax Year Factor (Note 2)	(G) Transmission Function (Note 2)
3	Real Estate and Personal Property Taxes Total (Ln 4 + Ln 5 + Ln 6 + Ln 7)		71,701,025				12,367,211
4	Real and Personal Property - Michigan	2019 2020 2021	48,388,379	(2,187,240) 50,575,619	pg. 263, ln. 64 (i) pg. 263, ln. 65 (i)	7.74% 8.23% 8.55%	3,992,773 (169,384) 4,162,157 - - -
5	Real and Personal Property - Indiana	2019 2020 2021	23,308,282	(556) 1,709,038 21,599,800	pg. 263, ln. 56 (i) pg. 263, ln. 57 (i) pg. 263, ln. 58 (i)	35.18% 34.48% 36.04%	8,373,676 (196) 589,355 7,784,517 - - -
6	Real and Personal Property - Other	2020 2021	4,364	793 3,571	pg. 263, ln. 55 (i) pg. 263, ln. 71 (i)	17.45% 17.45%	761 138 623 - - -
7	Real and Personal Property - Other Jurisdictions		-				- - -
<hr/>							
Line No.	(A) Annual Tax Expenses by Type (Note 1)	(B) Total Company	(C) FERC FORM 1 Tie-Back	(D) FERC FORM 1 Reference			
8	Payroll Taxes						
9	Federal Insurance Contribution (FICA)	11,972,247	11,972,247	pg. 263, ln. 113 (i)			
10	Federal Unemployment Tax	67,802	67,802	pg. 263, ln. 76 (i)			
11	State Unemployment Insurance	209,865	34,587 180,254 (4,976)	pg. 263, ln. 77 (i) pg. 263, ln. 79 (i) pg. 263, ln. 82 (i)			
12	Production Taxes						
13	State Severance Taxes	-					
14	Miscellaneous Taxes						
15	State Business & Occupation Tax	-					
16	State Public Service Commission Fees	-					
17	State Franchise Taxes	(3,683)	(3,683)	pg. 263, ln. 99 (i)			
18	State Lic/Registration Fee	-					
19	Misc. State and Local Tax	-					
20	Sales & Use	53,848	(132) 5,952 48,028	pg. 263, ln. 86 (i) pg. 263, ln. 87 (i) pg. 263, ln. 88 (i)			
21	Federal Excise Tax	11,738	11,738	pg. 263, ln. 2 (i)			
22	Gross Receipts Audit	-					
23	Total Taxes by Allocable Basis (Total Company Amount Ties to FFI p.114, Ln 14,(c))	105,580,985	105,580,985				

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.(c) of the Ferc Form 1.

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

AEP East Companies
Cost of Service Formula Rate Using 2021 FF1 Balances
Worksheet I RESERVED FOR FUTURE USE
Indiana Michigan Power Company

AEP East Companies
 Cost of Service Formula Rate Using 2021 FF1 Balances
 Worksheet K Supporting Calculation of TRUE-UP PJM RTEP Project Revenue Requirement Billed to Benefiting Zones
 Indiana Michigan 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 (TCOS, ln 156)			10.35%
Project ROE Incentive Adder			0
ROE with additional 0 basis point incentive			10.35%
Determine R (cost of long term debt, cost of preferred stock and equity percentage is from the TCOS, lns 154 through 156)			
	%	Cost	Weighted cost
Long Term Debt	49.93%	4.18%	2.086%
Preferred Stock	0.00%	0.00%	0.000%
Common Stock	50.07%	10.35%	5.182%
		R =	7.269%

SUMMARY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS FOR RTEPPROJECTS				
TRUE-UP YEAR	2021	Rev Require	W Incentives	Incentive Amounts
	As Projected in Prior Year WS J	\$ 5,251,215	\$ 5,251,215	\$ -
	Actual after True-up	\$ 6,034,830	\$ 6,034,830	\$ -
	True-up of ARR For 2021	783,615	783,615	-

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

Rate Base (TCOS, ln 68)	1,028,626,434
R (from A. above)	7.269%
Return (Rate Base x R)	74,767,337

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

Return (from B. above)	74,767,337
Effective Tax Rate (TCOS, ln 114)	23.93%
Income Tax Calculation (Return x CIT)	17,894,441
ITC Adjustment	(261,472)
Excess Deferred Income Tax	(4,735,797)
Tax Affect of Permanent Differences	720,025
Income Taxes	13,617,197

II. Calculate Net Plant Carrying Charge Rate (Fixed Charge Rate or FCR) with hypothetical 0 basis point ROE increase.

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

Annual Revenue Requirement (TCOS, ln 1)	181,497,927
Lease Payments (TCOS, ln 95)	-
Return (TCOS, ln 126)	74,767,337
Income Taxes (TCOS, ln 125)	13,617,197
Annual Revenue Requirement, Less Lease Payments, Return and Taxes	93,113,393

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

Annual Revenue Requirement, Less Lease Payments, Return and Taxes	93,113,393
Return (from I.B. above)	74,767,337
Income Taxes (from I.C. above)	13,617,197
Annual Revenue Requirement, with 0 Basis Point ROE increase	181,497,927
Depreciation (TCOS, ln 100)	40,960,707
Annual Rev. Req. w/ 0 Basis Point ROE increase, less Depreciation	140,537,219

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

Net Transmission Plant (TCOS, ln 42)	1,214,633,608
Annual Revenue Requirement, with 0 Basis Point ROE increase	181,497,927
FCR with 0 Basis Point increase in ROE	14.94%

Annual Rev. Req. w/ 0 Basis Point ROE increase, less Dep.	140,537,219
FCR with 0 Basis Point ROE increase, less Depreciation	11.57%
FCR less Depreciation (TCOS, ln 10)	11.57%
Incremental FCR with 0 Basis Point ROE increase, less Depreciation	0.00%

III. Calculation of Composite Depreciation Rate

Average Transmission Plant Balance for 2021 (TCOS, ln 21)	1,667,862,012
Annual Depreciation and Amortization Expense (TCOS, ln 100)	40,960,707
Composite Depreciation Rate	2.46%
Depreciable Life for Composite Depreciation Rate	40.72
Round to nearest whole year	41

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b0839 (Replace existing 450 MVA transformer at Twin Branch 345 / 138 kV with a 675 MVA transformer)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	786,905	786,905	-
Prior Yr True-Up	884,587	884,587	-
True-Up Adjustment	97,682	97,682	-

Details		2021
Investment	8,327,150	Current Year
Service Year (yyyy)	2009	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	6	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
 CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
 INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
 TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE
 LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2009	8,327,150	101,551	8,225,600	8,275,375	1,059,155	1,059,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2010	8,225,600	203,101	8,022,499	8,124,049	1,143,081	1,143,081	\$ -	\$ 1,408,114	\$ (265,033)	\$ 1,408,114	\$ (265,033)	\$ -
2011	8,022,499	203,101	7,819,397	7,920,948	1,119,582	1,119,582	\$ -	\$ 1,487,355	\$ (367,773)	\$ 1,487,355	\$ (367,773)	\$ -
2012	7,819,397	203,101	7,616,296	7,717,847	1,096,082	1,096,082	\$ -	\$ 1,319,695	\$ (223,613)	\$ 1,319,695	\$ (223,613)	\$ -
2013	7,616,296	203,101	7,413,195	7,514,745	1,072,583	1,072,583	\$ -	\$ 1,272,484	\$ (199,901)	\$ 1,272,484	\$ (199,901)	\$ -
2014	7,413,195	203,101	7,210,094	7,311,644	1,049,083	1,049,083	\$ -	\$ 1,249,385	\$ (200,302)	\$ 1,249,385	\$ (200,302)	\$ -
2015	7,210,094	203,101	7,006,992	7,108,543	1,025,584	1,025,584	\$ -	\$ 1,278,273	\$ (252,689)	\$ 1,278,273	\$ (252,689)	\$ -
2016	7,006,992	203,101	6,803,891	6,905,442	1,002,084	1,002,084	\$ -	\$ 1,254,654	\$ (252,570)	\$ 1,254,654	\$ (252,570)	\$ -
2017	6,803,891	203,101	6,600,790	6,702,341	978,585	978,585	\$ -	\$ 1,132,871	\$ (154,286)	\$ 1,132,871	\$ (154,286)	\$ -
2018	6,600,790	203,101	6,397,689	6,499,239	955,085	955,085	\$ -	\$ 933,326	\$ 21,759	\$ 933,326	\$ 21,759	\$ -
2019	6,397,689	203,101	6,194,587	6,296,138	931,586	931,586	\$ -	\$ 856,880	\$ 74,706	\$ 856,880	\$ 74,706	\$ -
2020	6,194,587	203,101	5,991,486	6,093,037	908,086	908,086	\$ -	\$ 804,584	\$ 103,502	\$ 804,584	\$ 103,502	\$ -
2021	5,991,486	203,101	5,788,385	5,889,936	884,587	884,587	\$ -	\$ 786,905	\$ 97,682	\$ 786,905	\$ 97,682	\$ -
2022	5,788,385	203,101	5,585,284	5,686,834	861,087	861,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	5,585,284	203,101	5,382,183	5,483,733	837,588	837,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	5,382,183	203,101	5,179,081	5,280,632	814,088	814,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	5,179,081	203,101	4,975,980	5,077,531	790,589	790,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	4,975,980	203,101	4,772,879	4,874,429	767,089	767,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	4,772,879	203,101	4,569,778	4,671,328	743,590	743,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	4,569,778	203,101	4,366,676	4,468,227	720,090	720,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	4,366,676	203,101	4,163,575	4,265,126	696,591	696,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	4,163,575	203,101	3,960,474	4,062,025	673,091	673,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	3,960,474	203,101	3,757,373	3,858,923	649,592	649,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	3,757,373	203,101	3,554,271	3,655,822	626,092	626,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	3,554,271	203,101	3,351,170	3,452,721	602,593	602,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	3,351,170	203,101	3,148,069	3,249,620	579,093	579,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	3,148,069	203,101	2,944,968	3,046,518	555,594	555,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	2,944,968	203,101	2,741,867	2,843,417	532,094	532,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	2,741,867	203,101	2,538,765	2,640,316	508,595	508,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	2,538,765	203,101	2,335,664	2,437,215	485,095	485,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	2,335,664	203,101	2,132,563	2,234,114	461,596	461,596	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	2,132,563	203,101	1,929,462	2,031,012	438,096	438,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	1,929,462	203,101	1,726,360	1,827,911	414,597	414,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	1,726,360	203,101	1,523,259	1,624,810	391,097	391,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	1,523,259	203,101	1,320,158	1,421,709	367,598	367,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	1,320,158	203,101	1,117,057	1,218,607	344,098	344,098	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	1,117,057	203,101	913,956	1,015,506	320,599	320,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	913,956	203,101	710,854	812,405	297,099	297,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	710,854	203,101	507,753	609,304	273,600	273,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	507,753	203,101	304,652	406,202	250,100	250,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	304,652	203,101	101,551	203,101	226,601	226,601	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	101,551	101,551	-	50,775	107,425	107,425	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	8,327,150				28,560,219	28,560,219						

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b1465.2 (Replace the 100 MVAR 765 kV shunt reactor bank on Rockport - Jefferson 765 kV line with a 300 MVAR bank at Rockport Station)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	61,041	61,041	-
Prior Yr True-Up	68,863	68,863	-
True-Up Adjustment	7,822	7,822	-

Details		2021
Investment	585,981	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	6	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	585,981	7,146	578,835	582,408	74,533	74,533	\$ -	\$ 92,625	(\$ 18,092)	\$ 92,625	(\$ 18,092)	\$ -
2014	578,835	14,292	564,543	571,689	80,439	80,439	\$ -	\$ 87,393	(\$ 6,954)	\$ 87,393	(\$ 6,954)	\$ -
2015	564,543	14,292	550,251	557,397	78,785	78,785	\$ -	\$ 87,463	(\$ 8,678)	\$ 87,463	(\$ 8,678)	\$ -
2016	550,251	14,292	535,958	543,105	77,131	77,131	\$ -	\$ 85,936	(\$ 8,805)	\$ 85,936	(\$ 8,805)	\$ -
2017	535,958	14,292	521,666	528,812	75,478	75,478	\$ -	\$ 77,494	(\$ 2,016)	\$ 77,494	(\$ 2,016)	\$ -
2018	521,666	14,292	507,374	514,520	73,824	73,824	\$ -	\$ 70,215	3,609	\$ 70,215	3,609	\$ -
2019	507,374	14,292	493,082	500,228	72,170	72,170	\$ -	\$ 65,156	7,014	\$ 65,156	7,014	\$ -
2020	493,082	14,292	478,790	485,936	70,517	70,517	\$ -	\$ 61,867	8,650	\$ 61,867	8,650	\$ -
2021	478,790	14,292	464,497	471,643	68,863	68,863	\$ -	\$ 61,041	7,822	\$ 61,041	7,822	\$ -
2022	464,497	14,292	450,205	457,351	67,209	67,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	450,205	14,292	435,913	443,059	65,556	65,556	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	435,913	14,292	421,621	429,767	63,902	63,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	421,621	14,292	407,328	414,475	62,248	62,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	407,328	14,292	393,036	400,182	60,595	60,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	393,036	14,292	378,744	385,890	58,941	58,941	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	378,744	14,292	364,452	371,598	57,287	57,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	364,452	14,292	350,160	357,306	55,634	55,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	350,160	14,292	335,867	343,013	53,980	53,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	335,867	14,292	321,575	328,721	52,326	52,326	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	321,575	14,292	307,283	314,429	50,673	50,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	307,283	14,292	292,991	300,137	49,019	49,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	292,991	14,292	278,698	285,844	47,365	47,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	278,698	14,292	264,406	271,552	45,712	45,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	264,406	14,292	250,114	257,260	44,058	44,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	250,114	14,292	235,822	242,968	42,404	42,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	235,822	14,292	221,529	228,676	40,751	40,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	221,529	14,292	207,237	214,383	39,097	39,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	207,237	14,292	192,945	200,091	37,443	37,443	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	192,945	14,292	178,653	185,799	35,790	35,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	178,653	14,292	164,361	171,507	34,136	34,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	164,361	14,292	150,068	157,214	32,482	32,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	150,068	14,292	135,776	142,922	30,829	30,829	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	135,776	14,292	121,484	128,630	29,175	29,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	121,484	14,292	107,192	114,338	27,521	27,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	107,192	14,292	92,899	100,046	25,868	25,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	92,899	14,292	78,607	85,753	24,214	24,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	78,607	14,292	64,315	71,461	22,561	22,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	64,315	14,292	50,023	57,169	20,907	20,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	50,023	14,292	35,731	42,877	19,253	19,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	35,731	14,292	21,438	28,584	17,600	17,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	21,438	14,292	7,146	14,292	15,946	15,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	7,146	7,146	-	3,573	7,560	7,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	585,981				2,009,781	2,009,781	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b1659.14 (Fort Wayne - Marion: Relocate 138 kV line due to new 765 kV build into Sorenson)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	124,826	124,826	-
Prior Yr True-Up	141,173	141,173	-
True-Up Adjustment	16,347	16,347	-

Details		2021
Investment	1,112,263	Current Year
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	10	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up w/o Incentives	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2016	1,112,263	4,521	1,107,741	1,110,002	132,952	132,952	\$ -	\$ 226,163	\$ (93,211)	\$ (93,211)	\$ (93,211)	\$ -
2017	1,107,741	27,128	1,080,613	1,094,177	153,728	153,728	\$ -	\$ 7,946	\$ 145,782	\$ 145,782	\$ 145,782	\$ -
2018	1,080,613	27,128	1,053,485	1,067,049	150,590	150,590	\$ -	\$ 18,182	\$ 132,408	\$ 132,408	\$ 132,408	\$ -
2019	1,053,485	27,128	1,026,356	1,039,920	147,451	147,451	\$ -	\$ 125,631	\$ 21,820	\$ 125,631	\$ 21,820	\$ -
2020	1,026,356	27,128	999,228	1,012,792	144,312	144,312	\$ -	\$ 125,733	\$ 18,579	\$ 125,733	\$ 18,579	\$ -
2021	999,228	27,128	972,099	985,664	141,173	141,173	\$ -	\$ 124,826	\$ 16,347	\$ 124,826	\$ 16,347	\$ -
2022	972,099	27,128	944,971	958,535	138,034	138,034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	944,971	27,128	917,843	931,407	134,895	134,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	917,843	27,128	890,714	904,279	131,756	131,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	890,714	27,128	863,586	877,150	128,618	128,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	863,586	27,128	836,458	850,022	125,479	125,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	836,458	27,128	809,329	822,894	122,340	122,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	809,329	27,128	782,201	795,765	119,201	119,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	782,201	27,128	755,073	768,637	116,062	116,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	755,073	27,128	727,944	741,508	112,923	112,923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	727,944	27,128	700,816	714,380	109,785	109,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	700,816	27,128	673,688	687,252	106,646	106,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	673,688	27,128	646,559	660,123	103,507	103,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	646,559	27,128	619,431	632,995	100,368	100,368	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	619,431	27,128	592,302	605,867	97,229	97,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	592,302	27,128	565,174	578,738	94,090	94,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	565,174	27,128	538,046	551,610	90,951	90,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	538,046	27,128	510,917	524,482	87,813	87,813	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	510,917	27,128	483,789	497,353	84,674	84,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	483,789	27,128	456,661	470,225	81,535	81,535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	456,661	27,128	429,532	443,097	78,396	78,396	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	429,532	27,128	402,404	415,968	75,257	75,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	402,404	27,128	375,276	388,840	72,118	72,118	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	375,276	27,128	348,147	361,711	68,980	68,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	348,147	27,128	321,019	334,583	65,841	65,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	321,019	27,128	293,891	307,455	62,702	62,702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	293,891	27,128	266,762	280,326	59,563	59,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	266,762	27,128	239,634	253,198	56,424	56,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	239,634	27,128	212,505	226,070	53,285	53,285	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	212,505	27,128	185,377	198,941	50,147	50,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	185,377	27,128	158,249	171,813	47,008	47,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	158,249	27,128	131,120	144,685	43,869	43,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	131,120	27,128	103,992	117,556	40,730	40,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	103,992	27,128	76,864	90,428	37,591	37,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	76,864	27,128	49,735	63,300	34,452	34,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	49,735	27,128	22,607	36,171	31,313	31,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	22,607	22,607	-	11,303	23,915	23,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2074	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2075	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	1,112,263				3,857,704	3,857,704	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b2048 (Tanners Creek - Support for Transformer A/B Replacement)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	86,203	86,203	-
Prior Yr True-Up	97,288	97,288	-
True-Up Adjustment	11,085	11,085	-

Details		2021
Investment	818,037	Current Year
Service Year (yyyy)	2013	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	12	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2013	818,037	-	818,037	818,037	94,650	94,650	-	\$ 0	\$ 94,650	\$ 0	\$ 94,650	\$ -
2014	818,037	19,952	798,085	808,061	113,448	113,448	-	\$ 139,756	\$ (26,308)	\$ 139,756	\$ (26,308)	\$ -
2015	798,085	19,952	778,133	788,109	111,139	111,139	-	\$ 133,078	\$ (21,939)	\$ 133,078	\$ (21,939)	\$ -
2016	778,133	19,952	758,181	768,157	108,830	108,830	-	\$ 132,118	\$ (23,288)	\$ 132,118	\$ (23,288)	\$ -
2017	758,181	19,952	738,229	748,205	106,522	106,522	-	\$ 119,121	\$ (12,599)	\$ 119,121	\$ (12,599)	\$ -
2018	738,229	19,952	718,277	728,253	104,213	104,213	-	\$ 98,812	\$ 5,401	\$ 98,812	\$ 5,401	\$ -
2019	718,277	19,952	698,324	708,301	101,905	101,905	-	\$ 91,807	\$ 10,098	\$ 91,807	\$ 10,098	\$ -
2020	698,324	19,952	678,372	688,348	99,596	99,596	-	\$ 87,283	\$ 12,313	\$ 87,283	\$ 12,313	\$ -
2021	678,372	19,952	658,420	668,396	97,288	97,288	-	\$ 86,203	\$ 11,085	\$ 86,203	\$ 11,085	\$ -
2022	658,420	19,952	638,468	648,444	94,979	94,979	-	\$ -	\$ -	\$ -	\$ -	\$ -
2023	638,468	19,952	618,516	628,492	92,671	92,671	-	\$ -	\$ -	\$ -	\$ -	\$ -
2024	618,516	19,952	598,564	608,540	90,362	90,362	-	\$ -	\$ -	\$ -	\$ -	\$ -
2025	598,564	19,952	578,612	588,588	88,054	88,054	-	\$ -	\$ -	\$ -	\$ -	\$ -
2026	578,612	19,952	558,660	568,636	85,745	85,745	-	\$ -	\$ -	\$ -	\$ -	\$ -
2027	558,660	19,952	538,707	548,684	83,437	83,437	-	\$ -	\$ -	\$ -	\$ -	\$ -
2028	538,707	19,952	518,755	528,731	81,128	81,128	-	\$ -	\$ -	\$ -	\$ -	\$ -
2029	518,755	19,952	498,803	508,779	78,820	78,820	-	\$ -	\$ -	\$ -	\$ -	\$ -
2030	498,803	19,952	478,851	488,827	76,511	76,511	-	\$ -	\$ -	\$ -	\$ -	\$ -
2031	478,851	19,952	458,899	468,875	74,203	74,203	-	\$ -	\$ -	\$ -	\$ -	\$ -
2032	458,899	19,952	438,947	448,923	71,894	71,894	-	\$ -	\$ -	\$ -	\$ -	\$ -
2033	438,947	19,952	418,995	428,971	69,585	69,585	-	\$ -	\$ -	\$ -	\$ -	\$ -
2034	418,995	19,952	399,043	409,019	67,277	67,277	-	\$ -	\$ -	\$ -	\$ -	\$ -
2035	399,043	19,952	379,090	389,067	64,968	64,968	-	\$ -	\$ -	\$ -	\$ -	\$ -
2036	379,090	19,952	359,138	369,114	62,660	62,660	-	\$ -	\$ -	\$ -	\$ -	\$ -
2037	359,138	19,952	339,186	349,162	60,351	60,351	-	\$ -	\$ -	\$ -	\$ -	\$ -
2038	339,186	19,952	319,234	329,210	58,043	58,043	-	\$ -	\$ -	\$ -	\$ -	\$ -
2039	319,234	19,952	299,282	309,258	55,734	55,734	-	\$ -	\$ -	\$ -	\$ -	\$ -
2040	299,282	19,952	279,330	289,306	53,426	53,426	-	\$ -	\$ -	\$ -	\$ -	\$ -
2041	279,330	19,952	259,378	269,354	51,117	51,117	-	\$ -	\$ -	\$ -	\$ -	\$ -
2042	259,378	19,952	239,426	249,402	48,809	48,809	-	\$ -	\$ -	\$ -	\$ -	\$ -
2043	239,426	19,952	219,473	229,449	46,500	46,500	-	\$ -	\$ -	\$ -	\$ -	\$ -
2044	219,473	19,952	199,521	209,497	44,192	44,192	-	\$ -	\$ -	\$ -	\$ -	\$ -
2045	199,521	19,952	179,569	189,545	41,883	41,883	-	\$ -	\$ -	\$ -	\$ -	\$ -
2046	179,569	19,952	159,617	169,593	39,575	39,575	-	\$ -	\$ -	\$ -	\$ -	\$ -
2047	159,617	19,952	139,665	149,641	37,266	37,266	-	\$ -	\$ -	\$ -	\$ -	\$ -
2048	139,665	19,952	119,713	129,689	34,958	34,958	-	\$ -	\$ -	\$ -	\$ -	\$ -
2049	119,713	19,952	99,761	109,737	32,649	32,649	-	\$ -	\$ -	\$ -	\$ -	\$ -
2050	99,761	19,952	79,809	89,785	30,341	30,341	-	\$ -	\$ -	\$ -	\$ -	\$ -
2051	79,809	19,952	59,856	69,832	28,032	28,032	-	\$ -	\$ -	\$ -	\$ -	\$ -
2052	59,856	19,952	39,904	49,880	25,723	25,723	-	\$ -	\$ -	\$ -	\$ -	\$ -
2053	39,904	19,952	19,952	29,928	23,415	23,415	-	\$ -	\$ -	\$ -	\$ -	\$ -
2054	19,952	19,952	-	9,976	21,106	21,106	-	\$ -	\$ -	\$ -	\$ -	\$ -
2055	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2056	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2057	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	818,037		818,037		2,853,005	2,853,005	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. _____

(e.g. ER05-925-000)

Project Description: RTEP ID: b1818 (Expand the Allen station by installing a second 345/138 kV transformer and adding four exits by cutting in the Lincoln-Sterling and Timber Switch -Milan 138 kV double circuit tower line)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	1,397,056	1,397,056	-
Prior Yr True-Up	1,683,134	1,683,134	-
True-Up Adjustment	286,078	286,078	-

Details		2021
Investment	13,878,078	Current Year
Service Year (yyyy)	2014	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	10	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2014	13,878,078	56,415	13,821,663	13,849,870	1,658,892	1,658,892	-	-	-	-	-	-
2015	13,821,663	338,490	13,483,173	13,652,418	1,918,121	1,918,121	-	\$ 248,467	\$ 1,669,654	\$ 248,467	\$ 1,669,654	\$ -
2016	13,483,173	338,490	13,144,683	13,313,928	1,878,956	1,878,956	-	\$ 562,247	\$ 1,316,709	\$ 562,247	\$ 1,316,709	\$ -
2017	13,144,683	338,490	12,806,193	12,975,438	1,839,792	1,839,792	-	\$ 1,427,903	\$ 411,889	\$ 1,427,903	\$ 411,889	\$ -
2018	12,806,193	338,490	12,467,704	12,636,949	1,800,627	1,800,627	-	\$ 1,271,398	\$ 529,229	\$ 1,271,398	\$ 529,229	\$ -
2019	12,467,704	338,490	12,129,214	12,298,459	1,761,463	1,761,463	-	\$ 1,164,196	\$ 597,267	\$ 1,164,196	\$ 597,267	\$ -
2020	12,129,214	338,490	11,790,724	11,959,969	1,722,299	1,722,299	-	\$ 1,113,451	\$ 608,848	\$ 1,113,451	\$ 608,848	\$ -
2021	11,790,724	338,490	11,452,235	11,621,480	1,683,134	1,683,134	-	\$ 1,397,056	\$ 286,078	\$ 1,397,056	\$ 286,078	\$ -
2022	11,452,235	338,490	11,113,745	11,282,990	1,643,970	1,643,970	-	-	-	-	-	-
2023	11,113,745	338,490	10,775,255	10,944,500	1,604,805	1,604,805	-	-	-	-	-	-
2024	10,775,255	338,490	10,436,766	10,606,010	1,565,641	1,565,641	-	-	-	-	-	-
2025	10,436,766	338,490	10,098,276	10,267,521	1,526,477	1,526,477	-	-	-	-	-	-
2026	10,098,276	338,490	9,759,786	9,929,031	1,487,312	1,487,312	-	-	-	-	-	-
2027	9,759,786	338,490	9,421,297	9,590,541	1,448,148	1,448,148	-	-	-	-	-	-
2028	9,421,297	338,490	9,082,807	9,252,052	1,408,983	1,408,983	-	-	-	-	-	-
2029	9,082,807	338,490	8,744,317	8,913,562	1,369,819	1,369,819	-	-	-	-	-	-
2030	8,744,317	338,490	8,405,827	8,575,072	1,330,655	1,330,655	-	-	-	-	-	-
2031	8,405,827	338,490	8,067,338	8,236,583	1,291,490	1,291,490	-	-	-	-	-	-
2032	8,067,338	338,490	7,728,848	7,898,093	1,252,326	1,252,326	-	-	-	-	-	-
2033	7,728,848	338,490	7,390,358	7,559,603	1,213,161	1,213,161	-	-	-	-	-	-
2034	7,390,358	338,490	7,051,869	7,221,114	1,173,997	1,173,997	-	-	-	-	-	-
2035	7,051,869	338,490	6,713,379	6,882,624	1,134,833	1,134,833	-	-	-	-	-	-
2036	6,713,379	338,490	6,374,889	6,544,134	1,095,668	1,095,668	-	-	-	-	-	-
2037	6,374,889	338,490	6,036,400	6,205,644	1,056,504	1,056,504	-	-	-	-	-	-
2038	6,036,400	338,490	5,697,910	5,867,155	1,017,339	1,017,339	-	-	-	-	-	-
2039	5,697,910	338,490	5,359,420	5,528,665	978,175	978,175	-	-	-	-	-	-
2040	5,359,420	338,490	5,020,930	5,190,175	939,011	939,011	-	-	-	-	-	-
2041	5,020,930	338,490	4,682,441	4,851,686	899,846	899,846	-	-	-	-	-	-
2042	4,682,441	338,490	4,343,951	4,513,196	860,682	860,682	-	-	-	-	-	-
2043	4,343,951	338,490	4,005,461	4,174,706	821,517	821,517	-	-	-	-	-	-
2044	4,005,461	338,490	3,666,972	3,836,217	782,353	782,353	-	-	-	-	-	-
2045	3,666,972	338,490	3,328,482	3,497,727	743,189	743,189	-	-	-	-	-	-
2046	3,328,482	338,490	2,989,992	3,159,237	704,024	704,024	-	-	-	-	-	-
2047	2,989,992	338,490	2,651,503	2,820,747	664,860	664,860	-	-	-	-	-	-
2048	2,651,503	338,490	2,313,013	2,482,258	625,695	625,695	-	-	-	-	-	-
2049	2,313,013	338,490	1,974,523	2,143,768	586,531	586,531	-	-	-	-	-	-
2050	1,974,523	338,490	1,636,034	1,805,278	547,367	547,367	-	-	-	-	-	-
2051	1,636,034	338,490	1,297,544	1,466,789	508,202	508,202	-	-	-	-	-	-
2052	1,297,544	338,490	959,054	1,128,299	469,038	469,038	-	-	-	-	-	-
2053	959,054	338,490	620,564	789,809	429,873	429,873	-	-	-	-	-	-
2054	620,564	338,490	282,075	451,320	390,709	390,709	-	-	-	-	-	-
2055	282,075	282,075	-	141,037	298,393	298,393	-	-	-	-	-	-
2056	-	-	-	-	-	-	-	-	-	-	-	-
2057	-	-	-	-	-	-	-	-	-	-	-	-
2058	-	-	-	-	-	-	-	-	-	-	-	-
2059	-	-	-	-	-	-	-	-	-	-	-	-
2060	-	-	-	-	-	-	-	-	-	-	-	-
2061	-	-	-	-	-	-	-	-	-	-	-	-
2062	-	-	-	-	-	-	-	-	-	-	-	-
2063	-	-	-	-	-	-	-	-	-	-	-	-
2064	-	-	-	-	-	-	-	-	-	-	-	-
2065	-	-	-	-	-	-	-	-	-	-	-	-
2066	-	-	-	-	-	-	-	-	-	-	-	-
2067	-	-	-	-	-	-	-	-	-	-	-	-
2068	-	-	-	-	-	-	-	-	-	-	-	-
2069	-	-	-	-	-	-	-	-	-	-	-	-
2070	-	-	-	-	-	-	-	-	-	-	-	-
2071	-	-	-	-	-	-	-	-	-	-	-	-
2072	-	-	-	-	-	-	-	-	-	-	-	-
2073	-	-	-	-	-	-	-	-	-	-	-	-
Project Totals		13,878,078			48,133,876	48,133,876	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

Facilities receiving incentives accepted by FERC in Docket No. _____

(e.g. ER05-925-000)

Project Description: RTEP ID: b1819 (Rebuild the Robinson Park-Sorneson 138 kV line corridor as a 345 kV double circuit line with one side operated at 345 kV and one side at 138 kV)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	373,465	373,465	-
Prior Yr True-Up	422,422	422,422	-
True-Up Adjustment	48,956	48,956	-

Details		Current Year	2021
Investment	3,315,854		
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	12	FCR w/o incentives, less depreciation	11.57%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.57%
CIAC (Yes or No)	No	Annual Depreciation Expense	80,874

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2016	3,315,854	-	3,315,854	3,315,854	383,656	383,656	\$ -	\$ 486,138	\$(102,482)	\$ 486,138	\$(102,482)	\$ -
2017	3,315,854	80,874	3,234,980	3,275,417	459,851	459,851	\$ -	\$ 574,408	\$(114,557)	\$ 574,408	\$(114,557)	\$ -
2018	3,234,980	80,874	3,154,105	3,194,543	450,494	450,494	\$ -	\$ 355,679	94,815	\$ 355,679	94,815	\$ -
2019	3,154,105	80,874	3,073,231	3,113,668	441,136	441,136	\$ -	\$ 374,139	66,998	\$ 374,139	66,998	\$ -
2020	3,073,231	80,874	2,992,356	3,032,794	431,779	431,779	\$ -	\$ 376,071	55,708	\$ 376,071	55,708	\$ -
2021	2,992,356	80,874	2,911,482	2,951,919	422,422	422,422	\$ -	\$ 373,465	48,956	\$ 373,465	48,956	\$ -
2022	2,911,482	80,874	2,830,607	2,871,045	413,064	413,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	2,830,607	80,874	2,749,733	2,790,170	403,707	403,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	2,749,733	80,874	2,668,858	2,709,296	394,349	394,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	2,668,858	80,874	2,587,984	2,628,421	384,992	384,992	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	2,587,984	80,874	2,507,109	2,547,547	375,634	375,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	2,507,109	80,874	2,426,235	2,466,672	366,277	366,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	2,426,235	80,874	2,345,360	2,385,798	356,919	356,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	2,345,360	80,874	2,264,486	2,304,923	347,562	347,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	2,264,486	80,874	2,183,611	2,224,049	338,204	338,204	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	2,183,611	80,874	2,102,737	2,143,174	328,847	328,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	2,102,737	80,874	2,021,862	2,062,300	319,490	319,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	2,021,862	80,874	1,940,988	1,981,425	310,132	310,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	1,940,988	80,874	1,860,113	1,900,551	300,775	300,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	1,860,113	80,874	1,779,239	1,819,676	291,417	291,417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	1,779,239	80,874	1,698,364	1,738,802	282,060	282,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	1,698,364	80,874	1,617,490	1,657,927	272,702	272,702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	1,617,490	80,874	1,536,615	1,577,053	263,345	263,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	1,536,615	80,874	1,455,741	1,496,178	253,987	253,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	1,455,741	80,874	1,374,866	1,415,304	244,630	244,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	1,374,866	80,874	1,293,992	1,334,429	235,272	235,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	1,293,992	80,874	1,213,117	1,253,555	225,915	225,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	1,213,117	80,874	1,132,243	1,172,680	216,558	216,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	1,132,243	80,874	1,051,368	1,091,806	207,200	207,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	1,051,368	80,874	970,494	1,010,931	197,843	197,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	970,494	80,874	889,619	930,057	188,485	188,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	889,619	80,874	808,745	849,182	179,128	179,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	808,745	80,874	727,870	769,308	169,770	169,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	727,870	80,874	646,996	687,433	160,413	160,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	646,996	80,874	566,121	606,559	151,055	151,055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	566,121	80,874	485,247	525,684	141,698	141,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	485,247	80,874	404,372	444,810	132,340	132,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	404,372	80,874	323,498	363,935	122,983	122,983	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	323,498	80,874	242,623	283,061	113,626	113,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	242,623	80,874	161,749	202,186	104,268	104,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	161,749	80,874	80,874	121,312	94,911	94,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	80,874	80,874	-	40,437	85,553	85,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2074	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2075	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals		3,315,854			11,564,449	11,564,449	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b1465.4 (Make switching improvements at Sullivan and Jefferson 765 kV stations)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	-	-	-
Prior Yr True-Up	-	-	-
True-Up Adjustment	-	-	-

Details		Current Year	2021
Investment	-	-	-
Service Year (yyyy)	2016	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	6	FCR w/o incentives, less depreciation	11.57%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.57%
CIAC (Yes or No)	No	Annual Depreciation Expense	-

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:
CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARRS OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't. w/o Incentives	RTEP Rev. Req't. with Incentives **	Incentive Rev. Requirement ##	RTEP Projected Rev. Req't. From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't. From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2016	-	-	-	-	-	-	\$ -	\$ 149,902	\$ (149,902)	\$ 149,902	\$ (149,902)	\$ -
2017	-	-	-	-	-	-	\$ -	\$ 92,121	\$ (92,121)	\$ 92,121	\$ (92,121)	\$ -
2018	-	-	-	-	-	-	\$ -	\$ 77,231	\$ (77,231)	\$ 77,231	\$ (77,231)	\$ -
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	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2074	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2075	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b1465.5 (Make switching changes at Sullivan 765 kV station)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	65,740	65,740	-
Prior Yr True-Up	81,454	81,454	-
True-Up Adjustment	15,715	15,715	-

Details		Current Year	2021
Investment	633,540		
Service Year (yyyy)	2017	ROE increase accepted by FERC (Basis Points)	-
Service Month (1-12)	5	FCR w/o incentives, less depreciation	11.57%
Useful life	41	FCR w/incentives approved for these facilities, less dep.	11.57%
CIAC (Yes or No)	No	Annual Depreciation Expense	15,452

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

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

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2017	633,540	9,014	624,526	629,033	81,795	81,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2018	624,526	15,452	609,074	616,800	86,818	86,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	609,074	15,452	593,622	601,348	85,030	85,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	593,622	15,452	578,170	585,896	83,242	83,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	578,170	15,452	562,717	570,444	81,454	81,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022	562,717	15,452	547,265	554,991	79,667	79,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	547,265	15,452	531,813	539,539	77,879	77,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	531,813	15,452	516,361	524,087	76,091	76,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	516,361	15,452	500,909	508,635	74,303	74,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	500,909	15,452	485,456	493,183	72,515	72,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	485,456	15,452	470,004	477,730	70,727	70,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2028	470,004	15,452	454,552	462,278	68,939	68,939	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2029	454,552	15,452	439,100	446,826	67,151	67,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2030	439,100	15,452	423,648	431,374	65,364	65,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2031	423,648	15,452	408,196	415,922	63,576	63,576	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2032	408,196	15,452	392,743	400,469	61,788	61,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2033	392,743	15,452	377,291	385,017	60,000	60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2034	377,291	15,452	361,839	369,565	58,212	58,212	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2035	361,839	15,452	346,387	354,113	56,424	56,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2036	346,387	15,452	330,934	338,661	54,636	54,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2037	330,934	15,452	315,482	323,208	52,848	52,848	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2038	315,482	15,452	300,030	307,756	51,061	51,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2039	300,030	15,452	284,578	292,304	49,273	49,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2040	284,578	15,452	269,126	276,852	47,485	47,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2041	269,126	15,452	253,674	261,400	45,697	45,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2042	253,674	15,452	238,221	245,947	43,909	43,909	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2043	238,221	15,452	222,769	230,495	42,121	42,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2044	222,769	15,452	207,317	215,043	40,333	40,333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2045	207,317	15,452	191,865	199,591	38,546	38,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2046	191,865	15,452	176,413	184,139	36,758	36,758	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2047	176,413	15,452	160,960	168,686	34,970	34,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2048	160,960	15,452	145,508	153,234	33,182	33,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2049	145,508	15,452	130,056	137,782	31,394	31,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2050	130,056	15,452	114,604	122,330	29,606	29,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2051	114,604	15,452	99,152	106,878	27,818	27,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2052	99,152	15,452	83,699	91,425	26,030	26,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2053	83,699	15,452	68,247	75,973	24,243	24,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2054	68,247	15,452	52,795	60,521	22,455	22,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	52,795	15,452	37,343	45,069	20,667	20,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2056	37,343	15,452	21,891	29,617	18,879	18,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2057	21,891	15,452	6,438	14,165	17,091	17,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2058	6,438	6,438	-	3,219	6,811	6,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2059	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2060	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2061	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2062	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2063	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2064	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2065	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2066	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2067	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2068	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2069	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2070	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2071	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2072	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2073	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2074	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2075	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2076	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Totals	633,540				2,166,788	2,166,788	-					

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

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

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

A. Base Plan Facilities

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

Project Description: RTEP ID: b2831.1 (Upgrade the Tanner Creek-Miami Fort 345kV circuit)

2021	Rev Require	W Incentives	Incentive Amounts
Prior Yr Projected	77,582	77,582	-
Prior Yr True-Up	85,896	85,896	-
True-Up Adjustment	8,314	8,314	-

Details		2021
Investment	653,739	Current Year
Service Year (yyyy)	2018	ROE increase accepted by FERC (Basis Points)
Service Month (1-12)	5	FCR w/o incentives, less depreciation
Useful life	41	FCR w/incentives approved for these facilities, less dep.
CIAC (Yes or No)	No	Annual Depreciation Expense

TRUE UP OF PROJECT REVENUE REQUIREMENT FOR PRIOR YEAR:

CUMULATIVE HISTORY OF TRUED-UP ANNUAL REVENUE REQUIREMENTS:
INPUT TRUE-UP ARR (WITH & WITHOUT INCENTIVES) FROM EACH PRIOR YEAR
TEMPLATE BELOW TO MAINTAIN HISTORY OF TRUED-UP ARR'S OVER THE
LIFE OF THE PROJECT.

Investment Year	Beginning Balance	Depreciation Expense	Ending Balance	Average Balance	RTEP Rev. Req't w/o Incentives	RTEP Rev. Req't with Incentives **	Incentive Rev. Requirement #	RTEP Projected Rev. Req't From Prior Year WS J w/o Incentives	RTEP Rev Req't True-up w/o Incentives	RTEP Projected Rev. Req't From Prior Year WS J with Incentives **	RTEP Rev Req't True-up with Incentives **	True-up of Incentive with Incentives **
2018	653,739	9,301	644,438	649,089	84,403	84,403	-	-	-	-	-	-
2019	644,438	15,945	628,493	636,466	89,586	89,586	-	-	-	-	-	-
2020	628,493	15,945	612,548	620,521	87,741	87,741	-	21,773	67,813	21,773	21,773	-
2021	612,548	15,945	596,604	604,576	85,896	85,896	-	21,219	66,522	21,219	21,219	-
2022	596,604	15,945	580,659	588,631	84,051	84,051	-	8,314	77,582	8,314	8,314	-
2023	580,659	15,945	564,714	572,686	82,207	82,207	-	-	-	-	-	-
2024	564,714	15,945	548,769	556,741	80,362	80,362	-	-	-	-	-	-
2025	548,769	15,945	532,824	540,796	78,517	78,517	-	-	-	-	-	-
2026	532,824	15,945	516,879	524,852	76,672	76,672	-	-	-	-	-	-
2027	516,879	15,945	500,934	508,907	74,827	74,827	-	-	-	-	-	-
2028	500,934	15,945	484,989	492,962	72,982	72,982	-	-	-	-	-	-
2029	484,989	15,945	469,045	477,017	71,137	71,137	-	-	-	-	-	-
2030	469,045	15,945	453,100	461,072	69,292	69,292	-	-	-	-	-	-
2031	453,100	15,945	437,155	445,127	67,448	67,448	-	-	-	-	-	-
2032	437,155	15,945	421,210	429,182	65,603	65,603	-	-	-	-	-	-
2033	421,210	15,945	405,265	413,238	63,758	63,758	-	-	-	-	-	-
2034	405,265	15,945	389,320	397,293	61,913	61,913	-	-	-	-	-	-
2035	389,320	15,945	373,375	381,348	60,068	60,068	-	-	-	-	-	-
2036	373,375	15,945	357,431	365,403	58,223	58,223	-	-	-	-	-	-
2037	357,431	15,945	341,486	349,458	56,378	56,378	-	-	-	-	-	-
2038	341,486	15,945	325,541	333,513	54,533	54,533	-	-	-	-	-	-
2039	325,541	15,945	309,596	317,568	52,688	52,688	-	-	-	-	-	-
2040	309,596	15,945	293,651	301,624	50,844	50,844	-	-	-	-	-	-
2041	293,651	15,945	277,706	285,679	48,999	48,999	-	-	-	-	-	-
2042	277,706	15,945	261,761	269,734	47,154	47,154	-	-	-	-	-	-
2043	261,761	15,945	245,817	253,789	45,309	45,309	-	-	-	-	-	-
2044	245,817	15,945	229,872	237,844	43,464	43,464	-	-	-	-	-	-
2045	229,872	15,945	213,927	221,899	41,619	41,619	-	-	-	-	-	-
2046	213,927	15,945	197,982	205,954	39,774	39,774	-	-	-	-	-	-
2047	197,982	15,945	182,037	190,010	37,930	37,930	-	-	-	-	-	-
2048	182,037	15,945	166,092	174,065	36,085	36,085	-	-	-	-	-	-
2049	166,092	15,945	150,147	158,120	34,240	34,240	-	-	-	-	-	-
2050	150,147	15,945	134,203	142,175	32,395	32,395	-	-	-	-	-	-
2051	134,203	15,945	118,258	126,230	30,550	30,550	-	-	-	-	-	-
2052	118,258	15,945	102,313	110,285	28,705	28,705	-	-	-	-	-	-
2053	102,313	15,945	86,368	94,340	26,860	26,860	-	-	-	-	-	-
2054	86,368	15,945	70,423	78,396	25,015	25,015	-	-	-	-	-	-
2055	70,423	15,945	54,478	62,451	23,171	23,171	-	-	-	-	-	-
2056	54,478	15,945	38,533	46,506	21,326	21,326	-	-	-	-	-	-
2057	38,533	15,945	22,589	30,561	19,481	19,481	-	-	-	-	-	-
2058	22,589	15,945	6,644	14,616	17,636	17,636	-	-	-	-	-	-
2059	6,644	6,644	-	3,322	7,028	7,028	-	-	-	-	-	-
2060	-	-	-	-	-	-	-	-	-	-	-	-
2061	-	-	-	-	-	-	-	-	-	-	-	-
2062	-	-	-	-	-	-	-	-	-	-	-	-
2063	-	-	-	-	-	-	-	-	-	-	-	-
2064	-	-	-	-	-	-	-	-	-	-	-	-
2065	-	-	-	-	-	-	-	-	-	-	-	-
2066	-	-	-	-	-	-	-	-	-	-	-	-
2067	-	-	-	-	-	-	-	-	-	-	-	-
2068	-	-	-	-	-	-	-	-	-	-	-	-
2069	-	-	-	-	-	-	-	-	-	-	-	-
2070	-	-	-	-	-	-	-	-	-	-	-	-
2071	-	-	-	-	-	-	-	-	-	-	-	-
2072	-	-	-	-	-	-	-	-	-	-	-	-
2073	-	-	-	-	-	-	-	-	-	-	-	-
2074	-	-	-	-	-	-	-	-	-	-	-	-
2075	-	-	-	-	-	-	-	-	-	-	-	-
2076	-	-	-	-	-	-	-	-	-	-	-	-
2077	-	-	-	-	-	-	-	-	-	-	-	-
Project Totals	653,739	653,739	2,235,873	2,235,873	2,235,873	2,235,873	-	-	-	-	-	-

** This is the total amount that needs to be reported to PJM for billing to all regions.

This is the calculation of additional incentive revenue on projects deemed by the FERC to be eligible for an incentive return. This additional incentive requirement is applicable for the life of this specific project. Each year the revenue requirement calculated for PJM should be incremented by the amount of the incentive revenue calculated for that year on this project.

AEP East Companies
Cost of Service Formula Rate Using 2021 FF1 Balances
Worksheet L Reserved for Future Use
Indiana Michigan Power Company

AEP East Companies
 Cost of Service Formula Rate Using Actual/Projected FF1 Balances
 Worksheet M Supporting Calculation of Capital Structure and Weighted Average Cost of Capital
 Indiana Michigan Power Company

Line No	Month (a)	Average Balance of Common Equity				Average Balance of Common Equity (f)=(b)-(c)-(d)-(e)
		Proprietary Capital (b)	Less: Preferred Stock (c)	Less Undistributed Sub Earnings (Acct 216.1) (d)	Less AOCI (Acct 219.1) (e)	
	(Note A)	(FF1 112.16)	(FF1 250-251)	(FF1 112.12)	(FF1 112.15)	
1	December Prior to Rate Year	2,749,251,354	-	(5,485,144)	(6,938,742)	2,761,675,240
2	January	2,770,152,858	-	(5,485,838)	(6,805,217)	2,782,443,913
3	February	2,780,746,309	-	(5,486,586)	(6,671,692)	2,792,904,587
4	March	2,795,465,375	-	(5,459,486)	(6,570,545)	2,807,495,406
5	April	2,796,223,029	-	(5,444,276)	(6,437,019)	2,808,104,324
6	May	2,758,685,867	-	(5,442,186)	(6,303,494)	2,770,431,548
7	June	2,777,993,908	-	(5,543,628)	(6,202,347)	2,789,739,883
8	July	2,809,365,022	-	(5,520,277)	(6,068,822)	2,820,954,120
9	August	2,784,055,454	-	(5,523,529)	(5,935,296)	2,795,514,280
10	September	2,807,440,164	-	(5,525,266)	(5,834,149)	2,818,799,579
11	October	2,819,376,356	-	(5,525,358)	(5,700,624)	2,830,602,337
12	November	2,764,689,370	-	(2,706,440)	(5,567,099)	2,772,962,909
13	December of Rate Year	2,784,781,469	-	(2,703,331)	(1,252,146)	2,788,736,946
14	Average of the 13 Monthly Balances	2,784,478,964	-	(5,065,488)	(5,868,246)	2,795,412,698

Line No	Month (a)	Average Balance of Long Term Debt					Gross Proceeds Outstanding Long-Term Debt (g)=(b)-(c)+(d)+(e)-(f)
		Acct 221 Bonds (b)	Less: Acct 222 Reacquired Bonds (c)	Acct 223 LT Advances from Assoc. Companies (d)	Acct 224 Senior Unsecured Notes (e)	Less: Fair Value Hedges (f)	
	(Note A)	(FF1 112.18)	(FF1 112.19)	(FF1 112.20)	(FF1 112.21)	FF1, page 257, Col. (h) - Note 1	
15	December Prior to Rate Year	-	-	-	2,626,378,853	-	2,626,378,853
16	January	-	-	-	2,626,225,747	-	2,626,225,747
17	February	-	-	-	2,626,055,209	-	2,626,055,209
18	March	-	-	-	2,625,883,818	-	2,625,883,818
19	April	-	-	-	3,075,711,570	-	3,075,711,570
20	May	-	-	-	2,875,538,461	-	2,875,538,461
21	June	-	40,000,000	-	2,875,364,486	-	2,835,364,486
22	July	-	40,000,000	-	2,875,189,641	-	2,835,189,641
23	August	-	40,000,000	-	2,875,013,922	-	2,835,013,922
24	September	-	40,000,000	-	2,874,837,325	-	2,834,837,325
25	October	-	40,000,000	-	2,874,659,845	-	2,834,659,845
26	November	-	40,000,000	-	2,822,481,477	-	2,782,481,477
27	December of Rate Year	-	-	-	2,822,302,217	-	2,822,302,217
28	Average of the 13 Monthly Balances	-	18,461,538	-	2,805,818,659	-	2,787,357,121

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

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
29	Annual Interest Expense for 2021						
30	Interest on Long Term Debt - Accts 221 - 224 (256-257.33.i)				112,879,508		
31	Less: Total Hedge Gain/Expense Accumulated from p 256-257, col. (i) of FERC Form 1 included in Ln 30 and shown in 50 below.				2,028,230		
32	Plus: Allowed Hedge Recovery From Ln 55 below.				2,028,230		
33	Amort of Debt Discount & Expense - Acct 428 (117.63.c)				2,116,800		
34	Amort of Loss on Reacquired Debt - Acct 428.1 (117.64.c)				1,472,631		
35	Less: Amort of Premium on Debt - Acct 429 (117.65.c)						
36	Less: Amort of Gain on Reacquired Debt - Acct 429.1 (117.66.c)				1,712		
37	Total Interest Expense (Ln 30 - 31 + 33 + 34 - 35 - 36)				116,467,227		
38	Average Cost of Debt for 2021 (Ln 37/ Ln 28 (g))						4.18%

CALCULATION OF RECOVERABLE HEDGE GAINS/LOSSES

39 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 2021	Less Excludable Amounts (See NOTE on Line 39)	Net Includable Hedge Amount	Amortization Period		
				Remaining Unamortized Balance	Beginning	Ending
40 Senior Unsecured Notes - Series F			-	-	November 2004	November 2014
41 Senior Unsecured Notes - Series G	-		-	-	Dec-05	Nov-15
42 Senior Unsecured Notes - Series H	421,740		421,740	6,378,822	Nov-06	Feb-37
43 Senior Unsecured Notes - Series J	1,606,489		1,606,489	1,941,174	Mar-13	Mar-23
44			-			
45			-			
46			-			
47			-			
48			-			
49			-			
50 Total Hedge Amortization	2,028,230	-		8,319,996		
51 Hedge Gain or Loss Prior to Application of Recovery Limit (Sum of Lines 40 to 48)			2,028,230			
52 Total Average Capital Structure Balance for 2021 (TCOS, Ln 157)			5,582,769,819			
53 Financial Hedge Recovery Limit - Five Basis Points of Total Capital			0.0005			
54 Limit of Recoverable Amount			2,791,385			
55 Recoverable Hedge Amortization (Lesser of Ln 51 or Ln 54)			2,028,230			

Development of Cost of Preferred Stock

Preferred Stock	Average	
56 0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%
57 0% Series - 0 - Par Value (p. 250-251)	\$ -	\$ -
58 0% Series - 0 - Shares O/S (p.250-251)	-	-
59 0% Series - 0 - Monetary Value (Ln 57 * Ln 58)	-	-
60 0% Series - 0 - Dividend Amount (Ln 56 * Ln 59)	-	-
61 0% Series - 0 - Dividend Rate (p. 250-251)	0.000%	0.000%

62 0% Series - 0 - Par Value (p. 250-251)	\$	-	\$	-	
63 0% Series - 0 - Shares O/S (p.250-251)		-		-	
64 0% Series - 0 - Monetary Value (Ln 62 * Ln 63)		-		-	-
65 0% Series - 0 - Dividend Amount (Ln 61 * Ln 64)		-		-	-
66 0% Series - 0 - Dividend Rate (p. 250-251)		0.000%		0.000%	
67 0% Series - 0 - Par Value (p. 250-251)	\$	-	\$	-	
68 0% Series - 0 - Shares O/S (p.250-251)		-		-	
69 0% Series - 0 - Monetary Value (Ln 67 * Ln 68)		-		-	-
70 0% Series - 0 - Dividend Amount (Ln 66 * Ln 69)		-		-	-
71 Balance of Preferred Stock (Lns 59, 64, 69)		-		-	- Year End Total Agrees to FF1 p.112, Ln 3, col (c) & (d)
72 Dividends on Preferred Stock (Lns 60, 65, 70)		-		-	
73 Average Cost of Preferred Stock (Ln 72/71)		0.00%		0.00%	0.00%

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet N - Gains (Losses) on Sales of Plant Held For Future Use
Indiana Michigan Power Company

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

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

Net (Gain) or Loss for 2021

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet O - Calculation of Postemployment Benefits Other than Pensions Expenses Allocable to Transmission Service
Indiana Michigan Power Company

1 Total AEP East Operating Company PBOP Settlement Amount 52,287,952

Allocation of PBOP Settlement Amount for 2021

Line#	Company	Total Company Amount			One Year Functional Expense (Over)/Under			
		Actual Expense (Including AEPSC Billed OPEB)	Ratio of Company Actual to Total	Allocation of PBOB Recovery Allowance	Labor Allocator for 2021	Actual Expense	Allowable Expense	Expense (Over)/Under
		(A)	(B)=(A)/Total (A)	(C)=(B) * 52287952	(D)	(E)=(A) * (D)	(F)=(C) * (D)	(G)=(E) - (F)
		(Line 14)						
2	APCo	(23,618,642)	35.96%	18,800,431	10.674%	(2,520,994)	2,006,710	(4,527,704)
3	I&M	(17,706,525)	26.96%	14,094,387	4.922%	(871,558)	693,760	(1,565,318)
4	KPCo	(5,480,767)	8.34%	4,362,689	9.803%	(537,269)	427,666	(964,935)
5	KNGP	(551,450)	0.84%	438,954	10.629%	(58,612)	46,656	(105,268)
6	OPCo	(17,282,862)	26.31%	13,757,152	12.769%	(2,206,858)	1,756,658	(3,963,516)
7	WPCo	(1,048,165)	1.60%	834,339	2.864%	(30,020)	23,896	(53,917)
8	Sum of Lines 2 to 7	(65,688,411)		52,287,952		(6,225,311)	4,955,346	(11,180,657)

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

	APCo	I&M	KPCo	KNGSPT	OPCo	WPCo	AEP East Total
9 Direct Charged PBOP Expense per Actuarial Report	(18,515,130)	(15,962,872)	(4,599,013)	(411,310)	(12,990,946)	(492,981)	(52,972,252)
10 Additional PBOP Ledger Entries (from Company Records)	567,303	2,049,361	482,739	0	(0)	(440,209)	
11 Medicare Subsidy							-
12 Net Company Expense (Ln 9 + Ln 10 + Ln 11)	(17,947,827)	(13,913,511)	(4,116,274)	(411,310)	(12,990,946)	(933,190)	(50,313,058)
13 PBOP Expenses From AEP Service Corporation (from Company Records)	(5,670,815)	(3,793,014)	(1,364,493)	(140,140)	(4,291,916)	(114,975)	(15,375,353)
14 Company PBOP Expense (Ln 12 + Ln 13)	(23,618,642)	(17,706,525)	(5,480,767)	(551,450)	(17,282,862)	(1,048,165)	(65,688,411)

For the rate year 2017 and adjusted every four years thereafter, using the annual actuarial report produced for that year, filed as part of the informational filing, Worksheet O will be used to adjust PBOP costs for the next four years (i.e. 2017, 2018, 2019, 2020). If the annual actuarial report projects PBOP costs during the next four years, taken together with the then current cumulative PBOP cost/allowance position, will, absent a change in the PBOP allowance, cause the AEP Companies to over or under collect their cumulative PBOP costs by more than 20% of the projected next four year's total cost, the PBOP allowance shall be adjusted. Worksheet O will be used in the process of updating the PBOP allowance determining (a) the level of cumulative over or under collections during the period since the PBOP allowance was last set, including carrying costs based on the weighted average cost of capital ("WACC") each year from the actual formula rate; (b) the cumulative net present value of projected PBOP costs during the next four years, as estimated by the then current actuarial report, assuming a discount rate equal to the actual formula rate weighted average cost of capital for the prior calendar year; and (c) the cumulative net present value of continued collections over the next four years based on the then effective PBOP allowance, assuming a discount rate equal to the prior year WACC. If the absolute value of (a)+(b)-(c) exceeds 20% of (b), then the PBOP allowance used in the formula rate calculation shall be changed to the value that will cause the projected result (a)+(b)-(c) to equal zero. If the projected over or under collection during the next four years will be less than 20% of (b), then the PBOP allowance will continue in effect for the next four years at the then effective rate. If it is determined through this procedure AEP Companies will over-recover or under-recover actual PBOP expenses by more than 20% over the subsequent four-year period, AEP shall make a filing under FPA Section 205 to change the PBOP expense stated in the formula rate shown on Worksheet O. No other changes to the formula rate may be included in that filing.

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF 1/1/2020
FOR MULTIPLE JURISDICTION COMPANIES
Appalachian Power Company

	VIRGINIA				WEST VIRGINIA			FERC WHOLESALE			FERC KINGSFORT			COMPANY
	(1) PLANT ACCT.	VA SCC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(2) PSC OF WV APPROVED RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(3) FERC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	(4) FERC RATES	ALLOCATION FACTOR (5)	WTD AVG. DEPREC. RATE	WTD AVG. DEPREC. RATE
TRANSMISSION PLANT														
Land Rights - Va.	350.1	0.66%	1.000000	0.66%										0.66%
Energy Storage Equip	351.0				14.22%	1.000000	14.22%							14.22%
Structures & Improvements	352.0	1.99%	0.494821	0.98%	1.62%	0.411083	0.67%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.86%
Station Equipment	353.0	2.70%	0.494821	1.34%	2.37%	0.411083	0.97%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	2.52%
Towers & Fixtures	354.0	1.64%	0.494821	0.81%	1.59%	0.411083	0.65%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.67%
Poles & Fixtures	355.0	3.46%	0.494821	1.71%	2.71%	0.411083	1.11%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	3.03%
Overhead Conductor	356.0	1.65%	0.494821	0.82%	1.53%	0.411083	0.63%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	1.66%
Underground Conduit	357.0	2.49%	0.494821	1.23%	3.71%	0.411083	1.53%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	2.97%
Underground Conductors	358.0	4.72%	0.494821	2.34%	5.24%	0.411083	2.15%	2.19%	0.036533	0.08%	2.19%	0.057563	0.13%	4.70%
GENERAL PLANT														
Structures & Improvements	390.0	1.89%	0.523756	0.99%	1.91%	0.425941	0.81%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.98%
Office Furniture & Equipment	391.0	3.21%	0.523756	1.68%	3.17%	0.425941	1.35%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.21%
Transportation Equipment	392.0	3.46%	0.523756	1.81%	3.40%	0.425941	1.45%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.44%
Stores Equipment	393.0	1.78%	0.523756	0.93%	1.80%	0.425941	0.77%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.88%
Tools Shop & Garage Equipment	394.0	2.59%	0.523756	1.36%	2.57%	0.425941	1.09%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	2.63%
Laboratory Equipment	395.0	3.87%	0.523756	2.03%	4.01%	0.425941	1.71%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	3.92%
Power Operated Equipment	396.0	0.00%	0.523756	0.00%	3.90%	0.425941	1.66%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	1.84%
Communication Equipment	397.0	5.05%	0.523756	2.64%	4.98%	0.425941	2.12%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	4.94%
Miscellaneous Equipment	398.0	2.67%	0.523756	1.40%	2.70%	0.425941	1.15%	3.43%	0.019295	0.07%	3.43%	0.031009	0.11%	2.73%

(1) As approved in VA Case No. PUE 2020-00015 on Nov. 24, 2020
Depreciation rates were made effective on January 1, 2020.

(3) Approved by FERC March 2, 1990 in Docket ER90-132

(2) Approved by PSC of WV Order dated 2/27/2019 in
Case No. 18-0645-E-D effective 03/06/2019.

(4) Approved by FERC March 2, 1990 in Docket ER90-133

(5) Transmission allocation factors are changed annually in January based on
September factors as per the PJM tariff approved in FERC Docket ER08-1329
Attachment H-14B, Part II, pg. 15 of 21.

(6) Distribution Plant (recorded by state) is assigned only to
jurisdictions within each state.

GENERAL NOTES:

The rates for each AEP company have been approved by their respective regulatory commissions.

APCo falls under the authority of Virginia, West Virginia and the FERC. Therefore, APCo's rates are a composite of the jurisdictions under which it operates. Each jurisdiction's rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate for the company.

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.

AEP EAST COMPANIES
Worksheet - P CALCULATION OF
TOTAL WEIGHTED AVERAGE DEPRECIATION RATES
FOR TRANSMISSION PLANT PROPERTY ACCOUNT
EFFECTIVE AS OF MARCH 11, 2020
FOR MULTIPLE JURISDICTION COMPANIES
INDIANA MICHIGAN POWER COMPANY

	INDIANA			MICHIGAN AND FERC			COMPANY	
	(1) PLANT ACCT.	IURC RATES	ALLOCATION FACTOR (4)	WTD AVG. DEPREC. RATE	(2) MPSC APPROVED RATES	ALLOCATION FACTOR (4)	WTD AVG. DEPREC. RATE	WTD AVG. DEPREC. RATE
TRANSMISSION PLANT								
Land Improvements	350.1	1.6600%	0.662335	1.0995%	1.6200%	0.337665	0.5470%	1.65%
Structures & Improvements	352.0	1.7700%	0.662335	1.1723%	1.7400%	0.337665	0.5875%	1.76%
Station Equipment	353.0	2.4300%	0.662335	1.6095%	2.4100%	0.337665	0.8138%	2.42%
Towers & Fixtures	354.0	2.5700%	0.662335	1.7022%	2.4500%	0.337665	0.8273%	2.53%
Poles & Fixtures	355.0	3.1900%	0.662335	2.1128%	3.1700%	0.337665	1.0704%	3.18%
Overhead Conductors	356.0	2.3500%	0.662335	1.5565%	2.2800%	0.337665	0.7699%	2.33%
Underground Conduit	357.0	2.3000%	0.662335	1.5234%	2.2100%	0.337665	0.7462%	2.27%
Underground Conductors	358.0	1.9300%	0.662335	1.2783%	1.9000%	0.337665	0.6416%	1.92%
Trails & Roads	359.0	1.6100%	0.662335	1.0664%	1.5900%	0.337665	0.5369%	1.60%
GENERAL PLANT								
	390.0	2.0800%	0.681868	1.4183%	2.0800%	0.318132	0.6617%	2.08%
	391.0	4.7900%	0.681868	3.2661%	4.8400%	0.318132	1.5398%	4.81%
\$0 at Dec 2018 - use old rate	392.0	4.6400%	0.681868	3.1639%	4.6900%	0.318132	1.4889%	4.65%
	393.0	7.3500%	0.681868	5.0117%	7.3800%	0.318132	2.3478%	7.36%
	394.0	6.9900%	0.681868	4.7663%	7.0700%	0.318132	2.2492%	7.02%
	395.0	5.4100%	0.681868	3.6889%	5.4600%	0.318132	1.7370%	5.43%
	396.0	4.8100%	0.681868	3.2798%	4.9000%	0.318132	1.5588%	4.84%
	397.0	3.9100%	0.681868	2.6661%	3.9300%	0.318132	1.2503%	3.92%
	398.0	3.3200%	0.681868	2.2638%	3.3500%	0.318132	1.0657%	3.33%

(1) As approved in Indiana Cause No. 45235 effective March 11, 2020.

(2) As approved in Michigan Case No. U-20359 effective February 1, 2020.

(3) FERC wholesale formula rate agreements specify that the depreciation rates in the formula rates change upon approval of MPSC rates in the Michigan jurisdiction.

(4) The rates approved for each jurisdiction are updated when approved by that commission. These demand-based allocation factors for all jurisdictions are updated when new rates are approved in one of the jurisdictions. These allocation factors reflect I&M's 12 monthly Coincident Peaks during test year of the most recent rate case.

GENERAL NOTES:

The rates for each AEP company have been approved by their respective regulatory commissions. I&M falls under the authority of Indiana, Michigan and the FERC. Therefore, I&M's rates are a composite of the jurisdictions under which it operates. Each jurisdiction's rate is multiplied by an allocation factor, and the product for each jurisdiction is added with the other jurisdictions to derive the composite rate. 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.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 09/1/2016
FOR SINGLE JURISDICTION COMPANIES
KINGSPORT POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	1.04%
Station Equipment	353.0	1.49%
Towers & Fixtures	354.0	0.12%
Poles & Fixtures	355.0	2.14%
Overhead Conductors	356.0	0.77%
Underground Conduit	357.0	Note 2
Underground Conductors	358.0	Note 2
Composite Transmission Depreciation Rate		1.46%
GENERAL PLANT		
Structures & Improvements	390.0	1.71%
Office Furniture & Equipment	391.0	2.82%
Stores Equipment	393.0	2.22%
Tools Shop & Garage Equipmen	394.0	3.12%
Laboratory Equipment	395.0	3.17%
Communication Equipment	397.0	3.32%
Miscellaneous Equipment	398.0	4.92%
Total General Plant		3.25%

Reference:

Note 1: Rates Approved In Tennessee Regulatory Authority Docket No. 16-00001.

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Note 2: Kingsport Power Company does not have investment in plant accounts 357 or 358. Therefore, there are no depreciation rates approved

General Note

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.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 07/1/2015
FOR SINGLE JURISDICTION COMPANIES
KENTUCKY POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Land Rights	350.1	1.44%
Structures & Improvements	352.0	2.08%
Station Equipment	353.0	2.15%
Towers & Fixtures	354.0	2.61%
Poles & Fixtures	355.0	3.95%
Overhead Conductors	356.0	2.91%
Underground Conduit	357.0	2.99%
Underground Conductors	358.0	2.62%

Reference:

Note 1: Rates Approved in KPSC Case No. 2014-00396.

General Note

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.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 4/1/2012
FOR SINGLE JURISDICTION COMPANIES
OHIO POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	2.02%
Station Equipment	353.0	2.29%
Twrs and Fixtures Above 69 KV	354.0	1.88%
Twrs and Fixtures Below 69 KV	354.0	1.88%
Poles and Fixtures Above 69 KV	355.0	3.52%
Poles and Fixtures Below 69 KV	355.0	3.52%
Overhead Conductor & Devices Above 69KV	356.0	1.91%
Overhead Conductor & Devices MSP	356.0	1.91%
Overhead Conductor & Devices 138KV	356.0	1.91%
Overhead Conductor & Devices 69KV	356.0	1.91%
Overhead Conductor & Devices CLR (356.0	1.91%
Underground Conduit	357.0	2.26%
Underground Conductors	358.0	3.27%

Reference:

Note 1: These are the weighted average of the depreciation rates in effect for Columbus Southern Power and Ohio Power prior to the merger of Columbus Southern into Ohio Power.

General Note:

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.

**AEP EAST COMPANIES
PJM FORMULA RATE
WORKSHEET P - TRANSMISSION DEPRECIATION RATES
EFFECTIVE AS OF 3/1/2019
FOR SINGLE JURISDICTION COMPANIES
WHEELING POWER COMPANY**

	PLANT ACCT.	RATES Note 1
<i>TRANSMISSION PLANT</i>		
Structures & Improvements	352.0	1.15%
Station Equipment	353.0	2.22%
Towers & Fixtures	354.0	2.65%
Poles & Fixtures	355.0	2.41%
Overhead Conductors	356.0	1.32%
Underground Conduit	351.0	9.94%
Underground Conductors	351.0	13.98%
Trails & Roads	359.0	-
<i>GENERAL PLANT</i>		
Structures & Improvements	390.0	1.08%
Office Furniture & Equipment	391.0	2.13%
Stores Equipment	393.0	1.78%
Tools Shop & Garage Equipment	394.0	1.65%
Communication Equipment	397.0	5.09%
Miscellaneous Equipment	398.0	2.76%

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

General Note:

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.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <div style="border: 1px solid black; background-color: #e0f0ff; text-align: center; padding: 2px;">\$0</div>	-	2018 Forecasted Revenue Requirement For Year 2018 <div style="border: 1px solid black; background-color: #e0f0ff; text-align: center; padding: 2px;">\$0</div>	=	True-up Adjustment - Over (Under) Recovery <div style="border: 1px solid black; background-color: #e0f0ff; text-align: center; padding: 2px;">\$0</div>
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Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.4095%				

An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020

<u>Calculation of Interest</u>			<u>Monthly</u>			
January	Year 2018	-	0.4095%	12	-	-
February	Year 2018	-	0.4095%	11	-	-
March	Year 2018	-	0.4095%	10	-	-
April	Year 2018	-	0.4095%	9	-	-
May	Year 2018	-	0.4095%	8	-	-
June	Year 2018	-	0.4095%	7	-	-
July	Year 2018	-	0.4095%	6	-	-
August	Year 2018	-	0.4095%	5	-	-
September	Year 2018	-	0.4095%	4	-	-
October	Year 2018	-	0.4095%	3	-	-
November	Year 2018	-	0.4095%	2	-	-
December	Year 2018	-	0.4095%	1	-	-
				-	-	-

January through December	Year 2019	-	0.4095%	12	<u>Annual</u>	-	-
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<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>			<u>Monthly</u>				
January	Year 2020	-	0.4095%	-	-	-	-
February	Year 2020	-	0.4095%	-	-	-	-
March	Year 2020	-	0.4095%	-	-	-	-
April	Year 2020	-	0.4095%	-	-	-	-
May	Year 2020	-	0.4095%	-	-	-	-
June	Year 2020	-	0.4095%	-	-	-	-
July	Year 2020	-	0.4095%	-	-	-	-
August	Year 2020	-	0.4095%	-	-	-	-
September	Year 2020	-	0.4095%	-	-	-	-
October	Year 2020	-	0.4095%	-	-	-	-
November	Year 2020	-	0.4095%	-	-	-	-
December	Year 2020	-	0.4095%	-	-	-	-
				-	-	-	-

True-Up Adjustment with Interest	-
Less Over (Under) Recovery	-
Total Interest	-

Note 1: The interest rate to be applied to the over recovery or under recovery amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being true-up through August 31 of the following year.

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <hr style="border: none; border-top: 1px solid black; margin-top: 5px;"/> \$0	-	2018 Forecasted Revenue Requirement For Year 2018 <hr style="border: none; border-top: 1px solid black; margin-top: 5px;"/> \$0	=	True-up Adjustment - Over (Under) Recovery <hr style="border: none; border-top: 1px solid black; margin-top: 5px;"/> \$0
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Interest Rate on Amount of Refunds or Surcharge from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.4095%				

An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020

<u>Calculation of Interest</u>				Monthly		
January	Year 2018	-	0.4095%	12	-	-
February	Year 2018	-	0.4095%	11	-	-
March	Year 2018	-	0.4095%	10	-	-
April	Year 2018	-	0.4095%	9	-	-
May	Year 2018	-	0.4095%	8	-	-
June	Year 2018	-	0.4095%	7	-	-
July	Year 2018	-	0.4095%	6	-	-
August	Year 2018	-	0.4095%	5	-	-
September	Year 2018	-	0.4095%	4	-	-
October	Year 2018	-	0.4095%	3	-	-
November	Year 2018	-	0.4095%	2	-	-
December	Year 2018	-	0.4095%	1	-	-
				-----	-	-

January through December	Year 2019	-	0.4095%	12	Annual	-	-
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<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>				Monthly		
January	Year 2020	-	0.4095%	-	-	-
February	Year 2020	-	0.4095%	-	-	-
March	Year 2020	-	0.4095%	-	-	-
April	Year 2020	-	0.4095%	-	-	-
May	Year 2020	-	0.4095%	-	-	-
June	Year 2020	-	0.4095%	-	-	-
July	Year 2020	-	0.4095%	-	-	-
August	Year 2020	-	0.4095%	-	-	-
September	Year 2020	-	0.4095%	-	-	-
October	Year 2020	-	0.4095%	-	-	-
November	Year 2020	-	0.4095%	-	-	-
December	Year 2020	-	0.4095%	-	-	-
				-----	-	-

True-Up Adjustment with Interest	-
Less Over (Under) Recovery	-
Total Interest	-

Note 1: The interest rate to be applied to the over recovery or under recovery amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being true-up

AEP East Companies
Cost of Service Formula Rate Using Actual/Projected FF1 Balances
Worksheet Q - True-up With Interest

Reconciliation Revenue Requirement For Year 2018 Available May 25, 2019 <hr style="border: 1px solid black;"/> \$0	-	2018 Forecasted Revenue Requirement For Year 2018 <hr style="border: 1px solid black;"/> \$0	=	True-up Adjustment - Over (Under) Recovery <hr style="border: 1px solid black;"/> \$0
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Interest Rate on Amount of Refunds or Surc from 35.19a	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		0.4095%				

An over or under collection will be recovered prorata over 2018, held for 2019 and returned prorata over 2020

Calculation of Interest

					Monthly	
January	Year 2018	-	0.4095%	12	-	-
February	Year 2018	-	0.4095%	11	-	-
March	Year 2018	-	0.4095%	10	-	-
April	Year 2018	-	0.4095%	9	-	-
May	Year 2018	-	0.4095%	8	-	-
June	Year 2018	-	0.4095%	7	-	-
July	Year 2018	-	0.4095%	6	-	-
August	Year 2018	-	0.4095%	5	-	-
September	Year 2018	-	0.4095%	4	-	-
October	Year 2018	-	0.4095%	3	-	-
November	Year 2018	-	0.4095%	2	-	-
December	Year 2018	-	0.4095%	1	-	-
					-	-
					Annual	
January through Decem	Year 2019	-	0.4095%	12	-	-

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

					Monthly	
January	Year 2020	-	0.4095%		-	-
February	Year 2020	-	0.4095%		-	-
March	Year 2020	-	0.4095%		-	-
April	Year 2020	-	0.4095%		-	-
May	Year 2020	-	0.4095%		-	-
June	Year 2020	-	0.4095%		-	-
July	Year 2020	-	0.4095%		-	-
August	Year 2020	-	0.4095%		-	-
September	Year 2020	-	0.4095%		-	-
October	Year 2020	-	0.4095%		-	-
November	Year 2020	-	0.4095%		-	-
December	Year 2020	-	0.4095%		-	-
					-	-

True-Up Adjustment with Interest	-
Less Over (Under) Recovery	-
Total Interest	-

Note 1: The interest rate to be applied to the over recovery or under recovery amounts will be determined using the average monthly FERC interest rate (as determined pursuant to 18 C.F.R. Section 35.19a) for the twenty (20) months from the beginning of the rate year being true-up through August 31 of the following